

## PRELIMINARY OFFICIAL STATEMENT, DATED JANUARY 5, 2026

### SALE DATE AND TIME:

JANUARY 13, 2026

9:00 A.M. CENTRAL TIME - SERIES 2026A BONDS

9:15 A.M. CENTRAL TIME - SERIES 2026B BONDS

### NEW ISSUES

BOOK-ENTRY ONLY

### Rating:

S&P: "AA+" (Stable Outlook)

See "BOND RATING" herein

*Subject to compliance by the District with certain covenants, in the opinion of Chapman and Cutler LLP, Chicago, Illinois ("Bond Counsel"), under present law, interest on the Bonds is excludible from gross income of the owners thereof for federal income tax purposes and is not includible as an item of tax preference in computing the federal alternative minimum tax for individuals. Interest on the Bonds may affect the corporate alternative minimum tax for certain corporations. Interest on the Bonds is not exempt from present State of Illinois income taxes. See "TAX EXEMPTION" herein for a more complete discussion.*

**School District Number 46  
Kane, Cook and DuPage Counties, Illinois  
(Elgin)**

**\$51,665,000\* General Obligation School Bonds, Series 2026A  
\$29,465,000\* General Obligation Limited Tax School Bonds, Series 2026B**

**Dated: Date of Delivery**

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

The General Obligation School Bonds, Series 2026A (the "Series 2026A Bonds"), and General Obligation Limited Tax School Bonds, Series 2026B (the "Series 2026B Bonds" and, together with the Series 2026A Bonds, the "Bonds"), of School District Number 46, Kane, Cook and DuPage Counties, Illinois (the "District"), will be issued in fully registered form and will be registered initially only in the name of Cede & Co., as registered owner and nominee of The Depository Trust Company, New York, New York ("DTC"). DTC will act as securities depository for the Bonds. Purchasers of the Bonds will not receive certificates representing their interests in the Bonds purchased. Ownership by the beneficial owners of the Bonds will be evidenced by book-entry only. Payments of principal of and interest on the Bonds will be made by Zions Bancorporation, National Association, Chicago, Illinois, as bond registrar and paying agent, to DTC, which in turn will remit such payments to its participants for subsequent disbursement to the beneficial owners of the Bonds. As long as Cede & Co. is the registered owner as nominee of DTC, payments of principal of and interest on the Bonds will be made to such registered owner, and disbursement of such payments will be the responsibility of DTC and its participants. Individual purchases of the Bonds will be made in the principal amount of \$5,000 or any integral multiple thereof.

The Bonds will bear interest from their dated date at the rates per annum as shown on the inside cover page. Interest on the Bonds (computed on the basis of a 360-day year consisting of twelve 30-day months) will be payable semi-annually on each January 1 and July 1, commencing July 1, 2026.

Proceeds of the Series 2026A Bonds will be used to (a) the costs of various referendum-approved capital projects in the District and (b) pay costs associated with the issuance of the Series 2026A Bonds. See "USE OF PROCEEDS" herein.

Proceeds of the Series 2026B Bonds will be used to (a) increase the working cash fund of the District and (b) pay costs associated with the issuance of the Series 2026B Bonds. See "USE OF PROCEEDS" herein.

The Series 2026A Bonds due on or after January 1, 2036, are subject to redemption prior to maturity at the option of the District, as a whole or in part, on any date on or after January 1, 2035, at the redemption price of par plus accrued interest to the redemption date. The Series 2026B Bonds are not subject to optional redemption prior to maturity. See "THE BONDS—Redemption" herein.

In the opinion of Bond Counsel, the Series 2026A Bonds are valid and legally binding upon the District and are payable from any funds of the District legally available for such purpose, and all taxable property in the District is subject to the levy of taxes to pay the same without limitation as to rate or amount, except that the rights of the owners of the Series 2026A Bonds and the enforceability of the Series 2026A Bonds may be limited by bankruptcy, insolvency, moratorium, reorganization and other similar laws affecting creditors' rights and by equitable principles, whether considered at law or in equity, including the exercise of judicial discretion. See "SECURITY—The Series 2026A Bonds" herein.

In the opinion of Bond Counsel, the Series 2026B Bonds are valid and legally binding upon the District and are payable from any funds of the District legally available for such purpose, and all taxable property in the District is subject to the levy of taxes to pay the same without limitation as to rate, except that the rights of the owners of the Series 2026B Bonds and the enforceability of the Series 2026B Bonds may be limited by bankruptcy, insolvency, moratorium, reorganization and other similar laws affecting creditors' rights and by equitable principles, whether considered at law or in equity, including the exercise of judicial discretion. The amount of said taxes that may be extended to pay the Series 2026B Bonds is limited as provided by law. See "SECURITY—The Series 2026B Bonds" herein.

*The Bonds are offered at public sale, subject to the approval of legality by Bond Counsel, and certain other conditions. Chapman and Cutler LLP, Chicago, Illinois, will also act as Disclosure Counsel to the District. It is expected that beneficial interests in the Bonds will be available for delivery through the facilities of DTC on or about February 3, 2026.*

**RAYMOND JAMES**

**as Municipal Advisor**

The date of this Official Statement is January \_\_, 2026.

\* Preliminary, subject to change.

**School District Number 46  
Kane, Cook and DuPage Counties, Illinois  
(Elgin)**

**\$51,665,000\* GENERAL OBLIGATION SCHOOL BONDS, SERIES 2026A**

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

MATURITY (JANUARY 1)	AMOUNT	INTEREST RATE	YIELD	CUSIP NUMBER** (483836)
2027	\$ 290,000	%	%	
2028	125,000	%	%	
2029	125,000	%	%	
2030	130,000	%	%	
2031	135,000	%	%	
2032	140,000	%	%	
2033	145,000	%	%	
2034	155,000	%	%	
2035	4,640,000	%	%	
2036	7,360,000	%	%	
2037	7,630,000	%	%	
2038	7,910,000	%	%	
2039	8,210,000	%	%	
2040	8,520,000	%	%	
2041	6,150,000	%	%	

**\$29,465,000\* GENERAL OBLIGATION LIMITED TAX SCHOOL BONDS, SERIES 2026B**

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

MATURITY (JANUARY 1)	AMOUNT	INTEREST RATE	YIELD	CUSIP NUMBER** (483836)
2027	\$2,595,000	%	%	
2028	3,140,000	%	%	
2029	3,460,000	%	%	
2030	1,690,000	%	%	
2031	1,960,000	%	%	
2032	2,235,000	%	%	
2033	2,530,000	%	%	
2034	2,845,000	%	%	
2035	9,010,000	%	%	

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\* Preliminary, subject to change.

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

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

Unless otherwise indicated, the District is the source of all tables and statistical and financial information contained in this Official Statement. The information contained in this Official Statement concerning DTC has been obtained from DTC. The other information set forth herein has been furnished by the District or from other sources believed to be reliable. The information and opinions expressed herein are subject to change without notice, and neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the District since the date of this Official Statement.

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

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

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

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

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

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

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## EXHIBITS

Exhibit A	—	Combined Statement of Revenues, Expenditures and Changes in Fund Balance, Fiscal Years Ended June 30, 2021-2025
Exhibit B	—	Budget, Fiscal Year Ending June 30, 2026
Exhibit C	—	General Fund Revenue Sources, Fiscal Years Ended June 30, 2021-2025

## APPENDICES

Appendix A	—	Audited Financial Statements of the District for the Fiscal Year Ended June 30, 2025
Appendix B-1	—	Proposed Form of Opinion of Bond Counsel – Series 2026A Bonds
Appendix B-2	—	Proposed Form of Opinion of Bond Counsel – Series 2026B Bonds
Appendix C	—	Proposed Form of Continuing Disclosure Undertaking
Appendix D	—	Notices of Sale

**SCHOOL DISTRICT NUMBER 46  
KANE, COOK AND DUPAGE COUNTIES, ILLINOIS  
(ELGIN)**

355 East Chicago Street  
Elgin, Illinois 60120

**Board of Education**

Melissa Owens  
*President*

Sue Kerr

Kate Thommes  
*Vice President*

Dawn Martin

Samreen Khan

Chanda Schwartz  
*Secretary Pro-Tem*

Veronica Noland

**Administration**

Dr. Suzanne Johnson  
*Superintendent*

Dr. Ann Williams  
*Deputy Superintendent  
for Operations*

Brian Lindholm  
*Chief of Staff*

Kyle VonSchnase  
*Deputy Superintendent  
of Operations*

Robyn Cornelissen  
*Executive Director of  
Financial Services*

Trisha Olson  
*Chief Legal Officer/  
Board Secretary*

**Professional Services**

*2026A Underwriter*

\_\_\_\_\_, \_\_\_\_\_

*Municipal Advisor*

Raymond James & Associates, Inc.  
Chicago, Illinois

*2026B Underwriter*

\_\_\_\_\_, \_\_\_\_\_

*Bond Counsel and Disclosure Counsel*

Chapman and Cutler LLP  
Chicago, Illinois

*Bond Registrar and Paying Agent*

Zions Bancorporation, National Association  
Chicago, Illinois

*Auditor*

Lauterbach & Amen, LLP  
Chicago, Illinois

## OFFICIAL STATEMENT

### School District Number 46 Kane, Cook and DuPage Counties, Illinois (Elgin)

### **\$51,665,000\* General Obligation School Bonds, Series 2026A** **\$29,465,000\* General Obligation Limited Tax School Bonds, Series 2026B**

## INTRODUCTION

The purpose of this Official Statement is to set forth certain information concerning School District Number 46, Kane, Cook and DuPage Counties, Illinois (the “*District*”), in connection with the offering and sale of its General Obligation School Bonds, Series 2026A (the “*Series 2026A Bonds*”), and General Obligation Limited Tax School Bonds, Series 2026B (the “*Series 2026B Bonds*” and, the Series 2026A Bonds, the “*Bonds*”).

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

## THE BONDS

### AUTHORITY AND PURPOSE

The Bonds are being issued pursuant to the School Code of the State of Illinois (the “*School Code*”), the Local Government Debt Reform Act of the State of Illinois (the “*Debt Reform Act*”), and all laws amendatory thereof and supplementary thereto, and separate bond resolutions adopted by the Board of Education of the District (the “*Board*”) on the 12th day of January, 2026, each as supplemented by a notification of sale (collectively, the “*Bond Resolutions*”).

The Series 2026A Bonds are also being issued pursuant to an election held on April 4, 2023 (the “*Election*”), at which a majority of voters of the District voting thereon approved a public question authorizing the District to incur indebtedness and issue bonds to the amount of \$179,000,000 to construct safety and security improvements, renovate and replace building infrastructure, add classrooms for early childhood education, construct accessibility improvements

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\* Preliminary, subject to change.

under the Americans with Disabilities Act, construct STEM (science, technology, engineering and mathematics) labs and classrooms, build and equip school buildings to replace existing school buildings, build and equip additions to and alter, repair and equip existing school buildings, and improve sites of the District (the “*Project*”). At the Election, 11,316 votes (63.08%) were cast in favor of the issuance of the Bonds and 6,622 votes (36.92%) were cast in opposition (the “*Referendum*”). The District previously issued \$57,230,000 General Obligation School Bonds, Series 2024, dated February 27, 2024 (the “*Series 2024 Bonds*”), and \$55,625,000 General Obligation School Bonds, Series 2025, dated February 20, 2025 (the “*Series 2025 Bonds*”), pursuant to the Referendum.

Proceeds of the Series 2026A Bonds will be used to (a) pay certain costs of the Project and (b) pay costs associated with the issuance of the Series 2026A Bonds. See “USE OF PROCEEDS” herein.

Proceeds of the Series 2026B Bonds will be used to (a) increase the working cash fund of the District and (b) pay costs associated with the issuance of the Series 2026B Bonds. See “USE OF PROCEEDS” herein.

#### GENERAL DESCRIPTION

The Bonds will be dated the date of issuance thereof, will be in fully registered form, without coupons, and will be in denominations of \$5,000 or any integral multiple thereof under a book-entry only system operated by The Depository Trust Company, New York, New York (“*DTC*”). Principal of and interest on the Bonds will be payable by Zions Bancorporation, National Association, Chicago, Illinois (the “*Registrar*”).

The Bonds will mature as shown on the inside cover page hereof. Interest on the Bonds will be payable each January 1 and July 1, commencing July 1, 2026.

The Bonds will bear interest from their dated date, or from the most recent interest payment date to which interest has been paid or provided for, computed on the basis of a 360-day year consisting of twelve 30-day months. The principal of the Bonds will be payable in lawful money of the United States of America upon presentation and surrender thereof at the principal corporate trust office of the Registrar. Interest on each Bond will be paid by check or draft of the Registrar payable upon presentation in lawful money of the United States of America to the person in whose name such Bond is registered at the close of business on the record date, which is the 15th day of the month next preceding the interest payment date (the “*Record Date*”).

#### REGISTRATION AND TRANSFER

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

sufficient to cover any tax or other governmental charge that may be imposed in connection with any transfer or exchange of Bonds except in the case of the issuance of a Bond or Bonds for the unredeemed portion of a Bond surrendered for redemption.

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

#### REDEMPTION

*Optional Redemption.* The Series 2026A Bonds due on or after January 1, 2036, are subject to redemption prior to maturity at the option of the District as a whole or in part in integral multiples of \$5,000 in any order of their maturity as determined by the District (less than all of the Series 2026A Bonds of a single maturity to be selected by the Registrar), on January 1, 2035, and on any date thereafter, at the redemption price of par plus accrued interest to the redemption date. The Series 2026B Bonds are not subject to redemption prior to maturity.

*Mandatory Sinking Fund Redemption.* The Series 2026\_\_ Bonds due on January 1 of the years 20\_\_ and 20\_\_ are subject to mandatory redemption, in integral multiples of \$5,000 selected by lot by the Registrar, at a redemption price of par plus accrued interest to the redemption date, on January 1 of the years and in the principal amounts as follows:

##### FOR THE SERIES 2026\_\_ BONDS DUE JANUARY 1, 20\_\_

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

##### FOR THE SERIES 2026\_\_ BONDS DUE JANUARY 1, 20\_\_

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

The principal amounts of Series 2026\_\_ Bonds to be mandatorily redeemed in each year may be reduced through the earlier optional redemption thereof, with any partial optional redemptions of such Series 2026\_\_ Bonds credited against future mandatory redemption requirements in such order of the mandatory redemption dates as the District may determine. In addition, on or prior to the 60th day preceding any mandatory redemption date, the Registrar may, and if directed by the District shall, purchase Series 2026\_\_ Bonds required to be retired on such mandatory redemption date. Any such Series 2026\_\_ Bonds so purchased shall be cancelled and

the principal amount thereof shall be credited against the mandatory redemption required on such next mandatory redemption date.

*General.* The District will, at least 45 days prior to any optional redemption date (unless a shorter time period shall be satisfactory to the Registrar), notify the Registrar of such redemption date and of the principal amount and maturity or maturities of Series 2026A Bonds to be redeemed. For purposes of any redemption of less than all of the outstanding Bonds of a single maturity, the particular Bonds or portions of Bonds to be redeemed shall be selected by lot by the Registrar from the Bonds of such maturity by such method of lottery as the Registrar shall deem fair and appropriate (except when the Bonds are held in a book-entry system, in which case the selection of Bonds to be redeemed will be made in accordance with procedures established by DTC or any other book-entry depository); *provided* that such lottery shall provide for the selection for redemption of Bonds or portions thereof in principal amounts of \$5,000 and integral multiples thereof.

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

Unless moneys sufficient to pay the redemption price of the Series 2026A Bonds to be redeemed at the option of the District are received by the Registrar prior to the giving of such notice of redemption, such notice may, at the option of the District, state that said redemption will be conditional upon the receipt of such moneys by the Registrar on or prior to the date fixed for redemption. If such moneys are not received, such notice will be of no force and effect, the District will not redeem such Series 2026A Bonds, and the Registrar will give notice, in the same manner in which the notice of redemption has been given, that such moneys were not so received and that such Series 2026A Bonds will not be redeemed. Otherwise, prior to any redemption date, the District will deposit with the Registrar an amount of money sufficient to pay the redemption price of all the Bonds or portions of Bonds which are to be redeemed on that date.

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

## SECURITY

### THE SERIES 2026A BONDS

The Series 2026A Bonds, in the opinion of Chapman and Cutler LLP, Chicago, Illinois, Bond Counsel (*"Bond Counsel"*), are valid and legally binding upon the District and are payable from any funds of the District legally available for such purpose, and all taxable property in the District is subject to the levy of taxes to pay the same without limitation as to rate or amount, except that the rights of the owners of the Series 2026A Bonds and the enforceability of the Series 2026A Bonds may be limited by bankruptcy, insolvency, moratorium, reorganization and other similar laws affecting creditors' rights and by equitable principles, whether considered at law or in equity, including the exercise of judicial discretion.

The bond resolution providing for the issuance of the Series 2026A Bonds, as supplemented by a notification of sale (together, the *"2026A Bond Resolution"*) provides for the levy of ad valorem taxes, unlimited as to rate or amount, upon all taxable property within the District in amounts sufficient to pay, as and when due, all principal of and interest on the Bonds. The 2026A Bond Resolution will be filed with the County Clerks of Kane, Cook and DuPage Counties, Illinois (the *"County Clerks"*), and will serve as authorization to the County Clerks to extend and collect the property taxes as set forth in the 2026A Bond Resolution to pay the Series 2026A Bonds.

Reference is made to Appendix B-1 for the proposed form of opinion of Bond Counsel.

### THE SERIES 2026B BONDS

The Series 2026B Bonds, in the opinion of Bond Counsel, are valid and legally binding upon the District and are payable from any funds of the District legally available for such purpose, and all taxable property in the District is subject to the levy of taxes to pay the same without limitation as to rate, except that the rights of the owners of the Series 2026B Bonds and the enforceability of the Series 2026B Bonds may be limited by bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights and by equitable principles, whether considered at law or in equity, including the exercise of judicial discretion. The amount of said taxes that will be extended to pay the Series 2026B Bonds is limited pursuant to the Property Tax Extension Limitation Law of the State of Illinois, as amended (the *"Limitation Law"*).

The Debt Reform Act provides that the Series 2026B Bonds are payable from the debt service extension base of the District (the *"Base"*), which is an amount equal to that portion of the extension for the District for the 1994 levy year constituting an extension for payment of principal of and interest on bonds issued by the District without referendum, but not including alternate bonds issued under Section 15 of the Debt Reform Act or refunding obligations issued to refund or to continue to refund obligations of the District initially issued pursuant to referendum, increased each year, commencing with the 2009 levy year, by the lesser of 5% or the percentage increase in the Consumer Price Index (as defined in the Limitation Law, the *"CPI"*) during the 12-month calendar year preceding the levy year. The Limitation Law further provides that the



annual amount of taxes to be extended to pay the Series 2026B Bonds and all other limited bonds heretofore and hereafter issued by the District shall not exceed the Base.

The Series 2026B Bonds constitute one of three series of limited bonds of the District that are payable from the Base. Payments on the Series 2026B Bonds from the Base will be made on a parity with the payments on the District's outstanding Taxable General Obligation Limited Refunding School Bonds, Series 2015B, dated February 18, 2015 (the "*Series 2015B Bonds*"), and General Obligation Limited Refunding School Bonds, Series 2023A, dated November 30, 2023 (the "*Series 2023A Bonds*" and, together with the Series 2015B Bonds, the "*Outstanding Limited Bonds*"). The District is authorized to issue from time to time additional limited bonds payable from the Base, as permitted by law, and to determine the lien priority of payments to be made from the Base to pay the District's limited bonds.

The amount of the Base for levy year 2025 has been determined to be \$11,409,555.97, which is calculated from an original Base of \$7,838,450.00 as increased annually by CPI as described above.

The following chart shows the Base of the District, the debt service payable on the Outstanding Limited Bonds of the District and the Series 2026B Bonds, and the available Base after the issuance of the Series 2026B Bonds.

#### DEBT SERVICE EXTENSION BASE AVAILABILITY AFTER ISSUANCE OF THE SERIES 2026B BONDS

LEVY YEAR	DEBT SERVICE ON OUTSTANDING LIMITED BONDS	PLUS: DEBT SERVICE ON THE SERIES 2026B BONDS <sup>(1)</sup>	TOTAL DEBT SERVICE ON LIMITED BONDS <sup>(1)</sup>	DEBT SERVICE EXTENSION BASE <sup>(2)</sup>	UNUSED DEBT SERVICE EXTENSION BASE <sup>(1)(2)(3)</sup>
2025	\$7,468,063	\$3,937,294	\$11,405,357	\$11,409,555	\$ 4,198
2026	7,096,893	4,483,500	11,580,393	11,580,698	306
2027	7,103,800	4,646,500	11,750,300	11,754,409	4,109
2028	7,105,462	2,703,500	9,808,962	11,754,409	1,945,447
2029	7,099,248	2,889,000	9,988,248	11,754,409	1,766,161
2030	7,105,266	3,066,000	10,171,266	11,754,409	1,583,143
2031	7,103,195	3,249,250	10,352,445	11,754,409	1,401,964
2032	7,103,142	3,437,750	10,540,892	11,754,409	1,213,517
2033		9,460,500	9,460,500	11,754,409	2,293,909

(1) Preliminary, subject to change.

(2) The CPI increase affecting levy years 2026 and 2027 is estimated to be 1.5% per year. In order to access the growth of the Base, if any, the Board will need to adopt a supplemental tax levy resolution each year and file the same with the County Clerks. If actual CPI increases are less than expected or if the Base does not otherwise increase, the District will pay debt service on the Series 2026B Bonds in excess of the Base from funds on hand and lawfully available for that purpose.

The bond resolution providing for the issuance of the Series 2026B Bonds, as supplemented by a notification of sale (together, the "*2026B Bond Resolution*"), provides for the levy of ad valorem taxes, unlimited as to rate, upon all taxable property within the District in amounts to pay, as and when due, principal of and interest on the Series 2026B Bonds to the amount of the Base, as determined for levy year 2025, less taxes previously levied to pay the Outstanding Limited Bonds. The 2026B Bond Resolution will be filed with the County Clerks

and will serve as authorization to the County Clerks to extend and collect the property taxes as set forth in the 2026B Bond Resolution.

Reference is made to Appendix B-2 for the proposed form of opinion of Bond Counsel.

## USE OF PROCEEDS

### THE PROJECT

Proceeds of the Series 2026A Bonds will be used to pay certain costs of the Project. Proceeds of the Series 2026B Bonds will be used to increase the District's Working Cash Fund. After proper abatement and transfer from the Working Cash Fund, such proceeds will also be used to pay certain costs of the Project. The portion of the Project being financed by the Bonds includes construction of a new elementary school building. The District expects to complete the portion of the Project being financed by the Bonds by Summer 2028.

## SOURCES AND USES

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

SOURCES:	SERIES 2026A BONDS	SERIES 2026B BONDS
Principal Amount	\$	\$
[Net ]Original Issue Premium	_____	_____
Total Sources	\$	\$
USES:		
Deposit to Project Fund	\$	\$ 0.00
Deposit to Working Cash Fund	0.00	
Costs of Issuance <sup>(1)</sup>	_____	_____
Total Uses	\$	\$

(1) Includes underwriter's discount and other issuance costs.

## RISK FACTORS

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

## CONSTRUCTION RISKS

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

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

## FINANCES OF THE STATE OF ILLINOIS

State funding sources constituted 45.27% of the District's General Fund revenue sources for the fiscal year ended June 30, 2025. While the finances of the State of Illinois (the "*State*") have significantly improved in recent years, the State continues to deal with a severe underfunding of its pension systems, which, based on the comprehensive annual financial reports of the State's five retirement systems, have a combined unfunded pension liability of approximately \$140 billion and a combined funded ratio of approximately 45%. Also, despite nine credit rating upgrades since June 2021, the State's long-term general obligation bonds carry the lowest ratings of all states.

## FEDERAL REVENUES

Illinois school districts receive direct and indirect funding from various federal programs, such as Title I, the Individuals with Disabilities Education Act, and nutrition programs such as the National School Lunch and Breakfast Programs. These programs are subject to the priorities and policies of the federal government, which may change significantly from one administration to another, and such programs may be modified through executive action or through legislation enacted by Congress. Under the current administration, the federal government has taken executive actions to reduce the size and scope of the U.S. Department of Education, to terminate or restrict certain programs and services for students with disabilities, low-income students, and students from diverse backgrounds, and to impose new conditions and requirements for federal funding. These actions may impact the availability and amount of federal revenues received by Illinois school districts, such as the District. A reduction or interruption in federal funding, or an increase in compliance costs, could adversely affect the District's financial condition and operations. The District makes no prediction as to the effect of these actions on the District's federal revenues, which constituted 11.85% of the District's General Fund revenue sources for the fiscal year ended June 30, 2025, or the District's ability to comply with federal laws and regulations in the future.

## LOCAL ECONOMY

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

## LOSS OR CHANGE OF BOND RATING

The Bonds have received a credit rating from S&P Global Ratings, New York, New York (“*S&P*”). The rating can be changed or withdrawn at any time for reasons both under and outside the District’s control. Any change, withdrawal or combination thereof could adversely affect the ability of investors to sell the Bonds or may affect the price at which they can be sold.

## SECONDARY MARKET FOR THE BONDS

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

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

## CONTINUING DISCLOSURE

A failure by the District to comply with the Undertaking (as defined herein) for continuing disclosure (see “CONTINUING DISCLOSURE” herein) will not constitute an event of default on the Bonds. Any such failure must be reported in accordance with Rule 15c2-12 (the “*Rule*”) adopted by the Securities and Exchange Commission (the “*Commission*”) under the Securities Exchange Act of 1934, as amended (the “*Exchange Act*”), and may adversely affect the transferability and liquidity of the Bonds and their market price.

## SUITABILITY OF INVESTMENT

The interest rates borne by the Bonds are intended to compensate the investor for assuming the risk of investing in the Bonds. Furthermore, the tax-exempt feature of the Bonds is currently more valuable to high tax bracket investors than to investors that are in low tax brackets. As such, the value of the interest compensation to any particular investor will vary with individual tax rates and circumstances. Each prospective investor should carefully examine this Official Statement

and its own financial condition to make a judgment as to its ability to bear the economic risk of such an investment, and whether or not the Bonds are an appropriate investment for such investor.

#### FUTURE CHANGES IN LAWS

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

#### FACTORS RELATING TO TAX EXEMPTION

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

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

The tax-exempt bond office of the Internal Revenue Service (the “*Service*”) is conducting audits of tax-exempt bonds, both compliance checks and full audits, with increasing frequency to determine whether, in the view of the Service, interest on such tax-exempt obligations is includible in the gross income of the owners thereof for federal income tax purposes. It cannot be predicted whether the Service will commence any such audit. If an audit is commenced, under current procedures the Service may treat the District as a taxpayer and the Bondholders may have no right to participate in such proceeding. The commencement of an audit with respect to any tax-exempt obligations of the District could adversely affect the market value and liquidity of the Bonds, regardless of the ultimate outcome.

#### CYBERSECURITY

Computer networks and data transmission and collection are vital to the efficient operation of the District. Despite the implementation of network security measures by the District, its

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

## BANKRUPTCY

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

## THE DISTRICT

### GENERAL DESCRIPTION

The District is located in Kane, Cook and DuPage Counties, Illinois (the "*Counties*"), and is the second largest public school district in the State. Approximately 38.97% of the District's 2024 equalized assessed valuation ("*EAV*") is located in Kane County, 37.51% lies in Cook County and 23.52% lies in DuPage County. The District encompasses approximately 90 square miles including all or parts of the City of Elgin ("*Elgin*") and the Villages of Bartlett ("*Bartlett*"), Streamwood ("*Streamwood*"), Hanover Park, South Elgin, Wayne, Carol Stream, Schaumburg, Hoffman Estates, St. Charles and West Chicago. The District serves more than 34,000 students in grades Pre-K to 12. The District operates two Pre-K centers, forty elementary schools, eight middle schools and five high schools.

The District's size and location in the Fox Valley provides a diverse economic base including industrial developments, commercial and retail complexes and residential communities. Multiple significant commercial and residential developments opened in the last three years. The District is located along Interstate 90 and is less than thirty minutes from O'Hare International Airport and sixty minutes from downtown Chicago. Commuter service to Chicago is readily accessible via Metra, the regional rail corporation. The DuPage County Airport is located within thirty minutes of the District. Freight carriers offer intra and interstate service to and from the area with numerous carriers having local terminals.

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

## DISTRICT ADMINISTRATION

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

OFFICIAL	TITLE	YEAR STARTED IN POSITION
Dr. Suzanne Johnson	Superintendent	2023
Dr. Ann Williams	Deputy Superintendent for Operations and School Treasurer	2022
Brian Lindholm	Chief of Staff	2014
Dr. Frank Williams	Assistant Superintendent of Finance	2023
Trisha Olson	Chief Legal Officer/ Board Secretary	2021

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

## BOARD OF EDUCATION

OFFICIAL	POSITION	TERM EXPIRES
Melissa Owens	President	April 2029
Kate Thommes	Vice President	April 2027
Chanda Schwartz	Secretary Pro-Tem	April 2027
Sue Kerr	Member	April 2027
Samreen Khan	Member	April 2027
Dawn Martin	Member	April 2029
Veronica Noland	Member	April 2029

## ENROLLMENT

HISTORICAL		PROJECTED	
2021/2022	35,049	2026/2027	32,173
2022/2023	34,599	2027/2028	31,809
2023/2024	33,994	2028/2029	31,333
2024/2025	33,295	2029/2030	30,922
2025/2026	32,651	2030/2031	30,476

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Source: The District.

## EMPLOYEE UNION MEMBERSHIP AND RELATIONS

At the start of the 2025-2026 school year, the District had 4,811 full-time employees and 1,691 part-time employees. Of the total number of employees, approximately 4,675 are represented by a union. Employee-union relations are considered to be good. District personnel are organized as follows:

EMPLOYEE GROUP	CONTRACT EXPIRES	UNION AFFILIATION	NUMBER OF MEMBERS
Teachers	August 2027	IEA-NEA	3,000
Para-Educators	August 2028	IEA-NEA	728
Secretaries	June 2026	IEA-NEA	228
Transportation	June 2028	IEA-NEA	365
Maintenance/Custodial	June 2028	IEA-NEA	174
Food Service	June 2027	SEIU	180

## POPULATION DATA

The estimated populations of Bartlett, Elgin, Streamwood, the Counties and the State at the times of the last three U.S. Census surveys were as follows:

NAME OF ENTITY	2000	2010	2020	% CHANGE 2010/2020
Bartlett	36,706	41,208	41,126	-0.20%
Elgin	94,487	108,188	114,156	+5.52%
Streamwood	36,407	39,858	39,736	-0.31%
Kane County	904,161	916,924	932,877	+1.74%
Cook County	5,376,741	5,194,632	5,275,541	+1.56%
DuPage County	904,161	916,924	932,877	+1.74%
The State	12,419,293	12,830,632	12,812,508	-0.14%

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



## EDUCATIONAL CHARACTERISTICS OF PERSONS 25 YEARS AND OLDER

NAME OF ENTITY	HIGH SCHOOL GRADUATES	4 OR MORE YEARS OF COLLEGE
Bartlett	95.4%	48.5%
Elgin	80.5%	26.6%
Streamwood	87.1%	29.1%
Kane County	87.0%	37.5%
Cook County	88.3%	41.9%
DuPage County	93.2%	51.4%
The State	90.3%	37.2%

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

## FINANCIAL INFORMATION AND ECONOMIC CHARACTERISTICS OF THE DISTRICT

### DIRECT GENERAL OBLIGATION BONDS (PRINCIPAL ONLY)

CALENDAR YEAR	SERIES 2015B BONDS (JANUARY 1)	SERIES 2023A BONDS (JANUARY 1)	SERIES 2023B BONDS <sup>(1)</sup> (JANUARY 1)	SERIES 2024 BONDS (JANUARY 1)	SERIES 2025 BONDS (JANUARY 1)	PLUS: THE SERIES 2026A BONDS <sup>(3)</sup> (JANUARY 1)	PLUS: THE SERIES 2026B BONDS <sup>(3)</sup> (JANUARY 1)	TOTAL OUTSTANDING BONDS <sup>(3)</sup>
2027	\$ 6,215,000		\$ 7,505,000 <sup>(2)</sup>	\$ 4,695,000	\$ 255,000	\$ 290,000	\$ 2,595,000	\$ 21,555,000
2028	2,395,000	\$ 3,685,000 <sup>(2)</sup>	8,030,000 <sup>(2)</sup>	4,390,000	210,000	125,000	3,140,000	21,975,000
2029		6,260,000 <sup>(2)</sup>	8,195,000 <sup>(2)</sup>	4,440,000	220,000	125,000	3,460,000	22,700,000
2030		6,395,000 <sup>(2)</sup>	8,365,000 <sup>(2)</sup>	4,485,000	235,000	130,000	1,690,000	21,300,000
2031		6,525,000 <sup>(2)</sup>	8,540,000 <sup>(2)</sup>	4,530,000	245,000	135,000	1,960,000	21,935,000
2032		6,670,000 <sup>(2)</sup>	8,720,000 <sup>(2)</sup>	4,575,000	260,000	140,000	2,235,000	22,600,000
2033		6,810,000 <sup>(2)</sup>	8,900,000 <sup>(2)</sup>	4,625,000	270,000	145,000	2,530,000	23,280,000
2034		6,955,000	8,190,000	5,565,000	280,000	155,000	2,845,000	23,990,000
2035				4,970,000	4,630,000	4,640,000	9,010,000	23,250,000
2036					7,270,000	7,360,000		14,630,000
2037					7,545,000	7,630,000		15,175,000
2038					7,830,000	7,910,000		15,740,000
2039					8,125,000	8,210,000		16,335,000
2040					8,425,000	8,520,000		16,945,000
2041					2,680,000	6,150,000		8,830,000
TOTAL	\$8,610,000	\$43,300,000	\$66,445,000	\$42,275,000	\$48,480,000	\$51,665,000	\$29,465,000	\$290,240,000

(1) General Obligation Refunding School Bonds, Series 2023B, dated November 30, 2023 (the “*Series 2023B Bonds*”).

(2) Mandatory sinking fund payment.

(3) Preliminary, subject to change.

DIRECT GENERAL OBLIGATION BONDS (PRINCIPAL AND INTEREST)

LEVY YEAR	DEBT SERVICE ON THE SERIES 2015B BONDS	DEBT SERVICE ON THE SERIES 2023A BONDS	DEBT SERVICE ON THE SERIES 2023B BONDS	DEBT SERVICE ON THE SERIES 2024 BONDS	DEBT SERVICE ON THE SERIES 2025 BONDS	PLUS: DEBT SERVICE ON THE SERIES 2026A BONDS <sup>(1)</sup>	PLUS: DEBT SERVICE ON THE SERIES 2026B BONDS <sup>(1)</sup>	TOTAL DEBT SERVICE ON OUTSTANDING BONDS <sup>(1)</sup>
2025	\$6,545,772.50	\$ 922,290.00	\$ 8,887,056.00	\$ 6,808,750.00	\$ 2,652,200.00	\$ 2,643,627.78	\$ 3,937,294.44	\$ 32,396,990.72
2026	2,489,602.50	4,607,290.00	9,255,952.00	6,269,000.00	2,594,450.00	2,693,750.00	4,483,500.00	32,393,544.50
2027		7,103,799.50	9,253,928.00	6,099,500.00	2,593,950.00	2,687,500.00	4,646,500.00	32,385,177.50
2028		7,105,461.50	9,253,472.00	5,922,500.00	2,597,950.00	2,686,250.00	2,703,500.00	30,269,133.50
2029		7,099,248.00	9,254,480.00	5,743,250.00	2,596,200.00	2,684,750.00	2,889,000.00	30,266,928.00
2030		7,105,265.50	9,256,848.00	5,561,750.00	2,598,950.00	2,683,000.00	3,066,000.00	30,271,813.50
2031		7,103,194.50	9,255,472.00	5,383,000.00	2,595,950.00	2,681,000.00	3,249,250.00	30,267,866.50
2032		7,103,141.50	8,360,352.00	6,091,750.00	2,592,450.00	2,683,750.00	3,437,750.00	30,269,193.50
2033				5,218,500.00	6,928,450.00	7,161,000.00	9,460,500.00	28,768,450.00
2034					9,336,950.00	9,649,000.00		18,985,950.00
2035					9,248,450.00	9,551,000.00		18,799,450.00
2036					9,156,200.00	9,449,500.00		18,605,700.00
2037					9,059,700.00	9,354,000.00		18,413,700.00
2038					8,953,450.00	9,253,500.00		18,206,950.00
2039					2,787,200.00	6,457,500.00		9,244,700.00
TOTAL	\$9,035,375.00	\$48,149,690.50	\$72,777,560.00	\$53,098,000.00	\$76,292,500.00	\$82,319,127.78	\$37,873,294.44	\$379,545,547.72

(1) Preliminary, subject to change.

OVERLAPPING GENERAL OBLIGATION BONDS  
(As of November 19, 2025)

TAXING BODY	OUTSTANDING BONDS <sup>(1)</sup>	APPLICABLE TO DISTRICT	
		PERCENT	AMOUNT
Kane County	\$ 0	13.070%	\$ 0
Cook County	1,760,191,750	1.336%	23,512,260
DuPage County	14,455,000	3.119%	450,811
Forest Preserve District of Kane County	113,865,000	13.070%	14,882,406
Forest Preserve District of Cook County	41,835,000	1.336%	558,823
Forest Preserve District of DuPage County	97,770,000	3.119%	3,049,172
Metropolitan Water Reclamation District	1,820,725,000	1.056%	19,221,723
Northwest Mosquito Abatement District	0	8.157%	0
Elgin	66,510,000	67.441%	44,855,012
Bartlett	43,540,000	100.000%	43,540,000
Village of Hanover Park	7,545,000	36.376%	2,744,558
Village of Hoffman Estates	85,612,090	9.523%	8,152,987
Village of Schaumburg	248,520,000	2.241%	5,569,278
Village of South Elgin	0	56.061%	0
Streamwood	15,060,000	96.755%	14,571,240
Fox River and Countryside Fire/Rescue Dist.	10,420,000	8.780%	914,857
South Elgin and Countryside Fire Prot. Dist.	7,445,000	54.448%	4,053,688
West Chicago Fire Protection District	4,305,000	5.633%	242,495
Poplar Creek Public Library District	5,840,000	78.392%	4,578,099
Bartlett Park District	13,190,000	100.000%	13,190,000
Carol Stream Park District	51,035,453	7.849%	4,005,754
Dundee Township Park District	2,408,865	0.649%	15,626
Hanover Park Park District	10,255,395	39.691%	4,070,428
Hoffman Estates Park District	6,900,000	9.539%	658,193
Schaumburg Park District	20,054,250	2.153%	431,862
St. Charles Park District	7,255,000	2.126%	154,253
Streamwood Park District	4,111,000	100.000%	4,111,000
West Chicago Park District	14,182,000	1.465%	207,793
Elgin Community College District No. 509	120,480,000	40.278%	<u>48,526,827</u>
TOTAL OVERLAPPING BONDS			\$266,269,145

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

- (1) Does not include alternate revenue bonds. Under the Debt Reform Act, alternate revenue bonds are not included in the computation of indebtedness of the overlapping taxing bodies unless the taxes levied to pay the principal of and interest on the alternate revenue bonds are extended for collection. The District provides no assurance that any of the taxes so levied have not been extended, nor can the District predict whether any of such taxes will be extended in the future.

# SELECTED FINANCIAL INFORMATION

(After issuance of the Bonds)

2024 Estimated Full Value of Taxable Property:	\$ 21,818,453,112
2024 EAV:	\$ 7,272,817,704 <sup>(1)</sup>
Population Estimate:	226,882
General Obligation Bonds:	\$ 290,240,000 <sup>(2)</sup>
Other Direct General Obligation Debt:	\$ 3,945,055 <sup>(3)</sup>
Total Direct General Obligation Debt:	\$ 294,185,055 <sup>(2)</sup>
Percentage to Full Value of Taxable Property:	1.35% <sup>(2)</sup>
Percentage to EAV:	4.04% <sup>(2)</sup>
Debt Limit (13.8% of EAV):	\$ 1,003,648,843
Percentage of Debt Limit:	29.31% <sup>(2)</sup>
Per Capita:	\$ 1,297 <sup>(2)</sup>
General Obligation Bonds:	\$ 290,240,000 <sup>(2)</sup>
Overlapping General Obligation Bonds:	\$ 266,269,145
General Obligation Bonds and Overlapping General Obligation Bonds:	\$ 556,509,145 <sup>(2)</sup>
Percentage to Full Value of Taxable Property:	2.55% <sup>(2)</sup>
Percentage to EAV:	7.65% <sup>(2)</sup>
Per Capita:	\$ 2,453 <sup>(2)</sup>

(1) Includes Incremental EAV (as hereinafter defined) in the amount of \$200,192,757. See "Tax Increment Financing Districts Located Within the District."

(2) Preliminary, subject to change.

(3) This amount consists of outstanding payments due pursuant to the lease agreements.

## COMPOSITION OF EAV

	2020	2021	2022	2023	2024
<b>By Property Type</b>					
Residential	\$4,394,553,962	\$4,380,878,904	\$5,093,137,232	\$5,382,096,652	\$3,671,230,811
Farm	5,766,785	5,958,615	6,513,219	6,943,234	7,076,290
Commercial	684,308,856	682,823,662	691,092,544	733,503,970	426,948,731
Industrial	302,286,668	301,886,634	319,858,192	496,093,905	308,692,790
Mineral	0	0	0	0	1,255,462
Railroad	<u>6,075,600</u>	<u>6,267,044</u>	<u>6,349,431</u>	<u>6,644,142</u>	<u>4,760,552</u>
Cook County <sup>(1)</sup>					<u>2,652,660,311</u>
Total EAV <sup>(2)</sup>	\$5,392,991,871	\$5,377,814,859	\$6,116,950,618	\$6,625,281,903	\$7,072,624,947

Source: Kane, Cook and DuPage County Clerks' Offices.

(1) The composition of EAV by property type for Cook County is not currently available for 2024.

(2) Does not include Incremental EAV.

	2020	2021	2022	2023	2024
<b>By County</b>					
Kane County	\$2,009,983,413	\$2,122,385,291	\$2,282,917,845	\$2,465,020,434	\$2,756,417,017
Cook County	2,168,943,299	2,007,688,500	2,509,377,607	2,660,334,197	2,652,660,311
DuPage County	<u>1,214,065,159</u>	<u>1,247,741,068</u>	<u>1,324,655,166</u>	<u>1,499,927,272</u>	<u>1,663,547,619</u>
Total EAV*	\$5,392,991,871	\$5,377,814,859	\$6,116,950,618	\$6,625,281,903	\$7,072,624,947

Source: Kane, Cook and DuPage County Clerks' Offices.

\* Does not include Incremental EAV.

## TREND OF EAV

LEVY YEAR	EAV <sup>(1)</sup>	% CHANGE IN EAV FROM PREVIOUS YEAR
2019	\$5,392,991,871	+2.37% <sup>(2)</sup>
2020	5,377,814,859	-0.28%
2021	6,116,950,618	+13.74%
2022	6,625,281,903	+8.31%
2024	7,072,624,947	+6.75%

Source: Kane, Cook and DuPage County Clerks' Offices.

(1) Does not include Incremental EAV.

(2) Based on the District's \$5,268,100,965 2019 EAV.

## NEW PROPERTY

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

LEVY YEAR	NEW PROPERTY
2020	\$20,025,649
2021	36,438,231
2022	30,867,498
2023	96,993,199 <sup>(1)</sup>
2024	44,142,134

Source: Kane, Cook and DuPage County Clerks' Offices.

(1) Levy year 2022 was the final year for the Bartlett – Bartlett Quarry TIF, and the properties therein were included as new property for levy year 2023. Additionally, Streamwood dissolved the Buttitta Dr. TIF one year prior to its planned expiration, and the properties therein were included as new property for levy year 2023.

## TAX INCREMENT FINANCING DISTRICTS LOCATED WITHIN THE DISTRICT

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

LOCATION/ NAME OF TIF	YEAR ESTABLISHED	BASE EAV	2023 EAV	INCREMENTAL EAV
Bartlett - Bluff City Quarry	2009	\$ 1,719,587	\$ 21,318,218	\$ 19,598,631
Bartlett - Rt 59/Lake St.	2004	1,546,139	1,583,026	36,887
Hanover Park - Village Center	2001	9,693,978	29,222,433	19,528,455
Elgin - Central Area TIF #3	2002	79,098,537	156,668,377	77,569,840
Elgin - Route 20 TIF #4	2004	4,080,381	6,349,072	2,268,691
Elgin - Bluff City Quarry	2011	9,308,098	24,771,572	15,463,474
South Elgin TIF #1	2002	6,094,890	26,399,396	20,304,506
South Elgin TIF #2	2007	7,349,827	20,055,390	12,705,563
2023 Total Incremental EAV				\$ 167,476,047
2024 Total Incremental EAV <sup>(1)</sup>				200,192,757
2024 EAV				7,072,624,947
Total EAV				<u>\$7,272,817,704</u>

Source: Kane, Cook and DuPage County Clerks' Offices.

(1) A complete breakdown of the TIF districts for 2024 tax levy year is not currently available.



## TAXES EXTENDED AND COLLECTED

TAX LEVY YEAR/ COLLECTION YEAR	TAXES EXTENDED	TAXES COLLECTED AND DISTRIBUTED	PERCENT COLLECTED
2019/20	\$318,788,537	\$315,291,530	98.90%
2020/21	326,060,120	323,571,024	99.24%
2021/22	333,072,992	329,919,685	99.05%
2022/23	351,144,664	350,166,788	99.72%
2023/24	371,676,684	368,244,486	99.05%
2024/25 <sup>(1)</sup>	224,972,852	224,131,174	99.63%

Source: Kane, Cook and DuPage County Treasurers' and County Clerks' Offices.

(1) For only Kane and DuPage Counties.

## SCHOOL DISTRICT TAX RATES BY PURPOSE

(Per \$100 EAV)

PURPOSE	2020	2021	2022	2023	2024	MAXIMUM RATE <sup>(1)</sup>
Educational Fund	\$3.2276	\$3.2219	\$3.2762	\$3.2485	\$3.0427	None
Bond & Interest Fund	0.5809	0.5486	0.5184	0.4888	0.4300	None
Building	0.7008	0.6781	0.6714	0.6664	0.5769	\$0.7500
IMRF	0.1075	0.0887	0.0407	0.0253	0.0333	None
Transportation	0.1670	0.1514	0.1517	0.1490	0.1481	None
Working Cash	0.0000	0.0000	0.0000	0.0461	0.0429	None
Fire Prevention / Safety	0.0853	0.0839	0.0840	0.0825	0.0770	0.1000
Special Education	0.6410	0.6297	0.6632	0.5906	0.5477	0.8000
Liability Insurance	0.1008	0.0906	0.1069	0.1145	0.1223	None
Social Security	0.1220	0.1029	0.0549	0.0320	0.0395	None
Prior Year Adjustment	(0.0055)	0.0013	0.0080	(0.0066)	0.0296	None
Revenue Recapture <sup>(2)</sup>	<u>0.0000</u>	<u>0.0210</u>	<u>0.0216</u>	<u>0.0248</u>	<u>0.0247</u>	None
Total	\$5.7275	\$5.6180	\$5.5971	\$5.4618	\$5.1147	

Source: Kane County Clerk's Office.

(1) See "REAL PROPERTY ASSESSMENT, TAX LEVY AND COLLECTION PROCEDURES—Property Tax Extension Limitation Law" herein for information on the operation of such maximum rates under the Limitation Law.

(2) See "REAL PROPERTY ASSESSMENT, TAX LEVY AND COLLECTION PROCEDURES—Property Tax Extension Limitation Law" herein for information on the property tax refund revenue recapture provisions of the Limitation Law.

REPRESENTATIVE TOTAL TAX RATES  
(Per \$100 EAV)

TAXING AUTHORITY	2020	2021	2022	2023	2024
The District	\$5.7275	\$5.6180	\$5.5971	\$5.4618	\$5.1147
Kane County	0.3618	0.3522	0.3322	0.3094	0.2878
Kane County Forest Preserve District	0.1477	0.1435	0.1367	0.1289	0.1468
Elgin Township	0.1069	0.1035	0.1006	0.0987	0.1113
Elgin Township Road Fund	0.0707	0.0684	0.0667	0.0650	0.0608
Elgin	1.7706	1.7049	1.5384	1.5740	1.4475
Gail Borden Library District	0.4647	0.4542	0.4518	0.4423	0.4249
Fox River Water Reclamation District	0.0266	0.0256	0.0249	0.0237	0.0222
Community College District No. 509	<u>0.4439</u>	<u>0.4514</u>	<u>0.4225</u>	<u>0.4207</u>	<u>0.3868</u>
TOTAL*	\$9.1204	\$8.9217	\$8.6711	\$8.5245	\$8.0028

Source: Kane County Clerk's Office.

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

TEN LARGEST TAXPAYERS

TAXPAYER NAME	2023 EAV	PERCENT OF DISTRICT'S TOTAL EAV
Scannell Properties	\$ 42,431,408	0.62%
Target Corp P T1950	20,043,081	0.30%
Property Valuation Services	15,804,296	0.23%
Continental 368 Fund LLC	18,854,621	0.28%
Hunter Ridge Apartments LLC	13,987,961	0.21%
MHC Willow Lake Estates	13,497,182	0.20%
Rana Real Estate LLC	12,500,580	0.18%
Pure Intercontinental South Elgin Owner, LLC	8,945,872	0.13%
TA 10 Falcon Court	8,651,035	0.13%
Blackhawk IL Owner LLC	<u>8,614,652</u>	<u>0.13%</u>
	\$163,330,688	2.40%

Source: Kane, Cook and DuPage County Clerks' Offices.

The above taxpayers represent 2.40% of the District's \$6,792,757,950 2023 EAV (including Incremental EAV). Reasonable efforts have been made to seek out and report the largest taxpayers. However, many of the taxpayers listed may own multiple parcels and it is possible that some parcels and their valuations may not be included. A complete breakdown of the largest taxpayers for tax levy year 2024 is not currently available.

## RETAILERS' OCCUPATION TAX AND SERVICE OCCUPATION TAX

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

### STATE SALES TAX DISTRIBUTION<sup>(1)</sup>

CALENDAR YEAR	BARTLETT	ELGIN	STREAMWOOD
2020	\$ 2,451,851	\$16,893,887	\$4,323,163
2021	3,428,801	19,242,654	6,377,569
2022	3,867,229	20,791,192	6,611,847
2023	3,864,844	20,974,454	6,549,114
2024	5,690,144	23,223,445	7,031,262
2025 <sup>(2)</sup>	3,773,097	12,471,173	3,573,860

Source: The Department.

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

(2) Through Second Quarter.

## CORPORATE PERSONAL PROPERTY REPLACEMENT TAXES

Corporate Personal Property Replacement Taxes ("*CPPRT*") are revenues received from a tax imposed on corporations, partnerships, trusts, S corporations and public utilities in the State. The purpose of the CPPRT is to replace revenues lost by units of local government (including the District) as a result of the abolishment of the corporate personal property tax (the "*Personal Property Tax*") with the adoption of the Illinois Constitution of 1970. The State Revenue Sharing Act (the "*Sharing Act*") was passed in 1979, implementing the CPPRT to replace the lost Personal Property Tax revenues and providing the mechanism for distributing collections of CPPRT to taxing districts (including the District) entitled to receive such tax revenues under the Sharing Act. The following table sets forth the amount of CPPRT received by the District over the last five years:

FISCAL YEAR ENDED JUNE 30	CPPRT RECEIPTS
2021	\$ 5,634,092
2022	12,181,546
2023	12,712,871
2024	8,367,771
2025	5,548,582

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

The Department calculates that District received CPPRT revenues of \$5,548,582 for the fiscal year ended June 30, 2025, and estimates that the District will receive CPPRT revenues of approximately \$5,662,910 for the fiscal year ended June 30, 2026.

## LARGEST EMPLOYERS

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

EMPLOYER	PRODUCT OR SERVICE	LOCATION	APPROXIMATE NUMBER OF EMPLOYEES
The District	Education	Elgin/Bartlett/ Hanover Park	4,811
Transform Holdco, LLC	Holding company headquarters; retail department store chain	Hoffman Estates	3,200
J.P. Morgan Chase	Credit card processing	Elgin	2,700
Zurich North America	Company headquarters & commercial property & casualty insurance	Schaumburg	2,500
Motorola Solutions	Telecommunication	Elgin	2,400
Nation Pizza & Foods	Dough related items, including pizzas	Schaumburg	2,000
St. Alexius Medical Center	Hospital	Hoffman Estates	1,900
John B. Sanfilippo & Son, Inc.	Corporate headquarters & snack foods	Elgin	1,880
Advocate Sherman Hospital	Private hospital and health care service	Elgin	1,300
Elgin Community College	Community college	Elgin	1,300
Apex3 Systems	Security & loss prevention service	Streamwood	1,000
OptumRx, Inc.	Pharmacy software	Schaumburg	800
Paylocity Corp.	Corporate headquarters & SaaS human capital management software	Schaumburg	800
Omron Electronics, LLC	Electronic automotive components	St. Charles	725
Fresh Express Corp.	Packaged ready-to-eat fresh vegetables & salads	Streamwood	700
Executive Building Maintenance, Inc.	Janitorial & staffing services	Schaumburg	630
Capsonic Automotive, Inc.	Insert-molded plastic parts & DIP switches for the automotive, business machine & industrial markets	Elgin	600
CDK Global	Integrated information technology & dealership management systems	Hoffman Estates	600
FIC America Corp.	Corporate headquarters & industrial & automotive metal stampings	Carol Stream	590
Siemens Healthcare Diagnostics, Inc.	Nuclear medical imaging cameras	Hoffman Estates	550
American NTN Bearing Manufacturing Corp.	Hub bearing assembly	Elgin	530
Ascent Industries Co.	Company headquarters; textile, paper, coating & cleaning chemicals	Schaumburg	517
Assurance Agency Ltd.	Insurance brokerage firm	Schaumburg	500
Comcast Corp.	Cable television services	Schaumburg	500
FedEx Ground Package Systems, Inc.	Long-distance trucking services	Carol Stream	500
Plote Construction, Inc.	Corporate headquarters; asphalt paving compounds & gravel processing	Hoffman Estates	500
R. R. Donnelley & Sons Co.	Commercial & business form printing	St. Charles	500
Rana Meal Solutions, LLC	Pasta & sauce products	Bartlett	500

Source: 2025 Illinois Manufacturers Directory, 2025 Illinois Services Directory and the Illinois Department of Commerce and Economic Opportunity, except for District employee information which was provided by the District.

## UNEMPLOYMENT RATES

Unemployment statistics are not compiled specifically for the District. The following table shows the trend in annual average unemployment rates for Bartlett, Elgin, Streamwood, Kane County, Cook County, DuPage County and the State.

	BARTLETT	ELGIN	STREAMWOOD	
2020 – Average <sup>(1)</sup>	8.1%	10.8%	9.4%	
2021 – Average	4.7%	7.3%	5.9%	
2022 – Average	3.7%	5.8%	4.6%	
2023 – Average	3.4%	5.9%	3.9%	
2024 – Average	4.3%	6.0%	5.2%	
2025 – Average (8 mos.)	4.2%	5.5%	5.3%	
	KANE COUNTY	COOK COUNTY	DUPAGE COUNTY	THE STATE
2020 – Average <sup>(1)</sup>	9.3%	10.6%	7.6%	9.3%
2021 – Average	6.0%	6.9%	4.5%	6.1%
2022 – Average	4.5%	5.0%	3.6%	4.6%
2023 – Average	5.1%	4.4%	3.4%	4.5%
2024 – Average	5.0%	5.4%	4.3%	5.0%
2025 – Average (8 mos.)	4.4%	5.3%	4.2%	4.8%

Source: State of Illinois Department of Employment Security.

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

## HOUSING VALUE AND INCOME STATISTICS

The following table sets forth information regarding median home values and various income related statistics for Bartlett, Elgin, Streamwood, Kane County, Cook County, DuPage County and the State.

	BARTLETT	ELGIN	STREAMWOOD	
Median Home Value	350,500	252,400	258,300	
Median Household Income	130,479	88,316	101,049	
Median Family Income	145,898	97,393	113,333	
Per Capita Income	53,076	36,037	37,898	
	KANE COUNTY	COOK COUNTY	DUPAGE COUNTY	THE STATE
Median Home Value	303,000	305,200	374,100	250,500
Median Household Income	100,678	81,797	110,502	81,702
Median Family Income	116,477	102,297	136,376	103,504
Per Capita Income	46,013	47,801	57,051	45,104

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

## SHORT-TERM BORROWING

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

## FUTURE DEBT

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

## DEFAULT RECORD

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

## WORKING CASH FUND

The District is authorized to issue (subject to the provisions of the Limitation Law) general obligation bonds to create, re-create or increase a Working Cash Fund. Such fund can also be created, re-created or increased by the levy of an annual tax not to exceed \$0.05 per hundred dollars of EAV (the "*Working Cash Fund Tax*"). The purpose of the fund is to enable the District to have sufficient cash to meet demands for expenditures for corporate purposes. Moneys in the Working

Cash Fund may be loaned, in whole or in part, as authorized and directed by the Board, to any fund or funds of the District in anticipation of ad valorem property taxes levied by the District for such fund or funds. The Working Cash Fund is reimbursed when the anticipated taxes or other moneys are received by the District.

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

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

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

#### WORKING CASH FUND SUMMARY

FISCAL YEAR	END OF YEAR FUND BALANCE
2021	\$112,662,044
2022	110,888,201
2023	110,888,201
2024	113,906,485
2025	122,823,971

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

## **REAL PROPERTY ASSESSMENT, TAX LEVY AND COLLECTION PROCEDURES**

### **SUMMARY OF PROPERTY ASSESSMENT, TAX LEVY AND COLLECTION PROCEDURES**

A separate tax to pay principal of and interest on the Bonds will be levied on all taxable real property within the District. The information under this caption describes the current procedures for real property assessments, tax levies and collections in Kane and DuPage Counties. Certain provisions for assessment, levy and collection differ for Cook County. There can be no assurance that the procedures described herein will not change.

### **TAX LEVY AND COLLECTION PROCEDURES**

Local Assessment Officers determine the assessed valuation of taxable real property and railroad property not held or used for railroad operations. The Department assesses certain other types of taxable property, including railroad property held or used for railroad operations. Local Assessment Officers' valuation determinations are subject to review at the county level and then, in general, to equalization by the Department. Such equalization is achieved by applying to each county's assessments a multiplier determined by the Department. The purpose of equalization is to provide a common basis of assessments among counties by adjusting assessments toward the statutory standard of 33-1/3% of fair cash value. Farmland is assessed according to a statutory formula, which takes into account factors such as productivity and crop mix. Taxes are extended against the assessed values after equalization.

Property tax levies of each taxing body are filed in the office of the county clerk of each county in which territory of that taxing body is located. The county clerk computes the rates and amount of taxes applicable to taxable property subject to the tax levies of each taxing body and determines the dollar amount of taxes attributable to each respective parcel of taxable property. The county clerk then supplies to the appropriate collecting officials within the county the information needed to bill the taxes attributable to the various parcels therein. After the taxes have been collected, the collecting officials distribute to the various taxing bodies their respective shares of the taxes collected. Taxes levied in one calendar year are due and payable in two installments during the next calendar year.

### **UNPAID TAXES AND ANNUAL TAX SALES**

Taxes that are not paid when due, or that are not paid by mail and postmarked on or before the due date, are deemed delinquent and bear interest at the rate of 1.50% per month (or portion thereof) until paid. Unpaid property taxes, together with penalties, interest and costs, constitute a lien against the property subject to the tax. If taxes go unpaid for 13 months, each county treasurer is required to sell the delinquent property taxes at the "Annual Tax Sale" — a sale of tax liens, not properties. A public sale is held, at which time successful tax buyers pay the unpaid taxes plus penalties. Taxpayers can redeem their property by paying the amount paid at the sale, plus interest penalties and fees. If no redemption is made within the applicable redemption period, then the tax buyer can secure a court-ordered deed to the home. If a tax buyer can prove the home has been abandoned, the period for seeking a deed can be shortened to two years. Owners of vacant,



commercial and industrial properties have six months to redeem their taxes before the tax buyer can seek ownership of the property.

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

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

#### EXEMPTIONS

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

An annual General Homestead Exemption provides that the EAV of certain property owned and used for residential purposes (“*Residential Property*”) may be reduced by the amount of any increase over the 1977 EAV, up to a maximum reduction of \$6,000. Beginning with tax year 2023, the maximum reduction in the five collar counties (DuPage, Kane, Lake, McHenry and Will Counties) (the “*Collar Counties*”) is \$8,000.

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

The Senior Citizens Homestead Exemption annually reduces the EAV on residences owned and occupied by senior citizens. The maximum exemption is \$5,000. Beginning with tax year 2023, the maximum exemption in the Collar Counties is \$8,000.

The Senior Citizens Assessment Freeze Homestead Exemption freezes property tax assessments for homeowners who are 65 and older, reside in their property as their principal place of residence and receive a household income not in excess of the maximum income limitation. The maximum income limitation is \$65,000. This exemption grants to qualifying senior citizens an exemption equal to the difference between (a) the current EAV of the residence and (b) the EAV of a senior citizen’s residence for the year prior to the year in which he or she first qualifies and applies for the exemption, plus the EAV of improvements since such year.

Purchasers of certain single family homes and residences of one to six units located in certain targeted areas (as defined in the Property Tax Code) can apply for the Community

Stabilization Assessment Freeze Pilot Program. To be eligible the purchaser must meet certain requirements for rehabilitating the property, including expenditures of at least \$5 per square foot, adjusted by CPI. Upon meeting the requirements, the assessed value of the improvements is reduced by (a) 90% in the first seven years, (b) 65% in the eighth year and (c) 35% in the ninth year. The benefit ceases in the tenth year. The program will be phased out by June 30, 2029.

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

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

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

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

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

## PROPERTY TAX EXTENSION LIMITATION LAW

The Limitation Law limits the annual growth in the amount of property taxes to be extended for certain Illinois non-home-rule units, including the District. In general, the annual growth permitted under the Limitation Law is the lesser of 5% or the percentage increase in the CPI during the calendar year preceding the levy year. Taxes can also be increased due to new construction, referendum approval of tax rate increases, mergers and consolidations.

The effect of the Limitation Law is to limit the amount of property taxes that can be extended for a taxing body. In addition, general obligation bonds, notes and installment contracts payable from ad valorem taxes unlimited as to rate and amount cannot be issued by the affected taxing bodies unless they are approved by referendum (such as the Series 2026A Bonds), are alternate bonds, are for fire prevention and safety, energy conservation and school security purposes or are for certain refunding purposes.

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

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

Local governments, including the District, can issue limited bonds (such as the Series 2026B Bonds) in lieu of general obligation bonds that have otherwise been authorized by applicable law. See “Security—The Series 2026B Bonds” herein.

Beginning with levy year 2021, each tax-capped taxing district (such as the District) receives an automatic levy increase in the amount of any property tax refunds paid by such taxing district in the prior year as a result of the issuance of certificates of error, court orders issued in connection with valuation tax objection complaints and Illinois Property Tax Appeal Board (the “PTAB”) decisions. For levy year 2024, the additional amount added to the District’s tax levy as a result of this change was \$680,796

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

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

#### TRUTH IN TAXATION LAW

Legislation known as the Truth in Taxation Law (the “Law”) limits the aggregate amount of certain taxes which can be levied by, and extended for, a taxing district to 105% of the amount of taxes extended in the preceding year unless specified notice, hearing and certification requirements are met by the taxing body. The express purpose of the Law is to require published disclosure of, and hearing upon, an intention to adopt a levy in excess of the specified levels. The provisions of the Law do not apply to levies made to pay principal of and interest on the Bonds. The District covenanted in the Bond Resolutions that it will not take any action or fail to take any action which would adversely affect the ability of the District to levy and collect the taxes levied by the District for payment of principal of and interest on the Bonds. The District also covenanted that it and its officers will comply with all present and future applicable laws to assure that such taxes will be levied, extended, collected and deposited as provided in the Bond Resolutions.

## SCHOOL DISTRICT FINANCIAL PROFILE

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

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

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

- *Financial Recognition.* A school district with a score of 3.54-4.00 is assigned to this category, which is the best category of financial strength. These districts require minimal or no active monitoring by ISBE unless requested by the district.
- *Financial Review.* A school district with a score of 3.08-3.53 is assigned to this category, the next highest financial strength category. These districts receive a limited review by ISBE, but are monitored for potential downward trends. ISBE staff also review the next year's school budget for further negative trends.
- *Financial Early Warning.* A school district with a score of 2.62-3.07 is placed in this category. ISBE monitors these districts closely and offers proactive technical assistance, such as financial projections and cash flow analysis. These districts also are reviewed to determine whether they meet the criteria set forth in Article 1A-8 of the School Code to be certified in financial difficulty and possibly qualify for a Financial Oversight Panel.
- *Financial Watch.* A school district with a score of 1.00-2.61 is in this category, the highest risk category. ISBE monitors these districts very closely and offers technical assistance with, but not limited to, financial projections, cash flow analysis, budgeting, personnel inventories and enrollment projections. These districts are also assessed to determine if they qualify for a Financial Oversight Panel.

For each school district, ISBE calculates an original financial profile score (the "*Original Score*") and an adjusted financial profile score (the "*Adjusted Score*"). The Original Score is calculated based solely on such school district's audited financial statements as of the close of the most recent fiscal year. The Adjusted Score is calculated based initially on a school district's audited financial statements for the most recent fiscal year, with adjustments made to reflect the

impact on the Original Score of timing differences between such school district’s actual and expected receipt of State payments, as required by Section 1A-8 of the School Code. ISBE has implemented this statutory requirement by adding in payments expected to be received during the calculation year but not actually received until the following fiscal year, as well as by subtracting certain State payments received during the current fiscal year but attributable to a prior fiscal year. Such adjustments may have a varying effect on a school district’s Adjusted Score based on the amount of time by which such State payments are delayed and the accounting basis adopted by such school district. Due to the manner in which such requirement has been implemented by ISBE, a school district’s Adjusted Score may be different than it otherwise would have been in certain years based on the scheduled receipt of State payments.

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

FISCAL YEAR (JUNE 30)	ORIGINAL SCORE	DESIGNATION BASED ON ORIGINAL SCORE	ADJUSTED SCORE	DESIGNATION BASED ON ADJUSTED SCORE
2020	3.90	Recognition	3.90	Recognition
2021	3.90	Recognition	3.90	Recognition
2022	3.90	Recognition	3.90	Recognition
2023	4.00	Recognition	4.00	Recognition
2024	4.00	Recognition	4.00	Recognition

The Auditor has calculated the District’s Original Score for fiscal year 2025 to be 4.00, which places the District in the Financial Recognition category. Such calculation of the Original Score is preliminary and may be different from the official Original Score released by ISBE. The District expects that ISBE will release its official Original Score and its Adjusted Score in calendar year 2026.

## STATE AID

### GENERAL

The State provides aid to local school districts on an annual basis as part of the State’s appropriation process. Many school districts throughout the State rely on such state aid as a significant part of their budgets. For the fiscal year ended June 30, 2025, 42.88% of the District’s General Fund revenue came from State funding sources. See *Exhibit C* to this Official Statement for more information concerning the breakdown of the District’s revenue sources.

### GENERAL STATE AID—EVIDENCE-BASED FUNDING MODEL

Beginning with fiscal year 2018, general State funds (“*General State Aid*”) have, pursuant to Public Act 100-0465, been distributed to school districts under the “Evidence-Based Funding

Model”. The Evidence-Based Funding Model sets forth a school funding formula that ties individual district funding to evidence-based best practices that certain research shows enhance student achievement in the classroom. Under the funding formula, ISBE will calculate an adequacy target (the “*Adequacy Target*”) each year for each district based upon its unique student population, regional wage differences and best practices. Each district will be placed in one of four tiers depending on how close the sum of its local resources available to support education (based on certain State resources and its expected property tax collections, its “*Local Capacity Target*”, and its Base Funding Minimum (as hereinafter defined) are to its Adequacy Target; Tier One and Tier Two for those districts that are the furthest away from their Adequacy Targets and Tier Three and Tier Four for those districts that are the closest to (or above) their Adequacy Targets. For each school year, all State funds appropriated for General State Aid in excess of the amount needed to fund the Base Funding Minimum for all school districts (“*New State Funds*”) will be distributed to districts based on tier placement. Of any New State Funds available, Tier One receives 50%, Tier Two receives 49%, Tier Three receives 0.9%, and Tier Four receives 0.1%. Tier Two includes all Tier One districts for the purpose of the allocation percentages for New State Funds.

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

The Evidence-Based Funding Model also provides that each school district will be allocated at least as much in General State Aid in future years as it received in the most recently completed school year (such amount being the district’s “*Base Funding Minimum*”). The Base Funding Minimum for the District for school year 2017-2018 was \$134,195,312 (the “*Initial Base Funding Minimum*”). Mandated Categorical State Aid (as hereinafter defined) received by the District in fiscal year 2017, other than Mandated Categorical State Aid related to transportation and extraordinary special education, was included in the Initial Base Funding Minimum. Any New State Funds received by a district in a year become part of its Base Funding Minimum in the following year.

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

FISCAL YEAR	EVIDENCE-BASED FUNDING
2021	\$197,009,477
2022	211,809,069
2023	242,940,595
2024	276,572,567
2025	295,409,467
2026 (projected) <sup>(1)</sup>	306,298,850

Source: The audited financial statements of the District for the fiscal years ended June 30, 2021, through June 30, 2025, for historical amounts and ISBE for the amount projected for fiscal year ending June 30, 2026. The projected amount of Evidenced-Based Funding for fiscal year ending June 30, 2026, consists of the Base Funding Minimum plus anticipated New State Funds for fiscal year ending June 30, 2026.

(1) For fiscal year ending June 30, 2026, the District has been placed in Tier Two.

#### PROPERTY TAX RELIEF POOL FUNDS

For the purpose of encouraging high tax rate school districts to reduce property taxes, the Evidence-Based Funding Model also established a property tax relief grant program (the “*Property Tax Relief Pool*”). School districts must apply for the grant and indicate an amount of intended property tax relief, which relief may not be greater than 1% of EAV for a unit district, 0.69% of EAV for an elementary school district or 0.31% of EAV for a high school district, reduced, in each case, based on the Local Capacity Target of the applicant. Property Tax Relief Pool grants will be allocated to school districts based on each district’s percentage of the simple average operating tax rate of all school districts of the same type (unit, elementary or high), in order of priority from highest percentage to lowest, until the Property Tax Relief Pool is exhausted. A school district which receives a Property Tax Relief Pool grant is required to abate its property tax levy by the amount of intended property tax relief for the levy year in which the grant is to be received, and the succeeding levy year. The difference between the amount of the grant and the amount of the abatement is based on a statutory calculation which takes into account relative Local Capacity Targets. Pursuant to such calculation, a school district with a low Local Capacity Target will be required to abate less than a school district with a high Local Capacity Target, assuming the amount of Property Tax Relief Pool grants received by the school districts are the same. Property Tax Relief Pool grants received by a school district are included in future calculations of that district’s Base Funding Minimum, unless that district does not abate its property tax levy by the amount of intended property tax relief as described above. The Fiscal Year 2026 Budget did not allocation any additional funds to the Property Tax Relief Pool.

#### MANDATED CATEGORICAL STATE AID

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



Categorical State Aid payments from the State have been delayed and have been prorated as part of the appropriation process, as described below.

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

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

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

#### COMPETITIVE GRANT STATE AID

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

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

## PAYMENT FOR MANDATED CATEGORICAL STATE AID AND COMPETITIVE GRANT STATE AID

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

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

See *Exhibit C* for a summary of the District’s general fund revenue sources.

## FEDERAL COVID-19 FUNDS DISTRIBUTED TO THE DISTRICT

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

The amount of funds the District received from ESSER I was \$7,798,224. The District received additional funds in the amount of \$29,286,277 pursuant to ESSER II. Finally, the District received \$82,753,108 of ESSER III funds.

## RETIREMENT PLANS

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

The following summarizes certain provisions of the Pension Plans and the funded status of the Pension Plans, as more completely described in Note 4 to the Audit, as hereinafter defined, attached hereto as APPENDIX A.

## BACKGROUND REGARDING PENSION PLANS

### *The Actuarial Valuation*

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

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

### *GASB Standards*

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

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

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

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

### *Pension Plans Remain Governed by the Pension Code*

As described above, the GASB Standards establish requirements for financial reporting purposes. However, the Pension Plans are ultimately governed by the provisions of the Pension Code in all respects, including, but not limited to, the amounts to be contributed by the District to the Pension Plans in each year.

### TEACHERS' RETIREMENT SYSTEM OF THE STATE OF ILLINOIS

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

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

For information relating to the actuarial assumptions and methods used by TRS, including the Discount Rate and the sensitivity of the Net Pension Liability to changes in the Discount Rate, see Note 4 to the Audit.

### *Employer Funding of Teachers' Retirement System*

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

FISCAL YEAR ENDED JUNE 30	TRS CONTRIBUTION
2021	\$2,521,360
2022	2,989,601
2023	3,780,247
2024	3,578,486
2025	3,895,413

Source: The audited financial statements of the District for the fiscal years ended June 30, 2021, through June 30, 2025.

For information regarding additional contributions the District may be required to make to TRS with respect to certain salary increases and other programs, see Note 4 to the Audit.

## ILLINOIS MUNICIPAL RETIREMENT FUND

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

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

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

See Note 4 to the Audit for additional information on the IMRF.

### *Contributions*

Both employers and employees contribute to the IMRF. At present, employees contribute 4.50% of their salary to the IMRF, as established by statute. Employers are required to make all additional contributions necessary to fund the benefits provided by the IMRF to its employees. The annual rate at which an employer must contribute to the IMRF is established by the IMRF Board. The District’s contribution rate for calendar year 2025 was 8.37% of covered payroll.

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

CALENDAR YEAR ENDED DECEMBER 31	IMRF CONTRIBUTIONS
2020	\$8,043,625
2021	8,089,401
2022	6,922,457
2023	6,551,409
2024	6,828,009

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Source: The audited financial statements of the District for the fiscal years ended June 30, 2021, through June 30, 2025.

### *Measures of Financial Position*

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

CALENDAR YEAR ENDED DECEMBER 31	TOTAL PENSION LIABILITY	FIDUCIARY NET POSITION	NET PENSION (ASSET)/LIABILITY	FIDUCIARY NET POSITION AS A % OF	
				TOTAL PENSION LIABILITY	DISCOUNT RATE
2020	\$360,636,356	\$362,154,609	\$ (1,518,253)	100.42%	7.25%
2021	381,012,022	414,218,755	(33,206,733)	108.72%	7.25%
2022	401,858,513	351,039,843	50,818,670	87.35%	7.25%
2023	419,454,478	385,298,948	34,155,530	91.86%	7.25%
2024	437,414,659	407,204,664	30,209,995	93.09%	7.25%

Source: The audited financial statements of the District for the fiscal years ended June 30, 2021, through June 30, 2025.

See Note 4 to the Audit, for additional information on the IMRF.

### **OTHER POST-EMPLOYMENT BENEFITS**

The District administers a single-employer defined benefit healthcare plan (the "*Retirees Health Plan*"). The Retirees Health Plan provides health insurance contributions for eligible retirees and their dependents through the District's group health insurance plan which covers both active and retired members. The District's annual other postemployment benefit ("*OPEB*") cost is calculated based on the annual required contribution of the employer. For fiscal year ended June 30, 2025, the District had an annual OPEB cost of \$1,830,343, and as of June 30, 2025, the Retirees Health Plan had an unfunded actuarial accrued liability of \$24,392,965. For more information regarding the District's OPEB obligations, see Note 4 of the Audit.

### **TEACHER HEALTH INSURANCE SECURITY FUND**

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

The State maintains primary responsibility for funding, but contributions from participating employers and members are also required. For the fiscal year ended June 30, 2025, the District paid \$2,257,581 to the THIS Fund, which was 100% of the required contribution. For more information regarding the District's THIS Fund obligation, see Note 4 to the Audit.

## **BOND RATING**

S&P has assigned the Bonds a rating of “AA+” (Stable Outlook). This rating reflects only the views of S&P. An explanation of the methodology for such rating may be obtained from S&P. Certain information concerning the Bonds and the District not included in this Official Statement may have been furnished to S&P by the District. There is no assurance that the rating will be maintained for any given period of time or that such rating will not be changed by S&P if, in such rating agency’s judgment, circumstances so warrant. Any downward change in or withdrawal of the rating may have an adverse effect on the market price of the Bonds.

Except as may be required by the Undertaking described below under the heading “CONTINUING DISCLOSURE,” the form of which is attached hereto as APPENDIX C, neither the District nor the Underwriter undertakes responsibility to bring to the attention of the owners of the Bonds any proposed change in or withdrawal of the rating or to oppose any such revision or withdrawal.

## **TAX EXEMPTION**

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

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

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

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

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

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

For an investor who purchases an *OID Bond* in the initial public offering at the *OID Issue Price* for such maturity and who holds such *OID Bond* to its stated maturity, subject to the condition that the District complies with the covenants discussed above, (a) the full amount of original issue discount with respect to such *OID Bond* constitutes interest which is excludible from the gross income of the owner thereof for federal income tax purposes; (b) such owner will not realize taxable capital gain or market discount upon payment of such *OID Bond* at its stated maturity; (c) such original issue discount is not includible as an item of tax preference in computing the alternative minimum tax for individuals under the Code; and (d) the accretion of original issue discount in each year may result in certain collateral federal income tax consequences in each year even though a corresponding cash payment may not be received until a later year. Based upon the stated position of the Department under State income tax law, accreted original issue discount on such *OID Bonds* is subject to taxation as it accretes, even though there may not be a corresponding cash payment until a later year. Owners of *OID Bonds* should consult their own tax advisors with respect to the state and local tax consequences of original issue discount on such *OID Bonds*.

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

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

An investor may purchase a Bond at a price in excess of its stated principal amount. Such excess is characterized for federal income tax purposes as “bond premium” and must be amortized by an investor on a constant yield basis over the remaining term of the Bond in a manner that takes



into account potential call dates and call prices. An investor cannot deduct amortized bond premium relating to a tax-exempt bond. The amortized bond premium is treated as a reduction in the tax-exempt interest received. As bond premium is amortized, it reduces the investor's basis in the Bond. Investors who purchase a Bond at a premium should consult their own tax advisors regarding the amortization of bond premium and its effect on the Bond's basis for purposes of computing gain or loss in connection with the sale, exchange, redemption or early retirement of the Bond.

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

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

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

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

#### **CONTINUING DISCLOSURE**

The District will enter into a Continuing Disclosure Undertaking (the "*Undertaking*") for the benefit of the beneficial owners of the Bonds to send certain information annually and to provide notice of certain events to the Municipal Securities Rulemaking Board (the "*MSRB*") pursuant to the requirements of the Rule. No person, other than the District, has undertaken, or is otherwise expected, to provide continuing disclosure with respect to the Bonds. The information

to be provided on an annual basis, the events which will be noticed on an occurrence basis and a statement of other terms of the Undertaking, including termination, amendment and remedies, are set forth in the form of the Undertaking, attached hereto as APPENDIX C.

An escrow agent acting for the District failed to timely file a reportable event notice with the MSRB's Electronic Municipal Market Access system, referred to as EMMA ("*EMMA*") relating to a notice of redemption and bond call as required by the District's prior Undertakings, despite written direction from the District in the related escrow agreement to make such filing. Such notice of reportable event has since been made by such escrow agent on behalf of the District on EMMA. Additionally, the District failed to file its audited financial statements for the fiscal year ended June 30, 2020, within the time periods specified in its prior undertakings. The audited financial statements were filed three days after the deadline. The District timely filed certain of its annual financial information for the fiscal year ended June 30, 2023 (the "*FY 2023 AFI*"); however, audited financial statements for such fiscal year (the "*FY 2023 Audit*") were not yet available at the time of such filing. As a result, some chart information in the FY 2023 AFI was incomplete. The District timely filed the FY 2023 Audit when it became available, and at such time also updated and filed the fully completed FY 2023 AFI. Except to the extent any of the preceding occurrences are deemed material, there have been no instances in the previous five years in which the District failed to comply, in all material respects, with any undertaking previously entered into by it pursuant to the Rule.

A failure by the District to comply with the Undertaking will not constitute a default under the Bond Resolutions and beneficial owners of the Bonds are limited to the remedies described in the Undertaking. The District must report any failure to comply with the Undertaking in accordance with the Rule. Any broker, dealer or municipal securities dealer must consider such report before recommending the purchase or sale of the Bonds in the secondary market. Consequently, such a failure may adversely affect the transferability and liquidity of the Bonds and their market price.

#### **AUDITED FINANCIAL STATEMENTS**

The audited financial statements of the District for the fiscal year ended June 30, 2025 (the "*Audit*"), contained in Appendix A, including the independent auditor's report accompanying the Audit, have been prepared by Lauterbach & Amen, LLP, Chicago, Illinois (the "*Auditor*"), and approved by formal action of the Board. The District has not requested the Auditor to update information contained in the Audit nor has the District requested that the Auditor consent to the use of the Audit in this Official Statement. Other than as expressly set forth in this Official Statement, the financial information contained in the Audit has not been updated since the date of the Audit. The inclusion of the Audit in this Official Statement in and of itself is not intended to demonstrate the fiscal condition of the District since the date of the Audit.

#### **BOOK-ENTRY ONLY SYSTEM**

DTC will act as securities depository for the Bonds. The Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or

such other name as may be requested by an authorized representative of DTC. One fully-registered Bond certificate will be issued for each maturity of the Bonds, in the aggregate principal amount of such maturity, and will be deposited with DTC.

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

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

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

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

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

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

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

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

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

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

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

### **CERTAIN LEGAL MATTERS**

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

### **NO LITIGATION**

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

### **MUNICIPAL ADVISOR**

Raymond James & Associates, Inc., Chicago, Illinois, has been retained as municipal advisor (the "*Municipal Advisor*") in connection with the issuance of the Bonds. In assisting with the preparation of this Official Statement, the Municipal Advisor has relied upon the District and other sources having access to relevant data to provide accurate information for this Official

Statement. To the best of the Municipal Advisor's knowledge, the information contained in this Official Statement is true and accurate. However, the Municipal Advisor has not been engaged, nor has it undertaken, to independently verify the accuracy of such information.

The Municipal Advisor's duties, responsibilities, and fees arise solely from that as municipal advisor to the District.

#### UNDERWRITING

The Bonds were offered for sale by the District at a public competitive sale on January 13, 2026. The best bid for the Series 2026A Bonds submitted at the sale was submitted by \_\_\_\_\_, \_\_\_\_\_, \_\_\_\_\_ (the "2026A Underwriter"). The District awarded the contract for sale of the Series 2026A Bonds to the 2026A Underwriter at a price of \$\_\_\_\_\_, reflecting the par amount of the Series 2026A Bonds of \$\_\_\_\_\_, plus original issue premium of \$\_\_\_\_\_, and less 2026A Underwriter's discount of \$\_\_\_\_\_. The best bid for the Series 2026B Bonds submitted at the sale was submitted by \_\_\_\_\_, \_\_\_\_\_, \_\_\_\_\_ (the "2026B Underwriter" and, together with the 2026A Underwriter, the "Underwriters"). The District awarded the contract for sale of the Series 2026B Bonds to the 2026B Underwriter at a price of \_\_\_\_\_, reflecting the par amount of the Series 2026B Bonds of \$\_\_\_\_\_, plus original issue premium of \$\_\_\_\_\_, and less 2026B Underwriter's discount of \$\_\_\_\_\_. The Underwriters have represented to the District that the Bonds have been subsequently re-offered to the public initially at the yields set forth on the inside cover of this Official Statement.

## AUTHORIZATION

This Official Statement has been approved by the District for distribution to prospective purchasers of the Bonds. The Board, acting through authorized officers, will provide to the Underwriter at the time of delivery of the Bonds, a certificate confirming that, to the best of its knowledge and belief, this Official Statement, together with any supplements thereto, as of the date hereof, and at the time of delivery of the Bonds, was true and correct in all material respects and did not at any time contain an untrue statement of a material fact or omit to state a material fact required to be stated where necessary to make the statements therein in light of the circumstances under which they were made, not misleading.

/s/

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Deputy Superintendent for Operations  
School District Number 46, Kane, Cook and  
DuPage Counties, Illinois

January \_\_, 2026

**EXHIBIT A — COMBINED STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE, FISCAL YEARS ENDED JUNE 30, 2021-2025**

	Ed <sup>(1)</sup>	O&M	DEBT SERVICE	TRANS	IMRF	CAP PROJECTS	WORKING CASH	TORT	FIRE	TOTAL
Beginning Balance	\$190,181,811	\$ (8,352,494)	\$32,625,408	\$20,800,702	\$ 1,886,568	\$ 4,988,710	\$112,720,155	\$ (396,247)	\$ 3,379,517	\$357,834,130
Revenues	465,994,368	56,662,459	33,057,444	26,991,250	18,642,752	499,371	741,889	5,661,758	4,711,192	612,962,483
Expenditures	428,274,213	58,306,436	42,867,946	20,234,766	16,392,477	1,352,972	0	4,660,904	2,115,907	574,205,621
Net Transfers	(9,605,212)	39,522	10,365,690	0	0	0	(800,000)	0	0	0
Other Sources (Uses)	0	31,211	0	0	0	0	0	0	0	31,211
Ending Balance, 6/30/21	\$218,296,754	\$ (9,925,738)	\$33,180,596	\$27,557,186	\$ 4,136,843	\$ 4,135,109	\$112,662,044	\$ 604,607	\$ 5,974,802	\$396,622,203
Beginning Balance	\$218,296,754	\$ (9,925,738)	\$33,180,596	\$27,557,186	\$ 4,136,843	\$ 4,135,109	\$112,662,044	\$ 604,607	\$ 5,974,802	\$396,622,203
Revenues	488,375,617	71,078,956	32,576,319	25,800,096	24,210,625	1,296,508	(1,473,843)	5,477,684	4,846,784	652,188,746
Expenditures	458,769,529	55,239,965	42,978,741	23,797,700	16,386,710	688,814	0	6,495,993	1,144,416	605,501,868
Net Transfers	0	(228,773)	528,773	0	0	0	(300,000)	0	0	0
Other Sources (Uses)	(9,561,687)	0	9,781,366	0	0	0	0	0	0	219,679
Ending Balance, 6/30/22	\$238,341,155	\$ 5,684,480	\$33,088,313	\$29,559,582	\$11,960,758	\$ 4,742,803	\$110,888,201	\$ (413,702)	\$ 9,677,170	\$443,528,760
Beginning Balance	\$238,341,155	\$ 5,684,480	\$33,088,313	\$29,559,582	\$11,960,758	\$ 4,742,803	\$110,888,201	\$ (413,702)	\$ 9,677,170	\$443,528,760
Revenues	558,849,409	86,912,361	33,361,365	24,612,464	21,311,944	987,964	15,080,547	5,973,995	5,072,288	752,162,337
Expenditures	479,173,386	62,248,728	42,335,979	27,432,218	16,281,941	1,672,131	0	5,897,488	1,374,686	636,416,557
Net Transfers	0	(29,919,453) <sup>(2)</sup>	0	0	0	45,000,000	(15,080,547)	0	0	0
Other Sources (Uses)	2,382,307	(528,596)	625,672	0	0	0	0	0	0	2,479,383
Ending Balance, 6/30/23	\$320,399,485	\$ (99,936)	\$24,739,371	\$26,739,828	\$16,990,761	\$ 49,058,636	\$110,888,201	\$ (337,195)	\$13,374,772	\$561,753,923
Beginning Balance <sup>(4)</sup>	\$326,126,261	\$ (99,936)	\$24,739,371	\$26,739,828	\$14,986,078	\$ 49,058,636	\$110,888,201	\$ (337,195)	\$13,374,772	\$565,476,016
Revenues	504,046,926	154,099,883	33,643,520	26,587,027	13,291,133	530,949	32,559,781	7,192,267	5,407,479	777,359,865
Expenditures	512,755,799	61,309,049	32,821,006	26,358,448	15,685,513	20,894,213	0	6,102,542	1,842,565	677,769,135
Net Transfers	0	0	0	0	0	26,541,497 <sup>(3)</sup>	(29,541,497) <sup>(3)</sup>	3,000,000 <sup>(3)</sup>	0	0
Other Sources (Uses)	3,814,867	67,722	708,861	12,768	0	62,558,489	0	0	0	67,162,707
Ending Balance, 6/30/24	\$321,232,255	\$ 92,758,620	\$26,270,746	\$26,981,175	\$12,591,698	\$117,795,358	\$113,906,485	\$3,752,530	\$16,939,686	\$732,229,453
Beginning Balance	\$321,232,255	\$ 92,758,620	\$26,270,746	\$26,981,175	\$12,591,698	\$117,795,358	\$113,906,485	\$3,752,530	\$16,939,686	\$732,229,453
Revenues	573,053,037	136,735,392	32,365,950	35,182,211	10,250,929	3,351,808	37,746,480	8,417,814	5,646,008	842,749,629
Expenditures	574,049,375	79,135,485	36,768,329	28,246,949	18,124,284	59,403,320	0	9,286,656	636,416	805,650,814
Net Transfers	0	0	0	0	0	28,828,994	(28,828,994)	0	0	0
Other Sources (Uses)	433,560	18,267	0	0	0	61,530,472 <sup>(5)</sup>	0	0	0	61,982,299
Ending Balance, 6/30/25	\$320,669,477	\$150,376,794	\$21,868,367	\$33,916,437	\$4,718,543	\$152,103,312	\$122,823,971	\$2,884,388	\$21,949,278	\$831,310,567

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

- (1) Excludes payments made by the State to TRS with respect to District employees, commonly referred to as "on-behalf" payments.
- (2) Includes the transfer of interest earnings from the Working Cash Fund to the O&M Fund in the amount of \$15,080,547, and a transfer of \$45,000,000 to the Capital Projects Fund. A portion of such funds will be used to convert a middle school into an elementary school as part of the District's overall capital and infrastructure plans.
- (3) Includes the transfer of interest earnings from the Working Cash Fund to the Tort Fund in the amount of \$3,000,000 and to the Capital Projects Fund in the amount of \$26,541,497.
- (4) The District changed auditors in fiscal year 2024. These restatements are due to corrections made by the new auditor for the Ed Fund and IMRF Fund. See Note 3 of the Audit for more information.
- (5) Includes proceeds of the Series 2025 Bonds.



## EXHIBIT B — BUDGET, FISCAL YEAR ENDING JUNE 30, 2026

	ED <sup>(1)</sup>	O&M	DEBT SERVICE	TRANS	IMRF	CAP PROJECTS	WORKING CASH	TORT	FIRE	TOTAL
FUND BALANCE AS OF 7/1/25	\$313,656,514	\$168,973,739	\$28,176,221	\$21,575,567	\$5,982,920	\$172,153,149	\$113,906,485	\$2,298,565	\$22,597,489	\$849,320,649
ESTIMATED REVENUE	579,475,225	100,858,562	32,537,809	37,831,063	19,060,895	575,000	37,332,551	8,269,281	3,475,488	819,415,874
ESTIMATED EXPENDITURES	626,002,307	105,867,511	32,536,404	32,322,705	20,698,722	126,000,000	0	8,742,851	11,000,000	963,170,500
OTHER	0	(19,631,429)	0	0	0	141,504,629	(33,000,000)	0	0	88,873,200
ESTIMATED FUND BALANCE 6/30/26	\$267,129,432	\$144,333,361	\$28,177,626	\$27,083,925	\$4,345,093	\$188,232,778	\$118,239,036	\$1,824,995	\$15,072,977	\$794,439,223

Source: Budget for the District for the fiscal year ending June 30, 2026. The beginning fund balances were estimated by the District at the time the budget was adopted. Consequently, such balances may not match the ending fund balances set forth in the District's audited financial statements for the fiscal year ended June 30, 2025.

(1) Excludes payments made by the State to TRS with respect to District employees, commonly referred to as "on-behalf" payments.

**EXHIBIT C — GENERAL FUND REVENUE SOURCES,  
FISCAL YEARS ENDED JUNE 30, 2021-2025**

	YEAR ENDED JUNE 30, 2021	YEAR ENDED JUNE 30, 2022	YEAR ENDED JUNE 30, 2023	YEAR ENDED JUNE 30, 2024	YEAR ENDED JUNE 30, 2025
Local Sources	48.98%	47.40%	43.63%	46.37%	45.27%
State Sources	40.66%	42.13%	40.36%	45.01%	42.88%
Federal Sources	<u>10.37%</u>	<u>10.47%</u>	<u>16.02%</u>	<u>8.62%</u>	<u>11.85%</u>
TOTAL	100.00%	100.00%	100.00%	100.00%	100.00%

Source: The audited financial statements of the District for the fiscal years ended June 30, 2021-June 30, 2025. For purposes of this Exhibit, the General Fund includes the Educational Fund and the Operations and Maintenance Fund. Excludes payments made by the State to TRS with respect to District employees, commonly referred to as “on-behalf” payments.

**APPENDIX A**

**AUDITED FINANCIAL STATEMENTS OF THE  
DISTRICT FOR THE FISCAL YEAR ENDED JUNE 30, 2025**



# SCHOOL DISTRICT U-46

Kane, Cook and  
DuPage Counties,  
Illinois



## Annual Comprehensive Financial Report

For the Fiscal Year  
Ended  
June 30, 2025



355 E. Chicago Street  
Elgin, IL 60120  
[www.u-46.org](http://www.u-46.org)

**U-46 SCHOOL DISTRICT, ILLINOIS**

**ANNUAL COMPREHENSIVE FINANCIAL REPORT**

**FOR THE FISCAL YEAR ENDED  
JUNE 30, 2025**

**Prepared by:**

**Robyn Cornelissen  
Executive Director of Finance**

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## **INTRODUCTORY SECTION**

This section includes miscellaneous data regarding the District including: Principal Officials, Organizational Chart, and Letter of Transmittal.

**Principal Officials**

**June 30, 2025**

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**BOARD OF EDUCATION**

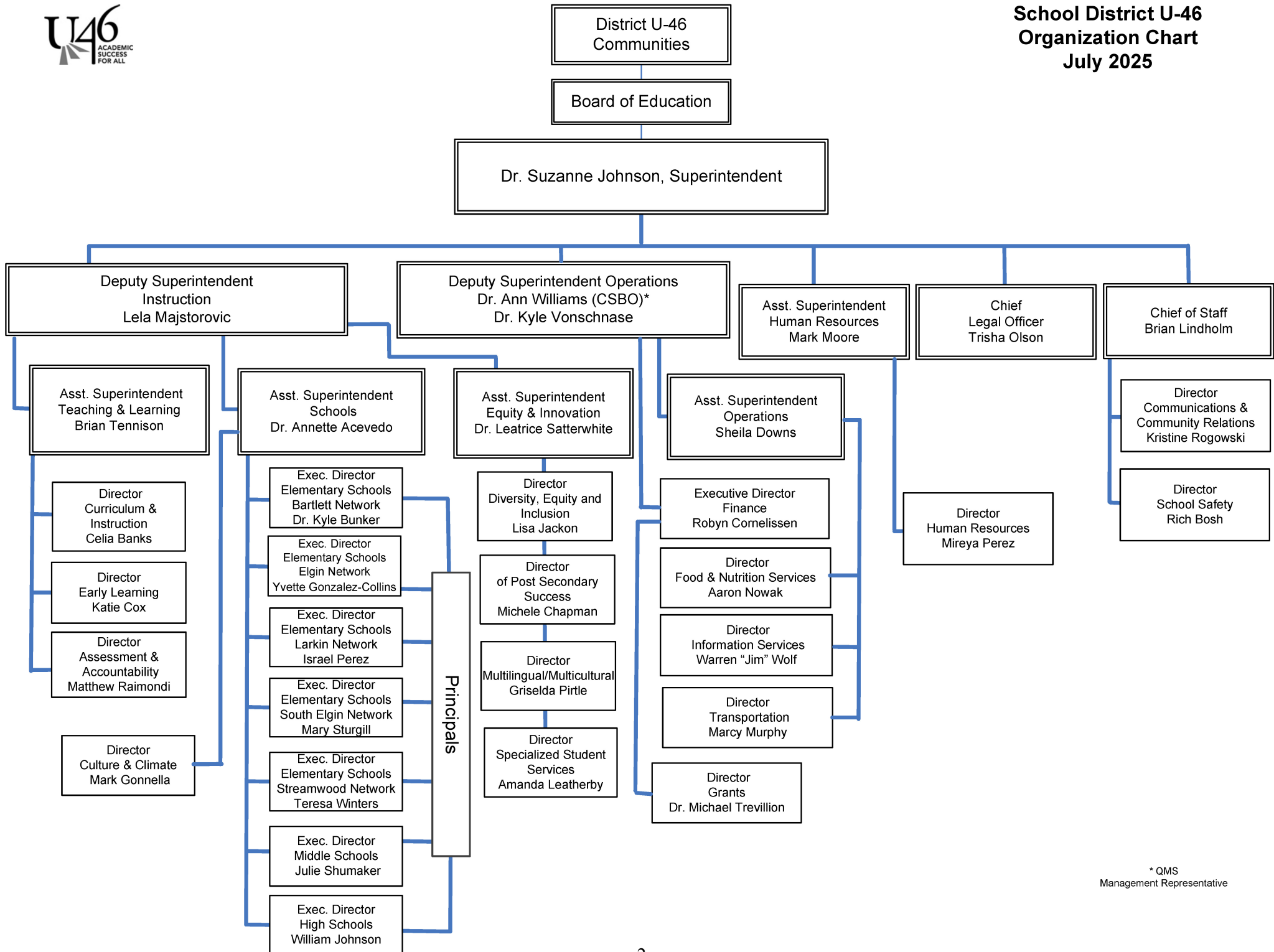
Melissa Owens, President  
Kate Thommes, Vice President  
Chanda Schwartz, Secretary Pro-Tempore  
Sue Kerr, Member  
Samreen Khan, Member  
Dawn Martin, Member  
Veronica Noland, Member  
Dhanvi Dhandapani, Student Advisor

**SUPERINTENDENT AND EXECUTIVE STAFF**

Dr. Suzanne Johnson, Superintendent  
Trisha Olson, Chief Legal Officer  
Lela Majstorovic, Deputy Superintendent of Instruction  
Dr. Ann Williams, Deputy Superintendent of Operations and Treasurer  
Dr. Kyle VonSchnase, Deputy Superintendent of Operations  
Brian Lindholm, Chief of Staff  
Mark Moore, Assistant Superintendent of Human Resources  
Dr. Annette Acevedo, Assistant Superintendent of Schools  
Brian Tennison, Assistant Superintendent of Teaching and Learning  
Dr. Leatrice Satterwhite, Assistant Superintendent of Equity and Innovation  
Sheila Downs, Assistant Superintendent of Operations  
Robyn Cornelissen, Executive Director of Finance



# School District U-46 Organization Chart July 2025



\* QMS  
Management Representative



**Dr. Suzanne Johnson, Superintendent**

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[www.u-46.org](http://www.u-46.org)

November 12, 2025

Melissa Owens, President  
Members of the Board of Education  
Community Residents of School District U-46  
Elgin, Illinois 60120

We are pleased to submit the Annual Comprehensive Financial Report (ACFR) of School District U-46 (the District), Elgin, Illinois as of and for the year ended June 30, 2025. The audit was completed and the Independent Auditor's Report was issued on November 12, 2025.

### **Management Responsibilities**

Management of the District is responsible for establishing and maintaining a comprehensive framework of internal control to provide a reasonable basis for asserting that the financial statements are fairly presented and to ensure adequate accounting data is properly recorded to allow for the preparation of financial statements in conformity with generally accepted accounting principles (GAAP) in the United States of America. The information contained in this report is based on the comprehensive framework of internal control that has been established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

Responsibility for the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the District. To the best of our knowledge and belief, the enclosed data, as presented, is accurate in all material respects; it is presented in a manner designed to fairly set forth the financial position and results of operations of the District as shown by the disclosure of all financial activity of its various funds; and all disclosures, necessary for public understanding of the District's financial status, have been incorporated within this report.

### **Financial Reporting**

The ACFR includes all funds of the District and is presented in three sections: Introductory, Financial, and Statistical. The Introductory Section includes this transmittal letter, the District's organizational chart, and a list of principal officers and elected officials. The Financial Section includes the Independent Auditor's Report on the financial statements and schedules referenced below under the Independent Audit heading. The Management's Discussion and Analysis (MD&A) is immediately following the Independent Auditor's Report and provides a narrative introduction, overview and analysis of the basic financial statements. The MD&A complements this letter of transmittal and should be read in conjunction. The remainder of the Financial Section contains the audited, basic financial statements including notes to the financial statements, required and other supplemental information such as the combining and individual fund financial statements and schedules. The statistical section includes selected financial and demographic information, generally presented on a multi-year basis.

## **Independent Audit**

The School Code of Illinois and the District's adopted policy require an annual audit of the books and accounts of the District by an independent certified public accountant in conformance with prescribed standards and legal requirements. The certified public accountant is selected by the Board of Education. The selected certified public accountants, Lauterbach & Amen, LLP, have issued an unmodified ("clean") opinion on the District's financial statements for the year ended June 30, 2025. The submission of the ACFR is intended to meet these annual requirements. The District is required to undergo an annual single audit in conformity with the provisions of Title 2 U. S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Information related to this single audit, including a schedule of federal financial assistance and the independent auditor's reports on the internal control structure and on compliance with applicable laws and regulations, is issued under a separate cover.

## **DISTRICT PROFILE**

### **Legal Autonomy and Fiscal Independence**

School District U-46 is organized under the School Code of the State of Illinois, as amended. The District exists as a legal entity deriving its just powers from the General Assembly of the State of Illinois through the State Board of Education for the purpose of providing a system of free public education. The District constitutes a body politic and corporate with all powers as prescribed by laws including but not limited to the power to sue and be sued, purchase, hold and sell personal property and real estate, and enter into such obligations as are authorized or implied by law. It has the statutory authority to adopt its own budget, levy taxes and issue bonded debt without the approval of another government and it is not considered a component unit of any other entity.

The legal authority of the Board of Education is transmitted through the superintendent or designee along specific paths from person to person as shown in the Board-approved organizational chart of the District. The lines of authority on the organizational chart represent direction of authority and responsibility. The Board of Education expects the superintendent/designee to keep the administrative structure up-to-date with the need for supervision and accountability throughout the school district.

### **Size and Scope**

The District is the second-largest school district in Illinois. Covering 90 square miles, the District is located approximately 45 minutes northwest of Chicago. The District serves approximately 34,000 children in grades pre-K through 12 at our 55 school buildings, two alternative high schools and two pre-K centers throughout the communities of Bartlett, Elgin, Hanover Park, South Elgin, Streamwood, Wayne, and portions of Carol Stream, Hoffman Estates, St. Charles, Schaumburg, and West Chicago.

The District offers general, special and vocational education and continues to support and expand various programs including Dual Language programs, gifted offerings, social and emotional supports, and services for students with special needs. Community involvement plays a valuable role within the District and the opportunities to engage parents, businesses and community leaders have continued to increase.

### **Budget Control**

All governmental funds of the District adopt annual budgets. A report of actual activity compared to budget is prepared by the Finance Department and reported to the District's Board of Education on a monthly basis. Account balances are compared to the annual budget with accumulation to the cost center, fund and total District levels. Full disclosures are made if extraordinary variances appear during the year. Further budgetary information such as the budget process and legal level of budgetary control are addressed in Note 2 of this report.

## **ECONOMIC CONDITION**

### **Local Economy and Economic Outlook**

Although local property tax revenue is the District's largest revenue source, the State of Illinois contributes approximately 39% of funding, excluding on-behalf contributions. Prior to the COVID-19 pandemic, the State of Illinois was in financial difficulty and was often slow in paying funds vouchered by the State Board of Education for mandated categorical payments; however, the adoption of the Evidence-Based Funding for Student Success Act (EBF) has positively impacted the District with increased funding.

Approximately 51% of the District's revenues, excluding on-behalf contributions, are sourced from property taxes. The property tax base is derived from the Equalized Assessed Valuation (EAV) of the property within the District's boundaries. The District encompasses 11 different communities covering three counties (Kane, Cook, and DuPage). Property growth in each county has been historically steady over the last five years with new construction averaging roughly between \$40-\$50 million annually. District property values have been trending upwards, with the lowest value in tax year 2015 (\$4,128,220,513) and the highest value in tax year 2024 (\$7,080,298,833). Tax year 2024 is the most recent tax year and is an increase over the prior year EAV of 6.9% percent.

### **Long-term Financial Planning**

The District maintains an ongoing commitment to fiscal responsibility and efficiency, diligently reviewing all expenditures to ensure optimal resource allocation. Furthermore, the District is pioneering a fiscally equitable budgeting approach that prioritizes student needs. This innovative method strategically targets resources to student groups identified by research as facing the greatest challenges within the education system, including low-income students, students with special needs, and English language learners. Through this approach, the District aims to ensure that funding is directed where it can have the most significant impact on student success. The District will continue to evaluate and refine its fiscally equitable budgeting practices to maximize support for those student populations most in need.

School District U-46 has consistently demonstrated a strong commitment to financial health, earning the Illinois State Board of Education's highest financial profile rating, "Financial Recognition," for the thirteenth consecutive year in 2024. This sustained financial stability is reflected in the significant growth of the District's General Fund balance over the past decade, increasing by \$608,852,309 from \$222,458,258 in fiscal year 2016 to \$831,310,567 in fiscal year 2025. Notably, the implementation of the Evidence-Based Funding (EBF) formula in Illinois has played a pivotal role in facilitating these impactful increases. The EBF model prioritizes funding for districts with the greatest financial need, enabling them to provide research-based educational environments conducive to student success.

Looking ahead, the District plans to strategically utilize its fund balances over the next five years to support the capital construction and maintenance projects associated with the "Unite U-46" campaign. This comprehensive initiative, with a total estimated cost of \$380,000,000, will be funded through a combination of voter-approved bonds (\$179,000,000) and existing fund balances. In addition to capital construction, the "Unite U-46" campaign incorporates a \$10,000,000 annual increase in capital maintenance spending, further enhancing the District's commitment to providing high-quality learning environments. This ongoing investment in facilities will also be supported by existing fund balances.

### **Projected Enrollment**

The District has experienced a decline in student enrollment over the past decade, with a reduction of approximately 6,000 students. This trend is primarily attributed to declining birth rates within the district's boundaries over the last five years. For a detailed historical overview of enrollment data, please refer to the "District Enrollment by School" section in the Statistical Section of this report.

## **Age of School Buildings**

Beyond its 55 school buildings, two alternative high schools, and two Pre-K centers, the District manages ten additional facilities. The majority of buildings constructed before 2000 have undergone subsequent additions or renovations. Excluding these modifications, the average age of the school buildings, alternative high schools, and Pre-K centers is 56.5 years. For those facilities with additions or renovations, the average age of the most recent modification is 23 years.

Recognizing the need to modernize its infrastructure, the District is proactively phasing out six aging elementary schools and two middle schools over the next two academic years. This initiative is being facilitated through the "Unite U-46" campaign, a comprehensive construction and renovation plan with the following timeline:

- **School Year 2025-2026:** A new middle school will open in Bartlett, coinciding with the commencement of construction on a new middle school and elementary school in Elgin. Simultaneously, additions and modifications to two existing middle schools, two elementary schools, and a Pre-K center will be completed by the summer of 2026.
- **School Year 2027-2028:** Construction of the new middle school and elementary school in Elgin is projected to conclude in the summer of 2028.

This strategic approach to facility management ensures that the District can provide modern, safe, and conducive learning environments for its students while effectively managing its resources.

## **Relevant Financial Policies**

The District's budget serves as a comprehensive financial plan, guiding and controlling expenditures for the ensuing fiscal year. Following a public hearing and in accordance with the Illinois School Code, the Board of Education adopted the annual budget in September 2024. Recognizing the importance of transparency in public finance, the budget was made available for public review at least thirty days prior to its final adoption.

In compliance with legal requirements, the Superintendent, or a designated representative, has published the final budget, itemized by receipts and expenditures, on the District's official website. Parents or guardians were duly notified of the budget posting and provided with the website address.

The Board retains the authority to amend the budget through the same procedures used for its original adoption, particularly when transfers exceed the ten percent limitation. Furthermore, the Board may authorize the treasurer to execute loans, interfund transfers, and transfers within funds, specifically the Operations and Maintenance, Educational, Transportation, and Working Cash Funds, as permitted by the Illinois School Code.

The District adheres to a prudent fiscal policy, striving to maintain year-end fund balances of no less than 20 percent of annual expenditures for its operating funds. This strategy ensures financial stability and the capacity to meet ongoing operational needs.

## **Major Initiatives/Strategic Goals**

The District's current Strategic Plan has served as the guiding framework for enhancing district operations, student achievement, staffing effectiveness, and community engagement over the past five years. Recognizing the need to adapt to evolving priorities and aspirations, the District has initiated the development of a new five-year strategic roadmap.

This comprehensive process, currently underway and scheduled for completion this spring, actively engages a diverse range of stakeholders, including employees, local leaders, students, and community members. District administrators and Board members, in collaboration with the educational consulting firm Performance Fact, have spearheaded efforts to gather input through various channels, including student voice groups, community sessions, and public meetings. This collaborative approach has involved the careful and iterative drafting and revision of the strategic plan, ensuring that it reflects the shared values and goals of all stakeholders. The final plan will articulate a comprehensive vision for the future, encompassing both a guiding document and a portrait of the ideal graduate, embodying the collective aspirations of the entire District community.

## **AWARDS AND ACKNOWLEDGEMENTS**

The District is committed to upholding the highest standards of financial transparency and reporting. The Certificate of Excellence, awarded by the Association of School Business Officials International (ASBO-I), represents a prestigious recognition of this commitment. This award acknowledges districts that demonstrate exceptional quality in their Annual Comprehensive Financial Report (ACFR), adhering to stringent criteria for clarity, accuracy, and completeness.

Having been a recipient of this esteemed award in the past, the District is confident that its current ACFR meets the rigorous requirements of the program. Accordingly, the ACFR is being submitted to ASBO-I for evaluation and consideration for continued certification. This proactive step underscores the District's dedication to maintaining public trust through open and accessible financial reporting.

## **CONCLUSION**

This ACFR is intended to provide a meaningful and accessible financial overview for a diverse audience, including District management, outside investors, interested residents, and all other stakeholders. The report aims to offer a clear and concise understanding of the District's financial condition as of June 30, 2025.

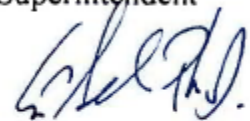
The timely completion of this comprehensive report is a testament to the dedication and expertise of the Finance Department staff. We extend our sincere appreciation to each member of the department for their invaluable contributions.

Finally, we acknowledge the essential role of the School District U-46 Board of Education. Their leadership and unwavering support were instrumental in the preparation of this report.

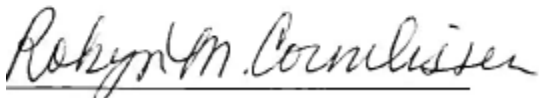
Respectfully submitted,



Dr. Suzanne Johnson  
Superintendent



Dr. Kyle VonSchnase  
Deputy Superintendent of Operations



Ms. Robyn Cornelissen  
Executive Director of Financial Services





ASSOCIATION OF  
SCHOOL BUSINESS OFFICIALS  
INTERNATIONAL

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

**School District U-46**

**for its Annual Comprehensive Financial Report  
for the Fiscal Year Ended June 30, 2024.**

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



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

**Ryan S. Stechschulte**  
President

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

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

## **FINANCIAL SECTION**

This section includes:

Independent Auditor's Report

Management's Discussion and Analysis

Basic Financial Statements

Required Supplementary Information

Other Supplementary Information

Supplemental Schedules

## **INDEPENDENT AUDITOR'S REPORT**

This section includes the opinion of the District's independent auditing firm.



November 12, 2025

Members of the Board of Education  
U-46 School District  
Elgin, Illinois

## **Report on the Audit of the Financial Statements**

### *Opinion*

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the U-46 School District (the District), Illinois, 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 financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the U-46 School District, Illinois 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.

### *Basis for Opinions*

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

## **Responsibilities of Management for the Financial Statements**

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

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

### **Auditor's Responsibilities for the Audit of the Financial Statements**

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

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

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

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

### **Required Supplementary Information**

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

### **Supplementary Information**

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the U-46 School District, Illinois' basic financial statements. The other supplementary information and supplemental schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, other supplementary information and supplemental schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

### **Other Information**

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

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

### **Other Reporting Required by *Government Auditing Standards***

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

*Lauterbach & Amen, LLP*  
LAUTERBACH & AMEN, LLP

## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

## **U-46 SCHOOL DISTRICT, ILLINOIS**

### **Management's Discussion and Analysis**

**June 30, 2025**

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Our discussion and analysis of the U-46 School District (the District), Illinois' financial performance provides an overview of the District's financial activities for the fiscal year ended June 30, 2025. Please read it in conjunction with the transmittal letter, which can be found in the introductory section of this report and the District's financial statements, which can be found in the basic financial statements section of this report.

#### **FINANCIAL HIGHLIGHTS**

- The District's net position totaled \$836,667,896 on June 30, 2025, which includes \$346,233,940 net investment in capital assets, \$174,260,544 subject to external restrictions, and \$316,173,412 unrestricted net position that may be used to meet the ongoing obligations to citizens and creditors.
- During the year, government-wide revenues totaled \$1,012,248,075, while expenses totaled \$870,177,276, resulting in an increase to net position of \$142,070,799, or 20.5 percent.
- The District's combined fund balances at June 30, 2025 were \$834,691,958, an increase of \$99,196,918, or 13.5 percent, from the prior year's fund balance of \$735,495,040.
- The District's funds reported revenues of \$1,012,248,075, 36.7 percent of this amount came from property taxes. Expenditures for the year were \$975,033,456. Instruction and support services were 69.1 percent of the total expenditures.
- The District has \$550,700,676 in capital assets and \$237,865,055 outstanding long-term debt.

#### **USING THIS ANNUAL REPORT**

This annual report consists of a series of financial statements. The Statement of Net Position and the Statement of Activities provide information about the activities of the District as a whole and present a longer-term view of the District's finances. For governmental activities, these statements tell how these services were financed in the short term as well as what remains for future spending. Fund financial statements also report the District's operations in more detail than the government-wide statements by providing information about the District's most significant funds. The remaining statements provide financial information about activities for which the District acts solely as a trustee or agent for the benefit of those outside of the government.

#### **Government-Wide Financial Statements**

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

The Statement of Net Position reports information on all of the District's assets/deferred outflows and liabilities/deferred inflows, with the difference between the two 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. Consideration of other nonfinancial factors, such as changes in the District's property tax base and the condition of the District's infrastructure, is needed to assess the overall health of the District.



**Management's Discussion and Analysis**

**June 30, 2025**

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**USING THIS ANNUAL REPORT - Continued**

**Government-Wide Financial Statements - Continued**

The Statement of Activities presents information showing how the government's net position changed during the most recent fiscal year. 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 (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the District that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the District include instruction, support services, community services, and payments to other districts and governments. The District does not have any business-type activities.

**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, like other local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the District are considered governmental funds.

**Governmental Funds**

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, 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 the District's near-term financing requirements.

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

The District maintains six individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund (includes the Education Account, Operations and Maintenance Account, Tort Immunity Account, and Working Cash Account), Debt Service Fund, and Capital Projects Fund, which are considered major funds. Data from the other three nonmajor governmental funds (Transportation Fund, IMRF/SS Fund, and Fire Prevention and Safety Fund) are combined into a single, aggregated presentation. Individual fund data for each of these funds is provided in the form of combining statements elsewhere in this report.

The District adopts an annual appropriated budget for all of the governmental funds. A budgetary comparison schedule for these funds has been provided to demonstrate compliance with this budget.

**Notes to the Financial Statements**

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

## Management's Discussion and Analysis

June 30, 2025

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**USING THIS ANNUAL REPORT - Continued**
**Other Information**

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the District's Teachers' Health Insurance Security (THIS) and Retiree Healthcare Plan (RHP) post-employment retirement benefit obligations, Teachers' Retirement System (TRS) and Illinois Municipal Retirement (IMRF) pension obligations, and budgetary comparison schedules for the General Fund. The combining statements referred to earlier in connection with nonmajor governmental funds are presented immediately following the required supplementary information on pensions.

**GOVERNMENT-WIDE FINANCIAL ANALYSIS**

Net position may serve over time as a useful indicator of a government's financial position. The following tables show that in the case of the District, assets/deferred outflows exceeded liabilities/deferred inflows by \$836,667,896 resulting in a net position year over year increase of \$142,070,799 or 20.5 percent.

	Net Position	
	2025	2024
Current Assets	\$ 1,111,295,037	988,777,423
Capital Assets	550,700,676	477,215,103
Total Assets	1,661,995,713	1,465,992,526
Deferred Outflows	47,993,483	54,391,432
Total Assets/Deferred Outflows	1,709,989,196	1,520,383,958
Long-Term Liabilities	408,811,272	345,401,514
Other Liabilities	116,730,095	97,269,692
Total Liabilities	525,541,367	442,671,206
Deferred Inflows	347,779,933	383,115,655
Total Liabilities/Deferred Inflows	873,321,300	825,786,861
Net Position		
Net Investment in Capital Assets	346,233,940	312,794,868
Restricted	174,260,544	148,688,461
Unrestricted	316,173,412	233,113,768
Total Net Position	836,667,896	694,597,097

A portion of the District's net position, \$346,233,940, or 41.4 percent, reflects its investment in capital assets (for example, land, construction in progress, buildings, transportation equipment, other equipment, and subscription assets), less any related debt used to acquire those assets that is still outstanding. The District uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the District's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

## U-46 SCHOOL DISTRICT, ILLINOIS

### Management's Discussion and Analysis

June 30, 2025

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#### GOVERNMENT-WIDE FINANCIAL ANALYSIS - Continued

An additional portion, \$174,260,544, or 20.8 percent, of the District's net position represents resources that are subject to external restrictions on how they may be used. The remaining \$316,173,412, or 37.8 percent, represents unrestricted net assets and may be used to meet the government's ongoing obligations to citizens and creditors. Additional information on the error corrections can be found in Note 3 of this report.

	Changes in Net Position	
	2025	2024
Revenues		
Program Revenues		
Charges for Services	\$ 13,518,985	10,174,880
Operating Grants/Contributions	282,142,947	258,804,547
General Revenues		
Property Tax	371,504,358	359,247,623
Personal Property Replacement Tax	5,548,582	8,367,771
State and Federal Aid	295,409,467	276,572,567
Earnings on Investments	38,795,697	31,384,716
Other General Revenues	5,328,039	4,676,711
Total Revenues	1,012,248,075	949,228,815
Expenses		
Instruction	409,820,262	363,209,726
Support Services	271,719,944	209,224,006
Community Services	2,195,628	2,062,779
Payments to Other District/Govts.	15,754,916	14,226,811
State Retirement Contributions	165,019,966	166,263,810
Interest on Long-Term Debt	5,666,560	(3,646,196)
Total Expenses	870,177,276	751,340,936
Change in Net Position	142,070,799	197,887,879
Net Position - Beginning as Previously Reported	694,597,097	521,238,464
Restatement - Error Correction	—	(24,529,246)
Net Position - Beginning as Restated	694,597,097	496,709,218
Net Position - Ending	836,667,896	694,597,097

Management's Discussion and Analysis

June 30, 2025

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**GOVERNMENT-WIDE FINANCIAL ANALYSIS - Continued**

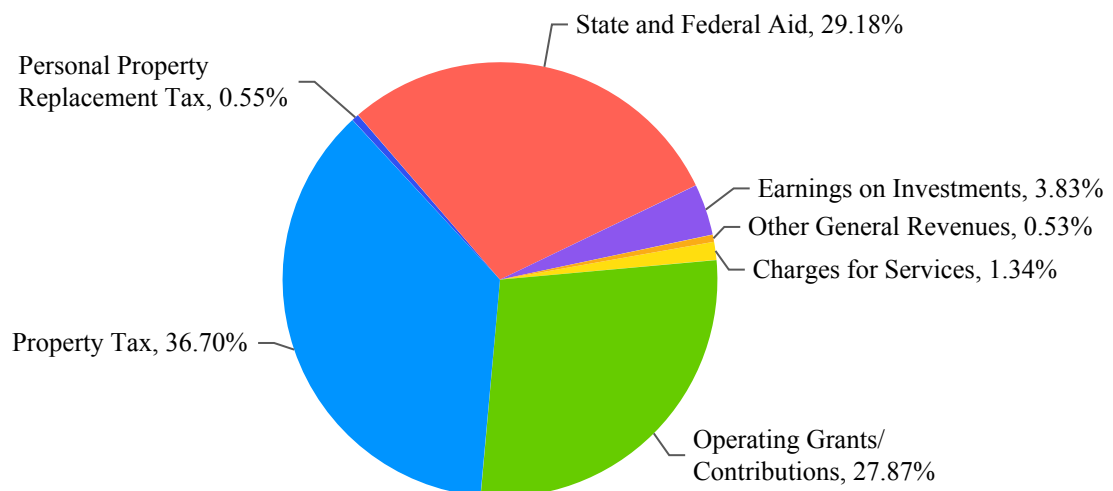
Net position of the District's governmental activities increased by 20.5 percent (\$836,667,896 in 2025 compared to \$694,597,097 in 2024). Unrestricted net position, the part of net position that can be used to finance day-to-day operations without constraints, totaled \$316,173,412 at June 30, 2025.

Revenues for governmental activities totaled \$1,012,248,075, while the cost of all governmental functions totaled \$870,177,276. This results in an increase of \$142,070,799 or 20.5 percent. In 2024, revenues of \$949,228,815 exceeded expenses of \$751,340,936, resulting in a an increase of \$197,887,879.

While the District's financial position is influenced by a multitude of factors, several key events in the past fiscal year had a particularly significant impact:

- **Debt Issuance:** The District successfully secured funding for capital projects through the issuance of \$60,545,208 in General Obligation bonds, representing the second (of three) tranche of a voter-approved \$179,000,000 bond referendum. Favorable market conditions and the District's strong AA+ credit rating resulted in a premium of \$4,920,208 on the \$55,625,000 principal. This strategic financing initiative provides crucial funding for planned capital improvements and infrastructure development.
- **Investment Income:** Prudent cash management strategies generated \$38,795,697 in interest earnings, bolstering the District's overall financial resources.
- **Increased Federal Revenue:** Federal funding allocations to the District increased by \$27,396,931 marginally due to an increase in Elementary and Secondary School Emergency Relief (ESSER) funding for ongoing operations and educational programs.

**Revenues by Source**



Management's Discussion and Analysis

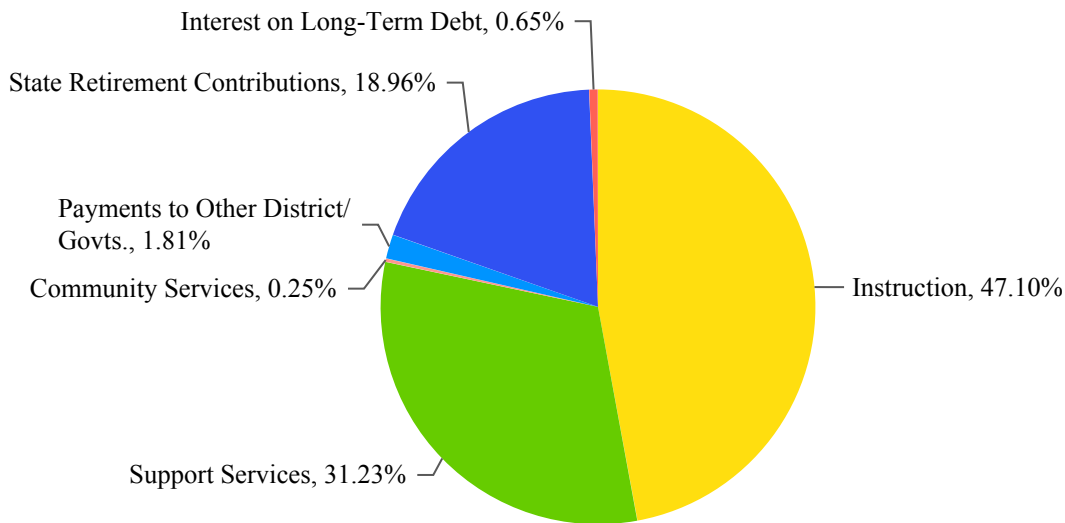
June 30, 2025

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GOVERNMENT-WIDE FINANCIAL ANALYSIS - Continued

Expenses by Source



FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

As noted earlier, the District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

The focus of the District's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. In particular, unassigned fund balance (monies that can be used without restrictions) may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

The District's governmental funds reported combining ending fund balances of \$834,691,958, which is \$99,196,918, or 13.5 percent, higher than last year's total of \$735,495,040. Of the \$834,691,958 total, \$593,781,855, or approximately 71.1 percent, of the fund balance constitutes unassigned fund balance.

The General Fund is the chief operating fund of the District and includes the Educational Account, Operations and Maintenance Account, Tort Immunity Account, and Working Cash Account. At June 30, 2025, unassigned fund balance in the General Fund was \$593,781,855, which represents 98.9 percent of the total fund balance of the General Fund. As a measure of the General Fund's liquidity, it may be useful to compare unassigned fund balance to total fund expenditures. Unassigned fund balance in the General Fund represents approximately 71.4 percent of total General Fund expenditures.

Management's Discussion and Analysis

June 30, 2025

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**FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS - Continued**

The year-end fund balance for the General Fund exhibited an increase. The balance reached \$600,136,021, representing a 12.2 percent rise from the prior year's balance of \$534,916,177. This \$65,219,844 increase is primarily attributable to:

- **Increased Investment Income:** Interest earnings on cash balances generated \$6,578,643.
- **Enhanced State Support:** State funding allocations rose by \$8,141,653.
- **Growth in Property Tax Revenue:** Property tax collections increased by \$12,231,746.

Furthermore, expenditure analysis reveals notable variances:

- **Regular Program Underspending:** Expenditures for regular programs were \$14,693,968 (6.7 percent) below budget. This favorable variance is primarily attributed to lower-than-anticipated salary and benefit costs.
- **Repairs and Maintenance Savings:** Repairs and maintenance expenditures in the Operations and Maintenance Account - General Fund were \$11,945,708 (44.7 percent) below budget. These savings resulted from a lower-than-projected expenditures on various projects through the District.

The Debt Service Fund concluded the fiscal year with a balance of \$21,868,367, reflecting a 16.8 percent decrease from the previous year's balance of \$26,270,746. This \$4,402,379 decrease is primarily attributed to the subscription lease liability payment.

The Capital Projects Fund experienced substantial growth, ending the year with a balance of \$152,103,312. This represents a significant 29.1 percent increase from the previous year's balance of \$117,795,358. Two primary factors contributed to this growth:

- **Bond Issuance:** The District successfully secured funding for capital projects through the issuance of \$55,625,000 in General Obligation bonds.
- **Interest Transfer:** \$28,828,994 in interest earnings were transferred from the Working Cash Account - General Fund to the Capital Projects Fund.

These funds are earmarked for the "Unite U-46" building construction campaign, a comprehensive initiative projected to cost approximately \$380,000,000. The substantial increase in the Capital Projects Fund balance demonstrates the district's commitment to this ambitious infrastructure development program.

**GENERAL FUND BUDGETARY HIGHLIGHTS**

The General Fund is the District's largest budgeted fund. Exclusive of on-behalf payments (which are pension contributions the state of Illinois pays to the Teacher Retirement System on behalf of the District), the General Fund's actual revenues of \$760,431,203 were \$30,360,656 more than budgeted revenues of \$730,070,547. Local sources were \$23,196,763 more than budgeted. State sources were \$5,568,734 less than the budgeted, while federal sources were \$12,732,627 more than budgeted.

## U-46 SCHOOL DISTRICT, ILLINOIS

### Management's Discussion and Analysis

June 30, 2025

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#### GENERAL FUND BUDGETARY HIGHLIGHTS - Continued

Actual expenditures, exclusive of on-behalf payments, of \$666,834,192 were less than budgeted expenditures, exclusive of on-behalf payments, of \$690,590,735 by \$23,756,543. Instruction services were \$6,199,484 more than budgeted, support services were \$28,108,713 less than the budgeted, community services were \$320,667 less than budgeted, payments to other districts and governmental units were \$1,537,923 more than budgeted, capital outlay expenditures were \$3,064,570 less than budgeted, and debt service expenditures were not budgeted.

#### CAPITAL ASSETS

The District's investment in capital assets for its governmental activities as of June 30, 2025 was \$550,700,676 (net of accumulated depreciation and amortization). This investment in capital assets includes land, construction in progress, buildings, transportation equipment, other equipment, and subscription assets.

	Capital Assets - Net of Depreciation and Amortization	
	2025	2024
Land	\$ 28,351,132	28,394,912
Construction in Progress	121,401,364	40,050,396
Buildings	393,935,769	396,989,320
Transportation Equipment	1,185,187	1,669,409
Other Equipment	1,865,172	2,186,893
Subscription Assets - Software	3,962,052	7,924,173
Totals	<u>550,700,676</u>	<u>477,215,103</u>

This year's major additions included:

Construction in Progress	\$ 99,014,218
Buildings	24,996
Transportation Equipment	460,120
Other Equipment	518,951
Subscription Assets - Software	<u>433,560</u>
Total	<u>100,451,845</u>

Additional information on the District's capital assets can be found in Note 3 of this report.

## U-46 SCHOOL DISTRICT, ILLINOIS

### Management's Discussion and Analysis

June 30, 2025

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#### DEBT ADMINISTRATION

At year-end, the District had total outstanding debt of \$237,865,055 as compared to \$212,296,344 the previous year, an increase of 12.0 percent. The following is a comparative statement of outstanding debt:

	Long-Term Debt Outstanding	
	2025	2024
General Obligation Bonds Payable	\$ 233,920,000	204,735,000
Subscriptions Payable	3,945,055	7,561,344
Totals	<u>237,865,055</u>	<u>212,296,344</u>

The District maintains an AA+ rating from Standard & Poor's (S&P) for general obligation debt. State statutes limit the amount of general obligation debt a non-home rule governmental entity may issue to 13.8 percent of its total assessed valuation. The current debt limit for the District is \$977,081,239.

Additional information on the District's long-term debt can be found in Note 3 of this report.

#### FACTORS BEARING ON THE DISTRICT'S FUTURE

During the preparation and audit of these financial statements, the District identified several existing circumstances that warrant close monitoring due to their potential to significantly impact future financial health:

- **State Fiscal and Regulatory Environment:** The District remains vigilant in monitoring the state's financial condition and legislative developments that could affect its operations.
- **Facility Enhancement Program:** To address the modernization needs of aging facilities, the District, guided by its "Unite U-46" community engagement initiative and Board of Education vision, has committed to a \$10,000,000 annual increase in capital maintenance funding.
- **Capital Construction Plan:** The District is undertaking a substantial capital construction program, estimated at \$380,000,000 over the next three years. This program encompasses expanding an existing elementary school for conversion into a middle school, constructing a new middle school and a new elementary school, renovation and additions at two existing elementary schools and two existing middle schools, and converting a Pre-K Center into an elementary school. Funding will be sourced through a combination of debt issuance and existing fund balances.
- **Strategic Planning & Commitment to Inclusivity:** Reaffirming its commitment to the "All means all" mission, the District has initiated the development of a new five-year strategic plan to guide its ongoing efforts to provide equitable and inclusive educational opportunities for all students.

#### REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the District's finances for all those with an interest in the government's finances. For questions concerning any of the information provided in this report or requests for additional information, contact the Deputy Superintendent of Operations/CSBO, School District U-46, 355 E. Chicago St., Elgin, Illinois 60120.



## **BASIC FINANCIAL STATEMENTS**

The basic financial Statements include integrated sets of financial statements as required by the GASB. The sets of statements include:

- Government-Wide Financial Statements
- Fund Financial Statements
  - Governmental Funds

In addition, the notes to the financial statements are included to provide information that is essential to a user's understanding of the basic financial statements.

**U-46 SCHOOL DISTRICT, ILLINOIS**

**Statement of Net Position**

**June 30, 2025**

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**See Following Page**

# U-46 SCHOOL DISTRICT, ILLINOIS

## Statement of Net Position

June 30, 2025

	Governmental Activities
<b>ASSETS</b>	
Current Assets	
Cash and Investments	\$ 905,793,091
Receivables - Net of Allowances	
Taxes	183,090,107
Other	3,027,083
Due from Other Governments	16,229,770
Prepays	3,154,986
Total Current Assets	<u>1,111,295,037</u>
Noncurrent Assets	
Capital Assets	
Nondepreciable	149,752,496
Depreciable/Amortizable	850,241,741
Accumulated Depreciation/Amortization	<u>(449,293,561)</u>
Total Noncurrent Assets	<u>550,700,676</u>
Total Assets	<u>1,661,995,713</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>	
Deferred Items - THIS	23,762,387
Deferred Items - RHP	1,884,937
Deferred Items - TRS	4,536,380
Deferred Items - IMRF	17,809,779
Total Deferred Outflows of Resources	<u>47,993,483</u>
Total Assets and Deferred Outflows of Resources	<u>1,709,989,196</u>

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

	<u>Governmental Activities</u>
<b>LIABILITIES</b>	
Current Liabilities	
Accounts Payable	\$ 38,695,583
Accrued Payroll	44,527,222
Accrued Interest Payable	2,949,365
Contracts Payable	1,236
Other Payables	1,445,572
Current Portion of Long-Term Debt	29,111,117
Total Current Liabilities	<u>116,730,095</u>
Noncurrent Liabilities	
Compensated Absences	592,390
Claims Payable	30,012,306
Total OPEB Liability - THIS	80,718,541
Total OPEB Liability - RHP	22,562,622
Net Pension Liability - TRS	24,269,294
Net Pension Liability - IMRF	30,209,995
General Obligation Bonds - Net	217,818,395
Subscriptions Payable	2,627,729
Total Noncurrent Liabilities	<u>408,811,272</u>
Total Liabilities	<u>525,541,367</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>	
Property Taxes	190,679,680
Grants	1,253,786
Gain on Refunding	2,678,287
Deferred Items - THIS	149,073,663
Deferred Items - RHP	2,812,534
Deferred Items - TRS	1,281,983
Total Deferred Inflows of Resources	<u>347,779,933</u>
Total Liabilities and Deferred Inflows of Resources	<u>873,321,300</u>
<b>NET POSITION</b>	
Net Investment in Capital Assets	346,233,940
Restricted	
Student Activities	3,381,391
Tort	2,884,388
Transportation	33,916,437
Municipal Retirement/Social Security	4,718,543
Debt Service	18,919,002
Capital Projects	88,491,505
Fire Prevention and Safety	21,949,278
Unrestricted	<u>316,173,412</u>
Total Net Position	<u>836,667,896</u>

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

# U-46 SCHOOL DISTRICT, ILLINOIS

## Statement of Activities

For the Fiscal Year Ended June 30, 2025

		Program Revenues			(Expenses)/
		Charges for Services	Operating Grants/ Contributions	Capital Grants/ Contributions	Revenues Governmental Activities
	Expenses				
Governmental Activities					
Instruction	\$ 409,820,262	12,957,644	83,575,039	—	(313,287,579)
Support Services	271,719,944	561,341	33,547,942	—	(237,610,661)
Community Services	2,195,628	—	—	—	(2,195,628)
Payments to Other Districts/Govts.	15,754,916	—	—	—	(15,754,916)
State Retirement Contributions	165,019,966	—	165,019,966	—	—
Interest on Long-Term Debt	5,666,560	—	—	—	(5,666,560)
Total Primary Government	870,177,276	13,518,985	282,142,947	—	(574,515,344)
General Revenues					
Taxes					
Property Taxes, Levied for General Purposes					222,799,776
Property Taxes, Levied for Specific Purposes					116,402,119
Property Taxes, Levied for Debt Services					32,302,463
Intergovernmental - Unrestricted					
Personal Property Replacement Taxes					5,548,582
State and Federal Aid					295,409,467
Earnings on Investments					38,795,697
Other General Revenues					5,328,039
					<u>716,586,143</u>
Change in Net Position					142,070,799
Net Position - Beginning					<u>694,597,097</u>
Net Position - Ending					<u><u>836,667,896</u></u>

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

# U-46 SCHOOL DISTRICT, ILLINOIS

## Balance Sheet - Governmental Funds

June 30, 2025

	General	Debt Service	Capital Projects Capital Projects	Nonmajor	Totals
<b>ASSETS</b>					
Cash and Investments	\$ 656,471,419	22,507,440	165,225,288	61,588,944	905,793,091
Receivables - Net of Allowances					
Taxes	156,889,226	15,415,669	—	10,785,212	183,090,107
Other	3,027,083	—	—	—	3,027,083
Due from Other Governments	16,229,770	—	—	—	16,229,770
Prepays	88,387	—	3,066,599	—	3,154,986
Total Assets	832,705,885	37,923,109	168,291,887	72,374,156	1,111,295,037
<b>LIABILITIES</b>					
Accounts Payable	23,940,727	—	14,754,856	—	38,695,583
Accrued Payroll	43,969,985	—	—	557,237	44,527,222
Contracts Payable	1,236	—	—	—	1,236
Other Payables	11,853	—	1,433,719	—	1,445,572
Total Liabilities	67,923,801	—	16,188,575	557,237	84,669,613
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Property Taxes	163,392,277	16,054,742	—	11,232,661	190,679,680
Grants	1,253,786	—	—	—	1,253,786
Total Deferred Inflows of Resources	164,646,063	16,054,742	—	11,232,661	191,933,466
Total Liabilities and Deferred Inflows of Resources	232,569,864	16,054,742	16,188,575	11,789,898	276,603,079
<b>FUND BALANCES</b>					
Nonspendable	88,387	—	3,066,599	—	3,154,986
Restricted	6,265,779	21,868,367	149,036,713	60,584,258	237,755,117
Unassigned	593,781,855	—	—	—	593,781,855
Total Fund Balances	600,136,021	21,868,367	152,103,312	60,584,258	834,691,958
Total Liabilities, Deferred Inflows of Resources and Fund Balances	832,705,885	37,923,109	168,291,887	72,374,156	1,111,295,037

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

## U-46 SCHOOL DISTRICT, ILLINOIS

### Reconciliation of the Total Governmental Fund Balance to the Statement of Net Position - Governmental Activities

June 30, 2025

<b>Total Governmental Fund Balances</b>	<b>\$ 834,691,958</b>
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Capital assets used in governmental activities are not financial resources and therefore, are not reported in the funds.	550,700,676
Deferred outflows/inflows of resources related to the pension plans not reported in the funds.	
Deferred Items - THIS	(125,311,276)
Deferred Items - RHP	(927,597)
Deferred Items - TRS	3,254,397
Deferred Items - IMRF	17,809,779
Long-term liabilities are not due and payable in the current period and therefore not reported in the funds.	
Compensated Absences Payable	(740,487)
Claims Payable	(30,012,306)
Total OPEB Liability - THIS	(80,718,541)
Total OPEB Liability - RHP	(24,392,965)
Net Pension Liability - TRS	(24,269,294)
Net Pension Liability - IMRF	(30,209,995)
General Obligation Bonds - Net	(243,633,746)
Subscriptions Payable	(3,945,055)
Unamortized Gain on Refunding	(2,678,287)
Accrued Interest Payable	(2,949,365)
<b>Net Position of Governmental Activities</b>	<b>836,667,896</b>

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

# U-46 SCHOOL DISTRICT, ILLINOIS

## Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds For the Fiscal Year Ended June 30, 2025

	General	Debt Service	Capital Projects Capital Projects	Nonmajor	Totals
Revenues					
Local Sources					
Property Taxes	\$ 318,412,157	32,302,463	—	20,789,738	371,504,358
Personal Property Replacement Taxes	—	—	—	5,548,582	5,548,582
Earnings on Investments	37,781,595	63,487	858,950	91,665	38,795,697
Other Revenue from Local Sources	15,759,663	—	2,492,858	594,503	18,847,024
State Sources	304,373,655	—	—	24,054,660	328,428,315
Federal Sources	84,104,133	—	—	—	84,104,133
On-Behalf Payments - State of Illinois	165,019,966	—	—	—	165,019,966
Total Revenues	925,451,169	32,365,950	3,351,808	51,079,148	1,012,248,075
Expenditures					
Instruction	389,492,401	—	—	6,960,267	396,452,668
Support Services	214,822,689	—	23,007,154	39,270,733	277,100,576
Community Services	1,969,653	—	—	140,233	2,109,886
Payments to Other Districts and Govt. Units	15,754,916	—	—	—	15,754,916
Capital Outlay	44,794,533	—	36,396,166	636,416	81,827,115
Debt Service					
Principal Retirement	—	30,489,849	—	—	30,489,849
Interest and Fiscal Charges	—	6,278,480	—	—	6,278,480
On-Behalf Expenditures - State of Illinois	165,019,966	—	—	—	165,019,966
Total Expenditures	831,854,158	36,768,329	59,403,320	47,007,649	975,033,456
Excess (Deficiency) of Revenues Over (Under) Expenditures	93,597,011	(4,402,379)	(56,051,512)	4,071,499	37,214,619
Other Financing Sources (Uses)					
Disposal of Capital Assets	18,267	—	985,264	—	1,003,531
Debt Issuance	433,560	—	55,625,000	—	56,058,560
Premium on Debt Issuance	—	—	4,920,208	—	4,920,208
Transfers In	—	—	28,828,994	—	28,828,994
Transfers Out	(28,828,994)	—	—	—	(28,828,994)
	(28,377,167)	—	90,359,466	—	61,982,299
Net Change in Fund Balances	65,219,844	(4,402,379)	34,307,954	4,071,499	99,196,918
Fund Balances - Beginning	534,916,177	26,270,746	117,795,358	56,512,759	735,495,040
Fund Balances - Ending	600,136,021	21,868,367	152,103,312	60,584,258	834,691,958

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



## U-46 SCHOOL DISTRICT, ILLINOIS

### Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of the Governmental Funds to the Statement of Activities - Governmental Activities For the Fiscal Year Ended June 30, 2025

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<b>Net Change in Fund Balances - Total Governmental Funds</b>	<b>\$ 99,196,918</b>
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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 expense.

Capital Outlays	100,408,065
Depreciation Expense	(23,843,632)
Disposals - Cost	(11,306,257)
Disposals - Accumulated Depreciation/Amortization	8,227,397

The net effect of deferred outflows (inflows) of resources related to the pensions not reported in the funds.

Change in Deferred Items - THIS	35,324,934
Change in Deferred Items - RHP	(204,063)
Change in Deferred Items - TRS	1,546,956
Change in Deferred Items - IMRF	(12,060,269)

The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal on long-term debt consumes the current financial resources of the governmental funds.

Change in Compensated Absences Payable	(43,187)
Change in Claims Payable	(17,816,488)
Change in Total OPEB Liability - THIS	(10,072,785)
Change in Total OPEB Liability - RHP	425,152
Change in Net Pension Liability - TRS	(1,780,478)
Change in Net Pension Liability - IMRF	3,945,535
Debt Issuance	(56,058,560)
Debt Retirement	30,489,849
Amortization on Bond Premium	1,005,740
Issuance of Bond Premium	(4,920,208)
Amortization of Gain/Loss on Refunding	318,213

Changes to accrued interest on long-term debt in the Statement of Activities does not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.

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(712,033)

**Changes in Net Position of Governmental Activities**

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**142,070,799**

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

## **U-46 SCHOOL DISTRICT, ILLINOIS**

### **Notes to the Financial Statements**

**June 30, 2025**

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#### **NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The U-46 School District (the District) was incorporated in 1875 and operates as a public school system governed by an elected seven-member Board of Education. The District is organized under the School Code of the State of Illinois, as amended. The District covers a 90 square mile area extending into three counties, Cook, DuPage and Kane and serves the communities of Bartlett, Elgin, Hanover Park, South Elgin, Streamwood, Wayne and portions of Carol Stream, Hoffman Estates, St. Charles, Schaumburg, and West Chicago.

The government-wide financial statements are prepared in accordance with generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations). The more significant of the District's accounting policies established under GAAP and used by the District are described below.

#### **REPORTING ENTITY**

The accompanying financial statements present the government and its component units, entities for which the government is considered to be financially accountable. Blended component units are, in substance, part of the primary government's operations, even though they are legally separate entities. Thus, blended component units are appropriately presented as funds of the primary government. Each discretely presented component unit is reported in a separate column in the government-wide financial statements to emphasize that it is both legally and substantively separate from the government. Management has determined that there are no fiduciary component units that are required to be included in the financial statements of the District as pension trust funds and there are no discretely component units to include in the reporting entity.

#### **BASIS OF PRESENTATION**

##### **Government-Wide Statements**

The District's basic financial statements include both government-wide (reporting the District as a whole) and fund financial statements (reporting the District's major funds). Both the government-wide and fund financial statements categorize primary activities as either governmental or business-type. The District's operating activities are all considered governmental activities, that is, activities normally supported by taxes and intergovernmental revenues. The District has no operating activities that would be considered business-type activities.

In the government-wide Statement of Net Position, both the governmental activities column is (a) presented on a consolidated basis by column, and (b) reported on a full accrual, economic resource basis, which recognizes all long-term assets/deferred outflows and receivables as well as long-term debt/deferred inflows and obligations. The District's net position is reported in three parts: net investment in capital assets; restricted; and unrestricted. The District first utilizes restricted resources to finance qualifying activities.

The government-wide Statement of Activities reports both the gross and net cost of each of the District's functions (instruction, support services, community services, etc.). The functions are supported by general government revenues (property and personal property replacement taxes, state and federal aid, earnings on investments, etc.). The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, which include 1) charges to customers or applicants who purchase, use or directly benefit from goods, services or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment.

Notes to the Financial Statements

June 30, 2025

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued**

**BASIS OF PRESENTATION - Continued**

**Government-Wide Statements - Continued**

The net costs (by function) are normally covered by general revenue (property and personal property replacement taxes, state and federal aid, earnings on investments, etc.).

This government-wide focus is more on the sustainability of the District as an entity and the change in the District's net position resulting from the current year's activities.

**Fund Financial Statements**

The financial transactions of the District are reported in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprise its assets/deferred outflows, liabilities/deferred inflows, fund equity, revenues and expenditures/expenses. An emphasis is placed on major funds within the governmental category. A fund is considered major if it is the primary operating fund of the District or meets the following criteria:

Total assets/deferred outflows, liabilities/deferred inflows, revenues, or expenditures/expenses of that individual governmental fund are at least 10 percent of the corresponding total for all funds of that category or type.

The various funds are reported by generic classification within the financial statements. The following fund types are used by the District:

**Governmental Funds**

The focus of the governmental funds' measurement (in the fund statements) is upon determination of financial position and changes in financial position (sources, uses, and balances of financial resources) rather than upon net income. The following is a description of the governmental funds of the District:

*General Fund* is the general operating fund of the District. It accounts for all financial resources except those required to be accounted for in another fund. The General Fund is a major fund and is comprised of four accounts: the Educational Account, the Operations and Maintenance Account, the Tort Immunity Account, and the Working Cash Account.

*Special Revenue Funds* are used to account for the proceeds of specific revenue sources that are legally restricted or assigned to expenditures for specified purposes. The District maintains two nonmajor special revenue funds.

*Debt Service Fund* is used to account for the accumulation of funds for the periodic payment of principal and interest on general long-term debt. The primary revenue sources are local property taxes levied specifically for debt service and transfers from other funds. The Debt Service Fund is a major fund.

*Capital Projects Funds* are used to account for financial resources to be used for the acquisition or construction of major capital facilities. The District maintains two major capital projects funds. The Capital Projects Fund is used to account for financial resources to be used for the acquisition, construction, or additions to major capital facilities. Additionally, the District maintains one nonmajor capital projects fund.

Notes to the Financial Statements

June 30, 2025

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued**

**MEASUREMENT FOCUS AND BASIS OF ACCOUNTING**

Measurement focus is a term used to describe “which” transactions are recorded within the various financial statements. Basis of accounting refers to “when” transactions are recorded regardless of the measurement focus applied.

**Measurement Focus**

On the government-wide Statement of Net Position and the Statement of Activities, the governmental activities are presented using the economic resources measurement focus as defined below. In the fund financial statements, the “current financial resources” measurement focus is used.

All governmental funds utilize a “current financial resources” measurement focus. Only current financial assets/deferred outflows and liabilities/deferred inflows are generally included on their balance sheets. Their operating statements present sources and uses of available spendable financial resources during a given period. These funds use fund balance as their measure of available spendable financial resources at the end of the period.

The accounting objectives of the “economic resources” measurement focus is the determination of operating income, changes in net position (or cost recovery), financial position, and cash flows. All assets/deferred outflows, liabilities/deferred inflows (whether current or noncurrent) associated with their activities are reported.

**Basis of Accounting**

In the government-wide Statement of Net Position and Statement of Activities, the governmental activities are presented using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability/deferred inflow is incurred or economic asset used. Revenues, expenses, gains, losses, assets/deferred outflows, and liabilities/deferred inflows resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

In the fund financial statements, governmental funds are presented on the modified accrual basis of accounting. Under this modified accrual basis of accounting, revenues are recognized when “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 pay liabilities of the current period. For this purpose, the District considers all revenues available if they are collected within 60 days after year-end, except for state aid. State aid payments received after 60 days are being considered as available as historically, state aid collected within 60 days has represented all state aid expected to be collected.

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

On-behalf payments (payments made by a third party for the benefit of the District, such as payments made by the state to the Teachers’ Retirement System and Teachers' Health Insurance Security Fund) have been recognized in the financial statements.

Notes to the Financial Statements

June 30, 2025

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued**

**BASIS OF PRESENTATION - Continued**

**MEASUREMENT FOCUS AND BASIS OF ACCOUNTING - Continued**

Property taxes, replacement taxes, certain state and federal aid and earnings on investments are susceptible to accrual. Other receipts become measurable and available when cash is received by the District and are recognized as revenue at that time. Grant funds are considered to be earned to the extent of expenditures made under the provisions of the grant. Accordingly, when such funds are received, they are recorded as unearned revenues until earned.

**ASSETS/DEFERRED OUTFLOWS, LIABILITIES/DEFERRED INFLOWS AND FUND BALANCE/NET POSITION**

**Cash and Investments**

For the purpose of the Statement of Net Position, cash and cash equivalents are considered to be cash on hand, demand deposits and cash with a fiscal agent.

Investments are generally reported at fair value. Short-term investments are reported at cost, which approximates fair value. For investments, 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.

**Receivables**

In the government-wide financial statements, receivables consist of all revenues earned at year-end and not yet received. Allowances for uncollectible accounts receivable are based upon historical trends and the periodic aging of accounts receivable. Major receivables balances for governmental activities include property taxes and intergovernmental.

**Interfund Receivables, Payables and Activity**

Interfund activity is reported as loans, services provided, reimbursements or transfers. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures/expenses. Reimbursements are when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers.

**Deferred Outflows/Inflows of Resources**

Deferred outflow/inflow of resources represents a consumption/acquisition of net assets that applies to a future period and therefore will not be recognized as an outflow of resources (expense)/inflow of resources (revenue) until that future time.

Notes to the Financial Statements

June 30, 2025

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued**

**ASSETS/DEFERRED OUTFLOWS, LIABILITIES/DEFERRED INFLOWS AND FUND BALANCE/  
NET POSITION - Continued**

**Prepays**

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaids in both the government-wide and fund financial statements. Prepaids are valued at cost, which approximates market value, using the first-in/first-out (FIFO) method. The costs of governmental fund-type prepaids are recorded as expenditures when consumed rather than when purchased.

**Capital Assets**

Capital assets purchased or acquired with an original cost of \$10,000 or more, depending on asset class, are reported at historical cost or estimated historical cost. Contributed assets are reported at acquisition value as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized/amortized. Other costs incurred for repairs and maintenance are expensed as incurred.

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. General capital assets are long-lived assets of the District as a whole. When purchased, such assets are recorded as expenditures in the governmental funds and capitalized/amortized. The valuation basis for general capital assets is historical cost, or where historical cost is not available, estimated historical costs based on replacement costs.

Depreciation/amortization on all assets is computed and recorded using the straight-line method of depreciation/amortization over the following estimated useful lives:

Buildings	40 Years
Transportation Equipment	5 - 10 Years
Other Equipment	3 - 10 Years
Subscription Assets - Software	5 Years

**Compensated Absences**

The District records compensated absences for vacation benefits as a liability in the government-wide financial statements as the benefits are earned if the employees' rights to receive compensation are attributable to services already rendered and it is probable that the District will compensate the employees for the benefits through paid time off or some other means.

**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 bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as expenses at the time of issuance.

Notes to the Financial Statements

June 30, 2025

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued**

**ASSETS/DEFERRED OUTFLOWS, LIABILITIES/DEFERRED INFLOWS AND FUND BALANCE/  
NET POSITION- Continued**

**Long-Term Obligations - Continued**

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. 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 debt proceeds received, are reported as debt service expenditures.

**Net Position**

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

Net Investment in Capital Assets - Consists of capital assets, including restricted capital assets, net of accumulated depreciation/amortization, and reduced by the outstanding balances of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

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

Unrestricted - All other net position balances that do not meet the definition of “restricted” or “net investment in capital assets.”

**Use of Estimates**

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

**NOTE 2 - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY**

**BUDGETARY INFORMATION**

The annual budgets are adopted on the modified accrual basis of accounting at the fund level. All budgets lapse at fiscal year-end. The District maintains a system to measure the uncommitted budget amount available for expenditures at any time during the year. For budgetary purposes, appropriations lapse at June 30, 2025, and outstanding encumbrances are canceled at that date.

On or before July 1 of each year, the Superintendent is to submit for review by the Board of Education a proposed budget for the school year commencing on that date. After reviewing the proposed budget, the Board of Education holds public hearings and a final budget must be prepared and adopted no later than September 30.

## U-46 SCHOOL DISTRICT, ILLINOIS

### Notes to the Financial Statements

June 30, 2025

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#### NOTE 2 - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY - Continued

##### BUDGETARY INFORMATION - Continued

The appropriated budget is prepared by fund, by object and by function. The Board of Education may make transfers between functions within a fund not exceeding in the aggregate 10 percent of the total of such fund, and may amend the total budget following the same procedures required to adopt the original budget. The legal level of budgetary control is at the fund level.

For budgetary purposes, the District does not recognize as revenues the retirement contributions made by the State to the Teachers' Retirement System of the State of Illinois (TRS) and Teachers' Health Insurance Security Fund of the State of Illinois (THIS) on behalf of the District as well as the related expenditures.

##### EXCESS OF ACTUAL EXPENDITURES OVER BUDGET IN INDIVIDUAL FUNDS

The following fund had an excess of actual expenditures over budget as of the date of this report:

Fund	Excess
Debt Service	\$ 4,235,949

#### NOTE 3 - DETAIL NOTES ON ALL FUNDS

##### DEPOSITS AND INVESTMENTS

Under State law, limits are imposed as to investments in commercial paper, corporate bonds and mutual funds in which the District may invest, as well as the Illinois Trust, Illinois Funds, and Illinois School District Liquid Asset Fund Plus.

The Illinois Trust was established for the purpose of allowing various public agencies including, but not limited to, counties, townships, cities, towns, villages, school districts, housing authorities and public water supply districts, to jointly invest funds in accordance with the Laws of the State of Illinois. Participation in the Illinois Trust is voluntary. The Illinois Trust is not registered with the SEC as an Investment Company. Investments in the Illinois Trust are valued at the share price, the price for which the investment could be sold.

The Illinois Funds is an investment pool managed by the Illinois Public Treasurer's Office which allows governments within the State to pool their funds for investment purposes. Illinois Funds is not registered with the SEC as an investment company. Investments in Illinois Funds are valued at the share price, which is the price for which the investment could be sold.

The Illinois School District Liquid Asset Fund Plus (ISDLAF+) is an investment opportunity for Illinois school districts, community college districts and educational service regions. The ISDLAF+ is not registered with the SEC as an Investment Company. Regulatory oversight of the pool is managed by their Board of Trustees. Investments in the ISDLAF+ are valued at the share price, the price for which the investment could be sold.

*Deposits.* At year-end, the carrying amount of the District's deposits totaled \$235,082,217 and the bank balances totaled \$248,677,310.



# U-46 SCHOOL DISTRICT, ILLINOIS

## Notes to the Financial Statements

June 30, 2025

### NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

#### DEPOSITS AND INVESTMENTS - Continued

*Investments.* At year-end, the District has the following investments and maturities:

Investment Type	Fair Value	Investment Maturities (in Years)			
		Less Than 1	1-5	6-10	More Than 10
U.S. Treasury Obligations	\$ 5,553,775	5,553,775	—	—	—
U.S. Agency Obligations	90,768,413	11,123,844	68,456,579	11,187,990	—
Municipal Bonds	5,330,094	3,927,457	1,402,637	—	—
Corporate Bonds	27,216,259	10,110,248	15,100,693	2,005,318	—
Illinois Trust	96,217,742	43,999,217	51,534,427	684,098	—
Illinois Funds	14,797,455	14,797,455	—	—	—
ISDLAF+	430,827,136	358,182,136	65,015,000	7,630,000	—
Totals	670,710,874	447,694,132	201,509,336	21,507,406	—

The District has the following recurring fair value measurements as of June 30, 2025:

Investments by Fair Value Level	Total	Fair Value Measurements Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Debt Securities				
U.S. Treasury Obligations	\$ 5,553,775	5,553,775	—	—
U.S. Agency Obligations	90,768,413	—	90,768,413	—
Municipal Bonds	5,330,094	—	5,330,094	—
Corporate Bonds	27,216,259	—	27,216,259	—
Total Investments by Fair Value Level	128,868,541	5,553,775	123,314,766	—
Investments Measured at the Net Asset Value (NAV)				
Illinois Trust	96,217,742			
Illinois Funds	14,797,455			
ISDLAF+	430,827,136			
Total Investments at the (NAV)	541,842,333			
Total Investments Measured at Fair Value	670,710,874			

## U-46 SCHOOL DISTRICT, ILLINOIS

### Notes to the Financial Statements

June 30, 2025

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#### NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

##### DEPOSITS AND INVESTMENTS - Continued

*Investments - Continued.* Debt Securities classified in Level 2 of the fair value hierarchy are valued using a matrix pricing technique. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices.

*Interest Rate Risk.* Interest rate risk is the risk that changes in interest rates will adversely affect the value of an investment. The District's investment policy does not limit its investment portfolio to specific maturities.

*Credit Risk.* Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. Besides investing in security instruments authorized under State Statute, the District's investment policy is to apply the prudent-person rule: investments are made as a prudent person would be expected to act, with discretion and intelligence, to seek reasonable income, preserve capital, and, in general, avoid speculative investments. At year-end, the District's investments in Illinois Trust and ISDLAF+ were rated AAAm by Standard & Poor's, Illinois Funds were rated AAmmf by Fitch, U.S. Agency Obligations, municipal bonds, and corporate bonds were rated AA by Standard and Poor's.

*Custodial Credit Risk - Deposits.* With respect to deposits, custodial credit risk refers to the risk that, in the event of a bank failure, the District's deposits may not be returned to it. The District's investment policy requires all bank deposits in excess of FDIC insurance limits be secured by collateral. At year-end, the entire amount of the bank balance of deposits was covered by collateral, federal depository or equivalent insurance.

*Custodial Credit Risk - Investments.* For an investment, this is the risk that in the event of the failure of the counterparty, the District 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 does not specifically address custodial credit risk for investments. At year end, the District's investments in U.S. Agency Obligations, commercial paper, municipal bonds, and corporate bonds are all insured or registered with the District or its agent in the District's name. The District's investments in Illinois Trust, Illinois Funds, and ISDLAF+ were not subject to custodial credit risk.

*Concentration of Credit Risk.* This is the risk of loss attributed to the magnitude of the District's investment in a single issuer. The District's investment policy places no limit on the amount it may invest in any one issuer. At year-end, the District does not have any investments over 5 percent of the total cash and investment portfolio (other than investments issued or explicitly guaranteed by the U.S. government and investments in mutual funds, external investment pools and other pooled investments).

##### PROPERTY TAXES

Property taxes for June 30, 2024 attach as an enforceable lien on January 1 on property values assessed as of the same date. Taxes are levied by December of the subsequent fiscal year (by passage of a Tax Levy Ordinance). Tax bills are prepared by the Counties and are payable in two installments: on or about March 1 and December 1 in Cook County and on or about June 1 and September 1 in DuPage County and Kane County. The County collects such taxes and remits them periodically.

##### PERSONAL PROPERTY REPLACEMENT TAXES

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

# U-46 SCHOOL DISTRICT, ILLINOIS

## Notes to the Financial Statements

June 30, 2025

### NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

#### INTERFUND TRANSFERS

Transfers are used to move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them. Interfund transfers for the year consisted of the following:

Transfer In	Transfer Out	Amount
Capital Projects	General	<u>\$ 28,828,994</u>

#### CAPITAL ASSETS

Governmental capital asset activity for the year was as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
Nondepreciable Capital Assets				
Land	\$ 28,394,912	—	43,780	28,351,132
Construction in Progress	40,050,396	99,014,218	17,663,250	121,401,364
	<u>68,445,308</u>	<u>99,014,218</u>	<u>17,707,030</u>	<u>149,752,496</u>
Depreciable/Amortizable Capital Assets				
Buildings	768,342,702	17,688,246	3,014,585	783,016,363
Transportation Equipment	29,074,598	460,120	—	29,534,718
Other Equipment	30,650,830	518,951	—	31,169,781
Subscription Assets - Software	14,378,991	433,560	8,291,672	6,520,879
	<u>842,447,121</u>	<u>19,100,877</u>	<u>11,306,257</u>	<u>850,241,741</u>
Less Accumulated Depreciation/Amortization				
Buildings	371,353,382	17,764,894	37,682	389,080,594
Transportation Equipment	27,405,189	944,342	—	28,349,531
Other Equipment	28,463,937	840,672	—	29,304,609
Subscription Assets - Software	6,454,818	4,293,724	8,189,715	2,558,827
	<u>433,677,326</u>	<u>23,843,632</u>	<u>8,227,397</u>	<u>449,293,561</u>
Total Net Depreciable/Amortizable Capital Assets	<u>408,769,795</u>	<u>(4,742,755)</u>	<u>3,078,860</u>	<u>400,948,180</u>
Total Net Capital Assets	<u>477,215,103</u>	<u>94,271,463</u>	<u>20,785,890</u>	<u>550,700,676</u>

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

Instruction	\$ 14,371,125
Support Services	9,386,765
Community Services	<u>85,742</u>
	<u>23,843,632</u>

# U-46 SCHOOL DISTRICT, ILLINOIS

## Notes to the Financial Statements

June 30, 2025

### NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

#### LONG-TERM DEBT

##### General Obligation Bonds

The District issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. General obligation bonds are direct obligations and pledge the full faith and credit of the District. General obligation bonds currently outstanding are as follows:

Issue	Beginning Balances	Issuances	Retirements	Ending Balances
\$10,780,000 Taxable General Obligation Limited Refunding School Bonds of 2015B, due in annual installments of \$2,720,000 to \$3,560,000 plus interest at 3.70 % to 3.95% through January 1, 2028.	\$ 10,780,000	—	—	10,780,000
\$18,730,000 General Obligation Limited Refunding School Bonds of 2021, due in annual installments of \$2,720,000 to \$3,560,000 plus interest at 4.00% through January 1, 2026.	8,730,000	—	5,340,000	3,390,000
\$45,545,000 General Obligation Limited Refunding School Bonds of 2023A, due in annual installments of \$2,720,000 to \$3,560,000 plus interest at 2.13% through January 1, 2034.	44,545,000	—	1,180,000	43,365,000
\$83,450,000 General Obligation Refunding School Bonds of 2023B, due in annual installments of \$2,720,000 to \$3,560,000 plus interest at 2.08% through January 1, 2034.	83,450,000	—	9,290,000	74,160,000
\$57,230,000 General Obligation School Bonds of 2024, due in annual installments of \$2,720,000 to \$3,560,000 plus interest at 5.00% through January 1, 2035.	57,230,000	—	10,630,000	46,600,000
\$55,625,000 General Obligation School Bonds of 2025, due in semi-annual installments plus interest between 4.00% - 5.00% through January 1, 2041.	—	55,625,000	—	55,625,000
	204,735,000	55,625,000	26,440,000	233,920,000

## U-46 SCHOOL DISTRICT, ILLINOIS

### Notes to the Financial Statements

June 30, 2025

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#### NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

##### LONG-TERM DEBT - Continued

##### Subscriptions Payable

As of June 30, 2025, the District had had 16 active subscriptions. The subscriptions payable have payments that range from \$17,538 to \$1,109,304 and interest rates that range from 0.00% to 3.58%. As of June 30, 2025, the total combined value of the subscriptions payable is \$3,945,055. The subscriptions payable had no variable payments and no other payments, not included in the subscriptions payable, within the fiscal year. The future principal and interest subscription payments as of the year-end were as follows:

Fiscal Year	Principal	Interest
2026	\$ 1,317,326	67,633
2027	1,000,185	51,857
2028	868,317	39,205
2029	393,537	26,117
2030	365,690	12,580
Totals	<u>3,945,055</u>	<u>197,392</u>

##### Legal Debt Margin

The District is subject to the Illinois School Code, which limits the amount of certain indebtedness to 13.8% of the most recent available equalized assessed valuation of the District. At year-end the legal debt margin is as follows:

Assessed Valuation - 2024	<u>\$ 7,080,298,833</u>
Legal Debt Limit - 13.8% of Assessed Value	977,081,239
Amount of Debt Applicable to Limit	<u>233,920,000</u>
Legal Debt Margin	<u>743,161,239</u>

**U-46 SCHOOL DISTRICT, ILLINOIS****Notes to the Financial Statements****June 30, 2025****NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued****LONG-TERM DEBT - Continued****Long-Term Liabilities Activity**

Changes in long-term liabilities during the fiscal year were as follows:

Type of Debt	Beginning Balances	Additions	Deductions	Ending Balances	Amounts Due within One Year
Governmental Activities					
Compensated Absences Payable	\$ 697,300	43,187	—	740,487	148,097
Claims Payable	12,195,818	17,816,488	—	30,012,306	—
Total OPEB Liability - THIS	70,645,756	10,072,785	—	80,718,541	—
Total OPEB Liability - RHP	24,818,117	—	425,152	24,392,965	1,830,343
Net Pension Liability - TRS	22,488,816	1,780,478	—	24,269,294	—
Net Pension Liability - IMRF	34,155,530	—	3,945,535	30,209,995	—
General Obligation Bonds Payable	204,735,000	55,625,000	26,440,000	233,920,000	24,810,000
Plus: Unamortized Premium	5,799,278	4,920,208	1,005,740	9,713,746	1,005,351
Subscriptions Payable	7,561,344	433,560	4,049,849	3,945,055	1,317,326
	<u>383,096,959</u>	<u>90,691,706</u>	<u>35,866,276</u>	<u>437,922,389</u>	<u>29,111,117</u>

The claims payable, total OPEB liability for THIS and RHP, and net pension liability for TRS, are being liquidated by the General Fund. The net pension liability for IMRF is being liquidated by the Municipal Retirement/Social Security Fund. The general obligation bonds payable and subscriptions payable are being liquidated by the Debt Service Fund.

**U-46 SCHOOL DISTRICT, ILLINOIS**

**Notes to the Financial Statements**

**June 30, 2025**

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**NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued**

**LONG-TERM DEBT - Continued**

**Debt Service Requirements to Maturity**

The annual debt service requirements to maturity are as follows:

Fiscal Year	General Obligation Bonds Payable	
	Principal	Interest
2026	\$ 24,810,000	7,722,405
2027	18,670,000	7,146,069
2028	18,710,000	6,506,295
2029	19,115,000	5,936,178
2030	19,480,000	5,399,384
2031	19,840,000	4,853,178
2032	20,225,000	4,297,814
2033	20,605,000	3,732,617
2034	20,990,000	3,157,694
2035	9,600,000	2,546,950
2036	7,270,000	2,066,950
2037	7,545,000	1,703,450
2038	7,830,000	1,326,200
2039	8,125,000	934,700
2040	8,425,000	528,450
2041	2,680,000	107,200
Totals	233,920,000	57,965,534

## U-46 SCHOOL DISTRICT, ILLINOIS

### Notes to the Financial Statements

June 30, 2025

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#### NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

##### NET POSITION CLASSIFICATION

Net investment in capital assets was comprised of the following as of June 30, 2025:

Governmental Activities	
Capital Assets - Net of Accumulated Depreciation	\$ 550,700,676
Plus: Unspent Bond Proceeds	60,545,208
Less: Capital Related Debt	
General Obligation Bonds Payable	(233,920,000)
Subscriptions Payable	(3,945,055)
Unamortized Premium	(9,713,746)
Gain on Refunding	(2,678,287)
Accounts Payable	<u>(14,754,856)</u>
Net Investment in Capital Assets	<u>346,233,940</u>

##### FUND BALANCE CLASSIFICATIONS

In the governmental fund financial statements, the District considers restricted amounts to have been spent when an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available. The District first utilizes committed, then assigned and then unassigned fund balance when an expenditure is incurred for purposes for which all three unrestricted fund balances are available.

*Nonspendable Fund Balance.* Consists of resources that cannot be spent because they are either: a) not in a spendable form; or b) legally or contractually required to be maintained intact.

*Restricted Fund Balance.* Consists of resources that are restricted to specific purposes, that is, when constraints placed on the use of resources are either: a) externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or b) imposed by law through constitutional provisions or enabling legislation.

*Committed Fund Balance.* Consists of resources constrained (issuance of an ordinance) to specific purposes by the government itself, using its highest level of decision-making authority (the Board of Education), to be reported as committed; amounts cannot be used for any other purpose unless the government takes the same highest-level action to remove or change the constraint.



## U-46 SCHOOL DISTRICT, ILLINOIS

### Notes to the Financial Statements

June 30, 2025

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#### NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

##### FUND BALANCE CLASSIFICATIONS - Continued

*Assigned Fund Balance.* Consists of amounts that are constrained by the Board of Education' intent to be used for specific purposes but are neither restricted nor committed. Intent is expressed by a) the Board of Education itself or b) a body or official to which the Board of Education has delegated the authority to assign amounts to be used for specific purposes. The District's highest level of decision-making authority is the Board of Education, who is authorized to assign amounts to a specific purpose.

*Unassigned Fund Balance.* Consists of residual net resources of a fund that has not been restricted, committed, or assigned within the General Fund and deficit fund balances of other governmental funds.

*Minimum Fund Balance Policy.* The District's policy manual states that the combined operating funds which include the Educational Account, Working Cash Account, and Operations and Maintenance Account of the General Fund along with the Transportation Fund should maintain a minimum fund balance equal to 20% of revenues.

The following is a schedule of fund balance classifications for the governmental funds as of the date of this report:

	General	Debt Service	Capital Projects Capital Projects	Nonmajor	Totals
Fund Balances					
Nonspendable					
Prepays	\$ 88,387	—	3,066,599	—	3,154,986
Restricted					
Student Activities	3,381,391	—	—	—	3,381,391
Tort Immunity	2,884,388	—	—	—	2,884,388
Transportation	—	—	—	33,916,437	33,916,437
Municipal Retirement/Social Security	—	—	—	4,718,543	4,718,543
Debt Service	—	21,868,367	—	—	21,868,367
Capital Projects	—	—	149,036,713	—	149,036,713
Fire Prevention and Safety	—	—	—	21,949,278	21,949,278
	6,265,779	21,868,367	149,036,713	60,584,258	237,755,117
Unassigned	593,781,855	—	—	—	593,781,855
Total Fund Balances	600,136,021	21,868,367	152,103,312	60,584,258	834,691,958

**Notes to the Financial Statements**

**June 30, 2025**

**NOTE 4 - OTHER INFORMATION**

**RISK MANAGEMENT**

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The District is self-insured for the above risks. For property-related risks, the District maintains excess insurance coverage to cover claims in excess of \$100,000 per occurrence to a maximum of \$250,000,000. The amount of coverage has not decreased nor have the amount of settlements exceeded coverage in any of the past three fiscal years. For workers' compensation risks, the District maintains excess insurance coverage to cover claims in excess of \$400,000 per occurrence to a maximum of \$1,000,000. The amount of coverage has not decreased nor have the amount of settlements exceeded coverage in any of the past three fiscal years.

The District is also self-insured for medical claims to cover its employees and their qualifying dependents. The District funds a self-insurance account and has engaged an outside agency to administer its medical claims. The District does not assume unlimited liability for medical claims. As of year-end, the District had purchased (stop-loss) insurance to cover claims in excess of \$500,000 per person per year and \$2,000,000 lifetime. Settled claims have not exceeded coverage in any of the past three fiscal years.

Liabilities are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Liabilities include an amount of claims that have been incurred but not reported (IBNR). Claims liabilities are calculated considering the effects of inflation, recent claim settlement trends including frequency and amount of payouts, and other economic and social factors. Changes in the balances of claims liabilities are as follows:

	2025	2024
Claims Payable - Beginning	\$ 12,195,818	9,936,674
Incurred Claims	71,399,295	68,851,690
Claims Paid	(53,582,807)	(66,592,546)
Claims Payable - Ending	<u>30,012,306</u>	<u>12,195,818</u>

**CONTINGENT LIABILITIES**

**Litigation**

From time to time, the District is party to various pending claims and legal proceedings with respect to employment, civil rights, property taxes and other matters. Although the outcome of such matters cannot be forecasted with certainty, it is the opinion of management and the District attorney that the likelihood is remote that any such claims or proceedings will have a material adverse effect on the District's financial position or results of operations.

## U-46 SCHOOL DISTRICT, ILLINOIS

### Notes to the Financial Statements

June 30, 2025

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#### NOTE 4 - OTHER INFORMATION - Continued

##### CONTINGENT LIABILITIES - Continued

##### State and Federal Contingencies

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

##### OTHER POST-EMPLOYMENT BENEFITS

The aggregate amounts for the two plans are:

	OPEB Expense/ (Revenue)	Total OPEB Liability	Deferred Outflows of Resources	Deferred Inflows of Resources
Teacher Health Insurance Security	\$ (22,994,568)	80,718,541	23,762,387	149,073,663
Retiree Healthcare Plan	1,609,254	24,392,965	1,884,937	2,812,534
	(21,385,314)	105,111,506	25,647,324	151,886,197

##### Teachers' Health Insurance Security Fund (THIS)

##### Plan Description

The District participates in the Teacher Health Insurance Security (THIS) Fund, a cost-sharing, multiple-employer defined benefit post-employment healthcare plan that was established by the Illinois legislature for the benefit of retired Illinois public school teachers employed outside the City of Chicago. THIS health coverage includes provisions for medical, prescription drug, and behavioral health benefits, but does not provide vision, dental, or life insurance benefits. Annuitants not enrolled in Medicare may participate in the state-administered participating provider option plan or choose from several managed care options. Beginning February 1, 2015, annuitants who were enrolled in Medicare Parts A and B may be eligible to enroll in Medicare Advantage Plans.

*Benefits Provided.* 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 Illinois Department of Central Management Services (CMS) with the cooperation of TRS. Section 6.6 of the State Employees Group Insurance Act of 1971 required all active contributors to TRS, who are not employees of the State, to contribute to the THIS Fund.

Notes to the Financial Statements

June 30, 2025

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NOTE 4 - OTHER INFORMATION - Continued

OTHER POST-EMPLOYMENT BENEFITS - Continued

Teachers' Health Insurance Security Fund (THIS) - Continued

Plan Description - Continued

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

*On Behalf Contributions to the THIS Fund.* The State of Illinois makes employer retiree health insurance contributions on behalf of the District. State contributions are intended to match contributions to THIS Fund from active members which were 0.90 percent of pay during the year ended June 30, 2025. State of Illinois contributions were \$3,032,571, and the District recognized revenues and expenditures of this amount during the year.

*Employer Contributions to the THIS Fund.* The District also makes contributions to the THIS Fund. The employer THIS Fund contribution was 0.67 percent during the year ended June 30, 2025. For the year ended June 30, 2025, the District paid \$2,257,581 to the THIS Fund, which was 100 percent of the required contribution.

*Further Information on the THIS Fund.* The publicly available financial report of the THIS Fund may be found on the website of the Illinois Auditor General: <https://www.auditor.illinois.gov/Audit-Reports/ABC-List.asp>. The current reports are listed under "Central Management Services." Prior reports are available under "Healthcare and Family Services."

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

Inflation:	2.25%
Salary Increases:	Depends on service and ranges from 8.50% at 1 year of service to 3.50% at 20 or more years of service.
Investment Rate of Return:	2.75%, net of OPEB plan investment expense, including inflation, for all plan years.
Healthcare Cost Trend Rates:	Trend 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 230 and 7.00% in 2031, declining gradually to an ultimate rate of 4.25 in 2041.

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

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

**Notes to the Financial Statements**

**June 30, 2025**

**NOTE 4 - OTHER INFORMATION - Continued**

**OTHER POST-EMPLOYMENT BENEFITS - Continued**

**Teachers' Health Insurance Security Fund (THIS) - Continued**

**Single Discount Rate**

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

Since TRIP is financed on a pay-as-you-go basis, a discount rate consistent with fixed-income municipal bonds with 20 years to maturity that include only federally tax-exempt municipal bonds as reported in Fidelity's index's "20-year Municipal GO AA Index" has been selected. The discount rates are 3.97% as of June 30, 2024, and 3.86% as of June 30, 2023.

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

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

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

	1% Decrease (2.97%)	Current Discount Rate (3.97%)	1% Increase (4.97%)
Employer's Proportionate Share of the OPEB Liability	\$ 90,081,961	80,718,541	72,464,459

## U-46 SCHOOL DISTRICT, ILLINOIS

### Notes to the Financial Statements

June 30, 2025

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#### NOTE 4 - OTHER INFORMATION - Continued

##### OTHER POST-EMPLOYMENT BENEFITS - Continued

##### Teachers' Health Insurance Security Fund (THIS) - Continued

##### Sensitivity of the Employer's Proportionate Share of the Collective Net OPEB Liability to Changes in the Healthcare Cost Trend Rates

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. The current claims trend rates are 6.00% in 2025, 8.00% in 2026, decreasing to an ultimate trend rate of 4.25% in plan year end 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.

	1% Decrease	Healthcare Cost Trend Rates	1% Increase
Employer's Proportionate Share of the OPEB Liability	\$ 69,498,665	80,718,541	94,069,807

##### 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 that reflected a reduction for State OPEB support provided to the District. The collective net OPEB liability was measured as of June 30, 2024, and the total OPEB liability used to calculate the collective net OPEB liability was determined by an actuarial valuation as of June 30, 2023. The District's proportion of the collective net OPEB liability was based on a projection of the District's long-term share of contributions to the OPEB plan relative to the projected contributions of the District, actuarially determined. At June 30, 2024, the District's proportion was 1.020393 percent, which was an increase of 0.029202 percent from its proportion measured as of June 30, 2024. The State's support and total are for disclosure purposes only. The amount recognized by the District as its proportionate share of the net OPEB liability, the related State support, and the total portion of the net OPEB liability that was associated with the District were as follows:

Employer's Proportionate Share of the Net OPEB Liability	\$ 80,718,541
State's Proportionate Share of the Net OPEB Liability Associated with the Employer	<u>109,619,440</u>
Total	<u><u>190,337,981</u></u>

# U-46 SCHOOL DISTRICT, ILLINOIS

## Notes to the Financial Statements

June 30, 2025

### NOTE 4 - OTHER INFORMATION - Continued

#### OTHER POST-EMPLOYMENT BENEFITS - Continued

##### Teachers' Health Insurance Security Fund (THIS) - Continued

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

For the year ending June 30, 2025, the District recognized OPEB revenue and expense of \$3,032,571 for support provided by the State. For the year ending June 30, 2025, the District recognized OPEB revenue of \$22,994,568. At June 30, 2025, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Totals
Differences Between Expected and Actual Experience	\$ 2,227,370	(34,021,097)	(31,793,727)
Net Difference Between Projected and Actual Earnings on Pension Investments	—	(113,545,959)	(113,545,959)
Changes of Assumptions	21,100	(64,920)	(43,820)
Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	19,256,336	(1,441,687)	17,814,649
Total Pension Expense to be Recognized in Future Periods	21,504,806	(149,073,663)	(127,568,857)
Employer Contributions Subsequent to the Measurement Date	2,257,581	—	2,257,581
Totals	23,762,387	(149,073,663)	(125,311,276)

\$2,257,581 reported as deferred outflows of resources related to OPEB resulting from District contributions subsequent to the measurement date and before the end of the fiscal year will be included as a reduction of the collective net OPEB liability in the year ending June 30, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in the District's OPEB expense as follows:

Fiscal Year	Net Deferred (Inflows) of Resources
2026	\$ (25,760,861)
2027	(24,930,772)
2028	(24,610,488)
2029	(22,668,068)
2030	(17,501,749)
Thereafter	(12,096,919)
Total	(127,568,857)

## U-46 SCHOOL DISTRICT, ILLINOIS

### Notes to the Financial Statements

June 30, 2025

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#### NOTE 4 - OTHER INFORMATION - Continued

##### OTHER POST-EMPLOYMENT BENEFITS - Continued

##### Retiree Healthcare Plan (RHP)

##### General Information about the OPEB Plan

*Plan Description.* The District's OPEB plan, the Retiree Healthcare Plan (RHP) is a single-employer defined benefit OPEB plan administered by the District and provides healthcare insurance for eligible retirees and their dependents through the District's group health insurance plan, which covers both active and retired members. The Plan operates on a pay-as-you-go funding basis. Article 11 of the State Compiled Statutes grants the authority to establish and amend the benefit terms and financing requirements to the District Board. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement 75.

*Benefits Provided.* Benefit provisions are established through negotiations between the District and the unions representing District employees and are renegotiated each bargaining period. Certain retirees are eligible until the first month of Medicare eligibility and others are eligible for their lifetime. Certified retirees receive coverage under the TRS health plan and non-certified retirees receive coverage under the District's health plan. The District's contributions vary based on the union to which the employee belongs, the employees' years of service, and the year in which the employee retired.

*Plan Membership.* As of June 30, 2025, the measurement date, the following employees were covered by the benefit terms:

Inactive Plan Members Currently Receiving Benefits	213
Inactive Plan Members Entitled to but not yet Receiving Benefits	—
Active Plan Members	<u>3,390</u>
Total	<u><u>3,603</u></u>

##### Total OPEB Liability

The District's total OPEB liability was measured as of June 30, 2025 and was determined by an actuarial valuation as of June 30, 2024.



## U-46 SCHOOL DISTRICT, ILLINOIS

### Notes to the Financial Statements

June 30, 2025

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#### NOTE 4 - OTHER INFORMATION - Continued

##### OTHER POST-EMPLOYMENT BENEFITS - Continued

##### Retiree Healthcare Plan (RHP) - Continued

##### Total OPEB Liability - Continued

*Actuarial Assumptions and Other Inputs.* The total OPEB liability in the June 30, 2025 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.60%
Salary Increases	2.75%
Discount Rate	4.81%
Healthcare Cost Trend Rates	7.00% initial rate decreasing to an ultimate rate of 4.04% for 2076 and beyond

Retirees' Share of Benefit-Related Costs 100% of projected health insurance premiums for retirees

The discount rate was based on the S&P Municipal Bond 20-Year High-Grade Rate Index.

For TRS mortality rates were based on the PUB-2010 Healthy Mortality Tables, teacher employee and retiree, projected generationally with 2024 IRS Adjusted Scale MP-2021. Pre-commencement and post-commencement rates were further adjusted. Pre-commencement rates were multiplied by 94% for males and females of all ages. Post-commencement rates for males were multiplied by 103% for ages prior to age 85 and 111% for ages beyond 85. Post-commencement rates for females were multiplied by 91% for ages prior to age 73 and 103% for ages beyond 75. For IMRF mortality rates were based on PUB-2010, amount-weighted, below-median income, general employee and retiree, projected generationally with Scale MP-2021. Post-commencement rates were further adjusted. Specifically, for post-commencement, male rates were multiplied by 108% for all ages and female rates were multiplied by 106.4% for all ages.

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

The discount rate used to measure the total pension liability was 4.81%, while the prior valuation used 4.21%. The following presents the total OPEB liability, calculated using the discount rate, as well as what the total OPEB liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher:

		1% Decrease (3.81%)	Current Discount Rate (4.81%)	1% Increase (5.81%)
Total OPEB Liability	\$	26,004,210	24,392,965	22,920,284

## U-46 SCHOOL DISTRICT, ILLINOIS

### Notes to the Financial Statements

June 30, 2025

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#### NOTE 4 - OTHER INFORMATION - Continued

#### OTHER POST-EMPLOYMENT BENEFITS - Continued

#### Retiree Healthcare Plan (RHP) - Continued

#### Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates

The following presents the total OPEB liability, calculated using variable Healthcare Trend Rates, as well as what the total OPEB liability would be if it were calculated using variable Healthcare Trend Rates that are one percentage point lower or one percentage point higher:

		1% Decrease (Varies)	Healthcare Cost Trend Rates (Varies)	1% Increase (Varies)
Total OPEB Liability	\$	23,574,926	24,392,965	25,325,305

#### Change in the Total OPEB Liability

	Total OPEB Liability
Balance at June 30, 2024	<u>\$ 24,818,117</u>
Changes for the Year:	
Service Cost	609,128
Interest on the Total OPEB Liability	1,032,355
Changes of Benefit Terms	—
Difference Between Expected and Actual Experience	—
Changes of Assumptions or Other Inputs	(236,292)
Benefit Payments	<u>(1,830,343)</u>
Net Changes	<u>(425,152)</u>
Balance at June 30, 2025	<u><u>24,392,965</u></u>

# U-46 SCHOOL DISTRICT, ILLINOIS

## Notes to the Financial Statements

June 30, 2025

### NOTE 4 - OTHER INFORMATION - Continued

#### OTHER POST-EMPLOYMENT BENEFITS - Continued

##### Retiree Healthcare Plan (RHP) - Continued

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

For the year ended June 30, 2025, the District recognized OPEB expense of \$1,609,254. At June 30, 2025, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Totals
Difference Between Expected and Actual Experience	\$ 533,220	(1,190,564)	(657,344)
Change in Assumptions	1,351,717	(1,621,970)	(270,253)
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	—	—	—
Total Deferred Amounts Related to OPEB	1,884,937	(2,812,534)	(927,597)

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

Fiscal Year	Net Deferred Outflows/ (Inflows) of Resources
2026	\$ (60,286)
2027	(179,644)
2028	(426,056)
2029	(349,767)
2030	73,642
Thereafter	14,514
Total	(927,597)

## U-46 SCHOOL DISTRICT, ILLINOIS

### Notes to the Financial Statements

June 30, 2025

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#### NOTE 4 - OTHER INFORMATION - Continued

##### RETIREMENT SYSTEMS

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

The aggregate amounts for the pension plans are:

	Pension Expense	Net Pension Liability	Deferred Outflows of Resources	Deferred Inflows of Resources
Teacher's Retirement System of the State of Illinois	\$ 2,833,916	24,269,294	4,536,380	1,281,983
Illinois Municipal Retirement Fund	15,420,239	30,209,995	17,809,779	—
	18,254,155	54,479,289	22,346,159	1,281,983

##### Teachers' Retirement System (TRS)

##### Plan Descriptions, Provisions and Funding Policies

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

##### Benefits Provided

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

Notes to the Financial Statements

June 30, 2025

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NOTE 4 - OTHER INFORMATION - Continued

RETIREMENT SYSTEMS - Continued

Teachers' Retirement System (TRS) - Continued

Benefits Provided - Continued

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

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

Public Act 100-0023, enacted in 2017, creates an optional Tier 3 hybrid retirement plan, but it has not yet gone into effect. Public Act 100-0587, enacted in 2018, requires TRS to offer two temporary benefit buyout programs that expire on June 30, 2026. One program allows retiring Tier 1 members to receive a partial lump-sum payment in exchange for accepting a lower, delayed annual increase. The other allows inactive vested Tier 1 and 2 members to receive a partial lump-sum payment in lieu of a retirement annuity. Both programs began in 2019 and 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 mini-mum contribution to the System for each fiscal year shall be an amount determined to be sufficient to bring the total assets of the System up to 90 percent of the total actuarial liabilities of the System by the end of fiscal year 2045.

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

*On Behalf Contributions to TRS.* The State of Illinois makes employer pension contributions on behalf of the employer. For the year ended June 30, 2025, State of Illinois contributions recognized by the employer were based on the State's proportionate share of the collective net pension liability associated with the employer and the employer recognized revenue and expenditures of \$161,987,395 in pension contributions from the State.

*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 \$1,954,324 and are deferred because they were paid after the June 30, 2024 measurement date.

## U-46 SCHOOL DISTRICT, ILLINOIS

### Notes to the Financial Statements

June 30, 2025

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#### NOTE 4 - OTHER INFORMATION - Continued

##### RETIREMENT SYSTEMS - Continued

##### Teachers' Retirement System (TRS) - Continued

##### Contributions - Continued

*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 fiscal year ended June 30, 2025, salaries totaling \$6,264,581 were paid from federal and special trust funds that required employer contributions of \$647,758, which was equal to the District's actual contributions. These contributions are deferred because they were paid after the June 30, 2024 measurement date.

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

A one-time contribution is also required for members granted sick leave days in excess of the normal annual allotment if those days are used as TRS service credit. For the year ended June 30, 2025, the employer paid \$1,278,251 to TRS for employer contributions due on salary increases in excess of 6 percent, \$15,080 for salary increases in excess of 3 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, 2024, the employer reported a liability for its proportionate share of the net pension liability (first amount shown below) that reflected a reduction for state pension support provided to the employer. The state's support and total are for disclosure purposes only. The amount recognized by the employer as its proportionate share of the net pension liability, the related state support and the total portion of the net pension liability that was associated with the employer follows below:

Employer's Proportionate Share of the Net Pension Liability	\$ 24,269,294
State's Proportionate Share of the Net Pension Liability Associated with the Employer	<u>2,023,538,577</u>
Total	<u><u>2,047,807,871</u></u>

# U-46 SCHOOL DISTRICT, ILLINOIS

## Notes to the Financial Statements

June 30, 2025

### NOTE 4 - OTHER INFORMATION - Continued

#### RETIREMENT SYSTEMS - Continued

##### Teachers' Retirement System (TRS) - Continued

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

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 employer's proportion of the net pension liability was based on the employer's share of contributions to TRS for the measurement year ended June 30, 2024, relative to the contributions of all participating TRS employers and the state during that period. At June 30, 2024, the employer's proportion was 0.028264 percent, which was a decrease of 0.001801 percent from its proportion measured as of June 30, 2024.

For the year ended June 30, 2025, the employer recognized pension expense of \$161,987,395 and revenue of \$161,987,395 for support provided by the state. At June 30, 2025, the employer reported deferred outflows of resources and deferred inflows of resources related to pension from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Totals
Differences Between Expected and Actual Experience	\$ 91,263	(62,997)	28,266
Net Difference Between Projected and Actual Earnings on Pension Investments	—	(208,363)	(208,363)
Changes of Assumptions	334,396	(12,875)	321,521
Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	1,510,327	(997,748)	512,579
Total Pension Expense to be Recognized in Future Periods	1,935,986	(1,281,983)	654,003
Employer Contributions Subsequent to the Measurement Date	2,600,394	—	2,600,394
Totals	4,536,380	(1,281,983)	3,254,397

\$2,600,394 reported as deferred outflows of resources related to pensions resulting from employer contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the reporting year ended June 30, 2026.

## U-46 SCHOOL DISTRICT, ILLINOIS

### Notes to the Financial Statements

June 30, 2025

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#### NOTE 4 - OTHER INFORMATION - Continued

##### RETIREMENT SYSTEMS - Continued

##### Teachers' Retirement System (TRS) - Continued

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

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

Fiscal Year	Net Deferred Outflows/ (Inflows) of Resources
2026	\$ (348,673)
2027	273,092
2028	237,454
2029	339,430
2030	152,700
Thereafter	—
Total	<u>654,003</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 2024 Adjusted Scale MP-2021. In the June 30, 2023 actuarial valuation, mortality rates were based on the PubT-2010 White Collar Table with appropriate adjustments for TRS experience. The rates were used on a fully-generational basis using projection scale table MP-2020.



## Notes to the Financial Statements

June 30, 2025

**NOTE 4 - OTHER INFORMATION - Continued****RETIREMENT SYSTEMS - Continued****Teachers' Retirement System (TRS) - Continued****Actuarial Assumptions - Continued**

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

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Global Equity	37.0%	7.6%
Private Equity	15.0%	10.3%
Public Income	18.0%	5.8%
Private Credit	8.0%	9.2%
Real Assets	18.0%	7.0%
Diversifying Strategies	4.0%	5.2%
Total	100.0%	

**Discount Rate**

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

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

Notes to the Financial Statements

June 30, 2025

NOTE 4 - OTHER INFORMATION - Continued

RETIREMENT SYSTEMS - Continued

Teachers' Retirement System (TRS) - Continued

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

The following presents the employer's proportionate share of the net pension liability calculated using the discount rate of 7.00 percent, as well as what the employer's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage-point lower or one percentage-point higher than the current rate.

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
Employer's Proportionate Share of the OPEB Liability	\$ 29,973,264	24,269,294	19,540,958

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*.

Illinois Municipal Retirement Fund (IMRF)

Plan Descriptions

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

Notes to the Financial Statements

June 30, 2025

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NOTE 4 - OTHER INFORMATION - Continued

RETIREMENT SYSTEMS - Continued

Illinois Municipal Retirement Fund (IMRF) - Continued

Plan Descriptions - Continued

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

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

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.

*Plan Membership.* As of December 31, 2024, the measurement date, the following employees were covered by the benefit terms:

Inactive Plan Members Currently Receiving Benefits	1,837
Inactive Plan Members Entitled to but not yet Receiving Benefits	2,654
Active Plan Members	<u>2,151</u>
Total	<u><u>6,642</u></u>

## U-46 SCHOOL DISTRICT, ILLINOIS

### Notes to the Financial Statements

June 30, 2025

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#### NOTE 4 - OTHER INFORMATION - Continued

##### RETIREMENT SYSTEMS - Continued

##### Illinois Municipal Retirement Fund (IMRF) - Continued

##### Plan Descriptions - Continued

*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. For the fiscal year ended June 30, 2025, the District's contribution was 8.37% of covered payroll.

*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 total pension liability was determined by an actuarial valuation performed, as of December 31, 2024, using the following actuarial methods and assumptions:

Actuarial Cost Method	Entry Age Normal
Asset Valuation Method	Fair Value
Actuarial Assumptions	
Interest Rate	7.25%
Salary Increases	2.85% to 13.75%
Cost of Living Adjustments	2.75%
Inflation	2.25%

For non-disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Retiree, Male (adjusted 108.0%) and Female (adjusted 106.4%) tables, and future mortality improvements projected using scale MP-2021. For disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Disabled Retiree, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2021. For active members, the Pub-2010, Amount-Weighted, below-median income, General, Employee, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2021.

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

## U-46 SCHOOL DISTRICT, ILLINOIS

### Notes to the Financial Statements

June 30, 2025

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#### NOTE 4 - OTHER INFORMATION - Continued

##### RETIREMENT SYSTEMS - Continued

##### Illinois Municipal Retirement Fund (IMRF) - Continued

##### Plan Descriptions - Continued

*Actuarial Assumptions - Continued.* The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

Asset Class	Target	Long-Term Expected Real Rate of Return
Fixed Income	24.50%	5.20%
Domestic Equities	33.50%	4.35%
International Equities	18.00%	5.40%
Real Estate	10.50%	6.40%
Blended	12.50%	4.85% - 6.25%
Cash and Cash Equivalents	1.00%	3.60%

##### Discount Rate

The discount rate used to measure the total pension liability was 7.25%, the same as the prior valuation. The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that District contributions will be made at rates equal to the difference between the actuarially determined contribution rates and the member rate. Based on those assumptions, the Fund's fiduciary net position was projected to be available to make all future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

##### Discount Rate Sensitivity

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

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Net Pension Liability/(Asset) \$	77,932,008	30,209,995	(8,058,496)

**U-46 SCHOOL DISTRICT, ILLINOIS****Notes to the Financial Statements****June 30, 2025****NOTE 4 - OTHER INFORMATION - Continued****RETIREMENT SYSTEMS - Continued****Illinois Municipal Retirement Fund (IMRF) - Continued****Changes in the Net Pension Liability**

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability (A) - (B)
Balances at December 31, 2023	\$ 419,454,478	385,298,948	34,155,530
Changes for the Year:			
Service Cost	7,126,208	—	7,126,208
Interest on the Total Pension Liability	29,824,196	—	29,824,196
Changes of Benefit Terms	—	—	—
Difference Between Expected and Actual Experience of the Total Pension Liability	4,308,495	—	4,308,495
Changes of Assumptions	—	—	—
Contributions - Employer	—	6,828,009	(6,828,009)
Contributions - Employees	—	3,727,148	(3,727,148)
Net Investment Income	—	37,936,452	(37,936,452)
Benefit Payments, Including Refunds of Employee Contributions	(23,298,718)	(23,298,718)	—
Other (Net Transfer)	—	(3,287,175)	3,287,175
Net Changes	17,960,181	21,905,716	(3,945,535)
Balances at December 31, 2024	437,414,659	407,204,664	30,209,995

# U-46 SCHOOL DISTRICT, ILLINOIS

## Notes to the Financial Statements

June 30, 2025

### NOTE 4 - OTHER INFORMATION - Continued

#### RETIREMENT SYSTEMS - Continued

#### Illinois Municipal Retirement Fund (IMRF) - Continued

#### Pension Expense, 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 \$15,420,239. 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	Totals
Differences Between Expected and Actual Experience	\$ 4,432,613	—	4,432,613
Changes of Assumptions	268,242	—	268,242
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	9,122,064	—	9,122,064
Total Pension Expense to be Recognized in Future Periods	13,822,919	—	13,822,919
Pension Contributions Made Subsequent to the Measurement Date	3,986,860	—	3,986,860
Total Deferred Amounts Related to IMRF	17,809,779	—	17,809,779

\$3,986,860 reported as deferred outflows of resources related to pensions resulting from employer contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the reporting year ended June 30, 2026. Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense in future periods as follows:

Fiscal Year	Net Deferred Outflows/ (Inflows) of Resources
2026	\$ 8,033,197
2027	12,701,240
2028	(4,794,838)
2029	(2,116,680)
2030	—
Thereafter	—
Total	13,822,919

## **REQUIRED SUPPLEMENTARY INFORMATION**

Required supplementary information includes financial information and disclosures that are required by the GASB but are not considered a part of the basic financial statements. Such information includes:

- Schedule of Employer Contributions  
Teacher's Health Insurance Security Fund
- Schedule of Employer's Proportionate Share of the Collective Net OPEB Liability  
Teacher's Health Insurance Security Fund
- Schedule of Changes in the Employer's Total OPEB Liability  
Retiree's Health Plan
- Schedule of Employer's Proportionate Share of the Net Pension Liability and Employer Contributions  
Teachers' Retirement System - Last Ten Fiscal Years
- Schedule of Employer Contributions  
Illinois Municipal Retirement Fund - Last Ten Fiscal Years
- Schedule of Changes in the Employer's Net Pension Liability/(Asset)  
Illinois Municipal Retirement Fund - Last Ten Measurement Years
- Budgetary Comparison Schedule  
General Fund

Notes to the Required Supplementary Information

Budgetary information - budgets are adopted on a basis consistent with generally accepted accounting principles.



**U-46 SCHOOL DISTRICT, ILLINOIS****Teacher's Health Insurance Security Fund  
Schedule of Employer Contributions  
June 30, 2025**

Fiscal Year	Actuarially Determined Contribution	Contributions in Relation to the Actuarially Determined Contribution	Contribution Excess/ (Deficiency)	Covered Payroll	Contributions as a Percentage of Covered Payroll
2018	\$ 1,897,737	\$ 1,951,741	\$ 54,004	\$ 215,651,921	0.91%
2019	2,095,775	2,095,775	—	227,801,600	0.92%
2020	2,243,452	2,243,452	—	243,853,436	0.92%
2021	2,314,359	2,314,359	—	251,560,800	0.92%
2022	1,780,089	1,780,089	—	265,684,924	0.67%
2023	1,854,897	1,854,897	—	276,850,342	0.67%
2024	2,034,710	2,034,710	—	303,688,059	0.67%
2025	2,257,581	2,257,581	—	336,952,335	0.67%

**Note:**

This schedule is intended to show information for ten years. Information for additional years will be displayed as it becomes available.

## U-46 SCHOOL DISTRICT, ILLINOIS

### Teacher's Health Insurance Security Fund Schedule of Employer Contributions - Continued June 30, 2025

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#### Notes to the Schedule of Employer Contributions

<b>Valuation Date</b>	6/30/2023
<b>Measurement Date</b>	6/30/2024
<b>Sponsor's Fiscal Year End</b>	6/30/2025

#### Methods and Assumptions Used to Determine Actuarial Liability and Contributions:

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 years.
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 actuarial valuation as of June 30, 2021.
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 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.

**U-46 SCHOOL DISTRICT, ILLINOIS**

**Teacher's Health Insurance Security Fund**

**Schedule of the Employer's Proportionate Share of the Collective Net OPEB Liability**

**June 30, 2025**

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**See Following Page**

## U-46 SCHOOL DISTRICT, ILLINOIS

### Teacher's Health Insurance Security Fund

### Schedule of the Employer's Proportionate Share of the Collective Net OPEB Liability

June 30, 2025

	<u>6/30/2018</u>
Employer's Proportion of the Net OPEB Liability	0.918500%
Employer's Proportionate Share of the Net OPEB Liability	\$ 238,342,838
State's Proportionate Share of the Net OPEB Liability Associated with the Employer	<u>313,003,345</u>
Total	<u>551,346,183</u>
Employer's Covered Payroll	\$ 211,077,112
Employer's Proportionate Share of the Net OPEB Liability as a % of its Covered Payroll	112.92%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	(0.17%)

#### Notes:

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

This schedule is intended to show information for ten years. Information for additional years will be displayed as it becomes available.

6/30/2019	6/30/2020	6/30/2021	6/30/2022	6/30/2023	6/30/2024	6/30/2025
0.922300%	0.919000%	0.960000%	0.969600%	0.964131%	0.991191%	1.020393%
242,987,411	254,361,840	256,662,793	213,851,408	65,991,790	70,645,756	80,718,541
326,279,389	344,438,459	347,708,201	389,951,301	89,775,314	95,535,579	109,619,440
569,266,800	598,800,299	604,370,994	603,802,709	155,767,104	166,181,335	190,337,981
215,651,921	227,801,600	243,853,436	251,560,800	265,684,924	276,850,342	303,688,059
112.68%	111.66%	105.25%	85.01%	24.84%	25.52%	26.58%
(0.07%)	(0.22%)	0.70%	1.40%	5.24%	6.21%	7.43%

## U-46 SCHOOL DISTRICT, ILLINOIS

### Retiree Healthcare Plan

#### Schedule of Changes in the Employer's Total OPEB Liability

June 30, 2025

	<u>6/30/2018</u>
Total OPEB Liability	
Service Cost	\$ 1,003,974
Interest	806,590
Changes in Benefit Terms	(2,003,354)
Differences Between Expected and Actual Experience	—
Change of Assumptions or Other Inputs	210,570
Benefit Payments	<u>(2,157,596)</u>
Net Change in Total OPEB Liability	(2,139,816)
Total OPEB Liability - Beginning	<u>27,839,526</u>
 Total OPEB Liability - Ending	 <u><u>25,699,710</u></u>
 Covered-Employee Payroll	 \$ 219,201,030
 Total OPEB Liability as a Percentage of Covered-Employee Payroll	 11.72%

#### Notes:

This schedule is intended to show information for ten years. Information for additional years will be displayed as it becomes available.

No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement 75.

*Changes of Assumptions.* Changes in assumptions related to the discount rate were made in 2018 through 2025.

6/30/2019	6/30/2020	6/30/2021	6/30/2022	6/30/2023	6/30/2024	6/30/2025
1,003,479	1,006,873	1,148,731	1,158,539	830,400	790,696	609,128
765,847	716,716	749,319	635,785	984,398	999,047	1,032,355
—	—	—	—	—	—	—
—	(1,247,373)	—	(1,899,363)	—	719,012	—
259,405	3,779,446	964,209	(2,824,742)	188,954	(83,493)	(236,292)
(2,022,065)	(2,063,194)	(1,766,976)	(1,987,158)	(1,695,355)	(1,992,730)	(1,830,343)
6,666	2,192,468	1,095,283	(4,916,939)	308,397	432,532	(425,152)
25,699,710	25,706,376	27,898,844	28,994,127	24,077,188	24,385,585	24,818,117
25,706,376	27,898,844	28,994,127	24,077,188	24,385,585	24,818,117	24,392,965
211,666,809	227,354,884	218,547,893	237,143,228	228,570,185	184,759,433	178,572,991
12.14%	12.27%	13.27%	10.15%	10.67%	13.43%	13.66%

# U-46 SCHOOL DISTRICT, ILLINOIS

## Teachers' Retirement System

### Schedule of the Employer's Proportionate Share of the Net Pension Liability and Employer Contributions June 30, 2025 - Last Ten Fiscal Years

	6/30/2016	6/30/2017	6/30/2018
Employer's Proportion of the Net Pension Liability	0.051700%	0.082700%	0.087100%
Employer's Proportionate Share of the Net Pension Liability	\$ 33,868,384	65,248,035	65,545,775
State's Proportionate Share of the Net Pension Liability Associated with the Employer	1,275,250,978	1,609,322,179	1,557,896,054
Total	1,309,119,362	1,674,570,214	1,623,441,829
Employer's Covered Payroll	\$ 198,258,595	204,244,433	211,077,112
Employer's Proportionate Share of the Net Pension Liability as a % of its Covered-Employee Payroll	17.08%	31.95%	31.05%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	41.50%	36.40%	39.30%
Contractually-Required Contribution	\$ 3,175,233	2,800,714	1,770,395
Contributions in Relation to the Contractually Required Contribution	2,444,400	3,589,872	1,699,413
Contribution Excess (Deficiency)	\$ (730,833)	789,158	(70,982)
Employer's Covered Payroll	\$ 204,244,433	211,077,112	215,651,921
Contributions as a % of Covered Payroll	1.20%	1.70%	0.79%

#### Notes:

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

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

For the 2023-2022 and 2020-2016 measurement years, the assumed investment rate of return was 7.0, including an inflation rate of 2.50 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 2021 measurement year, the assumed investment rate of return was 7.0, including an inflation rate of 2.25 percent and a real return of 4.75 percent.

For the 2015 measurement year, the assumed investment rate of return was 7.5 percent, including an inflation rate of 3.0 percent and a real return of 4.5 percent. Salary increases were assumed to vary by service credit. Various other changes in assumptions were adopted based on the experience analysis for the three-year period ending June 30, 2014.



6/30/2019	6/30/2020	6/30/2021	6/30/2022	6/30/2023	6/30/2024	6/30/2025
0.030300%	0.029200%	0.028900%	0.028100%	0.025972%	0.026463%	0.028264%
23,609,784	23,715,862	24,912,130	21,887,800	21,775,402	22,488,816	24,269,294
1,617,369,178	1,687,832,038	1,951,247,392	1,834,430,264	1,888,871,875	1,940,796,331	2,023,538,577
1,640,978,962	1,711,547,900	1,976,159,522	1,856,318,064	1,910,647,277	1,963,285,147	2,047,807,871
215,651,921	227,801,600	243,853,436	251,560,800	265,684,924	276,850,342	303,688,059
10.95%	10.41%	10.22%	8.70%	8.20%	8.12%	7.99%
40.00%	39.60%	37.80%	45.10%	42.80%	43.90%	45.40%
1,862,360	2,083,042	2,010,482	2,492,034	2,622,999	2,868,062	2,602,082
1,868,418	1,911,459	2,051,858	2,496,006	2,624,234	2,866,730	2,600,394
6,058	(171,583)	41,376	3,972	1,235	(1,332)	(1,688)
227,801,600	243,853,436	251,560,800	265,684,924	276,850,342	303,688,059	336,952,335
0.82%	0.78%	0.82%	0.94%	0.95%	0.94%	0.77%

# U-46 SCHOOL DISTRICT, ILLINOIS

## Illinois Municipal Retirement Fund

### Schedule of Employer Contributions - Last Ten Fiscal Years

June 30, 2025

Fiscal Year	Actuarially Determined Contribution	Contributions in Relation to the Actuarially Determined Contribution	Contribution Excess/ (Deficiency)	Covered Payroll	Contributions as a Percentage of Covered Payroll
2016	\$ 7,305,197	\$ 7,321,744	\$ 16,547	\$ 58,046,942	12.61%
2017	7,567,940	7,623,785	55,845	61,906,562	12.31%
2018	7,499,816	7,505,169	5,353	65,500,573	11.46%
2019	7,514,214	7,630,632	116,418	67,513,152	11.30%
2020	7,909,693	7,902,178	(7,515)	74,611,892	10.59%
2021	7,864,535	7,852,268	(12,267)	70,838,769	11.08%
2022	7,445,895	7,431,504	(14,391)	74,645,601	9.96%
2023	6,548,279	6,545,745	(2,534)	77,349,955	8.46%
2024	6,408,219	6,408,219	—	79,419,915	8.07%
2025	7,305,505	7,305,505	—	87,239,529	8.37%

#### Notes to the Required Supplementary Information:

Actuarial Cost Method	Aggregate Entry Age Normal
Amortization Method	Level % Pay (Closed)
Remaining Amortization Period	19 Years
Asset Valuation Method	5-Year Smoothed Fair Value
Inflation	2.25%
Salary Increases	2.75% to 13.75%, Including Inflation
Investment Rate of Return	7.25%
Retirement Age	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2020 valuation pursuant to an experience study of the period 2017-2019.
Mortality	For non-disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Retiree, Male (adjusted 106%) and Female (adjusted 105%) tables, and future mortality improvements projected using scale MP-2020. For disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Disabled Retiree, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020. For active members, the Pub-2010, Amount-Weighted, below-median income, General, Employee, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020.

**U-46 SCHOOL DISTRICT, ILLINOIS**

**Illinois Municipal Retirement Fund**

**Schedule of Changes in the Employer's Net Pension Liability/(Asset) - Last Ten Measurement Years  
June 30, 2025**

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**See Following Page**

# U-46 SCHOOL DISTRICT, ILLINOIS

## Illinois Municipal Retirement Fund

### Schedule of Changes in the Employer's Net Pension Liability/(Asset) - Last Ten Measurement Years

June 30, 2025

	12/31/2015	12/31/2016	12/31/2017
Total Pension Liability			
Service Cost	\$ 6,752,927	7,287,074	7,088,356
Interest	20,550,703	21,991,405	22,710,668
Differences Between Expected and Actual Experience	5,258,888	(5,058,203)	1,653,787
Change of Assumptions	359,033	(1,091,259)	(9,673,308)
Benefit Payments, Including Refunds of Member Contributions	(12,956,579)	(14,112,060)	(15,122,077)
Net Change in Total Pension Liability	19,964,972	9,016,957	6,657,426
Total Pension Liability - Beginning	277,843,841	297,808,813	306,825,770
Total Pension Liability - Ending	297,808,813	306,825,770	313,483,196
Plan Fiduciary Net Position			
Contributions - Employer	\$ 7,321,744	7,623,785	7,505,169
Contributions - Members	2,914,439	2,932,617	2,991,943
Net Investment Income	1,228,293	17,057,396	45,723,969
Benefit Payments, Including Refunds of Member Contributions	(12,956,579)	(14,112,060)	(15,122,077)
Other (Net Transfer)	2,302,834	237,493	(6,145,971)
Net Change in Plan Fiduciary Net Position	810,731	13,739,231	34,953,033
Plan Net Position - Beginning	247,018,789	247,829,520	261,568,751
Plan Net Position - Ending	247,829,520	261,568,751	296,521,784
Employer's Net Pension Liability/(Asset)	\$ 49,979,293	45,257,019	16,961,412
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	83.22%	85.25%	94.59%
Covered Payroll	\$ 64,024,510	64,026,568	65,500,573
Employer's Net Pension Liability/(Asset) as a Percentage of Covered Payroll	78.06%	70.68%	25.90%

*Changes of Assumptions.* Changes in assumptions related to the discount rate were made in 2015 through 2018 and 2020. Changes in assumptions related to the demographics were made in 2017 and 2023.

12/31/2018	12/31/2019	12/31/2020	12/31/2021	12/31/2022	12/31/2023	12/31/2024
6,690,189	7,240,886	7,705,149	6,776,618	7,057,969	7,174,880	7,126,208
23,132,664	24,206,866	25,418,742	25,677,596	27,102,665	28,586,717	29,824,196
3,308,148	3,114,679	(6,808,476)	7,623,313	8,108,138	3,317,750	4,308,495
9,203,969	—	(3,116,072)	—	—	809,436	—
(16,785,530)	(17,530,554)	(18,627,500)	(19,701,861)	(21,422,281)	(22,292,818)	(23,298,718)
25,549,440	17,031,877	4,571,843	20,375,666	20,846,491	17,595,965	17,960,181
313,483,196	339,032,636	356,064,513	360,636,356	381,012,022	401,858,513	419,454,478
339,032,636	356,064,513	360,636,356	381,012,022	401,858,513	419,454,478	437,414,659
7,630,632	7,224,938	8,043,625	8,089,401	6,922,457	6,551,409	6,828,009
3,049,438	3,373,975	3,203,606	3,368,339	3,473,041	3,536,890	3,727,148
(16,123,071)	52,625,457	46,383,666	60,876,603	(51,905,867)	38,680,906	37,936,452
(16,785,530)	(17,530,554)	(18,627,500)	(19,701,861)	(21,422,281)	(22,292,818)	(23,298,718)
5,562,833	158,149	(2,556,839)	(568,336)	(246,262)	7,782,718	(3,287,175)
(16,665,698)	45,851,965	36,446,558	52,064,146	(63,178,912)	34,259,105	21,905,716
296,521,784	279,856,086	325,708,051	362,154,609	414,218,755	351,039,843	385,298,948
279,856,086	325,708,051	362,154,609	414,218,755	351,039,843	385,298,948	407,204,664
59,176,550	30,356,462	(1,518,253)	(33,206,733)	50,818,670	34,155,530	30,209,995
82.55%	91.47%	100.42%	108.72%	87.35%	91.86%	93.09%
67,513,152	73,292,380	70,841,717	73,654,616	75,821,036	77,865,703	82,864,180
87.65%	41.42%	(2.14%)	(45.08%)	67.02%	43.86%	36.46%

# U-46 SCHOOL DISTRICT, ILLINOIS

## General Fund

### Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual For the Fiscal Year Ended June 30, 2025

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues				
Local Sources				
Property Taxes	\$ 320,902,152	320,902,152	318,412,157	(2,489,995)
Earnings on Investments	25,000,000	25,000,000	37,781,595	12,781,595
Other	2,854,500	2,854,500	15,759,663	12,905,163
State Sources	309,942,389	309,942,389	304,373,655	(5,568,734)
Federal Sources	71,371,506	71,371,506	84,104,133	12,732,627
Total Direct Revenues	730,070,547	730,070,547	760,431,203	30,360,656
On-Behalf Payments - State of Illinois	142,806,460	142,806,460	165,019,966	22,213,506
Total Revenues	872,877,007	872,877,007	925,451,169	52,574,162
Expenditures				
Instruction	383,292,917	383,292,917	389,492,401	(6,199,484)
Support Services	242,931,402	242,931,402	214,822,689	28,108,713
Community Services	2,290,320	2,290,320	1,969,653	320,667
Payments to Other Districts and Government Units	14,216,993	14,216,993	15,754,916	(1,537,923)
Capital Outlay	47,859,103	47,859,103	44,794,533	3,064,570
Total Direct Expenditures	690,590,735	690,590,735	666,834,192	23,756,543
On-Behalf Payments - State of Illinois	142,806,460	142,806,460	165,019,966	(22,213,506)
Total Expenditures	833,397,195	833,397,195	831,854,158	1,543,037
Excess (Deficiency) of Revenues Over (Under) Expenditures	39,479,812	39,479,812	93,597,011	54,117,199
Other Financing Sources (Uses)				
Disposal of Capital Assets	—	—	18,267	18,267
Debt Issuance	—	—	433,560	433,560
Transfers Out	(25,000,000)	(25,000,000)	(28,828,994)	(3,828,994)
	(25,000,000)	(25,000,000)	(28,377,167)	(3,377,167)
Net Change in Fund Balances	14,479,812	14,479,812	65,219,844	50,740,032
Fund Balances - Beginning			534,916,177	
Fund Balances - Ending			600,136,021	

## **OTHER SUPPLEMENTARY INFORMATION**

Other supplementary information includes financial statements and schedules not required by the GASB, nor a part of the basic financial statements, but are presented for purposes of additional analysis.

Such statements and schedules include:

- Combining Statements - General Fund - by Account
- Budgetary Comparison Schedules - General Fund - by Account
- Budgetary Comparison Schedules - Major Governmental Funds
- Combining Statements - Nonmajor Governmental Funds
- Budgetary Comparison Schedules - Nonmajor Governmental Funds

## **INDIVIDUAL FUND DESCRIPTIONS**

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### **GENERAL FUND**

The General Fund is used to account for all financial resources except those required to be accounted for in another fund. The General Fund includes the Educational, Operations and Maintenance, Tort, and Working Cash Accounts.

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### **SPECIAL REVENUE FUNDS**

The Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than debt service or capital project funds) that are legally restricted to expenditure for specified purposes.

#### **Transportation Fund**

The Transportation Fund is used to account for activity relating to student transportation to and from school. Revenue is derived primarily from local property taxes and state reimbursement grants.

#### **Municipal Retirement/Social Security Fund**

The Illinois Municipal Retirement/Social Security Fund is used to account for the District's portion of pension contributions to the Illinois Municipal Retirement Fund and share of social security and medicare costs for employees. Revenue to finance the contributions is derived primarily from local property taxes and personal property replacement taxes.

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### **DEBT SERVICE FUND**

The Debt Service Fund is used to account for the accumulation of resources that are restricted, committed, or assigned for, and the payment of, long-term debt principal, interest and related costs. The primary revenue source is local property taxes levied specifically for debt service.

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### **CAPITAL PROJECTS FUNDS**

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

#### **Capital Projects Fund**

The Capital Projects Fund is used to account for financial resources to be used for the acquisition, construction, or additions to major capital facilities. Revenues are derived from bond and debt certificate proceeds or transfers from other funds.

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## **INDIVIDUAL FUND DESCRIPTIONS - Continued**

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### **CAPITAL PROJECTS FUNDS - Continued**

#### **Fire Prevention and Safety Fund**

The Fire Protection and Safety Fund is used to account for financial resources to be used for activity relating to fire prevention and safety capital projects.

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# U-46 SCHOOL DISTRICT, ILLINOIS

## General Fund - By Account Combining Balance Sheet June 30, 2025

	Educational Account	Operations and Maintenance Account	Tort Immunity Account	Working Cash Account	Totals
<b>ASSETS</b>					
Cash and Investments	\$ 358,744,788	174,564,598	3,300,656	119,861,377	656,471,419
Receivables - Net of Allowance					
Taxes	130,015,400	20,890,240	4,429,409	1,554,177	156,889,226
Other	—	—	—	3,027,083	3,027,083
Due from Other Governments	16,229,770	—	—	—	16,229,770
Prepays	88,387	—	—	—	88,387
Total Assets	505,078,345	195,454,838	7,730,065	124,442,637	832,705,885
<b>LIABILITIES</b>					
Accounts Payable	1,025,236	22,692,864	222,627	—	23,940,727
Accrued Payroll	43,331,847	628,264	9,874	—	43,969,985
Contracts Payable	1,236	—	—	—	1,236
Other Payables	11,853	—	—	—	11,853
Total Liabilities	44,370,172	23,321,128	232,501	—	67,923,801
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Property Taxes	135,403,519	21,756,916	4,613,176	1,618,666	163,392,277
Grants	1,253,786	—	—	—	1,253,786
Total Deferred Inflows of Resources	136,657,305	21,756,916	4,613,176	1,618,666	164,646,063
Total Liabilities and Deferred Inflows of Resources	181,027,477	45,078,044	4,845,677	1,618,666	232,569,864
<b>FUND BALANCES</b>					
Nonspendable	88,387	—	—	—	88,387
Restricted	3,381,391	—	2,884,388	—	6,265,779
Unassigned	320,581,090	150,376,794	—	122,823,971	593,781,855
Total Fund Balances	324,050,868	150,376,794	2,884,388	122,823,971	600,136,021
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	505,078,345	195,454,838	7,730,065	124,442,637	832,705,885

# U-46 SCHOOL DISTRICT, ILLINOIS

## General Fund - By Account

### Combining Statement of Revenues, Expenditures and Changes in Fund Balance

For the Fiscal Year Ended June 30, 2025

	Educational Account	Operations and Maintenance Account	Tort Immunity Account	Working Cash Account	Totals
Revenues					
Local Sources					
Property Taxes	\$ 262,999,939	43,860,716	8,401,230	3,150,272	318,412,157
Earnings on Investments	3,095,095	78,489	11,803	34,596,208	37,781,595
Other	15,457,120	297,762	4,781	—	15,759,663
State Sources	211,875,230	92,498,425	—	—	304,373,655
Federal Sources	84,104,133	—	—	—	84,104,133
Total Direct Revenues	577,531,517	136,735,392	8,417,814	37,746,480	760,431,203
On-Behalf Payments - State of Illinois	165,019,966	—	—	—	165,019,966
Total Revenues	742,551,483	136,735,392	8,417,814	37,746,480	925,451,169
Expenditures					
Instruction	389,492,401	—	—	—	389,492,401
Support Services	165,885,552	39,650,481	9,286,656	—	214,822,689
Community Services	1,969,653	—	—	—	1,969,653
Payments to Other Districts and Gov. Units	15,754,916	—	—	—	15,754,916
Capital Outlay	5,309,529	39,485,004	—	—	44,794,533
Total Direct Expenditures	578,412,051	79,135,485	9,286,656	—	666,834,192
On-Behalf Expenditures - State of Illinois	165,019,966	—	—	—	165,019,966
Total Expenditures	743,432,017	79,135,485	9,286,656	—	831,854,158
Excess (Deficiency) of Revenues Over (Under) Expenditures	(880,534)	57,599,907	(868,842)	37,746,480	93,597,011
Other Financing Sources (Uses)					
Disposal of Capital Assets	—	18,267	—	—	18,267
Debt Issuance	433,560	—	—	—	433,560
Transfers Out	—	—	—	(28,828,994)	(28,828,994)
	433,560	18,267	—	(28,828,994)	(28,377,167)
Net Change in Fund Balance	(446,974)	57,618,174	(868,842)	8,917,486	65,219,844
Fund Balances - Beginning	324,497,842	92,758,620	3,753,230	113,906,485	534,916,177
Fund Balances - Ending	324,050,868	150,376,794	2,884,388	122,823,971	600,136,021

# U-46 SCHOOL DISTRICT, ILLINOIS

## Educational Account - General Fund

### Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

For the Fiscal Year Ended June 30, 2025

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues				
Local Sources				
Property Taxes				
General Levy	\$ 223,404,505	223,404,505	222,799,776	(604,729)
Special Education Purposes Levy	40,619,603	40,619,603	40,200,163	(419,440)
Payments from Local Housing Authorities	20,000	20,000	22,441	2,441
Other Payments in Lieu of Taxes	—	—	1,121,270	1,121,270
Tuition	—	—	8,515	8,515
Earnings on Investments	—	—	3,095,095	3,095,095
Food Service	200,000	200,000	204,803	4,803
District/School Activity Income	566,000	566,000	5,090,465	4,524,465
Textbook Income	—	—	7,653,861	7,653,861
Other Revenue from Local Sources	350,000	350,000	1,355,765	1,005,765
	265,160,108	265,160,108	281,552,154	16,392,046
State Sources				
Unrestricted - Evidence Based Funding	182,428,889	182,428,889	192,360,655	9,931,766
Special Education	5,950,000	5,950,000	6,558,522	608,522
Career and Technical Education	634,500	634,500	617,353	(17,147)
State Free Lunch and Breakfast	80,000	80,000	207,384	127,384
Driver Education	170,000	170,000	181,949	11,949
Truant Alternative and Optional Education	460,000	460,000	285,069	(174,931)
Early Childhood - Block Grant	8,204,151	8,204,151	8,145,582	(58,569)
Technology - Technology for Success	30,000	30,000	28,979	(1,021)
Other Restricted Revenue from State Sources	3,412,349	3,412,349	3,489,737	77,388
	201,369,889	201,369,889	211,875,230	10,505,341
Federal Sources				
Food Service	17,140,000	17,140,000	18,653,186	1,513,186
Title I	9,000,000	9,000,000	14,966,044	5,966,044
Title IV	300,000	300,000	598,275	298,275
Special Education	7,090,066	7,090,066	11,909,154	4,819,088
Title III	1,100,000	1,100,000	1,797,440	697,440
Title II	1,090,000	1,090,000	3,438,774	2,348,774
Program	—	—	1,183,099	1,183,099
Other Restricted Revenue from Federal Sources	35,651,440	35,651,440	31,558,161	(4,093,279)
	71,371,506	71,371,506	84,104,133	12,732,627
Total Direct Revenues	537,901,503	537,901,503	577,531,517	39,630,014

**U-46 SCHOOL DISTRICT, ILLINOIS****Educational Account - General Fund****Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Continued****For the Fiscal Year Ended June 30, 2025**

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues - Continued				
On-Behalf Payments - State of Illinois	\$ 142,806,460	142,806,460	165,019,966	22,213,506
Total Revenues	680,707,963	680,707,963	742,551,483	61,843,520
Expenditures				
Instruction				
Regular Programs				
Salaries	138,738,602	138,738,602	137,341,056	1,397,546
Employee Benefits	41,197,729	41,197,729	33,517,824	7,679,905
Purchased Services	3,334,723	3,334,723	1,300,494	2,034,229
Supplies and Materials	28,992,258	28,992,258	28,178,956	813,302
Other Objects	2,474,155	2,474,155	1,552,419	921,736
Non-Capitalized Equipment	3,527,775	3,527,775	1,819,850	1,707,925
Termination Benefits	147,500	147,500	8,175	139,325
	218,412,742	218,412,742	203,718,774	14,693,968
Tuition Payment to Charter Schools				
Other Objects	12,584	12,584	—	12,584
Pre-K Programs				
Salaries	7,254,706	7,254,706	7,855,008	(600,302)
Employee Benefits	4,537,460	4,537,460	1,571,961	2,965,499
Purchased Services	285,247	285,247	629,706	(344,459)
Supplies and Materials	4,929,574	4,929,574	6,232,871	(1,303,297)
Other Objects	24,000	24,000	5,095	18,905
Non-Capitalized Equipment	207,179	207,179	66,651	140,528
	17,238,166	17,238,166	16,361,292	876,874
Special Education Programs				
Salaries	48,876,715	48,876,715	52,561,074	(3,684,359)
Employee Benefits	12,343,210	12,343,210	14,479,464	(2,136,254)
Purchased Services	370,270	370,270	410,596	(40,326)
Supplies and Materials	588,650	588,650	1,131,723	(543,073)
Other Objects	29,605	29,605	18,163	11,442
Non-Capitalized Equipment	17,586	17,586	50,037	(32,451)
	62,226,036	62,226,036	68,651,057	(6,425,021)

# U-46 SCHOOL DISTRICT, ILLINOIS

## Educational Account - General Fund

### Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Continued

For the Fiscal Year Ended June 30, 2025

	Original Budget	Final Budget	Actual	Variance with Final Budget
Expenditures - Continued				
Instruction - Continued				
Special Education Programs Pre-K				
Salaries	\$ 2,914,360	2,914,360	2,477,974	436,386
Employee Benefits	861,075	861,075	963,937	(102,862)
Purchased Services	1,000	1,000	10,745	(9,745)
Supplies and Materials	163,333	163,333	45,125	118,208
Other Objects	—	—	130	(130)
Non-Capitalized Equipment	3,001	3,001	2,159	842
	<u>3,942,769</u>	<u>3,942,769</u>	<u>3,500,070</u>	<u>442,699</u>
Remedial and Supplemental Programs K-12				
Salaries	3,891,105	3,891,105	4,047,551	(156,446)
Employee Benefits	859,280	859,280	1,212,519	(353,239)
Purchased Services	789,299	789,299	1,176,600	(387,301)
Supplies and Materials	808,422	808,422	2,488,850	(1,680,428)
Other Objects	—	—	126	(126)
Non-Capitalized Equipment	12,000	12,000	12,850	(850)
	<u>6,360,106</u>	<u>6,360,106</u>	<u>8,938,496</u>	<u>(2,578,390)</u>
CTE Programs				
Salaries	3,755,685	3,755,685	4,135,744	(380,059)
Employee Benefits	935,315	935,315	1,143,095	(207,780)
Purchased Services	641,750	641,750	732,526	(90,776)
Supplies and Materials	389,033	389,033	425,050	(36,017)
Other Objects	40,000	40,000	—	40,000
Non-Capitalized Equipment	325,170	325,170	300,942	24,228
	<u>6,086,953</u>	<u>6,086,953</u>	<u>6,737,357</u>	<u>(650,404)</u>
Interscholastic Programs				
Salaries	365,625	365,625	4,321,895	(3,956,270)
Employee Benefits	56,315	56,315	349,346	(293,031)
Purchased Services	645,375	645,375	852,460	(207,085)
Supplies and Materials	562,625	562,625	142,784	419,841
	<u>1,629,940</u>	<u>1,629,940</u>	<u>5,666,485</u>	<u>(4,036,545)</u>

**U-46 SCHOOL DISTRICT, ILLINOIS****Educational Account - General Fund****Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Continued****For the Fiscal Year Ended June 30, 2025**

	Original Budget	Final Budget	Actual	Variance with Final Budget
Expenditures - Continued				
Instruction - Continued				
Summer School Programs				
Salaries	\$ —	—	1,155,919	(1,155,919)
Employee Benefits	—	—	310,403	(310,403)
Purchased Services	25,600	25,600	3,693	21,907
Supplies and Materials	77,000	77,000	114,438	(37,438)
	102,600	102,600	1,584,453	(1,481,853)
Gifted Programs				
Salaries	5,177,885	5,177,885	3,906,037	1,271,848
Employee Benefits	1,267,215	1,267,215	1,309,135	(41,920)
Purchased Services	94,680	94,680	86,424	8,256
Supplies and Materials	55,258	55,258	32,993	22,265
Other Objects	4,395	4,395	—	4,395
Non-Capitalized Equipment	4,860	4,860	9,328	(4,468)
	6,604,293	6,604,293	5,343,917	1,260,376
Driver's Education Programs				
Salaries	1,058,475	1,058,475	1,198,445	(139,970)
Employee Benefits	272,875	272,875	330,052	(57,177)
Supplies and Materials	4,200	4,200	1,367	2,833
	1,335,550	1,335,550	1,529,864	(194,314)
Bilingual Programs				
Salaries	44,223,050	44,223,050	46,795,051	(2,572,001)
Employee Benefits	11,053,605	11,053,605	12,508,189	(1,454,584)
Purchased Services	106,994	106,994	118,974	(11,980)
Supplies and Materials	337,454	337,454	226,179	111,275
	55,721,103	55,721,103	59,648,393	(3,927,290)
Truant Alternative and Optional Programs				
Salaries	2,902,170	2,902,170	2,641,120	261,050
Employee Benefits	698,735	698,735	770,080	(71,345)
Purchased Services	3,000	3,000	5,237	(2,237)
Supplies and Materials	12,945	12,945	23,138	(10,193)
Non-Capitalized Equipment	3,225	3,225	2,763	462
	3,620,075	3,620,075	3,442,338	177,737

**U-46 SCHOOL DISTRICT, ILLINOIS****Educational Account - General Fund****Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Continued****For the Fiscal Year Ended June 30, 2025**

	Original Budget	Final Budget	Actual	Variance with Final Budget
Expenditures - Continued				
Instruction - Continued				
Private Tuition				
Truant Alternative/Optional Educational Program	\$ —	—	7,229	(7,229)
Student Activity Fund				
Other Objects	—	—	4,362,676	(4,362,676)
Total Instruction	383,292,917	383,292,917	389,492,401	(6,199,484)
Support Services				
Pupils				
Attendance and Social Work Services				
Salaries	11,900,140	11,900,140	14,597,725	(2,697,585)
Employee Benefits	2,912,355	2,912,355	3,574,742	(662,387)
Purchased Services	71,438	71,438	152,456	(81,018)
Supplies and Materials	125,057	125,057	8,576	116,481
Other Objects	1,000	1,000	613	387
Non-Capitalized Equipment	15,000	15,000	2,887	12,113
	15,024,990	15,024,990	18,336,999	(3,324,509)
Guidance Services				
Salaries	6,109,225	6,109,225	6,420,965	(311,740)
Employee Benefits	1,437,190	1,437,190	1,742,474	(305,284)
Purchased Services	1,331,124	1,331,124	29,319	1,301,805
Supplies and Materials	36,840	36,840	54,443	(17,603)
Non-Capitalized Equipment	45,461	45,461	—	45,461
	8,959,840	8,959,840	8,247,201	712,639
Health Services				
Salaries	5,830,250	5,830,250	6,422,612	(592,362)
Employee Benefits	1,276,675	1,276,675	1,534,105	(257,430)
Purchased Services	1,651,147	1,651,147	548,034	1,103,113
Supplies and Materials	184,368	184,368	144,526	39,842
Non-Capitalized Equipment	249,600	249,600	112,800	136,800
	9,192,040	9,192,040	8,762,077	429,963



**U-46 SCHOOL DISTRICT, ILLINOIS****Educational Account - General Fund****Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Continued****For the Fiscal Year Ended June 30, 2025**

	Original Budget	Final Budget	Actual	Variance with Final Budget
Expenditures - Continued				
Support Services - Continued				
Pupils - Continued				
Psychological Services				
Salaries	\$ 1,962,065	1,962,065	2,067,220	(105,155)
Employee Benefits	473,040	473,040	556,136	(83,096)
Purchased Services	679,877	679,877	703,276	(23,399)
	<u>3,114,982</u>	<u>3,114,982</u>	<u>3,326,632</u>	<u>(211,650)</u>
Speech Pathology and Audiology Services				
Salaries	6,921,660	6,921,660	7,996,932	(1,075,272)
Employee Benefits	1,701,450	1,701,450	2,077,494	(376,044)
Purchased Services	2,147,479	2,147,479	1,478,189	669,290
Supplies and Materials	140,879	140,879	100,720	40,159
Non-Capitalized Equipment	73,210	73,210	151,586	(78,376)
	<u>10,984,678</u>	<u>10,984,678</u>	<u>11,804,921</u>	<u>(820,243)</u>
Other Support Services - Pupils				
Salaries	1,955,585	1,955,585	2,594,680	(639,095)
Employee Benefits	34,835	34,835	39,999	(5,164)
Purchased Services	152,400	152,400	72,964	79,436
Supplies and Materials	90,500	90,500	61,760	28,740
	<u>2,233,320</u>	<u>2,233,320</u>	<u>2,769,403</u>	<u>(536,083)</u>
Total Pupils	<u>49,509,850</u>	<u>49,509,850</u>	<u>53,247,233</u>	<u>(3,737,383)</u>
Instructional Staff				
Improvement of Instruction Services				
Salaries	5,605,870	5,605,870	5,911,720	(305,850)
Employee Benefits	1,420,645	1,420,645	2,276,623	(855,978)
Purchased Services	12,260,137	12,260,137	5,869,225	6,390,912
Supplies and Materials	1,776,489	1,776,489	398,706	1,377,783
Other Objects	39,248	39,248	32,701	6,547
Non-Capitalized Equipment	13,000	13,000	13,344	(344)
	<u>21,115,389</u>	<u>21,115,389</u>	<u>14,502,319</u>	<u>6,613,070</u>

**U-46 SCHOOL DISTRICT, ILLINOIS****Educational Account - General Fund****Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Continued****For the Fiscal Year Ended June 30, 2025**

	Original Budget	Final Budget	Actual	Variance with Final Budget
Expenditures - Continued				
Support Services - Continued				
Instructional Staff - Continued				
Educational Media Services				
Salaries	\$ 2,710,645	2,710,645	2,853,333	(142,688)
Employee Benefits	686,600	686,600	850,727	(164,127)
Purchased Services	635,540	635,540	850,297	(214,757)
Supplies and Materials	1,004,895	1,004,895	395,461	609,434
Other Objects	—	—	101	(101)
	5,037,680	5,037,680	4,949,919	87,761
Assessment and Testing				
Salaries	1,316,765	1,316,765	1,952,986	(636,221)
Employee Benefits	267,290	267,290	375,858	(108,568)
Purchased Services	1,032,582	1,032,582	827,871	204,711
Supplies and Materials	38,186	38,186	21,355	16,831
	2,654,823	2,654,823	3,178,070	(523,247)
Total Instructional Staff	28,807,892	28,807,892	22,630,308	6,177,584
General Administration				
Board of Education Services				
Salaries	—	—	55,176	(55,176)
Employee Benefits	—	—	8,328	(8,328)
Purchased Services	51,200	51,200	156,986	(105,786)
Supplies and Materials	34,407	34,407	35,452	(1,045)
Other Objects	34,500	34,500	18,951	15,549
Non-Capitalized Equipment	—	—	46,272	(46,272)
	120,107	120,107	321,165	(201,058)
Executive Administration Services				
Salaries	3,381,225	3,381,225	4,511,549	(1,130,324)
Employee Benefits	698,200	698,200	825,412	(127,212)
Purchased Services	1,483,410	1,483,410	1,713,643	(230,233)
Supplies and Materials	3,257,663	3,257,663	318,170	2,939,493
Other Objects	59,105	59,105	79,917	(20,812)
Non-Capitalized Equipment	220,000	220,000	143,011	76,989
	9,099,603	9,099,603	7,591,702	1,507,901

**U-46 SCHOOL DISTRICT, ILLINOIS****Educational Account - General Fund****Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Continued****For the Fiscal Year Ended June 30, 2025**

	Original Budget	Final Budget	Actual	Variance with Final Budget
Expenditures - Continued				
Support Services - Continued				
General Administration - Continued				
Special Area Administration Services				
Salaries	\$ 4,841,905	4,841,905	4,943,149	(101,244)
Employee Benefits	1,105,505	1,105,505	1,211,964	(106,459)
Purchased Services	1,285,586	1,285,586	663,070	622,516
Supplies and Materials	85,423	85,423	60,489	24,934
Other Objects	6,500	6,500	69,165	(62,665)
Non-Capitalized Equipment	73,500	73,500	13,398	60,102
	7,398,419	7,398,419	6,961,235	437,184
Tort Immunity Services				
Purchased Services	629,000	629,000	290,824	338,176
Total General Administration	17,247,129	17,247,129	15,164,926	2,082,203
School Administration				
Office of the Principal Services				
Salaries	22,878,140	22,878,140	23,561,268	(683,128)
Employee Benefits	5,468,745	5,468,745	6,454,410	(985,665)
Purchased Services	72,822	72,822	40,333	32,489
Supplies and Materials	972,397	972,397	635,567	336,830
Other Objects	31,965	31,965	12,687	19,278
Non-Capitalized Equipment	232,520	232,520	73,752	158,768
Termination Benefits	147,500	147,500	—	147,500
	29,804,089	29,804,089	30,778,017	(973,928)
Other Support Services - School Admin				
Salaries	4,488,460	4,488,460	5,023,603	(535,143)
Employee Benefits	1,031,035	1,031,035	1,230,052	(199,017)
Purchased Services	—	—	2,572	(2,572)
Supplies and Materials	—	—	118	(118)
	5,519,495	5,519,495	6,256,345	(736,850)
Total School Administration	35,323,584	35,323,584	37,034,362	(1,710,778)

# U-46 SCHOOL DISTRICT, ILLINOIS

## Educational Account - General Fund

### Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Continued

For the Fiscal Year Ended June 30, 2025

	Original Budget	Final Budget	Actual	Variance with Final Budget
Expenditures - Continued				
Support Services - Continued				
Business				
Direction of Business Support Services				
Salaries	\$ 236,365	236,365	289,145	(52,780)
Employee Benefits	36,495	36,495	42,815	(6,320)
Purchased Services	130,185	130,185	14,156	116,029
Supplies and Materials	1,780	1,780	546	1,234
Other Objects	5,900	5,900	8,839	(2,939)
Non-Capitalized Equipment	15,260	15,260	—	15,260
	425,985	425,985	355,501	70,484
Fiscal Services				
Salaries	1,839,660	1,839,660	1,896,263	(56,603)
Employee Benefits	275,800	275,800	357,098	(81,298)
Purchased Services	1,779,610	1,779,610	605,720	1,173,890
Supplies and Materials	17,500	17,500	21,690	(4,190)
Other Objects	12,000	12,000	69,190	(57,190)
Non-Capitalized Equipment	9,000	9,000	21,420	(12,420)
	3,933,570	3,933,570	2,971,381	962,189
Food Services				
Salaries	4,515,800	4,515,800	5,124,458	(608,658)
Employee Benefits	876,425	876,425	1,928,289	(1,051,864)
Purchased Services	1,258,500	1,258,500	351,200	907,300
Supplies and Materials	11,783,290	11,783,290	8,863,030	2,920,260
Other Objects	41,900	41,900	30,307	11,593
Non-Capitalized Equipment	60,000	60,000	7,332	52,668
	18,535,915	18,535,915	16,304,616	2,231,299
Operations and Maintenance of Plant Services				
Salaries	228,595	228,595	239,612	(11,017)
Employee Benefits	22,255	22,255	26,108	(3,853)
Purchased Services	35,460	35,460	19,663	15,797
Supplies and Materials	304,620	304,620	136,633	167,987
Other Objects	10,000	10,000	—	10,000
Non-Capitalized Equipment	450,000	450,000	93,968	356,032
	1,050,930	1,050,930	515,984	534,946

**U-46 SCHOOL DISTRICT, ILLINOIS****Educational Account - General Fund****Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Continued****For the Fiscal Year Ended June 30, 2025**

	Original Budget	Final Budget	Actual	Variance with Final Budget
Expenditures - Continued				
Support Services - Continued				
Business - Continued				
Pupil Transportation Services				
Purchased Services	\$ 676,408	676,408	560,543	115,865
Internal Services				
Salaries	458,720	458,720	439,409	19,311
Employee Benefits	77,485	77,485	99,558	(22,073)
Purchased Services	1,313,805	1,313,805	312,963	1,000,842
Supplies and Materials	1,159,000	1,159,000	269,068	889,932
Non-Capitalized Equipment	2,600,000	2,600,000	405,380	2,194,620
	5,609,010	5,609,010	1,526,378	4,082,632
Total Business	30,231,818	30,231,818	22,234,403	7,997,415
Central				
Planning, Research, Development, and Evaluation Services				
Purchased Services	8,100	8,100	8,100	—
Information Services				
Salaries	513,520	513,520	640,877	(127,357)
Employee Benefits	44,620	44,620	58,243	(13,623)
Purchased Services	506,694	506,694	137,430	369,264
Supplies and Materials	62,250	62,250	38,373	23,877
Other Objects	4,865	4,865	5,989	(1,124)
	1,131,949	1,131,949	880,912	251,037
Staff Services				
Salaries	2,192,910	2,192,910	2,498,446	(305,536)
Employee Benefits	399,010	399,010	501,206	(102,196)
Purchased Services	689,699	689,699	370,434	319,265
Supplies and Materials	35,100	35,100	51,092	(15,992)
Other Objects	83,303	83,303	63,302	20,001
	3,400,022	3,400,022	3,484,480	(84,458)

**U-46 SCHOOL DISTRICT, ILLINOIS****Educational Account - General Fund****Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Continued  
For the Fiscal Year Ended June 30, 2025**

	Original Budget	Final Budget	Actual	Variance with Final Budget
Expenditures - Continued				
Support Services - Continued				
Central - Continued				
Data Processing Services				
Salaries	\$ 3,311,305	3,311,305	3,512,595	(201,290)
Employee Benefits	485,880	485,880	629,794	(143,914)
Purchased Services	5,349,633	5,349,633	5,250,313	99,320
Supplies and Materials	476,100	476,100	163,222	312,878
Non-Capitalized Equipment	1,207,664	1,207,664	486,909	720,755
	10,830,582	10,830,582	10,042,833	787,749
Total Central	15,370,653	15,370,653	14,416,325	954,328
Other Support Services				
Salaries	544,340	544,340	625,659	(81,319)
Employee Benefits	594,690	594,690	455,806	138,884
Purchased Services	2,259,925	2,259,925	32,509	2,227,416
Supplies and Materials	2,074,000	2,074,000	44,021	2,029,979
Total Other Support Services	5,472,955	5,472,955	1,157,995	4,314,960
Total Support Services	181,963,881	181,963,881	165,885,552	16,078,329
Community Services				
Salaries	994,485	994,485	1,046,270	(51,785)
Employee Benefits	172,515	172,515	179,942	(7,427)
Purchased Services	530,890	530,890	113,274	417,616
Supplies and Materials	587,430	587,430	623,163	(35,733)
Other Objects	5,000	5,000	265	4,735
Non-Capitalized Equipment	—	—	6,739	(6,739)
Total Community Services	2,290,320	2,290,320	1,969,653	320,667
Payments to Other Districts and Governmental Units				
Regular Programs	799,743	799,743	1,713,026	(913,283)
Special Education Programs	13,417,250	13,417,250	14,041,890	(624,640)
Total Payments to Other District and Governmental Units	14,216,993	14,216,993	15,754,916	(1,537,923)

**U-46 SCHOOL DISTRICT, ILLINOIS****Educational Account - General Fund****Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Continued****For the Fiscal Year Ended June 30, 2025**

	Original Budget	Final Budget	Actual	Variance with Final Budget
Expenditures - Continued				
Capital Outlay	\$ 6,380,753	6,380,753	5,309,529	1,071,224
Total Direct Expenditures	588,144,864	588,144,864	578,412,051	9,732,813
On-Behalf Payments - State of Illinois	142,806,460	142,806,460	165,019,966	(22,213,506)
Total Expenditures	730,951,324	730,951,324	743,432,017	(12,480,693)
Excess (Deficiency) of Revenues Over (Under) Expenditures	(50,243,361)	(50,243,361)	(880,534)	49,362,827
Other Financing Sources				
Debt Issuance	—	—	433,560	433,560
Net Change in Fund Balance	<u>(50,243,361)</u>	<u>(50,243,361)</u>	(446,974)	<u>49,796,387</u>
Fund Balance - Beginning			<u>324,497,842</u>	
Fund Balances - Ending			<u><u>324,050,868</u></u>	

# U-46 SCHOOL DISTRICT, ILLINOIS

## Operations and Maintenance Account - General Fund

### Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

For the Fiscal Year Ended June 30, 2025

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues				
Local Sources				
Property Taxes				
General Levy	\$ 45,833,700	45,833,700	43,860,716	(1,972,984)
Earnings on Investments	—	—	78,489	78,489
Other Revenue from Local Sources	1,718,000	1,718,000	297,762	(1,420,238)
	<u>47,551,700</u>	<u>47,551,700</u>	<u>44,236,967</u>	<u>(3,314,733)</u>
State Sources				
Unrestricted - Evidence Based Funding	108,522,500	108,522,500	92,448,425	(16,074,075)
Other Restricted Revenue from State Sources	50,000	50,000	50,000	—
	<u>108,572,500</u>	<u>108,572,500</u>	<u>92,498,425</u>	<u>(16,074,075)</u>
Total Revenues	<u>156,124,200</u>	<u>156,124,200</u>	<u>136,735,392</u>	<u>(19,388,808)</u>
Expenditures				
Support Services				
Business				
Facilities Acquisition and Construction Services				
Purchased Services	395,700	395,700	18,443	377,257
Operations and Maintenance of Plant Services				
Salaries	10,966,119	10,966,119	11,655,419	(689,300)
Employee Benefits	1,983,860	1,983,860	2,313,833	(329,973)
Purchased Services	26,746,427	26,746,427	14,800,719	11,945,708
Supplies and Materials	11,344,692	11,344,692	9,768,147	1,576,545
Other Objects	—	—	50,341	(50,341)
Non-Capitalized Equipment	813,508	813,508	395,608	417,900
	<u>51,854,606</u>	<u>51,854,606</u>	<u>38,984,067</u>	<u>12,870,539</u>
Total Business	<u>52,250,306</u>	<u>52,250,306</u>	<u>39,002,510</u>	<u>13,247,796</u>



**U-46 SCHOOL DISTRICT, ILLINOIS****Operations and Maintenance Account - General Fund****Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Continued****For the Fiscal Year Ended June 30, 2025**

	Original Budget	Final Budget	Actual	Variance with Final Budget
Expenditures - Continued				
Support Services - Continued				
Other Support Services				
Salaries	\$ 176,110	176,110	276,309	(100,199)
Employee Benefits	28,715	28,715	38,624	(9,909)
Purchased Services	273,472	273,472	231,894	41,578
Supplies and Materials	105,000	105,000	76,133	28,867
Non-Capitalized Equipment	430,000	430,000	25,011	404,989
Total Other Support Services	1,013,297	1,013,297	647,971	365,326
Total Support Services	53,263,603	53,263,603	39,650,481	13,613,122
Capital Outlay	40,978,350	40,978,350	39,485,004	1,493,346
Total Expenditures	94,241,953	94,241,953	79,135,485	15,106,468
Excess (Deficiency) of Revenues Over (Under) Expenditures	61,882,247	61,882,247	57,599,907	(4,282,340)
Other Financing Sources				
Disposal of Capital Assets	—	—	18,267	18,267
Net Change in Fund Balance	61,882,247	61,882,247	57,618,174	(4,264,073)
Fund Balance - Beginning			92,758,620	
Fund Balances - Ending			150,376,794	

# U-46 SCHOOL DISTRICT, ILLINOIS

## Tort Immunity Account - General Fund

### Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

For the Fiscal Year Ended June 30, 2025

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues				
Local Sources				
Property Taxes				
General Levy	\$ 7,870,834	7,870,834	8,401,230	530,396
Earnings on Investments	—	—	11,803	11,803
Other Revenue from Local Sources	500	500	4,781	4,281
Total Revenues	7,871,334	7,871,334	8,417,814	546,480
Expenditures				
Support Services				
General Administration				
Executive Administration Services				
Salaries	459,347	459,347	544,948	(85,601)
Employee Benefits	12,789	12,789	14,359	(1,570)
Purchased Services	—	—	2,031	(2,031)
Claims Paid from Self Insurance Fund				
Purchased Services	100,000	100,000	580,500	(480,500)
Risk Management and Claims Services Payments				
Purchased Services	3,000,000	3,000,000	1,676,043	1,323,957
Other Support Services				
Purchased Services	4,131,782	4,131,782	6,466,753	(2,334,971)
Other Objects	—	—	2,022	(2,022)
	7,703,918	7,703,918	9,286,656	(1,582,738)
Capital Outlay	500,000	500,000	—	500,000
Total Expenditures	8,203,918	8,203,918	9,286,656	(1,082,738)
Net Change in Fund Balance	(332,584)	(332,584)	(868,842)	(536,258)
Fund Balance - Beginning			3,753,230	
Fund Balances - Ending			2,884,388	

**U-46 SCHOOL DISTRICT, ILLINOIS****Working Cash Account - General Fund****Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual****For the Fiscal Year Ended June 30, 2025**

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues				
Local Sources				
Property Taxes				
General Levy	\$ 3,173,510	3,173,510	3,150,272	(23,238)
Earnings on Investments	25,000,000	25,000,000	34,596,208	9,596,208
Total Revenues	28,173,510	28,173,510	37,746,480	9,572,970
Expenditures	—	—	—	—
Excess (Deficiency) of Revenues Over (Under) Expenditures	28,173,510	28,173,510	37,746,480	9,572,970
Other Financing (Uses)				
Transfers Out	(25,000,000)	(25,000,000)	(28,828,994)	(3,828,994)
Net Change in Fund Balance	3,173,510	3,173,510	8,917,486	5,743,976
Fund Balance - Beginning			113,906,485	
Fund Balances - Ending			122,823,971	

**U-46 SCHOOL DISTRICT, ILLINOIS****Debt Service Fund****Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual****For the Fiscal Year Ended June 30, 2025**

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues				
Local Sources				
Property Taxes				
General Levy	\$ 34,158,999	34,158,999	32,302,463	(1,856,536)
Earnings on Investments	—	—	63,487	63,487
Other Revenue from Local Sources	14,000	14,000	—	(14,000)
Total Revenues	34,172,999	34,172,999	32,365,950	(1,807,049)
Expenditures				
Debt Service				
Principal Retirement	26,440,000	26,440,000	30,489,849	(4,049,849)
Interest and Fiscal Charges	6,092,380	6,092,380	6,278,480	(186,100)
Total Expenditures	32,532,380	32,532,380	36,768,329	(4,235,949)
Net Change in Fund Balance	1,640,619	1,640,619	(4,402,379)	(6,042,998)
Fund Balance - Beginning			26,270,746	
Fund Balances - Ending			21,868,367	

# U-46 SCHOOL DISTRICT, ILLINOIS

## Capital Projects - Capital Projects Fund

### Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

For the Fiscal Year Ended June 30, 2025

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues				
Local Sources				
Earnings on Investments	\$ 2,475,000	2,475,000	858,950	(1,616,050)
Other Revenue from Local Sources	1,000,000	1,000,000	2,492,858	1,492,858
Total Revenues	3,475,000	3,475,000	3,351,808	(123,192)
Expenditures				
Support Services				
Business				
Facilities Acquisition and Construction Services				
Purchased Services	—	—	22,303,265	(22,303,265)
Supplies and Materials	—	—	55,544	(55,544)
Non-Capitalized Equipment	—	—	117,172	(117,172)
	—	—	22,475,981	(22,475,981)
Other Support Services				
Other Objects	—	—	531,173	(531,173)
Total Support Services	—	—	23,007,154	(23,007,154)
Capital Outlay	80,000,000	80,000,000	36,396,166	43,603,834
Total Expenditures	80,000,000	80,000,000	59,403,320	20,596,680
Excess (Deficiency) of Revenues Over (Under) Expenditures	(76,525,000)	(76,525,000)	(56,051,512)	20,473,488
Other Financing Sources				
Disposal of Capital Assets	—	—	985,264	985,264
Debt Issuance	142,000,000	142,000,000	55,625,000	(86,375,000)
Premium on Debt Issuance	—	—	4,920,208	4,920,208
Transfers In	—	—	28,828,994	28,828,994
	142,000,000	142,000,000	90,359,466	(51,640,534)
Net Change in Fund Balance	65,475,000	65,475,000	34,307,954	(31,167,046)
Fund Balance - Beginning			117,795,358	
Fund Balances - Ending			152,103,312	

**U-46 SCHOOL DISTRICT, ILLINOIS****Nonmajor Governmental Funds****Combining Balance Sheet****June 30, 2025**

	Special Revenue		Capital Projects	
		Municipal Retirement/ Social Security	Fire Prevention and Safety	
	Transportation			Totals
<b>ASSETS</b>				
Cash and Investments	\$ 34,589,419	4,934,580	22,064,945	61,588,944
Receivables - Net of Allowances				
Taxes	5,363,016	2,634,069	2,788,127	10,785,212
Total Assets	39,952,435	7,568,649	24,853,072	72,374,156
<b>LIABILITIES</b>				
Accrued Payroll	450,494	106,743	—	557,237
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Property Taxes	5,585,504	2,743,363	2,903,794	11,232,661
Total Liabilities and Deferred Inflows of Resources	6,035,998	2,850,106	2,903,794	11,789,898
<b>FUND BALANCES</b>				
Restricted	33,916,437	4,718,543	21,949,278	60,584,258
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	39,952,435	7,568,649	24,853,072	72,374,156

# U-46 SCHOOL DISTRICT, ILLINOIS

## Nonmajor Governmental Funds

### Combining Statement of Revenues, Expenditures and Changes in Fund Balances

For the Fiscal Year Ended June 30, 2025

	Special Revenue		Capital Projects	
		Municipal Retirement/ Social Security	Fire Prevention and Safety	
	Transportation			Totals
Revenues				
Local Sources				
Property Taxes	\$ 10,515,148	4,638,485	5,636,105	20,789,738
Personal Property Replacement Taxes	—	5,548,582	—	5,548,582
Earnings on Investments	17,900	63,862	9,903	91,665
Other	594,503	—	—	594,503
State Sources	24,054,660	—	—	24,054,660
Total Revenues	35,182,211	10,250,929	5,646,008	51,079,148
Expenditures				
Instruction	—	6,960,267	—	6,960,267
Support Services	28,246,949	11,023,784	—	39,270,733
Community Services	—	140,233	—	140,233
Capital Outlay	—	—	636,416	636,416
Total Expenditures	28,246,949	18,124,284	636,416	47,007,649
Net Change in Fund Balance	6,935,262	(7,873,355)	5,009,592	4,071,499
Fund Balances - Beginning	26,981,175	12,591,898	16,939,686	56,512,759
Fund Balances - Ending	33,916,437	4,718,543	21,949,278	60,584,258

# U-46 SCHOOL DISTRICT, ILLINOIS

## Transportation - Special Revenue Fund

### Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

For the Fiscal Year Ended June 30, 2025

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues				
Local Sources				
Property Taxes				
General Levy	\$ 10,242,685	10,242,685	10,515,148	272,463
Transportation Fees	602,000	602,000	561,341	(40,659)
Earnings on Investments	—	—	17,900	17,900
Other Revenue from Local Sources	—	—	33,162	33,162
	<u>10,844,685</u>	<u>10,844,685</u>	<u>11,127,551</u>	<u>282,866</u>
State Sources				
Unrestricted - Evidence Based Funding	10,500,000	10,500,000	10,600,387	100,387
Transportation - Regular and Vocational	6,722,631	6,722,631	5,050,678	(1,671,953)
Transportation - Special Education	8,694,434	8,694,434	8,403,595	(290,839)
	<u>25,917,065</u>	<u>25,917,065</u>	<u>24,054,660</u>	<u>(1,862,405)</u>
Total Revenues	<u>36,761,750</u>	<u>36,761,750</u>	<u>35,182,211</u>	<u>(1,579,539)</u>
Expenditures				
Support Services				
Business				
Pupil Transportation Services				
Salaries	17,807,503	17,807,503	16,593,186	1,214,317
Employee Benefits	5,245,195	5,245,195	4,549,687	695,508
Purchased Services	2,204,970	2,204,970	3,427,467	(1,222,497)
Supplies and Materials	4,228,100	4,228,100	3,650,299	577,801
Termination Benefits	6,000	6,000	26,310	(20,310)
Total Expenditures	<u>29,491,768</u>	<u>29,491,768</u>	<u>28,246,949</u>	<u>1,244,819</u>
Net Change in Fund Balance	<u>7,269,982</u>	<u>7,269,982</u>	<u>6,935,262</u>	<u>(334,720)</u>
Fund Balance - Beginning			<u>26,981,175</u>	
Fund Balances Ending			<u><u>33,916,437</u></u>	



**U-46 SCHOOL DISTRICT, ILLINOIS****Municipal Retirement/Social Security - Special Revenue Fund****Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual****For the Fiscal Year Ended June 30, 2025**

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues				
Local Sources				
Property Taxes				
General Levy	\$ 3,942,042	3,942,042	2,091,697	(1,850,345)
FICA/Medicare Purposes Levy	—	—	2,546,788	2,546,788
Personal Property Replacement Taxes	6,000,500	6,000,500	5,548,582	(451,918)
Earnings on Investments	—	—	63,862	63,862
Total Revenues	9,942,542	9,942,542	10,250,929	308,387
Expenditures				
Instruction				
Regular Programs	1,809,515	1,809,515	2,097,720	(288,205)
Pre-K Programs	280,050	280,050	368,782	(88,732)
Special Education Programs	2,891,310	2,891,310	2,977,503	(86,193)
Special Education Programs Pre-K	170,005	170,005	107,718	62,287
Remedial and Supplemental Programs K-12	175,085	175,085	171,302	3,783
CTE Programs	81,445	81,445	76,270	5,175
Interscholastic Programs	58,090	58,090	274,941	(216,851)
Summer School Programs	—	—	96,126	(96,126)
Gifted Programs	75,095	75,095	52,855	22,240
Driver's Education Programs	15,350	15,350	15,375	(25)
Bilingual Programs	641,555	641,555	675,625	(34,070)
Truant Alternative and Optional Programs	54,195	54,195	46,050	8,145
Total Instruction	6,251,695	6,251,695	6,960,267	(708,572)
Support Services				
Pupils				
Attendance and Social Work Services	538,420	538,420	580,506	(42,086)
Guidance Services	212,120	212,120	212,282	(162)
Health Services	657,085	657,085	724,117	(67,032)
Psychological Services	28,440	28,440	26,306	2,134
Speech Pathology and Audiology Services	100,360	100,360	102,771	(2,411)
Other Support Services - Pupils	311,590	311,590	210,851	100,739
	1,848,015	1,848,015	1,856,833	(8,818)

**U-46 SCHOOL DISTRICT, ILLINOIS****Municipal Retirement/Social Security - Special Revenue Fund****Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Continued****For the Fiscal Year Ended June 30, 2025**

	Original Budget	Final Budget	Actual	Variance with Final Budget
Expenditures - Continued				
Support Services - Continued				
Instructional Staff				
Improvement of Instruction Services	\$ 114,295	114,295	115,220	(925)
Educational Media Services	259,490	259,490	261,965	(2,475)
Assessment and Testing	56,060	56,060	61,965	(5,905)
	429,845	429,845	439,150	(9,305)
General Administration				
Board of Education Services	—	—	9,176	(9,176)
Executive Administration Services	288,335	288,335	317,761	(29,426)
Special Area Administration Services	271,495	271,495	275,586	(4,091)
	559,830	559,830	602,523	(42,693)
School Administration				
Office of the Principal Services	1,034,995	1,034,995	1,041,510	(6,515)
Other Support Services - School Administration	423,520	423,520	489,866	(66,346)
	1,458,515	1,458,515	1,531,376	(72,861)
Business				
Direction of Business Support Services	4,390	4,390	9,746	(5,356)
Fiscal Services	315,905	315,905	312,132	3,773
Operations and Maintenance of Plant Services	2,173,300	2,173,300	2,096,764	76,536
Pupil Transportation Services	3,030,510	3,030,510	2,815,815	214,695
Food Services	735,850	735,850	22,812	713,038
Internal Services	250,835	250,835	239,860	10,975
	6,510,790	6,510,790	5,497,129	1,013,661
Central				
Information Services	95,945	95,945	110,117	(14,172)
Staff Services	336,855	336,855	362,187	(25,332)
Data Processing Services	538,675	538,675	545,445	(6,770)
	971,475	971,475	1,017,749	(46,274)
Other Support Services	60,030	60,030	79,024	(18,994)
Total Support Services	11,838,500	11,838,500	11,023,784	814,716

**U-46 SCHOOL DISTRICT, ILLINOIS****Municipal Retirement/Social Security - Special Revenue Fund****Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Continued****For the Fiscal Year Ended June 30, 2025**

	Original Budget	Final Budget	Actual	Variance with Final Budget
Expenditures - Continued				
Community Services	\$ 145,315	145,315	140,233	5,082
Total Expenditures	18,235,510	18,235,510	18,124,284	111,226
Net Change in Fund Balance	<u>(8,292,968)</u>	<u>(8,292,968)</u>	(7,873,355)	<u>419,613</u>
Fund Balance - Beginning			<u>12,591,898</u>	
Fund Balances Ending			<u>4,718,543</u>	

**U-46 SCHOOL DISTRICT, ILLINOIS****Fire Prevention and Safety - Capital Projects Fund****Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual****For the Fiscal Year Ended June 30, 2025**

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues				
Local Sources				
Property Taxes				
General Levy	\$ 5,677,866	5,677,866	5,636,105	(41,761)
Earnings on Investments	—	—	9,903	9,903
Other Revenue from Local Sources	500	500	—	(500)
Total Revenues	5,678,366	5,678,366	5,646,008	(32,358)
Expenditures				
Capital Outlay	6,000,000	6,000,000	636,416	5,363,584
Net Change in Fund Balance	(321,634)	(321,634)	5,009,592	5,331,226
Fund Balance - Beginning			16,939,686	
Fund Balances - Ending			21,949,278	

## **SUPPLEMENTAL SCHEDULES**

## U-46 SCHOOL DISTRICT, ILLINOIS

### Long-Term Debt Requirements

#### Taxable General Obligation Limited Refunding School Bonds of 2015B

June 30, 2025

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Date of Issue	February 18, 2015
Date of Maturity	January 1, 2028
Authorized Issue	\$10,780,000
Interest Rates	3.70 % to 3.95%
Interest Dates	January 1 and July 1
Principal Maturity Date	January 1
Payable at	BNY Mellon

#### CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Principal	Interest	Totals
2026	\$ 2,170,000	411,063	2,581,063
2027	6,215,000	330,773	6,545,773
2028	2,395,000	94,603	2,489,603
	<u>10,780,000</u>	<u>836,439</u>	<u>11,616,439</u>

## U-46 SCHOOL DISTRICT, ILLINOIS

### Long-Term Debt Requirements

#### General Obligation Limited Refunding School Bonds of 2021

June 30, 2025

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Date of Issue	October 5, 2021
Date of Maturity	January 1, 2026
Authorized Issue	\$18,730,000
Interest Rate	4.00%
Interest Dates	January 1 and July 1
Principal Maturity Date	January 1
Payable at	BNY Mellon

#### CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Principal	Interest	Totals
2026	\$ 3,390,000	135,600	3,525,600

## U-46 SCHOOL DISTRICT, ILLINOIS

### Long-Term Debt Requirements

#### General Obligation Limited Refunding School Bonds of 2023A

June 30, 2025

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Date of Issue	November 30, 2023
Date of Maturity	January 1, 2034
Authorized Issue	\$45,545,000
Interest Rate	2.13%
Interest Dates	January 1 and July 1
Principal Maturity Date	January 1
Payable at	BNY Mellon

### CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Principal	Interest	Totals
2026	\$ 65,000	923,675	988,675
2027	—	922,290	922,290
2028	3,685,000	922,290	4,607,290
2029	6,260,000	843,800	7,103,800
2030	6,395,000	710,462	7,105,462
2031	6,525,000	574,248	7,099,248
2032	6,670,000	435,266	7,105,266
2033	6,810,000	293,195	7,103,195
2034	6,955,000	148,142	7,103,142
	<u>43,365,000</u>	<u>5,773,368</u>	<u>49,138,368</u>



## U-46 SCHOOL DISTRICT, ILLINOIS

### Long-Term Debt Requirements

#### General Obligation Refunding School Bonds of 2023B

June 30, 2025

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Date of Issue	November 30, 2023
Date of Maturity	January 1, 2034
Authorized Issue	\$83,450,000
Interest Rate	2.08%
Interest Dates	January 1 and July 1
Principal Maturity Date	January 1
Payable at	BNY Mellon

### CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Principal	Interest	Totals
2026	\$ 7,715,000	1,542,528	9,257,528
2027	7,505,000	1,382,056	8,887,056
2028	8,030,000	1,225,952	9,255,952
2029	8,195,000	1,058,928	9,253,928
2030	8,365,000	888,472	9,253,472
2031	8,540,000	714,480	9,254,480
2032	8,720,000	536,848	9,256,848
2033	8,900,000	355,472	9,255,472
2034	8,190,000	170,352	8,360,352
	<u>74,160,000</u>	<u>7,875,088</u>	<u>82,035,088</u>

## U-46 SCHOOL DISTRICT, ILLINOIS

### Long-Term Debt Requirements

#### General Obligation School Bonds of 2024

June 30, 2025

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Date of Issue	February 27, 2024
Date of Maturity	January 1, 2035
Authorized Issue	\$57,230,000
Interest Rate	5.00%
Interest Dates	January 1 and July 1
Principal Maturity Date	January 1
Payable at	Zions Bancorp

#### CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Principal	Interest	Totals
2026	\$ 4,325,000	2,330,000	6,655,000
2027	4,695,000	2,113,750	6,808,750
2028	4,390,000	1,879,000	6,269,000
2029	4,440,000	1,659,500	6,099,500
2030	4,485,000	1,437,500	5,922,500
2031	4,530,000	1,213,250	5,743,250
2032	4,575,000	986,750	5,561,750
2033	4,625,000	758,000	5,383,000
2034	5,565,000	526,750	6,091,750
2035	4,970,000	248,500	5,218,500
	<u>46,600,000</u>	<u>13,153,000</u>	<u>59,753,000</u>

## U-46 SCHOOL DISTRICT, ILLINOIS

### Long-Term Debt Requirements

#### General Obligation School Bonds of 2025

June 30, 2025

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Date of Issue	February 20, 2025
Date of Maturity	January 1, 2041
Authorized Issue	\$55,625,000
Interest Rates	4.00% - 5.00%
Interest Dates	January 1 and July 1
Principal Maturity Date	January 1
Payable at	Zions Bancorp

### CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Principal	Interest	Totals
2026	\$ 7,145,000	2,379,539	9,524,539
2027	255,000	2,397,200	2,652,200
2028	210,000	2,384,450	2,594,450
2029	220,000	2,373,950	2,593,950
2030	235,000	2,362,950	2,597,950
2031	245,000	2,351,200	2,596,200
2032	260,000	2,338,950	2,598,950
2033	270,000	2,325,950	2,595,950
2034	280,000	2,312,450	2,592,450
2035	4,630,000	2,298,450	6,928,450
2036	7,270,000	2,066,950	9,336,950
2037	7,545,000	1,703,450	9,248,450
2038	7,830,000	1,326,200	9,156,200
2039	8,125,000	934,700	9,059,700
2040	8,425,000	528,450	8,953,450
2041	2,680,000	107,200	2,787,200
	<u>55,625,000</u>	<u>30,192,039</u>	<u>85,817,039</u>

## **STATISTICAL SECTION (Unaudited)**

This part of the annual comprehensive financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the District's overall financial health.

### **Financial Trends**

These schedules contain trend information to help the reader understand how the District's financial performance and well-being have changed over time.

### **Revenue Capacity**

These schedules contain information to help the reader assess the District's most significant local revenue sources.

### **Debt Capacity**

These schedules present information to help the reader assess the affordability of the District's current levels of outstanding debt and the government's ability to issue additional debt in the future.

### **Demographic and Economic Information**

These schedules offer demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place.

### **Operating Information**

These schedules contain service and infrastructure data to help the reader understand how the information in the District's financial report relates to the services the District provides and the activities it performs.

**U-46 SCHOOL DISTRICT, ILLINOIS**

**Net Position by Component - Last Ten Fiscal Years\***  
**June 30, 2025 (Unaudited)**

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**See Following Page**

## U-46 SCHOOL DISTRICT, ILLINOIS

### Net Position by Component - Last Ten Fiscal Years\* June 30, 2025 (Unaudited)

	2016	2017 (1)	2018
Governmental Activities			
Net Investment in Capital Assets	\$ 143,066,834	162,058,302	188,622,845
Restricted	1,582,926	3,415,400	9,900,299
Unrestricted (Deficit)	13,982,977	(226,048,083)	(218,599,011)
Total Governmental Activities Net Position	158,632,737	(60,574,381)	(20,075,867)

Data Source: Annual Financial Statements

(1) Restated due to the implementation of GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*.

(2) Restated due to the implementation of GASB Statement No. 84, *Fiduciary Activities*.

(3) Restated due to the implementation of GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*.

(4) Restated to correct errors in recording of accounts payable, personal property replacement taxes, deferred grants, and subscriptions payable.

\*Accrual Basis of Accounting

2019	2020	2021 (2)	2022 (3)	2023	2024 (4)	2025
219,110,563	270,921,253	293,017,860	310,013,888	320,018,450	312,794,868	346,233,940
17,086,610	22,757,096	34,190,060	43,061,241	40,343,417	148,688,461	174,260,544
(188,976,589)	(165,855,700)	(118,534,702)	(10,707,479)	160,876,597	233,113,768	316,173,412
47,220,584	127,822,649	208,673,218	342,367,650	521,238,464	694,597,097	836,667,896

## U-46 SCHOOL DISTRICT, ILLINOIS

### Changes in Net Position - Last Ten Fiscal Years\* June 30, 2025 (Unaudited)

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Expenses										
Instruction	\$ 241,227,035	238,358,565	288,940,635	275,074,041	295,108,182	317,328,031	327,268,590	317,891,792	363,209,726	409,820,262
Support Services	193,865,341	204,563,208	195,671,885	208,142,045	209,842,739	195,120,596	198,607,743	220,791,232	209,224,006	271,719,944
Community Services	4,407,964	4,624,227	3,784,264	3,401,570	3,447,026	2,372,729	2,026,446	2,109,525	2,062,779	2,195,628
Payments to Other Districts/Govts.	8,132,631	8,604,268	9,820,359	9,290,869	9,581,182	9,467,245	10,345,341	12,157,957	14,226,811	15,754,916
State Retirement Contributions	106,664,731	160,409,310	175,531,224	168,836,248	198,339,607	217,500,750	127,563,635	109,237,513	166,263,810	165,019,966
Interest on Long-Term Debt	16,758,074	15,369,249	14,131,444	12,808,157	11,548,756	10,869,264	9,722,631	8,525,720	(3,646,196)	5,666,560
Total Expenses	571,055,776	631,928,827	687,879,811	677,552,930	727,867,492	752,658,615	675,534,386	670,713,739	751,340,936	870,177,276
Program Revenues										
Changes for Services										
Instruction	6,024,144	6,119,173	5,602,677	6,281,119	5,699,637	4,479,554	6,272,015	8,830,719	9,521,337	12,957,644
Support Services	6,089,286	4,967,792	4,812,596	4,654,408	3,687,327	113,698	675,750	897,697	653,543	561,341
Operating Grants and Contributions	189,171,948	226,471,760	246,855,405	237,345,896	276,156,667	301,241,901	242,003,235	228,261,629	258,804,547	282,142,947
Capital Grants and Contributions	306,943	409,674	977,224	392,888	1,495,917	499,371	1,296,508	987,964	—	—
Total Program Revenues	201,592,321	237,968,399	258,247,902	248,674,311	287,039,548	306,334,524	250,247,508	238,978,009	268,979,427	295,661,932
Net Revenue (Expense)	(369,463,455)	(393,960,428)	(429,631,909)	(428,878,619)	(440,827,944)	(446,324,091)	(425,286,878)	(431,735,730)	(482,361,509)	(574,515,344)
General Revenues										
Property Taxes	301,575,250	300,919,330	302,978,537	305,472,566	310,296,256	317,303,767	324,308,470	337,834,593	359,247,623	371,504,358
Personal Property Replacement Taxes	3,317,225	4,395,273	3,769,443	3,942,629	4,234,667	5,666,362	12,203,624	12,733,375	8,367,771	5,548,582
State and Federal Grants	115,242,487	120,158,178	157,137,958	177,917,028	197,899,007	197,009,477	220,809,069	242,940,595	276,572,567	295,409,467
Earnings (Loss) on Investments	426,318	1,628,143	4,411,435	6,455,852	6,396,483	747,119	(1,471,852)	15,138,900	31,384,716	38,795,697
Other General Revenues	811,705	3,734,702	1,833,050	2,386,995	2,603,596	2,909,013	1,092,463	1,959,081	4,676,711	5,328,039
Total General Revenues	421,372,985	430,835,626	470,130,423	496,175,070	521,430,009	523,635,738	556,941,774	610,606,544	680,249,388	716,586,143
Changes in Net Position	51,909,530	36,875,198	40,498,514	67,296,451	80,602,065	77,311,647	131,654,896	178,870,814	197,887,879	142,070,799

Data Source: Annual Financial Statements

\*Accrual Basis of Accounting



**U-46 SCHOOL DISTRICT, ILLINOIS**

**Fund Balances of Governmental Funds - Last Ten Fiscal Years**  
**June 30, 2025 (Unaudited)**

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**See Following Page**

## U-46 SCHOOL DISTRICT, ILLINOIS

### Fund Balances of Governmental Funds - Last Ten Fiscal Years\* June 30, 2025 (Unaudited)

	2016	2017	2018
General Fund			
Nonspendable	\$ 1,068,571	4,015,786	3,085,115
Restricted	601,756	211,138	—
Unassigned	212,605,175	219,325,243	249,531,533
Total General Fund	214,275,502	223,552,167	252,616,648
All Other Governmental Funds			
Nonspendable	—	—	20,128
Restricted	28,909,949	31,594,117	39,157,824
Assigned	—	—	4,220,543
Unassigned	(8,025,505)	(658,511)	—
Total All Other Governmental Funds	20,884,444	30,935,606	43,398,495
Total Governmental Funds	235,159,946	254,487,773	296,015,143

Data Source: Annual Financial Statements

(1) Restated to adjust for accounts payable in the General Fund and tax revenue recognition from cash to accrual basis in the Municipal Retirement/Social Security Fund.

\*Modified Accrual Basis of Accounting

2019	2020	2021	2022	2023	2024 (1)	2025
2,047,649	5,616,411	972,630	978,081	3,656,034	6,667,854	88,387
964,343	—	3,639,600	3,161,384	3,263,642	7,018,817	6,265,779
276,339,570	288,536,814	320,060,430	353,522,053	427,194,521	521,229,506	593,781,855
279,351,562	294,153,225	324,672,660	357,661,518	434,114,197	534,916,177	600,136,021
—	—	—	—	—	—	3,066,599
50,416,219	57,269,072	68,472,506	81,935,165	78,809,907	200,578,863	231,489,338
5,243,912	6,411,833	6,512,030	7,093,461	52,093,461	—	—
—	—	—	—	—	—	—
55,660,131	57,269,072	74,984,536	89,028,626	130,903,368	200,578,863	234,555,937
335,011,693	351,422,297	399,657,196	446,690,144	565,017,565	735,495,040	834,691,958

# U-46 SCHOOL DISTRICT, ILLINOIS

## Changes in Fund Balances for Governmental Funds - Last Ten Fiscal Years\* June 30, 2025 (Unaudited)

	2016	2017	2018
Revenues			
Local Sources			
Property Taxes	\$ 301,575,250	300,919,330	302,978,537
Personal Property Replacement Taxes	3,317,225	4,395,272	3,769,443
Earnings (Loss) on Investments	426,318	1,628,146	4,411,435
Other Revenue from Local Sources	12,674,850	15,727,683	13,265,184
State Sources	146,310,918	157,372,473	193,454,449
Federal Sources	39,907,563	38,327,985	40,295,443
On-Behalf Payments - State of Illinois	106,664,731	160,409,310	86,890,974
Total Revenues	610,876,855	678,780,199	645,065,465
Expenditures			
Instruction	237,800,334	240,561,380	253,213,526
Supporting Services	169,481,380	174,060,542	177,703,360
Community Services	3,380,731	3,421,758	3,303,479
Payments to Other Districts and Governments	8,132,631	8,604,268	9,820,359
Capital Outlay	34,158,576	26,929,206	27,623,860
Debt Service			
Principal Retirement	22,564,859	22,680,171	24,054,232
Interest and Fiscal Charges	23,310,522	22,785,737	21,394,575
On-Behalf Payments - State of Illinois	106,664,731	160,409,310	86,890,974
Total Expenditures	605,493,764	659,452,372	604,004,365
Excess (Deficiency) of Revenues Over (Under) Expenditures	5,383,091	19,327,827	41,061,100
Other Financing Sources (Uses)			
Disposal of Capital Assets	664,800	—	—
Debt Issuance	6,653,797	—	—
Premium/Discount on Debt Issuance	—	—	—
Payments to Escrow Agent	—	—	—
Transfers In	3,727,365	5,544,138	7,543,037
Transfers Out	(3,727,365)	(5,544,138)	(7,543,037)
Total Other Financing Sources (Uses)	7,318,597	—	—
Net Change in Fund Balances	12,701,688	19,327,827	41,061,100
Debt Service as a Percentage of Noncapital Expenditures	7.58%	6.89%	7.52%

Data Source: Annual Financial Statements

\*Modified Accrual Basis of Accounting

2019	2020	2021	2022	2023	2024	2025
305,472,566	310,296,256	317,303,767	324,308,470	337,834,593	359,247,623	371,504,358
3,942,629	4,234,667	5,666,362	12,203,624	12,733,375	8,367,771	5,548,582
6,455,852	6,396,483	747,119	(1,471,852)	15,138,900	31,384,716	38,795,697
13,701,593	13,653,111	8,119,505	9,397,256	12,794,169	14,851,591	18,847,024
212,320,712	228,092,565	228,753,259	251,832,057	275,324,348	312,406,102	328,428,315
40,125,989	48,221,866	54,193,943	58,571,487	103,430,767	56,707,202	84,104,133
95,966,913	104,503,036	113,839,996	128,902,626	136,006,153	166,263,810	165,019,966
677,986,254	715,397,984	728,623,951	783,743,668	893,262,305	949,228,815	1,012,248,075
256,867,553	273,973,527	293,935,702	313,004,770	326,258,040	348,348,460	396,452,668
201,826,702	205,451,604	198,619,597	213,387,152	223,047,292	236,008,862	277,100,576
3,207,463	3,235,960	2,346,547	2,129,551	1,960,526	1,973,632	2,109,886
9,292,969	9,581,182	9,467,245	10,345,341	12,157,957	14,226,811	15,754,916
27,747,711	51,755,321	29,293,985	26,182,218	34,467,405	45,304,607	81,827,115
24,509,426	21,099,308	16,376,277	14,694,300	16,600,841	28,266,693	30,489,849
19,570,967	22,975,609	26,491,669	28,284,441	26,916,053	9,243,265	6,278,480
95,966,913	104,503,036	113,839,996	128,902,626	136,006,153	166,263,810	165,019,966
638,989,704	692,575,547	690,371,018	736,930,399	777,414,267	849,636,140	975,033,456
38,996,550	22,822,437	38,252,933	46,813,269	115,848,038	99,592,675	37,214,619
—	—	31,211	43,525	—	80,490	1,003,531
—	—	—	18,730,000	12,205,000	189,039,867	56,058,560
—	—	—	1,777,437	2,382,307	5,328,489	4,920,208
—	—	—	(20,331,283)	(12,107,924)	(127,286,139)	—
16,338,780	10,337,247	10,365,690	10,133,985	45,528,596	26,541,497	28,828,994
(16,338,780)	(10,337,247)	(10,365,690)	(10,133,985)	(45,528,596)	(26,541,497)	(28,828,994)
—	—	31,211	219,679	2,479,383	67,162,707	61,982,299
38,996,550	22,822,437	38,284,144	47,032,948	118,327,421	166,755,382	99,196,918
6.90%	6.36%	6.21%	5.83%	5.60%	4.66%	4.20%

# U-46 SCHOOL DISTRICT, ILLINOIS

## Assessed Value and Actual Value of Taxable Property - Last Ten Tax Levy Years June 30, 2025 (Unaudited)

Tax Levy Year	County	Residential Property	Farm Property	Commercial Property
2015	Kane	\$ 1,119,472,730	3,894,961	238,469,133
2015	Cook	1,288,877,948	288,813	270,499,844
2015	DuPage	948,804,496	473,062	33,359,380
2015	All	3,357,155,174	4,656,836	542,328,357
2016	Kane	1,228,489,115	4,300,745	250,638,601
2016	Cook	1,522,843,405	266,444	287,410,378
2016	DuPage	1,005,299,675	478,237	35,238,540
2016	All	3,756,632,195	5,045,426	573,287,519
2017	Kane	1,325,324,126	4,623,456	253,703,319
2017	Cook	1,514,094,942	239,335	299,217,235
2017	DuPage	1,051,192,472	483,525	36,988,640
2017	All	3,890,611,540	5,346,316	589,909,194
2018	Kane	1,396,230,749	4,751,363	257,653,344
2018	Cook	1,482,500,165	229,887	292,104,980
2018	DuPage	1,088,656,730	515,570	38,721,840
2018	All	3,967,387,644	5,496,820	588,480,164
2019	Kane	1,486,459,186	4,851,699	285,465,140
2019	Cook	1,683,691,956	250,549	349,735,045
2019	DuPage	1,129,333,828	522,403	39,620,620
2019	All	4,299,484,970	5,624,651	674,820,805
2020	Kane	1,561,479,828	4,942,721	295,035,598
2020	Cook	1,664,482,136	271,878	348,344,988
2020	DuPage	1,168,591,998	552,186	40,928,270
2020	All	4,394,553,962	5,766,785	684,308,856
2021	Kane	1,654,172,578	5,122,386	306,986,756
2021	Cook	1,532,968,503	263,280	333,008,416
2021	DuPage	1,193,737,823	572,949	42,828,490
2021	All	4,380,878,904	5,958,615	682,823,662
2022	Kane	1,786,311,741	5,637,316	323,109,249
2022	Cook	2,039,252,840	276,865	322,465,645
2022	DuPage	1,267,572,651	599,038	45,517,650
2022	All	5,093,137,232	6,513,219	691,092,544
2023	Kane	1,925,050,410	6,011,611	351,777,203
2023	Cook	2,105,405,054	280,193	333,729,893
2023	DuPage	1,351,641,188	651,430	47,996,874
2023	All	5,382,096,652	6,943,234	733,503,970
2024	Kane	2,172,948,759	6,391,620	375,260,382
2024	Cook	2,105,405,054	280,193	333,729,893
2024	DuPage	1,498,282,052	684,670	51,688,349
2024	All	5,776,635,865	7,356,483	760,678,624

Data Source: Kane, Cook and DuPage County Clerk Tax Extension Offices

Notes: The 2024 levy year is the current levy year for the District as the property tax levy is on a calendar year in the State of Illinois. DuPage and Kane counties assess property as approximately 33.33 percent of actual value. Cook County assesses property as approximately 10 percent of actual value for residential properties and 25 percent of actual value for commercial and industrial property. Estimated actual taxable value is calculated by dividing taxable value by percentage. Tax rates are per \$100 of assessed value.

Industrial Property	Railroad Property	Total Taxable Equalized Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Percentage of Estimated Actual Taxable Value
124,953,952	1,546,941	1,488,337,717	7.3646	\$ 4,465,013,151	33.33%
91,942,586	1,848,249	1,653,457,440	7.9462	4,960,372,320	33.33%
1,944,259	1,844,159	986,425,356	6.8325	2,959,276,068	33.33%
218,840,797	5,239,349	4,128,220,513		12,384,661,539	
136,507,859	1,663,356	1,621,599,676	6.5487	4,864,799,028	33.33%
113,264,832	2,041,772	1,925,826,831	6.8363	5,777,480,493	33.33%
1,950,749	2,104,638	1,045,071,839	6.3384	3,135,215,517	33.33%
251,723,440	5,809,766	4,592,498,346		13,777,495,038	
132,002,713	1,744,753	1,717,398,367	6.3696	5,152,195,101	33.33%
118,476,108	1,686,439	1,933,714,059	6.9318	5,801,142,177	33.33%
1,956,449	1,777,227	1,092,398,313	6.1638	3,277,194,939	33.33%
252,435,270	5,208,419	4,743,510,739		14,230,532,217	
129,812,092	1,820,868	1,790,268,416	6.1237	5,370,805,248	33.33%
113,037,065	1,775,595	1,889,647,692	7.1199	5,668,943,076	33.33%
1,963,259	1,766,536	1,131,623,935	5.9746	3,394,871,805	33.33%
244,812,416	5,362,999	4,811,540,043		14,434,620,129	
140,553,322	1,941,130	1,919,270,477	5.7889	5,757,811,431	33.33%
140,124,904	1,789,381	2,175,591,835	6.4384	6,526,775,505	33.33%
1,994,269	1,767,533	1,173,238,653	5.7783	3,519,715,959	33.33%
282,672,495	5,498,044	5,268,100,965		15,804,302,895	
146,357,393	2,167,873	2,009,983,413	5.7274	6,029,950,239	33.33%
153,766,439	2,077,858	2,168,943,299	6.5746	6,506,829,897	33.33%
2,162,836	1,829,869	1,214,065,159	5.6366	3,642,195,477	33.33%
302,286,668	6,075,600	5,392,991,871		16,178,975,613	
153,762,523	2,341,048	2,122,385,291	5.6180	6,367,155,873	33.33%
139,370,443	2,077,858	2,007,688,500	7.1961	6,023,065,500	33.33%
8,753,668	1,848,138	1,247,741,068	5.5822	3,743,223,204	33.33%
301,886,634	6,267,044	5,377,814,859		16,133,444,577	
165,421,770	2,437,769	2,282,917,845	5.5970	6,848,753,535	33.33%
145,420,874	1,961,383	2,509,377,607	6.0213	7,528,132,821	33.33%
9,015,548	1,950,279	1,324,655,166	5.4771	3,973,965,498	33.33%
319,858,192	6,349,431	6,116,950,618		18,350,851,854	
179,587,902	2,593,308	2,465,020,434	5.4619	7,395,061,302	33.33%
218,870,503	2,048,554	2,660,334,197	6.0374	7,981,002,591	33.33%
97,635,500	2,002,280	1,499,927,272	5.1326	4,499,781,816	33.33%
496,093,905	6,644,142	6,625,281,903		19,875,845,709	
198,053,617	3,762,639	2,756,417,017	5.1147	8,269,251,051	33.33%
218,870,503	2,048,554	2,660,334,197	N/A	7,981,002,591	33.33%
110,639,173	2,253,375	1,663,547,619	5.0851	4,990,642,857	33.33%
527,563,293	8,064,568	7,080,298,833		21,240,896,499	

N/A - Not Available

## U-46 SCHOOL DISTRICT, ILLINOIS

### Direct and Overlapping Property Tax Rates - Last Ten Tax Levy Years June 30, 2025 (Unaudited)

	2015	2016	2017
Direct Rates			
School District U-46	\$ 7.3646	6.5487	6.3696
Overlapping Rates			
Kane County	0.4479	0.4201	0.4025
Kane County Forest Preserve District	0.2944	0.2253	0.1658
Gail Borden Library District	0.5294	0.4898	0.4729
Elgin Township	0.1102	0.1020	0.1192
Elgin Township Road District	0.0849	0.0785	0.0758
City of Elgin	2.4110	2.2396	2.1494
Fox River Water Reclamation District	0.0339	0.0315	0.0302
Community College District 509	0.5609	0.5296	0.4999
Total	11.8372	10.6651	10.2854

Data Source: Kane County District Rate Listing

Notes: The tax rates presented are the property tax rates paid by a typical resident living in the City of Elgin, Kane County, in the District. Tax rates are per \$100 of Equalized Assessed Valuation. The most recent levy year with full information available is presented.



2018	2019	2020	2021	2022	2023	2024
6.1237	5.7889	5.7274	5.6180	5.5970	5.4619	5.1147
0.3877	0.3739	0.3618	0.3522	0.3322	0.3094	0.2878
0.1607	0.1549	0.1477	0.1435	0.1367	0.1289	0.1468
0.4630	0.4445	0.4647	0.4542	0.4518	0.4423	0.4249
0.1164	0.1121	0.1069	0.1035	0.1006	0.0987	0.1113
0.0745	0.0723	0.0707	0.0684	0.0667	0.0650	0.0608
2.0240	1.8788	1.7706	1.7049	1.5384	1.5740	1.4475
0.0291	0.0278	0.0266	0.0256	0.0249	0.0237	0.0222
0.5075	0.4865	0.4439	0.4514	0.4225	0.4207	0.3868
9.8866	9.3396	9.1203	8.9217	8.6710	8.5246	8.0028

# U-46 SCHOOL DISTRICT, ILLINOIS

## Principal Property Tax Payers - Current Tax Levy Year and Nine Tax Levy Years Ago June 30, 2025 (Unaudited)

Taxpayer	2024			2015		
	Taxable Assessed Value	Rank	Percentage of Total District Assessed Value	Taxable Assessed Value	Rank	Percentage of Total District Assessed Value
Scannell Properties	\$ 42,431,408	1	0.60%			
Continental 368 Fund	20,497,950	2	0.29%			
Target Corp	20,043,081	3	0.28%	\$ 16,344,557	3	0.40%
Property Valuation Service	15,804,296	4	0.22%	9,273,032	5	0.22%
Hunter Ridge Apartments	15,388,953	5	0.22%			
MHC Willow Lake Estates	14,940,031	6	0.21%	7,924,037	6	0.19%
Rana Real Estate	13,778,139	7	0.19%			
Walmart Stores	13,621,842	8	0.19%	20,136,048	1	0.49%
Gifford 300	11,996,646	9	0.17%			
Pure Intercontinental	9,902,185	10	0.14%			
Newplan Excel Realty				18,772,896	2	0.45%
IRC				12,177,468	4	0.29%
Willow Arms Associates Limited				6,668,019	7	0.16%
Claremont Hanover Park				6,657,537	8	0.16%
Heidner Property Mgmt				5,640,955	9	0.14%
Natl Shopping Plazas				5,033,471	10	0.12%
	<u>178,404,531</u>		<u>2.52%</u>	<u>108,628,020</u>		<u>2.63%</u>

Data Source: Cook, Kane and DuPage County Clerk's and Assessor's Offices

**U-46 SCHOOL DISTRICT, ILLINOIS****Property Tax Levies and Collections - Last Ten Tax Levy Years  
June 30, 2025 (Unaudited)**

Tax Levy Year	Taxes Extended for the Levy Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date Amount	Percentage of Levy
		Amount	Percentage of Levy			
2015	\$ 304,805,903	\$ 152,977,218	50.19%	\$ 149,356,564	\$ 302,333,782	99.19%
2016	304,090,202	154,359,350	50.76%	147,512,176	301,871,526	99.27%
2017	310,766,365	157,816,940	50.78%	149,895,774	307,712,714	99.02%
2018	311,782,517	150,294,175	48.20%	158,474,646	308,768,821	99.03%
2019	318,973,118	150,537,135	47.19%	164,900,093	315,437,228	98.89%
2020	326,153,116	166,545,597	51.06%	156,645,840	323,191,437	99.09%
2021	333,356,626	174,037,646	52.21%	155,175,175	329,212,821	98.76%
2022	351,434,279	176,864,447	50.33%	171,323,882	348,188,329	99.08%
2023	372,235,720	187,146,449	50.28%	177,683,750	364,830,199	98.01%
2024	386,382,323	198,269,246	51.31%	—	198,269,246	51.31%

Data Source: District Records

# U-46 SCHOOL DISTRICT, ILLINOIS

## Property Tax Rates, Extensions, and Collections - Kane County - Last Ten Tax Levy Years June 30, 2025 (Unaudited)

	2015	2016	2017
<b>Tax Rates</b>			
Educational	3.8188	3.4863	3.3443
Tort Immunity/Liability Insurance	0.3016	0.2091	0.1629
Special Education	0.7599	0.6894	0.6725
Operations and Maintenance	0.7124	0.6679	0.7029
Transportation	0.3880	0.3628	0.3539
Municipal Retirement - IMRF	0.1503	0.1406	0.1402
Social Security	0.1227	0.1156	0.1148
Bond and Interest/Supp.	0.9596	0.8347	0.7944
Working Cash	—	—	—
Life Safety	0.0442	0.0423	0.0824
Prior Year Adjustment	0.1071	—	0.0013
Revenue Recapture	—	—	—
<b>Total Tax Rates</b>	<b>7.3646</b>	<b>6.5487</b>	<b>6.3696</b>
<b>Tax Extensions</b>			
Educational	\$ 54,836,681	56,533,961	57,435,637
Tort Immunity/Liability Insurance	4,330,910	3,390,761	2,798,226
Special Education	10,912,435	11,180,092	11,549,908
Operations and Maintenance	10,230,276	10,830,991	12,071,205
Transportation	5,572,272	5,883,473	6,078,812
Municipal Retirement - IMRF	2,157,751	2,280,376	2,407,366
Social Security	1,761,778	1,874,467	1,971,316
Bond and Interest/Supp.	13,994,649	13,534,845	13,642,436
Working Cash	—	—	—
Life Safety	635,186	686,106	1,414,288
Prior Year Adjustment	1,593,496	(908)	21,788
Revenue Recapture	—	—	—
<b>Total Tax Extensions</b>	<b>106,025,434</b>	<b>106,194,164</b>	<b>109,390,982</b>
<b>Current Year Collections</b>	<b>\$ 51,819,201</b>	<b>52,182,995</b>	<b>52,908,367</b>
<b>Subsequent Year Collections</b>	<b>53,741,374</b>	<b>53,570,607</b>	<b>55,742,569</b>
<b>Total Collections</b>	<b>105,560,575</b>	<b>105,753,602</b>	<b>108,650,936</b>
<b>Percentage of Extensions Collected</b>			
Current Year Collections	48.87%	49.14%	48.37%
Total Collections	99.56%	99.59%	99.32%

Data Source: District Records

2018	2019	2020	2021	2022	2023	2024
3.3243	3.2331	3.2276	3.2219	3.2762	3.2485	3.0427
0.1009	0.1050	0.1008	0.0905	0.1069	0.1145	0.1223
0.6594	0.6453	0.6410	0.6297	0.6632	0.5906	0.5477
0.6970	0.6523	0.7008	0.6781	0.6714	0.6664	0.5769
0.3471	0.2212	0.1670	0.1514	0.1517	0.1490	0.1481
0.1326	0.1171	0.1075	0.0887	0.0407	0.0253	0.0333
0.1234	0.1264	0.1220	0.1029	0.0549	0.0320	0.0395
0.6521	0.6008	0.5809	0.5486	0.5184	0.4888	0.4300
—	—	—	—	—	0.0461	0.0429
0.0808	0.0859	0.0853	0.0839	0.0840	0.0825	0.0770
0.0061	0.0018	(0.0055)	0.0013	0.0080	(0.0066)	0.0296
—	—	—	0.0210	0.0216	0.0248	0.0247
6.1237	5.7889	5.7274	5.6180	5.5970	5.4619	5.1147
59,514,490	62,051,039	64,873,309	68,380,418	74,793,682	80,075,009	83,868,708
1,806,679	2,015,994	2,026,124	1,921,811	2,439,693	2,821,799	3,371,790
11,804,804	12,385,149	12,883,460	13,365,261	15,139,369	14,558,942	15,097,957
12,478,640	12,519,809	14,086,128	14,392,474	15,327,775	16,426,290	15,902,169
6,214,318	4,245,336	3,356,484	3,213,219	3,464,300	3,673,108	4,082,453
2,373,246	2,246,510	2,161,094	1,882,140	930,086	623,505	917,118
2,208,336	2,426,596	2,452,772	2,184,058	1,253,789	787,720	1,088,023
11,674,441	11,531,710	11,676,951	11,642,661	11,833,723	12,048,943	11,851,792
—	—	—	—	—	1,137,580	1,183,077
1,445,909	1,648,333	1,714,234	1,779,929	1,918,671	2,034,847	2,122,389
109,387	35,481	(109,607)	28,563	183,653	(162,812)	814,871
—	—	—	445,128	492,950	610,438	680,807
109,630,250	111,105,957	115,120,949	119,235,662	127,777,693	134,635,369	140,981,154
45,804,761	45,933,903	59,114,552	61,935,185	64,486,123	67,624,267	71,777,506
63,210,161	64,883,488	55,664,150	56,849,991	62,699,091	66,383,354	—
109,014,922	110,817,391	114,778,702	118,785,176	127,185,214	134,007,621	71,777,506
41.78%	41.34%	51.35%	51.94%	50.47%	50.23%	50.91%
99.44%	99.74%	99.70%	99.62%	99.54%	99.53%	50.91%

# U-46 SCHOOL DISTRICT, ILLINOIS

## Property Tax Rates, Extensions, and Collections - Cook County - Last Ten Tax Levy Years June 30, 2025 (Unaudited)

	2015	2016	2017
<b>Tax Rates</b>			
Educational	4.1504	3.6211	3.6224
Tort Immunity/Liability Insurance	0.3278	0.2171	0.1765
Special Education	0.8260	0.7161	0.7285
Operations and Maintenance	0.7743	0.6938	0.7613
Transportation	0.4217	0.3769	0.3834
Municipal Retirement - IMRF	0.1634	0.1461	0.1518
Social Security	0.1333	0.1201	0.1243
Bond and Interest	0.8608	0.6950	0.6890
Working Cash	—	—	—
Life Safety	0.0481	0.0439	0.0892
Limited Bonds	0.2404	0.2062	0.2054
Levy Adjustment	—	—	—
<b>Total Tax Rates</b>	<b>7.9462</b>	<b>6.8363</b>	<b>6.9318</b>
<b>Tax Extensions</b>			
Educational	\$ 68,624,895	69,737,305	70,045,692
Tort Immunity/Liability Insurance	5,419,725	4,183,246	3,413,679
Special Education	13,655,426	13,790,836	14,084,997
Operations and Maintenance	12,802,965	13,360,616	14,721,239
Transportation	6,973,059	7,258,230	7,414,659
Municipal Retirement - IMRF	2,700,054	2,811,300	2,936,498
Social Security	2,204,271	2,311,690	2,404,258
Bond and Interest	14,232,830	13,384,565	17,295,922
Working Cash	—	—	—
Life Safety	795,392	846,561	1,725,192
Limited Bonds	3,974,341	3,970,856	—
Levy Adjustment	—	—	—
<b>Total Tax Extensions</b>	<b>131,382,958</b>	<b>131,655,205</b>	<b>134,042,136</b>
<b>Current Year Collections</b>	<b>\$ 67,753,981</b>	<b>68,927,167</b>	<b>69,891,692</b>
<b>Subsequent Year Collections</b>	<b>61,729,996</b>	<b>61,009,329</b>	<b>61,954,439</b>
<b>Total Collections</b>	<b>129,483,977</b>	<b>129,936,496</b>	<b>131,846,131</b>
<b>Percentage of Extensions Collected</b>			
Current Year Collections	51.57%	52.35%	52.14%
Total Collections	98.55%	98.69%	98.36%

Data Source: District Records

\* Cook Tax Report for 2024 is not available as of the date of this report.

2018	2019	2020	2021	2022	2023	2024
3.8664	3.5819	3.6974	4.1079	3.4992	3.5741	*
0.1174	0.1164	0.1155	0.1155	0.1141	0.1259	*
0.7669	0.7149	0.7342	0.8029	0.7083	0.6498	*
0.7960	0.7227	0.7857	0.8396	0.6970	0.7332	*
0.4037	0.2451	0.1913	0.1930	0.1621	0.1640	*
0.1542	0.1296	0.1232	0.1131	0.0435	0.0278	*
0.1435	0.1401	0.1398	0.1312	0.0586	0.0351	*
0.5687	0.5072	0.5048	0.5375	0.4255	0.4069	*
—	—	—	—	—	0.0508	*
0.0939	0.0952	0.0977	0.1069	0.0898	0.0908	*
0.2092	0.1853	0.1850	0.1856	0.1487	0.1396	*
—	—	—	0.0629	0.0745	0.0394	*
7.1199	6.4384	6.5746	7.1961	6.0213	6.0374	*
73,060,819	77,928,345	80,194,953	82,473,195	87,809,338	95,080,957	96,204,294
2,217,411	2,531,250	2,504,181	2,318,002	2,865,365	3,349,826	3,931,583
14,491,778	15,552,411	15,925,655	16,119,497	17,772,587	17,287,703	17,613,265
15,041,994	15,723,317	17,042,544	16,855,886	17,492,847	19,506,822	18,544,536
7,628,557	5,332,717	4,150,122	3,874,144	4,067,982	4,359,286	4,761,996
2,914,489	2,822,252	2,671,126	2,269,373	1,090,198	741,586	1,068,187
2,711,778	3,046,277	3,030,882	2,632,935	1,471,898	936,146	1,267,948
10,747,123	11,035,683	10,947,801	10,791,863	10,677,503	10,824,151	13,562,292
—	—	—	—	—	1,350,645	1,378,240
1,774,756	2,069,343	2,120,912	2,146,641	2,253,599	2,416,499	2,475,770
3,953,558	4,032,317	4,011,994	3,725,896	3,732,044	3,713,919	—
—	—	—	1,262,130	1,870,537	1,047,544	—
134,542,263	140,073,912	142,600,170	144,469,562	151,103,898	160,615,084	160,808,111
70,902,525	70,805,557	73,815,721	75,935,590	74,547,929	79,691,568	82,541,147
61,392,321	66,136,047	66,222,194	64,918,002	74,096,199	74,321,148	—
132,294,846	136,941,604	140,037,915	140,853,592	148,644,128	154,012,716	82,541,147
52.70%	50.55%	51.76%	52.56%	49.34%	49.62%	51.33%
98.33%	97.76%	98.20%	97.50%	98.37%	95.89%	51.33%

# U-46 SCHOOL DISTRICT, ILLINOIS

## Property Tax Rates, Extensions, and Collections - DuPage County - Last Ten Tax Levy Years June 30, 2025 (Unaudited)

	2015	2016	2017
<b>Tax Rates</b>			
Educational	3.5870	3.3740	3.2369
Tort Immunity/Liability Insurance	0.2834	0.2024	0.1578
Special Education	0.7137	0.6673	0.6509
Operations and Maintenance	0.6692	0.6464	0.6802
Transportation	0.3645	0.3512	0.3426
Municipal Retirement - IMRF	0.1413	0.1360	0.1358
Social Security	0.1153	0.1119	0.1113
Bond and Interest/Supp.	0.7163	0.6231	0.5928
Bond and Interest - Limited	0.2001	0.1850	0.1758
Working Cash	—	—	—
Life Safety	0.0417	0.0411	0.0797
Aggregate Refunds	—	—	—
<b>Total Tax Rates</b>	<b>6.8325</b>	<b>6.3384</b>	<b>6.1638</b>
<b>Tax Extensions</b>			
Educational	\$ 35,383,078	35,260,724	35,359,841
Tort Immunity/Liability Insurance	2,795,529	2,115,225	1,723,805
Special Education	7,040,118	6,973,764	7,110,421
Operations and Maintenance	6,601,158	6,755,344	7,430,493
Transportation	3,595,520	3,670,292	3,742,557
Municipal Retirement - IMRF	1,393,819	1,421,298	1,483,477
Social Security	1,137,348	1,169,435	1,215,839
Bond and Interest/Supp.	7,065,765	6,511,843	6,475,737
Bond and Interest - Limited	1,973,837	1,933,383	1,920,436
Working Cash	—	—	—
Life Safety	411,339	429,525	870,641
Aggregate Refunds	—	—	—
<b>Total Tax Extensions</b>	<b>67,397,511</b>	<b>66,240,833</b>	<b>67,333,247</b>
<b>Current Year Collections</b>	<b>\$ 33,404,036</b>	<b>33,249,188</b>	<b>35,016,881</b>
<b>Subsequent Year Collections</b>	<b>33,885,194</b>	<b>32,932,240</b>	<b>32,198,766</b>
<b>Total Collections</b>	<b>67,289,230</b>	<b>66,181,428</b>	<b>67,215,647</b>
<b>Percentage of Extensions Collected</b>			
Current Year Collections	49.56%	50.19%	52.01%
Total Collections	99.84%	99.91%	99.83%

Data Source: District Records



2018	2019	2020	2021	2022	2023	2024
3.2501	3.2277	3.1729	3.2115	3.2199	3.0541	3.0536
0.0988	0.1050	0.0992	0.0905	0.1050	0.1077	0.1229
0.6447	0.6444	0.6302	0.6279	0.6516	0.5553	0.5498
0.6817	0.6514	0.6885	0.6751	0.6600	0.6335	0.5795
0.3396	0.2210	0.1643	0.1510	0.1493	0.1401	0.1487
0.1298	0.1169	0.1058	0.0884	0.0403	0.0237	0.0335
0.1207	0.1263	0.1200	0.1027	0.0541	0.0301	0.0397
0.4605	0.4393	0.4183	0.4066	0.3769	0.3388	0.3345
0.1696	0.1605	0.1535	0.1404	0.1318	0.1163	0.0934
—	—	—	—	—	0.0440	0.0432
0.0791	0.0858	0.0839	0.0836	0.0827	0.0777	0.0773
—	—	—	0.0045	0.0055	0.0113	0.0090
5.9746	5.7783	5.6366	5.5822	5.4771	5.1326	5.0851
36,778,910	37,868,624	38,521,073	40,071,204	42,652,572	45,809,279	50,798,090
1,118,044	1,231,901	1,204,353	1,129,206	1,390,888	1,615,422	2,044,500
7,295,580	7,560,350	7,651,039	7,834,566	8,631,453	8,329,096	9,146,185
7,714,280	7,642,477	8,358,839	8,423,500	8,742,724	9,502,039	9,640,258
3,842,995	2,592,857	1,994,709	1,884,089	1,977,710	2,101,398	2,473,695
1,468,848	1,371,516	1,284,481	1,103,003	533,836	355,483	557,288
1,365,870	1,481,800	1,456,878	1,281,430	716,638	451,478	660,428
5,211,128	5,154,037	5,078,434	5,073,315	4,992,625	5,081,754	5,564,567
1,919,234	1,883,048	1,863,590	1,751,829	1,745,896	1,744,415	1,553,753
—	—	—	—	—	659,968	718,653
895,115	1,006,639	1,018,601	1,043,112	1,095,490	1,165,443	1,285,922
—	—	—	56,148	72,856	169,492	149,719
67,610,004	67,793,249	68,431,997	69,651,402	72,552,688	76,985,267	84,593,058
33,586,889	33,797,675	33,615,324	36,166,871	37,830,395	39,830,615	43,950,593
33,872,164	33,880,558	34,759,495	33,407,182	34,528,592	36,979,248	—
67,459,053	67,678,233	68,374,819	69,574,053	72,358,987	76,809,863	43,950,593
49.68%	49.85%	49.12%	51.93%	52.14%	51.74%	51.96%
99.78%	99.83%	99.92%	99.89%	99.73%	99.77%	51.96%

**U-46 SCHOOL DISTRICT, ILLINOIS****Ratios of Outstanding Debt by Type - Last Ten Fiscal Years  
June 30, 2025 (Unaudited)**

Fiscal Year	General Obligation Bonds Payable	Accreted Interest	Debt Certificates Payable	Subscriptions Payable (1)
2016	\$ 324,525,540	69,018,018	2,968,433	—
2017	303,217,738	64,392,849	2,552,611	—
2018	280,575,922	60,008,791	2,600,303	—
2019	256,162,719	56,228,061	2,085,750	—
2020	235,350,759	47,472,625	1,568,459	—
2021	218,192,721	33,518,950	1,048,435	—
2022	201,247,670	17,731,721	525,614	402,640
2023	172,647,040	—	—	1,605,629
2024	210,534,278	—	—	7,561,344
2025	243,633,746	—	—	3,945,055

Data Source: Annual Financial Statements

Note: This schedule includes all debt financed with general governmental resources for which there is an established repayment schedule. Other long-term liabilities such as retirement obligations and estimated liabilities such as compensated absences and claims incurred but not reported (IBNR) are not included.

(1) In fiscal year 2023, GASB Statement No. 96 was implemented by the District and subscriptions payable were recognized as of the beginning of the fiscal year. Beginning of fiscal year 2023 balances equate to fiscal year 2022 ending balances and so that fiscal year was updated in the year of implementation.

(2) See the Schedule of Assessed Value and Actual Value of Taxable Property for property value data.

(3) See the Schedule of Demographic and Economic Statistics for personal income and population data.

Purchase Contracts Payable	Total Primary Government	Percentage of Estimated Actual Property Value (2)	Percentage of Personal Income (3)	Ratio of Outstanding Debt per Capita (3)
8,141,320	404,653,311	3.27%	5.61%	\$ 1,736
5,432,856	375,596,054	2.73%	5.32%	1,592
2,687,098	345,872,114	2.43%	4.83%	1,479
1,353,353	315,829,883	2.19%	4.18%	1,342
—	284,391,843	1.80%	3.51%	1,203
—	252,760,106	1.56%	3.27%	1,082
—	219,907,645	1.36%	2.65%	962
—	174,252,669	0.95%	1.89%	755
—	218,095,622	1.10%	2.40%	961
—	247,578,801	1.17%	2.61%	1,062

**U-46 SCHOOL DISTRICT, ILLINOIS****Ratios of General Obligation Bonded Debt Outstanding - Last Ten Fiscal Years  
June 30, 2025 (Unaudited)**

Fiscal Year	General Bonded Debt	Less: Amount Available for Debt Service	Net General Bonded Debt	Percentage of Estimated Actual Taxable Value of Property (1)	Per Capita (2)
2016	\$ 393,543,558	\$ 26,112,980	\$ 367,430,578	2.97%	\$ 1,576
2017	367,610,587	27,934,843	339,675,744	2.47%	1,440
2018	340,584,713	28,616,931	311,967,782	2.19%	1,334
2019	312,390,780	31,984,880	280,405,900	1.94%	1,191
2020	282,823,384	32,625,408	250,197,976	1.58%	1,059
2021	251,711,671	33,180,596	218,531,075	1.35%	935
2022	218,979,391	33,088,313	185,891,078	1.15%	813
2023	172,647,040	24,739,371	147,907,669	0.81%	641
2024	210,534,278	24,033,414	186,500,864	0.94%	822
2025	243,633,746	18,919,002	224,714,744	1.06%	964

Data Source: Annual Financial Statements

(1) See the Schedule of Assessed Value and Actual Value of Taxable Property for property value data.

(2) See the Schedule of Demographic and Economic Statistics for population data.

# U-46 SCHOOL DISTRICT, ILLINOIS

## Schedule of Direct and Overlapping Governmental Activities Debt June 30, 2025 (Unaudited)

Governmental Unit	Gross Debt	Percentage of Debt Applicable to District	District's Share of Debt
District	\$ 247,578,801	100.000%	247,578,801
Overlapping Debt			
Taxing Districts			
Cook County	1,930,661,750	1.336%	25,793,641
Cook County Forest Preserve District	75,290,000	1.336%	1,005,874
DuPage County	14,455,000 (1)(3)	3.119%	450,851
DuPage County Forest Preserve District	110,415,000 (1)	3.119%	3,443,844
Kane County Forest Preserve District	66,925,000 (1)	13.070%	8,747,098
Metropolitan Water Reclamation District	2,437,561,774 (4)	1.333%	32,492,698
Municipalities			
Bartlett	43,540,000	100.000%	43,540,000
Elgin	10,710,000 (5)	67.414%	7,220,039
Hanover Park	7,545,000	37.517%	2,830,658
Hoffman Estates	76,757,090	9.523%	7,309,578
Schaumburg	248,520,000	2.241%	5,569,333
Streamwood	15,060,000	96.755%	14,571,303
Library Districts			
Poplar Creek	5,840,000	78.383%	4,577,567
Park Districts			
Bartlett Park	13,190,000	100.000%	13,190,000
Carol Stream Park	53,394,880 (2)	7.849%	4,190,964
Dundee Township Park	2,368,470 (1)	0.649%	15,371
Hanover Park Park	9,181,735 (1)	39.688%	3,644,047
Hoffman Estates Park	6,900,000 (1)	9.539%	658,191
Schaumburg Park	7,000,000	2.153%	150,710
St. Charles Park	9,475,355 (1)	2.124%	201,257
Streamwood Park	4,111,000 (1)	100.000%	4,111,000
West Chicago Park	14,182,000 (1)	1.447%	205,214
Miscellaneous			
Fox River & Countryside Fire District	11,765,000	0.088%	10,353
South Elgin Fire District	7,445,000	54.363%	4,047,325
School Districts			
Community College District #509	120,480,000	40.268%	48,514,886
Total Overlapping Debt	5,302,774,054		236,491,803
Total Direct and Overlapping Debt	5,550,352,855		484,070,604

Data Source: Offices of the County Clerks of Cook, DuPage, and Kane Counties

Note: The percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of the District's taxable assessed value that is within the government's boundaries and dividing it by the District's total taxable assessed value.

(1) Excludes principal amounts of outstanding general obligation alternate revenue source bonds which are expected to be paid from sources other than general taxation. Excludes Illinois Environmental Protection Loans.

(2) Includes original principal amounts of outstanding general obligation capital appreciation bonds.

(3) Excludes outstanding debt certificates, installment contracts and/or loans.

(4) Includes Illinois Environmental Protection Loans.

(5) Excludes self-supporting bonds for which abatements are filed annually.

**U-46 SCHOOL DISTRICT, ILLINOIS****Schedule of Legal Debt Margin - Last Ten Fiscal Years  
June 30, 2025 (Unaudited)**

	2016	2017	2018
Debt Limit	\$ 569,694,431	633,764,772	654,604,482
Total Net Debt Applicable to Limit	285,646,318	261,144,286	236,874,236
Legal Debt Margin	284,048,113	372,620,486	417,730,246
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	50.14%	41.21%	36.19%

Data Source: Audited Financial Statements

2019	2020	2021	2022	2023	2024	2025
663,992,526	726,997,933	744,232,878	742,138,451	844,139,185	914,288,903	977,081,239
208,996,706	187,256,693	170,325,228	152,863,211	133,670,629	204,735,000	233,920,000
454,995,820	539,741,240	573,907,650	589,275,240	710,468,556	709,553,903	743,161,239
31.48%	25.76%	22.89%	20.60%	15.84%	22.39%	23.94%

**U-46 SCHOOL DISTRICT, ILLINOIS****Demographic and Economic Statistics - Last Ten Calendar Years  
June 30, 2025 (Unaudited)**

Calendar Year	Fiscal Year	Estimated District Population	Estimated Per Capita Income	Estimated Personal Income	Unemployment Rate
2015	2016	233,144	\$ 30,937	\$ 7,212,775,928	6.0%
2016	2017	235,930	29,925	7,060,205,250	5.4%
2017	2018	233,865	30,606	7,157,672,190	4.6%
2018	2019	235,359	32,106	7,556,436,054	4.4%
2019	2020	236,340	34,272	8,099,844,480	3.7%
2020	2021	233,666	33,100	7,734,344,600	8.0%
2021	2022	228,599	36,367	8,313,459,833	5.1%
2022	2023	230,788	39,853	9,197,594,164	4.6%
2023	2024	226,882	40,080	9,093,430,560	4.7%
2024	2025	233,112	40,620	9,469,009,440	4.9%

Data Source: United States Census Bureau



## U-46 SCHOOL DISTRICT, ILLINOIS

### Principal Employers - Current Fiscal Year and Nine Fiscal Years Ago June 30, 2025 (Unaudited)

Employer	2025			2016		
	Employees	Rank	Percentage of Total District Population	Employees	Rank	Percentage of Total District Population
School District U-46	4,810	1	2.06%	4,170	2	1.79%
Hospital	4,025	2	1.73%	4,000	3	1.72%
Fermi Accelerated National Lab	4,000	3	1.72%			
Transform Holdco, LLC	3,200	4	1.37%			
Hearthside Food Solutions LLC	3,000	5	1.29%			
Northrop Grumman Corp.	2,800	6	1.20%			
Chase	2,700	7	1.16%	2,500	4	1.07%
Ascension Saint Alexius	2,500	8	1.07%	2,045	9	0.88%
Zurich North America	2,500	9	1.07%	2,500	5	1.07%
Advocate Sherman Hospital	2,200	10	0.94%	2,200	8	0.94%
Sears Holding Corp				5,600	1	2.40%
AT&T Services				2,500	6	1.07%
Caterpillar, Inc.				2,300	7	0.99%
Rush Copley Medical Center				2,000	10	0.86%
	<u>31,735</u>		<u>13.61%</u>	<u>29,815</u>		<u>12.79%</u>

Data Source: City of Elgin 2024 ACFR, Kane County 2024 ACFR, Village of Hoffman Estates 2024 ACFR

Note: The listing above indicates the area's largest employers within or near the District boundaries and their approximate number of employees. The purpose of this exhibit is to represent large area employees that may employ residents of the District.

**U-46 SCHOOL DISTRICT, ILLINOIS****Full-Time Equivalent Employees by Type - Last Ten Fiscal Years  
June 30, 2025 (Unaudited)**

Type	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Teachers	2,426	2,480	2,504	2,587	2,668	2,697	2,429	2,682	2,769	2,827
Noon Hour Supervisors (Part-Time)	80	91	86	90	93	85	84	81	81	82
Paraprofessionals	422	511	527	490	544	525	461	533	568	608
Secretary/Clerical	229	233	224	249	255	250	240	209	217	225
Transportation	404	403	411	458	451	415	425	416	382	390
Custodial/Maintenance	139	139	145	163	172	171	161	164	170	174
Technical/Other Support	194	258	266	341	383	363	353	303	313	325
Food Services	153	158	149	155	156	150	132	132	134	142
School-Based Administrators	99	104	109	112	141	152	192	185	178	174
Supervisors/Directors/Coordinators	40	39	39	41	40	42	32	47	55	49
Central Support Administrators	29	32	34	39	36	38	19	34	30	30
High School Divisionals	17	17	15	18	6	—	—	—	—	—
Superintendent/Cabinet	10	10	9	11	9	10	9	8	10	11
Total	4,242	4,475	4,518	4,754	4,954	4,898	4,537	4,794	4,907	5,037

Data Source: District Human Resources Records

**U-46 SCHOOL DISTRICT, ILLINOIS**

**Operating Indicators by Function - Last Ten Fiscal Years**  
**June 30, 2025 (Unaudited)**

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**See Following Page**

# U-46 SCHOOL DISTRICT, ILLINOIS

## Operating Indicators by Function - Last Ten Fiscal Years June 30, 2025 (Unaudited)

Function	2016	2017	2018
Instruction			
Student Enrollment			
Elementary	21,676	21,393	20,782
Middle School	5,719	5,995	6,030
High School	12,257	12,185	11,952
Total Student Enrollment	39,652	39,573	38,764
Support Services - Pupil			
% of Students with Disabilities	13.10%	13.00%	13.87%
Support Services			
Information Technology Services Work Orders Completed	35,521	39,555	37,404
School Administration			
Student Attendance Rate	94.10%	92.80%	93.00%
Business			
Fiscal			
Purchase Orders Processed	9,596	8,992	9,033
Nonpayroll Checks Issued	7,335	6,996	6,852
Maintenance			
Maintenance Work Orders Completed	29,057	23,341	32,095
District Square Footage Maintained by Custodians and Maintenance Staff	5,535,666	5,611,259	5,706,771
District Acreage Maintained by Grounds Staff	805	811	821
Transportation			
Average Number of Students Transported Daily			
Regular, Public Schools	26,982	26,698	23,229
Non-Public	8	—	—
Special Education	2,088	2,380	2,168
Total Number of Students Transported	29,078	29,078	25,397
Student Transportation Miles Traveled			
Regular Education	2,520,791	1,957,058	1,959,678
Special Education	1,699,136	2,025,432	1,992,878
Non-Reimbursable	154,797	150,027	127,555
Total Student Transportation Miles Traveled	4,374,724	4,132,517	4,080,111

Data Source: Plant Operations, Transportation, Information Services, District Records, and Financial Services

2019	2020	2021	2022	2023	2024	2025
20,339	19,873	18,571	18,008	17,916	17,797	17,723
5,862	5,864	5,745	5,582	5,109	4,900	4,856
11,969	11,991	12,074	12,262	12,022	11,895	11,431
38,170	37,728	36,390	35,852	35,047	34,592	34,010
14.04%	15.18%	14.48%	15.42%	15.27%	16.42%	17.05%
35,010	36,606	33,623	38,214	37,838	46,347	38,076
92.78%	91.33%	93.53%	89.70%	89.16%	89.10%	90.49%
9,337	8,384	8,366	9,255	9,552	11,212	20,801
7,017	6,592	6,008	6,598	6,607	6,620	6,868
33,823	33,849	34,881	32,632	32,502	33,343	35,759
5,706,771	5,738,412	5,738,412	5,738,412	5,738,412	5,738,412	5,621,360
821	826	826	826	826	826	811
22,484	22,862	23,612	23,803	20,655	18,523	20,119
—	56	53	55	79	100	192
1,872	2,125	1,531	1,528	1,854	2,088	1,936
24,356	25,043	25,196	25,386	22,588	20,711	22,247
2,492,105	1,435,392	802,029	2,069,408	1,809,860	1,854,346	1,659,513
2,089,628	1,335,696	776,663	1,940,635	1,886,943	2,065,871	1,637,375
155,361	104,679	—	216,763	192,141	196,212	186,371
4,737,094	2,875,767	1,578,692	4,226,806	3,888,944	4,116,429	3,483,259

**U-46 SCHOOL DISTRICT, ILLINOIS****District Enrollment by School - Last Ten Fiscal Years  
June 30, 2025 (Unaudited)**

School	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Bartlett	557	566	543	504	485	449	472	432	432	459
Centennial	484	520	494	451	476	474	498	514	508	492
Century Oaks	560	563	519	526	479	459	464	431	425	447
Channing	630	484	463	438	452	397	362	365	483	459
Clinton	452	481	461	454	433	447	443	474	492	481
Coleman	555	695	724	675	648	602	607	578	549	553
Creeside	698	639	581	555	538	511	498	482	477	475
Fox Meadow	701	616	592	551	512	439	426	433	427	445
Garfield	419	366	326	300	277	272	280	265	—	—
Glenbrook	536	554	506	493	497	477	489	480	463	476
Hanover Countryside	429	423	383	384	393	395	353	355	360	352
Harriet Gifford	529	473	437	418	402	394	379	399	380	390
Hawk Hollow	359	373	373	365	373	350	353	293	—	—
Heritage	473	481	463	451	424	413	397	421	410	411
Highland	489	617	636	614	610	571	555	569	564	532
Hillcrest	584	534	495	489	494	436	419	426	446	459
Hilltop	665	625	622	596	566	557	501	495	452	518
Horizon	603	606	621	573	579	526	520	484	499	473
Huff	643	692	636	595	585	511	492	491	553	525
Illinois Park	397	402	476	461	443	365	361	366	436	432
Independence	260	215	280	316	325	264	256	266	294	208
Laurel Hill	523	566	521	487	472	421	392	367	355	381
Liberty	682	656	637	617	597	534	505	523	540	536
Lincoln	627	426	382	413	469	457	472	464	446	431
Lords Park	694	773	741	668	655	583	553	576	606	584
Lowrie	385	391	401	392	385	379	368	348	328	328
Mckinley	386	397	395	389	368	331	333	338	353	345
Nature Ridge	686	652	641	596	599	565	531	554	560	546
Oakhill	478	441	431	424	437	419	394	383	373	394
Ontarioville	587	569	536	553	528	463	421	384	381	425
Otter Creek	730	698	697	677	676	657	637	659	688	674
Parkwood	421	414	364	375	353	337	300	285	270	264
Prairieview	383	353	335	344	332	324	316	396	599	625
Ridge Circle	506	543	526	523	475	475	459	456	431	389
Ronald O'Neal	557	534	549	546	529	514	479	459	455	452
Spring Trail	368	358	362	347	341	357	340	360	409	406
Sunnydale	404	394	395	383	380	370	345	325	308	331
Sycamore Trails	604	634	656	686	664	618	623	617	606	615
Timber Trails	511	493	484	468	413	374	326	365	381	384
Washington	411	405	404	396	391	381	369	356	379	377

**U-46 SCHOOL DISTRICT, ILLINOIS****District Enrollment by School - Last Ten Fiscal Years - Continued**  
**June 30, 2025 (Unaudited)**

School	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Wayne	375	363	334	370	350	306	345	340	350	389
Willard	335	335	323	319	293	265	248	228	240	255
One Hope United	N/A	73	82	62	80	50	57	43	33	5
More at 4	N/A	82	93	95	95	82	70	71	56	—
Abbott	489	612	684	689	666	658	637	541	551	546
Canton	638	597	537	496	505	460	424	418	389	356
Eastview	838	835	842	823	785	729	735	688	709	717
Ellis	627	705	691	719	755	736	676	599	555	538
Kenyon Woods	1,002	1,074	1,041	968	962	920	880	792	749	775
Kimball	621	592	570	612	626	609	609	588	554	553
Larsen	684	709	680	634	654	624	657	598	531	557
Tefft	820	871	964	921	911	1,009	964	885	862	814
Bartlett High School	2,548	2,495	2,426	2,418	2,410	2,389	2,379	2,286	2,310	2,241
Central School Programs	107	167	101	103	125	101	96	122	108	115
Elgin High School	2,550	2,581	2,593	2,609	2,601	2,664	2,715	2,645	2,544	2,404
Dream Academy	157	124	131	171	191	152	146	190	245	238
Larkin High School	2,109	2,090	2,084	2,052	2,062	2,117	2,147	2,161	2,126	2,087
Phoenix	N/A	N/A	N/A	N/A	37	43	25	23	25	—
South Elgin High School	2,770	2,738	2,682	2,674	2,736	2,816	2,976	2,846	2,808	2,739
Streamwood High School	2,016	1,990	1,958	1,942	1,829	1,792	1,778	1,749	1,729	1,607
Total Enrollment	39,652	39,655	38,904	38,170	37,728	36,390	35,852	35,047	34,592	34,010

Data Source: District Records

Notes: Enrollment based on enrollment as of October 1. Elementary totals include Pre-K students.

N/A - Not Applicable

**U-46 SCHOOL DISTRICT, ILLINOIS****District Facility Information****June 30, 2025 (Unaudited)**

Building	Year Built	Most Recent Addition	Square Footage
Schools			
Garfield	1887	1998	45,448
Lowrie	1887	2000	41,252
McKinley	1887	2000	48,325
Washington	1893	2004	53,139
Dream Academy/Central Building	1911	1939	223,214
Bartlett	1928	2002	60,591
Ontarioville	1928	2013	55,531
Abbott	1932	2001	108,303
Wayne	1947	2003	59,875
Harriet Gifford	1949	2003	55,902
Larsen	1951	2002	103,886
Ellis	1952	2003	110,135
Coleman	1954	2016	67,746
Hanover Countryside	1954	1991	46,062
Huff	1954	1997	61,634
Willard	1954	2002	42,250
Clinton	1958	1999	47,233
Highland	1959	2016	61,726
Kimball	1959	2002	124,531
Laurel Hill	1962	2016	44,473
Larkin High	1962	2003	348,387
OakHill	1965	2003	61,958
Tefft	1965	1965	136,946
Hillcrest	1967	1999	46,553
Sunnydale	1967	2003	46,670
Channing	1968	2003	53,833
Ridge Circle	1969	2002	65,048
Century Oaks	1970	2000	50,827
Eastview	1970	2001	167,341
Glenbrook	1971	1998	47,036
Parkwood	1971	1999	51,216
Elgin High School	1972	2003	365,242
Ronald O'Neal/Sheridan	1973	1999	46,832
Heritage	1976	1999	47,185
Independence	1976	1998	32,150



# U-46 SCHOOL DISTRICT, ILLINOIS

## District Facility Information - Continued June 30, 2025 (Unaudited)

Building	Year Built	Most Recent Addition	Square Footage
Schools - Continued			
Canton	1976		126,942
Horizon	1977	2002	63,828
Lords Park	1977	1998	61,823
Streamwood High School	1978	2002	311,063
Centennial	1991	2001	75,404
Prairieview	1992	2001	74,101
Sycamore Trails	1992	2001	74,295
Fox Meadow	1996	2001	69,390
Spring Trail	1996		59,778
Bartlett High School	1997	2001	397,787
Creekside	1998		58,732
Illinois Park	1999		50,385
Nature Ridge	1999	2003	57,678
Hawk Hollow	2002		53,125
Liberty	2002		61,630
Otter Creek	2002		62,612
Hilltop	2003		63,656
Lincoln	2003		53,178
Timber Trails	2003		56,454
Kenyon Woods	2003		153,563
South Elgin High School	2004		384,365
Other Buildings			
4 South Gifford	N/A		5,676
Center House	1955		1,490
1150 Bowes Rd	1997		40,000
Observatory	1910		3,590
Transportation	N/A		31,130
Plant Operations	2001		30,000
1019 E Chicago Street	1965	2002	95,512
Warehouse	2002		29,500
955 E. Chicago Street	1983		17,191
967 E. Chicago Street	1984		14,450
Total			<u>5,666,808</u>

Data Source: District Records

N/A - Not Available

**U-46 SCHOOL DISTRICT, ILLINOIS****Average Daily Attendance and Estimated Operating Expenditures Per Pupil - Last Ten Fiscal Years  
June 30, 2025 (Unaudited)**

Fiscal Year	Expenditures (1)	Deductions (2)	Operating Expenditures	Average Daily Attendance (3)	Operating Expenditures Per Pupil
2016	\$ 493,979,652	73,577,129	420,402,523	34,759	\$ 12,095
2017	498,153,015	70,293,040	427,859,975	35,816	11,946
2018	513,582,969	71,012,679	442,570,290	34,963	12,658
2019	539,087,912	75,519,913	463,567,999	34,844	13,304
2020	586,575,765	97,843,283	488,732,482	33,625	14,535
2021	570,736,742	72,158,373	498,578,369	33,094	15,066
2022	603,668,638	75,738,987	527,929,651	30,987	17,037
2023	633,369,740	89,410,708	543,959,032	30,145	18,044
2024	655,032,357	86,709,540	568,322,817	30,029	18,926
2025	745,611,078	119,360,539	626,250,539	29,789	21,023

Data Source: Annual Financial Report to State Board of Education

(1) Expenditures include only the General, Special Revenue and Debt Service Funds and do not include on-behalf payments made by the State of Illinois for TRS/THIS or student activity fund amounts.

(2) Deductions are comprised of revenues or expenditures not applicable to the regular K-12 programs including capital outlay, debt services and payments to other governments.

(3) Values reflect only District calculations. Charter school tuition and ADA are not included.

**APPENDIX B-1**

**PROPOSED FORM OF OPINION OF BOND COUNSEL – SERIES 2026A BONDS**

**[LETTERHEAD OF CHAPMAN AND CUTLER LLP]**

**[TO BE DATED CLOSING DATE]**

School District Number 46  
Kane, Cook and DuPage Counties, Illinois

We hereby certify that we have examined certified copy of the proceedings (the “*Proceedings*”) of the Board of Education of School District Number 46, Kane, Cook and DuPage Counties, Illinois (the “*District*”), passed preliminary to the issue by the District of its fully registered General Obligation School Bonds, Series 2026A (the “*Bonds*”), to the amount of \$\_\_\_\_\_, dated \_\_\_\_\_, 2026, due serially on January 1 of the years and in the amounts and bearing interest as follows:

2027	\$	%
2028		%
2029		%
2030		%
2031		%
2032		%
2033		%
2034		%
2035		%
2036		%
2037		%
2038		%
2039		%
2040		%
2041		%

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

We further certify that we have examined the form of bond prescribed for said issue and find the same in due form of law, and in our opinion said issue, to the amount named, is valid and legally binding upon the District and is payable from any funds of the District legally available for such purpose, and all taxable property in the District is subject to the levy of taxes to pay the same

without limitation as to rate or amount, except that the rights of the owners of the Bonds and the enforceability of the Bonds may be limited by bankruptcy, insolvency, moratorium, reorganization and other similar laws affecting creditors' rights and by equitable principles, whether considered at law or in equity, including the exercise of judicial discretion.

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

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

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

## APPENDIX B-2

### PROPOSED FORM OF OPINION OF BOND COUNSEL – SERIES 2026B BONDS

[LETTERHEAD OF CHAPMAN AND CUTLER LLP]

[TO BE DATED CLOSING DATE]

School District Number 46  
Kane, Cook and DuPage Counties, Illinois

We hereby certify that we have examined certified copy of the proceedings (the “*Proceedings*”) of the Board of Education of School District Number 46, Kane, Cook and DuPage Counties, Illinois (the “*District*”), passed preliminary to the issue by the District of its fully registered General Obligation Limited Tax School Bonds, Series 2026B (the “*Bonds*”), to the amount of \$\_\_\_\_\_, dated \_\_\_\_\_, 2026, due serially on January 1 of the years and in the amounts and bearing interest as follows:

2027	\$	%
2028		%
2029		%
2030		%
2031		%
2032		%
2033		%
2034		%
2035		%

and we are of the opinion that the Proceedings show lawful authority for said issue under the laws of the State of Illinois now in force.

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

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

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

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

## APPENDIX C

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

This Continuing Disclosure Undertaking (this “*Agreement*”) is executed and delivered by School District Number 46, Kane, Cook and DuPage Counties, Illinois (the “*District*”), in connection with the issuance of \$\_\_\_\_\_ General Obligation School Bonds, Series 2026A, and \$\_\_\_\_\_ General Obligation Limited Tax School Bonds, Series 2026B (together, the “*Bonds*”). The Bonds are being issued pursuant to separate resolutions adopted by the Board of Education of the District on the 12th day of January, 2026 (each as supplemented by a notification of sale, collectively, the “*Resolution*”).

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

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

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

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

SECURITY—Debt Service Extension Base Availability after Issuance of the Series 2026B Bonds

FINANCIAL INFORMATION AND ECONOMIC CHARACTERISTICS OF THE DISTRICT

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

WORKING CASH FUND—Working Cash Fund Summary

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

Exhibit B—Budget

Exhibit C—General Fund Revenue Sources

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

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

*Commission* means the Securities and Exchange Commission.

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

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

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

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

*MSRB* means the Municipal Securities Rulemaking Board.

*Official Statement* means the Final Official Statement, dated \_\_\_\_\_, 2026, and relating to the Bonds.



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

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

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

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

*State* means the State of Illinois.

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

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

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

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

If any amendment or waiver is made to this Agreement, the Annual Financial Information for the year in which such amendment or waiver is made (or in any notice or supplement provided

to EMMA) shall contain a narrative description of the reasons for such amendment or waiver and its impact on the type of information being provided.

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

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

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

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

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

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

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

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

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

9. **FUTURE CHANGES TO THE RULE.** As set forth in Section 1 of this Agreement, the District has executed and delivered this Agreement solely and only to assist the Participating Underwriters in complying with the requirements of the Rule. Therefore, notwithstanding anything in this Agreement to the contrary, in the event the Commission, the MSRB or other regulatory authority shall approve or require changes to the requirements of the Rule, the District shall be permitted, but shall not be required, to unilaterally modify the covenants in this Agreement, without complying with the requirements of Section 7 of this Agreement, in order to comply with, or conform to, such changes. In the event of any such modification of this Agreement, the District shall file a copy of this Agreement, as revised, on EMMA in a timely manner.

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

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

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

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

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

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

SCHOOL DISTRICT NUMBER 46, KANE, COOK  
AND DUPAGE COUNTIES, ILLINOIS

By: \_\_\_\_\_  
President, Board of Education

Date: \_\_\_\_\_, 2026

## **EXHIBIT I**

### **ANNUAL FINANCIAL INFORMATION AND TIMING AND AUDITED FINANCIAL STATEMENTS**

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

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

Audited Financial Statements will be prepared in accordance with accounting principles generally accepted in the United States of America.

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

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

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

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

**EXHIBIT III**  
**CUSIP NUMBERS**

**Series 2026A Bonds**

YEAR OF MATURITY	CUSIP NUMBER (483836)
---------------------	-----------------------------

2027  
2028  
2029  
2030  
2031  
2032  
2033  
2034  
2035  
2036  
2037  
2038  
2039  
2040  
2041

**Series 2026B Bonds**

YEAR OF MATURITY	CUSIP NUMBER (483836)
---------------------	-----------------------------

2027  
2028  
2029  
2030  
2031  
2032  
2033  
2034  
2035  
2044  
2045  
2046

## **APPENDIX D**

### **NOTICES OF SALE**



**OFFICIAL NOTICE OF SALE**

**\$51,665,000\* GENERAL OBLIGATION SCHOOL BONDS, SERIES 2026A**

**SCHOOL DISTRICT NUMBER 46  
KANE, COOK AND DUPAGE COUNTIES, ILLINOIS  
(ELGIN)**

**SALE DATE AND TIME: JANUARY 13, 2026; UNTIL 9:00 A.M. CENTRAL TIME**

NOTICE IS HEREBY GIVEN that the Board of Education (the “*Board*”) of School District Number 46, Kane, Cook and DuPage Counties, Illinois (the “*District*”), will receive all-or-none bids electronically via **Parity®** in the manner described below *until 9:00 A.M. Central Time on January 13, 2026* (the “*Sale Date*”), for the purchase of the District’s General Obligation School Bonds, Series 2026A (the “*Bonds*”).

**DESCRIPTION OF THE BONDS**

The Bonds are being issued pursuant to the School Code of the State of Illinois, the Local Government Debt Reform Act of the State of Illinois, and all laws amendatory thereof and supplementary thereto, and a bond resolution adopted by the Board on the 12th day of January, 2026, as supplemented by a notification of sale (together, the “*Bond Resolution*”).

Proceeds of the Bonds will be used to (a) pay certain costs of constructing safety and security improvements, renovating and replacing building infrastructure, adding classrooms for early childhood education, constructing accessibility improvements under the Americans with Disabilities Act, constructing STEM (science, technology, engineering and mathematics) labs and classrooms, building and equipping school buildings to replace existing school buildings, building and equipping additions to and altering, repairing and equipping existing school buildings and improving sites and (b) pay costs associated with the issuance of the Bonds.

In the opinion of Bond Counsel, the Bonds are valid and legally binding upon the District and are payable from any funds of the District legally available for such purpose, and all taxable property in the District is subject to the levy of taxes to pay the same without limitation as to rate or amount, except that the rights of the owners of the Bonds and the enforceability of the Bonds may be limited by bankruptcy, insolvency, moratorium, reorganization and other similar laws affecting creditors’ rights and by equitable principles, whether considered at law or in equity, including the exercise of judicial discretion. See “SECURITY—The Series 2026A Bonds” in the Preliminary Official Statement, dated January 5, 2026, relating to the Bonds (the “*Preliminary Official Statement*”).

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\* Preliminary, subject to change.

The Bonds will be dated the date of issuance thereof and will mature on January 1 of the years and in the amounts as follows:

MATURITY	AMOUNT*
2027	\$ 290,000
2028	125,000
2029	125,000
2030	130,000
2031	135,000
2032	140,000
2033	145,000
2034	155,000
2035	4,640,000
2036	7,360,000
2037	7,630,000
2038	7,910,000
2039	8,210,000
2040	8,520,000
2041	6,150,000

The Bonds will be in fully registered form, without coupons, and will be in denominations of \$5,000 or any integral multiple thereof under a book-entry only system operated by The Depository Trust Company, New York, New York (“DTC”). Principal of and interest on the Bonds will be payable by Zions Bancorporation, National Association, Chicago, Illinois (the “Registrar”). DTC will act as securities depository for the Bonds. Individual purchases of the Bonds will be made in book-entry form only, in the principal amount of \$5,000 and any integral multiple thereof. Purchasers will not receive certificates representing their interest in the Bonds purchased unless the book-entry system is discontinued. See “BOOK-ENTRY ONLY SYSTEM” in the Preliminary Official Statement.

Interest on the Bonds will be payable each January 1 and July 1, commencing July 1, 2026.

The Bonds due on or after January 1, 2036, are subject to redemption prior to maturity at the option of the District, as a whole or in part, on any date on or after January 1, 2035, at the redemption price of par plus accrued interest to the redemption date.

#### BIDDING INSTRUCTIONS

Bids for the Bonds shall be submitted electronically via PARITY pursuant to this Official Notice of Sale until the time set for the sale of the Bonds as specified above, but no bid will be received after the respective time set as specified above for receiving bids for the Bonds. **Any**

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\* The District reserves the right to increase or decrease the principal amount of each maturity of the Bonds on the Sale Date. If any principal amounts are adjusted, the purchase price proposed will be adjusted to maintain the same gross spread per \$5,000 bond.

**prospective bidder that intends to submit a bid must submit its bid through PARITY. No in-person or faxed bids will be accepted.** Subscription to i-Deal's PARITY Competitive Bidding System is required in order to submit an electronic bid. The District will neither confirm any subscription nor be responsible for the failure of any prospective bidder to subscribe.

An electronic bid made through the facilities of PARITY shall be deemed to incorporate the provisions of this Official Notice of Sale and the Official Bid Form for the Bonds. Any such electronic bid shall be deemed to constitute an irrevocable offer to purchase the Bonds on the terms provided herein and shall be binding upon the Winning Bidder (as hereinafter defined). Bids submitted for the purchase of the Bonds will be accepted or rejected by the District on the Sale Date. The District shall not be responsible for any malfunction or mistake made by, or as a result of the use of, the facilities of PARITY, the use of such facilities being the sole risk of the prospective bidder.

Each proposal must be submitted on the Official Bid Form without alteration or change until 9:00 A.M. Central Time via Parity® in accordance with this Official Notice of Sale. If any provisions of this Official Notice of Sale shall conflict with any instructions or directions set forth in PARITY, the terms of this Official Notice of Sale shall control. For further information about PARITY, potential bidders may contact the Municipal Advisor or Ipreo at 1359 Broadway, 2nd Floor, New York, New York 10018, and by telephone at (212) 849-5021. All costs and expenses incurred by potential bidders in connection with their registration and submission of bids via PARITY (including any legal expenses) are the sole responsibility of the bidders, and the District is not responsible, directly or indirectly, for any of such costs or expenses.

#### DETERMINATION OF WINNING BID

The Bonds will be awarded to the single and best bidder (the "*Winning Bidder*") whose bid will be determined upon the basis of the lowest True Interest Cost ("*TIC*") at the rates designated in said bid from the dated date to the respective maturity dates after deducting the bid premium or adding the bid discount, if any. The TIC will be calculated as the rate which, when used in computing the present value of all payments of principal of and interest to be paid on the Bonds (commencing July 1, 2026, and semiannually on each January 1 and July 1 thereafter), produces an amount on the date of the Bonds (expected to be February 3, 2026) equal to the purchase price set forth in the bid. In the event of more than one proposal specifying the lowest TIC, the Bonds will be awarded to the bidder whose proposal is selected by lot from among all such proposals.

The District reserves the right to reject any or all bids. The District may also, at its sole discretion, waive any irregularity or informality in any bid.

#### BIDDING PARAMETERS

Each bid shall provide a schedule of interest rates on the Official Bid Form for the Bonds, as specified below. The bids shall state the rate or rates at which the Bonds shall bear interest in multiples of 1/8 or 1/20 of 1% or both. Bonds maturing in any one year must carry the same interest rate. For the Bonds, zero interest rates or rates higher than 5.00% are not permitted.

Contingent bids are not permitted. The bid may provide for term bonds with sinking fund payments, with the maturities indicated on the Official Bid Form constituting sinking fund and respective final term maturity payments, at a redemption price of 100% of the principal amount thereof.

Each bid, to be considered, must contain a bid for all of the Bonds. **The minimum bid price for the Bonds is \$56,250,000.00.** See "PROCEDURES RELATING TO DELIVERY OF THE BONDS" below. If the Bonds will be reoffered, the bids must also state the prices (exclusive of accrued interest) at which the bidder reasonably expects that the Bonds of each maturity initially shall be offered to the public (the "*Expected Initial Offering Price*"). Any Official Bid Form which is not fully completed and signed may be rejected at the option of the District.

**The District reserves the right to adjust maturities and the aggregate principal amount of the Bonds.** If the District elects to do so, it will notify the Winning Bidder of its intention within 60 minutes of the verbal award of the Bonds. The Winning Bidder's spread, in dollars per bond, will be maintained and principal amounts will be adjusted.

Attorneys' fees, Rating Agency fees, Municipal Advisor fees, the cost of preparing and printing the Bonds, the fees of the Registrar, the cost of distributing the Official Notice of Sale, the Preliminary Official Statement and the Official Statement and miscellaneous expenses of the District incurred in connection with the offering and delivery of the Bonds shall all be the obligation of the District. The costs of issuance of the Bonds may be distributed by the Winning Bidder on behalf of the District from proceeds of the Bonds, and by submitting this bid, the Winning Bidder agrees to send (an) additional wire(s) at closing to distribute such costs if so requested by the District.

#### GOOD FAITH DEPOSIT

Although a good faith deposit is not required to submit a bid, the Winning Bidder is required to submit a certified or cashier's check on a solvent bank or trust company or a wire transfer (instructions for such a wire transfer will be provided by the District at the time of the award) for TWO PERCENT OF PAR payable to the School Treasurer who receives the taxes of the District as evidence of good faith of the Winning Bidder (the "*Deposit*") not later than 3:30 P.M. Central Time on the next business day following the award. The Deposit of the Winning Bidder will be retained by the District pending delivery of the Bonds. The District may hold the proceeds of the Deposit or invest the same (at the District's risk) in obligations that mature at or before the delivery of the Bonds, until applied as follows: (a) at the delivery of the Bonds and upon compliance with the Winning Bidder's obligation to take up and pay for the Bonds, the full amount of the Deposit held by the District, without adjustment for interest, shall be applied toward the purchase price of the Bonds at that time, and the full amount of any interest earnings thereon shall be retained by the District and (b) if the Winning Bidder fails to take up and pay for the Bonds when tendered, the full amount of the Deposit plus any interest earnings thereon will be forfeited to the District as liquidated damages.

## ESTABLISHMENT OF ISSUE PRICE

(a) The Winning Bidder shall assist the District in establishing the issue price of the Bonds and shall execute and deliver to the District at the closing of the Bonds an “issue price” or similar certificate setting forth the Expected Initial Offering Prices to the Public or the sales price or prices of the Bonds, together with the supporting pricing wires or equivalent communications, substantially in the form attached hereto as *Exhibit A*, with such modifications as may be appropriate or necessary, in the reasonable judgment of the Winning Bidder, the District and Bond Counsel. All actions to be taken by the District under this Official Notice of Sale to establish the issue price of the Bonds may be taken on behalf of the District by the District’s Municipal Advisor identified herein and any notice or report to be provided to the District may be provided to the District’s Municipal Advisor. Within one hour of the award, the Winning Bidder will confirm to the District the Expected Initial Offering Prices of the Bonds which the Winning Bidder used in formulating its bid.

(b) The District intends that the provisions of Treasury Regulation Section 1.148-1(f)(3)(i) (defining “competitive sale” for purposes of establishing the issue price of the Bonds) will apply to the initial sale of the Bonds (the “*Competitive Sale Requirements*”) because:

- (1) the District shall disseminate this Official Notice of Sale to potential Underwriters in a manner that is reasonably designed to reach potential Underwriters;
- (2) all bidders shall have an equal opportunity to bid;
- (3) the District may receive bids from at least three underwriters of municipal bonds who have established industry reputations for underwriting new issuances of municipal bonds; and
- (4) the District anticipates awarding the sale of the Bonds to the bidder who submits a firm offer to purchase the Bonds at the highest price (or lowest True Interest Cost), as set forth in this Official Notice of Sale.

Any bid submitted pursuant to this Official Notice of Sale shall be considered a firm offer for the purchase of the Bonds, as specified in the bid.

(c) In the event that the Competitive Sale Requirements are not satisfied, the District shall so advise the Winning Bidder. In such event, any bid proposal will not be subject to cancellation or withdrawal, and the District agrees to use the rules selected by the Winning Bidder on its bid form to determine the issue price for the Bonds. On the bid form, each bidder must select one of the following rules to establish the issue price of the Bonds: (i) the “10% Test” which will establish the issue price of a maturity of the Bonds as the first price at which 10% of a maturity of the Bonds is sold to the Public or (ii) the “Hold-the-Offering-Price Rule” which will establish the issue price of a maturity of the Bonds as the initial offering price to the Public as of the Sale Date of that maturity, in each case applied on a maturity-by-maturity basis. If the Winning Bidder selects the Hold-the-Offering-Price Rule, the Winning Bidder shall promptly advise the District,

at or before the time of award of the Bonds, which maturities of the Bonds have not satisfied the 10% Test and will be subject to the Hold-the-Offering-Price Rule. *Bidders should prepare their bids on the assumption that some or all of the maturities of the Bonds will be subject to the Hold-the-Offering-Price Rule or the 10% Test as selected on the bid form, in order to establish the issue price of the Bonds.*

(d) *If the Competitive Sale Requirements are not satisfied and the Winning Bidder selects the Hold-the-Offering Price Rule*, then the Winning Bidder shall (i) confirm that the Underwriters have offered or will offer the Bonds to the Public on or before the date of award at the offering price or prices (the “*Initial Offering Price*”), or at the corresponding yield or yields, set forth in the bid submitted by the Winning Bidder, and (ii) agree, on behalf of the Underwriters participating in the purchase of the Bonds, that the Underwriters will neither offer nor sell unsold Bonds of any maturity to which the Hold-the-Offering-Price Rule shall apply to any person at a price that is higher than the Initial Offering Price to the Public during the period starting on the Sale Date (as hereinafter defined) and ending on the earlier of the following:

(1) the close of the fifth business day after the Sale Date; or

(2) the date on which the Underwriters have sold at least 10% of that maturity of the Bonds to the Public at a price that is no higher than the Initial Offering Price to the Public.

The Winning Bidder will advise the District promptly after the close of the fifth (5th) business day after the Sale Date whether it has sold 10% of that maturity of the Bonds to the Public at a price that is no higher than the Initial Offering Price to the Public. Within one hour of the award, the Winning Bidder will inform the District of the Initial Offering Price for each maturity of the Bonds.

(e) *If the Competitive Sale Requirements are not satisfied and the Winning Bidder selects the 10% Test*, until the 10% Test has been satisfied as to each maturity of the Bonds, the Winning Bidder agrees to promptly report to the District the prices at which the unsold Bonds of that maturity have been sold to the Public. That reporting obligation shall continue, whether or not the closing date has occurred, until either (i) all Bonds of that maturity have been sold to the Public or (ii) the 10% Test has been satisfied as to the Bonds of that maturity, provided that, the Winning Bidder’s reporting obligation after the closing date may be at reasonable periodic intervals or otherwise upon request of the District or Bond Counsel. In addition, if the 10% Test has not been satisfied with respect to any maturity of the Bonds prior to closing, then the Winning Bidder shall provide the District with a representation as to the price or prices as of the date of closing at which the Winning Bidder reasonably expects to sell the remaining Bonds of such maturity.

(f) The District acknowledges that, in making the representations set forth above, the Winning Bidder will rely on (i) the agreement of each Underwriter to comply with the requirements for establishing issue price of the Bonds, including, but not limited to, its agreement to comply with the Hold-the-Offering-Price Rule, if applicable to the Bonds, as set forth in an agreement among Underwriters and the related pricing wires, (ii) in the event a selling group has been created in connection with the initial sale of the Bonds to the Public, the agreement of each

dealer who is a member of the selling group to comply with the requirements for establishing issue price of the Bonds, including, but not limited to, its agreement to comply with the Hold-the-Offering-Price Rule, if applicable to the Bonds, as set forth in a selling group agreement and the related pricing wires, and (iii) in the event that an Underwriter or dealer who is a member of the selling group is a party to a third-party distribution agreement that was employed in connection with the initial sale of the Bonds to the Public, the agreement of each broker-dealer that is a party to such agreement to comply with the requirements for establishing issue price of the Bonds, including, but not limited to, its agreement to comply with the Hold-the-Offering-Price Rule, if applicable to the Bonds, as set forth in the third-party distribution agreement and the related pricing wires. The District further acknowledges that each Underwriter shall be solely liable for its failure to comply with its agreement regarding the requirements for establishing issue price of the Bonds, including, but not limited to, its agreement to comply with the Hold-the-Offering-Price Rule, if applicable to the Bonds, and that no Underwriter shall be liable for the failure of any other Underwriter, or of any dealer who is a member of a selling group, or of any broker-dealer that is a party to a third-party distribution agreement to comply with its corresponding agreement to comply with the requirements for establishing issue price of the Bonds, including, but not limited to, its agreement to comply with the Hold-the-Offering-Price Rule, if applicable to the Bonds.

(g) By submitting a bid, each bidder confirms that: (i) any agreement among Underwriters, any selling group agreement and each third-party distribution agreement (to which the bidder is a party) relating to the initial sale of the Bonds to the Public, together with the related pricing wires, contains or will contain language obligating each Underwriter, each dealer who is a member of the selling group, and each broker-dealer that is a party to such third-party distribution agreement, as applicable, (A)(i) to report the prices at which it sells to the Public the unsold Bonds of each maturity allocated to it, whether or not the closing date has occurred, until either all Bonds of that maturity allocated to it have been sold to the Public or it is notified by the Winning Bidder that the 10% Test has been satisfied as to the Bonds of that maturity, provided that, the reporting obligation after the closing date may be at reasonable periodic intervals or otherwise upon request of the Winning Bidder and (ii) comply with the Hold-the-Offering-Price Rule, if applicable, if and for so long as directed by the Winning Bidder and as set forth in the related pricing wires, which shall be until the 10% Test has been satisfied as to the Bonds of that maturity or until the close of business on the fifth (5th) business day following the award; (B) to promptly notify the Winning Bidder of any sales of Bonds that, to its knowledge, are made to a purchaser who is a Related Party to an Underwriter participating in the initial sale of the Bonds to the Public (each such term being used as defined below); and (C) to acknowledge that, unless otherwise advised by the Underwriter, dealer or broker-dealer, the Winning Bidder shall assume that each order submitted by the Underwriter, dealer or broker-dealer is a sale to the Public, and (ii) any agreement among Underwriters or selling group agreement relating to the initial sale of the Bonds to the Public, together with the related pricing wires, contains or will contain language obligating each Underwriter or dealer that is a party to a third-party distribution agreement to be employed in connection with the initial sale of the Bonds to the Public to require each broker-dealer that is a party to such third-party distribution agreement to (A) report the prices at which it sells to the Public the unsold Bonds of each maturity allocated to it, whether or not the closing date has occurred, until either all Bonds of that maturity allocated to it have been sold or it is notified by the Winning Bidder or such Underwriter that the 10% Test has been satisfied as to the Bonds of that maturity, provided that the reporting obligation after the closing date may be at reasonable

periodic intervals or otherwise upon request of the Winning Bidder or such Underwriter, and (B) comply with the Hold-the-Offering-Price Rule, if applicable, if and for so long as directed by the Winning Bidder or the Underwriter and as set forth in the related pricing wires, which shall be at least until the 10% Test has been satisfied as to the Bonds of that maturity or until the close of business on the fifth (5th) business day following the date of the award.

(h) Sales of any Bonds to any person that is a Related Party to an Underwriter participating in the initial sale of the Bonds to the Public shall not constitute sales to the Public for purposes of this Official Notice of Sale. Further, for purposes of the language under this caption of this Official Notice of Sale, titled “ESTABLISHMENT OF ISSUE PRICE”:

(i) “Public” means any person other than an Underwriter or a Related Party,

(ii) a purchaser of any of the Bonds is a “Related Party” to an Underwriter if the Underwriter and the purchaser/Winning Bidder are subject, directly or indirectly, to (A) more than 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (B) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (C) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other),

(iii) “Sale Date” means the date the Bonds are awarded by the District to the Winning Bidder, such date with respect to the Bonds being January 13, 2026, and

(iv) “Underwriter” means (A) any person that agrees pursuant to a written contract with the District (or with the lead Underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the Public and (B) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (A) to participate in the initial sale of the Bonds to the Public (including a member of a selling group or a party to a third-party distribution agreement participating in the initial sale of the Bonds to the Public).

#### TAX EXEMPTION AND CLOSING TRANSCRIPT

At the time of delivery of the Bonds, Bond Counsel will furnish to the Winning Bidder its approving legal opinion that, subject to compliance by the District with certain covenants, under present law, in the opinion of Bond Counsel, interest on the Bonds is excludable from gross income of the owners thereof for federal income tax purposes and is not included as an item of tax preference in computing the federal alternative minimum tax for individuals, as more fully discussed under the heading “TAX EXEMPTION” in the Preliminary Official Statement. Interest on the Bonds is not exempt from present State of Illinois income taxes. The proposed form of opinion of Bond Counsel is set forth in Appendix B to the Preliminary Official Statement.



Bond Counsel will also furnish to the Winning Bidder a complete, certified transcript of all proceedings in connection with the issuance of the Bonds, which shall include a non-litigation certificate of the District affirming that there is no litigation pending or threatened as to the validity of or security for the Bonds.

#### BOND RATING

S&P Global Ratings, New York, New York, has assigned the Bonds a rating of “AA+” (Stable Outlook).

#### BOOK-ENTRY ONLY

The Bonds will be issued as fully-registered Bonds without coupons and, when issued, will be registered in the name of Cede & Co., as nominee for DTC. DTC will act as securities depository for the Bonds. A single Bond certificate for each maturity of the Bonds will be issued to DTC and immobilized in its custody. Individual purchases may be made in book-entry-only form only through DTC participants, in the principal amount of \$5,000 and integral multiples thereof. Individual purchasers will not receive certificates evidencing their ownership of the Bonds purchased. The Winning Bidder shall be required to deposit the Bond certificates with DTC as a condition to delivery of the Bonds. The District will make payments of principal and interest on the Bonds to DTC or its nominee as registered owner of the Bonds in same-day funds. Transfer of those payments to participants of DTC will be the responsibility of DTC; transfer of the payments to beneficial owners by DTC participants will be the responsibility of such participants and other nominees of beneficial owners all as required by DTC rules and procedures. No assurance can be given by the District that DTC, its participants and other nominees of beneficial owners will make prompt transfer of the payments as required by DTC rules and procedures. The District assumes no liability for failures of DTC, its participants or other nominees to promptly transfer payments to beneficial owners of the Bonds.

In the event that the securities depository relationship with DTC for the Bonds is terminated and the District does not appoint a successor depository, the District will prepare, authenticate and deliver, at its expense, fully-registered Bond certificates in the denomination of \$5,000 or an integral multiple thereof in the aggregate principal amount of the Bonds of the same maturities then outstanding to the beneficial owners of the Bonds.

#### CUSIP NUMBERS

It is intended that CUSIP numbers will be printed on the Bonds, but neither the failure to print or type such number on any Bonds nor any error with respect thereto shall constitute cause for a failure or refusal by the Winning Bidder to accept delivery of and make payment for the Bonds. The Municipal Advisor shall request assignment of CUSIP numbers, and all expenses related to the assignment or printing of CUSIP numbers, including CUSIP Service Bureau charges for the assignment of said numbers, shall be the responsibility of and shall be paid by the Winning Bidder.

## CONTINUING DISCLOSURE

The District covenants and agrees to enter into a written agreement or contract constituting an undertaking (the “*Undertaking*”) to provide ongoing disclosure about the District for the benefit of the beneficial owners of the Bonds on or before the date of delivery of the Bonds as required under Section (b)(5) of Rule 15c2-12 (the “*Rule*”) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934. The Undertaking shall be as described in the Preliminary Official Statement, with such changes as may be agreed to in writing by the Winning Bidder. The District has not failed to comply in all material respects with each and every undertaking previously entered into by it pursuant to the Rule. The Winning Bidder’s obligation to purchase the Bonds shall be conditional upon the District delivering the Undertaking on or before the date of delivery of the Bonds.

## OFFICIAL STATEMENT

The District certifies that the Preliminary Official Statement was final as of the date thereof for purposes of the Rule, except for the omission of the offering prices or yields, the interest rates, any other terms or provisions required by the District specified in the bid, ratings, other terms of the Bonds depending on such matters, and the identity of the Winning Bidder. Upon the sale of the Bonds, the District will publish an Official Statement in substantially the same form as the Preliminary Official Statement, subject to minor additions, deletions and revisions as required to complete the Preliminary Official Statement. By submission of its bid, the Winning Bidder will be deemed to have certified that it has obtained and reviewed the Preliminary Official Statement. Promptly after the Sale Date, but in no event later than seven business days after the Sale Date, the District will provide the Winning Bidder with an electronic copy of the final Official Statement. The Winning Bidder agrees to supply to the District all information necessary to complete the Official Statement within 48 hours after the award.

## MISCELLANEOUS ITEMS

The District reserves the right to reject any or all bids and to determine the best bid in its sole discretion, and to waive any informality in any bid. Additionally, the District reserves the right to modify or amend this Official Notice of Sale; however, any such modification or amendment shall, to the extent practicable, not be made less than twenty-four (24) hours prior to the date and time for receipt of bids on the Bonds and any such modification or amendment will be announced on the Amendments Page of the Parity® webpage.

By submitting a bid, each bidder makes the representation that it understands that Chapman and Cutler LLP, Chicago, Illinois (“*Chapman*”), serving as Bond Counsel and as Disclosure Counsel to the District, represents the District in the Bond transaction and, if such bidder has retained Chapman in an unrelated matter, such bidder represents that the signatory to the bid is duly authorized to, and does consent to and waive for and on behalf of such bidder any conflict of interest of Chapman arising from any adverse position to the District in this matter; such consent and waiver shall supersede any formalities otherwise required in any separate understandings, guidelines or contractual arrangements between the bidder and Chapman.

The Bonds will be delivered to the Winning Bidder against full payment in immediately available funds as soon as they can be prepared and executed, which is expected to be February 3, 2026. Should delivery, however, be delayed beyond forty-five (45) days from the Sale Date for any reason beyond the control of the District except failure of performance by the Winning Bidder, the District may cancel the award or the Winning Bidder may withdraw the Deposit and thereafter the Winning Bidder's interest in and liability for the Bonds will cease.

#### ADDITIONAL INFORMATION

The Preliminary Official Statement and the Official Bid Form, together with other pertinent information and the Bond Resolution, may be obtained from the District or from Raymond James & Associates, Inc., Municipal Advisor to the District: Elizabeth Hennessy at (312) 612-7641 or [Elizabeth.Hennessy@RaymondJames.com](mailto:Elizabeth.Hennessy@RaymondJames.com).

BY ORDER OF THE BOARD OF EDUCATION OF SCHOOL DISTRICT NUMBER 46, KANE, COOK AND DUPAGE COUNTIES, ILLINOIS, dated this 5th day of January, 2026.

/s/ Dr. Ann Williams

Deputy Superintendent for Operations, School  
District Number 46, Kane, Cook and DuPage  
Counties, Illinois

Raymond James & Associates, Inc.  
550 West Washington Street, Suite 1650  
Chicago, IL 60661-2511  
Attention: Elizabeth Hennessy  
TELEPHONE: (312) 612-7641

## EXHIBIT A

### FORM OF CERTIFICATE OF PURCHASER

(To be provided by the District for execution and delivery by the Winning Bidder prior to closing)

STATE OF \_\_\_\_\_ )  
 ) SS  
COUNTY OF \_\_\_\_\_ )

### CERTIFICATE OF PURCHASER

The undersigned, on behalf of \_\_\_\_\_ (the "*Purchaser*"), hereby certifies as set forth below with respect to the sale and issuance of the \$ \_\_\_\_\_ General Obligation School Bonds, Series 2026A (the "*Bonds*"), of School District Number 46, Kane, Cook and DuPage Counties, Illinois (the "*District*").

#### I. GENERAL

On the Sale Date, the Purchaser purchased the Bonds from the District by submitting electronically an "Official Bid Form" responsive to an "Official Notice of Sale" and having its bid accepted by the District. The Purchaser has not modified the terms of the purchase since the Sale Date.

#### II. PRICE

##### **Competitive Sale – 3 Bids Received**

Reasonably Expected Initial Offering Price.

(a) As of the Sale Date, the reasonably expected initial offering prices of the Bonds to the Public by the Purchaser are the prices listed in *Exhibit A* (the "*Expected Offering Prices*"). The Expected Offering Prices are the prices for the Maturities of the Bonds used by the Purchaser in formulating its bid to purchase the Bonds. Attached as *Exhibit B* is a true and correct copy of the bid provided by the Purchaser to purchase the Bonds.

(b) The Purchaser was not given the opportunity to review other bids prior to submitting its bid.

(c) The bid submitted by the Purchaser constituted a firm offer to purchase the Bonds.

### **3 Bids Not Received – At Least 10% of Each Maturity Sold by Closing**

As of the date of this certificate, for each Maturity of the Bonds, the first price at which at least 10% of such Maturity of the Bonds was sold to the Public is the respective price listed in *Exhibit A* (the “*First Sale Price*”).

### **3 Bids Not Received – At Least 10% of Certain Maturities Not Sold by Closing; Expected First Sale Price**

1. As of the date of this certificate, for each of the \_\_\_\_\_ Maturities of the Bonds, the first price at which at least 10% of such Maturity of the Bonds was sold to the Public is the respective price listed in *Exhibit A* (the “*First Sale Price*”).

2. Expected First Sale Price.

With respect to each of the \_\_\_\_\_ Maturities of the Bonds:

(a) As of the date of this certificate, the Purchaser has not sold at least 10% of the Bonds of this Maturity at any price.

(b) As of the date of this certificate, the Purchaser reasonably expects that the first sale to the Public of an amount of Bonds of this Maturity equal to 10% or more of this Maturity will be at or below the Expected Sale Price listed on the attached *Exhibit A* (the “*Expected First Sale Price*”).

### **3 Bids Not Received – At Least 10% of Certain Maturities Not Sold by Closing; Hold-the-Offering-Price Rule**

1. As of the date of this certificate, for each of the General Rule Maturities, the first price at which at least 10% of such Maturity of the Bonds was sold to the Public is the respective price listed in *Exhibit A* (the “*First Sale Price*”).

2. (a) The Purchaser offered the Hold-the-Offering-Price Maturities to the Public for purchase at the respective initial offering prices listed in *Exhibit A* (the “*Initial Offering Prices*”) on or before the Sale Date. A copy of the pricing wire or equivalent communication for the Bonds is attached to this certificate as *Exhibit B*.

(b) As set forth in the Official Notice of Sale and the Official Bid Form, the Purchaser has agreed in writing that, (i) for each Maturity of the Hold-the-Offering-Price Maturities, it would neither offer nor sell any of the Bonds of such Maturity to any person at a price that is higher than the Initial Offering Price for such Maturity during the Holding Period for such Maturity (the “*Hold-the-Offering-Price Rule*”), and (ii) any selling group agreement would contain the agreement of each dealer who is a member of the selling group, and any third-party distribution agreement would contain the agreement of each broker-dealer who is a party to the third-party distribution agreement, to comply with the Hold-the-Offering-Price Rule.

(c) No Underwriter (as defined below) has offered or sold any Bonds of any Maturity of the Hold-the-Offering-Price Maturities at a price that is higher than the respective Initial Offering Price for that Maturity during the Holding Period.

### III. DEFINED TERMS

[1. “*General Rule Maturities*” means those Maturities of the Bonds not listed in *Exhibit A* hereto as the “Hold-the-Offering-Price Maturities.”]

[2. “*Hold-the-Offering-Price Maturities*” means those Maturities of the Bonds listed in *Exhibit A* hereto as the “Hold-the-Offering-Price Maturities.”]

[3. “*Holding Period*” means, with respect to a Hold-the-Offering-Price Maturity, the period starting on the Sale Date and ending on the earlier of (i) the close of the fifth business day after the Sale Date (said fifth business day being \_\_\_\_\_, 2026), or (ii) the date on which the Purchaser has sold at least 10% of such Hold-the-Offering-Price Maturity to the Public at prices that are no higher than the Initial Offering Price for such Hold-the-Offering-Price Maturity.]

4. “*Maturity*” means Bonds with the same credit and payment terms. Bonds with different maturity dates, or Bonds with the same maturity date but different stated interest rates, are treated as separate maturities.

5. “*Public*” means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a Related Party to an Underwriter.

6. A person is a “*Related Party*” to an Underwriter if the Underwriter and the person are subject, directly or indirectly, to (i) more than 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (ii) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (iii) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other).

7. “*Sale Date*” means the first day on which there is a binding contract in writing for the sale of a Maturity of the Bonds. The Sale Date of the Bonds is \_\_\_\_\_, 2026.

8. “*Underwriter*” means (i) any person that agrees pursuant to a written contract with the District (or with the Underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this paragraph to participate in the initial sale of the Bonds to the Public (including a member of a selling group or a party to a third-party distribution agreement participating in the initial sale of the Bonds to the Public).

The representations set forth in this certificate are limited to factual matters only. Nothing in this certificate represents the Purchaser's interpretation of any laws, including specifically Sections 103 and 148 of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations thereunder. The undersigned understands that the foregoing information will be relied upon by the District with respect to certain of the representations set forth in its documents and with respect to compliance with the federal income tax rules affecting the Bonds, and by Chapman and Cutler LLP, Chicago, Illinois, Bond Counsel, in connection with rendering its opinion concerning interest on the Bonds, the preparation of Internal Revenue Service Form 8038-G, and other federal income tax advice it may give to the District from time to time relating to the Bonds.

IN WITNESS WHEREOF, I hereunto affix my signature, this \_\_\_\_ day of \_\_\_\_\_, 2026.

\_\_\_\_\_,  
\_\_\_\_\_, \_\_\_\_\_

By: \_\_\_\_\_  
Title: \_\_\_\_\_

## EXHIBIT A

The Bonds are dated \_\_\_\_\_, 2026, and are due on the dates and in the amounts, bear interest at the rates and were sold and offered to the Public as described in the attached Certificate of Purchaser at the prices, in percentages and dollars, as follows:

HOLD-THE- OFFERING-PRICE MATURITY IF MARKED (*)	MATURITY DATE	PRINCIPAL AMOUNT (\$)	INTEREST RATE (%)	[[EXPECTED OFFERING]	[[EXPECTED OFFERING]	[FIRST SALE PRICE OF AT LEAST 10% (% OF PAR)]	[FIRST SALE PRICE OF AT LEAST 10% (\$)]	TOTAL ISSUE PRICE (\$)
				[INITIAL OFFERING]	[INITIAL OFFERING]			

Total



**[EXHIBIT B**

**[PURCHASER'S BID][PRICING WIRE]]**

## OFFICIAL BID FORM

Board of Education  
School District Number 46, Kane, Cook and DuPage Counties, Illinois

Sale Date and Time: January 13, 2026  
9:00 A.M. Central Time

Ladies and Gentlemen:

For the principal amount of \$51,665,000\* General Obligation School Bonds, Series 2026A (the “*Bonds*”), of School District Number 46, Kane, Cook and DuPage Counties, Illinois (the “*District*”), legally issued and as described in the Official Notice of Sale, we will pay the District \$\_\_\_\_\_ (no less than \$56,250,000.00), based on the total principal of \$51,665,000,\* provided the Bonds bear the following interest rates (not in excess of 5.00%). In making this offer, we accept the terms and conditions set forth in the Official Notice of Sale, dated January 5, 2026.

HOLD-THE- OFFERING- PRICE MATURITY IF MARKED (*)	MATURITY DATE (JANUARY 1)	PRINCIPAL AMOUNT*	RATE	EXPECTED INITIAL OFFERING PRICE/YIELD
	2027	\$290,000	%	%
	2028	125,000	%	%
	2029	125,000	%	%
	2030	130,000	%	%
	2031	135,000	%	%
	2032	140,000	%	%
	2033	145,000	%	%
	2034	155,000	%	%
	2035	4,640,000	%	%
	2036	7,360,000	%	%
	2037	7,630,000	%	%
	2038	7,910,000	%	%
	2039	8,210,000	%	%
	2040	8,520,000	%	%
	2041	6,150,000	%	%

The Bonds mature on the dates as indicated above, and interest is payable on January 1 and July 1, commencing July 1, 2026. The Bonds due on or after January 1, 2036, are subject to redemption prior to maturity at the option of the District, as a whole or in part, on any date on or after January 1, 2035, at the redemption price of par plus accrued interest to the redemption date.

We hereby specify that the following Bonds be designated and aggregated into term bonds maturing on January 1 of the following years and in the following amounts (leave blank if no term bonds are specified):

MATURITIES DESIGNATED AND AGGREGATED	YEAR OF TERM BOND MATURITY	PRINCIPAL AMOUNT
20__ through 20__	_____	\$ _____
20__ through 20__	_____	_____
(add additional term bonds as appropriate)		

\* The District reserves the right to increase or decrease the principal amount of each maturity of the Bonds on the Sale Date. If any principal amounts are adjusted, the purchase price proposed will be adjusted to maintain the same gross spread per \$5,000 bond.

This bid is a firm offer for the purchase of the Bonds identified in the Official Notice of Sale, on the terms set forth in this bid form and the Official Notice of Sale, and is not subject to any conditions, except as permitted by the Official Notice of Sale. By submitting this bid, we confirm that we have an established industry reputation for underwriting new issuances of municipal bonds. If the Competitive Sale Requirements are not met, we select the following rule to establish the issue price of the maturities of the Bonds for which 10% is not sold to the Public on the date hereof, applied on a maturity-by-maturity basis:

\_\_\_\_\_ 10% Test: the first price at which 10% of a maturity of the Bonds is sold to the Public for the following maturities: \_\_\_\_\_

\_\_\_\_\_ Hold-the-Offering-Price Rule: the Initial Offering Price of that maturity for the following maturities: \_\_\_\_\_

The Bonds are to be accompanied by the unqualified approving legal opinions of Chapman and Cutler LLP, Chicago, Illinois, Bond Counsel, and a certificate evidencing that no litigation is pending against the District which will affect the validity or security of the Bonds. Attorneys' fees, Rating Agency fees, Municipal Advisor fees, the cost of preparing and printing the Bonds, the fees of the Registrar, the cost of distributing the Official Notice of Sale, the Preliminary Official Statement and the Official Statement and miscellaneous expenses of the District incurred in connection with the offering and delivery of the Bonds shall all be the obligation of the District. The costs of issuance of the Bonds may be distributed by the Winning Bidder on behalf of the District from proceeds of the Bonds and by submitting this bid, we agree to send (an) additional wire(s) at closing to distribute such costs if so requested by the District.

NOT PART OF THE BID:

Explanatory Note: According to our computation, this bid involves the following:

Par Amount	\$ _____ *
Reoffering Premium	_____
Original Issue Discount	( _____ )
Underwriter's Discount	( _____ )
Price for Bonds	\$ _____
TIC: _____ %	
True Interest Cost (from February 3, 2026)	

Respectfully submitted,

Account Manager  
(A list of account members is attached.)

By \_\_\_\_\_  
Signature: \_\_\_\_\_  
Print Name: \_\_\_\_\_  
Telephone: \_\_\_\_\_  
Fax: \_\_\_\_\_  
Email: \_\_\_\_\_

\*\*\*\*\*

The foregoing offer is hereby accepted this 13th day of January, 2026, by the Board of Education of School District Number 46, Kane, Cook and DuPage Counties, Illinois, and in recognition thereof is signed by the official of the District empowered and authorized to make such acceptance.

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Deputy Superintendent for Operations,  
School District Number 46, Kane, Cook and  
DuPage Counties, Illinois

**OFFICIAL NOTICE OF SALE**

**\$29,465,000\* GENERAL OBLIGATION LIMITED TAX SCHOOL BONDS, SERIES 2026B**

**SCHOOL DISTRICT NUMBER 46  
KANE, COOK AND DUPAGE COUNTIES, ILLINOIS  
(ELGIN)**

**SALE DATE AND TIME: JANUARY 13, 2026; UNTIL 9:15 A.M. CENTRAL TIME**

NOTICE IS HEREBY GIVEN that the Board of Education (the “*Board*”) of School District Number 46, Kane, Cook and DuPage Counties, Illinois (the “*District*”), will receive all-or-none bids electronically via **Parity®** in the manner described below *until 9:15 A.M. Central Time on January 13, 2026* (the “*Sale Date*”), for the purchase of the District’s General Obligation Limited Tax School Bonds, Series 2026B (the “*Bonds*”).

**DESCRIPTION OF THE BONDS**

The Bonds are being issued pursuant to the School Code of the State of Illinois, the Local Government Debt Reform Act of the State of Illinois, and all laws amendatory thereof and supplementary thereto, and a bond resolution adopted by the Board on the 12th day of January, 2026, as supplemented by a notification of sale (together, the “*Bond Resolution*”).

Proceeds of the Bonds will be used to (a) increase the working cash fund of the District and (b) pay costs associated with the issuance of the Bonds.

In the opinion of Bond Counsel, the Bonds are valid and legally binding upon the District and are payable from any funds of the District legally available for such purpose, and all taxable property in the District is subject to the levy of taxes to pay the same without limitation as to rate, except that the rights of the owners of the Bonds and the enforceability of the Bonds may be limited by bankruptcy, insolvency, moratorium, reorganization and other similar laws affecting creditors’ rights and by equitable principles, whether considered at law or in equity, including the exercise of judicial discretion. The amount of said taxes that may be extended to pay the Bonds is limited as provided by law. See “SECURITY—The Series 2026B Bonds” in the Preliminary Official Statement, dated January 5, 2026, relating to the Bonds (the “*Preliminary Official Statement*”).

The Bonds will be dated the date of issuance thereof and will mature on January 1 of the years and in the amounts as follows:

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\* Preliminary, subject to change.

MATURITY	AMOUNT*
2027	\$2,595,000
2028	3,140,000
2029	3,460,000
2030	1,690,000
2031	1,960,000
2032	2,235,000
2033	2,530,000
2034	2,845,000
2035	9,010,000

The Bonds will be in fully registered form, without coupons, and will be in denominations of \$5,000 or any integral multiple thereof under a book-entry only system operated by The Depository Trust Company, New York, New York (“DTC”). Principal of and interest on the Bonds will be payable by Zions Bancorporation, National Association, Chicago, Illinois (the “Registrar”). DTC will act as securities depository for the Bonds. Individual purchases of the Bonds will be made in book-entry form only, in the principal amount of \$5,000 and any integral multiple thereof. Purchasers will not receive certificates representing their interest in the Bonds purchased unless the book-entry system is discontinued. See “BOOK-ENTRY ONLY SYSTEM” in the Preliminary Official Statement.

Interest on the Bonds will be payable each January 1 and July 1, commencing July 1, 2026.

The Bonds are not subject to optional redemption prior to maturity.

#### BIDDING INSTRUCTIONS

Bids for the Bonds shall be submitted electronically via PARITY pursuant to this Official Notice of Sale until the time set for the sale of the Bonds as specified above, but no bid will be received after the respective time set as specified above for receiving bids for the Bonds. **Any prospective bidder that intends to submit a bid must submit its bid through PARITY. No in-person or faxed bids will be accepted.** Subscription to i-Deal’s PARITY Competitive Bidding System is required in order to submit an electronic bid. The District will neither confirm any subscription nor be responsible for the failure of any prospective bidder to subscribe.

An electronic bid made through the facilities of PARITY shall be deemed to incorporate the provisions of this Official Notice of Sale and the Official Bid Form for the Bonds. Any such electronic bid shall be deemed to constitute an irrevocable offer to purchase the Bonds on the terms provided herein and shall be binding upon the Winning Bidder (as hereinafter defined). Bids submitted for the purchase of the Bonds will be accepted or rejected by the District on the Sale

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\* The District reserves the right to increase or decrease the principal amount of each maturity of the Bonds on the Sale Date. If any principal amounts are adjusted, the purchase price proposed will be adjusted to maintain the same gross spread per \$5,000 bond.

Date. The District shall not be responsible for any malfunction or mistake made by, or as a result of the use of, the facilities of PARITY, the use of such facilities being the sole risk of the prospective bidder.

Each proposal must be submitted on the Official Bid Form without alteration or change until 9:15 A.M. Central Time via Parity® in accordance with this Official Notice of Sale. If any provisions of this Official Notice of Sale shall conflict with any instructions or directions set forth in PARITY, the terms of this Official Notice of Sale shall control. For further information about PARITY, potential bidders may contact the Municipal Advisor or Ipreo at 1359 Broadway, 2nd Floor, New York, New York 10018, and by telephone at (212) 849-5021. All costs and expenses incurred by potential bidders in connection with their registration and submission of bids via PARITY (including any legal expenses) are the sole responsibility of the bidders, and the District is not responsible, directly or indirectly, for any of such costs or expenses.

#### DETERMINATION OF WINNING BID

The Bonds will be awarded to the single and best bidder (the “*Winning Bidder*”) whose bid will be determined upon the basis of the lowest True Interest Cost (“*TIC*”) at the rates designated in said bid from the dated date to the respective maturity dates after deducting the bid premium or adding the bid discount, if any. The TIC will be calculated as the rate which, when used in computing the present value of all payments of principal of and interest to be paid on the Bonds (commencing July 1, 2026, and semiannually on each January 1 and July 1 thereafter), produces an amount on the date of the Bonds (expected to be February 3, 2026) equal to the purchase price set forth in the bid. In the event of more than one proposal specifying the lowest TIC, the Bonds will be awarded to the bidder whose proposal is selected by lot from among all such proposals.

The District reserves the right to reject any or all bids. The District may also, at its sole discretion, waive any irregularity or informality in any bid.

#### BIDDING PARAMETERS

Each bid shall provide a schedule of interest rates on the Official Bid Form for the Bonds, as specified below. The bids shall state the rate or rates at which the Bonds shall bear interest in multiples of 1/8 or 1/20 of 1% or both. Bonds maturing in any one year must carry the same interest rate. For the Bonds, zero interest rates or rates higher than 5.00% are not permitted. Contingent bids are not permitted. The bid may provide for term bonds with sinking fund payments, with the maturities indicated on the Official Bid Form constituting sinking fund and respective final term maturity payments, at a redemption price of 100% of the principal amount thereof.

Each bid, to be considered, must contain a bid for all of the Bonds. **The minimum bid price for the Bonds is \$31,500,000.00** See “PROCEDURES RELATING TO DELIVERY OF THE BONDS” below. If the Bonds will be reoffered, the bids must also state the prices (exclusive of accrued interest) at which the bidder reasonably expects that the Bonds of each maturity initially shall be

offered to the public (the “*Expected Initial Offering Price*”). Any Official Bid Form which is not fully completed and signed may be rejected at the option of the District.

**The District reserves the right to adjust maturities and the aggregate principal amount of the Bonds.** If the District elects to do so, it will notify the Winning Bidder of its intention within 60 minutes of the verbal award of the Bonds. The Winning Bidder’s spread, in dollars per bond, will be maintained and principal amounts will be adjusted.

Attorneys’ fees, Rating Agency fees, Municipal Advisor fees, the cost of preparing and printing the Bonds, the fees of the Registrar, the cost of distributing the Official Notice of Sale, the Preliminary Official Statement and the Official Statement and miscellaneous expenses of the District incurred in connection with the offering and delivery of the Bonds shall all be the obligation of the District. The costs of issuance of the Bonds may be distributed by the Winning Bidder on behalf of the District from proceeds of the Bonds, and by submitting this bid, the Winning Bidder agrees to send (an) additional wire(s) at closing to distribute such costs if so requested by the District.

#### GOOD FAITH DEPOSIT

Although a good faith deposit is not required to submit a bid, the Winning Bidder is required to submit a certified or cashier’s check on a solvent bank or trust company or a wire transfer (instructions for such a wire transfer will be provided by the District at the time of the award) for TWO PERCENT OF PAR payable to the School Treasurer who receives the taxes of the District as evidence of good faith of the Winning Bidder (the “*Deposit*”) not later than 3:30 P.M. Central Time on the next business day following the award. The Deposit of the Winning Bidder will be retained by the District pending delivery of the Bonds. The District may hold the proceeds of the Deposit or invest the same (at the District’s risk) in obligations that mature at or before the delivery of the Bonds, until applied as follows: (a) at the delivery of the Bonds and upon compliance with the Winning Bidder’s obligation to take up and pay for the Bonds, the full amount of the Deposit held by the District, without adjustment for interest, shall be applied toward the purchase price of the Bonds at that time, and the full amount of any interest earnings thereon shall be retained by the District and (b) if the Winning Bidder fails to take up and pay for the Bonds when tendered, the full amount of the Deposit plus any interest earnings thereon will be forfeited to the District as liquidated damages.

#### ESTABLISHMENT OF ISSUE PRICE

(a) The Winning Bidder shall assist the District in establishing the issue price of the Bonds and shall execute and deliver to the District at the closing of the Bonds an “issue price” or similar certificate setting forth the Expected Initial Offering Prices to the Public or the sales price or prices of the Bonds, together with the supporting pricing wires or equivalent communications, substantially in the form attached hereto as *Exhibit A*, with such modifications as may be appropriate or necessary, in the reasonable judgment of the Winning Bidder, the District and Bond Counsel. All actions to be taken by the District under this Official Notice of Sale to establish the issue price of the Bonds may be taken on behalf of the District by the District’s Municipal Advisor identified herein and any notice or report to be provided to the District may be provided to the



District's Municipal Advisor. Within one hour of the award, the Winning Bidder will confirm to the District the Expected Initial Offering Prices of the Bonds which the Winning Bidder used in formulating its bid.

(b) The District intends that the provisions of Treasury Regulation Section 1.148-1(f)(3)(i) (defining "competitive sale" for purposes of establishing the issue price of the Bonds) will apply to the initial sale of the Bonds (the "*Competitive Sale Requirements*") because:

(1) the District shall disseminate this Official Notice of Sale to potential Underwriters in a manner that is reasonably designed to reach potential Underwriters;

(2) all bidders shall have an equal opportunity to bid;

(3) the District may receive bids from at least three underwriters of municipal bonds who have established industry reputations for underwriting new issuances of municipal bonds; and

(4) the District anticipates awarding the sale of the Bonds to the bidder who submits a firm offer to purchase the Bonds at the highest price (or lowest True Interest Cost), as set forth in this Official Notice of Sale.

Any bid submitted pursuant to this Official Notice of Sale shall be considered a firm offer for the purchase of the Bonds, as specified in the bid.

(c) In the event that the Competitive Sale Requirements are not satisfied, the District shall so advise the Winning Bidder. In such event, any bid proposal will not be subject to cancellation or withdrawal, and the District agrees to use the rules selected by the Winning Bidder on its bid form to determine the issue price for the Bonds. On the bid form, each bidder must select one of the following rules to establish the issue price of the Bonds: (i) the "10% Test" which will establish the issue price of a maturity of the Bonds as the first price at which 10% of a maturity of the Bonds is sold to the Public or (ii) the "Hold-the-Offering-Price Rule" which will establish the issue price of a maturity of the Bonds as the initial offering price to the Public as of the Sale Date of that maturity, in each case applied on a maturity-by-maturity basis. If the Winning Bidder selects the Hold-the-Offering-Price Rule, the Winning Bidder shall promptly advise the District, at or before the time of award of the Bonds, which maturities of the Bonds have not satisfied the 10% Test and will be subject to the Hold-the-Offering-Price Rule. *Bidders should prepare their bids on the assumption that some or all of the maturities of the Bonds will be subject to the Hold-the-Offering-Price Rule or the 10% Test as selected on the bid form, in order to establish the issue price of the Bonds.*

(d) *If the Competitive Sale Requirements are not satisfied and the Winning Bidder selects the Hold-the-Offering Price Rule*, then the Winning Bidder shall (i) confirm that the Underwriters have offered or will offer the Bonds to the Public on or before the date of award at the offering price or prices (the "*Initial Offering Price*"), or at the corresponding yield or yields, set forth in the bid submitted by the Winning Bidder, and (ii) agree, on behalf of the Underwriters

participating in the purchase of the Bonds, that the Underwriters will neither offer nor sell unsold Bonds of any maturity to which the Hold-the-Offering-Price Rule shall apply to any person at a price that is higher than the Initial Offering Price to the Public during the period starting on the Sale Date (as hereinafter defined) and ending on the earlier of the following:

- (1) the close of the fifth business day after the Sale Date; or
- (2) the date on which the Underwriters have sold at least 10% of that maturity of the Bonds to the Public at a price that is no higher than the Initial Offering Price to the Public.

The Winning Bidder will advise the District promptly after the close of the fifth (5th) business day after the Sale Date whether it has sold 10% of that maturity of the Bonds to the Public at a price that is no higher than the Initial Offering Price to the Public. Within one hour of the award, the Winning Bidder will inform the District of the Initial Offering Price for each maturity of the Bonds.

(e) *If the Competitive Sale Requirements are not satisfied and the Winning Bidder selects the 10% Test*, until the 10% Test has been satisfied as to each maturity of the Bonds, the Winning Bidder agrees to promptly report to the District the prices at which the unsold Bonds of that maturity have been sold to the Public. That reporting obligation shall continue, whether or not the closing date has occurred, until either (i) all Bonds of that maturity have been sold to the Public or (ii) the 10% Test has been satisfied as to the Bonds of that maturity, provided that, the Winning Bidder's reporting obligation after the closing date may be at reasonable periodic intervals or otherwise upon request of the District or Bond Counsel. In addition, if the 10% Test has not been satisfied with respect to any maturity of the Bonds prior to closing, then the Winning Bidder shall provide the District with a representation as to the price or prices as of the date of closing at which the Winning Bidder reasonably expects to sell the remaining Bonds of such maturity.

(f) The District acknowledges that, in making the representations set forth above, the Winning Bidder will rely on (i) the agreement of each Underwriter to comply with the requirements for establishing issue price of the Bonds, including, but not limited to, its agreement to comply with the Hold-the-Offering-Price Rule, if applicable to the Bonds, as set forth in an agreement among Underwriters and the related pricing wires, (ii) in the event a selling group has been created in connection with the initial sale of the Bonds to the Public, the agreement of each dealer who is a member of the selling group to comply with the requirements for establishing issue price of the Bonds, including, but not limited to, its agreement to comply with the Hold-the-Offering-Price Rule, if applicable to the Bonds, as set forth in a selling group agreement and the related pricing wires, and (iii) in the event that an Underwriter or dealer who is a member of the selling group is a party to a third-party distribution agreement that was employed in connection with the initial sale of the Bonds to the Public, the agreement of each broker-dealer that is a party to such agreement to comply with the requirements for establishing issue price of the Bonds, including, but not limited to, its agreement to comply with the Hold-the-Offering-Price Rule, if applicable to the Bonds, as set forth in the third-party distribution agreement and the related pricing wires. The District further acknowledges that each Underwriter shall be solely liable for its failure to comply with its agreement regarding the requirements for establishing issue price of the Bonds,

including, but not limited to, its agreement to comply with the Hold-the-Offering-Price Rule, if applicable to the Bonds, and that no Underwriter shall be liable for the failure of any other Underwriter, or of any dealer who is a member of a selling group, or of any broker-dealer that is a party to a third-party distribution agreement to comply with its corresponding agreement to comply with the requirements for establishing issue price of the Bonds, including, but not limited to, its agreement to comply with the Hold-the-Offering-Price Rule, if applicable to the Bonds.

(g) By submitting a bid, each bidder confirms that: (i) any agreement among Underwriters, any selling group agreement and each third-party distribution agreement (to which the bidder is a party) relating to the initial sale of the Bonds to the Public, together with the related pricing wires, contains or will contain language obligating each Underwriter, each dealer who is a member of the selling group, and each broker-dealer that is a party to such third-party distribution agreement, as applicable, (A)(i) to report the prices at which it sells to the Public the unsold Bonds of each maturity allocated to it, whether or not the closing date has occurred, until either all Bonds of that maturity allocated to it have been sold to the Public or it is notified by the Winning Bidder that the 10% Test has been satisfied as to the Bonds of that maturity, provided that, the reporting obligation after the closing date may be at reasonable periodic intervals or otherwise upon request of the Winning Bidder and (ii) comply with the Hold-the-Offering-Price Rule, if applicable, if and for so long as directed by the Winning Bidder and as set forth in the related pricing wires, which shall be until the 10% Test has been satisfied as to the Bonds of that maturity or until the close of business on the fifth (5th) business day following the award; (B) to promptly notify the Winning Bidder of any sales of Bonds that, to its knowledge, are made to a purchaser who is a Related Party to an Underwriter participating in the initial sale of the Bonds to the Public (each such term being used as defined below); and (C) to acknowledge that, unless otherwise advised by the Underwriter, dealer or broker-dealer, the Winning Bidder shall assume that each order submitted by the Underwriter, dealer or broker-dealer is a sale to the Public, and (ii) any agreement among Underwriters or selling group agreement relating to the initial sale of the Bonds to the Public, together with the related pricing wires, contains or will contain language obligating each Underwriter or dealer that is a party to a third-party distribution agreement to be employed in connection with the initial sale of the Bonds to the Public to require each broker-dealer that is a party to such third-party distribution agreement to (A) report the prices at which it sells to the Public the unsold Bonds of each maturity allocated to it, whether or not the closing date has occurred, until either all Bonds of that maturity allocated to it have been sold or it is notified by the Winning Bidder or such Underwriter that the 10% Test has been satisfied as to the Bonds of that maturity, provided that the reporting obligation after the closing date may be at reasonable periodic intervals or otherwise upon request of the Winning Bidder or such Underwriter, and (B) comply with the Hold-the-Offering-Price Rule, if applicable, if and for so long as directed by the Winning Bidder or the Underwriter and as set forth in the related pricing wires, which shall be at least until the 10% Test has been satisfied as to the Bonds of that maturity or until the close of business on the fifth (5th) business day following the date of the award.

(h) Sales of any Bonds to any person that is a Related Party to an Underwriter participating in the initial sale of the Bonds to the Public shall not constitute sales to the Public for

purposes of this Official Notice of Sale. Further, for purposes of the language under this caption of this Official Notice of Sale, titled “ESTABLISHMENT OF ISSUE PRICE”:

- (i) “Public” means any person other than an Underwriter or a Related Party,
- (ii) a purchaser of any of the Bonds is a “Related Party” to an Underwriter if the Underwriter and the purchaser/Winning Bidder are subject, directly or indirectly, to (A) more than 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (B) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (C) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other),
- (iii) “Sale Date” means the date the Bonds are awarded by the District to the Winning Bidder, such date with respect to the Bonds being January 13, 2026, and
- (iv) “Underwriter” means (A) any person that agrees pursuant to a written contract with the District (or with the lead Underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the Public and (B) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (A) to participate in the initial sale of the Bonds to the Public (including a member of a selling group or a party to a third-party distribution agreement participating in the initial sale of the Bonds to the Public).

#### TAX EXEMPTION AND CLOSING TRANSCRIPT

At the time of delivery of the Bonds, Bond Counsel will furnish to the Winning Bidder its approving legal opinion that, subject to compliance by the District with certain covenants, under present law, in the opinion of Bond Counsel, interest on the Bonds is excludable from gross income of the owners thereof for federal income tax purposes and is not included as an item of tax preference in computing the federal alternative minimum tax for individuals, as more fully discussed under the heading “TAX EXEMPTION” in the Preliminary Official Statement. Interest on the Bonds is not exempt from present State of Illinois income taxes. The proposed form of opinion of Bond Counsel is set forth in Appendix B to the Preliminary Official Statement.

Bond Counsel will also furnish to the Winning Bidder a complete, certified transcript of all proceedings in connection with the issuance of the Bonds, which shall include a non-litigation certificate of the District affirming that there is no litigation pending or threatened as to the validity of or security for the Bonds.

## BOND RATING

S&P Global Ratings, New York, New York, has assigned the Bonds a rating of “AA+” (Stable Outlook).

## BOOK-ENTRY ONLY

The Bonds will be issued as fully-registered Bonds without coupons and, when issued, will be registered in the name of Cede & Co., as nominee for DTC. DTC will act as securities depository for the Bonds. A single Bond certificate for each maturity of the Bonds will be issued to DTC and immobilized in its custody. Individual purchases may be made in book-entry-only form only through DTC participants, in the principal amount of \$5,000 and integral multiples thereof. Individual purchasers will not receive certificates evidencing their ownership of the Bonds purchased. The Winning Bidder shall be required to deposit the Bond certificates with DTC as a condition to delivery of the Bonds. The District will make payments of principal and interest on the Bonds to DTC or its nominee as registered owner of the Bonds in same-day funds. Transfer of those payments to participants of DTC will be the responsibility of DTC; transfer of the payments to beneficial owners by DTC participants will be the responsibility of such participants and other nominees of beneficial owners all as required by DTC rules and procedures. No assurance can be given by the District that DTC, its participants and other nominees of beneficial owners will make prompt transfer of the payments as required by DTC rules and procedures. The District assumes no liability for failures of DTC, its participants or other nominees to promptly transfer payments to beneficial owners of the Bonds.

In the event that the securities depository relationship with DTC for the Bonds is terminated and the District does not appoint a successor depository, the District will prepare, authenticate and deliver, at its expense, fully-registered Bond certificates in the denomination of \$5,000 or an integral multiple thereof in the aggregate principal amount of the Bonds of the same maturities then outstanding to the beneficial owners of the Bonds.

## CUSIP NUMBERS

It is intended that CUSIP numbers will be printed on the Bonds, but neither the failure to print or type such number on any Bonds nor any error with respect thereto shall constitute cause for a failure or refusal by the Winning Bidder to accept delivery of and make payment for the Bonds. The Municipal Advisor shall request assignment of CUSIP numbers, and all expenses related to the assignment or printing of CUSIP numbers, including CUSIP Service Bureau charges for the assignment of said numbers, shall be the responsibility of and shall be paid by the Winning Bidder.

## CONTINUING DISCLOSURE

The District covenants and agrees to enter into a written agreement or contract constituting an undertaking (the “*Undertaking*”) to provide ongoing disclosure about the District for the benefit of the beneficial owners of the Bonds on or before the date of delivery of the Bonds as required

under Section (b)(5) of Rule 15c2-12 (the “Rule”) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934. The Undertaking shall be as described in the Preliminary Official Statement, with such changes as may be agreed to in writing by the Winning Bidder. The District has not failed to comply in all material respects with each and every undertaking previously entered into by it pursuant to the Rule. The Winning Bidder’s obligation to purchase the Bonds shall be conditional upon the District delivering the Undertaking on or before the date of delivery of the Bonds.

#### OFFICIAL STATEMENT

The District certifies that the Preliminary Official Statement was final as of the date thereof for purposes of the Rule, except for the omission of the offering prices or yields, the interest rates, any other terms or provisions required by the District specified in the bid, ratings, other terms of the Bonds depending on such matters, and the identity of the Winning Bidder. Upon the sale of the Bonds, the District will publish an Official Statement in substantially the same form as the Preliminary Official Statement, subject to minor additions, deletions and revisions as required to complete the Preliminary Official Statement. By submission of its bid, the Winning Bidder will be deemed to have certified that it has obtained and reviewed the Preliminary Official Statement. Promptly after the Sale Date, but in no event later than seven business days after the Sale Date, the District will provide the Winning Bidder with an electronic copy of the final Official Statement. The Winning Bidder agrees to supply to the District all information necessary to complete the Official Statement within 48 hours after the award.

#### MISCELLANEOUS ITEMS

The District reserves the right to reject any or all bids and to determine the best bid in its sole discretion, and to waive any informality in any bid. Additionally, the District reserves the right to modify or amend this Official Notice of Sale; however, any such modification or amendment shall, to the extent practicable, not be made less than twenty-four (24) hours prior to the date and time for receipt of bids on the Bonds and any such modification or amendment will be announced on the Amendments Page of the Parity® webpage.

By submitting a bid, each bidder makes the representation that it understands that Chapman and Cutler LLP, Chicago, Illinois (“Chapman”), serving as Bond Counsel and as Disclosure Counsel to the District, represents the District in the Bond transaction and, if such bidder has retained Chapman in an unrelated matter, such bidder represents that the signatory to the bid is duly authorized to, and does consent to and waive for and on behalf of such bidder any conflict of interest of Chapman arising from any adverse position to the District in this matter; such consent and waiver shall supersede any formalities otherwise required in any separate understandings, guidelines or contractual arrangements between the bidder and Chapman.

The Bonds will be delivered to the Winning Bidder against full payment in immediately available funds as soon as they can be prepared and executed, which is expected to be February 3, 2026. Should delivery, however, be delayed beyond forty-five (45) days from the Sale Date for any reason beyond the control of the District except failure of performance by the Winning Bidder,

the District may cancel the award or the Winning Bidder may withdraw the Deposit and thereafter the Winning Bidder's interest in and liability for the Bonds will cease.

#### ADDITIONAL INFORMATION

The Preliminary Official Statement and the Official Bid Form, together with other pertinent information and the Bond Resolution, may be obtained from the District or from Raymond James & Associates, Inc., Municipal Advisor to the District: Elizabeth Hennessy at (312) 612-7641 or [Elizabeth.Hennessy@RaymondJames.com](mailto:Elizabeth.Hennessy@RaymondJames.com).

BY ORDER OF THE BOARD OF EDUCATION OF SCHOOL DISTRICT NUMBER 46, KANE, COOK AND DUPAGE COUNTIES, ILLINOIS, dated this 5th day of January, 2026.

/s/ Dr. Ann Williams

Deputy Superintendent for Operations, School  
District Number 46, Kane, Cook and DuPage  
Counties, Illinois

Raymond James & Associates, Inc.  
550 West Washington Street, Suite 1650  
Chicago, IL 60661-2511  
Attention: Elizabeth Hennessy  
TELEPHONE: (312) 612-7641

## EXHIBIT A

### FORM OF CERTIFICATE OF PURCHASER

(To be provided by the District for execution and delivery by the Winning Bidder prior to closing)

STATE OF \_\_\_\_\_ )  
 ) SS  
COUNTY OF \_\_\_\_\_ )

### CERTIFICATE OF PURCHASER

The undersigned, on behalf of \_\_\_\_\_ (the “*Purchaser*”), hereby certifies as set forth below with respect to the sale and issuance of the \$ \_\_\_\_\_ General Obligation Limited Tax School Bonds, Series 2026B (the “*Bonds*”), of School District Number 46, Kane, Cook and DuPage Counties, Illinois (the “*District*”).

#### I. GENERAL

On the Sale Date, the Purchaser purchased the Bonds from the District by submitting electronically an “Official Bid Form” responsive to an “Official Notice of Sale” and having its bid accepted by the District. The Purchaser has not modified the terms of the purchase since the Sale Date.

#### II. PRICE

##### **Competitive Sale – 3 Bids Received**

Reasonably Expected Initial Offering Price.

(a) As of the Sale Date, the reasonably expected initial offering prices of the Bonds to the Public by the Purchaser are the prices listed in *Exhibit A* (the “*Expected Offering Prices*”). The Expected Offering Prices are the prices for the Maturities of the Bonds used by the Purchaser in formulating its bid to purchase the Bonds. Attached as *Exhibit B* is a true and correct copy of the bid provided by the Purchaser to purchase the Bonds.

(b) The Purchaser was not given the opportunity to review other bids prior to submitting its bid.

(c) The bid submitted by the Purchaser constituted a firm offer to purchase the Bonds.



### **3 Bids Not Received – At Least 10% of Each Maturity Sold by Closing**

As of the date of this certificate, for each Maturity of the Bonds, the first price at which at least 10% of such Maturity of the Bonds was sold to the Public is the respective price listed in *Exhibit A* (the “*First Sale Price*”).

### **3 Bids Not Received – At Least 10% of Certain Maturities Not Sold by Closing; Expected First Sale Price**

1. As of the date of this certificate, for each of the \_\_\_\_\_ Maturities of the Bonds, the first price at which at least 10% of such Maturity of the Bonds was sold to the Public is the respective price listed in *Exhibit A* (the “*First Sale Price*”).

2. Expected First Sale Price.

With respect to each of the \_\_\_\_\_ Maturities of the Bonds:

(a) As of the date of this certificate, the Purchaser has not sold at least 10% of the Bonds of this Maturity at any price.

(b) As of the date of this certificate, the Purchaser reasonably expects that the first sale to the Public of an amount of Bonds of this Maturity equal to 10% or more of this Maturity will be at or below the Expected Sale Price listed on the attached *Exhibit A* (the “*Expected First Sale Price*”).

### **3 Bids Not Received – At Least 10% of Certain Maturities Not Sold by Closing; Hold-the-Offering-Price Rule**

1. As of the date of this certificate, for each of the General Rule Maturities, the first price at which at least 10% of such Maturity of the Bonds was sold to the Public is the respective price listed in *Exhibit A* (the “*First Sale Price*”).

2. (a) The Purchaser offered the Hold-the-Offering-Price Maturities to the Public for purchase at the respective initial offering prices listed in *Exhibit A* (the “*Initial Offering Prices*”) on or before the Sale Date. A copy of the pricing wire or equivalent communication for the Bonds is attached to this certificate as *Exhibit B*.

(b) As set forth in the Official Notice of Sale and the Official Bid Form, the Purchaser has agreed in writing that, (i) for each Maturity of the Hold-the-Offering-Price Maturities, it would neither offer nor sell any of the Bonds of such Maturity to any person at a price that is higher than the Initial Offering Price for such Maturity during the Holding Period for such Maturity (the “*Hold-the-Offering-Price Rule*”), and (ii) any selling group agreement would contain the agreement of each dealer who is a member of the selling group, and any third-party distribution agreement would contain the agreement of each broker-dealer who is a party to the third-party distribution agreement, to comply with the Hold-the-Offering-Price Rule.

(c) No Underwriter (as defined below) has offered or sold any Bonds of any Maturity of the Hold-the-Offering-Price Maturities at a price that is higher than the respective Initial Offering Price for that Maturity during the Holding Period.

### III. DEFINED TERMS

[1. “*General Rule Maturities*” means those Maturities of the Bonds not listed in *Exhibit A* hereto as the “Hold-the-Offering-Price Maturities.”]

[2. “*Hold-the-Offering-Price Maturities*” means those Maturities of the Bonds listed in *Exhibit A* hereto as the “Hold-the-Offering-Price Maturities.”]

[3. “*Holding Period*” means, with respect to a Hold-the-Offering-Price Maturity, the period starting on the Sale Date and ending on the earlier of (i) the close of the fifth business day after the Sale Date (said fifth business day being \_\_\_\_\_, 2026), or (ii) the date on which the Purchaser has sold at least 10% of such Hold-the-Offering-Price Maturity to the Public at prices that are no higher than the Initial Offering Price for such Hold-the-Offering-Price Maturity.]

4. “*Maturity*” means Bonds with the same credit and payment terms. Bonds with different maturity dates, or Bonds with the same maturity date but different stated interest rates, are treated as separate maturities.

5. “*Public*” means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a Related Party to an Underwriter.

6. A person is a “*Related Party*” to an Underwriter if the Underwriter and the person are subject, directly or indirectly, to (i) more than 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (ii) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (iii) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other).

7. “*Sale Date*” means the first day on which there is a binding contract in writing for the sale of a Maturity of the Bonds. The Sale Date of the Bonds is \_\_\_\_\_, 2026.

8. “*Underwriter*” means (i) any person that agrees pursuant to a written contract with the District (or with the Underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this paragraph to participate in the initial sale of the Bonds to the Public (including a member of a selling group or a party to a third-party distribution agreement participating in the initial sale of the Bonds to the Public).

The representations set forth in this certificate are limited to factual matters only. Nothing in this certificate represents the Purchaser's interpretation of any laws, including specifically Sections 103 and 148 of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations thereunder. The undersigned understands that the foregoing information will be relied upon by the District with respect to certain of the representations set forth in its documents and with respect to compliance with the federal income tax rules affecting the Bonds, and by Chapman and Cutler LLP, Chicago, Illinois, Bond Counsel, in connection with rendering its opinion concerning interest on the Bonds, the preparation of Internal Revenue Service Form 8038-G, and other federal income tax advice it may give to the District from time to time relating to the Bonds.

IN WITNESS WHEREOF, I hereunto affix my signature, this \_\_\_\_ day of \_\_\_\_\_, 2026.

\_\_\_\_\_,  
\_\_\_\_\_, \_\_\_\_\_

By: \_\_\_\_\_  
Title: \_\_\_\_\_

## EXHIBIT A

The Bonds are dated \_\_\_\_\_, 2026, and are due on the dates and in the amounts, bear interest at the rates and were sold and offered to the Public as described in the attached Certificate of Purchaser at the prices, in percentages and dollars, as follows:

HOLD-THE- OFFERING-PRICE MATURITY IF MARKED (*)	MATURITY DATE	PRINCIPAL AMOUNT (\$)	INTEREST RATE (%)	[[EXPECTED OFFERING]	[[EXPECTED OFFERING]	[FIRST SALE PRICE OF AT LEAST 10% (% OF PAR)]	[FIRST SALE PRICE OF AT LEAST 10% (\$)]	TOTAL ISSUE PRICE (\$)
				[INITIAL OFFERING]	[INITIAL OFFERING]			

Total

**[EXHIBIT B**

**[PURCHASER'S BID][PRICING WIRE]]**

## OFFICIAL BID FORM

Board of Education  
School District Number 46, Kane, Cook and DuPage Counties, Illinois

Sale Date and Time: January 13, 2026  
9:15 A.M. Central Time

Ladies and Gentlemen:

For the principal amount of \$29,465,000\* General Obligation Limited Tax School Bonds, Series 2026B (the "Bonds"), of School District Number 46, Kane, Cook and DuPage Counties, Illinois (the "District"), legally issued and as described in the Official Notice of Sale, we will pay the District \$\_\_\_\_\_ (no less than \$31,500,000.00), based on the total principal of \$29,465,000,\* provided the Bonds bear the following interest rates (not in excess of 5.00%). In making this offer, we accept the terms and conditions set forth in the Official Notice of Sale, dated January 5, 2026.

HOLD-THE- OFFERING- PRICE MATURITY IF MARKED (*)	MATURITY DATE (JANUARY 1)	PRINCIPAL AMOUNT*	RATE	EXPECTED INITIAL OFFERING PRICE/YIELD
	2027	\$2,595,000	%	%
	2028	3,140,000	%	%
	2029	3,460,000	%	%
	2030	1,690,000	%	%
	2031	1,960,000	%	%
	2032	2,235,000	%	%
	2033	2,530,000	%	%
	2034	2,845,000	%	%
	2035	9,010,000	%	%

The Bonds mature on the dates as indicated above, and interest is payable on January 1 and July 1, commencing July 1, 2026. The Bonds are not subject to optional redemption prior to maturity.

We hereby specify that the following Bonds be designated and aggregated into term bonds maturing on January 1 of the following years and in the following amounts (leave blank if no term bonds are specified):

MATURITIES DESIGNATED AND AGGREGATED	YEAR OF TERM BOND MATURITY	PRINCIPAL AMOUNT
20__ through 20__	_____	\$ _____
20__ through 20__	_____	_____
(add additional term bonds as appropriate)		

This bid is a firm offer for the purchase of the Bonds identified in the Official Notice of Sale, on the terms set forth in this bid form and the Official Notice of Sale, and is not subject to any conditions, except as permitted by the Official Notice of Sale. By submitting this bid, we confirm that we have an established industry reputation for underwriting new issuances of municipal bonds. If the Competitive Sale Requirements are not met, we select the following rule to establish the issue price of the maturities of the Bonds for which 10% is not sold to the Public on the date hereof, applied on a maturity-by-maturity basis:

\_\_\_\_\_ 10% Test: the first price at which 10% of a maturity of the Bonds is sold to the Public for the following maturities: \_\_\_\_\_

\* The District reserves the right to increase or decrease the principal amount of each maturity of the Bonds on the Sale Date. If any principal amounts are adjusted, the purchase price proposed will be adjusted to maintain the same gross spread per \$5,000 bond.

\_\_\_\_\_ Hold-the-Offering-Price Rule: the Initial Offering Price of that maturity for the following maturities:

The Bonds are to be accompanied by the unqualified approving legal opinions of Chapman and Cutler LLP, Chicago, Illinois, Bond Counsel, and a certificate evidencing that no litigation is pending against the District which will affect the validity or security of the Bonds. Attorneys' fees, Rating Agency fees, Municipal Advisor fees, the cost of preparing and printing the Bonds, the fees of the Registrar, the cost of distributing the Official Notice of Sale, the Preliminary Official Statement and the Official Statement and miscellaneous expenses of the District incurred in connection with the offering and delivery of the Bonds shall all be the obligation of the District. The costs of issuance of the Bonds may be distributed by the Winning Bidder on behalf of the District from proceeds of the Bonds and by submitting this bid, we agree to send (an) additional wire(s) at closing to distribute such costs if so requested by the District.

NOT PART OF THE BID:

Explanatory Note: According to our computation, this bid involves the following:

Par Amount	\$ _____ *
Reoffering Premium	_____
Original Issue Discount	( _____ )
Underwriter's Discount	( _____ )
Price for Bonds	\$ _____
TIC: _____ %	
True Interest Cost (from February 3, 2026)	

Respectfully submitted,

Account Manager  
(A list of account members is attached.)

By \_\_\_\_\_  
Signature: \_\_\_\_\_  
Print Name: \_\_\_\_\_  
Telephone: \_\_\_\_\_  
Fax: \_\_\_\_\_  
Email: \_\_\_\_\_

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The foregoing offer is hereby accepted this 13th day of January, 2026, by the Board of Education of School District Number 46, Kane, Cook and DuPage Counties, Illinois, and in recognition thereof is signed by the official of the District empowered and authorized to make such acceptance.

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Deputy Superintendent for Operations,  
School District Number 46, Kane, Cook and  
DuPage Counties, Illinois