

PRELIMINARY OFFICIAL STATEMENT, DATED APRIL 27, 2026

**SALE DATE AND TIME:
MAY 5, 2026
10:00 A.M. CENTRAL TIME**

**NEW ISSUE
BOOK-ENTRY ONLY**

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

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

**Community Consolidated School District Number 15
Cook County, Illinois
(Palatine)
\$24,610,000* General Obligation Limited Tax School Bonds, Series 2026**

Dated: Date of Delivery **Due: December 1, as further described on the inside cover page**

The General Obligation Limited Tax School Bonds, Series 2026 (the "Bonds"), of Community Consolidated School District Number 15, Cook County, Illinois (the "District"), will be issued in fully registered form and will be registered initially only in the name of Cede & Co., as registered owner and nominee of The Depository Trust Company, New York, New York ("DTC"). DTC will act as securities depository for the Bonds. Purchasers of the Bonds will not receive certificates representing their interests in the Bonds purchased. Ownership by the beneficial owners of the Bonds will be evidenced by book-entry only. Payments of principal of and interest on the Bonds will be made by Amalgamated Bank of Chicago, Chicago, Illinois, as bond registrar and paying agent, to DTC, which in turn will remit such payments to its participants for subsequent disbursement to the beneficial owners of the Bonds. As long as Cede & Co. is the registered owner as nominee of DTC, payments of principal of and interest on the Bonds will be made to such registered owner, and disbursement of such payments will be the responsibility of DTC and its participants. Individual purchases of the Bonds will be made in the principal amount of \$5,000 or any integral multiple thereof.

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

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

The Bonds are not subject to optional redemption prior to maturity.

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

The Bonds are offered 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 June 4, 2026.

RAYMOND JAMES

as Municipal Advisor

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

* Preliminary, subject to change.

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

**Community Consolidated School District Number 15
Cook County, Illinois
(Palatine)**

\$24,610,000* GENERAL OBLIGATION LIMITED TAX SCHOOL BONDS, SERIES 2026

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

MATURITY (DECEMBER 1)	AMOUNT	INTEREST RATE	YIELD	CUSIP NUMBER** (213291)
2029	\$ 125,000	%	%	
2030	135,000	%	%	
2032	5,815,000	%	%	
2033	6,265,000	%	%	
2034	6,745,000	%	%	
2035	5,525,000	%	%	

* Preliminary, subject to change.

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

No dealer, broker, salesman or other person has been authorized by the District or _____, _____ (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	—	Proposed Form of Opinion of Bond Counsel
Appendix C	—	Proposed Form of Continuing Disclosure Undertaking
Appendix D	—	Notice of Sale

**COMMUNITY CONSOLIDATED SCHOOL DISTRICT NUMBER 15
COOK COUNTY, ILLINOIS
(PALATINE)**

580 North 1st Bank Drive
Palatine, Illinois 60067

Board of Education

Samantha Bray Ader
President

Eric Bachmann

James Taylor
Secretary

Zubair Khan

Wenda Hunt

Frank J. Annerino
Vice President

Lisa Beth Szczupaj

Administration

Dr. Laurie Heinz⁽¹⁾
Superintendent

Diana McCluskey
Chief School Business Official

Anthony Fashoda
Director of Fiscal Services

Professional Services

Underwriter

Municipal Advisor
Raymond James & Associates, Inc.
Chicago, Illinois

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

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

Auditor
Sikich CPA LLC
Naperville, Illinois

(1) Dr. Laurie Heinz will be retiring at the end of the the school year on June 30, 2026. The District has named Dr. Dana Smith as to be the new Superintendent effective July 1, 2026.

OFFICIAL STATEMENT

Community Consolidated School District Number 15 Cook County, Illinois (Palatine)

\$24,610,000* General Obligation Limited Tax School Bonds, Series 2026

INTRODUCTION

The purpose of this Official Statement is to set forth certain information concerning Community Consolidated School District Number 15, Cook County, Illinois (the “*District*”), in connection with the offering and sale of its General Obligation Limited Tax School Bonds, Series 2026 (the “*Bonds*”).

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

THE BONDS

AUTHORITY AND PURPOSE

The Bonds are being issued pursuant to the School Code of the State of Illinois (the “*School Code*”), the Local Government Debt Reform Act of the State of Illinois (the “*Debt Reform Act*”), and all laws amendatory thereof and supplementary thereto, and a bond resolution adopted by the Board of Education of the District (the “*Board*”) on the 8th day of April, 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, (b) pay capitalized interest on the Bonds through December 1, 2028, and (c) pay costs associated with the issuance of the 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

* Preliminary, subject to change.

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

The Bonds will mature as shown on the inside cover page hereof. Interest on the Bonds will be payable each June 1 and December 1, commencing December 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 Bonds are not subject to optional redemption prior to maturity.

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

FOR THE BONDS DUE DECEMBER 1, 20__

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

FOR THE BONDS DUE DECEMBER 1, 20__

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

On or prior to the 60th day preceding any mandatory redemption date, the Registrar may, and if directed by the District shall, purchase Bonds required to be retired on such mandatory redemption date. Any such Bonds so purchased shall be cancelled and the principal amount thereof shall be credited against the mandatory redemption required on such next mandatory redemption date.

General. 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.

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.

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

SECURITY

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

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

The Bonds constitute one of five series of limited bonds of the District that are payable from the Base. Payments on the Bonds from the Base will be made on a parity with the payments on the District’s outstanding General Obligation Limited Tax School Bonds, Series 2016, dated March 30, 2016 (the “*Series 2016 Bonds*”), General Obligation Limited Tax School Bonds, Series 2017, dated February 9, 2017 (the “*Series 2017 Bonds*”), General Obligation Limited Tax School Bonds, Series 2020, dated September 2, 2020 (the “*Series 2020 Bonds*”), and General Obligation Limited Tax School Bonds, Series 2025, dated March 12, 2025 (the “*Series 2025 Bonds*” and, together with the Series 2016 Bonds, the Series 2017 Bonds and the Series 2020 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 2026 have been determined to be \$7,315,637.74, which is calculated from an original Base of \$4,893,766.00 as increased annually by CPI as described above.

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

DEBT SERVICE EXTENSION BASE AVAILABILITY AFTER ISSUANCE OF THE BONDS

LEVY YEAR	DEBT SERVICE ON OUTSTANDING LIMITED BONDS	PLUS: DEBT SERVICE ON THE BONDS ⁽¹⁾⁽²⁾	TOTAL DEBT SERVICE ON LIMITED BONDS ⁽¹⁾⁽²⁾	DEBT SERVICE EXTENSION BASE ⁽³⁾	UNUSED DEBT SERVICE EXTENSION BASE ⁽¹⁾⁽³⁾
2026	\$6,559,250.00	\$ 756,137.74	\$7,315,387.74	\$7,315,637.74	\$ 250.00
2027	6,653,650.00	808,177.40	7,461,827.40	7,461,950.49	123.09
2028	6,252,150.00	1,355,500.00	7,607,650.00	7,611,189.50	3,539.50
2029	6,403,250.00	1,359,250.00	7,762,500.00	7,763,413.29	913.29
2030	5,475,750.00	1,217,500.00	6,693,250.00	7,918,681.56	1,225,431.56
2031		7,032,500.00	7,032,500.00	8,077,055.19	1,044,555.19
2032		7,191,750.00	7,191,750.00	8,238,596.30	1,046,846.30
2033		7,358,500.00	7,358,500.00	8,403,368.22	1,044,868.22
2034		5,801,250.00	5,801,250.00	8,571,435.59	2,770,185.59

(1) Does not include capitalized interest.

(2) Preliminary, subject to change.

(3) The CPI increase affecting levy years 2027 and thereafter is estimated to be 2.0% per year. In order to access the growth of the Base, if any, the Board will need to adopt a supplemental tax levy resolution each year and file the same with the County Clerk (as hereinafter defined). If actual CPI increases are less than expected or if the Base does not otherwise increase, the District will pay debt service on the Bonds in excess of the Base from funds on hand and lawfully available for that purpose.

The Bond Resolution provides for the levy of ad valorem taxes, unlimited as to rate, upon all taxable property within the District in amounts to pay, as and when due, principal of and interest on the Bonds to the amount of the Base as determined for the 2026 levy year, less amounts levied to pay the Outstanding Limited Bonds and amounts expected to be paid from proceeds of the Bonds. A portion of the interest due on the Bonds through June 1, 2028, will be payable from proceeds of the Bonds. If actual CPI increases are less than expected or if the Base does not otherwise increase, the District will pay debt service on the Bonds in excess of the Base from funds on hand and lawfully available for that purpose. The Bond Resolution will be filed with the County Clerk of Cook County, Illinois (the “County Clerk”) and will serve as authorization to the County Clerk to extend and collect the property taxes as set forth in the Bond Resolution.

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

USE OF PROCEEDS

THE PROJECT

A portion of the proceeds of the Bonds will be used to increase the District’s Working Cash Fund. After proper abatement and transfer from the Working Cash Fund, such proceeds will be used to be used to repair and replace HVAC systems, upgrade playgrounds, repair and replace roofing, repair and replace flooring, upgrade lighting, resurface asphalt and concrete surfaces, and other maintenance (the “Project”). The District expects to complete the Project within three years.

SOURCES AND USES

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

SOURCES:

Principal Amount	\$	
[Net]Original Issue Premium		_____

Total Sources	\$	
---------------	----	--

USES:

Deposit to Working Cash Fund	\$	
To Pay Capitalized Interest on the Bonds		
Costs of Issuance ⁽¹⁾		_____

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 10.95% 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 7.69% 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 Moody's Investors Service, New York, New York ("Moody's"). The rating can be changed or withdrawn at any time for reasons both under and outside the District's control. Any change, withdrawal or combination thereof could adversely affect the ability of investors to sell the Bonds or may affect the price at which they can be sold.

SECONDARY MARKET FOR THE BONDS

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

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

CONTINUING DISCLOSURE

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

SUITABILITY OF INVESTMENT

The interest rates borne by the Bonds are intended to compensate the investor for assuming the risk of investing in the Bonds. Furthermore, the tax-exempt feature of the Bonds is currently more valuable to high tax bracket investors than to investors that are in low tax brackets. As such, the value of the interest compensation to any particular investor will vary with individual tax rates and circumstances. Each prospective investor should carefully examine this Official Statement and its own financial condition to make a judgment as to its ability to bear the economic risk of such an investment, and whether or not the Bonds are an appropriate investment for such investor.

FUTURE CHANGES IN LAWS

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

FACTORS RELATING TO TAX EXEMPTION

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

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

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

CYBERSECURITY

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

BANKRUPTCY

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

THE DISTRICT

GENERAL DESCRIPTION

The District is located in Cook County, Illinois (the "*County*") about 25 miles northwest of Chicago and 15 miles from O'Hare International Airport. The District serves major portions of the City of Rolling Meadows (the "*City*") and the Village of Palatine (the "*Village*"), as well as a small portion of the Villages of Arlington Heights ("*Arlington Heights*"), Hoffman Estates, Inverness, Schaumburg and South Barrington. The District is the second largest elementary school district in the State, with 19 school buildings and four additional facilities. The District currently employs approximately 1,825 full-time staff.

The area's extension transportation network includes Interstate 90, State Highway 53 and U.S. Route 12. The District is also located close to Interstates 290 and 355. Commuter rail transportation is available in the Village on the Union Pacific/Northwest Line. Students attend Palatine, Fremd, and Rolling Meadows High Schools. William Rainey Harper Community College District No. 512 is located within the boundaries of the District. Higher educational opportunities are also available at the many universities located throughout the Chicagoland area.

The Village has several large industrial areas and large shopping centers and is experiencing residential growth in new townhome and single-family home developments. The Village is home to an Amazon warehouse as well as a new 350,000 square foot warehouse in its Downtown TIF (as hereinafter defined) District. Nearby Rolling Meadows is experiencing retail growth and the Southpoint Shopping Center in Arlington Heights is undergoing new development, including an At Home Superstore occupying what was vacant retail space. In nearby Schaumburg, the District at Veridian, a mixed-use 225-acre development that includes residential buildings, restaurants, grocery store and entertainment venues is expected to be completed in early 2026.

In September 2021, the Chicago Bears (the "*Bears*") officials announced they had signed an agreement to purchase the Arlington Park Racetrack, 326 acres of land in Arlington Heights within the District. The Bears closed on the purchase of the land in February 2023 and the racetrack was demolished. The Bears are exploring the potential redevelopment of the area site including a mixed-use development and an NFL stadium. The District and other taxing bodies have met with the Bears administrative staff to discuss the future development and the needs of the community. The District cannot make any representations regarding the timing of such development, the assessed value attributable thereto, or any tax incentive program that may affect the District's revenue resulting from such development.

EDUCATIONAL FACILITIES

Pursuant to the District’s Moving 15 Forward Plan, the District’s schools were recently reorganized. The District now operates 13 elementary schools, five middle schools and one therapeutic day school.

FACILITY	GRADES
Central Road School.....	Pre-K-5
Kimball Hill School.....	Pre-K-5
Pleasant Hill School.....	Pre-K-5
Hunting Ridge School	Pre-K-5
Jane Addams School.....	K-5
Marion Jordan School.....	K-5
Stuart R. Paddock School	K-5
Frank C. Whiteley School	K-5
Gray M. Sanborn School	K-5
Virginia Lake School.....	K-5
Lake Louise School	K-5
Lincoln School.....	K-5
Willow Bend School.....	K-5
Plum Grove Middle School	6-8
Thomas Jefferson Middle School.....	6-8
Carl Sandburg Middle School.....	6-8
Winston Campus Middle School.....	6-8
Walter R. Sundling Middle School	6-8
John G. Conyers Learning Academy	Pre-K-8

Source: The District.

DISTRICT ADMINISTRATION

The District is governed by an elected seven-member Board and a full-time administrative staff. 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. Laurie Heinz ⁽¹⁾	Superintendent	2019
Diana McCluskey	Chief School Business Official	2020
Anthony Fashoda	Director of Fiscal Services	2023

(1) Dr. Laurie Heinz will be retiring at the end of the the school year on June 30, 2026. The District has named Dr. Dana Smith as to be the new Superintendent effective July 1, 2026.

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
Samantha Bray Ader	President	April 2027
Frank J. Annerino	Vice President	April 2029
James Taylor	Secretary	April 2029
Eric Bachmann	Member	April 2029
Wenda Hunt	Member	April 2027
Zubair Khan	Member	April 2027
Lisa Beth Szczupaj	Member	April 2029

ENROLLMENT

HISTORICAL		PROJECTED	
2021/2022	11,080	2026/2027	11,334
2022/2023	11,037	2027/2028	11,289
2023/2024	11,109	2028/2029	11,335
2024/2025	11,249	2029/2030	11,347
2025/2026	11,394	2030/2031	11,340

Source: The District.

EMPLOYEE UNION MEMBERSHIP AND RELATIONS

At the start of the 2025-2026 school year, the District had 1,500 full-time employees and 700 part-time employees. Of the total number of employees, approximately 1,400 are represented by a union. Employee-union relations are considered to be good. District personnel are organized as follows:

EMPLOYEE GROUP	CONTRACT EXPIRES	UNION AFFILIATION	NUMBER OF MEMBERS
Teachers	June 2030	IEA	966
Support Staff	June 2027	IEA	240
Transportation	June 2028	IEA	78
Custodians/Maintenance	June 2029	SEIU	91
Therapists	June 2027	IFT	25

POPULATION DATA

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

NAME OF ENTITY	2000	2010	2020	% CHANGE 2010/2020
The City	24,604	24,099	23,288	-3.37%
The Village	65,524	51,878	47,290	-8.84%
The County	5,376,741	5,194,675	5,275,541	+1.56%
The State	12,419,293	12,830,632	12,812,508	-0.14%

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

EDUCATIONAL CHARACTERISTICS OF PERSONS 25 YEARS AND OLDER

NAME OF ENTITY	HIGH SCHOOL GRADUATES	BACHELOR'S DEGREE OR HIGHER
The City	89.2%	43.7%
The Village	91.8%	51.1%
The County	88.6%	42.7%
The State	90.5%	37.8%

Source: U.S. Census Bureau (2020-2024 American Community Survey).

FINANCIAL INFORMATION AND ECONOMIC CHARACTERISTICS OF THE DISTRICT

DIRECT GENERAL OBLIGATION BONDS (PRINCIPAL ONLY)*

CALENDAR YEAR	SERIES 2016 BONDS (DECEMBER 1)	SERIES 2017 BONDS (DECEMBER 1)	SERIES 2020 BONDS (DECEMBER 1)	SERIES 2023 BONDS ⁽¹⁾ (DECEMBER 1)	SERIES 2023A BONDS ⁽²⁾ (DECEMBER 15)	SERIES 2025 BONDS (DECEMBER 1)	PLUS: THE BONDS ⁽⁴⁾ (DECEMBER 1)	TOTAL OUTSTANDING BONDS ⁽⁴⁾
2026	\$3,075,000	\$2,100,000		\$ 2,610,000	\$ 145,000	\$ 420,000		\$ 8,350,000
2027	2,860,000	1,890,000	\$ 540,000	1,615,000	1,280,000			8,185,000
2028			5,630,000	1,595,000	1,445,000			8,670,000
2029			4,330,000	1,670,000	1,525,000	1,180,000	\$ 125,000	8,830,000
2030				1,760,000	1,600,000	5,850,000	135,000	9,345,000
2031				1,845,000	1,685,000	5,215,000		8,745,000
2032				1,935,000	1,775,000		5,815,000	9,525,000
2033				2,035,000	1,860,000		6,265,000	10,160,000
2034				2,135,000	1,955,000		6,745,000	10,835,000
2035				2,240,000	2,055,000		5,525,000	9,820,000
2036				2,355,000	2,150,000			4,505,000
2037				2,470,000	2,265,000			4,735,000
2038				2,595,000	2,375,000			4,970,000
2039				2,720,000	2,500,000			5,220,000
2040				2,860,000	2,625,000			5,485,000
2041				3,000,000	2,760,000			5,760,000
2042				3,120,000	2,895,000			6,015,000
2043					6,325,000 ⁽³⁾			6,325,000
TOTAL	\$5,935,000	\$3,990,000	\$10,500,000	\$38,560,000	\$39,220,000	\$12,665,000	\$24,610,000	\$135,480,000

* Does not include alternate revenue bonds, which, under the Debt Reform Act, are not included in the computation of indebtedness of the District unless the taxes levied to pay the principal of and interest on the alternate revenue bonds are extended for collection by the County Clerk.

- (1) General Obligation School Bonds, Series 2023, dated February 1, 2023 (the "Series 2023 Bonds").
- (2) General Obligation School Bonds, Series 2023A, dated November 2, 2023 (the "Series 2023A Bonds").
- (3) November 1, 2043, maturity.
- (4) Preliminary, subject to change.

DIRECT GENERAL OBLIGATION BONDS (PRINCIPAL AND INTEREST)*

LEVY YEAR	SERIES 2016 BONDS	SERIES 2017 BONDS	SERIES 2020 BONDS	SERIES 2023 BONDS	SERIES 2023A BONDS	SERIES 2025 BONDS	PLUS: THE BONDS ⁽¹⁾⁽²⁾	TOTAL DEBT SERVICE ON OUTSTANDING BONDS ⁽²⁾
2026	\$3,003,000.00	\$1,965,600.00	\$ 978,400.00	\$ 3,351,300.00	\$ 3,254,625.00	\$ 612,250.00	\$ 756,137.74	\$ 13,921,312.74
2027			6,041,400.00	3,250,550.00	3,352,425.00	612,250.00	808,177.40	14,064,802.40
2028			4,459,900.00	3,245,800.00	3,356,562.50	1,792,250.00	1,355,500.00	14,210,013.00
2029				3,252,300.00	3,351,500.00	6,403,250.00	1,359,250.00	14,366,300.00
2030				3,249,300.00	3,352,500.00	5,475,750.00	1,217,500.00	13,295,050.00
2031				3,247,050.00	3,358,250.00		7,032,500.00	13,637,800.00
2032				3,250,300.00	3,354,500.00		7,191,750.00	13,796,550.00
2033				3,248,550.00	3,356,500.00		7,358,500.00	13,963,550.00
2034				3,246,800.00	3,358,750.00		5,801,250.00	12,406,800.00
2035				3,249,800.00	3,351,000.00			6,600,800.00
2036				3,247,050.00	3,358,500.00			6,605,550.00
2037				3,248,550.00	3,355,250.00			6,603,800.00
2038				3,243,800.00	3,361,500.00			6,605,300.00
2039				3,247,800.00	3,355,250.00			6,603,050.00
2040				3,244,800.00	3,359,000.00			6,603,800.00
2041				3,244,800.00	3,356,000.00			6,600,800.00
2042					6,602,597.22			6,602,597.00
TOTAL	\$3,003,000.00	\$1,965,600.00	\$11,479,700.00	\$52,068,550.00	\$60,194,710.72	\$14,895,750.00	\$32,880,565.14	\$176,487,875.14

* Does not include alternate revenue bonds, which, under the Debt Reform Act, are not included in the computation of indebtedness of the District unless the taxes levied to pay the principal of and interest on the alternate revenue bonds are extended for collection by the County Clerk.

(1) Does not include capitalized interest.

(2) Preliminary, subject to change.

ALTERNATE REVENUE BONDS (PRINCIPAL ONLY)

CALENDAR YEAR	SERIES 2023B BONDS ⁽¹⁾ (JUNE 15)
2026	\$ 1,255,000
2027	1,320,000
2028	1,385,000
2029	1,455,000
2030	1,530,000
2031	1,605,000
2032	1,685,000
2033	1,770,000
2034	1,860,000
2035	1,950,000
2036	2,050,000
2037	2,150,000
2038	2,265,000
2039	2,380,000
2040	2,505,000
2041	2,640,000
2042	2,775,000
2043	2,925,000
TOTAL	\$35,505,000

(1) General Obligation School Bonds (Alternate Revenue Source), Series 2023B, dated November 2, 2023.

OVERLAPPING GENERAL OBLIGATION BONDS
(As of March 9, 2026)

TAXING BODY	OUTSTANDING BONDS ⁽¹⁾	APPLICABLE TO DISTRICT	
		PERCENT	AMOUNT
The County	\$1,760,191,750	2.095%	\$36,873,710
Cook County Forest Preserve District	39,410,000	2.095%	825,588
Metropolitan Water Reclamation District	1,763,710,000	2.130%	37,562,176
Village of Arlington Heights	55,060,000	3.746%	2,062,281
Village of Hoffman Estates	79,498,755	18.913%	15,035,482
The Village	20,440,000	99.994%	20,438,683
The City	19,745,000	88.845%	17,542,432
Village of Schaumburg	236,580,000	3.177%	7,516,233
Inverness Fire Protection District	1,370,000	96.166%	1,317,481
Long Grove Fire Protection District	14,940,000	5.236%	782,313
Palatine Public Library District	0	99.703%	0
Arlington Heights Park District	5,003,990	1.165%	58,286
Hoffman Estates Park District	3,265,000	15.089%	492,655
Palatine Park District	3,194,935	99.693%	3,185,129
Salt Creek Rural Park District	850,000	100.000%	850,000
Schaumburg Park District	13,054,250	0.205%	26,752
South Barrington Park District	0	1.433%	0
Arlington Heights High School District Number 214	13,270,000	5.574%	739,617
William Rainey Harper Comm. College Dist. No. 512	196,740,000	18.027%	<u>35,465,940</u>
TOTAL OVERLAPPING GENERAL OBLIGATION BONDS			\$180,774,756

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

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

SELECTED FINANCIAL INFORMATION

(After issuance of the Bonds)

2024 Estimated Full Value of Taxable Property:	\$13,981,446,303
2024 EAV:	\$4,660,482,101 ⁽¹⁾
Population Estimate:	118,374
General Obligation Bonds:	\$ 135,335,000 ⁽²⁾⁽³⁾
Other Direct General Obligation Debt:	\$ 696,648 ⁽⁴⁾
Total Direct General Obligation Debt:	\$ 136,031,648 ⁽²⁾
Percentage to Full Value of Taxable Property:	0.97% ⁽²⁾
Percentage to EAV:	2.92% ⁽²⁾
Debt Limit (6.9% of EAV):	\$ 321,573,265
Percentage of Debt Limit:	42.30% ⁽²⁾
Per Capita:	\$ 1,149 ⁽²⁾
General Obligation Bonds:	\$ 135,335,00 ⁽²⁾⁽³⁾
Overlapping General Obligation Bonds:	\$ 180,774,756
General Obligation Bonds and Overlapping General Obligation Bonds:	\$ 316,109,756 ⁽²⁾
Percentage to Full Value of Taxable Property:	2.26% ⁽²⁾
Percentage to EAV:	6.78% ⁽²⁾
Per Capita:	\$ 2,670 ⁽²⁾

- (1) Includes Incremental EAV (as hereinafter defined) in the amount of \$280,974,125. See "Tax Increment Financing Districts Located Within the District."
 (2) Preliminary, subject to change.
 (3) Does not include alternate revenue bonds which, under the Debt Reform Act, are not included in the computation of indebtedness of the District unless the taxes levied to pay the principal of and interest on the alternate revenue bonds are extended for collection by the County Clerk.
 (4) This amount consists of outstanding payments due pursuant to lease agreements.

COMPOSITION OF EAV

	2020	2021	2022	2023	2024
By Property Type					
Residential	\$2,946,461,307	\$2,729,236,869	\$3,336,127,078	\$3,427,260,857	\$3,445,880,980
Farm	37,660	37,660	37,542	33,189	24,839
Commercial	757,137,599	703,824,489	766,219,750	802,204,168	694,262,693
Industrial	207,625,063	183,347,143	207,175,927	217,098,013	235,299,880
Railroad	<u>3,300,416</u>	<u>3,300,416</u>	<u>3,939,779</u>	<u>4,259,217</u>	<u>4,039,584</u>
Total EAV ⁽¹⁾	\$3,914,562,045	\$3,619,746,577	\$4,313,500,076	\$4,450,855,444	\$4,379,507,976

Source: Cook County Clerk's Office.

- (1) Does not include Incremental EAV.

TREND OF EAV

LEVY YEAR	EAV ⁽¹⁾	% CHANGE IN EAV FROM PREVIOUS YEAR
2020	\$3,914,562,045	+0.47% ⁽²⁾
2021	3,619,746,577	-7.53%
2022	4,313,500,076	+19.17% ⁽³⁾
2023	4,450,855,444	+3.18%
2024	4,379,507,976	-1.60%

Source: Cook County Clerk's Office.

(1) Does not include Incremental EAV.

(2) Based on the District's \$3,896,110,817 2019 EAV.

(3) Reassessment year.

NEW PROPERTY

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

LEVY YEAR	NEW PROPERTY
2020	\$15,392,596 ⁽¹⁾
2021	9,899,513
2022	17,669,073
2023	5,774,653
2024	24,785,450

Source: Cook County Clerk's Office.

(1) Includes recovered Incremental EAV from expired TIF districts (as hereinafter defined).

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 City is in the process of creating two additional TIF districts. Algonquin Road/Orchard Drive and Algonquin Road/Keystone Court. Both TIF district are expected to begin with tax levy year 2026.

LOCATION/ NAME OF TIF	YEAR ESTABLISHED	BASE EAV	2024 EAV	INCREMENTAL EAV
The Village – Downtown ⁽¹⁾	1999	\$18,554,866	\$103,712,091	\$ 85,157,225
The Village – Rand Road ⁽²⁾	2002	46,960,068	96,440,584	49,480,516
The Village – Rand/Lake Cook ⁽³⁾	2012	23,825,193	39,992,028	16,166,835
The Village – Dundee Rd & IL 53 TIF	2024	27,518,590	28,749,358	1,230,768
The City – Kirchoff/Owl ⁽⁴⁾	2002	1,541,994	37,041,260	22,725,131
The City – Golf Road Conservation	2015	1,258,296	6,458,363	5,200,067
Village of Schaumburg – North Schaumburg ⁽⁵⁾	2014	69,941,400	176,155,050	106,213,650
		Total Incremental EAV		\$ 280,974,125
			2024 EAV	4,379,507,976
			Enterprise Zone EAV	0
			Total EAV	\$4,660,482,101

Source: Cook County Clerk’s Office.

- (1) The Downtown TIF was extended to 2034. The District and Township High School District Number 211, Cook County, Illinois, have entered into an intergovernmental agreement with the Village regarding the extension to distribute 100% of the incremental taxes beginning in year 3 (fiscal year 2025) of the extension. The District anticipates receiving \$2,800,000 annually thereafter until the TIF expires or is dissolved early by the Village. The District received \$2,446,000 from the Village in September 2025. The payments expected from the Village pursuant to the agreement have been delayed as a result of the tax billing and collection issues at the County level. See “REAL PROPERTY ASSESSMENT, TAX LEVY AND COLLECTION PROCEDURES—Collections” herein for further explanation.
- (2) The Rand Road TIF expires beginning with tax levy year 2026. The District anticipates the Incremental EAV will generate an additional \$1,600,000 of tax revenues in tax levy year 2026. In fiscal year 2026, the Village distributed surplus revenues in the amount of \$562,500.
- (3) The Village distributes surplus revenue in the amount of \$400,000 annually.
- (4) The Kirchoff/Owl TIF expires beginning with tax levy year 2026. The District anticipates the Incremental EAV will generate an additional \$181,000 of tax revenues in tax levy year 2026.
- (5) The Village of Schaumburg has proposed amending the North Schaumburg to add some additional parcels to the TIF district. This will not affect the timing of its expiration.

TAXES EXTENDED AND COLLECTED

TAX LEVY YEAR/ COLLECTION YEAR	TAXES EXTENDED	TAXES COLLECTED AND DISTRIBUTED	PERCENT COLLECTED
2020/21	\$139,515,008	\$140,186,340	100.48%
2021/22	143,160,991	144,003,189	100.59%
2022/23	158,434,872	159,068,368	100.40%
2023/24	165,304,563	163,489,462	98.90%
2024/25 ⁽¹⁾	171,989,541	86,779,381	50.46%

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

(1) Collections as of December 31, 2025.

SCHOOL DISTRICT TAX RATES BY PURPOSE

(Per \$100 EAV)

PURPOSE	2020	2021	2022	2023	2024	MAXIMUM RATE ⁽¹⁾
Educational Fund	\$2.6420	\$2.8518	\$2.5156	\$2.6772	\$2.7910	None
IMRF	0.0658	0.0770	0.0709	0.0270	0.0628	None
Social Security	0.0763	0.0893	0.0827	0.0387	0.0628	None
Liability Insurance	0.0447	0.0524	0.0487	0.0377	0.0337	None
Transportation	0.1184	0.1386	0.1075	0.1075	0.1115	None
Building	0.4269	0.4997	0.4558	0.4561	0.4732	\$0.5500
Building Bonds	0.0000	0.0000	0.1581	0.1558	0.1554	None
Special Education	0.0316	0.0370	0.0337	0.0337	0.0350	0.4000
Limited Bonds	0.1576	0.1720	0.1466	0.1442	0.1627	None
Revenue Recapture ⁽²⁾	<u>0.0000</u>	<u>0.0371</u>	<u>0.0530</u>	<u>0.0359</u>	<u>0.0390</u>	None
Total	\$3.5633	\$3.9549	\$3.6726	\$3.7138	\$3.9271	

Source: Cook County Clerk’s Office.

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

(2) 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	\$3.5633	\$3.9549	\$3.6726	\$3.7138	\$3.9271
The County	0.4530	0.4460	0.4310	0.3860	0.3905
Consolidated Elections	0.0000	0.0190	0.0000	0.0320	0.0000
Cook County Forest Preserve District	0.0580	0.0580	0.0810	0.0750	0.0686
Palatine Township	0.0550	0.0600	0.0500	0.0490	0.0491
Palatine Township General Assistance	0.0070	0.0080	0.0070	0.0060	0.0060
Palatine Township Road and Bridge	0.0680	0.0740	0.0600	0.0540	0.0519
The Village	1.1330	1.2270	1.0080	0.9780	0.9702
High School District Number 211	2.7870	3.0200	2.7100	2.7510	2.9655
Community College District No. 512	0.4090	0.4570	0.4100	0.4130	0.4336
Palatine Park District	0.6500	0.7110	0.6370	0.6490	0.6857
Palatine Library	0.3530	0.3880	0.3460	0.3530	0.3698
Metropolitan Water Reclamation Dist.	0.3780	0.3820	0.3740	0.3450	0.3404
Northwest Mosquito Abatement Dist.	<u>0.0100</u>	<u>0.0110</u>	<u>0.0090</u>	<u>0.0100</u>	<u>0.0105</u>
TOTAL ⁽¹⁾	\$9.9243	\$10.8159	\$9.7956	\$9.8148	\$10.2688

Source: Cook County Clerk's Office.

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

TEN LARGEST TAXPAYERS

TAXPAYER NAME	DESCRIPTION	2024 EAV	PERCENT OF DISTRICT'S TOTAL EAV
Albion	Apartments	\$54,539,499	1.17%
Chicago Bears Football Club ⁽¹⁾	Commercial property	37,874,166	0.81%
Finger-Epco Algonquin LLC	Distribution center	31,397,269	0.67%
Individual	Apartments	27,015,950	0.58%
Arthur J. Gallagher & Co.	Commercial office buildings	25,720,315	0.55%
Tree House Venture II	Apartments	25,317,488	0.54%
3800 GR Owner LLC	Office building	23,604,983	0.51%
Northrop Grumman Corp.	Military Electronics	20,489,659	0.44%
Palatine Corporate	Warehouse and distribution center	19,007,582	0.41%
TMIF II Clayson LLC	Apartments	<u>16,322,114</u>	<u>0.35%</u>
		\$281,289,025	6.04%

Source: Cook County Clerk's Office, except for taxpayer descriptions which are based on information publicly available to the District.

The above taxpayers represent 6.04% of the District's \$4,660,482,101 2024 EAV (including Incremental EAV). A breakdown of taxpayer for tax levy year 2024 is not currently available. 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.

(1) See "THE DISTRICT—General Description" herein for more information.

RETAILERS’ OCCUPATION TAX AND SERVICE OCCUPATION TAX

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

CALENDAR YEAR	STATE SALES TAX DISTRIBUTION ⁽¹⁾	
	THE CITY	THE VILLAGE
2021	\$3,925,311	\$11,079,289
2022	4,181,931	11,765,554
2023	4,140,107	12,145,952
2024	4,277,984	12,307,966
2025	5,813,134	13,148,603

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 City, the Village, less a State administration fee. The municipal 1% sales tax includes tax receipts from the sale of food and drugs which are not taxed by the State.

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	\$2,454,373
2022	5,306,790
2023	5,537,990
2024	3,337,079
2025	1,851,886

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

The Department estimates that the District will receive CPPRT revenues of approximately \$2,466,879 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
Northrop Grumman Corp.	Military electronic systems	Rolling Meadows	2,800
Nation Pizza & Foods	Dough related items, including pizzas	Schaumburg	2,000
Crystal Clean, LLC	Cleaning equipment leasing and servicing	Hoffman Estates	1,900
Ascension St. Alexius Medical Center	Hospital	Hoffman Estates	1,800
OptumRx, Inc.	Pharmacy software and automation services	Schaumburg	800
Paylocity Corp.	SaaS human capital management software development and payroll processing services	Schaumburg	800
Executive Building Maintenance, Inc.	Janitorial and staffing services	Schaumburg	630
CDK Global	Integrated information technology	Hoffman Estates	600
Primary Products Ingredients Americas, LLC	Corn-based food ingredients	Schaumburg	600
Siemens Healthcare Diagnostics, Inc.	Nuclear medical imaging cameras	Hoffman Estates	550
Ascent Industries Co.	Textile, paper, coating and cleaning chemicals	Schaumburg	517
Kelso-Burnett Co.	Electrical construction contracting	Rolling Meadows	500
Plote Construction, Inc.	Asphalt paving	Hoffman Estates	500
United Parcel Service, Inc.	Local and long-distance trucking services	Palatine	500

Source: 2026 Illinois Manufacturers Directory, 2026 Illinois Services Directory and the Illinois Department of Commerce and Economic Opportunity.

UNEMPLOYMENT RATES

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

	THE CITY	THE VILLAGE	THE COUNTY	THE STATE
2021 – Average	4.9%	4.7%	7.0%	6.1%
2022 – Average	4.0%	3.8%	5.0%	4.6%
2023 – Average	3.5%	3.6%	4.5%	4.5%
2024 – Average	4.4%	4.3%	5.4%	5.0%
2025 – Average	N/A	4.1%	5.1%	4.7%

Source: State of Illinois Department of Employment Security.

HOUSING VALUE AND INCOME STATISTICS

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

	THE CITY	THE VILLAGE	THE COUNTY	THE STATE
Median Home Value	\$326,200	\$355,600	\$324,500	\$263,300
Median Household Income	98,514	97,819	83,498	83,390
Median Family Income	117,949	129,806	104,836	106,018
Per Capita Income	46,120	51,147	49,329	46,406

Source: U.S. Census Bureau (2020-2024 American Community Survey).

SHORT-TERM BORROWING

The District issued Taxable 2021 Bond and Interest Purposes Tax Anticipation Warrants, to the amount of \$1,610,000, dated November 1, 2022, and due on January 11, 2023, its Taxable 2021 Educational Purposes Tax Anticipation Warrants, to the amount of \$11,390,000, dated November 1, 2022, and due on January 11, 2023, its Taxable 2024 Educational Purposes Tax Anticipation Warrants, to the amount of \$20,000,000, dated October 14, 2025, and due on February 17, 2026, and its Taxable 2024 Bond and Interest Purposes Tax Anticipation Warrants, to the amount of \$5,000,000, dated October 14, 2025, and due on February 17, 2026 (collectively, the “TAWs”). The TAWs are no longer outstanding. The District issued the TAWs in anticipation of delayed receipt of amounts related to the second installment of County property tax bills for calendar years 2022 and 2025. See “REAL PROPERTY ASSESSMENT, TAX LEVY AND COLLECTION PROCEDURES - Collections” herein for further explanation.

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	\$117,983
2022	118,080
2023	120,831
2024	127,525
2025	134,167

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 the County. There can be no assurance that the procedures described herein will not change.

REAL PROPERTY ASSESSMENT

The County Assessor (the "*Assessor*") is responsible for the assessment of all taxable real property within the County, including such property located within the boundaries of the District, except for certain railroad property, pollution control facilities and low sulfur dioxide emission coal-fueled devices, which are assessed directly by the Department. For triennial reassessment purposes, Cook County is divided into three Districts: west and south suburbs (the "*South Tri*"), north and northwest suburbs (the "*North Tri*"), and the City of Chicago (the "*City Tri*"). The District is located in the North Tri and was last reassessed for the 2022 tax levy year. The District will next be reassessed for the 2025 levy year.

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

Property is classified for assessment into six basic categories, each of which is assessed at various percentages of fair market value as follows: Class 1 - unimproved real estate (10%); Class 2 - residential (10%); Class 3 - rental-residential (16% in tax year 2009, 13% in tax year

2010, and 10% in tax year 2011 and subsequent years); Class 4 - not-for-profit (25%); Class 5a - commercial (25%); and Class 5b - industrial (25%).

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

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

The Assessor has established procedures enabling taxpayers to contest their proposed Assessed Valuations. Once the Assessor certifies its final Assessed Valuations, a taxpayer can seek review of its assessment by appealing to the Cook County Board of Review (the "Board of

Review”), which consists of three commissioners elected by the voters of the County. The Board of Review has the power to adjust the Assessed Valuations set by the Assessor.

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

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

EQUALIZATION

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

TAX LEVY YEAR	EQUALIZATION FACTOR
2015	2.6685
2016	2.8032
2017	2.9627
2018	2.9109
2019	2.9160
2020	3.2234
2021	3.0027
2022	2.9237
2023	3.0163
2024	3.0355

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

EXEMPTIONS

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

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

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

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

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

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

is equal to the greater of the amount calculated as described in the previous sentence (as more completely set forth in the Property Tax Code) or \$2,000.

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

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

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

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

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

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

TAX LEVY

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

PROPERTY TAX EXTENSION LIMITATION LAW

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

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

The District has the authority to levy taxes for many different purposes. See “FINANCIAL INFORMATION AND ECONOMIC CHARACTERISTICS OF THE DISTRICT - School District Tax Rates by Purpose.” The ceiling at any particular time on the rate at which these taxes may be extended for the District is either (a) unlimited (as provided by statute), (b) initially set by statute but permitted to be increased by referendum, (c) capped by statute, or (d) limited to the rate approved by referendum. The only ceiling on a particular tax rate is the ceiling set by statute, at which the rate is not permitted to be further increased by referendum or otherwise. Therefore, taxing Districts (such as the District) have flexibility to levy taxes for the purposes for which they most need the

money. The total aggregate tax rate for the various purposes subject to the Limitation Law, however, will not be allowed to exceed the District's limiting rate computed in accordance with the provisions of the Limitation Law.

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

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

Beginning with levy year 2021, each tax-capped taxing district (such as the District) receives an automatic levy increase in the amount of any property tax refunds paid by such taxing district in the prior year as a result of the issuance of certificates of error, court orders issued in connection with valuation tax objection complaints and Illinois Property Tax Appeal Board (the "PTAB") decisions. For levy year 2024, the additional amount added to the District's tax levy as a result of this change was \$1,707,410.

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

levy amount in a single levy year, the taxing district may increase its aggregate extension in each succeeding levy year until the entire levy amount is recaptured.

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

EXTENSIONS

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

COLLECTIONS

Property taxes are collected by the County Collector, who also serves as the County Treasurer, who remits to each Unit its share of the collections. Taxes levied in one year become payable during the following year in two installments, the first due on March 1 and the second on the later of August 1 or 30 days after the mailing of the tax bills. A payment due is deemed to be paid on time if the payment is postmarked on the due date. Beginning with the first installment payable in 2010, the first installment is equal to 55% of the prior year's tax bill. However, if a Certificate of Error is approved by a court or certified on or before November 30 of the preceding year and before the estimated tax bills are prepared, then the first installment is instead based on the certain percentage of the *corrected* prior year's tax bill. The second installment covers the balance of the current year's tax bill, and is based on the then current tax year levy, Assessed Valuation and Equalization Factor, and reflects any changes from the prior year in those factors. The first installment penalty date has historically been the first business day in March. Pursuant to Public Act 102-1112, the first installment penalty date for levy year 2022 was changed from March 1, 2023 to April 1, 2023. The following table sets forth the second installment penalty date for the last ten tax levy years in the County.

TAX LEVY YEAR	SECOND INSTALLMENT PENALTY DATE
2015	August 1, 2016
2016	August 1, 2017
2017	August 1, 2018
2018	August 1, 2019
2019	August 3, 2020
2020	August 2, 2021
2021	December 30, 2022
2022	December 1, 2023
2023	August 1, 2024
2024	December 15, 2025

As a result of ongoing efforts to modernize technology within various County property tax agencies, personnel shortages and turnover attributable to COVID-19 and the complicated nature of the reassessment of property taxes in the City of Chicago, for the 2021 tax year (for amounts payable in calendar year 2022), the distribution of amounts related to second installment County property tax bills for calendar year 2022 were delayed. Likewise, such distribution of amounts were delayed in calendar year 2023 and 2025. The District issued the TAWs as a result of the delayed tax distributions for calendar years 2022 and 2025. The District did not experience any cash flow issues due to such delay in calendar year 2023.

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

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

UNPAID TAXES AND ANNUAL TAX SALES

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

frame can be shortened to two years. Owners of vacant, commercial and industrial properties have six months to redeem their taxes before the tax buyer can seek ownership of the property.

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

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

SCAVENGER SALES

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

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

TRUTH IN TAXATION LAW

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

SCHOOL DISTRICT FINANCIAL PROFILE

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

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

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

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

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

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

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

FISCAL YEAR (JUNE 30)	ORIGINAL SCORE	DESIGNATION BASED ON ORIGINAL SCORE	ADJUSTED SCORE	DESIGNATION BASED ON ADJUSTED SCORE
2020	3.90	Recognition	3.90	Recognition
2021	3.90	Recognition	3.90	Recognition
2022	3.90	Recognition	3.90	Recognition
2023	3.45	Review	3.45	Review
2024	3.80	Recognition	3.80	Recognition

The Auditor has calculated the District’s Original Score for fiscal year 2025 to be 3.35, which places the District in the Financial Review 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, 10.95% 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 \$15,281,268 (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	\$16,946,225
2022	17,310,018
2023	17,628,807
2024	17,814,128
2025	18,131,844
2026 (projected) ⁽¹⁾	18,593,650

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 allocate 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 \$1,639,716. The District received additional funds in the amount of \$5,915,359 pursuant to ESSER II. Finally, the District received \$13,645,959 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 5 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 5 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	\$660,580
2022	849,617
2023	522,896
2024	797,471
2025	730,246

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 5 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 5 to the Audit for additional information on the IMRF.

Contributions

Both employers and employees contribute to the IMRF. At present, employees contribute 4.50% of their salary to the IMRF, as established by statute. Employers are required to make all additional contributions necessary to fund the benefits provided by the IMRF to its employees. The annual rate at which an employer must contribute to the IMRF is established by the IMRF Board. The District’s contribution rate for calendar year 2024 was 7.80% of covered payroll.

For the fiscal years ended June 30, 2021, through June 30, 2025, the District contributed the following amounts to IMRF:

FISCAL YEAR ENDED JUNE 30	IMRF CONTRIBUTIONS
2021	\$2,306,708
2022	2,175,982
2023	1,876,233
2024	1,947,901
2025	2,146,432 ⁽¹⁾

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

(1) Contribution made for calendar year ended December 31, 2024.

Measures of Financial Position

The following table presents the measures of the IMRF Account’s financial position as of December 31 of the years 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	\$146,156,294	\$150,830,297	\$ (4,674,003)	103.20%	7.25%
2021	151,735,188	170,778,169	(19,042,981)	112.55%	7.25%
2022	157,812,575	141,198,522	16,614,053	89.47%	7.25%
2023	164,086,887	153,538,197	10,548,690	93.57%	7.25%
2024	170,757,901	161,678,289	9,079,612	94.68%	7.25%

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

See Note 5 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 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 \$648,795, and as of June 30, 2025, the Retirees Health Plan had an unfunded actuarial accrued liability of \$12,247,985. For more information regarding the District’s OPEB obligations, see Note 6 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 \$650,695 to the THIS Fund, which was 100% of the required contribution. For more information regarding the District’s THIS Fund obligation, see Note 6 to the Audit.

BOND RATING

Moody's has assigned the Bonds a rating of "Aa2". This rating reflects only the views of Moody's. An explanation of the methodology for such rating may be obtained from Moody's. Certain information concerning the Bonds and the District not included in this Official Statement may have been furnished to Moody's by the District. There is no assurance that the rating will be maintained for any given period of time or that such rating will not be changed by Moody's if, in such rating agency's judgment, circumstances so warrant. Any downward change in or withdrawal of the rating may have an adverse effect on the market price of the Bonds.

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

TAX EXEMPTION

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

CONTINUING DISCLOSURE

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

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

There have been no instances in the previous five years in which the District failed to comply, in all material respects, with any undertaking previously entered into by it pursuant to the Rule. A failure by the District to comply with the Undertaking will not constitute a default under the Bond Resolution and beneficial owners of the Bonds are limited to the remedies described in the Undertaking. The District must report any failure to comply with the Undertaking in accordance with the Rule. Any broker, dealer or municipal securities dealer must consider such report before recommending the purchase or sale of the Bonds in the secondary market. Consequently, such a failure may adversely affect the transferability and liquidity of the Bonds and their market price.

AUDITED FINANCIAL STATEMENTS

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

BOOK-ENTRY ONLY SYSTEM

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

DTC, the world’s largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a “banking organization” within the meaning of the New York Banking Law, a member of the Federal Reserve System, a “clearing corporation” within the meaning of the New York Uniform Commercial Code, and a “clearing agency” registered pursuant to the provisions of Section 17A of the Exchange Act. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC’s participants (“*Direct Participants*”) deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants’ accounts. This eliminates the need for physical movement of securities certificates. Direct Participants

include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation (“DTCC”). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly (“*Indirect Participants*”). DTC has an S&P Global Ratings rating of “AA+”. The DTC Rules applicable to its Participants are on file with the Commission. More information about DTC can be found at www.dtcc.com.

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

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

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

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

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

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

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

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

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

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

CERTAIN LEGAL MATTERS

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

NO LITIGATION

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

UNDERWRITING

The Bonds were offered for sale by the District at a public competitive sale on May 5, 2026. The best bid for the Bonds submitted at the sale was submitted by _____, _____, _____ (the “*Underwriter*”). The District awarded the contract for sale of the Bonds to the Underwriter at a price of \$ _____, reflecting the par amount of the Bonds of \$ _____, plus original issue premium of \$ _____, and less Underwriter’s discount of \$ _____. The Underwriter has 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/

Chief School Business Official
Community Consolidated School District
Number 15, Cook County, Illinois

May __, 2026

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

	Ed ⁽¹⁾	O&M	DEBT SERVICE	TRANS	IMRF	CAP PROJECTS	WORKING CASH	TORT	FIRE	TOTAL
Beginning Balance	\$47,503,345	\$5,364,468	\$3,174,697	\$6,437,900	\$3,036,879	\$371,397	\$117,723	\$116,737	\$19,330	\$66,142,476
Revenues	134,932,948	16,093,314	5,846,294	9,808,008	5,254,306	1,282,150	260	1,717,220	4,041	174,938,541
Expenditures	135,673,495	11,385,476	6,298,276	7,995,604	5,180,173	7,148,598	0	1,428,267	8,240,004	183,349,893
Net Transfers	(2,580,862)	(4,000,000)	80,862	0	0	6,500,000	0	0	0	0
Other Sources (Uses)	0	0	0	0	0	0	0	0	14,715,890	14,715,890
Ending Balance, 6/30/21	\$44,181,936	\$6,072,306	\$2,803,577	\$8,250,304	\$3,111,012	\$1,004,949	\$117,983	\$405,690	\$6,499,257	\$72,447,014
Beginning Balance	\$44,181,936	\$6,072,306	\$2,803,577	\$8,250,304	\$3,111,012	\$1,004,949	\$117,983	\$405,690	\$6,499,257	\$72,447,014
Revenues	150,234,266	18,699,560	6,175,264	9,630,985	5,947,648	1,605,377	97	1,814,656	2,713	194,110,566
Expenditures	144,284,022	12,564,514	5,785,642	8,669,911	5,188,250	3,916,921	0	1,565,209	6,436,525	188,410,994
Net Transfers	(1,080,862)	(4,000,000)	80,862	0	0	5,000,000	0	0	0	0
Other Sources (Uses)	0	0	0	0	0	0	0	0	0	0
Ending Balance, 6/30/22	\$49,051,318	\$8,207,352	\$3,274,061	\$9,211,378	\$3,870,410	\$3,693,405	\$118,080	\$655,137	\$65,445	\$78,146,586
Beginning Balance	\$49,051,318	\$8,207,352	\$3,274,061	\$9,211,378	\$3,870,410	\$3,693,405	\$118,080	\$655,137	\$65,445	\$78,146,586
Revenues	143,419,601	19,586,443	9,148,176	9,350,857	6,251,822	556,461	2,751	1,904,017	24,843	190,244,971
Expenditures	152,218,113	12,764,355	7,401,278	8,456,501	5,049,624	23,361,947	0	1,579,536	9,224	210,840,578
Net Transfers	4,749,223	(5,000,000)	102,313	(4,750,000)	0	5,000,000	0	0	0	101,536
Other Sources (Uses)	0	0	551,349	4,000	0	50,001,758	0	0	0	50,557,107
Ending Balance, 6/30/23	\$45,002,029	\$10,029,440	\$5,674,621	\$5,359,734	\$5,072,608	\$35,889,677	\$120,831	\$979,618	\$81,064	\$108,209,622
Beginning Balance	\$45,002,029	\$10,029,440	\$5,674,621	\$5,359,734	\$5,072,608	\$35,889,677	\$120,831	\$979,618	\$81,064	\$108,209,622
Revenues	164,986,072	22,697,564	13,553,145	9,524,912	5,330,937	4,801,083	6,694	1,944,324	7,011	222,851,742
Expenditures	161,647,871	14,072,295	17,294,455	8,904,040	5,485,280	78,131,867	0	1,691,147	0	287,226,955
Net Transfers	77,092	(8,000,000)	2,922,908	0	0	5,000,000	0	0	0	0
Other Sources (Uses)	119,438	0	0	0	0	83,846,616	0	0	0	83,966,054
Ending Balance, 6/30/24	\$48,536,760	\$10,654,709	\$4,856,219	\$5,980,606	\$4,918,265	\$51,405,509	\$127,525	\$1,232,795	\$88,075	\$127,800,463
Beginning Balance	\$48,536,760	\$10,654,709	\$4,856,219	\$5,980,606	\$4,918,265	\$51,405,509	\$127,525	\$1,232,795	\$88,075	\$127,800,463
Revenues	159,407,787	21,891,992	13,483,753	9,328,578	4,555,020	1,350,224	6,642	1,583,192	0	211,607,188
Expenditures	173,770,164	14,647,553	15,625,365	11,077,774	6,189,476	40,292,598	0	1,602,293	88,075	263,293,298
Net Transfers	9,008,578	(8,000,000)	2,991,422	(4,000,000)	0	0	0	0	0	0
Other Sources (Uses)	709,972	6,101	0	0	0	14,190,687	0	0	0	14,906,760
Ending Balance, 6/30/25	\$43,892,933	\$9,905,249	\$5,706,029	\$231,410	\$3,283,809	\$26,653,822	\$134,167	\$1,213,694	\$0	\$91,021,113

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.

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

	Ed ⁽¹⁾	O&M	DEBT SERVICE	TRANS	IMRF	CAP PROJECTS	WORKING CASH	TORT	FIRE	TOTAL
FUND BALANCE AS OF 7/1/25	\$43,754,914	\$9,949,647	\$5,706,028	\$231,410	\$3,283,808	\$26,653,823	\$134,166	\$1,213,695	\$0	\$90,927,491
ESTIMATED REVENUE	166,667,478	22,238,863	14,130,909	9,484,036	5,898,568	1,100,000	3,500	1,500,531	250	221,024,135
ESTIMATED EXPENDITURES	176,369,844	14,556,028	16,913,988	10,172,113	5,982,875	11,000,000	0	1,952,000	0	236,946,848
OTHER	4,820,000	(8,000,000)	3,180,000	0	0	0	0	0	0	0
ESTIMATED FUND BALANCE 6/30/26	\$38,872,548	\$9,632,482	\$6,102,949	\$(456,667)	\$3,199,501	\$16,753,823	\$137,666	\$762,226	\$250	\$75,004,778

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	79.47%	76.68%	79.74%	79.18%	81.36%
State Sources	11.89%	10.81%	11.39%	10.43%	10.95%
Federal Sources	<u>8.64%</u>	<u>12.51%</u>	<u>8.87%</u>	<u>10.38%</u>	<u>7.69%</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**



**COMMUNITY CONSOLIDATED SCHOOL
DISTRICT #15
PALATINE, ILLINOIS**

ANNUAL FINANCIAL REPORT

For the Year Ended June 30, 2025



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PALATINE, ILLINOIS
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PALATINE, ILLINOIS
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INDEPENDENT AUDITOR'S REPORT

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

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities and each major fund of Community Consolidated School District #15 (the District) as of and for the year ended June 30, 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 and each major fund of Community Consolidated School District #15 as of June 30, 2025, thereof, for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Change in Accounting Principle

As described in Notes 4 and 11 to the financial statements, the District adopted the Governmental Accounting Standards Board (GASB) Statement No. 101, *Compensated Absences*, for the year ended June 30, 2025. The implementation of this guidance resulted in changes to the accrual of compensated absence balances and a restatement of beginning net position. Our opinion was not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Other Matters

Required Supplementary Information

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

Supplementary Information

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

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

Other Information

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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated October 30, 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, grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Sibich CPA LLC

Naperville, Illinois
October 30, 2025

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**INDEPENDENT AUDITOR’S REPORT ON INTERNAL CONTROL
OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER
MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED
IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and each major fund of Community Consolidated School District #15 (the District), as of and for the year ended June 30, 2025, and the related notes to financial statements, which collectively comprise the District’s basic financial statements and have issued our report thereon dated October 30, 2025.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District’s internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District’s internal control. Accordingly, we do not express an opinion on the effectiveness of the District’s internal control.

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

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

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

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

Sikich CPA LLC

Naperville, Illinois
October 30, 2025

**GENERAL PURPOSE EXTERNAL
FINANCIAL STATEMENTS**

Community Consolidated School District 15

Management's Discussion and Analysis (Unaudited)

For the Year Ended June 30, 2025

The discussion and analysis of Community Consolidated School District 15's (the "District") financial performance provides an overall review of the District's financial activities, for the year ended June 30, 2025. The management of the District encourages readers to consider the information presented herein in conjunction with the basic financial statements to enhance their understanding of the District's financial performance. All amounts, unless otherwise indicated, are expressed in millions of dollars. Certain comparative information between the current year and the prior is required to be presented in the Management's Discussion and Analysis (the "MD&A").

Financial Highlights

- In total, the District's net position decreased with a total change of \$6.9 million.
- General revenues accounted for \$190.8 million in revenue or 72.9% of all revenues. Program-specific revenues in the form of charges for services and operating / capital grants and contributions accounted for \$71.0 million or 27.1% of the total revenue amount of \$261.8 million.
- The District had \$268.7 million in expenses related to governmental activities. \$71.0 million of those expenses were offset by program-specific charges for services and operating / capital grants and contributions.
- Aggregate fund balances decreased \$36.8 million, primarily due to the remaining unspent 2024 bond issuance earmarked for capital projects and planned spenddown of balances.

Overview of the Financial Statements

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

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

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

Government-Wide Financial Statements

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

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

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

Community Consolidated School District 15

Management's Discussion and Analysis (Unaudited)

For the Year Ended June 30, 2025

Overview of the Financial Statements (Continued)

Government-Wide Financial Statements (Continued)

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

Fund Financial Statements

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

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

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

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

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

Community Consolidated School District 15
Management's Discussion and Analysis (Unaudited)
For the Year Ended June 30, 2025

Overview of the Financial Statements (Continued)

Notes to the Basic Financial Statements

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

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the District's other postemployment benefits (OPEB) data and pension data related to the Illinois Municipal Retirement Fund (IMRF) and the Teachers' Retirement System of the State of Illinois (TRS).

Government-Wide Financial Analysis

Table 1		
Condensed Statements of Net Position		
(in millions of dollars)		
	<u>2025</u>	<u>2024</u>
Assets		
Current and other assets	\$ 194.4	\$ 244.4
Capital assets	<u>228.3</u>	<u>202.4</u>
Total assets	<u>422.7</u>	<u>446.8</u>
Deferred outflows of resources		
Deferred outflows of resources related to pensions	7.2	11.2
Deferred outflows of resources related to other postemployment benefits	<u>4.9</u>	<u>3.7</u>
Total deferred outflows of resources	<u>12.1</u>	<u>14.9</u>
Liabilities		
Current liabilities	19.2	35.4
Long-term liabilities	<u>229.6</u>	<u>218.7</u>
Total liabilities	<u>248.8</u>	<u>254.1</u>
Deferred inflows of resources		
Property taxes levied for a future period	84.7	81.8
Deferred inflows of resources related to pensions	0.6	0.9
Deferred inflows of resources related to other postemployment benefits	<u>52.8</u>	<u>64.2</u>
Total deferred inflows of resources	<u>138.1</u>	<u>146.9</u>
Net position		
Net investment in capital assets	79.5	85.4
Restricted	14.7	27.0
Unrestricted	<u>(46.3)</u>	<u>(51.7)</u>
Total net position	<u>\$ 47.9</u>	<u>\$ 60.7</u>

Community Consolidated School District 15
Management's Discussion and Analysis (Unaudited)
For the Year Ended June 30, 2025

Government-Wide Financial Analysis (Continued)

<i>Table 2</i>		
<i>Changes in Net Position</i>		
<i>(in millions of dollars)</i>		
	<u>2025</u>	<u>2024</u>
Revenues		
<i>Program revenues</i>		
Charges for services	\$ 2.2	\$ 2.6
Operating / Capital grants and contributions	68.8	92.7
<i>General revenues</i>		
Taxes	164.5	166.1
State aid-formula grants	18.1	17.8
Other	<u>8.2</u>	<u>10.6</u>
Total revenues	<u>261.8</u>	<u>289.8</u>
Expenses		
Instruction	151.2	172.2
Pupil and instructional staff services	109.6	26.8
Administration and business	0	25.3
Transportation	0	10.0
Operations and maintenance	0	15.1
Other	<u>7.9</u>	<u>10.0</u>
Total expenses	<u>268.7</u>	<u>259.4</u>
Change in Net Position	<u>\$ (6.9)</u>	<u>\$ 30.4</u>

The overall change between years was an overall deficit of \$6.9 million. The District had a combined net position at June 30, 2025 of \$47.9 million.

Community Consolidated School District 15

Management's Discussion and Analysis (Unaudited)

For the Year Ended June 30, 2025

Government-Wide Financial Analysis (Continued)

The District's governmental activities revenue of \$261.8 million fell short of the District's governmental activities expenses of \$268.7 million by \$6.9 million.

Property and replacement taxes accounted for the largest portion (62.8%) of the District's revenue during fiscal year 2025. The remaining 37.2% of fiscal year 2025 revenue came from state and federal grants and other sources. The total cost of the District's programs was \$268.7 million. The costs mainly related to instructing, caring for, and transporting the District's students and maintaining facilities.

The cost of the District's instructional programs totaled \$151.2 million in fiscal year 2025.

Direct instructional and support services to students, not including operations and maintenance, totaled 97% of the District's expenditures during fiscal year 2025.

Financial Analysis of the District's Funds

The District's governmental funds' fund balances decreased by \$19.6 million to \$91.0 million between fiscal year 2024 and fiscal year 2025. Details of that decrease are as follows:

- The General Fund's fund balance decreased by \$4.7 million to \$45.2 million, which was the Educational Account, Tort Immunity and Judgment Account and Working Cash Account.
- The Operations and Maintenance Fund's fund balance decreased by \$0.7 million to \$9.9 million.
- The Debt Service Fund's fund balance increased by \$0.8 million to \$5.7 million.
- The Transportation Fund's fund balance decreased by \$5.7 million to \$0.2 million.
- The Municipal Retirement / Social Security Fund's fund balance decreased by \$1.6 million to \$3.3 million.
- The Capital Projects Fund's fund balance decreased by \$24.8 million to \$26.7 million.
- The Fire Prevention and Safety fund's fund balance fund balance decreased by nearly \$0.08 million to \$0.0 million.

General Fund Budgetary Highlights

The General Fund had decrease in fund balance of \$4.7 million for fiscal year 2025. This planned spenddown was less than anticipated due to instructional and student support services expenditures coming in less than budgeted.

Fiscal year 2025's expenditures came in under budget by \$4.1 million which relates to several expenditures coming in slightly less than budget, primarily various purchased services.

Community Consolidated School District 15
Management's Discussion and Analysis (Unaudited)
For the Year Ended June 30, 2025

Capital Assets and Debt Administration

Capital Assets

As of June 30, 2025, the District had a total gross investment of \$388.4 million (\$228.3 million, net of accumulated depreciation and amortization) in a broad range of capital assets, including buildings, site improvements, land, construction in progress, equipment, and right of use assets. Total depreciation and amortization expense for the year was \$12.2 million. More detailed information about capital assets can be found in Note 3 of the basic financial statements.

Table 3		
Capital Assets (Net of Depreciation and Amortization)		
(in millions of dollars)		
	<u>2025</u>	<u>2024</u>
Land	\$ 7.8	\$ 7.8
Construction in progress	69.8	88.0
Buildings	131.6	94.4
Site improvements	9.2	4.3
Machinery and equipment	4.7	3.9
Vehicles	1.9	2.0
Food service equipment	0.3	0.2
Right of use assets – equipment and subscription assets	<u>3.0</u>	<u>1.8</u>
Total	<u>\$ 228.3</u>	<u>\$ 202.4</u>

Long-Term Liabilities

The District issued \$12.8 million and repaid \$8.3 million in general obligation bonds during fiscal year 2025. At the end of fiscal year 2025, the District had a legal debt margin of \$322.9 million. More detailed information on long-term liabilities can be found in Note 4 of the basic financial statements.

Community Consolidated School District 15
Management's Discussion and Analysis (Unaudited)
For the Year Ended June 30, 2025

Capital Assets and Debt Administration (Continued)

Long-Term Liabilities (Continued)

Table 4		
Outstanding Long-Term Liabilities		
(in millions of dollars)		
	<u>2025</u>	<u>2024</u>
General obligation bonds	\$ 154.3	\$ 149.8
Other	<u>75.3</u>	<u>70.7</u>
Total	<u>\$ 229.6</u>	<u>\$ 218.7</u>

Factors Bearing on the District's Future

At the time these financial statements were prepared and audited, the District was aware of the following circumstances that could significantly affect financial operations in the future:

- The District expects to end fiscal year 2025-2026 with positive fund balances in each of its funds. However, just like in fiscal year 2024-2025, the fiscal year 2025-2026 budget has a planned spend down of fund balances due to expenditures continuing to exceed revenues.
- Federal grant revenues are expected to decrease in fiscal year 2025-2026, and possibly future years, due to on-going governmental concerns.
- Property tax levies, with the exception of those for bond and interest payments, are limited under Illinois law to a specific increase over the prior year. Increases in property tax extensions are limited to the lesser of 5.0% or the increase in the national Consumer Price Index (CPI) for the year preceding the levy year. An increase in the CPI of 5.0% for calendar year 2024 will limit the amount of the 2025 tax levy.
- Cook County's unreliable assessments of property valuations are causing a significant increase in property tax appeals from residents, resulting in more refunds and adjustments. Also, the timing of Cook County property tax distributions weighs heavily on the District's cash flows. Major delays of property tax distributions may cause the need for short-term borrowing, which incurs additional debt and expenditures for the District.

Requests for Information

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

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

BASIC FINANCIAL STATEMENTS

**COMMUNITY CONSOLIDATED SCHOOL DISTRICT #15
PALATINE, ILLINOIS**

STATEMENT OF ACTIVITIES

For the Year Ended June 30, 2025

	Program Revenues				Net (Expense) Revenue and Changes in Net Position
FUNCTIONS AND PROGRAMS	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government Governmental Activities
PRIMARY GOVERNMENT					
Governmental Activities					
Instruction	\$ 151,248,263	\$ 1,089,954	\$ 47,166,907	\$ -	\$ (102,991,402)
Support services	109,581,303	1,110,162	21,600,261	61,704	(86,809,176)
Community services	463,693	-	54,286	-	(409,407)
Payments to other governments	1,490,226	-	-	-	(1,490,226)
Interest and fees	5,942,082	-	-	-	(5,942,082)
Total governmental activities	268,725,567	2,200,116	68,821,454	61,704	(197,642,293)
TOTAL PRIMARY GOVERNMENT	\$ 268,725,567	\$ 2,200,116	\$ 68,821,454	\$ 61,704	(197,642,293)
			General Revenues		
			Property taxes		162,577,848
			Replacement taxes		1,851,886
			State aid - formula grants, grants and contributions		18,131,844
			State aid - ESSR grants		1,295,261
			Investment earnings		5,985,513
			Miscellaneous		911,506
			Total		190,753,858
			CHANGE IN NET POSITION		(6,888,435)
			NET POSITION, JULY 1, AS REPORTED		60,663,658
			Change in accounting principle		(5,902,071)
			CHANGE IN NET POSITION, AS RESTATED		54,761,587
			NET POSITION, JUNE 30		\$ 47,873,152

See accompanying notes to financial statements.

**COMMUNITY CONSOLIDATED SCHOOL DISTRICT #15
PALATINE, ILLINOIS**

**BALANCE SHEET
GOVERNMENTAL FUNDS**

June 30, 2025

	General	Operations and Maintenance	Transportation
ASSETS			
Cash and investments	\$ 52,904,223	\$ 10,329,355	\$ 528,958
Receivables			
Property taxes, net	62,958,331	10,278,189	2,422,513
Accounts	500	-	-
Intergovernmental	4,854,001	-	-
Prepaid items	1,865,317	-	-
TOTAL ASSETS	\$ 122,582,372	\$ 20,607,544	\$ 2,951,471
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES			
LIABILITIES			
Accounts payable	\$ 2,280,915	\$ 491,101	\$ 310,957
Salaries and wages payable	9,997,466	3,352	3,326
Claims payable	2,534,884	-	-
Total liabilities	14,813,265	494,453	314,283
DEFERRED INFLOWS OF RESOURCES			
Property taxes levied for subsequent years	62,528,313	10,207,842	2,405,778
Total deferred inflows of resources	62,528,313	10,207,842	2,405,778
Total liabilities and deferred inflows of resources	77,341,578	10,702,295	2,720,061
FUND BALANCES			
Nonspendable			
Prepaid items	1,865,317	-	-
Restricted for			
Tort immunity and judgement	1,213,694	-	-
Operations and maintenance	-	9,905,249	-
Transportation	-	-	231,410
Retirement	-	-	-
Assigned for			
Debt service	-	-	-
Working cash	134,167	-	-
Capital projects	-	-	-
Future years' budget	9,702,366	-	-
Unassigned (deficit)	32,325,250	-	-
Total fund balances (deficit)	45,240,794	9,905,249	231,410
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 122,582,372	\$ 20,607,544	\$ 2,951,471

Municipal Retirement Social Security	Debt Service	Capital Projects	Fire Prevention and Safety	Total
\$ 3,424,593	\$ 5,659,956	\$ 29,589,793	\$ 6,750	\$ 102,443,628
2,730,050	6,909,025	-	-	85,298,108
-	-	-	-	500
-	-	-	-	4,854,001
-	-	-	-	1,865,317
\$ 6,154,643	\$ 12,568,981	\$ 29,589,793	\$ 6,750	\$ 194,461,554
\$ -	\$ -	\$ 2,935,971	\$ 6,750	\$ 6,025,694
159,717	-	-	-	10,163,861
-	-	-	-	2,534,884
159,717	-	2,935,971	6,750	18,724,439
2,711,117	6,862,952	-	-	84,716,002
2,711,117	6,862,952	-	-	84,716,002
2,870,834	6,862,952	2,935,971	6,750	103,440,441
-	-	-	-	1,865,317
-	-	-	-	1,213,694
-	-	-	-	9,905,249
-	-	-	-	231,410
3,283,809	-	-	-	3,283,809
-	5,706,029	-	-	5,706,029
-	-	-	-	134,167
-	-	26,653,822	-	26,653,822
-	-	-	-	9,702,366
-	-	-	-	32,325,250
3,283,809	5,706,029	26,653,822	-	91,021,113
\$ 6,154,643	\$ 12,568,981	\$ 29,589,793	\$ 6,750	\$ 194,461,554

See accompanying notes to financial statements.

**COMMUNITY CONSOLIDATED SCHOOL DISTRICT #15
PALATINE, ILLINOIS**

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

June 30, 2025

FUND BALANCES OF GOVERNMENTAL FUNDS	\$ 91,021,113
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Amounts reported for governmental activities in the statement of net position are different because:

Net capital assets used in governmental activities and included in the statement of net position do not require the expenditure of financial resources and, therefore, are not reported in the governmental funds balance sheet	228,267,432
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Differences between expected and actual experiences, assumptions changes, net differences between projected and actual earnings and contributions subsequent to the measurement date for the Illinois Municipal Retirement Fund are recognized as deferred outflows of resources and deferred inflows of resources on the statement of net position	
Deferred outflows of resources	6,294,604

Differences between expected and actual experiences, assumptions changes, net differences between projected and actual earnings and contributions subsequent to the measurement date for the Teachers' Retirement System of the State of Illinois are recognized as deferred outflows of resources and deferred inflows of resources on the statement of net position	
Deferred outflows of resources	939,406
Deferred inflows of resources	(565,020)

Differences between expected and actual experiences, assumptions changes, net differences between projected and actual earnings and contributions subsequent to the measurement date for the Teachers' Health Insurance Security Fund are recognized as deferred outflows of resources and deferred inflows of resources on the statement of net position	
Deferred outflows of resources	2,066,546
Deferred inflows of resources	(49,541,256)

Differences between expected and actual experiences and assumptions changes for the OPEB - RHP plan are recognized as deferred outflows of resources and deferred inflows of resources on the statement of net position	
Deferred outflows of resources	2,752,643
Deferred inflows of resources	(3,280,150)

(This statement is continued on the following page.)

**COMMUNITY CONSOLIDATED SCHOOL DISTRICT #15
PALATINE, ILLINOIS**

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

June 30, 2025

Interest not due in the current period, but paid prior to year end is an asset in the governmental funds balance sheet, but is expensed on the government-wide statements.	\$ (495,905)
Long-term liabilities applicable to the District's governmental activities are not due and payable in the current period and, accordingly, are not reported as fund liabilities. All liabilities, both current and long-term, are reported in the statement of net position	
General obligation bonds	(154,325,000)
Leases payable	(696,648)
Health claims payable	(1,839,584)
Unamortized bond premium	(11,353,101)
Compensated absences	(7,149,367)
Early retirement incentives	(1,138,500)
Total OPEB liability - RHP	(12,247,985)
Total OPEB liability - THIS	(24,372,699)
Net pension liability - IMRF	(9,079,612)
Net pension liability - TRS	<u>(7,383,765)</u>
NET POSITION OF GOVERNMENTAL ACTIVITIES	<u>\$ 47,873,152</u>

See accompanying notes to financial statements.

**COMMUNITY CONSOLIDATED SCHOOL DISTRICT #15
PALATINE, ILLINOIS**

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

For the Year Ended June 30, 2025

	General	Operations and Maintenance	Transportation	Municipal Retirement Social Security
REVENUES				
Property taxes	\$ 120,897,834	\$ 19,768,698	\$ 4,659,523	\$ 4,101,147
Corporate personal property replacement taxes	671,284	955,602	-	225,000
State aid	67,705,441	-	4,291,738	-
Federal aid	13,921,817	-	-	-
Investment income	3,060,547	839,189	257,022	228,873
Other local sources	343,689	107,226	-	-
Other	2,285,687	221,277	120,295	-
Total revenues	208,886,299	21,891,992	9,328,578	4,555,020
EXPENDITURES				
Current				
Instruction				
Regular programs	84,218,701	-	-	910,802
Special programs	36,647,865	-	-	702,063
Other instructional programs	28,043,101	-	-	311,297
Support services				
Pupils	20,984,430	-	-	1,314,060
Instructional staff	20,273,446	-	-	352,827
General administration	4,705,344	-	-	49,862
School administration	14,282,650	-	-	358,421
Business	7,263,508	-	-	1,986,419
Transportation	-	-	11,077,774	-
Operations and maintenance	-	14,493,961	-	-
Central	3,552,957	-	-	196,272
Other support services	185,415	-	-	765
Community services	459,810	-	-	6,688
Intergovernmental				
Payments to other districts and government units	1,490,226	-	-	-
Debt service				
Interest	-	-	-	-
Principal	-	-	-	-
Capital outlay	1,153,682	153,592	-	-
Total expenditures	223,261,135	14,647,553	11,077,774	6,189,476
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(14,374,836)	7,244,439	(1,749,196)	(1,634,456)
OTHER FINANCING SOURCES (USES)				
Transfers in	9,150,000	-	-	-
Transfers (out)	(141,422)	(8,000,000)	(4,000,000)	-
Issuance of leases	709,972	-	-	-
Issuance of debt	-	-	-	-
Premium from issuance of debt	-	-	-	-
Sale of assets	-	6,101	-	-
Total other financing sources (uses)	9,718,550	(7,993,899)	(4,000,000)	-
NET CHANGE IN FUND BALANCE	(4,656,286)	(749,460)	(5,749,196)	(1,634,456)
FUND BALANCES, JULY 1	49,897,080	10,654,709	5,980,606	4,918,265
FUND BALANCES, JUNE 30	\$ 45,240,794	\$ 9,905,249	\$ 231,410	\$ 3,283,809

	Debt Service	Capital Projects	Fire Prevention and Safety	Total
\$	13,150,646	\$ -	\$ -	\$ 162,577,848
	-	-	-	1,851,886
	-	-	-	71,997,179
	-	-	-	13,921,817
	333,107	1,266,775	-	5,985,513
	-	-	-	450,915
	-	83,449	-	2,710,708
	13,483,753	1,350,224	-	259,495,866
	-	-	-	85,129,503
	-	-	-	37,349,928
	-	-	-	28,354,398
	-	-	-	22,298,490
	-	-	-	20,626,273
	-	-	-	4,755,206
	-	-	-	14,641,071
	-	6,610,866	42,119	15,902,912
	-	-	-	11,077,774
	-	-	-	14,493,961
	-	-	-	3,749,229
	-	-	-	186,180
	-	-	-	466,498
	-	-	-	1,490,226
	7,198,363	-	-	7,198,363
	8,427,002	-	-	8,427,002
	-	33,681,732	45,956	35,034,962
	15,625,365	40,292,598	88,075	311,181,976
	(2,141,612)	(38,942,374)	(88,075)	(51,686,110)
	3,141,422	-	-	12,291,422
	(150,000)	-	-	(12,291,422)
	-	-	-	709,972
	-	12,800,000	-	12,800,000
	-	1,390,687	-	1,390,687
	-	-	-	6,101
	2,991,422	14,190,687	-	14,906,760
	849,810	(24,751,687)	(88,075)	(36,779,350)
	4,856,219	51,405,509	88,075	127,800,463
\$	5,706,029	\$ 26,653,822	\$ -	\$ 91,021,113

See accompanying notes to financial statements.

**COMMUNITY CONSOLIDATED SCHOOL DISTRICT #15
PALATINE, ILLINOIS**

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

For the Year Ended June 30, 2025

NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS \$ (36,779,350)

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

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlay exceed depreciation expense in the current period

Capital outlay	38,067,289
Depreciation and amortization expense	(12,239,409)

Proceeds from the disposal of capital assets are recognized in governmental funds but the loss is recognized in the statement of activities	(22,130)
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The change in the Illinois Municipal Retirement Fund net pension liability and deferred outflows/inflows of resources are not a source or use of financial resources	(2,710,602)
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The change in the Teachers' Retirement System of the State of Illinois net pension liability and deferred outflows/inflows of resources are not a source or use of financial resources	426,374
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The change in the Teachers' Health Insurance Security Fund total OPEB liability and deferred outflows/inflows of resources are not a source or use of financial resources	9,793,494
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The change in the net OPEB liability and deferred outflows of resources are not a source or use of financial resources	(185,341)
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Some revenues and expenses reported in the statement of activities do not provide (use) current financial resources and therefore are not reported in the governmental funds

State proportionate share contribution revenue - TRS and THIS	2,341,266
State proportionate share expense - TRS and THIS	(2,341,266)

(This statement is continued on the following page.)

**COMMUNITY CONSOLIDATED SCHOOL DISTRICT #15
PALATINE, ILLINOIS**

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

For the Year Ended June 30, 2025

The issuance of long-term debt is reported as an other financing source in governmental funds but as an increase of principal outstanding on the statement of activities		
General obligation bonds issued	\$	(12,800,000)
Premium on bonds issued		(1,390,687)
Leases payable issued		(709,972)
The repayment of long-term debt is reported as an expenditure when due in governmental funds but as a reduction of principal on the government-wide statement of activities		8,427,002
The change in the compensated absences liability is shown as a reduction of expenses on the statement of activities		(903,129)
The net change in the retiree incentive program is not a source or use of financial resources		(562,250)
The net change in health claims payable is not a source or use of financial resources		3,443,995
The change in accrued interest on long-term debt is shown as a decrease of expense on the statement of activities		116,461
The amortization of certain amounts related to the issuance of long-term debt are not a use of a financial resource		
Bond premium		<u>1,139,820</u>
CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES	\$	<u><u>(6,888,435)</u></u>

See accompanying notes to financial statements.

**COMMUNITY CONSOLIDATED SCHOOL DISTRICT #15
PALATINE, ILLINOIS**

NOTES TO FINANCIAL STATEMENTS

June 30, 2025

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

a. Nature of Operations

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

b. Reporting Entity

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

c. Fund Accounting

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

COMMUNITY CONSOLIDATED SCHOOL DISTRICT #15
PALATINE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

c. Fund Accounting (Continued)

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

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

District considers all governmental funds to be major.

General Fund

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

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

COMMUNITY CONSOLIDATED SCHOOL DISTRICT #15
PALATINE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

c. Fund Accounting (Continued)

Special Revenue Funds

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

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

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

Debt Service Fund

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

Capital Projects Funds

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

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

d. Government-Wide Financial Statements

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

COMMUNITY CONSOLIDATED SCHOOL DISTRICT #15
PALATINE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

d. Government-Wide Financial Statements (Continued)

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

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

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

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

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

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

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

COMMUNITY CONSOLIDATED SCHOOL DISTRICT #15
PALATINE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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

- f. Cash and Investments

Cash and Cash Equivalents

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

Investments

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

- g. Property Taxes

Property taxes are levied in December of each year and attach as an enforceable lien on the property as of the preceding January 1. The original 2024 tax levy was adopted on December 11, 2024. The District's annual property tax levy is subject to two statutory limitations: individual fund rate ceilings and the Property Tax Extension Limitation Act (PTELA).

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

COMMUNITY CONSOLIDATED SCHOOL DISTRICT #15
PALATINE, ILLINOIS
 NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

g. Property Taxes (Continued)

A portion of the 2024 tax levy is recognized as a receivable in fiscal year 2025. The District considers that the first installments of the 2024 levy received before year end are to be used to finance operations in fiscal year 2025. The District has determined that the remaining installments of the 2024 levy is to be used to finance operations in fiscal year 2026 as has recorded these amounts as deferred inflows. Property taxes are collected by the County Collector/Treasurer, who in turn remits to the District its respective share. Taxes levied in one year become due and payable by the taxpayers in two installments in June and September during the following year.

The 2025 tax levy, which attached as an enforceable lien on property as of January 1, 2025, has not been recorded as a receivable as of June 30, 2025, as the tax has not yet been levied by the District and will not be levied until December 2025 and; therefore, the levy is not measurable at June 30, 2025.

h. Capital Assets

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

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

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

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

COMMUNITY CONSOLIDATED SCHOOL DISTRICT #15
PALATINE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

i. Deferred Outflows/Inflows of Resources

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

j. Compensated Absences

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

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

The District implemented GASB Statement 101, *Compensated Absences*, for fiscal year ended June 30, 2025. Vested or accumulated vacation and sick leave that is due to employees who have retired or terminated by the end of the year is reported as an expenditure and a fund liability of the governmental fund that will pay it. Vested or accumulated vacation and sick leave of governmental activities is recorded as an expense and liability of those funds as the benefits accrue to employees. The entire balance of vacation leave is recognized as a liability at year end. A liability is recognized for the portion of accumulating sick leave benefits that is estimated to be more likely than not to be used for time off or otherwise paid in cash or settled through noncash means.

As a result of the implementation of GASB Statement No. 101, *Compensated Absences*, beginning net position was restated for governmental activities. See Notes 4 and 11 for additional information.

COMMUNITY CONSOLIDATED SCHOOL DISTRICT #15
PALATINE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

k. Long-Term Liabilities

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

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

l. Net Position/Fund Balances

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

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

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

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

COMMUNITY CONSOLIDATED SCHOOL DISTRICT #15
PALATINE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

l. Net Position/Fund Balances (Continued)

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

m. Use of Estimates

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

n. Prepaid Items

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

2. DEPOSITS AND INVESTMENTS

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

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

COMMUNITY CONSOLIDATED SCHOOL DISTRICT #15
PALATINE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

2. DEPOSITS AND INVESTMENTS (Continued)

The Illinois School District Liquid Asset Fund Plus (ISDLAF), operates as a qualified external investment pool in accordance with the criteria established in GASB Statement No. 79, *Certain External Investment Pools and Pool Participants*, and thus, reports all investments at net asset value (NAV) rather than fair value. The Multi-Class Series invests in high-quality short-term debt instruments (money market instruments), and shares may be redeemed on any Illinois banking day. The Term Series invest in high-quality debt instruments, which are generally money market instruments but may include instruments with a maturity over one year, and shared may be redeemed with seven day’s advance notice. There were no known restrictions on the redemption of the District’s investments as of June 30, 2025.

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

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

Deposits with Financial Institutions

Custodial credit risk for deposits with financial institutions is the risk that in the event of bank failure, the District’s deposits may not be returned to it. The District’s investment policy requires all amounts deposited or invested with financial institutions be either covered by federal depository insurance or collateral, preferably held by a third party, in the District’s name, in an amount equal to the amount of deposits in excess of depository insurance coverage. At June 30, 2025, the bank balances of the District's deposits with financial institutions were fully insured or collateralized.

Investments

The following are the District’s investments in debt securities as of June 30, 2025:

Investment Type	Fair Value	Investment Maturities (in Years)			
		Less than 1	1-5	6-10	Greater than 10
U.S. Government securities*	\$ 12,745,691	\$ 1,487,794	\$ 11,257,897	\$ -	\$ -
Corporate bonds/notes	4,391,667	1,491,625	2,900,042	-	-
U.S. agencies	788,379	-	788,379	-	-
Commercial paper	298,071	298,071	-	-	-
Negotiable certificates of deposits	2,940,929	2,695,409	245,520	-	-
Municipal bonds	778,795	-	778,795	-	-
TOTAL	\$ 21,943,532	\$ 5,972,899	\$ 15,970,633	\$ -	\$ -

COMMUNITY CONSOLIDATED SCHOOL DISTRICT #15
PALATINE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

2. DEPOSITS AND INVESTMENTS (Continued)

Investments (Continued)

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

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

The District has the following recurring fair value measurements as of June 30, 2025: the U.S. Government securities, corporate bonds/notes, U.S. agencies, commercial paper, negotiable CDs and municipal bonds are valued using quoted matrix pricing models (Level 2 inputs).

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

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

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

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

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

COMMUNITY CONSOLIDATED SCHOOL DISTRICT #15
PALATINE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

3. CAPITAL ASSETS

Changes in capital assets during the year ended June 30, 2025, are as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
GOVERNMENTAL ACTIVITIES				
Capital assets not being depreciated				
Land	\$ 7,827,932	\$ -	\$ -	\$ 7,827,932
Construction in progress	87,968,736	17,295,448	35,496,694	69,767,490
Total capital assets not being depreciated	95,796,668	17,295,448	35,496,694	77,595,422
Capital assets being depreciated and amortized				
Buildings	205,288,484	46,282,758	-	251,571,242
Site improvements	9,700,940	5,456,291	-	15,157,231
Machinery and equipment	23,804,419	1,191,090	-	24,995,509
Vehicles	13,395,052	901,329	451,157	13,845,224
Food service equipment	823,522	106,753	-	930,275
Right-to-use leased equipment	485,333	709,972	365,895	829,410
Right-to-use subscription assets	2,488,541	1,620,342	641,773	3,467,110
Total capital assets being depreciated and amortized	255,986,291	56,268,535	1,458,825	310,796,001
Less accumulated depreciation and amortization for				
Buildings	110,885,357	9,097,834	-	119,983,191
Site improvements	5,400,036	563,608	-	5,963,644
Machinery and equipment	19,947,695	389,796	-	20,337,491
Vehicles	11,352,810	972,414	435,125	11,890,099
Food service equipment	573,893	44,307	-	618,200
Right-to-use leased equipment	376,951	126,727	359,797	143,881
Right-to-use subscription assets	784,535	1,044,723	641,773	1,187,485
Total accumulated depreciation and amortization	149,321,277	12,239,409	1,436,695	160,123,991
Total capital assets being depreciated and amortized, net	106,665,014	44,029,126	22,130	150,672,010
GOVERNMENTAL ACTIVITIES				
CAPITAL ASSETS, NET	\$ 202,461,682	\$ 61,324,574	\$ 35,518,824	\$ 228,267,432

COMMUNITY CONSOLIDATED SCHOOL DISTRICT #15
PALATINE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

3. CAPITAL ASSETS (Continued)

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

Instruction	
Regular programs	\$ 6,363,978
Support services	
Pupils	3,181,990
General administration	263,848
Transportation	1,328,767
Operations and maintenance	<u>1,100,826</u>
 TOTAL DEPRECIATION AND AMORTIZATION - GOVERNMENTAL ACTIVITIES	 <u>\$ 12,239,409</u>

4. LONG-TERM DEBT

a. General Obligation Bonds

General obligation bonds of the District consisted of the following at June 30, 2025:

	Beginning Balances	Increases	Decreases	Ending Balances	Current Portion
\$9,060,000 GO Limited Tax Bonds Series 2016; due December 1, 2023; interest at 5%.	\$ 12,640,000	\$ -	\$ 3,865,000	\$ 8,775,000	\$ 2,840,000
\$8,725,000 GO Limited Tax Bonds Series 2017; due December 1, 2027; interest at 4%.	6,685,000	-	680,000	6,005,000	2,015,000
\$11,805,000 GO Limited Tax Bonds Series 2020; due December 1, 2029; interest at 3% to 5%.	11,150,000	-	315,000	10,835,000	335,000
\$45,700,000 GO Limited Tax Bonds Series 2023; due December 1, 2044; interest at 4% to 5%.	41,060,000	-	-	41,060,000	2,500,000
\$41,600,000 GO Limited Tax Bonds Series 2023A; due December 1, 2043; interest at 5% to 5.25%.	41,600,000	-	2,255,000	39,345,000	125,000

COMMUNITY CONSOLIDATED SCHOOL DISTRICT #15
PALATINE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

4. LONG-TERM DEBT (Continued)

a. General Obligation Bonds (Continued)

	Beginning Balances	Increases	Decreases	Ending Balances	Current Portion
\$38,555,000 GO Alternative Revenue Bonds Series 2023B; due December 1, 2044; interest at 5% to 5.25%.	\$ 36,700,000	\$ -	\$ 1,195,000	\$ 35,505,000	\$ 1,255,000
\$12,800,000 GO Limited Tax Bonds Series 2025; due December 1, 2031; interest at 5%.	-	12,800,000	-	12,800,000	135,000
TOTAL GENERAL OBLIGATION BONDS	\$ 149,835,000	\$ 12,800,000	\$ 8,310,000	\$ 154,325,000	\$ 9,205,000

The Alternate Revenue Source Bonds, Series 2023B will require \$55,380,513 for total interest and principal payments. During the fiscal year ended June 30, 2025, the pledged revenue of \$2,993,314 for paying the bonds was 22.20% of the total debt service property tax levy, TIF reimbursements, and investment earnings.

b. Changes in Long-Term Debt

The following is a summary of changes in long-term debt for the year ended June 30, 2025:

	Beginning Balances, Restated**	Increases	Decreases	Ending Balances	Current Portion
General obligation bonds	\$ 149,835,000	\$ 12,800,000	\$ 8,310,000	\$ 154,325,000	\$ 9,205,000
Unamortized bond premium	11,102,234	1,390,687	1,139,820	11,353,101	-
Leases payable	103,678	709,972	117,002	696,648	158,314
Health claims payable	5,283,579	30,931,397	34,375,392	1,839,584	1,839,584
Retirement incentive program	576,250	962,250	400,000	1,138,500	428,250
Compensated absences*/**	6,246,238	903,129	-	7,149,367	1,069,201
Net pension liability - TRS	7,258,008	125,757	-	7,383,765	-
Net pension liability - IMRF	10,548,690	-	1,469,078	9,079,612	-
Total OPEB liability - THIS	22,408,016	1,964,683	-	24,372,699	615,007
Net OPEB liability - RHP	11,276,763	971,222	-	12,247,985	648,795
TOTAL	\$ 224,638,456	\$ 50,759,097	\$ 45,811,292	\$ 229,586,261	\$ 13,964,151

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

**Compensated absences beginning balances were restated for the implementation of GASB Statement No. 101, *Compensated Absences*. See Note 11 for additional information.

COMMUNITY CONSOLIDATED SCHOOL DISTRICT #15
PALATINE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

4. LONG-TERM DEBT (Continued)

b. Changes in Long-Term Debt (Continued)

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

c. Future Debt Service Requirements

A summary of the future debt service requirements to amortize the remaining outstanding general obligation bonds as of June 30, 2025, is as follows:

Year Ending June 30,	General Obligation Bonds		
	Principal	Interest	Total
2026	\$ 9,205,000	\$ 7,525,663	\$ 16,730,663
2027	9,670,000	6,935,206	16,605,206
2028	9,570,000	6,474,000	16,044,000
2029	10,125,000	5,989,419	16,114,419
2030	10,235,000	5,521,881	15,756,881
2031-2035	38,520,000	21,023,250	59,543,250
2036-2040	35,075,000	12,731,350	47,806,350
2041-2046	31,925,000	3,156,885	35,081,885
TOTAL	\$ 154,325,000	\$ 69,357,654	\$ 223,682,654

These payments will be made from amounts budgeted from the debt service tax levies in future periods. There is \$5,706,029 in the Debt Service Fund to service the outstanding bonds payable.

The District is subject to the Illinois School Code, which limits the bond indebtedness to 6.9% of the most recent available equalized assessed valuation of the District. As of June 30, 2025, the statutory debt limit for the District was \$322,909,863 of which \$204,089,863 is fully available.

COMMUNITY CONSOLIDATED SCHOOL DISTRICT #15
PALATINE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

4. LONG-TERM DEBT (Continued)

d. Early Retirement Incentives

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

Year Ending June 30,	Amount
2026	\$ 428,250
2027	312,750
2028	214,500
2029	158,000
2030	25,000
TOTAL	<u>\$ 1,138,500</u>

e. Leases

The District entered into various agreements to finance the acquisition of various copiers and printers. The lease agreements qualify as other than short-term leases under GASB Statement No. 87 and, therefore, have been recorded at the present value of the future minimum lease payments. The leases require monthly payments ranging from \$30 to \$7,761 and expire at various dates through December 2030. The lease liabilities are measured at incremental borrowing rate of 4.00%. The obligations for these leases will be repaid from the Debt Service Fund with transfers from the General Fund (Educational Account). The District has recorded right-to-use assets with a book value of \$829,410 as of June 30, 2025.

A summary of the future debt service requirements to amortize the remaining outstanding leases payable as of June 30, 2025, is as follows:

Year Ending June 30,	Principal	Interest	Total
2026	\$ 158,314	\$ 25,030	\$ 183,344
2027	164,764	18,580	183,344
2028	171,476	11,868	183,344
2029	159,220	5,124	164,344
2030	42,874	392	43,266
TOTAL	<u>\$ 696,648</u>	<u>\$ 60,994</u>	<u>\$ 757,642</u>

COMMUNITY CONSOLIDATED SCHOOL DISTRICT #15
PALATINE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

4. LONG-TERM DEBT (Continued)

f. Subscriptions

The District entered into various software arrangements for general and financial operations. The District has prepaid on all software arrangements, and as a result, do not carry a liability related to the subscriptions at June 30, 2025. The District has recorded right-to-use assets with a book value of \$3,467,110 as of June 30, 2025.

5. RETIREMENT PLAN COMMITMENTS

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

The table below is a summary for all net pension liability plans as of and for the year ended June 30, 2025:

	TRS	IMRF	Total
Net pension liability	\$ 7,383,765	\$ 9,079,612	\$ 16,463,377
Deferred outflows of resources	939,406	6,294,604	7,234,010
Deferred inflows of resources	565,020	-	565,020
Pension expense	49,574,810	5,121,794	54,696,604

a. Teachers' Retirement System of the State of Illinois

Plan Description

The District participates in the TRS. TRS is a cost-sharing multiple-employer defined benefit pension plan that was created by the Illinois legislature for the benefit of Illinois public school teachers employed outside the City of Chicago. TRS members include all active non-annuitants who are employed by a TRS-covered employer to provide services for which teacher licensure is required. The Illinois Pension Code outlines the benefit provisions of TRS, and amendments to the plan can be made only by legislative action with the Governor's approval. The TRS Board of Trustees is responsible for the System's administration. TRS issues a publicly available financial report that can be obtained at <http://trsil.org/financial/acfrs/fy2024>; by writing to TRS at 2815 W. Washington, PO Box 19253, Springfield, Illinois 62794; or by calling (888) 678-3675, option 2.

COMMUNITY CONSOLIDATED SCHOOL DISTRICT #15
PALATINE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

5. RETIREMENT PLAN COMMITMENTS (Continued)

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

Benefits Provided

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

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

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

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

Contributions

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

5. RETIREMENT PLAN COMMITMENTS (Continued)

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

Contributions (Continued)

Contributions from active members and TRS contributing employers are also required by the Illinois Pension Code. The contribution rates are specified in the pension code. The active member contribution rate for the year ended June 30, 2025, was 9% of creditable earnings. The member contribution, which may be paid on behalf of employees by the employer, is submitted to TRS by the employer.

On-Behalf Contributions to TRS

The State makes employer pension contributions on behalf of the District. For the year ended June 30, 2025, state contributions recognized by the employer were based on the State's proportionate share of the collective net pension liability (NPL) associated with the employer, and the employer recognized revenue and expenditures of \$49,283,548 in pension contributions from the State.

2.2 Formula Contributions

Employers contribute 0.58% of total creditable earnings for the 2.2 formula change. The contribution rate is specified by statute. Contributions for the year ended June 30, 2025, were \$563,289 and are deferred because they were paid after the June 30, 2024, measurement date.

Federal and Special Trust Fund Contributions

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

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

For the year ended June 30, 2025, the employer pension contribution was 10.34% of salaries paid from federal and special trust funds. For the year ended June 30, 2025, salaries totaling \$1,492,717 were paid from federal and special trust funds that required employer contributions of \$154,347. These contributions are deferred because they were paid after the June 30, 2024 measurement date.

COMMUNITY CONSOLIDATED SCHOOL DISTRICT #15
PALATINE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

5. RETIREMENT PLAN COMMITMENTS (Continued)

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

Employer Retirement Cost Contributions

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

A one-time contribution is also required for members granted sick leave days in excess of the normal annual allotment if those days are used as TRS service credit. For the year ended June 30, 2025, the employer paid \$12,610 to TRS for employer contributions due on salary increases in excess of 6% and \$0 for sick leave days granted in excess of the normal annual allotment.

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

At June 30, 2025, the District reported a liability for its proportionate share of the net pension liability (first amount shown below) that reflected a reduction for state pension support provided to the employer. The State's support and total are for disclosure purposes only. The amount recognized by the District as its proportionate share of the net pension liability, the related state support and the total portion of the net pension liability that was associated with the District were as follow:

District's proportionate share of the net pension liability	\$ 7,383,765
State's proportionate share of the net pension liability associated with the District	<u>615,647,658</u>
TOTAL	<u><u>\$ 623,031,423</u></u>

The net pension liability was measured as of June 30, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2024. The District's proportion of the net pension liability was based on the District's share of contributions to TRS for the measurement year ended June 30, 2024, relative to the projected contributions of all participating TRS employers and the State during that period. At June 30, 2024, the employer's proportion was 0.0085992017%, which was an increase of 0.0000584172% from its proportion measured as of June 30, 2023 (0.0085407845%).

COMMUNITY CONSOLIDATED SCHOOL DISTRICT #15
PALATINE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

5. RETIREMENT PLAN COMMITMENTS (Continued)

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

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

For the year ended June 30, 2025, the employer recognized the following pension expense/expenditures and revenue pertaining to the District's employees:

	Governmental Activities	General Fund
State on-behalf contributions - revenue and expense/expenditure	\$ 49,283,548	\$ 47,014,610
District TRS pension (benefit) expense	291,262	717,636
TOTAL TRS EXPENSE/EXPENDITURE	\$ 49,574,810	\$ 47,732,246

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 27,766	\$ 19,166
Net difference between projected and actual earnings on pension plan investments	-	63,393
Assumption changes	101,738	3,917
Changes in proportion and differences between employer contributions and proportionate share of contributions	92,266	478,544
District contributions subsequent to the measurement date	717,636	-
TOTAL	\$ 939,406	\$ 565,020

COMMUNITY CONSOLIDATED SCHOOL DISTRICT #15
PALATINE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

5. RETIREMENT PLAN COMMITMENTS (Continued)

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

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

\$717,636 reported as deferred outflows of resources related to pensions resulting from employer contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the reporting year ending June 30, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year Ending June 30,</u>	<u>Amount</u>
2026	\$ (292,519)
2027	(59,869)
2028	(26,002)
2029	22,235
2030	<u>12,905</u>
 TOTAL	 <u>\$ (343,250)</u>

Actuarial Assumptions

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

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

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

COMMUNITY CONSOLIDATED SCHOOL DISTRICT #15
PALATINE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

5. RETIREMENT PLAN COMMITMENTS (Continued)

a. Teachers' Retirement System of the State of Illinois (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 as follows:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Global equity	37.00%	7.55%
Private equity	15.00%	10.28%
Public income	18.00%	5.81%
Private credit	8.00%	9.20%
Real assets	18.00%	7.01%
Diversifying strategies	4.00%	5.18%
TOTAL	100.00%	

Discount Rate

At June 30, 2024, the discount rate used to measure the total pension liability was 7%, 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, district contributions and state contributions will be made at the current statutorily required rates.

Based on those assumptions, TRS' fiduciary net position at June 30, 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.

COMMUNITY CONSOLIDATED SCHOOL DISTRICT #15
PALATINE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

5. RETIREMENT PLAN COMMITMENTS (Continued)

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

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

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

	1% Decrease (6%)	Current Discount Rate (7%)	1% Increase (8%)
Employer's proportionate share of the net pension liability	\$ 9,119,159	\$ 7,383,765	\$ 5,945,202

TRS Fiduciary Net Position

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

b. Illinois Municipal Retirement Fund

Plan Description

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

Plan Administration

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

COMMUNITY CONSOLIDATED SCHOOL DISTRICT #15
PALATINE, ILLINOIS
 NOTES TO FINANCIAL STATEMENTS (Continued)

5. RETIREMENT PLAN COMMITMENTS (Continued)

b. Illinois Municipal Retirement Fund (Continued)

Plan Administration (Continued)

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

Plan Membership

At December 31, 2024, IMRF membership consisted of:

Inactive employees or their beneficiaries currently receiving benefits	1,149
Inactive employees entitled to but not yet receiving benefits	1,569
Active employees	<u>917</u>
 TOTAL	 <u><u>3,635</u></u>

Benefits Provided

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

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

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

COMMUNITY CONSOLIDATED SCHOOL DISTRICT #15
PALATINE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

5. RETIREMENT PLAN COMMITMENTS (Continued)

b. Illinois Municipal Retirement Fund (Continued)

Contributions

Participating members are required to contribute 4.50% of their annual salary to IMRF. The District is required to contribute the remaining amounts necessary to fund IMRF as specified by statute. The employer contribution rate for the year ended June 30, 2025, was 7.80% of covered payroll.

Actuarial Assumptions

The District's net pension liability was measured as of December 31, 2024 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation performed as of the same date using the following actuarial methods and assumptions.

Actuarial valuation date	December 31, 2024
Actuarial cost method	Entry-age normal
Assumptions	
Price inflation	2.25%
Salary increases	2.85% to 13.75%
Investment rate of return	7.25%
Asset valuation method	Fair value

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

Single Discount Rate

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

COMMUNITY CONSOLIDATED SCHOOL DISTRICT #15
PALATINE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

5. RETIREMENT PLAN COMMITMENTS (Continued)

b. Illinois Municipal Retirement Fund (Continued)

Long-Term Expected Rate of Return

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

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

COMMUNITY CONSOLIDATED SCHOOL DISTRICT #15
PALATINE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

5. RETIREMENT PLAN COMMITMENTS (Continued)

b. Illinois Municipal Retirement Fund (Continued)

Changes in the Net Pension Liability

	(a) Total Pension Liability	(b) Plan Fiduciary Net Position	(a) - (b) Net Pension Liability
BALANCES AT JANUARY 1, 2024	\$ 164,086,887	\$ 153,538,197	\$ 10,548,690
Changes for the period			
Service cost	2,455,460	-	2,455,460
Interest	11,612,277	-	11,612,277
Difference between expected and actual experience	2,893,833	-	2,893,833
Changes in assumptions	-	-	-
Employer contributions	-	2,146,432	(2,146,432)
Employee contributions	-	1,293,085	(1,293,085)
Net investment income	-	15,322,636	(15,322,636)
Benefit payments and refunds	(10,290,556)	(10,290,556)	-
Other (net transfer)	-	(331,505)	331,505
Net changes	6,671,014	8,140,092	(1,469,078)
BALANCES AT DECEMBER 31, 2024	\$ 170,757,901	\$ 161,678,289	\$ 9,079,612

COMMUNITY CONSOLIDATED SCHOOL DISTRICT #15
PALATINE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

5. RETIREMENT PLAN COMMITMENTS (Continued)

b. Illinois Municipal Retirement Fund (Continued)

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

For the year ended June 30, 2025, the District recognized pension expense of \$5,121,794.

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 1,198,161	\$ -
Assumption changes	-	-
Net difference between projected and actual earnings on pension plan investments	3,840,099	-
Employer contributions after the measurement date	1,256,344	-
TOTAL	<u>\$ 6,294,604</u>	<u>\$ -</u>

\$1,256,344 reported as deferred outflows of resources resulting from district contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the reporting year ending June 30, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year Ending June 30,</u>	
2026	\$ 3,071,005
2027	4,891,695
2028	(2,034,144)
2029	(890,296)
Thereafter	-
TOTAL	<u>\$ 5,038,260</u>

COMMUNITY CONSOLIDATED SCHOOL DISTRICT #15
PALATINE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

5. RETIREMENT PLAN COMMITMENTS (Continued)

b. Illinois Municipal Retirement Fund (Continued)

Discount Rate Sensitivity

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

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Net pension liability (asset)	\$ 25,872,161	\$ 9,079,612	\$ (4,648,311)

c. Social Security/Medicare

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

d. 457(b) Retirement Savings Plan

On 7/1/2018 (EPIC) and 2/23/2015 (OMNI) the Board of Education approved the establishment of a 457(b) Retirement Plan, which is a defined contribution plan, for District employees. The plan is held in a trust and administered by a third party serving as the plan's trustee. The number of employees participating in the plan on June 30, 2025 was 16. The plan allows for both employee and the District to make optional contributions to the plan. For the fiscal year ended June 30, 2025, the District did not make any contributions to the plan.

e. 403(b) Retirement Plan

The District also has a 403(b) Salary Reduction plan, that also contains a Roth option, which is a defined contribution plan, for District employees. The plan is held in a trust and administered by a third party serving as the plan's trustee. The number of employees participating in the plan on June 30, 2025 was 396. The plan allows for both employee and the District to make contributions to the plan. For the fiscal year ended June 30, 2025, the District did not make any contributions to the plan.

COMMUNITY CONSOLIDATED SCHOOL DISTRICT #15
PALATINE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

5. RETIREMENT PLAN COMMITMENTS (Continued)

f. TRS Supplemental Savings Plan

Illinois Teachers' Retirement System established a Supplemental Savings Plan that is available to Illinois public school teachers employed outside the city of Chicago that is required to be adopted by all public-school districts in Illinois by September 30, 2022. The Board of Education voted to adopt this plan on February 28, 2022. The Supplemental Savings Plan is a 457(b) Retirement Plan, which is a defined contribution plan. The plan assets are held in a trust and is administered by a third party serving as the plan's trustee. The number of employees participating in the plan on June 30, 2025 was 139. The plan allows for both employee and the District to make contributions to the plan. For the fiscal year ended June 30, 2025, the District did not make any contributions to the plan.

6. OTHER POSTEMPLOYMENT BENEFITS

The table below is a summary for other postemployment benefit plans as of and for the year ended June 30, 2025:

	RHP	THIS	Total
OPEB liability	\$ 12,247,985	\$ 24,372,699	\$ 36,620,684
Deferred outflows of resources	2,752,643	2,066,546	4,819,189
Deferred inflows of resources	3,280,150	49,541,256	52,821,406
OPEB expense	834,137	(8,196,403)	(7,362,266)

a. Retirees Health Plan

Plan Description

The District's other postemployment benefits (OPEB) plan is a single-employer defined benefit healthcare plan that is administered by the District. The benefits, benefit levels, employee contributions and employer contributions are governed by the District and may be amended by the District through its employment contracts. The plan does not issue a separate, publicly available report. The plan is not accounted for as a trust fund, as an irrevocable trust has not been established to account for the plan. The activity of the plan is reported in the District's General Fund.

Benefits Provided

The plan provides the ability for retirees and their spouses to access the District's group health insurance plan during retirement until age 65, provided they are on the group health insurance plan at the time of retirement. Retirees are responsible to contribute a premium toward the cost of their insurance, which is determined by the Board. Retirees may also access dental and life insurance benefits on a "direct pay" basis.

COMMUNITY CONSOLIDATED SCHOOL DISTRICT #15
PALATINE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

6. OTHER POSTEMPLOYMENT BENEFITS (Continued)

a. Retirees Health Plan

Benefits Provided (Continued)

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

Membership

As of June 30, 2024, membership consisted of:

Retirees and beneficiaries currently receiving benefits	129
Active employees	<u>1,455</u>
TOTAL	<u><u>1,584</u></u>
Participating employers	<u>1</u>

Total OPEB Liability

The District's total OPEB liability of \$12,247,985 was based upon an actuarial valuation dated July 1, 2023 with a measurement date of June 30, 2024 and a reporting date of June 30, 2025.

Actuarial Assumptions and Other Inputs

The total OPEB liability at June 30, 2025 was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified. The total OPEB liability was rolled forward by the actuary using updated procedures to June 30, 2024 (reporting date of June 30, 2025), including updating the discount rate, as noted below:

Actuarial cost method	Entry-age normal
Actuarial value of assets	N/A
Inflation	2.50%
Salary increases	0.00%
Discount rate	3.97%
Healthcare cost trend rates	8.00% initial, 5.00% ultimate

COMMUNITY CONSOLIDATED SCHOOL DISTRICT #15
PALATINE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

6. OTHER POSTEMPLOYMENT BENEFITS (Continued)

a. Retirees Health Plan

Actuarial Assumptions and Other Inputs (Continued)

The discount rate was based on the 20-year municipal bond yield at June 30, 2025.

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

Changes in the Total OPEB Liability

	<u>Total OPEB Liability</u>
BALANCES AT JULY 1, 2024	<u>\$ 11,276,763</u>
Changes for the period	
Service cost	476,152
Interest	441,141
Difference between expected and actual experience	-
Changes in benefit terms	-
Changes in assumptions	702,724
Benefit payments	<u>(648,795)</u>
Net changes	<u>971,222</u>
BALANCES AT JUNE 30, 2025	<u><u>\$ 12,247,985</u></u>

There were changes in assumptions related to the discount rate and healthcare cost trend rates since the prior measurement date.

COMMUNITY CONSOLIDATED SCHOOL DISTRICT #15
PALATINE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

6. OTHER POSTEMPLOYMENT BENEFITS (Continued)

a. Retirees Health Plan (Continued)

Rate Sensitivity

The following is a sensitivity analysis of the total OPEB liability to changes in the discount rate and the healthcare cost trend rate. The table on the following page presents the total OPEB liability of the District calculated using the discount rate of 3.97% as well as what the District total OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (2.97%) or 1 percentage point higher (4.97%) than the current rate on the following page:

	1% Decrease (2.97%)	Current Discount Rate (3.97%)	1% Increase (4.97%)
Total OPEB liability	\$ 14,179,174	\$ 12,247,985	\$ 10,701,668

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

	1% Decrease (varies)	Current Healthcare Rate (varies)	1% Increase (varies)
Total OPEB liability	\$ 10,896,730	\$ 12,247,985	\$ 14,006,464

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 \$834,137. 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
Differences between expected and actual experience	\$ -	\$ 1,695,365
Changes of assumptions	2,752,643	1,584,785
TOTAL	<u>\$ 2,752,643</u>	<u>\$ 3,280,150</u>

COMMUNITY CONSOLIDATED SCHOOL DISTRICT #15
PALATINE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

6. OTHER POSTEMPLOYMENT BENEFITS (Continued)

a. Retirees Health Plan (Continued)

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

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

<u>Year Ending</u> <u>June 30,</u>	
2026	\$ (83,158)
2027	10,727
2028	8,023
2029	(170,140)
2030	(170,143)
Thereafter	<u>(122,816)</u>
 TOTAL	 <u>\$ (527,507)</u>

b. Teachers' Health Insurance Security Fund

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

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

COMMUNITY CONSOLIDATED SCHOOL DISTRICT #15
PALATINE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

6. OTHER POSTEMPLOYMENT BENEFITS (Continued)

b. Teachers' Health Insurance Security Fund (Continued)

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

- On-behalf contributions to the THIS Fund - The State makes employer retiree health insurance contributions on behalf of the District. State contributions are intended to match contributions to the THIS Fund from active members which were 0.90% of pay during the year ended June 30, 2025. State contributions were \$874,068 and the District recognized revenue and expenditures of this amount during the year.
- Employer contributions to the THIS Fund - The District also makes contributions to the THIS Fund. The employer THIS Fund contribution was 0.67% during the year ended June 30, 2025. For the year ended June 30, 2025, the District paid \$650,695 to the THIS Fund, which was 100% of the required contribution.

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

Actuarial Assumptions

The total OPEB liability was determined by an actuarial valuation as of June 30, 2023, rolled forward to June 30, 2024, using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified.

Inflation	2.25%
Salary increases	Depends on service and ranges from 8.50% at one year of service to 3.50% at 20 or more years of service.
Investment rate of return	2.75%, net of OPEB plan investment expense, including inflation
Healthcare cost trend rates	Trend for plan year 2025 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.

Mortality rates for retirement and beneficiary annuitants: PubT-2010 Retiree Mortality Table, adjusted for TRS experience. Disabled Annuitants: PubNS-2010 Non-Safety Disabled Retiree Table. Pre-Retirement: PubT-2010 Employee Mortality Table. All tables reflect future mortality improvements using Projection Scale MP-2020.

COMMUNITY CONSOLIDATED SCHOOL DISTRICT #15
PALATINE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

6. OTHER POSTEMPLOYMENT BENEFITS (Continued)

b. Teachers' Health Insurance Security Fund (Continued)

Single Discount Rate

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

Since the THIS is financed on a pay-as-you-go basis, the sponsor has selected a discount rate consistent with the 20-year general obligation bond index described above. The discount rates are 3.97% as of June 30, 2024, and 3.86% as of June 30, 2023.

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

The following presents the District's proportionate share of the collective net OPEB liability, as well as what the District's proportionate share of the collective net OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (2.97%) or 1 percentage point higher (4.97%) than the current discount rate:

	1% Decrease (2.97%)	Current Discount Rate (3.97%)	1% Increase (4.97%)
Employer's proportionate share of the collective net OPEB liability	\$ 27,199,948	\$ 24,372,699	\$ 21,880,402

The following table shows the District's net OPEB liability as of June 30, 2024, using current trend rates and sensitivity trend rates that are either 1 percentage point higher or lower. The current claims trend rates are 6% in 2025, 8% in 2026, decreasing by 0.25% per year to an ultimate rate of 4.25% in 2041.

	1% Decrease ^a	Current Discount Rate	1% Increase ^b
Employer's proportionate share of the collective net OPEB liability	\$ 20,984,890	\$ 24,372,699	\$ 28,404,064

COMMUNITY CONSOLIDATED SCHOOL DISTRICT #15
PALATINE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

6. OTHER POSTEMPLOYMENT BENEFITS (Continued)

b. Teachers' Health Insurance Security Fund (Continued)

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

^a One percentage point decrease in healthcare trend rates -

Pre-Medicare per capita costs: 5.00% in 2025, 7.00% in 2026, decreasing by 0.25% per year to an ultimate rate of 3.25% in 2041.

Post-Medicare per capita costs: Based on actual increase in 2025, 14% from 2026 to 2030, 6% in 2031 decreasing ratably to an ultimate trend rate of 3.25% in 2041.

^b One percentage point increase in healthcare trend rates -

Pre-Medicare per capita costs: 7.00% in 2025, 9.00% in 2026, decreasing by 0.25% per year to an ultimate rate of 5.25% in 2041.

Post-Medicare per capita costs: Based on actual increase in 2025, 16% from 2026 to 2030, 8% in 2031 decreasing ratably to an ultimate trend rate of 5.25% in 2041.

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

The collective net OPEB liability was measured as of June 30, 2024 and the total OPEB liability used to calculate the collective net OPEB liability was determined by an actuarial valuation as of that date. The District proportion of the collective net OPEB liability was based on a projection of the District's long-term share of contributions to the OPEB plan relative to the projected contributions of the District, actuarially determined. At June 30, 2024, the District's proportion was 0.308104%, which was an decrease of 0.006290% from its proportion measured as of June 30, 2023 (0.314394%). 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	\$ 24,372,699
State's proportionate share of the net OPEB liability associated with the employer	<u>33,099,220</u>
TOTAL	<u><u>\$ 57,471,919</u></u>

COMMUNITY CONSOLIDATED SCHOOL DISTRICT #15
PALATINE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

6. OTHER POSTEMPLOYMENT BENEFITS (Continued)

b. Teachers' Health Insurance Security Fund (Continued)

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

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

	Governmental Activities	General Fund
State on-behalf contributions - revenue and expense/expenditure	\$ 946,396	\$ 874,068
District TRS pension (benefit) expense	(9,142,799)	650,695
TOTAL TRS EXPENSE/EXPENDITURE	<u>\$ (8,196,403)</u>	<u>\$ 1,524,763</u>

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 672,547	\$ 10,272,559
Changes of assumptions	736,610	35,021,440
Net difference between projected and actual earnings on OPEB plan investments	-	13,231
Changes in the proportion and differences between employer contributions and proportionate share of contributions	6,694	4,234,026
Employer contributions subsequent to the measurement date	650,695	-
TOTAL	<u>\$ 2,066,546</u>	<u>\$ 49,541,256</u>

COMMUNITY CONSOLIDATED SCHOOL DISTRICT #15
PALATINE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

6. OTHER POSTEMPLOYMENT BENEFITS (Continued)

b. Teachers' Health Insurance Security Fund (Continued)

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

\$650,695 disclosed as deferred outflows of resources related to OPEB resulting from the District's contributions subsequent to the measurement date and before the end of the fiscal year will be included as a reduction of the collective net OPEB liability in the year ending June 30, 2026. Other amounts disclosed as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in the District's OPEB expense as follows:

Year Ended June 30,	
2026	\$ (5,313,041)
2027	(5,313,041)
2028	(5,313,041)
2029	(5,313,041)
2030	(5,313,041)
Thereafter	<u>(21,560,200)</u>
TOTAL	<u>\$ (48,125,405)</u>

7. RISK MANAGEMENT

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

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

COMMUNITY CONSOLIDATED SCHOOL DISTRICT #15
PALATINE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

7. RISK MANAGEMENT (Continued)

At June 30, 2025, total unpaid claims, including an estimate of claims that have been incurred but not reported (IBNRs) to the administrative agent, totaled \$4,374,468. These estimates are developed based on reports prepared by the administrative agent. The District does not allocate overhead costs or other non-incremental costs to the claims liability.

For the two fiscal years ended June 30, 2025 and 2024, changes in the liability for unpaid claims are as follows:

	2025	2024
Unpaid claims, beginning of fiscal year	\$ 7,455,933	\$ 6,643,216
Incurred claims (including IBNRs)	30,931,397	30,698,033
Claim payments	(34,012,862)	(29,885,316)
UNPAID CLAIMS, END OF FISCAL YEAR	\$ 4,374,468	\$ 7,455,933

At June 30, 2025, the unpaid claims includes \$1,839,584 of estimated incurred but not reported claims and \$2,534,884 of known reported claims.

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

8. COMMITMENTS AND CONTINGENCIES

a. Litigation

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

b. Grants

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

COMMUNITY CONSOLIDATED SCHOOL DISTRICT #15
PALATINE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

9. INTERFUND TRANSFERS

Fund	Transfer In	Transfer Out
General	\$ 9,150,000	\$ 141,422
Operations and Maintenance	-	8,000,000
Transportation	-	4,000,000
Debt Service	3,141,422	150,000
TOTAL	\$ 12,291,422	\$ 12,291,422

The purpose of significant transfers were as follows:

- \$9,150,000 transferred to the General (Educational Account) Fund from the Operations and Maintenance Fund, Transportation Fund and Debt Service Fund. The amounts transferred represents a permanent transfer of interest income to pay for education expenses as well as to cover other operating expenses.
- \$3,141,422 transferred to the Debt Service Fund from the General Fund (Educational Account) and Transportation Fund. The amount transferred represents payments for principal and interest on long-term debt obligations.

10. CONSTRUCTION COMMITMENTS

The District has contracts for construction projects which have been approved by the Board of Education at June 30, 2025. Future commitments under these contracts approximate \$4,466,132 at June 30, 2025.

11. NET POSITION RESTATEMENTS

Change in Accounting Principle

The District's beginning net position was adjusted due the implementation GASB Statement No. 101, *Compensated Absences*. In addition to the value of unused time owed to employees upon separation of employment, the District now recognizes an estimated amount of sick leave earned as of year-end that will be used by employees as time off in future years as part of the liability for compensated absences. The effects of the change in accounting principle is summarized in the table below:

	<u>Governmental Activities</u>
BEGINNING NET POSITION, AS PREVIOUSLY REPORTED	\$ 60,663,658
Change in accounting principle - GASB Statement No. 101	(5,902,071)
Total net restatement	(5,902,071)
BEGINNING NET POSITION, AS RESTATED	<u>\$ 54,761,587</u>

REQUIRED SUPPLEMENTARY INFORMATION

**COMMUNITY CONSOLIDATED SCHOOL DISTRICT #15
PALATINE, ILLINOIS**

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

For the Year Ended June 30, 2025

	Original and Final Budget	Actual	Variance with Final Budget Over (Under)
REVENUES			
Local sources			
Property taxes	\$ 123,207,161	\$ 119,437,182	\$ (3,769,979)
Special education property taxes	1,509,520	1,460,652	(48,868)
Corporate personal property replacement taxes	1,231,031	671,284	(559,747)
Investment income	1,765,500	3,060,547	1,295,047
Sales to pupils - lunch	700,000	757,630	57,630
Sales to adults	3,000	5,675	2,675
Other food service	20,000	13,950	(6,050)
Admission - other	500	-	(500)
Rentals - regular textbooks	1,250,000	971,799	(278,201)
Fees	90,500	118,155	27,655
Student activity fund revenue	-	329,245	329,245
Rentals	1,000	-	(1,000)
Contributions and donations from private sources	-	30,000	30,000
Impact fees from municipal or county governments	-	1,450	1,450
Refund of prior year expenses	-	347	347
Proceeds from vendors' contracts	-	40,753	40,753
TIF Reimbursement	1,593,807	-	(1,593,807)
Other local fees	13,000	16,683	3,683
Other local revenue	50,000	343,689	293,689
Total local sources	131,435,019	127,259,041	(4,175,978)
State sources			
Evidence based funding formula	18,100,000	18,131,844	31,844
Special education - private facility tuition	450,000	-	(450,000)
Special education - orphanage - individual	270,000	745,671	475,671
Special education - orphanage - summer individual	5,000	44,494	39,494
Special education - orphanage - improvement (CTEI)	10,000	-	(10,000)
State free lunch and breakfast	60,000	45,345	(14,655)
Early childhood - block grant	510,000	496,357	(13,643)
Other restricted revenue from state sources	1,055,000	353,052	(701,948)
Total state sources	20,460,000	19,816,763	(643,237)
Federal sources			
National school lunch program	3,000,000	3,222,078	222,078
School breakfast program	750,000	818,386	68,386
Summer food service program	15,000	39,012	24,012

(This statement is continued on the following pages.)

**COMMUNITY CONSOLIDATED SCHOOL DISTRICT #15
PALATINE, ILLINOIS**

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

For the Year Ended June 30, 2025

	Original and Final Budget	Actual	Variance with Final Budget Over (Under)
REVENUES (Continued)			
Federal sources (Continued)			
Child and adult care food program	\$ 55,000	\$ 55,469	\$ 469
Title I - low income	1,730,711	3,015,846	1,285,135
Title IV - student support and academic enrichment grant	114,407	143,869	29,462
Title IV - 21st century comm learning centers	258,000	99,105	(158,895)
Federal special education - preschool flow through	107,429	101,502	(5,927)
Federal special education - IDEA flow through	2,901,668	2,792,387	(109,281)
Title III - IMM Ed	138,873	132,462	(6,411)
Title III - English Language Association	410,345	379,890	(30,455)
Title II - teacher quality	360,750	264,092	(96,658)
Medicaid matching funds - administrative outreach	500,000	485,164	(14,836)
Medicaid matching funds - fee-for-service program	1,000,000	1,077,294	77,294
Other restricted revenues from federal sources	890,000	1,295,261	405,261
	<hr/>	<hr/>	<hr/>
Total federal sources	12,232,183	13,921,817	1,689,634
	<hr/>	<hr/>	<hr/>
Total revenues	164,127,202	160,997,621	(3,129,581)
EXPENDITURES			
Instruction			
Regular programs			
Salaries	50,293,016	49,926,017	(366,999)
Employee benefits	11,896,830	10,778,052	(1,118,778)
Purchased services	1,187,987	816,907	(371,080)
Supplies and materials	2,057,641	1,890,525	(167,116)
Capital outlay	-	709,972	709,972
Other objects	29,500	8,649	(20,851)
Noncapitalized equipment	264,479	201,951	(62,528)
	<hr/>	<hr/>	<hr/>
Total regular programs	65,729,453	64,332,073	(1,397,380)
Special education programs			
Salaries	19,102,975	19,047,992	(54,983)
Employee benefits	4,557,701	6,209,321	1,651,620
Purchased services	1,476,162	986,200	(489,962)
Supplies and materials	504,883	255,766	(249,117)
Capital outlay	20,000	-	(20,000)
Other objects	2,703,200	2,212,738	(490,462)
Noncapitalized equipment	192,722	60,311	(132,411)
	<hr/>	<hr/>	<hr/>
Total special education programs	28,557,643	28,772,328	214,685

(This statement is continued on the following pages.)

**COMMUNITY CONSOLIDATED SCHOOL DISTRICT #15
PALATINE, ILLINOIS**

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

For the Year Ended June 30, 2025

	Original and Final Budget	Actual	Variance with Final Budget Over (Under)
EXPENDITURES (Continued)			
Instruction (Continued)			
Special education programs pre-K			
Salaries	\$ 235,000	\$ -	\$ (235,000)
Total special education programs pre-K	235,000	-	(235,000)
Remedial and supplemental programs - Pre-K			
Salaries	710,440	42,256	(668,184)
Employee benefits	261,746	8,540	(253,206)
Purchased services	-	41,258	41,258
Supplies and materials	46,466	235,018	188,552
Total remedial and supplemental programs - Pre-K	1,018,652	327,072	(691,580)
Interscholastic programs			
Salaries	1,102,976	945,436	(157,540)
Employee benefits	-	11,730	11,730
Purchased services	38,000	44,358	6,358
Supplies and materials	70,000	79,022	9,022
Other objects	17,000	10,436	(6,564)
Total interscholastic programs	1,227,976	1,090,982	(136,994)
Summer school programs			
Salaries	731,665	415,825	(315,840)
Employee benefits	-	32,750	32,750
Purchased services	11,728	-	(11,728)
Total summer school programs	743,393	448,575	(294,818)
Gifted program			
Salaries	759,266	594	(758,672)
Employee benefits	175,000	7	(174,993)
Purchased services	5,000	-	(5,000)
Supplies and materials	6,000	13,188	7,188
Total gifted programs	945,266	13,789	(931,477)

(This statement is continued on the following pages.)

**COMMUNITY CONSOLIDATED SCHOOL DISTRICT #15
PALATINE, ILLINOIS**

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

For the Year Ended June 30, 2025

	Original and Final Budget	Actual	Variance with Final Budget Over (Under)
EXPENDITURES (Continued)			
Instruction (Continued)			
Bilingual programs			
Salaries	\$ 14,999,280	\$ 15,238,793	\$ 239,513
Employee benefits	2,958,191	3,390,686	432,495
Purchased services	109,500	48,239	(61,261)
Supplies and materials	175,722	290,713	114,991
Capital outlay	-	32,054	32,054
Total bilingual programs	18,242,693	19,000,485	757,792
Student activity fund expenditures			
Other objects	500,000	345,780	(154,220)
Total student activity fund expenditures	500,000	345,780	(154,220)
Total instruction	117,200,077	114,331,084	(2,868,993)
Support services			
Pupils			
Attendance and social work services			
Salaries	3,159,176	3,130,901	(28,275)
Employee benefits	607,000	632,640	25,640
Purchased services	466,000	528,739	62,739
Supplies and materials	3,500	7,993	4,493
Other objects	500	361	(139)
Total attendance and social work services	4,236,176	4,300,634	64,458
Guidance services			
Salaries	417,144	337,039	(80,105)
Employee benefits	96,750	88,454	(8,296)
Purchased services	-	20,117	20,117
Total guidance services	513,894	445,610	(68,284)
Health services			
Salaries	4,195,224	3,683,909	(511,315)
Employee benefits	802,100	835,854	33,754
Purchased services	709,500	533,690	(175,810)

(This statement is continued on the following pages.)

**COMMUNITY CONSOLIDATED SCHOOL DISTRICT #15
PALATINE, ILLINOIS**

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

For the Year Ended June 30, 2025

	Original and Final Budget	Actual	Variance with Final Budget Over (Under)
EXPENDITURES (Continued)			
Support services (Continued)			
Pupils (Continued)			
Health services (Continued)			
Supplies and materials	\$ 60,000	\$ 49,453	\$ (10,547)
Capital outlay	18,000	-	(18,000)
Other objects	700	571	(129)
Noncapitalized equipment	27,000	57,572	30,572
Total health services	5,812,524	5,161,049	(651,475)
Psychological services			
Salaries	1,700,801	1,556,779	(144,022)
Employee benefits	257,200	324,245	67,045
Purchased services	752,200	519,982	(232,218)
Supplies and materials	12,000	21,516	9,516
Other objects	800	230	(570)
Total psychological services	2,723,001	2,422,752	(300,249)
Speech pathology and audiology services			
Salaries	1,980,040	1,859,066	(120,974)
Employee benefits	443,800	350,801	(92,999)
Purchased services	2,507,500	2,039,220	(468,280)
Supplies and materials	8,000	6,876	(1,124)
Other objects	300	-	(300)
Total speech pathology and audiology services	4,939,640	4,255,963	(683,677)
Other support services - pupils			
Purchased services	36,900	38,800	1,900
Total support services - pupils	36,900	38,800	1,900
Total pupils	18,262,134	16,624,808	(1,637,326)
Instructional staff			
Improvement of instructional services			
Salaries	5,538,831	5,260,145	(278,686)
Employee benefits	1,006,399	1,568,523	562,124
Purchased services	942,822	518,835	(423,987)

(This statement is continued on the following pages.)

**COMMUNITY CONSOLIDATED SCHOOL DISTRICT #15
PALATINE, ILLINOIS**

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

For the Year Ended June 30, 2025

	Original and Final Budget	Actual	Variance with Final Budget Over (Under)
EXPENDITURES (Continued)			
Support services (Continued)			
Instructional staff (Continued)			
Improvement of instructional services (Continued)			
Supplies and materials	\$ 267,301	\$ 100,316	\$ (166,985)
Other objects	92,500	220,471	127,971
Noncapitalized equipment	3,000	518	(2,482)
Total improvement of instructional services	7,850,853	7,668,808	(182,045)
Educational media services			
Salaries	3,706,004	3,248,504	(457,500)
Employee benefits	568,350	802,548	234,198
Purchased services	1,103,545	929,678	(173,867)
Supplies and materials	557,928	556,142	(1,786)
Capital outlay	418,500	159,743	(258,757)
Other objects	1,500	1,827	327
Noncapitalized equipment	2,315,000	3,182,347	867,347
Total educational media services	8,670,827	8,880,789	209,962
Assessment and testing			
Salaries	-	27,351	27,351
Employee benefits	-	3,972	3,972
Purchased services	335,250	155,948	(179,302)
Supplies and materials	-	13,316	13,316
Other objects	10,500	1,800	(8,700)
Total assessment and testing	345,750	202,387	(143,363)
Total instructional staff	16,867,430	16,751,984	(115,446)
General administration			
Board of Education services			
Salaries	610,000	434,334	(175,666)
Employee benefits	77,000	71,610	(5,390)
Purchased services	395,000	606,256	211,256
Supplies and materials	5,000	1,968	(3,032)
Other objects	20,000	34,973	14,973
Noncapitalized equipment	-	4,505	4,505
Total Board of Education services	1,107,000	1,153,646	46,646

(This statement is continued on the following pages.)

**COMMUNITY CONSOLIDATED SCHOOL DISTRICT #15
PALATINE, ILLINOIS**

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

For the Year Ended June 30, 2025

	Original and Final Budget	Actual	Variance with Final Budget Over (Under)
EXPENDITURES (Continued)			
Support services (Continued)			
General administration (Continued)			
Executive administration services			
Salaries	\$ 849,555	\$ 812,753	\$ (36,802)
Employee benefits	340,800	199,059	(141,741)
Purchased services	77,000	157,291	80,291
Supplies and materials	30,000	39,130	9,130
Other objects	4,500	7,619	3,119
Total executive administration services	1,301,855	1,215,852	(86,003)
Special area administration services			
Salaries	-	251,224	251,224
Employee benefits	-	94,343	94,343
Total special area administration services	-	345,567	345,567
Tort immunity services			
Purchased services	1,785,000	1,602,293	(182,707)
Total tort immunity services	1,785,000	1,602,293	(182,707)
Total general administration	4,193,855	4,317,358	123,503
School administration			
Office of the principal services			
Salaries	7,792,480	7,843,576	51,096
Employee benefits	2,511,000	3,051,145	540,145
Purchased services	43,381	34,768	(8,613)
Supplies and materials	92,770	95,986	3,216
Noncapitalized equipment	16,143	21,367	5,224
Total office of the principal services	10,455,774	11,046,842	591,068
Total school administration	10,455,774	11,046,842	591,068
Business			
Direction of business support services			
Salaries	199,357	199,357	-
Employee benefits	-	70,244	70,244
Total direction of business support services	199,357	269,601	70,244

(This statement is continued on the following pages.)

**COMMUNITY CONSOLIDATED SCHOOL DISTRICT #15
PALATINE, ILLINOIS**

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

For the Year Ended June 30, 2025

	Original and Final Budget	Actual	Variance with Final Budget Over (Under)
EXPENDITURES (Continued)			
Support services (Continued)			
Business (Continued)			
Fiscal services			
Salaries	\$ 760,074	\$ 750,166	\$ (9,908)
Employee benefits	230,000	192,289	(37,711)
Purchased services	346,000	327,286	(18,714)
Supplies and materials	30,000	12,697	(17,303)
Other objects	50,000	3,188	(46,812)
Noncapitalized equipment	-	50,359	50,359
Total fiscal services	1,416,074	1,335,985	(80,089)
Operation and maintenance of plant services			
Purchased services	-	35,327	35,327
Capital outlay	-	279,784	279,784
Total operation and maintenance of plant services	-	315,111	315,111
Pupil transportation services			
Purchased services	-	52,981	52,981
Total pupil transportation services	-	52,981	52,981
Food service			
Salaries	1,746,267	1,703,785	(42,482)
Employee benefits	715,000	807,629	92,629
Purchased services	137,700	99,562	(38,138)
Supplies and materials	2,620,000	2,241,322	(378,678)
Capital outlay	200,000	131,872	(68,128)
Other objects	2,000	4,134	2,134
Noncapitalized equipment	85,000	2,874	(82,126)
Total food service	5,505,967	4,991,178	(514,789)
Internal Services			
Salaries	-	79,383	79,383
Employee benefits	-	9,595	9,595
Purchased services	281,300	209,721	(71,579)
Supplies and materials	40,000	19,890	(20,110)
Total internal services	321,300	318,589	(2,711)
Total business	7,442,697	7,283,445	(159,253)

(This statement is continued on the following pages.)

**COMMUNITY CONSOLIDATED SCHOOL DISTRICT #15
PALATINE, ILLINOIS**

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

For the Year Ended June 30, 2025

	Original and Final Budget	Actual	Variance with Final Budget Over (Under)
EXPENDITURES (Continued)			
Support services (Continued)			
Central			
Planning, Research, Development and Evaluation Service			
Salaries	\$ -	\$ 795	\$ 795
Employee benefits	-	9	9
<hr/>			
Total Planning, Research, Development and Evaluation Service	-	804	804
<hr/>			
Information services			
Salaries	315,426	308,621	(6,805)
Employee benefits	40,000	34,904	(5,096)
Purchased services	76,500	109,958	33,458
Supplies and materials	15,000	5,101	(9,899)
Other objects	1,000	1,305	305
<hr/>			
Total information services	447,926	459,889	11,963
<hr/>			
Staff services			
Salaries	956,519	977,714	21,195
Employee benefits	235,400	291,669	56,269
Purchased services	204,000	160,388	(43,612)
Supplies and materials	152,315	32,090	(120,225)
Other objects	2,000	1,300	(700)
<hr/>			
Total staff services	1,550,234	1,463,161	(87,073)
<hr/>			
Data processing services			
Salaries	516,724	445,091	(71,633)
Employee benefits	65,000	74,396	9,396
Purchased services	656,545	522,636	(133,909)
Supplies and materials	1,045	13	(1,032)
<hr/>			
Total data processing services	1,239,314	1,042,136	(197,178)
<hr/>			
Total central	3,237,474	2,965,990	(271,484)

(This statement is continued on the following pages.)

**COMMUNITY CONSOLIDATED SCHOOL DISTRICT #15
PALATINE, ILLINOIS**

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

For the Year Ended June 30, 2025

	Original and Final Budget	Actual	Variance with Final Budget Over (Under)
EXPENDITURES (Continued)			
Support services (Continued)			
Other support services			
Salaries	\$ 10,000	\$ 32,155	\$ 22,155
Employee benefits	4,000	8,401	4,401
Purchased services	75,436	48,449	(26,987)
Supplies and materials	-	63,661	63,661
Total other support services	89,436	152,666	63,230
Total support services	60,548,800	59,143,093	(1,405,708)
Community services			
Salaries	115,819	125,455	9,636
Employee benefits	10,612	11,110	498
Purchased services	230,036	245,938	15,902
Supplies and materials	31,400	25,551	(5,849)
Total community services	387,867	408,054	20,187
Payments to other districts and governmental units			
Payments for regular programs			
Purchased services	134,750	729,304	594,554
Total payments for regular programs	134,750	729,304	594,554
Payments for PD services			
Other objects	581,089	-	(581,089)
Total payments for PD services	581,089	-	(581,089)
Payments for special education programs - transfers			
Other objects	625,000	760,922	135,922
Total payments for special education programs - tuition	625,000	760,922	135,922
Total payments to other districts and governmental units	1,340,839	1,490,226	149,387
Total expenditures	179,477,583	175,372,457	(4,105,126)

(This statement is continued on the following page.)

**COMMUNITY CONSOLIDATED SCHOOL DISTRICT #15
PALATINE, ILLINOIS**

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

For the Year Ended June 30, 2025

	Original and Final Budget	Actual	Variance with Final Budget Over (Under)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$ (15,350,381)	\$ (14,374,836)	\$ 975,545
OTHER FINANCING SOURCES (USES)			
Transfers in	9,000,000	9,150,000	150,000
Transfers (out)	(180,000)	(141,422)	38,578
Issuance of leases	-	709,972	709,972
Total other financing sources (uses)	8,820,000	9,718,550	898,550
NET CHANGE IN FUND BALANCE (BUDGETARY BASIS)	\$ (6,530,381)	(4,656,286)	\$ 1,874,095
ADJUSTMENTS TO GAAP BASIS			
On-behalf revenues		47,888,678	
On-behalf expenditures		(47,888,678)	
NET CHANGE IN FUND BALANCE (GAAP BASIS)		(4,656,286)	
FUND BALANCE, JULY 1		49,897,080	
FUND BALANCE, JUNE 30		\$ 45,240,794	

(See independent auditor's report.)

**COMMUNITY CONSOLIDATED SCHOOL DISTRICT #15
PALATINE, ILLINOIS**

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

For the Year Ended June 30, 2025

	Original and Final Budget	Actual	Variance with Final Budget Over (Under)
REVENUES			
Local sources			
Property taxes	\$ 20,430,034	\$ 19,768,698	\$ (661,336)
Corporate personal property replacement taxes	1,000,000	955,602	(44,398)
Interest on investments	450,000	839,189	389,189
Rentals	150,000	221,277	71,277
Other local sources	125,000	107,226	(17,774)
	<hr/>	<hr/>	<hr/>
Total local sources	22,155,034	21,891,992	(263,042)
	<hr/>	<hr/>	<hr/>
Total revenues	22,155,034	21,891,992	(263,042)
EXPENDITURES			
Support services			
Operations and maintenance			
Operation and maintenance of plant services			
Salaries	6,378,103	5,877,271	(500,832)
Employee benefits	1,212,000	1,373,960	161,960
Purchased services	2,263,500	2,430,507	167,007
Supplies and materials	3,629,200	4,589,460	960,260
Capital outlay	600,000	153,592	(446,408)
Other objects	2,000	1,425	(575)
Noncapitalized equipment	175,000	221,338	46,338
	<hr/>	<hr/>	<hr/>
Total operation and maintenance of plant services	14,259,803	14,647,553	387,750
	<hr/>	<hr/>	<hr/>
Total support services - operations and maintenance	14,259,803	14,647,553	387,750
	<hr/>	<hr/>	<hr/>
Total expenditures	14,259,803	14,647,553	387,750
	<hr/>	<hr/>	<hr/>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	7,895,231	7,244,439	(650,792)
	<hr/>	<hr/>	<hr/>
OTHER FINANCING SOURCES (USES)			
Transfers (out)	(8,000,000)	(8,000,000)	-
Sale of assets	-	6,101	6,101
	<hr/>	<hr/>	<hr/>
Total other financing sources (uses)	(8,000,000)	(7,993,899)	6,101
	<hr/>	<hr/>	<hr/>
NET CHANGE IN FUND BALANCE	<u>\$ (104,769)</u>	<u>(749,460)</u>	<u>\$ (644,691)</u>
FUND BALANCE, JULY 1		<u>10,654,709</u>	
FUND BALANCE, JUNE 30		<u>\$ 9,905,249</u>	

(See independent auditor's report.)

**COMMUNITY CONSOLIDATED SCHOOL DISTRICT #15
PALATINE, ILLINOIS**

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

For the Year Ended June 30, 2025

	Original and Final Budget	Actual	Variance with Final Budget Over (Under)
REVENUES			
Local sources			
Property taxes	\$ 4,815,234	\$ 4,659,523	\$ (155,711)
Regular transportation fees from pupils or parents - in state	7,500	8,890	1,390
Regular transportation fees from other districts - in state	30,000	84,265	54,265
Regular transportation fees from other sources - in state	25,000	18,475	(6,525)
Investment income	85,000	257,022	172,022
Other	5,000	8,665	3,665
Total local sources	<u>4,967,734</u>	<u>5,036,840</u>	<u>69,106</u>
State sources			
Transportation - regular	2,200,000	2,697,821	497,821
Transportation - special education	2,200,000	1,593,917	(606,083)
Total state sources	<u>4,400,000</u>	<u>4,291,738</u>	<u>(108,262)</u>
Total revenues	<u>9,367,734</u>	<u>9,328,578</u>	<u>(39,156)</u>
EXPENDITURES			
Support services			
Transportation			
Pupil transportation services			
Salaries	4,860,986	4,879,565	18,579
Employee benefits	1,505,000	1,650,530	145,530
Purchased services	985,100	2,272,691	1,287,591
Supplies and materials	1,375,000	1,102,627	(272,373)
Capital outlay	1,325,000	1,142,363	(182,637)
Other objects	150	-	(150)
Noncapitalized equipment	65,000	29,998	(35,002)
Total pupil transportation services	<u>10,116,236</u>	<u>11,077,774</u>	<u>961,538</u>
Total support services - transportation	<u>10,116,236</u>	<u>11,077,774</u>	<u>961,538</u>
Total expenditures	<u>10,116,236</u>	<u>11,077,774</u>	<u>961,538</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(748,502)</u>	<u>(1,749,196)</u>	<u>(1,000,694)</u>

(This schedule is continued on the following page.)

**COMMUNITY CONSOLIDATED SCHOOL DISTRICT #15
PALATINE, ILLINOIS**

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

For the Year Ended June 30, 2025

	Original and Final Budget	Actual	Variance with Final Budget Over (Under)
OTHER FINANCING SOURCES (USES)			
Transfers (out)	\$ (4,000,000)	\$ (4,000,000)	\$ -
	<hr/>	<hr/>	<hr/>
Total other financing sources (uses)	(4,000,000)	(4,000,000)	-
	<hr/>	<hr/>	<hr/>
NET CHANGE IN FUND BALANCE	<u>\$ (4,748,502)</u>	(5,749,196)	<u>\$ (1,000,694)</u>
FUND BALANCE, JULY 1		<hr/>	
		5,980,606	
FUND BALANCE, JUNE 30		<hr/>	
		\$ 231,410	
		<hr/>	

(See independent auditor's report.)

**COMMUNITY CONSOLIDATED SCHOOL DISTRICT #15
PALATINE, ILLINOIS**

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

For the Year Ended June 30, 2025

	Original and Final Budget	Actual	Variance with Final Budget Over (Under)
REVENUES			
Local sources			
Property taxes	\$ 1,209,407	\$ 1,929,199	\$ 719,792
FICA/Medicare only property taxes	1,733,485	2,171,948	438,463
Corporate personal property replacement taxes	225,000	225,000	-
Investment income	167,500	228,873	61,373
Total local sources	3,335,392	4,555,020	1,219,628
Total revenues	3,335,392	4,555,020	1,219,628
EXPENDITURES			
Instruction			
Regular programs	687,176	910,802	223,626
Special education programs	1,022,000	702,063	(319,937)
Special education programs pre-K	-	-	-
Remedial and supplemental programs - K-12	85,000	-	(85,000)
Interscholastic programs	21,900	14,253	(7,647)
Summer school programs	7,800	19,874	12,074
Gifted programs	9,600	8	(9,592)
Bilingual programs	217,980	277,162	59,182
Total instruction	2,051,456	1,924,162	(127,294)
Support services			
Pupils			
Attendance and social work services	37,700	48,692	10,992
Guidance services	3,750	4,712	962
Health services	448,250	974,755	526,505
Psychological services	28,650	260,082	231,432
Speech pathology and audiology services	30,500	25,819	(4,681)
Total pupils	548,850	1,314,060	765,210
Instructional staff			
Improvement of instructional services	72,550	154,968	82,418
Educational media services	180,900	197,348	16,448
Assessment and testing	-	511	511
Total instructional staff	253,450	352,827	99,377

(This schedule is continued on the following page.)

**COMMUNITY CONSOLIDATED SCHOOL DISTRICT #15
PALATINE, ILLINOIS**

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

For the Year Ended June 30, 2025

	Original and Final Budget	Actual	Variance with Final Budget Over (Under)
EXPENDITURES (Continued)			
Support services (Continued)			
General administration			
Board of Education services	\$ 10,407	\$ 8,731	\$ (1,676)
Executive administration services	18,750	37,470	18,720
Special area administration services	-	3,661	3,661
Total general administration	<u>29,157</u>	<u>49,862</u>	<u>20,705</u>
School administration			
Office of principal services	355,500	358,421	2,921
Total school administration	<u>355,500</u>	<u>358,421</u>	<u>2,921</u>
Business			
Direction of business support services	-	2,982	2,982
Fiscal services	378,150	122,824	(255,326)
services	899,000	878,185	(20,815)
Pupil transportation services	718,700	730,124	11,424
Food services	220,300	241,144	20,844
Internal services	12,850	11,160	(1,690)
Total business	<u>2,229,000</u>	<u>1,986,419</u>	<u>(242,581)</u>
Central			
Planning, research, development, and evaluations	-	11	11
Information services	44,300	54,508	10,208
Staff services	74,250	67,809	(6,441)
Data processing services	71,950	73,944	1,994
Total central	<u>190,500</u>	<u>196,272</u>	<u>5,772</u>
Other support services	-	765	765
Total support services	<u>3,606,457</u>	<u>4,258,626</u>	<u>652,169</u>
Community services	-	6,688	6,688
Total expenditures	<u>5,657,913</u>	<u>6,189,476</u>	<u>531,563</u>
NET CHANGE IN FUND BALANCE	<u>\$ (2,322,521)</u>	(1,634,456)	<u>\$ 688,065</u>
FUND BALANCE, JULY 1		<u>4,918,265</u>	
FUND BALANCE, JUNE 30		<u>\$ 3,283,809</u>	

(See independent auditor's report.)

**COMMUNITY CONSOLIDATED SCHOOL DISTRICT #15
PALATINE, ILLINOIS**

**SCHEDULE OF EMPLOYER CONTRIBUTIONS
ILLINOIS MUNICIPAL RETIREMENT FUND**

Last Ten Fiscal Years

FISCAL YEAR ENDED JUNE 30,	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Actuarially determined contribution	\$ 2,411,192	\$ 1,729,730	\$ 2,067,841	\$ 2,329,297	\$ 2,358,101	\$ 1,994,059	\$ 2,469,175	\$ 2,403,627	\$ 2,503,551	\$ 2,504,469
Contributions in relation to the actuarially determined contribution	2,411,192	1,767,684	2,067,221	2,329,434	2,377,567	2,029,882	2,485,545	2,408,418	2,515,329	2,523,412
CONTRIBUTION DEFICIENCY (Excess)	\$ -	\$ (37,954)	\$ 620	\$ (137)	\$ (19,466)	\$ (35,823)	\$ (16,370)	\$ (4,791)	\$ (11,778)	\$ (18,943)
Covered payroll	\$ 30,931,229	\$ 26,208,023	\$ 23,391,862	\$ 22,289,919	\$ 21,713,641	\$ 22,430,357	\$ 21,659,433	\$ 21,196,007	\$ 21,434,510	\$ 21,350,975
Contributions as a percentage of covered payroll	7.80%	6.74%	8.84%	10.45%	10.95%	9.05%	11.48%	11.36%	11.73%	11.82%

Notes to Required Supplemental Information

The information presented was determined as part of the actuarial valuations as of January 1 of the prior fiscal year. Additional information as of the latest actuarial valuation presented is as follows: the actuarial cost method was entry-age normal; the amortization method was level percent of pay, closed and the amortization period was 19 years until the remaining period reaches ten years (then ten-year rolling period); the asset valuation method was five-year smoothed fair value; and the significant actuarial assumptions were an investment rate of return at 7.25% annually, projected salary increases assumption of 2.75% to 13.75% compounded annually and price inflation of 2.25%.

(See independent auditor's report.)

**COMMUNITY CONSOLIDATED SCHOOL DISTRICT #15
PALATINE, ILLINOIS**

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

Last Ten Fiscal Years

FISCAL YEAR ENDED JUNE 30,	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Statutorily required contribution	\$ 717,636	\$ 514,886	\$ 501,205	\$ 483,250	\$ 480,069	\$ 467,677	\$ 453,658	\$ 905,705	\$ 1,056,048	\$ 986,480
Contributions in relation to the statutorily required contribution	717,636	519,176	501,137	483,089	480,733	467,823	453,570	906,854	1,051,657	982,172
CONTRIBUTION DEFICIENCY (Excess)	\$ -	\$ (4,290)	\$ 68	\$ 161	\$ (664)	\$ (146)	\$ 88	\$ (1,149)	\$ 4,391	\$ 4,308
Covered payroll	\$ 97,118,715	\$ 92,160,628	\$ 88,773,408	\$ 86,414,644	\$ 83,318,904	\$ 82,770,487	\$ 80,633,994	\$ 78,216,900	\$ 77,096,168	\$ 79,091,122
Contributions as a percentage of covered payroll	0.74%	0.56%	0.56%	0.56%	0.58%	0.57%	0.56%	1.16%	1.36%	1.24%

Notes to Required Supplemental Information

Changes of assumptions: For the 2024 measurement year, the assumed investment rate of return was of 7%, including an inflation rate of 2.50% and a real return of 4.50%. Salary increases were assumed to vary by service credit. These actuarial assumptions were based on an experience study dated August 16, 2024. For the 2023-2022 and 2020-2016 measurement years, the assumed investment rate of return was 7%, including an inflation rate of 2.50% and a real return of 4.50%*. Salary increases were assumed to vary by service credit. The assumptions used for the 2020-2018 and 2017-2016 measurement years were based on an experience study dated September 18, 2018 and August 13, 2015, respectively. For the 2015 measurement year, the assumed investment rate of return was 7.50%, including an inflation rate of 3.00% and a real return of 4.50%. Salary increases were assumed to vary by service credit. Various other changes in assumptions were adopted based on the experience analysis for the three-year period ended June 30, 2014.

(See independent auditor's report.)

**COMMUNITY CONSOLIDATED SCHOOL DISTRICT #15
PALATINE, ILLINOIS**

**SCHEDULE OF EMPLOYER CONTRIBUTIONS
TEACHERS' HEALTH INSURANCE SECURITY FUND**

Last Eight Fiscal Years

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

Notes to Required Supplemental Information

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

(See independent auditor's report.)

**COMMUNITY CONSOLIDATED SCHOOL DISTRICT #15
PALATINE, ILLINOIS**

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

Last Ten Fiscal Years

MEASUREMENT DATE DECEMBER 31,	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
TOTAL PENSION LIABILITY										
Service cost	\$ 2,455,460	\$ 2,213,757	\$ 2,086,607	\$ 2,066,746	\$ 2,327,881	\$ 2,258,064	\$ 2,146,836	\$ 2,365,295	\$ 2,391,445	\$ 2,480,476
Interest	11,612,277	11,165,795	10,732,210	10,342,183	10,027,941	9,680,084	9,338,430	9,370,058	8,954,239	8,642,367
Differences between expected and actual experience	2,893,833	2,898,286	2,754,579	2,247,689	1,727,450	703,365	1,349,426	(1,579,013)	382,859	(1,108,127)
Changes in assumptions	-	(186,558)	-	-	(981,508)	-	3,390,009	(3,760,868)	(417,042)	271,397
Benefit payments, including refunds of member contributions	(10,290,556)	(9,816,968)	(9,496,009)	(9,077,724)	(8,195,917)	(7,560,865)	(6,987,760)	(6,428,144)	(6,039,161)	(5,476,178)
Net change in total pension liability	6,671,014	6,274,312	6,077,387	5,578,894	4,905,847	5,080,648	9,236,941	(32,672)	5,272,340	4,809,935
Total pension liability - beginning	164,086,887	157,812,575	151,735,188	146,156,294	141,250,447	136,169,799	126,932,858	126,965,530	121,693,190	116,883,255
TOTAL PENSION LIABILITY - ENDING	\$ 170,757,901	\$ 164,086,887	\$ 157,812,575	\$ 151,735,188	\$ 146,156,294	\$ 141,250,447	\$ 136,169,799	\$ 126,932,858	\$ 126,965,530	\$ 121,693,190
PLAN FIDUCIARY NET POSITION										
Contributions - employer	\$ 2,146,432	\$ 1,767,684	\$ 2,067,221	\$ 2,329,434	\$ 2,377,567	\$ 2,029,882	\$ 2,485,545	\$ 2,408,418	\$ 2,515,329	\$ 2,523,412
Contributions - member	1,293,085	1,211,289	1,121,367	1,010,870	992,120	1,028,251	1,009,104	976,846	977,407	980,331
Net investment income	15,322,636	15,829,625	(22,504,278)	25,816,712	19,324,226	22,287,894	(6,956,143)	19,836,871	7,263,321	537,963
Benefit payments, including refunds of member contributions	(10,290,556)	(9,816,968)	(9,496,009)	(9,077,724)	(8,195,917)	(7,560,865)	(6,987,760)	(6,428,144)	(6,039,161)	(5,476,178)
Other (net transfer)	(331,505)	3,348,045	(767,948)	(131,420)	663,850	(44,957)	2,454,450	(3,000,058)	633,859	(366,048)
Net change in plan fiduciary net position	8,140,092	12,339,675	(29,579,647)	19,947,872	15,161,846	17,740,205	(7,994,804)	13,793,933	5,350,755	(1,800,520)
Plan fiduciary net position - beginning	153,538,197	141,198,522	170,778,169	150,830,297	135,668,451	117,928,246	125,923,050	112,129,117	106,778,362	108,578,882
PLAN FIDUCIARY NET POSITION - ENDING	\$ 161,678,289	\$ 153,538,197	\$ 141,198,522	\$ 170,778,169	\$ 150,830,297	\$ 135,668,451	\$ 117,928,246	\$ 125,923,050	\$ 112,129,117	\$ 106,778,362
EMPLOYER'S NET PENSION LIABILITY (ASSET)	\$ 9,079,612	\$ 10,548,690	\$ 16,614,053	\$ (19,042,981)	\$ (4,674,003)	\$ 5,581,996	\$ 18,241,553	\$ 1,009,808	\$ 14,836,413	\$ 14,914,828

MEASUREMENT DATE DECEMBER 31,	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Plan fiduciary net position as a percentage of the total pension liability	94.68%	93.57%	89.47%	112.55%	103.20%	96.05%	86.60%	99.20%	88.31%	87.74%
Covered payroll	\$ 28,734,028	\$ 26,208,023	\$ 23,391,862	\$ 22,289,919	\$ 21,713,641	\$ 22,430,357	\$ 21,659,433	\$ 21,196,007	\$ 21,434,510	\$ 21,350,975
Employer's net pension liability as a percentage of covered payroll	31.60%	40.25%	71.02%	(85.43%)	(21.53%)	24.89%	84.22%	4.76%	69.22%	69.86%

Assumption Changes:

2015 - changes in assumptions related to investment rate of return, retirement age, and mortality rates.

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

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

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

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

2023 - changes in assumptions related to mortality rates.

(See independent auditor's report.)

**COMMUNITY CONSOLIDATED SCHOOL DISTRICT #15
PALATINE, ILLINOIS**

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

Last Ten Fiscal Years

MEASUREMENT DATE JUNE 30,	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
District's proportion of the net pension liability	0.00859920%	0.00854078%	0.00844456%	0.00928662%	0.00986138%	0.01033001%	0.01091651%	0.02201122%	0.02715559%	0.02803006%
District's proportionate share of the net pension liability	\$ 7,383,765	\$ 7,258,008	\$ 7,079,951	\$ 7,244,616	\$ 8,502,014	\$ 8,378,481	\$ 8,508,853	\$ 16,816,162	\$ 21,435,551	\$ 18,362,511
State's proportionate share of the net pension liability associated with the District	615,647,658	626,369,804	614,138,821	607,175,799	665,921,910	596,287,372	582,892,077	571,728,000	619,267,667	495,583,969
TOTAL	\$ 623,031,423	\$ 633,627,812	\$ 621,218,772	\$ 614,420,415	\$ 674,423,924	\$ 604,665,853	\$ 591,400,930	\$ 588,544,162	\$ 245,086,684	\$ 513,946,480
District's covered payroll	\$ 92,160,628	\$ 88,773,408	\$ 86,414,644	\$ 83,318,904	\$ 82,770,487	\$ 80,633,994	\$ 78,216,900	\$ 77,096,168	\$ 79,091,122	\$ 76,909,767
District's proportionate share of the net pension liability associated with the employer as a percentage of its covered payroll	8.01%	8.18%	8.19%	8.70%	10.27%	10.39%	10.88%	21.81%	27.10%	23.88%
Plan fiduciary net position as a percentage of the total pension liability	45.40%	43.90%	42.80%	45.10%	37.80%	39.60%	40.00%	39.30%	36.40%	41.50%

(See independent auditor's report.)

**COMMUNITY CONSOLIDATED SCHOOL DISTRICT #15
PALATINE, ILLINOIS**

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

Last Eight Fiscal Years

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

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

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

(See independent auditor's report.)

**COMMUNITY CONSOLIDATED SCHOOL DISTRICT #15
PALATINE, ILLINOIS**

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

Last Eight Fiscal Years

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

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

(See independent auditor's report.)

**COMMUNITY CONSOLIDATED SCHOOL DISTRICT #15
PALATINE, ILLINOIS**

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

June 30, 2025

1. BUDGETS AND BUDGETARY ACCOUNTING

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

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

- a. The administration submits to the Board of Education a proposed operating budget for the fiscal year commencing July 1. The operating budget includes proposed expenditures and the means of financing them.
- b. Public hearings are conducted and the proposed budget is available for inspection to obtain taxpayer comments.
- c. The budget is legally adopted through passage of a resolution.
- d. The legal level of budgetary control is at the individual fund level, therefore, actual expenditures for the governmental funds may not legally exceed the total budgeted for such funds. However, under the State Budget Act expenditures may exceed the budget if additional resources are available to finance such expenditures.

2. EXCESS EXPENDITURES OVER BUDGETS

The following fund expenditures were in excess of the budget at June 30, 2025:

Fund	Budget	Expenditures	Excess
Operations and Maintenance	\$ 14,259,803	\$ 14,647,553	\$ 387,750
Transportation	10,116,236	11,077,774	961,538
Illinois Municipal Retirement/ Social Security	5,657,913	6,189,476	531,563
Fire Prevention and Safety	-	88,075	88,075

SUPPLEMENTARY INFORMATION

**COMMUNITY CONSOLIDATED SCHOOL DISTRICT #15
PALATINE, ILLINOIS**

COMBINING BALANCE SHEET
GENERAL FUND - BY ACCOUNT

June 30, 2025

	Educational Account	Tort Immunity and Judgment Account	Working Cash Account	Total
ASSETS				
Cash and investments	\$ 51,561,492	\$ 1,208,564	\$ 134,167	\$ 52,904,223
Receivables				
Property taxes, net	62,227,057	731,274	-	62,958,331
Accounts	500	-	-	500
Intergovernmental	4,854,001	-	-	4,854,001
Prepaid items	1,865,317	-	-	1,865,317
TOTAL ASSETS	\$ 120,508,367	\$ 1,939,838	\$ 134,167	\$ 122,582,372
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
LIABILITIES				
Accounts payable	\$ 2,280,915	\$ -	\$ -	\$ 2,280,915
Salaries and wages payable	9,997,466	-	-	9,997,466
Claims payable	2,534,884	-	-	2,534,884
Total liabilities	14,813,265	-	-	14,813,265
DEFERRED INFLOWS OF RESOURCES				
Property taxes levied for subsequent years	61,802,169	726,144	-	62,528,313
Total deferred inflows of resources	61,802,169	726,144	-	62,528,313
Total liabilities and deferred inflows of resources	76,615,434	726,144	-	77,341,578
FUND BALANCES				
Nonspendable for prepaid items	1,865,317	-	-	1,865,317
Restricted for tort immunity and judgment	-	1,213,694	-	1,213,694
Assigned for working cash	-	-	134,167	134,167
Assigned for future years' budget	9,702,366	-	-	9,702,366
Unassigned	32,325,250	-	-	32,325,250
Total fund balances	43,892,933	1,213,694	134,167	45,240,794
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 120,508,367	\$ 1,939,838	\$ 134,167	\$ 122,582,372

(See independent auditor's report.)

**COMMUNITY CONSOLIDATED SCHOOL DISTRICT #15
PALATINE, ILLINOIS**

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

For the Year Ended June 30, 2025

	Educational Account	Tort Immunity and Judgment Account	Working Cash Account	Total
REVENUES				
Property taxes	\$ 119,382,332	\$ 1,515,502	\$ -	\$ 120,897,834
Corporate personal property replacement taxes	671,284	-	-	671,284
State aid	67,705,441	-	-	67,705,441
Federal aid	13,921,817	-	-	13,921,817
Investment income	2,989,533	64,372	6,642	3,060,547
Other local sources	340,371	3,318	-	343,689
Other	2,285,687	-	-	2,285,687
Total revenues	207,296,465	1,583,192	6,642	208,886,299
EXPENDITURES				
Current				
Instruction				
Regular programs	84,218,701	-	-	84,218,701
Special programs	36,647,865	-	-	36,647,865
Other instructional programs	28,043,101	-	-	28,043,101
Support services				
Pupils	20,984,430	-	-	20,984,430
Instructional staff	20,273,446	-	-	20,273,446
General administration	3,103,051	1,602,293	-	4,705,344
School administration	14,282,650	-	-	14,282,650
Business	7,263,508	-	-	7,263,508
Central	3,552,957	-	-	3,552,957
Other support services	185,415	-	-	185,415
Community services	459,810	-	-	459,810
Intergovernmental				
Payments to other districts and government units	1,490,226	-	-	1,490,226
Capital outlay	1,153,682	-	-	1,153,682
Total expenditures	221,658,842	1,602,293	-	223,261,135
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(14,362,377)	(19,101)	6,642	(14,374,836)
OTHER FINANCING SOURCES (USES)				
Transfers in	9,150,000	-	-	9,150,000
Transfers (out)	(141,422)	-	-	(141,422)
Issuance of leases	709,972	-	-	709,972
Total other financing sources (uses)	9,718,550	-	-	9,718,550
NET CHANGE IN FUND BALANCES	(4,643,827)	(19,101)	6,642	(4,656,286)
FUND BALANCES, JULY 1	48,536,760	1,232,795	127,525	49,897,080
FUND BALANCES, JUNE 30	\$ 43,892,933	\$ 1,213,694	\$ 134,167	\$ 45,240,794

(See independent auditor's report.)

**COMMUNITY CONSOLIDATED SCHOOL DISTRICT #15
PALATINE, ILLINOIS**

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

For the Year Ended June 30, 2025

	Original and Final Budget	Actual	Variance with Final Budget Over (Under)
REVENUES			
Local sources			
Property taxes	\$ 13,353,172	\$ 13,150,646	\$ (202,526)
Interest on investments	100,000	333,107	233,107
Total local sources	13,453,172	13,483,753	30,581
Total revenues	13,453,172	13,483,753	30,581
EXPENDITURES			
Debt service			
Payments on long-term debt			
Interest	7,204,094	7,198,363	(5,731)
Principal	8,475,000	8,427,002	(47,998)
Total payments on long-term debt	15,679,094	15,625,365	(53,729)
Total expenditures	15,679,094	15,625,365	(53,729)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(2,225,922)	(2,141,612)	84,310
OTHER FINANCING SOURCES (USES)			
Transfers in	3,180,000	3,141,422	(38,578)
Transfers (out)	-	(150,000)	(150,000)
Total other financing sources (uses)	3,180,000	2,991,422	(188,578)
NET CHANGE IN FUND BALANCE	\$ 954,078	849,810	\$ (104,268)
FUND BALANCE, JULY 1		4,856,219	
FUND BALANCE, JUNE 30		\$ 5,706,029	

(See independent auditor's report.)

**COMMUNITY CONSOLIDATED SCHOOL DISTRICT #15
PALATINE, ILLINOIS**

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

For the Year Ended June 30, 2025

	Original and Final Budget	Actual	Variance with Final Budget Over (Under)
REVENUES			
Local sources			
Interest on investments	\$ 1,250,000	\$ 1,266,775	\$ 16,775
Impact fees from municipal or county governments	-	24,284	24,284
Contributions and donations from private sources	-	9,165	9,165
Total local sources	<u>1,250,000</u>	<u>1,300,224</u>	<u>50,224</u>
State sources			
Infrastructure improvements - school infrastructure - maintenance projects	-	50,000	50,000
Total state sources	<u>-</u>	<u>50,000</u>	<u>50,000</u>
Total revenues	<u>1,250,000</u>	<u>1,350,224</u>	<u>100,224</u>
EXPENDITURES			
Support services			
Business			
Facilities acquisition and construction services			
Purchased services	75,000,000	569,050	(74,430,950)
Supplies and materials	-	28,533	28,533
Capital outlay	-	33,681,732	33,681,732
Other objects	-	186,214	186,214
Noncapitalized equipment	-	5,827,069	5,827,069
Total facilities acquisition and construction services	<u>75,000,000</u>	<u>40,292,598</u>	<u>(34,707,402)</u>
Total support services - business	<u>75,000,000</u>	<u>40,292,598</u>	<u>(34,707,402)</u>
Total expenditures	<u>75,000,000</u>	<u>40,292,598</u>	<u>(34,707,402)</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(73,750,000)</u>	<u>(38,942,374)</u>	<u>34,807,626</u>

(This schedule is continued on the following page.)

**COMMUNITY CONSOLIDATED SCHOOL DISTRICT #15
PALATINE, ILLINOIS**

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

For the Year Ended June 30, 2025

	Original and Final Budget	Actual	Variance with Final Budget Over (Under)
OTHER FINANCING SOURCES (USES)			
Issuance of debt	\$ 20,000,000	\$ 12,800,000	\$ (7,200,000)
Premium from issuance of debt	-	1,390,687	1,390,687
Total other financing sources (uses)	20,000,000	14,190,687	(5,809,313)
NET CHANGE IN FUND BALANCE	\$ (53,750,000)	(24,751,687)	\$ 28,998,313
FUND BALANCE, JULY 1		51,405,509	
FUND BALANCE, JUNE 30		\$ 26,653,822	

(See independent auditor's report.)

**COMMUNITY CONSOLIDATED SCHOOL DISTRICT #15
PALATINE, ILLINOIS**

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

For the Year Ended June 30, 2025

	Original and Final Budget	Actual	Variance with Final Budget Over (Under)
REVENUES			
Local sources			
Interest on investments	\$ 250	\$ -	\$ (250)
Total local sources	250	-	(250)
Total revenues	250	-	(250)
EXPENDITURES			
Support service - business			
Facilities acquisition and construction services			
Purchased services	-	42,119	42,119
Capital outlay	-	45,956	45,956
Total expenditures	-	88,075	88,075
NET CHANGE IN FUND BALANCE	\$ 250	(88,075)	\$ (88,325)
FUND BALANCE, JULY 1		88,075	
FUND BALANCE, JUNE 30		\$ -	

(See independent auditor's report.)

OTHER SUPPLEMENTAL INFORMATION

**COMMUNITY CONSOLIDATED SCHOOL DISTRICT #15
PALATINE, ILLINOIS**

SCHEDULE OF GENERAL OBLIGATION BONDS PAYABLE

June 30, 2025

Year Ending June 30,	Life Safety School Bonds Series 2016 Limited Tax General Obligation			Life Safety Bonds School Series 2017 Limited Tax General Obligation		
	Principal	Interest	Total	Principal	Interest	Total
2026	\$ 2,840,000	\$ 367,750	\$ 3,207,750	\$ 2,015,000	\$ 199,900	\$ 2,214,900
2027	3,075,000	219,875	3,294,875	2,100,000	117,600	2,217,600
2028	2,860,000	71,500	2,931,500	1,890,000	37,800	1,927,800
2029	-	-	-	-	-	-
2030	-	-	-	-	-	-
2031	-	-	-	-	-	-
2032	-	-	-	-	-	-
2033	-	-	-	-	-	-
2034	-	-	-	-	-	-
2035	-	-	-	-	-	-
2036	-	-	-	-	-	-
2037	-	-	-	-	-	-
2038	-	-	-	-	-	-
2039	-	-	-	-	-	-
2040	-	-	-	-	-	-
2041	-	-	-	-	-	-
2042	-	-	-	-	-	-
2043	-	-	-	-	-	-
2044	-	-	-	-	-	-
	<u>\$ 8,775,000</u>	<u>\$ 659,125</u>	<u>\$ 9,434,125</u>	<u>\$ 6,005,000</u>	<u>\$ 355,300</u>	<u>\$ 6,360,300</u>

Limited Tax General Obligation Life Safety Bonds School Series 2020			General Obligation School Bonds, Series 2023		
Principal	Interest	Total	Principal	Interest	Total
\$ 335,000	\$ 446,775	\$ 781,775	\$ 2,500,000	\$ 1,929,300	\$ 4,429,300
-	438,400	438,400	2,610,000	1,801,550	4,411,550
540,000	424,900	964,900	1,615,000	1,695,925	3,310,925
5,630,000	270,650	5,900,650	1,595,000	1,615,675	3,210,675
4,330,000	64,950	4,394,950	1,670,000	1,534,050	3,204,050
-	-	-	1,760,000	1,448,300	3,208,300
-	-	-	1,845,000	1,358,175	3,203,175
-	-	-	1,935,000	1,263,675	3,198,675
-	-	-	2,035,000	1,164,425	3,199,425
-	-	-	2,135,000	1,060,175	3,195,175
-	-	-	2,240,000	950,800	3,190,800
-	-	-	2,355,000	835,925	3,190,925
-	-	-	2,470,000	715,300	3,185,300
-	-	-	2,595,000	588,675	3,183,675
-	-	-	2,720,000	455,800	3,175,800
-	-	-	2,860,000	316,300	3,176,300
-	-	-	3,000,000	184,800	3,184,800
-	-	-	-	-	-
-	-	-	3,120,000	62,400	3,182,400
\$ 10,835,000	\$ 1,645,675	\$ 12,480,675	\$ 41,060,000	\$ 18,981,250	\$ 60,041,250

(This schedule is continued on the following pages.)

**COMMUNITY CONSOLIDATED SCHOOL DISTRICT #15
PALATINE, ILLINOIS**

SCHEDULE OF GENERAL OBLIGATION BONDS PAYABLE (Continued)

June 30, 2025

Year Ending June 30,	General Obligation School Bonds, Series 2023A			General Obligation Alternative Revenue Bonds, Series 2023B		
	Principal	Interest	Total	Principal	Interest	Total
2026	\$ 125,000	\$ 1,985,519	\$ 2,110,519	\$ 1,255,000	\$ 1,819,350	\$ 3,074,350
2027	145,000	1,978,431	2,123,431	1,320,000	1,756,600	3,076,600
2028	1,280,000	1,941,025	3,221,025	1,385,000	1,690,600	3,075,600
2029	1,445,000	1,869,494	3,314,494	1,455,000	1,621,350	3,076,350
2030	1,525,000	1,791,531	3,316,531	1,530,000	1,548,600	3,078,600
2031	1,600,000	1,709,500	3,309,500	1,605,000	1,472,100	3,077,100
2032	1,685,000	1,625,375	3,310,375	1,685,000	1,391,850	3,076,850
2033	1,775,000	1,538,875	3,313,875	1,770,000	1,307,600	3,077,600
2034	1,860,000	1,448,000	3,308,000	1,860,000	1,219,100	3,079,100
2035	1,955,000	1,352,625	3,307,625	1,950,000	1,126,100	3,076,100
2036	2,055,000	1,252,375	3,307,375	2,050,000	1,028,600	3,078,600
2037	2,150,000	1,147,250	3,297,250	2,150,000	926,100	3,076,100
2038	2,265,000	1,036,874	3,301,874	2,265,000	813,225	3,078,225
2039	2,375,000	920,875	3,295,875	2,380,000	694,313	3,074,313
2040	2,500,000	795,875	3,295,875	2,505,000	569,363	3,074,363
2041	2,625,000	664,625	3,289,625	2,640,000	437,850	3,077,850
2042	2,760,000	530,000	3,290,000	2,775,000	299,250	3,074,250
2043	2,895,000	388,625	3,283,625	2,925,000	153,561	3,078,561
2044	6,325,000	119,474	6,444,474	-	-	-
	<u>\$ 39,345,000</u>	<u>\$ 24,096,348</u>	<u>\$ 63,441,348</u>	<u>\$ 35,505,000</u>	<u>\$ 19,875,512</u>	<u>\$ 55,380,512</u>

General Obligation School Bonds, Series 2025			Total General Obligation Bonds		
Principal	Interest	Total	Principal	Interest	Total
\$ 135,000	\$ 777,069	\$ 912,069	\$ 9,205,000	\$ 7,525,663	\$ 16,730,663
420,000	622,750	1,042,750	9,670,000	6,935,206	16,605,206
-	612,250	612,250	9,570,000	6,474,000	16,044,000
-	612,250	612,250	10,125,000	5,989,419	16,114,419
1,180,000	582,750	1,762,750	10,235,000	5,521,881	15,756,881
5,850,000	407,000	6,257,000	10,815,000	5,036,900	15,851,900
5,215,000	130,375	5,345,375	10,430,000	4,505,775	14,935,775
-	-	-	5,480,000	4,110,150	9,590,150
-	-	-	5,755,000	3,831,525	9,586,525
-	-	-	6,040,000	3,538,900	9,578,900
-	-	-	6,345,000	3,231,775	9,576,775
-	-	-	6,655,000	2,909,275	9,564,275
-	-	-	7,000,000	2,565,399	9,565,399
-	-	-	7,350,000	2,203,863	9,553,863
-	-	-	7,725,000	1,821,038	9,546,038
-	-	-	8,125,000	1,418,775	9,543,775
-	-	-	8,535,000	1,014,050	9,549,050
-	-	-	5,820,000	542,186	6,362,186
-	-	-	9,445,000	181,874	9,626,874
\$ 12,800,000	\$ 3,744,444	\$ 16,544,444	\$ 154,325,000	\$ 69,357,654	\$ 223,682,654

(See independent auditor's report.)

APPENDIX B

PROPOSED FORM OF OPINION OF BOND COUNSEL

[LETTERHEAD OF CHAPMAN AND CUTLER LLP]

[TO BE DATED CLOSING DATE]

Community Consolidated School District Number 15
Cook County, Illinois

We hereby certify that we have examined certified copy of the proceedings (the “*Proceedings*”) of the Board of Education of Community Consolidated School District Number 15, Cook County, Illinois (the “*District*”), passed preliminary to the issue by the District of its fully registered General Obligation Limited Tax School Bonds, Series 2026 (the “*Bonds*”), to the amount of \$ _____, dated _____, 2026, due serially on December 1 of the years and in the amounts and bearing interest as follows:

2029	\$	%
2030		%
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 Community Consolidated School District Number 15, Cook County, Illinois (the “*District*”), in connection with the issuance of \$_____ General Obligation Limited Tax School Bonds, Series 2026 (the “*Bonds*”). The Bonds are being issued pursuant to a resolution adopted by the Board of Education of the District on the 8th day of April, 2026 (as supplemented by a notification of sale, the “*Resolution*”).

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

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

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

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

THE BONDS—Debt Service Extension Base Availability after Issuance of the Bonds
FINANCIAL INFORMATION AND ECONOMIC CHARACTERISTICS OF THE DISTRICT

- Direct General Obligation Bonds (Principal Only)
- Direct General Obligation Bonds (Principal and Interest)
- Alternate Revenue Bonds (Principal Only)
- 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 May __, 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.

COMMUNITY CONSOLIDATED SCHOOL DISTRICT
NUMBER 15, COOK COUNTY, ILLINOIS

By: _____
President, Board of Education

Date: June ____, 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

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

**EXHIBIT III
CUSIP NUMBERS**

YEAR OF MATURITY	CUSIP NUMBER (213291)
2029	
2030	
2032	
2033	
2034	
2035	

APPENDIX D

NOTICE OF SALE

OFFICIAL NOTICE OF SALE

\$24,610,000* GENERAL OBLIGATION LIMITED TAX SCHOOL BONDS, SERIES 2026

**COMMUNITY CONSOLIDATED SCHOOL DISTRICT NUMBER 15
COOK COUNTY, ILLINOIS
(PALATINE)**

SALE DATE AND TIME: MAY 5, 2026; UNTIL 10:00 A.M. CENTRAL TIME

NOTICE IS HEREBY GIVEN that the Board of Education (the “*Board*”) of Community Consolidated School District Number 15, Cook County, Illinois (the “*District*”), will receive all-or-none bids electronically via **Parity®** in the manner described below *until 10:00 A.M. Central Time on May 5, 2026* (the “*Sale Date*”), for the purchase of the District’s General Obligation Limited Tax School Bonds, Series 2026 (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 8th day of April, 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, (b) pay capitalized interest on the Bonds and (c) pay costs associated with the issuance of the Bonds.

In the opinion of Chapman and Cutler LLP, Chicago, Illinois, Bond Counsel (“*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” in the Preliminary Official Statement, dated April 27, 2026, relating to the Bonds (the “*Preliminary Official Statement*”).

The Bonds will be dated the date of issuance thereof and will mature on the on December 1 of the years and in the amounts as follows:

* Preliminary, subject to change.

MATURITY (DECEMBER 1)	AMOUNT*
2029	\$ 125,000
2030	135,000
2032	5,815,000
2033	6,265,000
2034	6,745,000
2035	5,525,000

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 Amalgamated Bank of Chicago, 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 June 1 and December 1, commencing December 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 Date. The District shall not be responsible for any malfunction or mistake made by, or as a result

* 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.

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 10:00 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 or principal of and interest to be paid on the Bonds (commencing on December 1, 2026, and semiannually on each June 1 and December 1 thereafter), produces an amount on the date of the Bonds (expected to be June 4, 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 is \$26,000,000.00.** 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 the surety bond, 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. If requested by the District, the costs of issuance of the Bonds shall 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 May 5, 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 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, as more fully discussed under the heading “TAX EXEMPTION” in the Preliminary Official Statement. 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. 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

Moody’s Investors Service, New York, New York, has assigned the Bonds a rating of “Aa2”.

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. Except as set forth in the Preliminary Official Statement, 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 June 4, 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.

BY ORDER OF THE BOARD OF EDUCATION OF COMMUNITY CONSOLIDATED SCHOOL DISTRICT NUMBER 15, COOK COUNTY, ILLINOIS, dated this 27th day of April, 2026.

/s/ Diana McCluskey

Chief School Business Official, Community
Consolidated School District Number 15,
Cook County, Illinois

Raymond James & Associates, Inc.
120 South Riverside Plaza, Suite 600
Chicago, IL 60606
Attention: Elizabeth Hennessy
Telephone: (312) 612-7641

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 May 5, 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).

IV. USE OF REPRESENTATIONS

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 June 4, 2026, and are due on December 1 of the years 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 (*)	YEAR	PRINCIPAL AMOUNT (\$)	INTEREST RATE (%)	[[EXPECTED OFFERING]	[INITIAL OFFERING]	[[EXPECTED OFFERING]	[FIRST SALE PRICE OF AT LEAST 10% (% OF PAR)]	[FIRST SALE PRICE OF AT LEAST 10% (\$)]	TOTAL ISSUE PRICE (\$)
				[EXPECTED FIRST SALE] PRICE (% OF PAR)]	[INITIAL OFFERING]	[EXPECTED FIRST SALE] PRICE (\$)]	[FIRST SALE PRICE OF AT LEAST 10% (% OF PAR)]	[FIRST SALE PRICE OF AT LEAST 10% (\$)]	
Total									

[EXHIBIT B

[PURCHASER'S BID][PRICING WIRE]]

OFFICIAL BID FORM

Board of Education
Community Consolidated School District Number 15, Cook County, Illinois

Sale Date and Time: May 5, 2026
10:00 A.M. Central Time

Ladies and Gentlemen:

For the principal amount of \$24,610,000* General Obligation Limited Tax School Bonds, Series 2026, of Community Consolidated School District Number 15, Cook County, Illinois, legally issued and as described in the Official Notice of Sale, we will pay the District \$_____ (no less than \$26,000,000.00), based on the total principal of \$24,610,000,* 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 April 27, 2026.

HOLD-THE- OFFERING- PRICE MATURITY IF MARKED (*)	YEAR	PRINCIPAL AMOUNT*	RATE	EXPECTED INITIAL OFFERING PRICE/YIELD
	2029	\$ 125,000	%	%
	2030	135,000	%	%
	2032	5,815,000	%	%
	2033	6,265,000	%	%
	2034	6,745,000	%	%
	2035	5,525,000	%	%

The Bonds mature on December 1 of the years as indicated above, and interest is payable on June 1 and December 1, commencing on December 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 December 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: _____

_____ Hold-the-Offering-Price Rule: the Initial Offering Price of that maturity 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.

The Bonds are to be accompanied by the unqualified approving legal opinion 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 and paying agent for the Bonds, the cost of the surety bond, 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. If so requested by the District, the costs of issuance of the Bonds shall 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 June 4, 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 5th day of May, 2026, by the Board of Education of Community Consolidated School District Number 15, Cook County, Illinois, and in recognition thereof is signed by the official of the District empowered and authorized to make such acceptance.

Chief School Business Official,
Community Consolidated School District
Number 15, Cook County, Illinois