ANNUAL FINANCIAL REPORT

PROSPECT HEIGHTS SCHOOL DISTRICT NO. 23
PROSPECT HEIGHTS, ILLINOIS

FOR THE FISCAL YEAR ENDED
JUNE 30, 2025

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EVANS, MARSHALL & PEASE, P.C.

SINCE 1917

CERTIFIED PUBLIC ACCOUNTANTS
AND CONSULTANTS

1875 Hicks Road
Rolling Meadows, Illinois 60008

Telephone (847) 221-5700
Facsimile (847) 221-5701

INDEPENDENT AUDITOR'S REPORT

Board of Education
Prospect Heights School District No. 23
Prospect Heights, Illinois

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Prospect Heights School District No. 23, Prospect Heights, Illinois (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, each major fund, and the aggregate remaining fund information of the District, as of June 30, 2025, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards 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 generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

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

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the required supplementary information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with 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 is not a required part of the basic financial statements. The supplementary information is the responsibility of management and was derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such 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 Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 18, 2025, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of 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.

Evans, Marshall & Pease, P.C.

Evans, Marshall & Pease, P.C.
Certified Public Accountants

December 18, 2025
Rolling Meadows, IL

REQUIRED SUPPLEMENTARY INFORMATION
Management's Discussion and Analysis

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The discussion and analysis of Prospect Heights School District No. 23's (the "District") financial performance provides an overall review of the District's financial activities for the year ended June 30, 2025. The District management encourages readers to consider the information presented herein in conjunction with the basic financial statements to enhance their understanding of the District's financial performance.

Certain comparative information between the current year and the prior year is required to be presented in this management discussion and analysis (MD&A). The information is presented throughout the report to illustrate the differences in the District's results between the two years.

Financial Highlights

- The audit is conducted using the accrual basis of accounting. Under this basis, revenues are recognized in the period in which they are earned and become measurable, and expenses are recognized when incurred. The following information should be viewed with this in mind.

- The assets and deferred outflows of resources of the District exceeded its liabilities and deferred inflows of resources at June 30, 2025, by $8,113,219 (net position).

- The District's total net position increased by $1,237,329.

- The governmental funds reported a combined ending fund balance of $6,112,670, which was a decrease over last year's ending fund balance of $7,466,940.

- The District had capital outlay expenditures in the amount of $1,551,531 for various improvements and equipment purchases.

- The District paid $54,351 in lease principal and $990,000 in bond principal.

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

- Notes to the financial statements

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

Major Features of the Government-Wide and Fund Financial Statements

	Government-Wide Statements	Fund Financial Statements Governmental Funds
Scope	Entire District	The activities of the District
Required financial statements	Statement of net position Statement of activities	Balance sheet Statement of revenues, expenditures, and changes in fund balance
Accounting basis and measurement focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial focus
Type of asset/liability information	All assets and liabilities, both financial and capital, short-term and long-term	Generally assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets or liabilities included
Type of deferred inflows/outflows of resources information	All deferred inflows and outflows of resources, financial, short-term and long-term	Generally deferred outflows of resources to be used up and deferred inflows that come due during the year or soon thereafter; no capital or debt included
Type of inflow/outflow information	All revenues and expenses during the year, regardless of dates of actual cash transactions	Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and the related liability is due and payable

Government-Wide Financial Statements

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

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

The statement of activities presents information showing how the District's net position changed during the fiscal year being reported. It includes a description of the expenses and revenues for all governmental activities for the fiscal year. Revenues from specific programs and grants are identified by the functions that they support.

The government-wide financial statements present the functions of the District that are principally supported by taxes and intergovernmental revenues (governmental activities). The District's governmental activities include instructional services (regular education, special education and other) and supporting services, including operation and maintenance of facilities.

Fund Financial Statements

A fund is a self-balancing group of accounts with its own assets, liabilities, revenues, and expenditures. Each fund is used to maintain control over resources and expenditures that have been segregated for specific activities or objectives. The District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the District can be divided into one category: governmental funds (the District maintains no proprietary funds and no fiduciary 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, where the focus is on the government as a whole, governmental fund financial statements focus their reporting on individually significant funds.

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

The District maintains governmental funds during the year. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund (Educational, Working Cash Accounts and Tort Accounts), and the major funds which are the Operations and Maintenance Fund, Transportation Fund, Municipal Retirement/Social Security Fund, Debt Service Fund, Capital Projects Fund, and Fire Prevention and Safety Fund.

The District adopts an annual budget for each of the funds. A budgetary comparison statement is provided for the General Fund and each major fund in the basic financial statements as other information to demonstrate compliance with this budget.

Notes to the financial statements

The notes to the financial statements provide additional information that is essential to a full 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 operations presented to supplement the basic financial statements and progress in funding related to the Teachers' Retirement System (TRS), Illinois Municipal Retirement Fund (IMRF), and Teachers' Health Insurance Security (THIS) Fund. The *Supplementary Information* provides additional analysis derived from and relates directly to the underlying accounting and other records used to prepare the financial statements.

Government-Wide Financial Analysis

Statement of Net Position: The following summary data is compared with data from the preceding year. The following provides a summary of the District's Statement of Net Position as of June 30, 2025, and 2024 (Table 1):

Table 1 Condensed Statement of Net Position		
	2025	2024
Current assets	$ 17,524,985	$ 19,984,160
Capital assets	22,254,605	22,002,899
Total Assets	39,779,590	41,987,059
Total Deferred Outflows of Resources	1,203,140	1,526,456
Current liabilities	198,310	1,599,587
Long-term liabilities	14,661,826	15,881,165
Total Liabilities	14,860,136	17,480,752
Total Deferred Inflows of Resources	18,009,375	19,156,873
Net investment in capital assets	12,599,394	11,252,990
Restricted	2,738,165	2,997,702
Unrestricted	(7,224,340)	(7,374,802)
Total Net Position	$ 8,113,219	$ 6,875,890

Changes in Net Position from Operating Results: The following is a summary of the District's changes in net position for the year ending June 30, 2025, and 2024 (Table 2):

Table 2 Changes in Net Position		
	2025	2024
Revenues		
Program revenues		
Charges for services	$ 1,045,767	$ 1,134,577
Grants and contributions	10,809,708	7,542,728
General revenues		
Property taxes	23,050,234	22,815,316
Personal property replacement taxes	104,220	155,417
Interest on investments and other	797,254	477,915
Unrestricted state aid	1,938,348	1,904,259
Total Revenues	37,745,531	34,030,212
Expenses		
Instruction	20,901,674	17,898,155
Support services	12,614,355	11,966,103
Community services	251,231	265,485
Payments to other governmental units	1,107,337	1,214,356
Debt service - interst and other	333,780	377,969
Depreciation/amortization - unallocated	1,299,825	1,111,440
Total Expenses	36,508,202	32,833,508
Change in Net Position	1,237,329	1,196,704
Net Position - Beginning	6,875,890	5,679,186
Net Position - Ending	$ 8,113,219	$ 6,875,890

The following two charts (Figure A and B) summarize the District's sources of revenue and expenses of the government-wide statement of activities.

Figure A - Government-Wide Revenues Received by Source

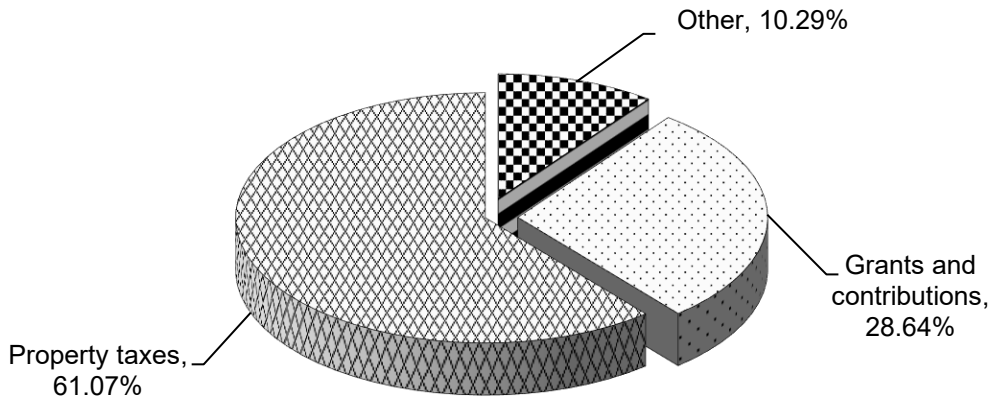
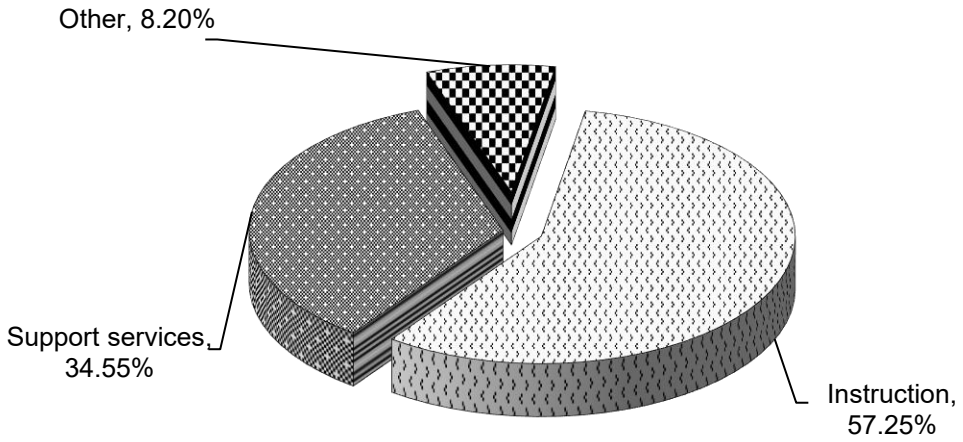


Figure B - Government-Wide Expenses Disbursed by Function/Program



Financial Analysis of the District's Funds

The financial performance of the District reflects the financial climate of the country as a whole and Illinois in particular. Expenditures and revenues are monitored carefully. Financial updates and projections are shared with the Board of Education regularly. Account balances for all funds are positive for the year ended June 30, 2025. The governmental funds reported a combined ending fund balance of $6,112,670, which was a decrease from last year's ending fund balance of $7,466,940.

General Fund (Educational, Working Cash and Tort Accounts)

- Fund balance increased by $381,536, resulting in an ending fund balance of $3,506,285.

Operations and Maintenance Fund

- Fund balance decreased by $220,410, resulting in an ending fund balance of $819,495.

Transportation Fund

- Fund balance increased by $1,585, resulting in an ending fund balance of $644,272.

Municipal Retirement/Social Security Fund

- Fund balance decreased by $62,583, resulting in an ending fund balance of $364,696.

Debt Service Fund

- Fund balance increased by $104,300, resulting in an ending fund balance of $874,725.

Capital Projects Fund

- Fund balance decreased by $1,558,698, resulting in an ending fund deficit of $96,803.

Capital Assets and Long-term Debt

Capital Assets

By the end of fiscal year 2025, the District invested $22,254,605 (net of depreciation/amortization) in a broad range of capital assets, including various improvements and equipment (Table 3).

Table 3 Capital Assets

	2025	2024	% Change
Land	$ 405,938	$ 405,938	0.00%
Construction in progress	952,155	1,168,272	N/A
Land improvements	1,229,371	1,109,401	10.81%
Buildings and improvements	19,175,857	18,756,702	2.23%
Equipment	373,194	385,451	-3.18%
Right-to-use leased equipment	118,090	177,135	-33.33%
Total	$ 22,254,605	$ 22,002,899	1.14%

Additional information on the District's capital assets can be found in Note 4 of the financial statements.

Long-term Debt

At June 30, 2025, the District had total leases and bonds outstanding of $9,302,784 (Table 4).

Table 4 Long-term Debt			
	2025	2024	% Change
Leases payable	$ 122,784	$ 177,135	-30.68%
Bonds payable	9,180,000	10,170,000	-9.73%
Total	$ 9,302,784	$ 10,347,135	-10.09%

Additional information on the District's long-term debt can be found in Note 5 to the financial statements.

Budgetary Analysis

For the year ended June 30, 2025, expenditures exceeded budget in the Tort Fund by $7,559; the Municipal Retirement/Social Security Fund by $55,832, and the Debt Service Fund by $22,316, and the Operations and Maintenance Fund by $46,834. The excess of the above funds was covered by existing fund balance.

Factors Affecting the District's Future

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

The Board of Education and the Prospect Heights Education Association are in the third year of a four-year agreement that commenced on July 1, 2023, and expires on June 30, 2027. Following two years of set increases (5.5%, 4.5%), the contract ties starting salaries, pay raises and stipend increases to the annual consumer price index with a floor of 2.75% and a ceiling of 4.75%. For the 2025-26 school year, salaries have been increased in alignment with the 2.9% CPI. The Board of Education and the Prospect Heights Education Association are committed to working together in the best interest of the student population that they serve. The Administration and the Association's representatives continue to meet regularly to discuss issues for which the parties have concern. These discussions focus on how the Administration and Association can collaborate on methods by which the educational program can be improved, determine financial solutions regarding staffing and supply questions which impact the District's overall finances. In addition, the Board of Education, the Administration and Association continue their meetings within the Labor Management Committee to address open issues and concerns regarding contract language.

The Board, Administration, and the PHEA also meet through the joint Insurance Committee for the purpose of educating the District's employees on issues concerning health care coverage and costs. The end goal of the Insurance Committee is to reach consensus on program changes that lead to financial savings for the District and program options that benefit employees with minimal financial impact on those employees as well as providing options to employees searching for alternative health care plans.

The Board of Education and the Service Employees International Union (SEIU) Local No. 73, representatives of the District's custodians, are also in year three of a four-year agreement which commenced July 1, 2023, and expires on June 30, 2027. This agreement has also tied the salary increases for the custodial unit to the annual consumer price index and the aforementioned agreement with the PHEA in order to benchmark the monies spent on salaries to the expected increases in revenue to be received from property tax revenue. Administration remains appreciative of the ongoing collaboration between the Board and both bargaining groups (PHEA and custodial staff, through SEIU).

Of particular concern to the District during the 2024-25 year and again, into 2025-26, continues to be the delays in the property tax receipts from Cook County. Property tax revenues account for approximately 85% of the school district's revenues. Funds that were expected and budgeted for in 2024-25 and again in 2025-26, were received late, causing the District to prioritize and utilize much of its available fund balances. Through its relationship with the Wheeling Township Treasury, member districts have been able to mitigate cash flow issues by liquidating short-term holdings without any loss in principal. In essence, this relationship has allowed the District to avoid issuing costly tax anticipation warrants.

The District completed its transition to a modified accrual basis of accounting, with the goal of having a full understanding of both its short-and long-term obligations. Viewed as a restatement and reset, the transition to a modified accrual basis provides an opportunity for increased transparency, and cleaner reconciliations of Federal and State funding that may cross fiscal years, as many grants do. The Business Office has tightened its internal controls in an effort to minimize the number of accruals.

The Administration and the Board remain committed to the implementation of Full-Day Kindergarten. Unfortunately, following three failed referendum efforts and a looming State mandate of providing full-day kindergarten by the 2027-28 school year, the District has worked with its financial advisory team at Raymond James to refinance its existing debt and issue bonds for construction that will allow for a reduced plan for expansion at Eisenhower. Funds will be received in FY2026 and be spent within the three years as required. In addition to the Eisenhower expansion, the MacArthur windows, siding, and doors will be replaced during the summer of 2026 with the remaining funds allocated toward remaining smaller capital projects.

The District has partnered with First Student for several years and has enjoyed a mutually beneficial relationship through clear communication and ongoing collaboration to best meet student needs. The District had negotiated a final contract extension for the 2024-25 and 2025-26 school years at a proposed increase of 4.25%. Ongoing reviews of ridership and routes continue to provide opportunities for potential cost savings and reimbursements through the ISBE's annual Transportation Claim process.

Through a zero-based approach to budgeting and conservative forecasting, the Administration and the Board of Education continue to monitor sources of revenue and expenditures closely so as to balance delivering an excellent education with fiscal responsibility. Administration continues to work collaboratively with the Board of Education to develop a long-term strategy for sustainable financing that will allow the District to navigate short-term delays in revenues while slowly rebuilding its fund balances.

Requests for Information

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

Amy McPartlin, CSBO
Assistant Superintendent for Finance & Operations
Prospect Heights School District 23
700 N. Schoenbeck Road
Prospect Heights, Illinois 60070

BASIC FINANCIAL STATEMENTS

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EXHIBIT A

PROSPECT HEIGHTS SCHOOL DISTRICT NO. 23
STATEMENT OF NET POSITION
JUNE 30, 2025

	Governmental Activities
ASSETS	
Cash and investments	$ 5,633,062
Receivables (net of allowance for uncollectibles)	
Property taxes	11,292,379
Replacement taxes	17,972
Intergovernmental	392,201
Other	189,371
Capital assets not being depreciated	1,358,093
Capital assets, net of accumulated depreciation/amortization	20,896,512
Total Assets	39,779,590
DEFERRED OUTFLOWS OF RESOURCES	
Deferred outflows related to pensions	805,746
Deferred outflows related to other post employment benefits	397,394
Total Deferred Outflows of Resources	1,203,140
LIABILITIES	
Accounts payable	65,335
Payroll deductions payable	132,975
Non-current liabilities	
Due within one year	1,184,264
Due in more than one year	13,477,562
Total Liabilities	14,860,136
DEFERRED INFLOWS OF RESOURCES	
Property taxes levied for a future period	11,292,739
Deferred inflows related to pensions	111,807
Deferred inflows related to other post employment benefits	6,604,829
Total Deferred Inflows of Resources	18,009,375
NET POSITION	
Net investment in capital assets	12,599,394
Restricted	
Student activities	46,589
Operations and maintenance	819,495
Student transportation	644,272
Retirement	364,696
Debt service	863,113
Unrestricted	(7,224,340)
Total Net Position	$ 8,113,219

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

EXHIBIT B

PROSPECT HEIGHTS SCHOOL DISTRICT NO. 23
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2025

Functions/Programs	Expenses Disbursed	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue and Change in Net Position: Governmental Activities
Governmental Activities					
Instruction	$ 12,632,784	$ 726,818	$ 1,149,789	$ -	$ (10,756,177)
State retirement contribution	8,268,890	-	8,268,890	-	-
Support services	12,614,355	318,949	1,241,029	150,000	(10,904,377)
Community services	251,231	-	-	-	(251,231)
Payments to other gov't units	1,107,337	-	-	-	(1,107,337)
Debt Service Interest and other	333,780	-	-	-	(333,780)
Depreciation/amortization - unallocated	1,299,825	-	-	-	(1,299,825)
Total	$ 36,508,202	$ 1,045,767	$ 10,659,708	$ 150,000	(24,652,727)

GENERAL REVENUES	
Property taxes, levied for general purposes	21,621,061
Property taxes, levied for debt service	1,429,173
Personal property replacement taxes	104,220
Unrestricted state aid	1,938,348
Unrestricted earnings on investments	415,730
Refund of prior year expenditures	270,665
Miscellaneous	110,859
Total	25,890,056
CHANGE IN NET POSITION	1,237,329
NET POSITION - JULY 1, 2024	6,875,890
NET POSITION - JUNE 30, 2025	$ 8,113,219

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

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PROSPECT HEIGHTS SCHOOL DISTRICT NO. 23
GOVERNMENTAL FUNDS
BALANCE SHEETS
JUNE 30, 2025

	General Fund	Operations and Maintenance Fund	Debt Service Fund	Transportation Fund
ASSETS				
Cash and investments	$ 3,235,925	$ 845,975	$ 869,904	$ 464,339
Restricted assets				
Cash, restricted for student activities	46,589	-	-	-
Receivables (net of allowance for uncollectibles)				
Property taxes	8,898,416	712,266	691,136	558,029
Replacement taxes	17,972	-	-	-
Intergovernmental	392,201	-	-	-
Other	-	-	-	189,371
Total Assets	$ 12,591,103	$ 1,558,241	$ 1,561,040	$ 1,211,739
LIABILITIES				
Cash overdraft	$ 95,035	$ -	$ -	$ -
Accounts payable	42,253	23,082	-	-
Payroll deductions payable	111,364	8,400	-	13,211
Total Liabilities	248,652	31,482	-	13,211
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue - property taxes	8,836,166	707,264	686,315	554,256
Total Deferred Inflows of Resources	8,836,166	707,264	686,315	554,256
FUND BALANCES (DEFICIT)				
Restricted	46,589	819,495	874,725	644,272
Unassigned	3,459,696	-	-	-
Total Fund Balances (Deficit)	3,506,285	819,495	874,725	644,272
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	$ 12,591,103	$ 1,558,241	$ 1,561,040	$ 1,211,739

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

Municipal Retirement/ Social Security Fund	Capital Projects Fund	Total Governmental Funds
$ 362,168	$ -	$ 5,778,311
-	-	46,589
432,532	-	11,292,379
-	-	17,972
-	-	392,201
-	-	189,371
$ 794,700	$ -	$ 17,716,823
$ -	$ 96,803	$ 191,838
-	-	65,335
-	-	132,975
-	96,803	390,148
430,004	-	11,214,005
430,004	-	11,214,005
364,696	-	2,749,777
-	(96,803)	3,362,893
364,696	(96,803)	6,112,670
$ 794,700	$ -	$ 17,716,823

(Continued)

PROSPECT HEIGHTS SCHOOL DISTRICT NO. 23
RECONCILIATION OF THE GOVERNMENTAL FUNDS
BALANCE SHEETS TO THE STATEMENT OF NET POSITION
JUNE 30, 2025

Total fund balances-governmental funds (Exhibit C)		$ 6,112,670
Amounts reported for governmental activities in the statement of Net Position are different because:		
Net capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.		22,254,605
Differences between expected and actual experiences, assumption changes and net differences between projected and actual earnings and contributions subsequent to the measurement date for the postretirement benefits are recognized as deferred outflows of resources and deferred inflows of resources on the statement of net position.		
Deferred outflows - pension related	$ 805,746	
Deferred inflows - pension related	(111,807)	
Deferred outflows - other post-employment benefits related	397,394	
Deferred inflows - other post-employment benefits related	(6,604,829)	(5,513,496)
Deferred inflows of resources related to property taxes, do not relate to current financial resources and are not included in the funds.		(78,734)
Long-term liabilities that are not due and payable in the current period, and therefore, are not reported in the funds.		
Bonds payable	(9,180,000)	
Leases payable	(122,784)	
Compensated absences	(52,160)	
Net pension liability	(1,630,709)	
Net OPEB liability	(3,323,746)	(14,309,399)
Governmental funds report the effects of premiums, discounts, and refundings and similar items when debt is first issued, whereas the amounts are deferred and amortized in the statement of activities.		
Premium on bonds		(352,427)
Total net position - governmental activities (Exhibit A)		$ 8,113,219

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

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PROSPECT HEIGHTS SCHOOL DISTRICT NO. 23
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2025

	General Fund	Operations and Maintenance Fund	Debt Service Fund	Transportation Fund
REVENUES				
Local Sources	$ 19,914,143	$ 1,647,705	$ 1,464,940	$ 1,370,439
State Sources	1,966,510	150,000	-	916,773
State Retirement Contribution	6,338,689	-	-	-
Federal Sources	1,417,204	-	-	-
Total Revenues	29,636,546	1,797,705	1,464,940	2,287,212
EXPENDITURES				
Current				
Instruction	13,657,212	-	-	-
State Retirement Contribution	6,338,689	-	-	-
Support Services	8,027,487	1,962,213	-	2,019,938
Community Services	233,660	-	-	-
Payments to Other Gov't Units	841,648	-	-	265,689
Capital Outlay	88,476	55,902	-	-
Debt Service				
Principal	-	-	1,044,351	-
Interest	-	-	382,252	-
Other	-	-	1,875	-
Total Expenditures	29,187,172	2,018,115	1,428,478	2,285,627
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	449,374	(220,410)	36,462	1,585
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	67,838	-
Transfers out	(67,838)	-	-	-
Total Other Financing Sources (Uses)	(67,838)	-	67,838	-
NET CHANGE IN FUND BALANCES	381,536	(220,410)	104,300	1,585
FUND BALANCE, JULY 1, 2024	3,124,749	1,039,905	770,425	642,687
FUND BALANCE (DEFICIT), JUNE 30, 2025	$ 3,506,285	$ 819,495	$ 874,725	$ 644,272

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

Municipal Retirement/ Social Security Fund	Capital Projects Fund	Total Governmental Funds
$ 645,532	$ 33,450	$ 25,076,209
-	-	3,033,283
-	-	6,338,689
28,679	-	1,445,883
674,211	33,450	35,894,064
281,258	-	13,938,470
-	-	6,338,689
437,965	184,995	12,632,598
17,571	-	251,231
-	-	1,107,337
-	1,407,153	1,551,531
-	-	1,044,351
-	-	382,252
-	-	1,875
736,794	1,592,148	37,248,334
(62,583)	(1,558,698)	(1,354,270)
-	-	67,838
-	-	(67,838)
-	-	-
(62,583)	(1,558,698)	(1,354,270)
427,279	1,461,895	7,466,940
$ 364,696	$ (96,803)	$ 6,112,670

PROSPECT HEIGHTS SCHOOL DISTRICT NO. 23
RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
TO THE STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2025

Total net change in fund balances-governmental funds (Exhibit D)		$ (1,354,270)
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlay as expenditures. However, in the statement of activities, the cost of these assets is allocated over their estimated useful lives and reported as depreciation/amortization expense. This is the amount by which capital outlays exceeded depreciation/amortization expense in the current period.		
Depreciation/amortization expense	$ (1,299,825)	
Capital outlay over capitalization limits	1,551,531	251,706
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		
Earned but unavailable taxes		(78,734)
Bonds and other debt proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of bond and other debt principal is an expenditure in the governmental funds, but repayment reduces long-term liabilities in the statement of net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.		
Principal paid on bonds	990,000	
Principal paid on leases	54,351	1,044,351
Some amounts reported in the statement of activities do not require the use of current financial resources and therefore are not reported in the governmental funds.		
Amortization of bond premiums	50,347	
Compensated absences	26,626	
Changes in pension and related deferred outflows and deferred inflows of resources	26,575	
Changes in other post-employment benefits and related deferred outflows and deferred inflows of resources	1,270,728	1,374,276
Change in net position of governmental activities (Exhibit B)		$ 1,237,329

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

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Prospect Heights School District 23 (the "District") is governed by an elected Board of Education. The District provides education for grades kindergarten through eighth grade. The accounting policies of the Prospect Heights School District 23 conform to accounting principles generally accepted in the United States of America, as applicable to local governmental units of this type. The following is a summary of the more significant accounting policies of the District:

A. Financial Reporting Entity

As defined by accounting principles generally accepted in the United States of America established by the Governmental Accounting Standards Board, a financial reporting entity consists of a primary government, as well as its component units, which are legally separate organizations for which the elected officials of the primary government are financially accountable. Financial accountability is defined as the appointment of a majority of the component unit's board, and either (1) the District's ability to impose its will over the component unit, or (2) the possibility that the component unit will provide a financial benefit to or impose a financial burden on the District. The District does not have any component units that meet the above requirements.

B. Basis of Presentation – Fund Accounting

Government-Wide Financial Statements

The Statement of Net Position and Statement of Activities display information about the District as a whole. They include all funds of the reporting entity except for fiduciary funds. The statements distinguish between governmental and business-type activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange revenues. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services. There are no business-type activities within the District. The effect of interfund activity has been removed from these statements.

Fund Financial Statements

Fund financial statements of the reporting entity are organized into funds, each of which is considered to be separate accounting entities. Each fund is accounted for by providing a separate set of self-balancing accounts that constitute its assets, liabilities, fund equity, revenues, and expenditures. The District maintains individual funds required by the Illinois State Board of Education (ISBE). Funds are organized into three major categories: governmental, proprietary, and fiduciary. There are no proprietary funds or fiduciary funds within the District.
An emphasis is placed on major funds within the governmental and proprietary categories. A fund is considered major if it is the primary operating fund of the District, is considered major by the District, or meets the following criteria:

a. Total assets, liabilities, revenues, or expenditures of that individual governmental or enterprise fund are at least ten percent of the corresponding total for all funds of that category or type; and

b. Total assets, liabilities, revenues, or expenditures of the individual governmental or enterprise fund are at least five present of the corresponding total for all governmental and enterprise funds combined.

The funds of the District, all of which are considered major, are described below:

Major Governmental Funds

General Fund – The General Fund, which consists of the Educational Account, Tort Account and the Working Cash Account are the primary operating funds of the District is the general operating fund of the District and is always classified as a major fund. It is used for most of the instructional and administrative aspects of the District's operations. The revenue consists primarily of state government aid and local property taxes.

This fund also includes student activity funds held and controlled by the District, under the direction of District personnel, and administrative involvement of the board of education.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Special Revenue Funds – Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than those accounted for in the Debt Service Fund or Capital Projects Funds) that are legally restricted to expenditures for specified purposes.

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

> **Operations and Maintenance Fund** – This fund is used for expenditures made for repair and maintenance of District property. Revenue consists primarily of local property taxes.
>
> **Transportation Fund** – This fund accounts for all revenue and expenditures made for student transportation. Revenue is derived primarily from local property taxes and state reimbursement grants.
>
> **Municipal Retirement/Social Security Fund** – This fund accounts for the District's portion of pension contributions to the Illinois Municipal Retirement Fund, payments to Medicare for certified employees and payments to the Social Security System for non-certified employees. Revenue to finance the contributions is derived primarily from local property taxes and personal property replacement taxes.

Debt Service Fund – The Debt Service Fund is used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest, and related costs.

Capital Projects Funds – The Capital Projects Funds are used to account for the financial resources to be used for the acquisition or construction of, and/or additions to, major capital facilities. This fund is also used to account for construction projects and renovations financed through serial bond issues.

Measurement Focus and Basis of Accounting

Measurement Focus

The government-wide financial statements are reported using the economic resources measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net position (cost recovery), financial position, and cash flows. All assets and liabilities (whether current or noncurrent) associated with their activities are reported. Program revenues include charges for services, operating and capital grants and contributions for instructional and support functions of the district.

The fund financial statements use the "current financial resources" measurement focus. Only current financial assets and liabilities are generally included on their balance sheets. Their operating statements present sources and uses of available spendable financial resources during a given period. These funds use fund balance as their measure of available spendable resources at the end of the period.

Basis of Accounting

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

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

In the fund financial statements, governmental funds are presented on the modified accrual basis of accounting, which is in conformity with the *Illinois Program Accounting Manual for Local Education Agencies.* Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual, i.e., when they are both "measurable and available". Measurable means that the amount of the transaction can be determined and available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Expenditures, other than principal and interest on long-term debt, are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. Principal and interest on long-term debt are recorded as fund liabilities when due or when amounts have been accumulated in the Debt Service Fund for payment to be made in the following year.

In applying the susceptible to accrual concept to intergovernmental revenues, the legal and contractual requirements of the numerous individual programs are used as guidance. There are, however, essentially two types of these revenues. In one, monies must be expended on the specific purpose or project before any amounts will be paid to the District; therefore, revenues are recognized based upon the expenditures recorded. In the other, monies are virtually unrestricted as to purpose of expenditure and are usually revocable only for failure to comply with prescribed compliance requirements. These resources are reflected as revenues at the time of receipt or earlier if the susceptible to accrual criteria are met.

Those revenues susceptible to accrual are property taxes, replacement taxes, certain state and federal aid, and interest on investments. Grant funds are considered earned to the extent of expenditures made under grant provisions. Charges for services and miscellaneous revenues (except investment earnings) are recorded as revenues when received in cash because they are generally not measurable until actually received. Amounts reported as program revenues include: 1) charges for services (i.e., student and parental fees as well as payments from other governments for services rendered) 2) operating grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

C. Equity Classifications

Net Position/Equity Reporting

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

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

Restricted net position – consists of net position with constraints placed on their use either by: (1) external groups such as creditors, grantors, contributors, or laws and regulations of other governments or, (2) law through constitutional provisions or enabling legislation.

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

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

Equity is classified as fund balance in the governmental funds financial statements and displayed in five components.

Nonspendable – the nonspendable fund balance classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact. The "not in spendable form" criterion includes items that are not expected to be converted to cash, for example inventories and prepaid amounts.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Restricted – the restricted fund balance classification refers to amounts that are subject to outside restrictions, not controlled by the District. Items such as restrictions imposed by creditors (such as debt covenants), grantors, contributors, or laws or regulations of other governments, or imposed by law through constitutional provisions or enabling legislation. Special Revenue Funds are by definition restricted for those specified purposes. The District has several revenue sources received within different funds that also fall into these categories –

- *Special Education* – revenues and the related expenditures of this restricted tax levy are accounted for in the Educational Account. Expenditures disbursed exceeded revenue received, resulting in no restricted balance.

- *State Grants* – proceeds from state grants and the related expenditures have been included in the Educational Account and Transportation Funds. Expenditures disbursed exceeded revenue received, resulting in no restricted balance.

- *Federal Grants* – proceeds from federal grants and the related expenditures have been included in the Educational Account and Municipal Retirement/Social Security Funds. Expenditures disbursed exceeded revenue received, resulting in no restricted balance.

- *Social Security* – revenues and the related expenditures of this restricted tax levy are accounted for in the Municipal Retirement/Social Security Fund. Expenditures disbursed exceeded revenue received, resulting in no restricted balance.

- *Tort Immunity* – revenues and the related expenditures of these deposits are accounted for in the Tort Account included in the General Fund. Expenditures disbursed exceeded revenue received, resulting in no restricted balance.

- *Student Activities* – revenues and the related expenditures from the various clubs are accounted for in the Educational Account. As of June 30, 2025, the restricted balance was $46,589.

Committed – the committed fund balance refers to amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the school board. Those committed amounts cannot be used for any other purpose unless the government removes or changes the specified use by taking the same type of formal action it employed to previously commit those amounts.

Assigned – the assigned fund balance classification refers to amounts that are constrained by the District's intent to be used for specific purposes, but are neither restricted nor committed. Assignments may take place after the end of the reporting period. No one has been designated by the Board of Education to assign amounts for a specific purpose.

Unassigned – the unassigned fund balance classification is the residual classification for amounts in the General Fund for amounts that have not been restricted, committed, or assigned to specific purposes within the General Fund. Unassigned fund balances may also include negative balances for any governmental fund of expenditures exceed amounts restricted, committed or assigned for those purposes.

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

D. Deposits and Investments

State statute authorizes the District to invest in obligations of the U.S Treasury, highly rated commercial paper, corporate bonds, repurchase agreements, and State Treasurer's Investment Pool. Investments are stated at fair value. Changes in fair value of investments are included as investment income. Gains and losses on the sale of investments are recognized upon realization.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D

E. Receivables

In government-wide statements, receivables consist of all revenues earned at year-end and not yet received. Allowances for uncollectible accounts receivable are based upon historical trends. Major receivable balances are shown on the exhibits. In fund financial statements, material receivables in governmental funds include revenue accruals that are both measurable and available. Non-exchange transactions collectible but not available are deferred in the fund financial statements in accordance with modified accrual, but not deferred in the fund financial statements in accordance with the accrual basis.

F. Capital Assets

The capital assets, which includes land, land improvements, buildings, building improvements, vehicles, machinery and equipment, 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 $5,000 and an estimated useful life of 1 year or more. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded acquisition value at the date of donation.

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

Leased assets are amortized using the straight-line method over the life of the lease term. Depreciation of other capital assets is provided using the straight-line method over the following estimated useful lives:

Assets	Years
Land improvements	10-20
Buildings and improvements	20-50
Vehicles	8
Machinery and equipment	5-20

The District does not depreciate land.

In fund financial statements, capital assets are accounted for as capital outlay expenditures upon acquisition. No depreciation/amortization is recorded in the fund financial statements.

G. Long-Term Obligations (including *Leases)*

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

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

The District is a party to multiple leases for office equipment and buses. The District recognizes a lease liability and an intangible right-to-use lease asset (lease asset) in the government-wide financial statements. Lease assets are reported with other capital assets and lease liabilities are reported with long-term debt on the statement of net position.

At the commencement of a lease, the District initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over its useful life.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Key estimates and judgments related to leases include how the District determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments.

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

- The lease term includes the noncancellable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option price that the District is reasonably certain to exercise.

The District monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability.

H. Compensated Absences

It is the District's policy for noncertified personnel to earn vacation pay on a prorated, monthly basis. A maximum of five vacation days can be carried over into the next fiscal year for all noncertified employees. Any unused vacation days (beyond five) is lost. Certified employees working less than twelve months do not earn vacation pay.

Full-time employees earn fifteen sick days annually. Any unused portion is accumulated and carried forward. Upon termination or retirement, employees do not receive compensation for any unused sick leave; therefore, no liability is recorded at year end.

I. Deferred Outflows 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 position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then.

J. Deferred Inflows of Resources

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 position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

K. Property Tax Revenues

The District must file its tax levy ordinance by the last Tuesday in December of each year. The District's 2024 levy ordinance was approved during the December 12, 2024, board meeting. The District's property tax is levied each year on all taxable real property located in the District and it becomes a lien on the property on January 1 of that year.

The owner of real property on January 1 in any year is liable for taxes of that year. The District has a statutory tax rate limit in various operating funds subject to change only by approval of the voters of the District. Also, the District is subject to the Property Tax Extension Limitation Act, which, in general, limits the increase in the amount of taxes to be extended to the lesser of 5% or the percentage increase in the consumer price index for the year, preceding the levy. Certain bond issue levies and referendum increases are exempt from this limitation.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Property taxes are collected by the Cook County Treasurer, who remits to the District its share of collections. Taxes levied in one year become due and payable in two equal installments: the first is due by March 1 and the second due on the later of August 1 or 30 days after the second installment tax bill is mailed. The first installment is an estimated bill, and is 55% of the prior year's tax bill. The second installment is based on the current levy, assessment and equalization, and any changes from the prior year will be reflected in the second installment bill. Property taxes are normally collected by the District within 60 days of the due date.

The 2024 property tax levy is recorded as a receivable in fiscal 2025, net of estimated uncollectible amounts approximately 2% and less amounts already received. The District considers that the first installment of the 2024 levy is to be finance operations in fiscal 2025. The District has determined that the second installment of the 2024 levy is to be used to finance operations in fiscal 2026 and has included the corresponding receivable as a deferred inflow of resources.

In fund financial statements, the property tax levy receivable collected within the current year or expected to be collected within 60 days of year end to be used to pay liabilities of the current period less the taxes collected within 60 days after the year end of the previous fiscal year is recognized as revenue. The tax receivable less the amount expected to be collected within the 60 days of year-end to be used to pay liabilities of the current period is reflected as deferred revenue. In the government-wide statements revenue is recognized based on the period that the levy is intended to finance.

L. Personal Property Replacement Taxes

Personal property replacement taxes are first allocated to funds where taxes were automatically abated by the county clerk and to the Municipal Retirement/Social Security Fund, with the balance allocated to the remaining funds at the discretion of the District.

M. Program Revenues

Amounts reported as program revenues include 1) Tuition and fees and 2) Grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. All taxes, including those dedicated for specific purposes, are reported as general revenues rather than as program revenues.

N. Use of Estimates

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

O. Eliminations and Reclassifications

In the process of aggregating data for the government-wide financial statements, some amounts reported as interfund activity and balances were eliminated or reclassified.

NOTE 2. DEPOSITS AND INVESTMENTS

The Board of Education of Prospect Heights School District 23 entered into an agreement with the Wheeling Township Treasury Intergovernmental Agreement (the "Treasury") administered by Township High School District 214. The Wheeling Township School Treasury is the lawful custodian of all school funds. The Treasury is the direct recipient of property taxes, replacement taxes and most state and federal aid and disburses school funds upon lawful order of the school board. The Treasury invests excess funds at its discretion, subject to the legal restrictions as prescribed by the Illinois School Code and the *Illinois Compiled Statutes.* The Treasury is authorized to invest in obligations of the U.S. treasury, backed by the full faith and credit of the U.S. Government, certificates of deposit issued by commercial banks and savings and loan associations, and commercial paper rated within the three highest classifications by at least two standard rating services (subject to certain limitations). Further information on the Treasury's policies is available from the Treasury's financial statements.

NOTE 2. DEPOSITS AND INVESTMENTS (CONT'D)

Cash and investments, other than the student activities and convenience accounts, petty cash, and imprest funds, are part of the common pool for all school districts within the Treasury. The Treasurer maintains records that segregate the cash and investments balance by district. Income from investments is distributed based upon the District's percentage participation in the pool.

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

The weighted average to maturity of all marketable pooled investments held by the Treasury was 1.39 years. The Treasury also holds money market type investments, certificates of deposit, and other deposits with financial institutions. As of June 30, 2025, the fair value of all investments held by the Treasury was $335,987,978 and the value of the District's proportionate share of the pool was $5,576,473.

Due to all cash and investments being pooled by the Treasury, categorization by risk category is not determinable. Further information about whether investments are insured, collateralized, or uncollateralized is available from the Treasury's financial statements.

Cash and Investments in the Custody of the District. Deposits of the student activities and imprest funds, which are held in the district's custody, consist of deposits with financial institutions. The carrying amount of these funds was $56,589 and the bank balance was $62,458.

Credit Risk - Deposits: With respect to deposits, custodial credit risk refers to the risk that, in the event of bank failure, the District's deposits may not be returned. The District's investment policy limits exposure to deposit custodial credit risk by requiring all deposits in excess of FDIC insurable limits to be secured by collateral. As of June 30, 2025, the bank balance of the District's deposits with financial institutions totaled $62,458; of which all was insured.

Separate cash and investment accounts are not maintained for District funds; instead, the individual funds maintain their invested and uninvested balances in the common checking and investment accounts, with accounting records being maintained to show the portion of the common account balance attributable to each participating fund. Occasionally, certain funds will incur overdrafts in the account. The overdrafts result from expenditures that have been approved by the Board of Education.

NOTE 3. INTERFUND TRANSFERS

During the year, the District transferred $67,838 from the General Fund (Educational Account) to the Debt Service Fund for the funding of principal and interest payments made during the year on lease liabilities.

NOTE 4. CAPITAL ASSETS

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

	Beginning Balance	Additions	Deletions	Ending Balance
Capital assets not being depreciated/amortized				
Land	$ 405,938	$ -	$ -	$ 405,938
Construction in progress	1,168,272	-	216,117	952,155
Total	1,574,210	-	216,117	1,358,093
Capital assets being depreciated/amortized				
Land improvements	1,742,943	184,857	-	1,927,800
Buildings and improvements	27,321,676	1,391,413	-	28,713,089
Equipment	3,212,246	191,378	-	3,403,624
Right-to-use lease asset	284,784	-	-	284,784
Total	32,561,649	1,767,648	-	34,329,297
Less accumulated depreciation/ amortization for				
Land improvements	633,542	64,887	-	698,429
Buildings and improvements	8,564,974	972,258	-	9,537,232
Equipment	2,826,795	203,635	-	3,030,430
Right-to-use lease asset	107,649	59,045	-	166,694
Total	12,132,960	1,299,825	-	13,432,785
Net capital assets being depreciated/amortized	20,428,689	467,823	-	20,896,512
Net capital assets	$ 22,002,899	$ 467,823	$ 216,117	$ 22,254,605

Depreciation/Amortization expense was unallocated in the operating activities of the District.

NOTE 5. LONG-TERM LIABILITIES

Changes in General Long-term Liabilities. The following is a summary of changes in long-term liabilities of the District for the year ended June 30, 2025:

	Beginning Balance	Increases	Decreases	Ending Balance	Due Within One Year
Bonds	$ 10,170,000	$ -	$ 990,000	$ 9,180,000	$ 1,075,000
Leases	177,135	-	54,351	122,784	58,917
Sub-Total	10,347,135	-	1,044,351	9,302,784	1,133,917
Unamortized bond premium	402,774	-	50,347	352,427	50,347
Compensated absences	78,786	-	26,626	52,160	-
Net Pensions	1,995,782	-	365,073	1,630,709	-
Net OPEB	3,056,688	267,058	-	3,323,746	-
Total	$ 15,881,165	$ 267,058	$ 1,486,397	$ 14,661,826	$ 1,184,264

The obligations for the compensated absences, net pension liability – TRS and net OPEB liability – THIS will be repaid from the General Fund and the net pension liability – IMRF will be repaid from the Municipal Retirement/Social Security Fund.

General Obligation Bonds. General obligation bonds currently outstanding are as follows:

Purpose	Interest Rates	Original Indebtedness	Carrying Amount
Series 2014 General Obligation Limited Tax Bonds dated January 28, 2014 are due in annual installments through December 15, 2024	4.00%-4.25%	$ 2,140,000	$ -
Series 2019A General Obligation Limited Tax Bonds dated February 13, 2019 are due in annual installments through December 15, 2030	4.00%	2,775,000	2,775,000
Series 2019B General Obligation Limited Tax Bonds dated February 13, 2019 are due in annual installments through December 15, 2026	3.46%-3.56%	1,315,000	1,315,000
Series 2021 General Obligation Limited Tax School Bonds dated June 9, 2021 are due in annual installments through December 15, 2031	4.00%	2,660,000	2,635,000
Series 2022 General Obligation Limited Tax School Bonds dated November 2, 2022 are due in annual installments through December 15, 2032	3.48%	2,485,000	2,455,000
Totals		$ 11,375,000	$ 9,180,000

NOTE 5. LONG-TERM LIABILITIES (CONT'D)

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

Year Ending June 30,	Principal	Interest	Total
2026	$ 1,075,000	$ 328,777	$ 1,403,777
2027	1,140,000	288,331	1,428,331
2028	1,085,000	288,331	1,373,331
2029	1,150,000	245,447	1,395,447
2030	1,215,000	201,150	1,416,150
2031-2033	3,515,000	328,845	3,843,845
Totals	$ 9,180,000	$ 1,680,881	$ 10,860,881

Legal Debt Margin. The District is subject to the Illinois School code, which limits the amount of certain indebtedness to 6.9% of the most recent available equalized assessed valuation of the District. As of June 30, 2024, the most recent statutory debt limit available for the District was $47,655,608, providing a debt margin of $39,227,549.

Leases. The District has entered into a lease agreement as a lessee for financing the temporary acquisition of copier machines. These agreements qualify as leases for accounting purposes and, therefore, the assets and obligations have been recorded at the present value of the future minimum lease payments as of the inception date. The obligations for the leases will be repaid from the Debt Service Fund and funded by a transfer of resources from the General Fund (educational Account).

Description	Date of Issue	Final Maturity	Interest Rate	Original Indebtedness	Balance
Copier lease	02/07/22	02/06/27	5.84%	$ 284,784	$ 122,784
Totals				$ 284,784	$ 122,784

Annual debt service requirements to maturity for the lease liabilities are as follows:

Year Ending June 30,	Principal	Interest	Total
2026	$ 58,917	$ 8,920	$ 67,837
2027	63,867	3,969	67,836
Totals	$ 122,784	$ 12,889	$ 135,673

NOTE 6. RETIREMENT SYSTEMS

A. Teachers' Retirement System (TRS)

General Information about the Pension Plan

Plan Description. The employer participates in the Teachers' Retirement System (TRS) of the State of Illinois. 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 no 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 www.trsil.org; by writing to TRS at 2815 West Washington Street, P. O. Box 19253, Springfield, IL 62794; or by calling (888) 678-3675, option 2.

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

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

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

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

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

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

On-behalf contributions to TRS. The State of Illinois makes employer pension contributions on behalf of the employer. For the year ended June 30, 2025, State of Illinois contributions recognized by the employer were based on the State's proportionate share of the collective net pension liability associated with the employer, and the employer recognized revenue and expenditures of $6,675,956 in pension contributions from the State of Illinois.

NOTE 6. RETIREMENT SYSTEMS (CONT'D)

2.2 formula contributions

Employers contribute 0.58 percent of total creditable earnings for the 2.2 formula change. The contribution rate is specified by statute. Contributions for the year ended June 30, 2025, were $74,467, and are deferred because they were paid after the June 30, 2024, measurement date.

Federal and special trust fund contributions

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

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

For the year ended June 30, 2025, the employer pension contribution was 10.34 percent of salaries paid from federal and special trust funds. For the year ended June 30, 2025, salaries totaling $52,049 were paid from federal and special trust funds that required employer contributions of $5,382. These contributions are deferred because they were paid after the June 30, 2024, measurement date.

Employer retirement cost contributions

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

A one-time contribution is also required for members granted sick leave days in excess of the normal annual allotment if those days are used as TRS service credit. For the year ended June 30, 2024, the employer paid $1,109 to TRS for employer contributions due on salary increases in excess of 6 percent and $-0- for sick leave days granted in excess of the normal annual allotment.

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

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

Employer's proportionate share of the net pension liability	$ 1,000,206
State's proportionate share of the net pension liability associated with the employer	83,395,720
Total	$ 84,395,926

NOTE 5. RETIREMENT SYSTEMS (CONT'D)

The net pension liability was measured as of June 30, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2024. The employer's proportion of the net pension liability was based on the employer's share of contributions to TRS for the measurement year ended June 30, 2024, relative to the projected contributions of all participating TRS employers and the state during that period. At June 30, 2024, the employer's proportion was 0.0011648491 percent, which was an increase of .0000208552 from its proportion measured as of June 30, 2023.

For the year ended June 30, 2025, the District recognized the following TRS pension expense and revenue pertaining to the District employees:

	Governmental Activities	General Fund
State on-behalf contributions - TRS pension revenue and expense	$ 6,675,956	$ 6,223,137
District TRS pension expense (revenue)	54,069	79,849

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

Deferred Amounts Related to Pensions	Deferred Outflows of Resources	Deferred Inflows of Resources
Deferred amounts to be recognized in pension expense in future periods		
Differences between expected and actual experience	$ 3,761	$ 2,596
Changes of assumptions	13,781	531
Changes in proportion and differences between employer contributions and proportionate share of contributions	14,427	93,203
Net difference between projected and actual earnings on pension plan investments	-	8,587
Total deferred amounts to be recognized in pension expense in future periods	31,969	104,917
Pension contributions made subsequent to the measurement date	79,849	-
Total	$ 111,818	$ 104,917

$79,849 reported as deferred outflows of resources related to pensions resulting from employer contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the reporting year ended June 30, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

NOTE 5. RETIREMENT SYSTEMS (CONT'D)

Year Ending June 30	Net Deferred Outflows (Inflows) of Resources
2026	$ (61,569)
2027	(16,119)
2028	(1,489)
2029	3,594
2030	2,635
Total	$ (72,948)

Actuarial Assumptions

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

Inflation 2.50 percent

Salary increases varies by amount of service credit

Investment rate of return 7.00 percent, net of pension plan investment expense, including inflation

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

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

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Global Equity	37.0%	7.55%
Private Equity	15.0%	15.00%
Public Income	18.0%	18.00%
Private Credit	8.0%	8.00%
Real Assets	18.0%	18.00%
Diversifying Strategies	4.0%	4.00%
Total	100.0%	

NOTE 5. RETIREMENT SYSTEMS (CONT'D)

Discount Rate

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

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

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

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

	1% Decrease (6.00%)	Current Single Discount Rate (7.00%)	1% Increase (8.00%)
Net Pension Liability/(Asset)	$ 1,235,283	$ 1,000,206	$ 805,338

TRS Fiduciary Net Position

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

B. Illinois Municipal Retirement Fund (IMRF)

IMRF Plan Description

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

Benefits Provided

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

NOTE 5. RETIREMENT SYSTEMS (CONT'D)

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

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

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

Employees Covered by Benefit Terms

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

	IMRF
Retirees and beneficiaries currently receiving benefits	95
Inactive plan members entitled to but not yet receiving benefits	118
Active plan members	80
Total	293

Contributions

As set by statute, the employer's Regular Plan Members are required to contribute 4.5 percent of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The employer's annual contribution rate for calendar year 2024 was 7.65 percent. For the fiscal year ended 2025, the employer contributed $277,465 to the plan. The employer also contributes for disability benefits, death benefits, and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by IMRF's Board of Trustees, while the supplemental retirement benefits rate is set by statute.

Net Pension Liability

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

Actuarial Assumptions

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

- The Actuarial Cost Method used was Entry Age Normal.
- The Asset Valuation Method used was Market Value of Assets.

NOTE 5. RETIREMENT SYSTEMS (CONT'D)

- The Inflation Rate was assumed to be 2.25%.
- Salary Increases were expected to be 2.85% to 13.75%, including inflation.
- The Investment Rate of Return was assumed to be 7.25%.
- Experience-based table of rates that are specific to the type of eligibility condition. Last update for the 2023 valuation pursuant to an experience study from years 2020 to 2022.
- For Non-Disabled Retirees, the Pub-2010, Amounted-Weighted, below-median income, General, Retiree, Male (adjusted 108%) and female (adjusted 106.4%) tables, and future morality improvements projected using scale MP-2021.
- For Disabled Retirees, the Pub-2010, Amounted-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 morality improvements projected using scale MP- 2021.
- The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense, and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return to the target asset allocation percentage and adding expected inflation. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

			Projected Returns/Risk	
Asset Class	Target Allocation	Return 12/31/2024	One Year Arithmetic	Ten Year Geometric
Equities	33.50%	19.02%	5.70%	4.35%
International Equities	18.00%	6.35%	7.10%	5.40%
Fixed Income	24.50%	3.14%	5.30%	5.20%
Real Estate	10.50%	2.25%	7.30%	6.40%
Alternatives	12.50%	6.72%		
Private Equity		N/A	10.00%	6.25%
Hedge Funds		N/A	N/A	N/A
Commodities		N/A	6.05%	4.85%
Cash Equivalents	1.00%	5.57%	3.60%	3.60%
Total	100.00%			

Single Discount Rate

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

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

NOTE 5. RETIREMENT SYSTEMS (CONT'D)

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

Changes in the Net Pension Liability

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability/(Asset) (A) - (B)
Balances at December 31, 2023	$ 18,144,181	$ 17,120,572	$ 1,023,609
Changes for the year:			
Service Cost	317,709	-	317,709
Interest on the Total Pension Liability	1,286,481	-	1,286,481
Differences Between Expected and Actual Experience of the Total Pension Liability	233,760	-	233,760
Changes of Assumptions	-	-	-
Contributions - Employer	-	281,651	(281,651)
Contributions - Employees	-	165,678	(165,678)
Net Investment Income	-	1,691,460	(1,691,460)
Benefits Payments, including Refunds of Employee Contributions	(1,116,937)	(1,116,937)	-
Other	-	92,267	(92,267)
Net Changes	721,013	1,114,119	(393,106)
Balances at December 31, 2024	$ 18,865,194	$ 18,234,691	$ 630,503

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

The following presents the plan's net pension liability, calculated using a Single Discount Rate of 7.25%, as well as what the plan's net pension liability would be if it were calculated using a Single Discount Rate that is 1% lower or 1% higher:

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Net Pension Liability/(Asset)	$ 2,475,237	$ 630,503	$ (87,843)

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

For the year ended June 30, 2025, the employer recognized pension expense of $277,465. At December 31, 2024, the employer reported deferred outflows or resources and deferred inflows of resources related to pensions from the following sources:

NOTE 5. RETIREMENT SYSTEMS (CONT'D)

Deferred Amounts Related to Pensions	Deferred Outflows of Resources	Deferred Inflows of Resources
Deferred amounts to be recognized in pension expense in future periods		
Differences between expected and actual experience	$ 143,788	$ -
Changes of assumptions	-	6,890
Net difference between projected and actual earnings on pension plan investments	413,983	-
Total deferred amounts to be recognized in pension expense in future periods	557,771	6,890
Pension contributions made subsequent to the measurement date	136,157	-
Total	$ 693,928	$ 6,890

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense in future periods as follows:

Year Ending December 31	Net Deferred Outflows (Inflows) of Resources
2025	$ 320,271
2026	539,822
2027	(214,981)
2028	(94,231)
2029	-
Thereafter	-
Total	$ 550,881

C. Aggregate Pension Amounts

For the year ended June 30, 2025, aggregate pension amounts are as follows:

	TRS	IMRF	Total
Deferred Outflows of Resources	$ 111,818	$ 693,928	$ 805,746
Net Pension Liability/(Asset)	1,000,206	630,503	1,630,709
Deferred Inflows of Resources	104,917	6,890	111,807
Pension Expense/(Revenue), Net of State Support	54,069	277,465	331,534

D. 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.

NOTE 6. OTHER POST-EMPLOYMENT BENEFITS

Teacher's Health Insurance Security (THIS) Fund

General Information about the Plan

Plan Description

The employer participates in the Teachers' Health Insurance Security (THIS) Fund, a cost-sharing, multiple-employer defined benefit post-employment healthcare plan that was established by the Illinois legislature for the benefit of retired Illinois public school teachers employed outside the city of Chicago.

Benefits Provided

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

The State Employees Group Insurance Act of 1971 (5 ILCS 375) outlines the benefit provisions of THIS Fund and amendments to the plan can be made only by legislative action with the Governor's approval. Effective July 1, 2012, in accordance with Executive Order 12-01, the plan is administered by the Illinois Department of Central Management Services (CMS) with the cooperation of TRS. Section 6.6 of the State Employees Group Insurance Act of 1971 requires all active contributors to TRS who are not employees of the state to make a contribution to the THIS Fund.

Contributions

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

On-behalf contributions to the THIS Fund

The State of Illinois makes employer retiree health insurance contributions on behalf of the employer. State contributions are intended to match contributions to the THIS Fund from active members which were 0.90 percent of pay during the year ended June 30, 2025. State of Illinois contributions were $1,184,690 and the employer recognized revenue and expenditures of this amount during the year.

Employer contributions to the THIS Fund

The employer also makes contributions to the THIS Fund. The employer THIS Fund contribution was 0.67 percent during the year ended June 30, 2025. For the year ended June 30, 2025, the employer paid $86,022 to the THIS Fund, which was 100 percent of the required contribution. The contributions are deferred because they were paid after the June 30, 2024, measurement date.

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

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

Employer's proportionate share of the net THIS liability	$ 3,323,746
State's proportionate share of the net THIS liability associated with the employer	4,513,797
Total	$ 7,837,543

NOTE 6. OTHER POST-EMPLOYMENT BENEFITS (CONT'D)

The net THIS liability was measured as of June 30, 2024, and the total THIS liability used to calculate the net THIS liability was determined by an actuarial valuation as of June 30, 2023. The employer's proportion of the net THIS liability was based on the employer's share of contributions to THIS for the measurement year ended June 30, 2024, relative to the projected contributions of all participating THIS employers and the state during that period. At June 30, 2024, the employer's proportion was 0.042017 percent and at June 30, 2023, was 0.049451 percent.

For the year ended June 30, 2025, the District recognized the following THIS OPEB expense and revenue pertaining to the District employees:

	Governmental Activities	General Fund
State on-behalf contributions -THIS OPEB revenue and expense	$ 1,592,934	$ 115,552
District THIS OPEB pension expense (revenue)	1,184,690	86,022

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

Deferred Amounts Related to THIS	Deferred Outflows of Resources	Deferred Inflows of Resources
Deferred amounts to be recognized in THIS expense in future periods		
Differences between expected and actual experience	$ 91,716	$ 1,400,886
Changes of assumptions	100,453	4,775,933
Changes in proportion and differences between employer contributions and proportionate share of contributions	119,203	426,206
Net difference between projected and actual earnings on THIS plan investments	-	1,804
Total deferred amounts to be recognized in THIS expense in future periods	311,372	6,604,829
THIS contributions made subsequent to the measurement date	86,022	-
Total	$ 397,394	$ 6,604,829

$86,022 reported as deferred outflows of resources related to THIS resulting from employer contributions subsequent to the measurement date will be recognized as a reduction of the THIS OPEB liability in the reporting year ended June 30, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to THIS will be recognized in THIS expense as follows:

NOTE 6. OTHER POST-EMPLOYMENT BENEFITS (CONT'D)

Year Ending June 30	Net Deferred Outflows (Inflows) of Resources
2026	$ (1,271,131)
2027	(1,230,171)
2028	(1,214,367)
2029	(1,118,522)
2030	(863,597)
Thereafter	(595,669)
Total	$ (6,293,457)

Actuarial Assumptions

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

Inflation 2.25 percent

Salary increases Depends on service and ranges from 8.50% at 1 year of service to 3.50% at 20 or more years of service.

Investment rate of return 2.75% percent, net of THIS plan investment expense, including inflation, for all plan years.

Healthcare cost trend rates Trend rates for plan year 2025 are based on actual premium increases. For non-medicare costs, trend rates start at 8.00% for plan year 2026 and decrease gradually to an ultimate rate of 4.25% in 2041. For MAPD costs, trend rates are based on actual premium increases for 2025, 15.00% in 2026 to 2030 and 7.00% in 2031, declining gradually to an ultimate rate of 4.25% in 2041.

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

The actuarial valuation was based on the Entry Age Normal cost method. Under this method, the normal cost and actuarial accrued liability are directly proportional to the employee's salary. The normal cost rate equals the present value of future benefits at entry age divided by the present value of future salary at entry age. The normal cost at the member's attained age equals the normal cost rate at entry age multiplied by the salary at attained age. The actuarial accrued liability equals the present value of benefits at attained age less present value of future salaries at attained age multiplied by normal cost rate at entry age. Since THIS is financed on a pays-as-you-go basis, the sponsor has selected a discount rate consistent with the 20-year general obligation bond index.

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). The discount rates are 3.97 percent as of June 30, 2024, and 3.86% as of June 30, 2023.

NOTE 6. OTHER POST-EMPLOYMENT BENEFITS (CONT'D)

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

The following table shows the plan's net THIS liability as of June 30, 2024, using the current single discount rate of 3.97 percent and sensitivity single discount rates that are either one percentage point higher or lower:

	1% Decrease (2.97%)	Current Discount Rate (3.97%)	1% Increase (4.97%)
Net THIS Liability	$ 3,709,329	$ 3,323,746	$ 2,983,889

Sensitivity of the Employer's Proportionate Share of the Net THIS Liability to Changes in the Health Care Trend Rate

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

	1% Decrease	Healthcare Cost Trend Rates Assumption	1% Increase
Net THIS Liability	$ 2,861,765	$ 3,323,746	$ 3,873,538

Further information on the THIS Fund

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

NOTE 9. COMMITMENTS

As of June 30, 2025, the District had no significant outstanding construction commitments.

NOTE 10. DEFICIT FUND BALANCE

At June 30, 2025, the Capital Projects Fund had a deficit fund balance of $(96,803).

NOTE 11. RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the District carries commercial insurance. Claims settlements have not exceeded coverage for any of the preceding three years and there has been no significant reduction in coverage since last year.

NOTE 12. SUBSEQUENT EVENTS

Subsequent events are events or transactions that occur after the balance sheet date but before the financial statements are issued or available to be issued. There are two types of subsequent events: recognized (events that relate to conditions present at the balance sheet date) and non-recognized (events or conditions that did not exist at the balance sheet date but arose after that date).

There have been no recognized or non-recognized subsequent events that have occurred between June 30, 2025, and the date of this audit report requiring disclosure in the financial statements.

REQUIRED SUPPLEMENTARY INFORMATION

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PROSPECT HEIGHTS SCHOOL DISTRICT NO. 23
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
ILLINOIS MUNICIPAL RETIREMENT FUND (IMRF)
MOST RECENT CALENDAR YEARS

Calendar year ending December 31,	2024	2023	2022	2021
Total pension liability				
Service cost	$ 317,709	$ 322,539	$ 317,205	$ 291,057
Interest on the total pension liability	1,286,481	1,247,784	1,197,437	1,133,517
Difference between expected and actual experience	233,760	81,790	208,910	424,134
Changes of assumptions	-	(33,492)	-	-
Benefit payments	(1,116,937)	(1,047,962)	(1,015,594)	(944,669)
Net change in pension liability	721,013	570,659	707,958	904,039
Total pension liability - beginning	18,144,181	17,573,522	16,865,564	15,961,525
Total pension liability - ending (A)	$ 18,865,194	$ 18,144,181	$ 17,573,522	$ 16,865,564
Plan fiduciary net position				
Contributions - employer	$ 281,651	$ 270,306	$ 311,326	$ 352,284
Contributions - employees	165,678	155,366	151,456	142,562
Net investment income	1,691,460	1,722,652	(2,364,422)	2,721,209
Benefit payments	(1,116,937)	(1,047,962)	(1,015,594)	(944,669)
Other (net transfer)	92,267	552,354	113,130	86,261
Net change in plan fiduciary net position	1,114,119	1,652,716	(2,804,104)	2,357,647
Plan fiduciary net position - beginning	17,120,572	15,467,856	18,271,960	15,914,313
Plan fiduciary net position - ending (B)	$ 18,234,691	$ 17,120,572	$ 15,467,856	$ 18,271,960
Net pension liability/(asset) - ending (A) - (B)	$ 630,503	$ 1,023,609	$ 2,105,666	$ (1,406,396)
Plan fiduciary net position as a percentage of total pension liability	96.66%	94.36%	88.02%	108.34%
Covered valuation payroll	$ 3,681,717	$ 3,454,688	$ 3,365,683	$ 3,168,022
Net pension liability as a percentage of covered valuation payroll	17.13%	29.63%	62.56%	-44.39%

2020	2019	2018	2017	2016	2015
$ 291,912	$ 306,987	$ 281,601	$ 297,039	$ 289,202	$ 270,163
1,089,960	1,047,019	1,018,520	976,666	926,374	873,982
250,623	-	(1,066)	460,552	111,719	172,898
(109,533)	155,134	369,609	(451,717)	(42,210)	26,865
(898,774)	(919,869)	(720,086)	(713,449)	(622,661)	(618,975)
624,188	589,271	948,578	569,091	662,424	724,933
15,337,357	14,748,086	13,799,508	13,230,417	12,567,993	11,843,060
$ 15,961,545	$ 15,337,357	$ 14,748,086	$ 13,799,508	$ 13,230,417	$ 12,567,993
$ 333,289	$ 282,379	$ 308,750	$ 301,215	$ 287,072	$ 263,556
134,390	130,328	129,923	120,700	116,815	107,525
2,062,985	2,291,161	(733,240)	2,017,832	752,442	54,490
(898,774)	(919,869)	(720,086)	(713,449)	(622,661)	(618,975)
129,799	106,104	133,554	(114,527)	70,085	99,505
1,761,689	1,890,103	(881,099)	1,611,771	603,753	(93,899)
14,152,624	12,262,521	13,143,620	11,531,849	10,928,096	11,021,995
$ 15,914,313	$ 14,152,624	$ 12,262,521	$ 13,143,620	$ 11,531,849	$ 10,928,096
$ 47,232	$ 1,184,733	$ 2,485,565	$ 655,888	$ 1,698,568	$ 1,639,897
99.70%	92.28%	83.15%	95.25%	87.16%	86.95%
$ 2,986,463	$ 2,896,199	$ 2,850,579	$ 2,682,232	$ 2,533,735	$ 2,389,446
1.58%	40.91%	87.20%	24.45%	67.04%	68.63%

PROSPECT HEIGHTS SCHOOL DISTRICT NO. 23
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF EMPLOYER CONTRIBUTIONS
ILLINOIS MUNICIPAL RETIREMENT FUND (IMRF)
MOST RECENT CALENDAR YEARS

Calendar Year Ending December 31	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Valuation Payroll	Actual Contribution as a % of Covered Valuation Payroll
2024	$ 281,651	$ 281,651	$ -	$ 3,681,717	7.65%
2023	270,502	270,306	196	3,454,688	7.82%
2022	311,326	311,326	-	3,365,683	9.25%
2021	352,284	352,284	-	3,168,022	11.12%
2020	333,289	333,289	-	2,986,463	11.16%
2019	282,379	282,379	-	2,896,199	9.75%
2018	308,750	308,750	-	2,850,879	10.83%
2017	301,215	301,215	-	2,682,232	11.23%
2016	287,072	287,072	-	2,533,735	11.33%
2015	263,556	263,556	-	2,389,446	11.03%
2014	257,707	255,822	1,885	2,330,079	10.98%

Summary of Actuarial Methods and Assumptions Used in the Calculation of the 2024 Contribution Rate*

Valuation Date:

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

Methods and Assumptions Used to Determine 2024 Contribution Rates:

Actuarial Cost Method	Aggregate entry age normal
Amortization Method	Level percentage of payroll, closed
Remaining Amortization Period	19-year closed period
Asset Valuation Method	5-year smoothed market; 20% corridor
Wage Growth	2.75%
Price Inflation	2.25%
Salary Increases	2.75% to 13.75%, including inflation
Investment Rate of Return	7.25%
Retirement Age	Experience-based table of rates that are specific to the type of eligibility condition; last updated for the 2020 valuation pursuant to an experience study of the period 2017 to 2019.
Mortality	For non-disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Retiree, Male (adjusted 106%) and Female (adjusted 105%) tables, and future mortality improvements projected using scale MP-2020. For disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Disabled Retiree, Male and Female (both unadjusted) tables, and future mortality improvements using scale MP-2020. For active members, the Pub-2010, Amount-Weighted, below-median income, General, Employee, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020.

Other Information:

Notes — There were no benefit changes during the year.

*Based on Valuation Assumptions used in the December 31, 2022 actuarial valuation

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PROSPECT HEIGHTS SCHOOL DISTRICT NO. 23
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE EMPLOYER'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
TEACHERS' RETIREMENT SYSTEM (TRS) OF THE STATE OF ILLINOIS
MOST RECENT FISCAL YEARS

Fiscal year ended June 30,*	2025	2024	2023	2022
Employer's proportion of the net pension liability	0.001165%	0.001144%	0.001147%	0.001225%
Employer's proportionate share of the net pension liability	$ 1,000,206	$ 972,173	$ 961,590	$ 955,894
State's proportionate share of the net pension liability associated with the employer	83,395,720	83,898,993	83,411,593	80,114,099
Total	$ 84,395,926	$ 84,871,166	$ 84,373,183	$ 81,069,993
Employer's covered-employee payroll	$ 12,515,847	$ 11,990,608	$ 11,735,327	$ 10,985,442
Employer's proportionate share of the net pension liability as a percentage of its covered-employee payroll	7.99%	8.11%	8.19%	8.70%
Plan fiduciary net position as a percentage of the total pension liability	45.40%	43.90%	42.80%	45.10%

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

2021	2020	2019	2018	2017	2016
0.001459%	0.001582%	0.001217%	0.002185%	0.001693%	0.001810%
$ 1,258,111	$ 1,283,010	$ 948,773	$ 1,669,293	$ 1,336,513	$ 1,185,733
98,541,827	91,310,441	64,994,909	76,602,878	71,977,890	59,604,668
$ 99,799,938	$ 92,593,451	$ 65,943,682	$ 78,272,171	$ 73,314,403	$ 60,790,401
$ 10,645,787	$ 10,446,581	$ 10,394,510	$ 9,919,360	$ 9,669,897	$ 9,758,902
11.82%	12.28%	9.13%	16.83%	13.82%	12.15%
37.80%	39.60%	40.00%	39.30%	36.40%	41.50%

PROSPECT HEIGHTS SCHOOL DISTRICT NO. 23
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF EMPLOYER CONTRIBUTIONS
TEACHERS' RETIREMENT SYSTEM (TRS) OF THE STATE OF ILLINOIS
MOST RECENT FISCAL YEARS

Fiscal year ending June 30,	2025	2024	2023	2022
Contractually-required contribution	$ 79,849	$ 78,210	$ 92,865	$ 94,633
Contributions in relation to the contractually-required contribution	79,845	78,287	92,868	94,634
Contribution deficiency (excess)	$ 4	$ (77)	$ (3)	$ (1)
Employer's covered-employee payroll	$ 12,839,151	$ 12,515,847	$ 11,990,608	$ 11,735,327
Contributions as a percentage of covered-employee payroll	0.62%	0.62%	0.77%	0.81%

2021	2020	2019	2018	2017	2016
$ 69,712	$ 71,916	$ 63,768	$ 63,768	$ 76,086	$ 60,695
69,535	72,312	60,530	82,359	68,424	64,248
$ 177	$ (396)	$ 3,238	$ (18,591)	$ 7,662	$ (3,553)
$ 10,985,442	$ 10,883,522	$ 10,645,787	$ 10,446,581	$ 10,394,510	$ 9,919,360
0.63%	0.66%	0.60%	0.61%	0.73%	0.61%

PROSPECT HEIGHTS SCHOOL DISTRICT NO. 23
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE EMPLOYER'S PROPORTIONATE SHARE OF THE THIS LIABILITY
OTHER POST-EMPLOYMENT BENEFITS (OPEB) - TEACHERS HEALTH INSURANCE SECURITY (THIS) FUND
MOST RECENT FISCAL YEARS

Fiscal year ending June 30,*	2025	2024	2023	2022
Employer's proportion of the net THIS liability	0.0420%	0.0429%	0.0425%	0.0423%
Employer's proportionate share of the net THIS liability	$ 3,323,746	$ 3,056,688	$ 2,910,707	$ 9,337,581
State's proportionate share of the net THIS liability	4,513,797	4,133,616	3,959,731	12,660,397
Total	$ 7,837,543	$ 7,190,304	$ 6,870,438	$ 21,997,978
Employer's covered-employee payroll	$ 12,515,847	$ 11,990,608	$ 11,735,327	$ 10,985,442
Employer's proportionate share of the net THIS liability	26.56%	25.49%	24.80%	85.00%
Plan fiduciary net position as a percentage of the total	45.40%	6.21%	5.24%	1.40%

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

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

2021
0.0430%
$ 11,501,561
15,581,483
$ 27,083,044
$ 10,883,522
105.68%
0.70%

PROSPECT HEIGHTS SCHOOL DISTRICT NO. 23
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF EMPLOYER CONTRIBUTIONS
OTHER POST-EMPLOYMENT BENEFITS (OPEB) - TEACHERS' HEALTH INSURANCE SECURITY (THIS) FUND
MOST RECENT FISCAL YEARS

Fiscal year ending June 30,	2025	2024	2023	2022
Contractually-required contribution	$ 86,022	$ 83,856	$ 80,337	$ 78,627
Contributions in relation to the contractually-required contribution	86,022	83,856	80,337	78,627
Contribution deficiency (excess)	$ -	$ -	$ -	$ -
Employer's covered-employee payroll	$ 12,839,151	$ 12,515,847	$ 11,990,608	$ 11,735,327
Contributions as a percentage of covered-employee payroll	0.67%	0.67%	0.67%	0.67%

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

2021
$ 101,066
101,066
$ -
$ 10,985,442
0.92%

PROSPECT HEIGHTS SCHOOL DISTRICT NO. 23
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2025

	Original and Final Budget	Educational Account	Tort Account	Working Cash Account
REVENUES				
Local Sources				
General tax levy	$ 18,130,000	$ 18,273,321	$ -	$ 154,920
Tort immunity tax levy	94,000	-	73,865	-
Personal property replacement taxes	275,000	97,973	-	-
Investment income	122,000	220,236	-	31,956
Food services	200,000	208,001	-	-
Fees	63,200	50,845	-	-
Book store sales	19,000	14,485	-	-
Student activities	-	90,728	-	-
Textbooks	235,000	203,893	-	-
Sales - other	12,500	24,027	-	-
Contributions and donations	30,000	-	-	-
Refund of prior years' expenditures	10,000	14,833	3,742	-
Other local fees	367,222	366,867	-	-
Other	28,500	84,451	-	-
Total Local Sources	19,586,422	19,649,660	77,607	186,876
State Sources				
Evidence based funding formula	2,000,000	1,938,348	-	-
Special education - private facility tuition	55,000	20,731	-	-
CTE - secondary program improvement	1,328	1,328	-	-
State free lunch and breakfast	-	2,726	-	-
Other	109,000	3,377	-	-
Total State Sources	2,165,328	1,966,510	-	-
Federal Sources				
National school lunch program	400,000	228,467	-	-
School breakfast	50,000	59,279	-	-
Child care commodity	27,500	-	-	-
Food service - other	40,000	33,784	-	-
Title I - low Income	143,374	222,668	-	-
Title IV - student support and enrichment	10,000	15,153	-	-
Special education	353,852	372,620	-	-
Emergency immigrant assistance	15,000	7,397	-	-
Title III - english language acquisition	57,200	52,622	-	-
Title II - teacher quality	32,145	41,960	-	-
Medicaid administrative outreach	75,000	82,603	-	-
Medicaid matching fee-for-service	55,000	284,470	-	-
Other	15,000	16,181	-	-
Total Federal Sources	1,274,071	1,417,204	-	-
Total Revenues	23,025,821	23,033,374	77,607	186,876

Total General Fund	Variance with Final Budget
$ 18,428,241	$ 298,241
73,865	(20,135)
97,973	(177,027)
252,192	130,192
208,001	8,001
50,845	(12,355)
14,485	(4,515)
90,728	90,728
203,893	(31,107)
24,027	11,527
-	(30,000)
18,575	8,575
366,867	(355)
84,451	55,951
19,914,143	327,721
1,938,348	(61,652)
20,731	(34,269)
1,328	-
2,726	2,726
3,377	(105,623)
1,966,510	(198,818)
228,467	(171,533)
59,279	9,279
-	(27,500)
33,784	(6,216)
222,668	79,294
15,153	5,153
372,620	18,768
7,397	(7,603)
52,622	(4,578)
41,960	9,815
82,603	7,603
284,470	229,470
16,181	1,181
1,417,204	143,133
23,297,857	272,036

(Continued)

PROSPECT HEIGHTS SCHOOL DISTRICT NO. 23
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2025

	Original and Final Budget	Educational Account	Tort Account	Working Cash Account
EXPENDITURES				
Instruction				
Regular Programs				
Salaries	$ 6,433,881	$ 6,562,417	$ -	$ -
Employee benefits	1,325,643	1,375,584	-	-
Purchased services	79,603	78,462	-	-
Supplies and materials	425,228	391,960	-	-
Capital outlay	30,000	-	-	-
Other	3,000	1,881	-	-
Total	8,297,355	8,410,304	-	-
Tuition Payments to Charter Schools				
Purchased services	5,150	-	-	-
Total	5,150	-	-	-
Special Education Programs				
Salaries	2,331,428	2,312,842	-	-
Employee benefits	734,356	704,262	-	-
Purchased services	43,300	37,802	-	-
Supplies and materials	53,500	64,629	-	-
Capital outlay	15,000	5,304	-	-
Other	2,250	(2,119)	-	-
Total	3,179,834	3,122,720	-	-
Special Education Programs Pre K				
Salaries	209,913	211,658	-	-
Employee benefits	44,373	44,178	-	-
Purchased services	28,250	30,575	-	-
Supplies and materials	8,500	3,587	-	-
Capital outlay	5,000	-	-	-
Other	150	-	-	-
Total	296,186	289,998	-	-
Remedial and Supplemental Programs				
Salaries	73,500	71,006	-	-
Purchased services	5,000	66,924	-	-
Total	78,500	137,930	-	-

Total General Fund	Variance with Final Budget
$ 6,562,417	$ (128,536)
1,375,584	(49,941)
78,462	1,141
391,960	33,268
-	30,000
1,881	1,119
8,410,304	(112,949)
-	5,150
-	5,150
2,312,842	18,586
704,262	30,094
37,802	5,498
64,629	(11,129)
5,304	9,696
(2,119)	4,369
3,122,720	57,114
211,658	(1,745)
44,178	195
30,575	(2,325)
3,587	4,913
-	5,000
-	150
289,998	6,188
71,006	2,494
66,924	(61,924)
137,930	(59,430)

PROSPECT HEIGHTS SCHOOL DISTRICT NO. 23
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2025

	Original and Final Budget	Educational Account	Tort Account	Working Cash Account
EXPENDITURES				
Instruction				
CTE Programs				
Salaries	$ 134,941	$ 212,969	$ -	$ -
Employee benefits	11,578	38,589	-	-
Purchased services	4,000	4,660	-	-
Supplies and materials	-	62	-	-
Total	150,519	256,280	-	-
Interscholastic Programs				
Salaries	176,888	175,140	-	-
Purchased services	6,000	6,410	-	-
Supplies and materials	1,000	6,013	-	-
Capital outlay	5,000	-	-	-
Other	2,000	2,327	-	-
Total	190,888	189,890	-	-
Summer School Programs				
Salaries	147,500	78,497	-	-
Purchased services	17,000	1,885	-	-
Supplies and materials	2,500	98	-	-
Total	167,000	80,480	-	-
Bilingual Programs				
Salaries	783,871	800,868	-	-
Employee benefits	188,617	213,981	-	-
Purchased services	2,000	-	-	-
Supplies and materials	3,600	-	-	-
Total	978,088	1,014,849	-	-
Pre-K programs - Private Tuition				
Other	-	67,020	-	-
Special Education Private Tuition				
Other	200,000	7,701	-	-
Student Activities				
Other	-	85,344	-	-
Total Instruction	13,543,520	13,662,516	-	-

Total General Fund	Variance with Final Budget
$ 212,969	$ (78,028)
38,589	(27,011)
4,660	(660)
62	(62)
256,280	(105,761)
175,140	1,748
6,410	(410)
6,013	(5,013)
-	5,000
2,327	(327)
189,890	998
78,497	69,003
1,885	15,115
98	2,402
80,480	86,520
800,868	(16,997)
213,981	(25,364)
-	2,000
-	3,600
1,014,849	(36,761)
67,020	(67,020)
7,701	192,299
85,344	(85,344)
13,662,516	(118,996)

(Continued)

PROSPECT HEIGHTS SCHOOL DISTRICT NO. 23
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2025

	Original and Final Budget	Educational Account	Tort Account	Working Cash Account
EXPENDITURES				
Support Services				
Attendance and Social Work Services				
Salaries	$ 366,600	$ 452,214	$ -	$ -
Employee benefits	83,716	101,369	-	-
Purchased services	34,200	37,877	-	-
Supplies and materials	2,000	631	-	-
Other	300	-	-	-
Total	486,816	592,091	-	-
Health Services				
Salaries	595,391	697,564	-	-
Employee benefits	191,043	213,303	-	-
Purchased services	147,450	61,403	-	-
Supplies and materials	14,500	13,949	-	-
Capital outlay	5,000	9,546	-	-
Other	950	-	-	-
Total	954,334	995,765	-	-
Psychological Services				
Salaries	458,813	397,503	-	-
Employee benefits	118,644	95,502	-	-
Purchased services	3,100	3,389	-	-
Supplies and Materials	1,000	-	-	-
Other	1,320	730	-	-
Total	582,877	497,124	-	-
Speech Pathology and Audiology Services				
Salaries	409,624	496,549	-	-
Employee benefits	65,058	56,846	-	-
Purchased services	53,350	600	-	-
Supplies and materials	3,500	1,481	-	-
Capital outlay	5,000	-	-	-
Other	1,750	150	-	-
Total	538,282	555,626	-	-
Other Support Services				
Purchased services	25,000	55,487	-	-
Total	25,000	55,487	-	-

Total General Fund	Variance with Final Budget
$ 452,214	$ (85,614)
101,369	(17,653)
37,877	(3,677)
631	1,369
-	300
592,091	(105,275)
697,564	(102,173)
213,303	(22,260)
61,403	86,047
13,949	551
9,546	(4,546)
-	950
995,765	(41,431)
397,503	61,310
95,502	23,142
3,389	(289)
-	1,000
730	590
497,124	85,753
496,549	(86,925)
56,846	8,212
600	52,750
1,481	2,019
-	5,000
150	1,600
555,626	(17,344)
55,487	(30,487)
55,487	(30,487)

PROSPECT HEIGHTS SCHOOL DISTRICT NO. 23
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2025

	Original and Final Budget	Educational Account	Tort Account	Working Cash Account
EXPENDITURES				
Support Services				
Improvement of Instruction Services				
Salaries	$ 458,520	$ 407,734	$ -	$ -
Employee benefits	56,111	71,728	-	-
Purchased services	23,102	9,417	-	-
Supplies and materials	8,530	1,269	-	-
Other	4,500	1,930	-	-
Total	550,763	492,078	-	-
Educational Media Services				
Salaries	769,442	801,757	-	-
Employee benefits	197,799	217,037	-	-
Purchased services	344,450	226,375	-	-
Supplies and materials	143,930	61,588	-	-
Capital outlay	145,000	73,626	-	-
Other	1,500	439	-	-
Non-capitalized equipment	-	2,775	-	-
Total	1,602,121	1,383,597	-	-
Assessment and Testing				
Purchased services	16,000	13,834	-	-
Total	16,000	13,834	-	-
Board of Education Services				
Purchased services	78,500	75,350	-	-
Supplies and materials	4,000	2,201	-	-
Other	9,000	8,143	-	-
Total	91,500	85,694	-	-
Executive Administration Services				
Salaries	276,320	287,607	-	-
Employee benefits	80,267	85,842	-	-
Purchased services	6,000	4,703	-	-
Supplies and materials	21,000	20,328	-	-
Other	3,000	2,609	-	-
Total	386,587	401,089	-	-

Total General Fund	Variance with Final Budget
$ 407,734	$ 50,786
71,728	(15,617)
9,417	13,685
1,269	7,261
1,930	2,570
492,078	58,685
801,757	(32,315)
217,037	(19,238)
226,375	118,075
61,588	82,342
73,626	71,374
439	1,061
2,775	(2,775)
1,383,597	218,524
13,834	2,166
13,834	2,166
75,350	3,150
2,201	1,799
8,143	857
85,694	5,806
287,607	(11,287)
85,842	(5,575)
4,703	1,297
20,328	672
2,609	391
401,089	(14,502)

PROSPECT HEIGHTS SCHOOL DISTRICT NO. 23
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2025

	Original and Final Budget	Educational Account	Tort Account	Working Cash Account
EXPENDITURES				
Support Services				
Tort Services				
Employee benefits	$ -	$ -	$ 473	$ -
Purchased services	202,167	19,722	179,253	-
Total	202,167	19,722	179,726	-
Office of the Principal Services				
Salaries	981,937	1,010,025	-	-
Employee benefits	363,200	319,137	-	-
Purchased services	3,339	2,009	-	-
Supplies and materials	77,553	92,362	-	-
Other	3,918	1,233	-	-
Total	1,429,947	1,424,766	-	-
Direction of Business Services				
Salaries	161,358	171,039	-	-
Employee benefits	49,015	52,589	-	-
Purchased services	4,000	5,873	-	-
Other	1,000	962	-	-
Total	215,373	230,463	-	-
Fiscal Services				
Salaries	130,471	136,342	-	-
Employee benefits	58,174	62,949	-	-
Purchased services	36,750	39,508	-	-
Supplies and materials	5,000	3,581	-	-
Capital outlay	2,000	-	-	-
Other	750	200	-	-
Total	233,145	242,580	-	-
Food Services				
Salaries	100,000	114,192	-	-
Purchased services	281,900	419,269	-	-
Supplies and materials	2,100	33,968	-	-
Capital outlay	7,500	-	-	-
Total	391,500	567,429	-	-

Total General Fund	Variance with Final Budget
$ 473	$ (473)
198,975	3,192
199,448	2,719
1,010,025	(28,088)
319,137	44,063
2,009	1,330
92,362	(14,809)
1,233	2,685
1,424,766	5,181
171,039	(9,681)
52,589	(3,574)
5,873	(1,873)
962	38
230,463	(15,090)
136,342	(5,871)
62,949	(4,775)
39,508	(2,758)
3,581	1,419
-	2,000
200	550
242,580	(9,435)
114,192	(14,192)
419,269	(137,369)
33,968	(31,868)
-	7,500
567,429	(175,929)

PROSPECT HEIGHTS SCHOOL DISTRICT NO. 23
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2025

	Original and Final Budget	Educational Account	Tort Account	Working Cash Account
EXPENDITURES				
Support Services				
Internal Services				
Purchased services	$ 30,000	$ 27,000	$ -	$ -
Supplies and materials	1,500	-	-	-
Total	31,500	27,000	-	-
Planning, Research, Development and Evaluation Services				
Purchased services	27,000	26,062	-	-
Total	27,000	26,062	-	-
Information Services				
Purchased services	116,500	44,631	-	-
Supplies and materials	1,500	1,364	-	-
Total	118,000	45,995	-	-
Staff Services				
Salaries	123,757	125,831	-	-
Employee benefits	51,283	53,132	-	-
Purchased services	24,250	33,322	-	-
Supplies and materials	18,500	21,225	-	-
Other	1,000	-	-	-
Total	218,790	233,510	-	-
Data Processing Services				
Purchased services	26,000	28,984	-	-
Total	26,000	28,984	-	-
Other Support Services				
Salaries	2,500	1,341	-	-
Purchased services	10,000	9,268	-	-
Supplies and materials	500	1,428	-	-
Total	13,000	12,037	-	-
Total Support Services	8,140,702	7,930,933	179,726	-

Total General Fund	Variance with Final Budget
$ 27,000	$ 3,000
-	1,500
27,000	4,500
26,062	938
26,062	938
44,631	71,869
1,364	136
45,995	72,005
125,831	(2,074)
53,132	(1,849)
33,322	(9,072)
21,225	(2,725)
-	1,000
233,510	(14,720)
28,984	(2,984)
28,984	(2,984)
1,341	1,159
9,268	732
1,428	(928)
12,037	963
8,110,659	30,043

(Continued)

PROSPECT HEIGHTS SCHOOL DISTRICT NO. 23
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2025

	Original and Final Budget	Educational Account	Tort Account	Working Cash Account
EXPENDITURES				
Community Services				
Salaries	$ 151,435	$ 167,873	$ -	$ -
Employee benefits	29,199	12,765	-	-
Purchased services	36,000	45,698	-	-
Supplies and materials	15,000	7,324	-	-
Total Community Services	231,634	233,660	-	-
Payments to Other Gov't Units				
Purchased services	300,779	300,693	-	-
Tuition	634,117	540,955	-	-
Total Payments to Other Gov't Units	934,896	841,648	-	-
Total Expenditures	22,850,752	22,668,757	179,726	-
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	175,069	364,617	(102,119)	186,876
OTHER FINANCING (USES)				
Transfers out	-	(67,838)	-	-
Total Other Financing (Uses)	-	(67,838)	-	-
NET CHANGE IN FUND BALANCE	$ 175,069	296,779	(102,119)	186,876
FUND BALANCE, BEGINNING OF YEAR		2,449,369	7,342	668,038
FUND BALANCE (DEFICIT), END OF YEAR		$ 2,746,148	$ (94,777)	$ 854,914

Total General Fund	Variance with Final Budget
$ 167,873	$ (16,438)
12,765	16,434
45,698	(9,698)
7,324	7,676
233,660	(2,026)
300,693	86
540,955	93,162
841,648	93,248
22,848,483	2,269
449,374	274,305
(67,838)	(67,838)
(67,838)	$ (67,838)
381,536	$ 206,467
3,124,749	
$ 3,506,285	

SCHEDULE 2

PROSPECT HEIGHTS SCHOOL DISTRICT NO. 23
OPERATIONS AND MAINTENANCE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2025

	Original and Final Budget	Actual	Variance with Final Budget
REVENUES			
Local Sources			
General tax levy	$ 1,860,000	$ 1,492,193	$ (367,807)
Investment income	30,000	42,183	12,183
Rentals	125,000	110,948	(14,052)
Contributions and donations	38,000	-	(38,000)
Impact fees	2,500	2,381	(119)
Other	1,000	-	(1,000)
Total Local Sources	2,056,500	1,647,705	(408,795)
State Sources			
School infrastructure - maintenance projects	50,000	150,000	100,000
Total State Sources	50,000	150,000	100,000
Total Revenues	2,106,500	1,797,705	(308,795)
EXPENDITURES			
Support Services			
Operations and Maintenance of Plant Services			
Salaries	930,127	962,055	(31,928)
Benefits	188,054	209,071	(21,017)
Purchased services	503,700	373,616	130,084
Supplies and materials	322,400	416,271	(93,871)
Capital outlay	22,000	55,902	(33,902)
Other	-	200	(200)
Non-capitalized equipment	5,000	1,000	4,000
Total	1,971,281	2,018,115	(46,834)
Total Support Services	1,971,281	2,018,115	(46,834)
Total Expenditures	1,971,281	2,018,115	(46,834)
NET CHANGE IN FUND BALANCE	$ 135,219	(220,410)	$ (261,961)
FUND BALANCE, BEGINNING OF YEAR		1,039,905	
FUND BALANCE, END OF YEAR		$ 819,495	

SCHEDULE 3

PROSPECT HEIGHTS SCHOOL DISTRICT NO. 23
TRANSPORTATION FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
BUDGET BASIS
FOR THE YEAR ENDED JUNE 30, 2025

	Original and Final Budget	Actual	Variance with Final Budget
REVENUES			
Local Sources			
General tax levy	$ 1,140,000	$ 1,087,156	$ (52,844)
Transportation fees	5,000	-	(5,000)
Refund of prior years expenditures	-	252,090	252,090
Investment income	20,000	31,193	11,193
Total Local Sources	1,165,000	1,370,439	205,439
State Sources			
Transportation aid - regular	525,000	534,952	9,952
Transportation aid - special education	350,000	381,821	31,821
Total State Sources	875,000	916,773	41,773
Total Revenues	2,040,000	2,287,212	247,212
EXPENDITURES			
Support Services			
Pupil Transportation Services			
Salaries	55,332	57,613	2,281
Purchased services	1,575,500	1,872,692	297,192
Supplies and materials	115,000	88,859	(26,141)
Total	1,745,832	2,019,164	273,332
Other Support Services			
Purchased services	1,000	774	(226)
Total	1,000	774	(226)
Total Support Services	1,746,832	2,019,938	273,106
Payments to Other Gov't Units			
Purchased services	250,000	265,689	15,689
Total	250,000	265,689	15,689
Total Expenditures	1,996,832	2,285,627	288,795
NET CHANGE IN FUND BALANCE	$ 43,168	1,585	$ (41,583)
FUND BALANCE, BEGINNING OF YEAR		642,687	
FUND BALANCE, END OF YEAR		$ 644,272	

PROSPECT HEIGHTS SCHOOL DISTRICT NO. 23
MUNICIPAL RETIREMENT/SOCIAL SECURITY FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2025

	Original and Final Budget	Actual	Variance with Final Budget
REVENUES			
Local Sources			
General tax levy	$ 440,000	$ 309,170	$ (130,830)
FICA/medicare levy	440,000	309,170	(130,830)
Personal property replacement taxes	-	6,247	6,247
Investment income	8,000	20,945	12,945
Total Local Sources	888,000	645,532	(242,468)
Federal Sources			
Title I - low income	-	3,298	3,298
Federal - special education - preschool flow-through	-	1,501	1,501
Federal - special education - IDEA - flow-through	-	22,640	22,640
Title II - teacher quality	-	102	102
Title III - english language acquisition	-	1,138	1,138
Total Federal Sources	-	28,679	28,679
Total Revenues	888,000	674,211	(213,789)
EXPENDITURES			
Employee Benefits			
Instruction			
Regular programs	93,982	91,518	2,464
Special education programs	139,295	143,116	(3,821)
Special education programs Pre-K	6,001	6,713	(712)
Remedial and supplemental programs	-	5,432	(5,432)
CTE programs	1,957	2,923	(966)
Interscholastic programs	2,565	4,027	(1,462)
Summer school programs	-	3,464	(3,464)
Bilingual programs	19,798	24,065	(4,267)
Total Instruction	263,598	281,258	(17,660)
Support Services			
Attendance and social work services	6,064	6,817	(753)
Health services	92,167	102,133	(9,966)
Psychological services	6,653	5,595	1,058
Speech pathology and audiology services	5,940	7,089	(1,149)
Improvement of instruction services	6,184	10,821	(4,637)
Educational media services	43,269	44,459	(1,190)
Executive administration services	11,100	11,333	(233)
Office of the principal services	61,634	58,081	3,553
Director of business support services	2,340	2,461	(121)
Fiscal services	20,197	20,224	(27)

(Continued)

SCHEDULE 4
(Concluded)

PROSPECT HEIGHTS SCHOOL DISTRICT NO. 23
MUNICIPAL RETIREMENT/SOCIAL SECURITY FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2025

	Original and Final Budget	Actual	Variance with Final Budget
EXPENDITURES			
Employee Benefits			
Support Services			
Operation and maintenance of plant services	$ 135,392	$ 140,629	$ (5,237)
Pupil transportation services	-	2,678	(2,678)
Food services	-	6,685	(6,685)
Staff services	18,616	18,783	(167)
Other	-	177	(177)
Total Support Services	409,556	437,965	(28,409)
Community Services	7,808	17,571	(9,763)
Total Expenditures	680,962	736,794	(55,832)
NET CHANGE IN FUND BALANCES	$ 207,038	(62,583)	$ (269,621)
FUND BALANCE - BEGINNING OF YEAR		427,279	
FUND BALANCE - END OF YEAR		$ 364,696	

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NOTE 1. TEACHERS' RETIREMENT SYSTEM (TRS) OF THE STATE OF ILLINOIS

Changes of Assumptions

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

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

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

*For the 2021 measurement year, the assumed investment rate of return was 7.0 percent, including an inflation rate of 2.25 percent and a real return of 4.75 percent.

NOTE 2. TEACHERS' HEALTH INSURANCE SECURITY (THIS) FUND

Changes of Assumptions

The discount rate was changed from 3.86 percent at June 30, 2023, to 3.97 percent at June 30, 2024. The healthcare trend assumption was updated based on claim and enrollment experience through June 30, 2023, projected plan cost for plan year end June 30, 2024, premium changes through plan year end 2025, and expectation of future trend increases after June 30, 2024. Per capita claim costs for plan year end June 30, 2024, were updated based on projected claims and enrollment experience through June 30, 2024, and updated premium rates through plan year 2025. Healthcare plan participation rates by plan were updated based on observed experience.

Amounts reported in 2024 reflect an investment rate of return of 2.75 percent, an inflation rate of 2.25 percent, and salary increases that vary by service credit. Amounts reported in 2023 reflect an investment rate of return of 2.75 percent, an inflation rate of 2.25 percent, and salary increases that vary by service credit. Amounts reported in 2022 reflect an investment rate of return of 2.75 percent, an inflation rate of 2.25 percent, and salary increases that vary by service credit. Amounts reported in 2021 reflect an investment rate of return of 2.75 percent, an inflation rate of 2.50 percent, and salary increases that vary by service credit. Amounts reported in 2020 reflect an investment rate of return of 2.75 percent, an inflation rate of 2.50 percent, and salary increases that vary by service credit. Amounts reported in 2019 reflect an investment rate of return of 0.00 percent; an inflation rate of 2.50 percent and salary increases that vary by amount of service credit. Amounts reported in 2018 reflect an investment rate of return of 0.00 percent, an inflation rate of 2.50, and salary increases that vary by service credit. In 2017, assumptions used were an investment rate of return of 0.00 percent, and inflation rate of 2.75 percent, and salary increases that vary by amount of service. In 2016, assumptions used were an investment rate of return of 0.00 percent, and inflation rate of 2.75 percent, and salary increases that vary by amount of service. In 2015 and 2014, assumptions used were an investment rate of return of 4.50 percent, and inflation rate of 3.00 percent, and salary increases that vary by amount of service.

NOTE 3. BUDGETARY PROCESS

Budgetary Data

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

Budgeted amounts for the Governmental Funds are adopted on the modified accrual basis, which is consistent with accounting principles generally accepted in the United States of America. The budget was adopted September 19, 2024.

1. 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.

2. Public hearings are conducted and the proposed budget is available for inspection to obtain taxpayer comments.

3. Prior to September 30, the budget is legally adopted through passage of an ordinance. By the last Tuesday in December, a tax levy ordinance is filed with the county clerk to obtain tax revenues.

4. Management is authorized to transfer budget amounts, provided funds are transferred between the same function and object codes. The Board of Education is authorized to transfer up to a legal level of 10% of the total budget between functions within any fund; however, any revisions that alter the total expenditures of any fund must be approved by the Board of Education, after following the public hearing process mandated by law.

5. Formal budgetary integration is employed as a management control device during the year for all governmental funds.

6. All budget appropriations lapse at the end of the fiscal year.

Excess of Expenditures over Budget

For the year ended June 30, 2025, expenditures exceeded budget in the Tort Fund by $7,559; the Municipal Retirement/Social Security Fund by $55,832, and the Debt Service Fund by $22,316, and the Operations and Maintenance Fund by $46,834. The excess of the above funds was covered by existing fund balance.

Adjustments necessary to convert the results of operations and fund balances as of June 30, 2025, on the modified accrual basis for governmental funds to the budget basis are as follows:

Fund Balance as of June 30, 2025	
Modified accrual basis:	$ 6,102,649
Due to revenues:	
Accrued as receivables net of deferred revenue (modified accrual) at June 30, 2025, but not recognized in budget	(667,897)
Due to expenditures:	
Accrued as liability (modified accrual) at June 30, 2025, but not recognized in budget	293,345
Budget basis	$ 5,728,097

NOTE 3. BUDGETARY PROCESS (CONT'D)

Net Changes in Fund Balances		
Modified accrual basis:		
General Fund	$ 383,127	
Operations and Maintenance Fund	(220,410)	
Debt Service Fund	92,688	
Transportation Fund	1,585	
Municipal Retirment Fund	(62,583)	
Capital Projects Fund	(1,558,698)	$ (1,364,291)
Due to revenues:		
Received in cash during year but accrued as receivables, net of deferred revenue (modified accrual) at June 30, 2024		11,681,620
Accrued as receivables net of deferred revenue (modified accrual) at June 30, 2025, but not recognized in budget		(10,917,633)
Due to expenditures:		
Paid in cash during year but accrued as liability (modified accrual) at June 30, 2024		(13,481,489)
Accrued as liability (modified accrual) at June 30, 2025, but not recognized in budget		11,507,350
Budget basis		$ (2,574,443)

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SUPPLEMENTARY INFORMATION

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SCHEDULE 5

PROSPECT HEIGHTS SCHOOL DISTRICT NO. 23
DEBT SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2025

	Original and Final Budget	Actual	Variance with Final Budget
REVENUES			
Local Sources			
General tax levy	$ 1,342,168	$ 1,429,173	$ 87,005
Investment income	15,000	35,767	20,767
Total Local Sources	1,357,168	1,464,940	107,772
Total Revenues	1,357,168	1,464,940	107,772
EXPENDITURES			
Debt Service			
Principal	997,875	1,044,351	(46,476)
Interest	408,287	382,252	26,035
Other	-	1,875	(1,875)
Total Debt Service	1,406,162	1,428,478	(22,316)
Total Expenditures	1,406,162	1,428,478	(22,316)
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(48,994)	36,462	85,456
OTHER FINANCING SOURCES			
Transfers in	-	67,838	67,838
Total Other Financing Sources	-	67,838	67,838
NET CHANGE IN FUND BALANCE	$ (48,994)	104,300	$ 153,294
FUND BALANCE, BEGINNING OF YEAR		770,425	
FUND BALANCE, END OF YEAR		$ 874,725	

SCHEDULE 6

PROSPECT HEIGHTS SCHOOL DISTRICT NO. 23
CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2025

	Original and Final Budget	Actual	Variance with Final Budget
REVENUES			
Local Sources			
Investment income	$ 50,000	$ 33,450	$ (16,550)
Other	35,000	-	(35,000)
Total Local Sources	85,000	33,450	(51,550)
Total Revenues	85,000	33,450	(51,550)
EXPENDITURES			
Support Services			
Facilities and Acquisition Services			
Purchased services	50,000	184,995	(134,995)
Capital outlay	1,724,000	1,407,153	316,847
Total Support Services	1,774,000	1,592,148	181,852
Total Expenditures	1,774,000	1,592,148	181,852
NET CHANGE IN FUND BALANCE	$ (1,689,000)	(1,558,698)	$ 130,302
FUND BALANCE, BEGINNING OF YEAR		1,461,895	
FUND BALANCE (DEFICIT), END OF YEAR		$ (96,803)	

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SCHEDULE 7

PROSPECT HEIGHTS SCHOOL DISTRICT NO. 23
GENERAL FUND
COMBINING BALANCE SHEET
JUNE 30, 2025

	Educational Account	Tort Account	Working Cash Account	Total
ASSETS				
Cash and investments	$ 2,381,656	$ -	$ 854,269	$ 3,235,925
Restricted assets				
Cash, restricted for student activities	46,589	-	-	46,589
Receivables (net of allowance for uncollectibles)				
Property taxes	8,748,185	38,281	111,950	8,898,416
Replacement taxes	17,972	-	-	17,972
Intergovernmental	392,201	-	-	392,201
Total Assets	$ 11,586,603	$ 38,281	$ 966,219	$ 12,591,103
LIABILITIES				
Cash overdraft	$ -	$ 95,035	$ -	$ 95,035
Accounts payable	42,253	-	-	42,253
Payroll deductions payable	111,364	-	-	111,364
Total Liabilities	153,617	95,035	-	248,652
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue - property taxes	8,686,838	38,023	111,305	8,836,166
Total Deferred Inflows of Resources	8,686,838	38,023	111,305	8,836,166
FUND BALANCES (DEFICIT)				
Restricted	46,589	-	-	46,589
Unassigned	2,699,559	(94,777)	854,914	3,459,696
Total Fund Balances (Deficit)	2,746,148	(94,777)	854,914	3,506,285
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	$ 11,586,603	$ 38,281	$ 966,219	$ 12,591,103

PROSPECT HEIGHTS SCHOOL DISTRICT NO. 23
GENERAL FUND
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2025

	Educational Account	Tort Account	Working Cash Account	Total General Fund
REVENUES				
Local sources	$ 19,649,660	$ 77,607	$ 186,876	$ 19,914,143
State sources	1,966,510	-	-	1,966,510
Federal sources	1,417,204	-	-	1,417,204
Total Revenues	23,033,374	77,607	186,876	23,297,857
EXPENDITURES				
Current				
Instruction	13,657,212	-	-	13,657,212
Support services	7,847,761	179,726	-	8,027,487
Community services	233,660	-	-	233,660
Payments to other governmental units	841,648	-	-	841,648
Capital outlay	88,476	-	-	88,476
Total Expenditures	22,668,757	179,726	-	22,848,483
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	364,617	(102,119)	186,876	449,374
OTHER FINANCING (USES)				
Transfers out	(67,838)	-	-	(67,838)
Total Other Financing (Uses)	(67,838)	-	-	(67,838)
NET CHANGE IN FUND BALANCES	296,779	(102,119)	186,876	381,536
FUND BALANCE, BEGINNING	2,449,369	7,342	668,038	3,124,749
FUND BALANCE (DEFICIT), ENDING	$ 2,746,148	$ (94,777)	$ 854,914	$ 3,506,285

PROSPECT HEIGHTS SCHOOL DISTRICT NO. 23
EDUCATIONAL ACCOUNT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2025

	Original and Final Budget	Actual	Variance with Final Budget
REVENUES			
Local Sources			
General tax levy	$ 18,025,000	$ 18,273,321	$ 248,321
Personal property replacement taxes	275,000	97,973	(177,027)
Investment income	80,000	220,236	140,236
Food services	200,000	208,001	8,001
Fees	63,200	50,845	(12,355)
Book store sales	19,000	14,485	(4,515)
Student activities	-	90,728	90,728
Rentals - regular textbook	235,000	203,893	(31,107)
Sales - other	12,500	24,027	11,527
Contributions and donations	30,000	-	(30,000)
Refund of prior years' expenditures	10,000	14,833	4,833
Other local fees	367,222	366,867	(355)
Other	28,500	84,451	55,951
Total Local Sources	19,345,422	19,649,660	304,238
State Sources			
Evidence based funding formula	1,950,000	1,938,348	(11,652)
Special education - private facility tuition	55,000	20,731	(34,269)
CTE - secondary program improvement	1,328	1,328	-
State free lunch and breakfast	-	2,726	2,726
Other	109,000	3,377	(105,623)
Total State Sources	2,115,328	1,966,510	(148,818)
Federal Sources			
National school lunch program	400,000	228,467	(171,533)
School breakfast	50,000	59,279	9,279
Child care commodity	27,500	-	(27,500)
Food service - other	40,000	33,784	(6,216)
Title I - low Income	143,374	222,668	79,294
Title IV - student support and enrichment	10,000	15,153	5,153
Special education - pre-school	15,321	15,486	165
Special education - flow-through	338,531	357,134	18,603
Emergency immigrant assistance	15,000	7,397	(7,603)
Title III - english language acquisition	57,200	52,622	(4,578)
Title II - teacher quality	32,145	41,960	9,815
Medicaid administrative outreach	75,000	82,603	7,603
Medicaid matching fee-for-service	55,000	284,470	229,470
Other	15,000	16,181	1,181
Total Federal Sources	1,274,071	1,417,204	143,133
Total Revenues	22,734,821	23,033,374	298,553

(Continued)

PROSPECT HEIGHTS SCHOOL DISTRICT NO. 23
EDUCATIONAL ACCOUNT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2025

	Original and Final Budget	Actual	Variance with Final Budget
EXPENDITURES			
Instruction			
Regular Programs			
Salaries	$ 6,433,881	$ 6,562,417	$ (128,536)
Employee benefits	1,325,643	1,375,584	(49,941)
Purchased services	79,603	78,462	1,141
Supplies and materials	425,228	391,960	33,268
Capital outlay	30,000	-	30,000
Other	3,000	1,881	1,119
Total	8,297,355	8,410,304	(112,949)
Tuition Payments to Charter Schools			
Purchased services	5,150	-	5,150
Total	5,150	-	5,150
Special Education Programs			
Salaries	2,331,428	2,312,842	18,586
Employee benefits	734,356	704,262	30,094
Purchased services	43,300	37,802	5,498
Supplies and materials	53,500	64,629	(11,129)
Capital outlay	15,000	5,304	9,696
Other	2,250	(2,119)	4,369
Total	3,179,834	3,122,720	57,114
Special Education Programs Pre-K			
Salaries	209,913	211,658	(1,745)
Employee benefits	44,373	44,178	195
Purchased services	28,250	30,575	(2,325)
Supplies and materials	8,500	3,587	4,913
Capital outlay	5,000	-	5,000
Other	150	-	150
Total	296,186	289,998	6,188
Remedial and Supplemental Programs			
Salaries	73,500	71,006	2,494
Purchased services	5,000	66,924	(61,924)
Total	78,500	137,930	(59,430)

(Continued)

PROSPECT HEIGHTS SCHOOL DISTRICT NO. 23
EDUCATIONAL ACCOUNT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2025

	Original and Final Budget	Actual	Variance with Final Budget
EXPENDITURES			
Instruction			
CTE Programs			
Salaries	$ 134,941	$ 212,969	$ (78,028)
Employee benefits	11,578	38,589	(27,011)
Supplies and materials	4,000	4,660	(660)
Other	-	62	(62)
Total	150,519	256,280	(105,761)
Interscholastic Programs			
Salaries	176,888	175,140	1,748
Purchased services	6,000	6,410	(410)
Supplies and materials	1,000	6,013	(5,013)
Capital outlay	5,000	-	5,000
Other	2,000	2,327	(327)
Total	190,888	189,890	998
Summer School Programs			
Salaries	147,500	78,497	69,003
Purchased services	17,000	1,885	15,115
Supplies and materials	2,500	98	2,402
Total	167,000	80,480	86,520
Bilingual Programs			
Salaries	783,871	800,868	(16,997)
Employee benefits	188,617	213,981	(25,364)
Purchased services	2,000	-	2,000
Supplies and materials	3,600	-	3,600
Total	978,088	1,014,849	(36,761)
Pre-K programs - Private Tuition			
Other	-	67,020	(67,020)
Total	-	67,020	(67,020)
Special education - Private Tuition			
Other	200,000	7,701	192,299
Total	200,000	7,701	192,299

(Continued)

PROSPECT HEIGHTS SCHOOL DISTRICT NO. 23
EDUCATIONAL ACCOUNT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2025

	Original and Final Budget	Actual	Variance with Final Budget
EXPENDITURES			
Instruction			
Student activities			
Other	$ -	$ 85,344	$ (85,344)
Total	-	85,344	(85,344)
Total Instruction	13,543,520	13,662,516	(118,996)
Support Services			
Attendance and Social Work Services			
Salaries	366,600	452,214	(85,614)
Employee benefits	83,716	101,369	(17,653)
Purchased services	34,200	37,877	(3,677)
Supplies and materials	2,000	631	1,369
Other	300	-	300
Total	486,816	592,091	(105,275)
Health Services			
Salaries	595,391	697,564	(102,173)
Employee benefits	191,043	213,303	(22,260)
Purchased services	147,450	61,403	86,047
Supplies and materials	14,500	13,949	551
Capital outlay	5,000	9,546	(4,546)
Other	950	-	950
Total	954,334	995,765	(41,431)
Psychological Services			
Salaries	458,813	397,503	61,310
Employee benefits	118,644	95,502	23,142
Purchased services	3,100	3,389	(289)
Supplies and materials	1,000	-	1,000
Other	1,320	730	590
Total	582,877	497,124	85,753

(Continued)

PROSPECT HEIGHTS SCHOOL DISTRICT NO. 23
EDUCATIONAL ACCOUNT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2025

	Original and Final Budget	Actual	Variance with Final Budget
EXPENDITURES			
Support Services			
Speech Pathology and Audiology Services			
Salaries	$ 409,624	$ 496,549	$ (86,925)
Employee benefits	65,058	56,846	8,212
Purchased services	53,350	600	52,750
Supplies and materials	3,500	1,481	2,019
Capital outlay	5,000	-	5,000
Other	1,750	150	1,600
Total	538,282	555,626	(17,344)
Other Support Services			
Purchased services	25,000	55,487	(30,487)
Total	25,000	55,487	(30,487)
Improvement of Instruction Services			
Salaries	458,520	407,734	50,786
Employee benefits	56,111	71,728	(15,617)
Purchased services	23,102	9,417	13,685
Supplies and materials	8,530	1,269	7,261
Other	4,500	1,930	2,570
Total	550,763	492,078	58,685
Educational Media Services			
Salaries	769,442	801,757	(32,315)
Employee benefits	197,799	217,037	(19,238)
Purchased services	344,450	226,375	118,075
Supplies and materials	143,930	61,588	82,342
Capital outlay	145,000	73,626	71,374
Other	1,500	439	1,061
Non-capitalized equipment	-	2,775	(2,775)
Total	1,602,121	1,383,597	218,524
Assessment and Testing			
Supplies and materials	16,000	13,834	2,166
Total	16,000	13,834	2,166

(Continued)

PROSPECT HEIGHTS SCHOOL DISTRICT NO. 23
EDUCATIONAL ACCOUNT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2025

	Original and Final Budget	Actual	Variance with Final Budget
EXPENDITURES			
Support Services			
Board of Education Services			
Purchased services	$ 78,500	$ 75,350	$ 3,150
Supplies and materials	4,000	2,201	1,799
Other	9,000	8,143	857
Total	91,500	85,694	5,806
Executive Administration Services			
Salaries	276,320	287,607	(11,287)
Employee benefits	80,267	85,842	(5,575)
Purchased services	6,000	4,703	1,297
Supplies and materials	21,000	20,328	672
Other	3,000	2,609	391
Total	386,587	401,089	(14,502)
Tort Services			
Purchased services	30,000	19,722	10,278
Total	30,000	19,722	10,278
Office of the Principal Services			
Salaries	981,937	1,010,025	(28,088)
Employee benefits	363,200	319,137	44,063
Purchased services	3,339	2,009	1,330
Supplies and materials	77,553	92,362	(14,809)
Other	3,918	1,233	2,685
Total	1,429,947	1,424,766	5,181
Direction of Business Services			
Salaries	161,358	171,039	(9,681)
Employee benefits	49,015	52,589	(3,574)
Purchased services	4,000	5,873	(1,873)
Other	1,000	962	38
Total	215,373	230,463	(15,090)

(Continued)

PROSPECT HEIGHTS SCHOOL DISTRICT NO. 23
EDUCATIONAL ACCOUNT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2025

	Original and Final Budget	Actual	Variance with Final Budget
EXPENDITURES			
Support Services			
Fiscal Services			
Salaries	$ 130,471	$ 136,342	$ (5,871)
Employee benefits	58,174	62,949	(4,775)
Purchased services	36,750	39,508	(2,758)
Supplies and materials	5,000	3,581	1,419
Capital outlay	2,000	-	2,000
Other	750	200	550
Total	233,145	242,580	(9,435)
Food Services			
Salaries	100,000	114,192	(14,192)
Purchased services	281,900	419,269	(137,369)
Supplies and materials	2,100	33,968	(31,868)
Capital outlay	7,500	-	7,500
Total	391,500	567,429	(175,929)
Internal Services			
Purchased services	30,000	27,000	3,000
Supplies and materials	1,500	-	1,500
Total	31,500	27,000	4,500
Planning, Research, Development and Evaluation Services			
Purchased services	27,000	26,062	938
Total	27,000	26,062	938
Information Services			
Purchased services	116,500	44,631	71,869
Supplies and materials	1,500	1,364	136
Total	118,000	45,995	72,005
Staff Services			
Salaries	123,757	125,831	(2,074)
Employee benefits	51,283	53,132	(1,849)
Purchased services	24,250	33,322	(9,072)
Supplies and materials	18,500	21,225	(2,725)
Other	1,000	-	1,000
Total	218,790	233,510	(14,720)

(Continued)

SCHEDULE 9
(Concluded)

PROSPECT HEIGHTS SCHOOL DISTRICT NO. 23
EDUCATIONAL ACCOUNT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2025

	Original and Final Budget	Actual	Variance with Final Budget
EXPENDITURES			
Support Services			
Data Processing Services			
Purchased services	$ 26,000	$ 28,984	$ (2,984)
Total	26,000	28,984	(2,984)
Other Support Services			
Salaries	2,500	1,341	1,159
Purchased services	10,000	9,268	732
Supplies and materials	500	1,428	(928)
Total	13,000	12,037	963
Total Support Services	7,968,535	7,930,933	37,602
Community Services			
Salaries	151,435	167,873	(16,438)
Employee benefits	29,199	12,765	16,434
Purchased services	36,000	45,698	(9,698)
Supplies and materials	15,000	7,324	7,676
Total Community Services	231,634	233,660	(2,026)
Payments to Other Gov't Units			
Purchased services	300,779	300,693	86
Tuition	634,117	540,955	93,162
Total Payments to Other Gov't Units	934,896	841,648	93,248
Total Expenditures Disbursed	22,678,585	22,668,757	9,828
EXCESS OF REVENUES OVER EXPENDITURES	56,236	364,617	308,381
OTHER FINANCING (USES)			
Transfers out	-	(67,838)	(67,838)
Total Other Financing (Uses)	-	(67,838)	(67,838)
NET CHANGE IN FUND BALANCE	$ 56,236	296,779	$ 240,543
FUND BALANCE, BEGINNING OF YEAR		2,449,369	
FUND BALANCE, END OF YEAR		$ 2,746,148	

SCHEDULE 10

PROSPECT HEIGHTS SCHOOL DISTRICT NO. 23
TORT ACCOUNT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2025

	Original and Final Budget	Actual	Variance with Final Budget
REVENUES			
Local Sources			
General tax levy	$ 94,000	$ 73,865	$ (20,135)
Investment income	2,000	-	(2,000)
Refund of prior years' expenditures	-	3,742	3,742
Total Local Sources	96,000	77,607	(18,393)
State Sources			
Evidence based funding formula	50,000	-	(50,000)
Total State Sources	50,000	-	(50,000)
Total Revenues	146,000	77,607	(68,393)
EXPENDITURES			
Support Services			
General Administration			
Risk management and claims services payments			
Employee benefits	-	473	(473)
Purchased services	172,167	179,253	(7,086)
Total Support Services	172,167	179,726	(7,559)
Total Expenditures	172,167	179,726	(7,559)
NET CHANGE IN FUND BALANCE	$ (26,167)	(102,119)	$ (75,952)
FUND BALANCE, BEGINNING OF YEAR		7,342	
FUND BALANCE (DEFICIT), END OF YEAR		$ (94,777)	

SCHEDULE 11

PROSPECT HEIGHTS SCHOOL DISTRICT NO. 23
WORKING CASH ACCOUNT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2025

	Original and Final Budget	Actual	Variance with Final Budget
REVENUES			
Local Sources			
General tax levy	$ 105,000	$ 154,920	$ 49,920
Investment income	40,000	31,956	(8,044)
Total Local Sources	145,000	186,876	41,876
Total Revenues	145,000	186,876	41,876
EXPENDITURES			
Total Expenditures	-	-	-
NET CHANGE IN FUND BALANCE	$ 145,000	186,876	$ 41,876
FUND BALANCE, BEGINNING OF YEAR		668,038	
FUND BALANCE, END OF YEAR		$ 854,914	

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