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Worth School District 127

Worth, IL

Annual Financial Report

Year Ended June 30, 2025

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Worth School District 127

Year Ended June 30, 2025

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Independent Auditor's Report

Board of Education
Worth School District 127
Worth, Illinois

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying modified cash basis financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Worth School District 127 (the "District"), as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective modified cash basis financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Worth School District 127 as of June 30, 2025, and respective changes in modified cash basis financial position for the year then ended in accordance with the modified cash basis of accounting described in Note 1.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Worth School District 127 and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Emphasis of Matter

Basis of Accounting

We draw attention to Note 1 of the financial statements, which describes the basis of accounting. The financial statements are prepared on the modified cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinions are not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the modified cash basis of accounting described in Note 1, and for determining that the modified cash basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible 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.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Worth School District 127'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 Worth School District 127'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.

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 other supplementary information as listed in the table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the the management's discussion and analysis, combining and individual fund financial statements and schedule of assessed valuation, tax extensions and collections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 6, 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 Worth School District 127's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Wipfli LLP

Aurora, Illinois
November 6, 2025

Worth School District 127

Management's Discussion and Analysis (Unaudited)

For the Fiscal Year Ended June 30, 2025

Management's discussion and analysis of Worth School District 127's (the "District") financial performance provides an overall review of the District's financial activities as of and for the year ended June 30, 2025. Management of the District encourages readers to consider the information presented herein in conjunction with the basic financial statements to enhance their understanding of the District's financial performance. All amounts, unless otherwise indicated, are expressed in millions of dollars. Certain comparative information between the current year and the prior is presented in the Management's Discussion and Analysis (the "MD&A").

Financial Highlights

- In total, net position increased by \$1.9M. This represents a 4.3% increase from 2024.
- General revenues accounted for \$21.7M in revenue or 73% of all revenues. Program specific revenues in the form of charges for services and fees and grants accounted for \$7.9M or 27% of total revenues of \$29.6M.
- The District had \$27.7M in expenses related to government activities. However, only \$7.8M of these expenses were offset by program specific charges and grants.

Overview of the Financial Statements

Management's 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 basic financial statements

This report also contains combining and individual fund financial statements and schedules and other supplementary information in addition to the basic financial statements themselves.

Government-wide Financial Statements

The government-wide financial statements are designed to provide readers of the District's Annual Financial Report a board overview of the financial activities in a manner similar to a private sector business.

The statement of net position - modified cash basis presents information on all District assets/deferred outflows of resources and liabilities/deferred inflows of resources arising from cash transactions, with the difference between them reported as net position. Over time, increases and decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

The statements of activities - modified cash basis presents information showing how the government's net position changed during the fiscal year being reported. All changes in net position are reported with cash is received and disbursed. Additionally, activity related to acquisition, depreciation and year end balances of capital assets, as well as year end balances and related changes in long-term debt in its government-wide financial statements are reported.

The modified cash basis of accounting is described in the notes to basic financial statements.

Worth School District 127

Management's Discussion and Analysis (Unaudited)

For the Fiscal Year Ended June 30, 2025

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

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the District are considered governmental funds.

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

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

The District maintains five individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the General Fund, Transportation Fund, IMRF/Social Security Fund, Debt Service Fund, Capital Projects Fund, and Fire Prevention and Life Safety Fund.

The District adopts an annual budget for each governmental funds. Budgetary comparison schedules for the governmental funds are included in the combining and individual fund financial statements and schedules section of this report to demonstrate compliance with the adopted budget.

Notes to Basic 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 information concerning the District's progress in funding its obligation to provide pension benefits to its non-certified employees.

Worth School District 127

Management's Discussion and Analysis (Unaudited)

For the Fiscal Year Ended June 30, 2025

Government-wide Financial Statements

The District's net position was higher on June 30, 2025, than it was the year before, increasing \$1.9M over the prior year.

Cash and investments decreased by \$7.7M, and capital assets increased \$9.0M compared to fiscal 2024.

Total liabilities decreased by \$0.6M after paying down long-term debt obligations.

The District's net position as of June 30, 2025 and 2024 is summarized as follows:

<i>Table 1</i>		
<i>Condensed Statements of Net Position</i>		
<i>(in millions of dollars)</i>		
	<u>2025</u>	<u>2024</u>
Assets:		
Current and other assets	\$ 17.8	\$ 25.5
Capital assets	39.1	30.1
Total assets	<u>56.9</u>	<u>55.6</u>
Liabilities:		
Current liabilities	0.7	0.6
Long-term liabilities	10.3	11.0
Total liabilities	<u>11.0</u>	<u>11.6</u>
Net position:		
Net investment in capital assets	28.1	18.5
Restricted	1.1	1.2
Unrestricted	16.7	24.3
Total net position	<u>\$ 45.9</u>	<u>\$ 44.0</u>

Government-wide Activities

Revenues in the governmental activities of the District of \$29.6M were more than expenses by \$1.9M. This was attributable in part due to higher property tax receipts and higher state aid funding.

The General Fund includes the recognized revenue and expenditures of \$4.1M in pension and other post-employment benefit contributions that the state of Illinois paid directly to the Teachers' Retirement System (TRS) and the Teachers' Health Insurance Security (THIS) on behalf of the District's TRS and THIS covered employees.

Worth School District 127
Management’s Discussion and Analysis (Unaudited)
For the Fiscal Year Ended June 30, 2025

The major components of the District’s revenues and expenses for the year ended June 30, 2025 and 2024 are as follows:

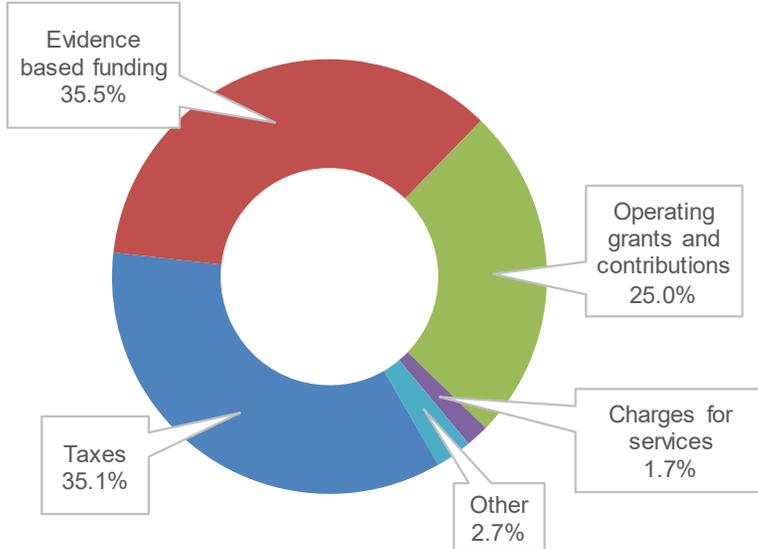
<i>Table 2</i>		
<i>Changes in Net Position</i>		
<i>(in millions of dollars)</i>		
	<u>2025</u>	<u>2024</u>
Revenues:		
<i>Program revenues:</i>		
Charges for services	\$ 0.5	\$ 0.4
Operating grants and contributions	7.4	6.2
<i>General revenues:</i>		
Taxes	10.4	11.2
Evidence based funding	10.5	9.4
Other	0.8	0.6
Total revenues	<u>29.6</u>	<u>27.8</u>
Expenses:		
Instruction	14.2	13.5
Pupil and instructional staff services	2.4	1.9
Administration and business	4.8	4.8
Transportation	0.4	0.3
Operations and maintenance	2.0	2.0
Other	3.9	2.9
Total expenses	<u>27.7</u>	<u>25.4</u>
Changes in net position	1.9	2.4
Net position, beginning of year	<u>44.0</u>	<u>41.6</u>
Net position, end of year	<u>\$ 45.9</u>	<u>\$ 44.0</u>

Evidence-based funding and taxes accounted for the largest portions of the District’s revenues, contributing 35.5% and 35.1% of total revenues for FY 2025 respectively. The remainder of revenues came from taxes and other sources. The total cost of all the District’s programs was \$27.7M, mainly related to instructing and caring for the students.

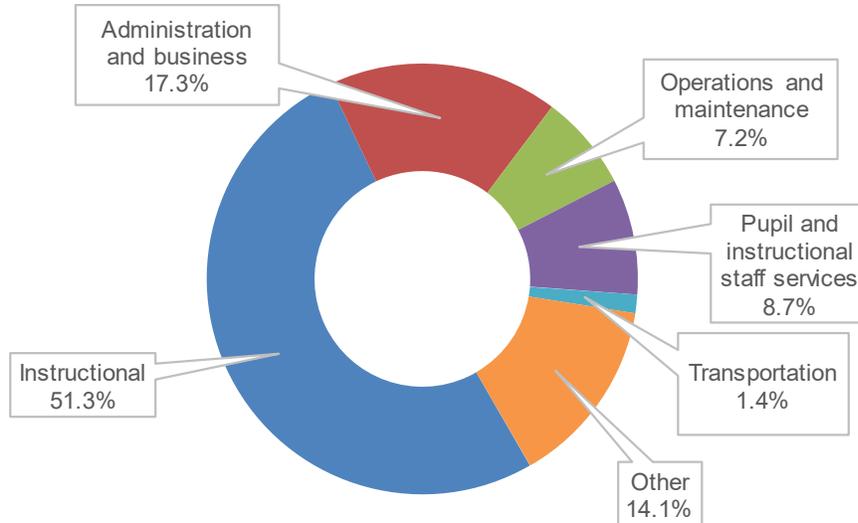
Worth School District 127

Management's Discussion and Analysis (Unaudited)
For the Fiscal Year Ended June 30, 2025

DISTRICT-WIDE REVENUES BY SOURCE



DISTRICT-WIDE EXPENSES BY FUNCTION



Financial Analysis of the District's Funds

The District's Governmental Funds balance decreased from \$25.5M to \$17.8M.

Total revenues increased by 6% from \$27.8M to \$29.6M.

Overall expenditures increased by 27.8% from \$29.1M to \$37.2M.

Worth School District 127

Management’s Discussion and Analysis (Unaudited)

For the Fiscal Year Ended June 30, 2025

General Fund Budgetary Highlights

The District's General Fund total revenues were above the budgeted amounts by \$5.4M for fiscal year 2025. \$4.1M represents the On-Behalf TRS contribution, which was not budgeted. General Fund total expenditures were more than budgeted amounts by \$4.6M.

Capital Assets and Debt Administration

By the end of 2025, the District had compiled a total investment of \$51.5M (\$39.1M net of accumulated depreciation) in a broad range of capital assets including buildings, land and equipment. Total depreciation expense for the year was \$1.1M. More detailed information about capital assets can be found in Note 3 of the basic financial statements.

	<u>2025</u>	<u>2024</u>
Land	\$ 0.1	\$ 0.1
Construction in progress	12.1	2.3
Buildings	26.8	27.4
Equipment	<u>0.1</u>	<u>0.3</u>
Total	<u>\$ 39.1</u>	<u>\$ 30.1</u>

Long-term Debt

The District retired \$0.6M in long-term debt in 2025. More detailed information on long-term debt can be found in Note 4 of the basic financial statements.

	<u>2025</u>	<u>2024</u>
General obligation bonds	<u>\$ 10.4</u>	<u>\$ 11.0</u>

Factors Bearing on the District’s Future

- **Facilities and Infrastructure Investments**
Over the past several years, the Worth School District 127 Board of Education has made significant investments in maintaining and improving school facilities. Since FY 2020, every building in the district has been completely renovated and modernized to ensure safe, efficient, and high-quality learning environments for students and staff.
- **Implementation of Full-Day Kindergarten**
In Spring 2023, state lawmakers passed legislation mandating full-day kindergarten beginning in Fall 2027. Historically, Worth 127 was among the few districts in the area not offering full-day kindergarten, primarily due to limited classroom space. In response, the Board of Education took proactive measures to address this need.

Worth School District 127

Management's Discussion and Analysis (Unaudited)

For the Fiscal Year Ended June 30, 2025

In September 2023, the Board made a courageous decision to issue **\$10.5 million in Working Cash Bonds** to move forward with critical building projects—without increasing tax burdens on the community. By utilizing the district's fund balance, construction at Worth Junior High School and Worthwoods Elementary School began in March 2024. These additions and renovations have since been completed, allowing the district to offer full-day kindergarten for the first time during the 2024–2025 school year, in compliance with state law.

- **Staffing and Recruitment**

Staffing remains an ongoing challenge across education, and Worth 127 is no exception. However, the district has been fortunate to remain nearly fully staffed for the 2024–2025 school year, entering the 2025–2026 school year with only one unfilled position. Continued focus on recruitment and retention will remain a top priority.

- **Cultural and Linguistic Diversity**

Worth School District 127 serves a vibrant, culturally diverse community that continues to grow. The number of multilingual learners, particularly students entering school with limited or no English proficiency, increases each year. This has led to a greater demand for multilingual and English language support services. Recruiting qualified staff for these roles has proven challenging, and the district continues to expand its workforce to meet students' evolving needs.

- **Student Social-Emotional and Behavioral Needs**

Like many districts nationwide, Worth 127 continues to see heightened social-emotional and behavioral needs among students in the post-COVID era. Many young learners who missed early in-person schooling struggle with self-regulation, attention, and appropriate classroom behavior. These challenges align with broader national trends related to children's mental health, including rising rates of anxiety and depression. To address these issues, the district has expanded its team of specialists to provide targeted support and anticipates the need for additional resources in future years.

- **Commitment to Professional Growth and Instructional Excellence**

Supporting staff through professional development remains a cornerstone of the district's strategy for continuous improvement. Enhancing instructional practices directly supports student growth, improves academic outcomes, and builds confidence among learners.

To further this goal, the district has created several new positions in recent years. In FY 2024, three **Instructional Interventionist** roles were introduced and quickly proved successful. Building on that success, the Board expanded instructional support for the 2024–2025 school year by adding one **Math Instructional Interventionist**, three **Instructional Coaches**, and one **Special Education Coach**. In August 2025, two new **Social Emotional Learning (SEL) Coordinator** positions were established to advance the district's newest initiative focused on student well-being.

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:

Worth School District 127
11218 S. Ridgeland Avenue
Worth, IL 60482

Basic Financial Statements

Worth School District 127

Statement of Net Position - Modified Cash Basis

<i>June 30, 2025</i>	Governmental Activities
Assets	
Cash and investments	\$ 17,840,522
Capital assets	
Land	110,334
Construction in progress	12,139,759
Other capital assets, net of depreciation	<u>26,828,174</u>
Total Assets	<u>56,918,789</u>
Liabilities	
Current liabilities	
Noncurrent liabilities	
Due within one year	710,000
Due in more than one year	<u>10,260,654</u>
Total Liabilities	<u>10,970,654</u>
Net position	
Net investment in capital assets	28,107,613
Restricted for	
Student activities	73,342
Tort immunity	186,414
Transportation	329,441
Retirement	192,838
Debt service	473,862
Unrestricted	<u>16,584,625</u>
Total net position	\$ <u>45,948,135</u>

See accompanying notes to financial statements.

Worth School District 127

Statement of Activities - Modified Cash Basis

<i>For the Year Ended June 30, 2025</i>	Expenses	Program Revenues		Net (Expense) Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	Total Governmental Activities
Functions/Programs				
Governmental activities				
Instructional services				
Regular programs	\$ 6,872,734	\$ 321,918	\$ 332,829	\$ (6,217,987)
Special programs	2,121,827	-	1,734,887	(386,940)
Other programs	1,063,930	-	-	(1,063,930)
State retirement contributions	4,125,324	-	4,125,324	-
Support services				
Pupils	974,115	-	-	(974,115)
Instructional staff	1,386,806	-	235,333	(1,151,473)
General administration	1,101,184	-	-	(1,101,184)
School administration	1,124,731	-	-	(1,124,731)
Business	2,564,211	-	634,900	(1,929,311)
Operations and maintenance	2,015,783	169,540	148,892	(1,697,351)
Transportation	378,042	-	145,593	(232,449)
Central	245,399	-	-	(245,399)
Community service	9,728	-	-	(9,728)
Non-programmed charges	3,116,891	-	-	(3,116,891)
Interest and charges	<u>575,643</u>	<u>-</u>	<u>-</u>	<u>(575,643)</u>
Total governmental activities	<u>\$ 27,676,348</u>	<u>\$ 491,458</u>	<u>\$ 7,357,758</u>	<u>(19,827,132)</u>
General revenues				
Property taxes levied for				
General purposes				8,223,009
Specific purposes				1,277,765
Debt service				838,064
Personal property replacement taxes				110,892
State aid not restricted to specific purposes				10,468,583
Earnings on investments				800,969
Miscellaneous				<u>11,582</u>
Total general revenues				<u>21,730,864</u>
Change in net position				1,903,732
Net position - beginning				<u>44,044,403</u>
Net position - ending				<u>\$ 45,948,135</u>

See accompanying notes to financial statements.

Worth School District 127
Balance Sheet - Modified Cash Basis
Governmental Funds

<i>June 30, 2025</i>	General Fund	Capital Projects Fund	Nonmajor Governmental Funds	Total Governmental Funds
Assets				
Cash and investments	\$ <u>12,707,983</u>	\$ <u>2,934,339</u>	\$ <u>2,198,200</u>	\$ <u>17,840,522</u>
Fund balances				
Restricted for				
Student activities	73,342	-	-	73,342
Tort Immunity	186,414	-	-	186,414
Transportation	-	-	329,441	329,441
Retirement	-	-	192,838	192,838
Debt service	-	-	473,862	473,862
Assigned	-	2,934,339	1,202,059	4,136,398
Unassigned	<u>12,448,227</u>	<u>-</u>	<u>-</u>	<u>12,448,227</u>
Total fund balances	<u>12,707,983</u>	<u>2,934,339</u>	<u>2,198,200</u>	<u>17,840,522</u>
Total liabilities and fund balances	\$ <u>12,707,983</u>	\$ <u>2,934,339</u>	\$ <u>2,198,200</u>	\$ <u>17,840,522</u>

See accompanying notes to financial statements.

Worth School District 127

Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position- Modified Cash Basis

Total fund balances - governmental funds \$ 17,840,522

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

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. The costs of the assets is \$51,505,733 and the accumulated depreciation is \$12,427,466. 39,078,267

Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds. Long-term liabilities and related accounts at year-end consist of:

Bonds payable	(10,435,000)
Unamortized issuance premium	<u>(535,654)</u>

Net position of governmental activities \$ 45,948,135

See accompanying notes to financial statements.

Worth School District 127

Statement of Revenues Received, Expenditures Disbursed and Changes in Fund Balances - Modified Cash Basis - Governmental Funds

Year Ended June 30, 2025	General Fund	Capital Projects Fund	Nonmajor Governmental Funds	Total Governmental Funds
Revenues Received				
Property taxes	\$ 8,962,464	\$ -	\$ 1,376,374	\$ 10,338,838
Other local sources	1,196,379	147,009	74,513	1,417,901
State resources	15,080,036	-	145,593	15,225,629
Federal resources	<u>2,597,712</u>	<u>-</u>	<u>-</u>	<u>2,597,712</u>
 Total revenues received	 <u>27,836,591</u>	 <u>147,009</u>	 <u>1,596,480</u>	 <u>29,580,080</u>
Expenditures Disbursed				
Current operating				
Instruction	13,430,239	-	168,109	13,598,348
Support Services	7,112,637	211,644	581,981	7,906,262
Community services	3,124,445	-	5	3,124,450
Debt service				
Principal	-	-	204,556	204,556
Interest and other	-	-	931,544	931,544
Capital outlay	<u>574,866</u>	<u>10,899,113</u>	<u>-</u>	<u>11,473,979</u>
 Total expenditures disbursed	 <u>24,242,187</u>	 <u>11,110,757</u>	 <u>1,886,195</u>	 <u>37,239,139</u>
 Excess (deficiency) of revenues received over (under) expenditures disbursed	 <u>3,594,404</u>	 <u>(10,963,748)</u>	 <u>(289,715)</u>	 <u>(7,659,059)</u>
Other financing sources (uses)				
Transfers in	-	7,000,000	498,700	7,498,700
Transfers out	<u>(7,498,700)</u>	<u>-</u>	<u>-</u>	<u>(7,498,700)</u>
 Total other financing sources (uses)	 <u>(7,498,700)</u>	 <u>7,000,000</u>	 <u>498,700</u>	 <u>-</u>
 Net change in fund balance	 (3,904,296)	 (3,963,748)	 208,985	 (7,659,059)
 Fund balances at beginning of year	 <u>16,612,279</u>	 <u>6,898,087</u>	 <u>1,989,215</u>	 <u>25,499,581</u>
 Fund balances at end of year	 <u>\$ 12,707,983</u>	 <u>\$ 2,934,339</u>	 <u>\$ 2,198,200</u>	 <u>\$ 17,840,522</u>

See accompanying notes to financial statements.

Worth School District 127

Reconciliation of the Statement of Revenues Received, Expenditures Disbursed and Changes In Fund Balance of Governmental Funds to the Statement of Activities - Modified Cash Basis

Net change in fund balances - governmental funds \$ (7,659,059)

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

Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. In the current period, these amounts are:

Capital outlay	10,129,287	
Depreciation expense	<u>(1,126,953)</u>	
		9,002,334

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

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

Accreted interest	320,191	
Repayment of bond and loan principal	204,556	
Amortization of bond premium	<u>35,710</u>	
		<u>560,457</u>

Change in net position of governmental activities \$ 1,903,732

See accompanying notes to financial statements.

Worth School District 127

Notes to Financial Statements

Note 1: Summary of Significant Accounting Policies

Reporting Entity

Worth School District 127 (the "District") operates as a public school system governed by an elected seven-member board. The District is organized under The School Code of the State of Illinois, as amended. The District serves the community of Worth.

The accounting policies of the District conform to the modified cash basis of accounting, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America as applicable to governments. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

The following is a summary of the more significant accounting policies:

Basis of Presentation

Government-Wide Financial Statements

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

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

Fund Financial Statements

Separate financial statements are provided for governmental funds. The fund financial statements provide information about the District's funds. The emphasis of fund financial statements is on the major governmental funds, displayed in a separate column. The remaining governmental funds are aggregated and reported as nonmajor governmental funds.

The District reports the following major governmental funds:

- **General Fund** – The General Fund is the District's primary operating fund. It is comprised of four subfunds: the Educational Account, the Operations and Maintenance Account, Working Cash Account, and the Tort Immunity Account. These funds account for activities that are not specifically accounted for in another fund.
- **Capital Project Fund** – The Capital Projects Fund accounts for the receipt and disbursement of monies used to acquire or construct capital assets.

Worth School District 127

Notes to Financial Statements

Note 1: Summary of Significant Accounting Policies (Continued)

Basis of Presentation (Continued)

The District reports the following nonmajor governmental funds:

- **Special Revenue Fund** - This fund type is used to account for the proceeds of specific revenue sources that are restricted by law or administrative action to expenditure for specific purposes other than debt service or capital projects. The District's nonmajor special revenue fund are the Transportation Fund and the Municipal Retirement Fund.
- **Debt Service Fund** - The Debt Service Fund accounts of the accumulation of resources for, and the payment of general long-term debt principal, interest and related costs.
- **Fire Prevention and Safety Fund** - The Fire Prevention and Safety Fund accounts for financial resources to be used for the acquisition, construction and/or additions related to qualifying fire prevention and safety projects.

During the course of operations, the District has activity between funds for various purposes. In fund financial statements, any residual balances outstanding at year-end are reported as due from/to other funds and advances to/from other funds.

Further, certain activity occurs during the year involving transfers of resources between funds. In fund financial statements, these amounts are reported at gross amounts as transfers in/out.

Measurement Focus and Basis of Accounting

Measurement focus is a term used to describe what transactions or events are recorded within the various financial statements. Basis of accounting refers to when and how transactions or events are recorded, regardless of the measurement focus applied.

Measurement Focus

In the government-wide statement of net position - modified cash basis and statement of activities - modified cash basis, governmental activities are presented using the economic resources measurement focus, within the limitations of the modified cash basis of accounting. The accounting objectives of this measurement focus are the determination of operating income, changes in net position (or cost recovery), and net financial position. All assets, liabilities (whether current or noncurrent or financial or nonfinancial), and deferred outflows/inflows of resources associated with their activities are generally reported within the limitations of the modified cash basis of accounting.

Worth School District 127

Notes to Financial Statements

Note 1: Summary of Significant Accounting Policies (Continued)

Measurement Focus and Basis of Accounting (Continued)

Measurement Focus (Continued)

Governmental funds utilize a current financial resources measurement focus within the limitations of the modified cash basis of accounting. 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 financial resources at the end of the period.

Basis of Accounting

The financial statements are presented on a modified cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America (GAAP) as established by the Governmental Accounting Standards Board. This basis of accounting involves modifications to the cash basis of accounting to report in the statements of net position or balance sheets cash transactions or events that provide a benefit or result in an obligation that covers a period greater than the period in which the cash transaction or event occurred. Such reported balances include investments, interfund receivables and payables, capital assets and related depreciation, and short-term and long-term liabilities arising from cash transactions or events.

This modified cash basis of accounting differs from GAAP primarily because certain assets and their related revenues (such as accounts receivable and revenue for billed or provided services not yet collected and other accrued revenue and receivables) and certain liabilities and their related expenses or expenditures (such as accounts payable and expenses for goods or services received but not yet paid and other accrued expenses and liabilities) are not recorded in these financial statements. In addition, certain other economic assets and liabilities that do not arise from a cash transaction or event are not reported, and the measurement of reported assets and liabilities does not involve adjustment to fair value.

If the District utilized the basis of accounting recognized as generally accepted in the United States, the fund financial statements for governmental funds would use the modified accrual basis of accounting. The government-wide and fiduciary fund financial statements would be presented on the accrual basis of accounting.

Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance

Cash and Investments

The Worth Township Treasurer is the official custodian of money for the district's and joint agreements within the township, including the District, as prescribed by Chapter 105, Section 5, Article 8 of the Illinois Compiled Statutes. The Township School Treasurer's Office, a legally separate entity under the oversight of the Worth Township Trustees of Schools, pools the district's money and invests, on the district's behalf, in a cash and investment portfolio.

Worth School District 127

Notes to Financial Statements

Note 1: Summary of Significant Accounting Policies (Continued)

Cash and Investments (Continued)

The Township School Treasurer's Office has adopted a formal written investment and cash management policy. The policy provides that available funds be invested to the maximum extent possible at the highest possible rates obtainable at the time of investment in conformance with applicable state statutes and written administrative guidelines. Although current statutes do not require collateralization of deposits and investments in amounts which exceed insurance coverage, the investment policy of the Township School Treasurer's Office does provide for the Township School Treasurer to request collateralization in certain situations. The Township Trustees of Schools approve the financial institutions in which investments are made. Due to the nature of the pooled system, specific investment and related collateralization for each individual district is not available.

Capital Assets

Capital assets reported in the government-wide financial statements are defined by the District as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. As the District constructs or acquires additional capital assets each period, they are capitalized and reported at historical cost. The reported value excludes normal maintenance and repairs which are essentially amounts spent in relation to capital assets that do not increase the capacity or efficiency of the item or increase its estimated useful life.

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

Depreciation of all exhaustible capital assets is recorded as an allocated expense in the statement of activities, with accumulated depreciation reflected in the statement of net position. Depreciation is provided over the assets' estimated useful lives using the straight-line method of depreciation. The range of estimated useful lives by type of asset is as follows:

	Years
Buildings and building improvements	40 years
Furniture and equipment	3 - 15 years

Long-Term Obligations

In the government-wide financial statements and proprietary fund types in the fund statements, long-term debt and other long-term obligations are reported as liabilities in the statement of net position. Bond premiums and discounts, as well as gains (losses) on refundings, are deferred and amortized over the term of the related debt. Bonds payable are reported net of applicable bond premium or discount. Gains (losses) on refundings are reported as deferred inflows (outflows) of resources. Bond issuance costs, whether or not withheld from the actual debt proceeds received, are reported as expenditures.

Worth School District 127

Notes to Financial Statements

Note 1: Summary of Significant Accounting Policies (Continued)

Long-Term Obligations (Continued)

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

Property Taxes

Property taxes are collected by the Cook County Collector/Treasurer, who remits to the District, its share of collections. Property taxes are levied each year on all taxable real property located in the District on or before the last Tuesday in December. The adoption date for the 2024 tax levy was December 11, 2024. 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. The due date of the second installment varies and can occur between August and November.

The following are the actual rates levied per \$100 of assessed valuation:

	<u>Maximum</u>	<u>Actual</u>	
	2024 Levy	2024 Levy	2023 Levy
Educational	-	3.0000	3.1385
Special education	0.4000	0.3296	0.3144
Operations and maintenance	0.5500	0.4531	0.4323
Limited bonds	-	0.4175	0.3029
Transportation	-	0.0544	0.0637
I.M.R.F.	-	0.0526	0.0318
Social security	-	0.1228	0.0637
Working cash	0.0500	0.0412	0.0393
Tort immunity	-	0.0175	0.0637
Life safety	0.1000	<u>0.0035</u>	<u>0.0786</u>
Total		<u>4.4922</u>	<u>4.5289</u>

Personal Property Replacement Taxes

Personal property replacement tax revenues are first allocated to the extent required by Illinois law in the Municipal Retirement/Social Security Fund with the balance allocated to funds at the discretion of the District.

Worth School District 127

Notes to Financial Statements

Note 1: Summary of Significant Accounting Policies (Continued)

Pension Plan

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net positions of the Teachers' Retirement System of the State of Illinois (TRS) and the Illinois Municipal Retirement Fund (IMRF), together "the Plans," and additions to/deductions from the Plans' fiduciary net positions have been determined on the same basis as they are reported by the Plans. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value. The amounts disclosed in accordance with GASB Statement No. 68 are not reported in the financial statements due to reporting on the basis of accounting described above.

Use of Estimates

Management uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses/expenditures. Actual results could differ from those estimates.

Fund Balances

In the fund financial statements, governmental funds report aggregate amounts for five classifications of fund balances based on the constraints imposed on the use of these resources. The nonspendable fund balance classification includes amounts that cannot be spent because they are either (a) not in spendable form – prepaid items or inventories or (b) legally or contractually required to be maintained intact.

The spendable portion of the fund balance comprises the remaining four classifications: restricted, committed, assigned, and unassigned.

Restricted fund balance: This classification reflects the constraints imposed on resources either (a) externally by creditors, grantors, contributors, or laws or regulations of other governments or (b) imposed by law through constitutional provisions or enabling legislation.

Committed fund balance: These amounts can only be used for specific purposes pursuant to constraints imposed by formal resolutions or ordinances of the District's Board – the District's highest level of decision-making authority. Those committed amounts cannot be used for any other purpose unless the District Board removes the specified use by taking the same type of action that imposed the original commitment. This classification also includes contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.

Assigned fund balance: This classification reflects the amounts constrained by the District's "intent" to be used for specific purposes, but the amounts are neither restricted nor committed. The District Board has the authority to assign amounts to be used for specific purposes. Assigned fund balances include all remaining amounts (except negative balances) that are reported in governmental funds, other than the General Fund, that are not classified as nonspendable and are neither restricted nor committed.

Worth School District 127

Notes to Financial Statements

Note 1: Summary of Significant Accounting Policies (Continued)

Fund Balances (Continued)

Unassigned fund balance: This fund balance is the residual classification for the General Fund. It is also used to report negative fund balances in other governmental funds.

When both restricted and unrestricted resources are available for use, it is the District's policy to use externally restricted resources first, then unrestricted resources – committed, assigned, and unassigned – in order as needed.

Other Post-Employment ("OPEB")

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

Note 2: Cash and Investments

a. Cash & Investments under the custody of the Township Treasurer

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

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

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

Worth School District 127

Notes to Financial Statements

Note 2: Cash and Investments (Continued)

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

As of June 30, 2025, the fair value of the District's proportionate share of the pooled cash and investments held by the Treasurer's office was \$17,762,180.

The District total cash and investments as of June 30, 2025 consisted of the following:

District's share of deposits and investments in the Township School Treasurer's cash and investments pool	\$ 17,762,180
Petty cash and imprest account (maintained by the District)	5,000
Student activity accounts (maintained by the District)	<u>73,342</u>
Total	<u>\$ 17,840,522</u>

Custodial credit risk

With respect to deposits, custodial credit risk refers to the risk that, in the event of a bank failure, the District's deposits may not be returned to it. The District's investment policy states that the Treasurer shall maintain funds only in financial institutions that collateralize all funds in excess of FDIC or insurable limits.

Note 3: Capital Assets

Governmental activities capital asset balances and activity for the year ended June 30, 2025, were as follows:

<i>Governmental Activities</i>	Balance 6/30/2024	Additions	Transfers/ Adjustments	Balance 06/30/25
Capital assets, not being depreciated:				
Land	\$ 110,334	\$ -	\$ -	\$ 110,334
Construction in progress	<u>2,312,779</u>	<u>9,826,980</u>	<u>-</u>	<u>12,139,759</u>
Total capital assets, not being depreciated	<u>2,423,113</u>	<u>9,826,980</u>	<u>-</u>	<u>12,250,093</u>
Capital assets, being depreciated:				
Building and improvements	34,521,329	206,141	-	34,727,470
Furniture and equipment	<u>4,432,004</u>	<u>96,166</u>	<u>-</u>	<u>4,528,170</u>
Total capital assets, being depreciated	<u>38,953,333</u>	<u>302,307</u>	<u>-</u>	<u>39,255,640</u>
Accumulated depreciation:				
Building and improvements	7,109,245	865,610	-	7,974,855
Furniture and equipment	<u>4,191,268</u>	<u>261,343</u>	<u>-</u>	<u>4,452,611</u>
Total accumulated depreciation	<u>11,300,513</u>	<u>1,126,953</u>	<u>-</u>	<u>12,427,466</u>
Total capital assets, being depreciated, net	<u>27,652,820</u>	<u>(824,646)</u>	<u>-</u>	<u>26,828,174</u>
Governmental activities capital assets, net	<u>\$ 30,075,933</u>	<u>\$ 9,002,334</u>	<u>\$ -</u>	<u>\$ 39,078,267</u>

Worth School District 127

Notes to Financial Statements

Note 3: Capital Assets (Continued)

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

<i>Instructional Services</i>		
Regular programs	\$	472,945
Special programs		145,988
Other		754
<i>Support Services</i>		
Pupils		61,441
Instructional staff		24,863
General administration		58,791
School administration		73,134
Business		128,857
Operations and maintenance		130,041
Transportation		26,162
Central		1,808
Community Service		<u>2,169</u>
 Total depreciation expense	 \$	 <u><u>1,126,953</u></u>

Note 4: Long-Term Debt

Long-term debt consisted of the following at June 30, 2025:

	Balance 6/30/2024	Additions	Reductions	Balance 06/30/25	Amounts due Within One Year
Capital appreciation bond	\$ 524,747	\$ 120,253	\$ 645,000	\$ -	\$ -
GO Limited Tax School Bond	10,435,000	-	-	10,435,000	710,000
Unamortized premium	<u>571,364</u>	<u>-</u>	<u>35,710</u>	<u>535,654</u>	<u>-</u>
 Total	 <u>\$ 11,531,111</u>	 <u>\$ 120,253</u>	 <u>\$ 680,710</u>	 <u>\$ 10,970,654</u>	 <u>\$ 710,000</u>

General Obligation Bonds

\$10,435,000 General Obligation Limited Tax School Bonds, Series 2023 payments are due in annual installments beginning December 1, 2025 through December 1, 2040. Interest range from 4.00% to 5.00%.

Worth School District 127

Notes to Financial Statements

Note 4: Long-Term Debt (Continued)

Annual debt service requirements to maturity for the bonds as of June 30, 2025 are as follows for:

	Principal	Interest	Total
2026	\$ 710,000	\$ 470,950	\$ 1,180,950
2027	745,000	434,575	1,179,575
2028	780,000	396,450	1,176,450
2029	820,000	356,450	1,176,450
2030	860,000	314,450	1,174,450
2031 - 2035	2,660,000	1,096,500	3,756,500
2036 - 2041	<u>3,860,000</u>	<u>478,775</u>	<u>4,338,775</u>
 Total	 <u>\$ 10,435,000</u>	 <u>\$ 3,548,150</u>	 <u>\$ 13,983,150</u>

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, 2025, the statutory debt limit for the District was \$16,740,695, with the current outstanding debt that is subject to the statutory debt limit calculation as of June 30, 2025 for the District totaling \$10,435,000. As of June 30, 2025, the District's estimated legal debt margin was \$6,252,840.

Payments to retire bonds payable will be made from debt service levies in future periods. There is \$326,921 of fund equity available in the Debt Service Fund to service outstanding bonds payable.

Note 5: Fund Balances

As of June 30, 2025, fund balances were comprised of the following:

	General Fund	Capital Projects Fund	Nonmajor Funds	Total Governmental Funds
Restricted				
Student activities	\$ 73,342	\$ -	\$ -	\$ 73,342
Tort immunity	186,414	-	-	186,414
Transportation	-	-	329,441	329,441
Retirement	-	-	192,838	192,838
Debt Service	-	-	473,862	473,862
Assigned				
Capital projects	-	2,934,339	1,202,059	4,136,398
 Total restricted and assigned	 259,756	 2,934,339	 2,198,200	 5,392,295
Unassigned	<u>12,448,227</u>	<u>-</u>	<u>-</u>	<u>12,448,227</u>
 Total fund balances	 <u>\$ 12,707,983</u>	 <u>\$ 2,934,339</u>	 <u>\$ 2,198,200</u>	 <u>\$ 17,840,522</u>

Worth School District 127

Notes to Financial Statements

Note 6: Employee Retirement Systems

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

Due to the District preparing its financial statements on the modified cash basis of accounting, pension liabilities and deferred inflows and outflows referred to throughout the note disclosure are not recognized in the financial statements.

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

Plan Description

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

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

Benefits Provided

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

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

Worth School District 127

Notes to Financial Statements

Note 6: Employee Retirement Systems (Continued)

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

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

Contributions

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

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

On-behalf contributions to TRS. The State of Illinois makes employer pension contributions on-behalf of the District. For the year ended June 30, 2025, State of Illinois contributions recognized by the District were based on the State's proportionate share of the pension expense associated with the District, and the District recognized revenue and expenditures of \$4,049,105 in pension contributions from the State of Illinois.

2.2 formula contributions. The District contributes 0.58% of total creditable earnings for the 2.2 formula change. This rate is specified by statute. Contributions for the year ended June 30, 2025 were \$49,119, 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 District, there is a statutory requirement for the District to pay an employer pension contribution from those funds. Under Public Act 100-0340, the federal and special trust fund contribution rate is the total employer normal cost beginning with the year ended June 30, 2018.

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

Worth School District 127

Notes to Financial Statements

Note 6: Employee Retirement Systems (Continued)

For the year ended June 30, 2025, the employer pension contribution was 10.34% of salaries paid from federal and special trust funds. For the year ended June 30, 2025, \$73,916 of salaries were paid from the federal and special trust funds and required employer contributions of \$7,643. 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 District is required to make a one-time contribution to TRS for members granted salary increases over 6 percent if those salaries are used to calculate a retiree's final average salary.

A one-time contribution is also required for members granted sick leave days in excess of the normal annual allotment if those days are used as TRS service credit. For the year ended June 30, 2025, the District did not make any payments for salary increases over 6 percent, salary increases over 3 percent, or excess sick leave contributions.

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

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

District's proportionate share of the net pension liability	\$ 639,799
State's proportionate share of the net pension liability associated with the District	<u>53,345,513</u>
Total	\$ <u>53,985,312</u>

The net pension liability was measured as of June 30, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2024. The employer's proportion of the net pension liability was based on the employer's share of contributions to TRS for the measurement year ended June 30, 2024, relative to the contributions of all participating TRS employers and the state during that period. At June 30, 2024, the employer's proportion was 0.00075%, which was an increase of 0.00004% from its proportion measured as of June 30, 2023.

Worth School District 127

Notes to Financial Statements

Note 6: Employee Retirement Systems (Continued)

For the year ended June 30, 2025, the District recognized pension expense of \$4,049,105 and revenue of \$4,049,105 for support provided by the state. At June 30, 2025, the District had deferred outflows of resources and deferred inflows of resources related to pensions from the following sources, which are not reported due to the regulatory basis of accounting:

	Deferred Outflows of Resources	Deferred Inflow of Resources
Difference between expected and actual experience	\$ 2,406	\$ 1,661
Changes in assumptions	8,816	339
Net difference between projected and actual earnings in pension plan investments	-	5,493
Changes in proportion and differences between District contributions and proportionate share of contributions	<u>24,569</u>	<u>15,785</u>
Total deferred amounts to be recognized in pension expense in future periods	35,791	23,278
District's contributions subsequent to the measurement date	<u>56,762</u>	<u>-</u>
Total	<u>\$ 92,553</u>	<u>\$ 23,278</u>

\$56,762 reported as deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 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:

Year Ending June 30	Net Deferred Outflows (Inflows) of Resources
2026	\$ (7,599)
2027	9,063
2028	3,145
2029	4,698
2030	<u>3,206</u>
Total	<u>\$ 12,513</u>

Worth School District 127

Notes to Financial Statements

Note 6: Employee Retirement Systems (Continued)

Actuarial Assumptions

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

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

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

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

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

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

Discount Rate

At June 30, 2024, the discount rate used to measure the total pension liability was 7.0%, 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.

Worth School District 127

Notes to Financial Statements

Note 6: Employee Retirement Systems (Continued)

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

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

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

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
District's proportionate share of the net pension liability	\$ <u>790,170</u>	\$ <u>639,799</u>	\$ <u>515,148</u>

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)

Plan Description and Benefits

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

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

Worth School District 127

Notes to Financial Statements

Note 6: Employee Retirement Systems (Continued)

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 the Benefit Terms - At the December 31, 2024 valuation date, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	235
Inactive employees entitled to but not yet receiving benefits	85
Active employees	<u>58</u>
Total	<u>378</u>

Contributions - As set by statute, the employer's Regular Plan Members are required to contribute 4.5% of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The employer's annual contribution rate for calendar year 2024 was 4.10%. For the fiscal year ended June 30, 2025, the employer contributed \$108,684 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 (Asset) Liability was measured as of December 31, 2024. The total pension liability used to calculate the pension (asset)/liability was determined by an actuarial valuation as of that date. The amount is included in the prepaids/accrued expenses on the Statement of Fiduciary Net Pension.

Worth School District 127

Notes to Financial Statements

Note 6: Employee Retirement Systems (Continued)

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

Actuarial cost method	Entry Age Normal
Asset valuation method	Fair Value of Assets
Inflation	2.25%
Salary increases	2.85% to 13.75%, including inflation
Investment rate of return	7.25%
Retirement age	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2023 valuation according to an experience study of the period 2020-2022.
Mortality	For non-disabled retirees, the Pub-2010, Amount Weighted, below median income, General, Retiree, Male (adjusted 108%) and Female (adjusted 106.4%) tables, and future mortality improvements projected using scale MP-2021 were used. For disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Disabled Retiree, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2021. For active members, the Pub-2010, Amount0Weighted, below-median income, General, Employee, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2021.
Other information: Notes	There were no benefit changes during the year.

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

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Domestic Equity	33.50 %	4.35 %
International Equity	18.00 %	5.40 %
Fixed Income	24.50 %	5.20 %
Real Estate	10.50 %	6.40 %
Alternative Investments	12.50 %	4.85-6.25 %
Cash Equivalents	1.00 %	3.60 %
Total	100.0 %	

Worth School District 127

Notes to Financial Statements

Note 6: Employee Retirement Systems (Continued)

Single Discount Rate

A Single Discount Rate of 7.25% was used to measure the total pension liability as December 31, 2024. The projection of cash flow used to determine this Single Discount Rate assumed that the plan members' contributions will be made at the current contribution rate, and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability. The Single Discount Rate reflects:

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

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

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

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Net pension liability (asset)	\$ <u>1,035,991</u>	\$ <u>(65,932)</u>	\$ <u>(955,770)</u>

Worth School District 127

Notes to Financial Statements

Note 6: Employee Retirement Systems (Continued)

Changes in Net Pension Liability

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability (A) - (B)
Balances at December 31, 2023	\$ 9,454,853	\$ 9,499,257	\$ (44,404)
Changes for the year:			
Service cost	185,405	-	185,405
Interest on the total Pension liability	674,247	-	674,247
Differences between expected and actual experience of the total Pension liability	365,595	-	365,595
Contributions - employer	-	91,634	(91,634)
Contributions - employees	-	100,574	(100,574)
Net investment income	-	929,899	(929,899)
Benefit payments, including refunds of employee contributions	(495,194)	(495,194)	-
Other (net transfer)	-	124,668	(124,668)
Net changes	730,053	\$ 751,581	\$ (21,528)
Balances at December 31, 2024	\$ 10,184,906	\$ 10,250,838	\$ (65,932)

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

For year ended June 30, 2025, the District recognized pension expense of \$287,574. At June 30, 2025, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources which are not reported due to the financial reporting provisions of the Illinois State Board of Education.

	Deferred Outflows of Resources	Deferred Inflow of Resources
Difference between expected and actual experience	\$ 61,212	\$ -
Net difference between projected and actual earnings on pension plan investments	209,442	-
Total deferred amounts to be recognized in pension expense in future periods	270,654	-
District's contributions subsequent to the measurement date	59,604	-
Total	\$ 330,258	\$ -

Worth School District 127

Notes to Financial Statements

Note 6: Employee Retirement Systems (Continued)

\$59,604 reported as deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended Tuesday, 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:

Year Ending December 31	Net Deferred Outflows (Inflows) of Resources
2025	\$ 162,627
2026	270,280
2027	(112,718)
2028	<u>(49,535)</u>
 Total	 \$ <u>270,654</u>

Note 7: Other Postemployment Benefits

a. Teacher Health Insurance Security (THIS)

Plan Description

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

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

Due to the District preparing its financial statements on the modified cash basis of accounting, OPEB liabilities and deferred inflows and outflows referred to throughout the note disclosure are not recognized in the actual financial statements.

Worth School District 127

Notes to Financial Statements

Note 7: Other Postemployment Benefits (Continued)

Plan Membership

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

Benefits Provided

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

Contributions

The State Employees Group Insurance Act of 1971 (5 ILCS 375/6.5) requires that all active contributors to the TRS, who are not employees of a department, make contributions to the plan at a rate of 0.90% of salary and for every employer of a teacher to contribute an amount equal to 0.67% of each teacher's salary. Additionally, the SEGIA requires the State to match the employees' contribution on-behalf of the employer. The Department determines, by rule, the percentage required, which each year shall not exceed 105% of the percentage of salary actually required to be paid in the previous fiscal year. In addition, under the State Pension Funds Continuing Appropriations Act (40 ILCS 15/1.3), there is appropriated, on a continuing annual basis, from the General Revenue Fund, an account of the General Fund, to the State Comptroller for deposit in the THISF, an amount equal to the amount certified by the Board of Trustees of TRS as the estimated total amount of contributions to be paid under 5 ILCS 376/6.6(a) in that fiscal year.

The State Employees Group Insurance Act of 1971 (5 ILC 375/6.5) requires that the Department's Director determine the rates and premiums of annuitants and dependent beneficiaries and establish the cost-sharing parameters, as well as funding. Member premiums are set by this statute, which provides for a subsidy of either 50% or 75%, depending upon member benefit choices. Dependents are eligible for coverage, at a rate of 100% of the cost of coverage.

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

At June 30, 2025, the District's reported a liability for its proportionate share of the net OPEB liability. The State's support and total are for disclosure purposes only. The amount recognized by the District as its proportionate share of the net OPEB liability, the related State support, and the total portion of the net OPEB liability that was associated with the District were as follows:

District's proportionate share of the net OPEB liability	\$ 2,126,142
State's proportionate share of the net OPEB liability associated with the District	<u>2,887,397</u>
Total	<u>\$ 5,013,539</u>

Worth School District 127

Notes to Financial Statements

Note 7: Other Postemployment Benefits (Continued)

The net OPEB liability was measured as of June 30, 2024, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of June 30, 2023 and rolled forward to June 30, 2024. The District's proportion of the net OPEB liability was based on the District's share of contributions to 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 District's proportion was 0.026877%, which was a decrease of 0.000351% from its proportion measured as of June 30, 2023.

For the year ended June 30, 2025, the District recognized OPEB expense of \$56,741

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

	Deferred Outflows of Resources	Deferred Inflow of Resources
Difference between expected and actual experience	\$ 58,669	\$ 896,122
Changes in assumptions	64,258	3,055,080
Net difference between projected and actual earnings in OPEB plan investments	-	1,154
Changes in proportion and differences between District contributions and proportionate share of contributions	<u>544,642</u>	<u>102,210</u>
Total deferred amounts to be recognized in OPEB expense in future periods	667,569	4,054,566
District's contributions subsequent to the measurement date	<u>56,741</u>	<u>-</u>
Total	<u>\$ 724,310</u>	<u>\$ 4,054,566</u>

\$56,741 reported as deferred outflows of resources related to OPEB resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the year ended June 30, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ending June 30	Net Deferred Outflows (Inflows) of Resources
2026	\$ (684,094)
2027	(662,050)
2028	(653,545)
2029	(601,963)
2030	(464,769)
Thereafter	<u>(320,576)</u>
Total	<u>\$ (3,386,997)</u>

Worth School District 127

Notes to Financial Statements

Note 7: Other Postemployment Benefits (Continued)

Actuarial Valuation Method

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

Actuarial Assumptions.

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

Inflation	2.25%
Salary increases	Depends on service and ranges from 8.50% at 1 year of service to 3.50% at 20 or more years of service.
Investment rate of return	2.75%, net of OPEB plan investment expense, including inflation, for all plan years
Healthcare cost trend rates	Trend for fiscal year 2025 based on actual premium increases. For non-medicare costs, trend rates start at 8.00% for plan year 2026 and decrease gradually to an ultimate rate of 4.25% in 2041. For MAPD costs, trend rates are based on actual premium increases for 2025, 15.00% in 2026 to 2030 and 7.00% in 2031, declining gradually to an ultimate rate of 4.25% in 2041.

Mortality rates for retirement and beneficiary annuitants were based on 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 PubT-2010 Employee Mortality Table. All tables reflect future mortality improvements using Projection Scale MP-2020.

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

Projected benefit payments were discounted to their actuarial present value using a Single Discount Rate that reflects (1) a long-term expected rate of return on OPEB plan investments (to the extent that the plan's fiduciary net position is projected to be sufficient to pay benefits), and (2) tax-exempt municipal bond rate based on an index of 20-year general obligation bond with an average AA credit rating as of the measurement date (to the extent that the contributions for use with the long-term expected rate of return are not met). Since TRIP is financed on a pay-as-you-go basis, a discount rate consistent with fixed income municipal bonds with 20 years maturity that include only federally tax-exempt municipal bonds as reported in Fidelity's index's "20-year Municipal GO AA Index" has been selected. The discount rates are 3.97% as of June 30, 2024, and 3.86% as of June 30, 2023. The increase in the single discount rate from 3.86% to 3.97% caused the total OPEB liability to decrease by approximately \$95 million from 2023 to 2024.

Worth School District 127

Notes to Financial Statements

Note 7: Other Postemployment Benefits (Continued)

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

The following presents the District's proportionate share of the net OPEB liability calculated using the discount rate of 3.97%, as well as what the District's proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.97%) or 1-percentage-point higher (4.97%) than the current rate:

	1% Decrease 2.97%	Current Discount Rate 3.97%	1% Increase 4.97%
District's proportionate share of the net OPEB liability	\$ <u>2,372,776</u>	\$ <u>2,126,142</u>	\$ <u>1,908,728</u>

The following presents the District's net OPEB liability, calculated using the healthcare cost trend rate, as well as what the District's total OPEB liability would be if it were calculated using a healthcare cost trend rate that is one percentage higher or lower.

	1% Decrease (b)	Healthcare Cost Trend Rate Assumptions (a)	1% Increase (c)
District's proportionate share of the net OPEB liability	\$ <u>1,830,608</u>	\$ <u>2,126,142</u>	\$ <u>2,477,816</u>

- a) Current healthcare trend rates - Pre-Medicare capita costs: 6.00% in 2025, 8.00% in 2026, decreasing by 0.25% per year to an ultimate rate of 4.25% in 2041. Post-Medicare per capita costs: based on actual increase in 2025, 15.00% from 2026 to 2030, 7.00% in 2031 decreasing ratably to an ultimate trend rate of 4.25% in 2041.
- b) One percentage point decrease in current healthcare trend rates - Pre-Medicare per capita costs: 5.00% in 2025, 7.00% in 2026, decrease by 0.25% per year to an ultimate rate of 3.25% in 2041. Post-Medicare per capita costs: based on actual increase in 2025, 14.00% from 2026 to 2030, 6.00% in 2031 decreasing ratably to an ultimate rate of 3.25% in 2041.
- c) One percentage point increase in current healthcare trend rates - Pre-Medicare per capita costs: 7.00% in 2025, 9.00% in 2026, decreasing by 0.25% per year to an ultimate rate of 5.25% in 2041. Post-Medicare per capita costs: based on actual increase in 2025, 16.00% from 2026 to 2030, 8.00% in 2031 decreasing ratably to an ultimate rate of 5.25% in 2041.

Worth School District 127

Notes to Financial Statements

Note 8: Risk Management

The District is exposed to various risks of loss related to torts, thefts of, damage to and destruction of assets; errors and omissions; injuries to employees and natural disasters.

The District participates in the School Employees Loss Fund (SELF) for its workers compensation coverage, the Suburban School Cooperative Insurance Pool (SSCIP) for its general liability and property, the South Suburban Benefit Cooperative (SSBC) for employee health coverage. SELF, SSCIP, and SSBC are organizations of school districts in Illinois which have formed an association under the Illinois Intergovernmental Cooperation's Statute to pool their risk management needs.

The cooperative agreements provide that SSCIP and SSBC will be self-sustaining through member premiums and will reinsure through commercial companies for claims in excess of \$1,000,000 per occurrence and \$3,000,000 in the aggregate for general liability and property, and \$100,000 per individual and \$6,900,000 in the aggregate for employee health. SELF purchases insurance through commercial companies for its workers' compensation coverage with member premiums. The District, along with other members of SELF, SSCIP, and SSBC, had a contractual obligation to fund any premium deficiency of the pools attributable to a year during which it was a member. SELF, SSCIP, and SSBC could have assessed supplemental premiums to fund these premium deficiencies. In the past three years, the District has not made any supplemental premium payments to the pools.

Note 9: Interfund Transfers

As of June 30, 2025, interfund transfers consisted of the following:

Transfer from	Transfer to	Amount
General Fund - Operations and Maintenance	Capital Projects Fund	\$ 7,000,000
General Fund - Operations and Maintenance	Debt Service Fund	<u>498,700</u>
Total		<u>\$ 7,498,700</u>

Transfers from the General Fund Operations and Maintenance account to the Capital Project Fund and Debt Service Fund were made to fund ordinary and necessary expenditures and capital projects.

Note 10: Construction Commitments

Construction commitments. The District has active construction projects as of June 30, 2025. The project is for 2024 addition and remodeling at Worthwoods Elementary, Worth Junior High, Worth Elementary and Worthridge and the 2021 site work and remodeling at Worth Elementary. At year end, the District's commitments with the contractor are as follows:

Project	Spent-to-Date	Remaining Commitment
2024 addition and remodeling at Worthwoods Elementary, Worth Jr. High, Worth Elementary & Worthridge	\$ 13,071,536	\$ 5,678,464
2021 sitework and remodeling at Worth Elementary School	<u>2,443,033</u>	<u>82,988</u>
Total	<u>\$ 15,514,569</u>	<u>\$ 5,761,452</u>

Worth School District 127

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

Illinois Municipal Retirement Fund

Last Ten Calendar Years

	2024	2023	2022	2021
Total Pension Liability				
Service cost	\$ 185,405	\$ 183,270	\$ 172,517	\$ 171,410
Interest	674,247	635,886	595,042	584,827
Differences between expected and actual experience	365,595	198,237	255,194	(200,236)
Changes of assumption	-	(4,700)	-	-
Benefit payments, including refunds of member contributions	<u>(495,194)</u>	<u>(474,104)</u>	<u>(455,401)</u>	<u>(375,913)</u>
Net change in total pension liability	730,053	538,589	567,352	180,088
Total pension liability, beginning	<u>9,454,853</u>	<u>8,916,264</u>	<u>8,348,912</u>	<u>8,168,824</u>
Total pension liability - ending	<u>\$ 10,184,906</u>	<u>\$ 9,454,853</u>	<u>\$ 8,916,264</u>	<u>\$ 8,348,912</u>
Plan Fiduciary Net Position				
Contributions - employer	\$ 91,634	\$ 82,623	\$ 123,071	\$ 155,896
Contributions - member	100,574	100,978	93,930	88,188
Net investment income	929,899	938,394	(1,197,817)	1,471,545
Benefit payments, including refunds of member contributions	(495,194)	(474,104)	(455,401)	(375,913)
Other	<u>124,668</u>	<u>240,670</u>	<u>71,222</u>	<u>(162,263)</u>
Net change in plan fiduciary net position	751,581	888,561	(1,364,995)	1,177,453
Plan net position, beginning	<u>9,499,257</u>	<u>8,610,696</u>	<u>9,975,691</u>	<u>8,798,238</u>
Plan net position, ending	<u>\$ 10,250,838</u>	<u>\$ 9,499,257</u>	<u>\$ 8,610,696</u>	<u>\$ 9,975,691</u>
Employer's net pension liability (asset)	<u>\$ (65,932)</u>	<u>\$ (44,404)</u>	<u>\$ 305,568</u>	<u>\$ (1,626,779)</u>
Plan fiduciary net position as a percentage of the total pension liability	100.65 %	100.47 %	96.57 %	119.48 %
Covered payroll	\$ 2,234,990	\$ 2,039,901	\$ 1,956,620	\$ 1,822,752
Employer's net pension liability as a percentage of covered payroll	(2.95)%	(2.18)%	15.62 %	(89.25)%

	2020	2019	2018	2017	2016	2015
\$	174,956	\$ 169,660	\$ 155,845	\$ 161,517	\$ 157,566	\$ 143,592
	559,044	529,499	502,656	510,521	473,809	447,128
					-	-
	51,392	59,964	69,549	(270,018)	120,536	(31,209)
	(55,098)	-	195,281	(189,357)	(8,283)	7,797
	<u>(369,876)</u>	<u>(338,643)</u>	<u>(319,114)</u>	<u>(310,286)</u>	<u>(218,813)</u>	<u>(201,403)</u>
	360,418	420,480	604,217	(97,623)	524,815	365,905
	<u>7,808,406</u>	<u>7,387,926</u>	<u>6,783,709</u>	<u>6,881,332</u>	<u>6,356,517</u>	<u>5,990,612</u>
\$	<u>8,168,824</u>	<u>7,808,406</u>	<u>7,387,926</u>	<u>6,783,709</u>	<u>6,881,332</u>	<u>6,356,517</u>
\$	153,142	\$ 116,048	\$ 163,286	\$ 178,345	\$ 147,983	\$ 137,810
	84,194	78,735	72,644	67,674	65,702	62,443
	1,124,547	1,230,408	(356,844)	1,049,149	394,329	29,237
	(369,876)	(338,643)	(319,114)	(310,286)	(218,813)	(201,403)
	<u>(49,342)</u>	<u>71,547</u>	<u>138,493</u>	<u>(195,563)</u>	<u>91,469</u>	<u>(146,966)</u>
	942,665	1,158,095	(301,535)	789,319	480,670	(118,879)
	<u>7,855,573</u>	<u>6,697,478</u>	<u>6,999,013</u>	<u>6,209,694</u>	<u>5,729,024</u>	<u>5,847,903</u>
\$	<u>8,798,238</u>	<u>7,855,573</u>	<u>6,697,478</u>	<u>6,999,013</u>	<u>6,209,694</u>	<u>5,729,024</u>
\$	<u>(629,414)</u>	<u>(47,167)</u>	<u>690,448</u>	<u>(215,304)</u>	<u>671,638</u>	<u>627,493</u>
	107.71 %	100.60 %	90.65 %	103.17 %	90.24 %	90.13 %
\$	1,867,584	\$ 1,706,599	\$ 1,611,907	\$ 1,503,864	\$ 1,459,407	\$ 1,383,636
	(33.70)%	(2.76)%	42.83 %	(14.32)%	46.02 %	45.35 %

Worth School District 127

Schedule of Employer Contributions

Illinois Municipal Retirement Fund

Last Ten Calendar Years

Calendar Year	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Valuation Payroll	Actual Contributions as a Percentage of Covered Valuation Payroll
2024	\$ 91,635	\$ 91,634	\$ 1	\$ 2,234,990	4.10 %
2023	82,820	82,623	197	2,039,901	4.05 %
2022	123,071	123,071	-	1,956,620	6.29 %
2021	137,618	155,896	(18,278)	1,822,752	8.55 %
2020	153,142	153,142	-	1,867,584	8.20 %
2019	116,049	116,048	1	1,706,599	6.80 %
2018	163,286	163,286	-	1,611,907	10.13 %
2017	146,176	178,345	(32,169)	1,503,864	11.86 %
2016	147,984	147,983	1	1,459,407	10.14 %
2015	137,810	137,810	-	1,383,636	9.96 %

Notes to Schedule

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

Methods and assumptions used to determine contribution rate

Actuarial cost method	Aggregate entry age normal
Amortization method	Level percent of pay, closed
Remaining amortization period	Non-Taxing bodies: 10-year rolling period. Taxing bodies (Regular, SLEP and ECO groups): 19-year closed. Early Retirement Incentive Plan liabilities: a period up to 10 years selected by the Employer upon adoption of ERI. SLEP supplemental liabilities attributable to Public Act 94-712 were financed over 14 years for most employers (five employers were financed over 15 years; two employers were financed over 17 years; one employer was financed over 20 years; three employers were financed over 23 years; four employers were financed over 24 years and one employer was financed over 25 years).
Asset valuation method	5-year smoothed market; 20% corridor
Wage growth	2.75%
Inflation	2.25%
Salary increases	2.75% to 13.75%, including inflation
Investment rate of return	7.25%
Retirement age	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2020 valuation pursuant to an experience study of the period 2017 - 2019.
Mortality	For non-disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Retiree, Male (adjusted 106%) and Female (adjusted 105%) tables, and future mortality improvements projected using scale MP-2020. For disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Disabled Retiree, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020. For active members, the Pub-2010, Amount-Weighted, below-median income, General, Employee, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020.

Worth School District 127

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

Last Ten Fiscal Years

	2025*	2024*	2023*	2022*
District's proportion of the net pension liability	0.000745 %	0.000710 %	0.000723 %	0.000738 %
District's proportion share of the net pension liability	\$ 639,799	\$ 603,022	\$ 606,366	\$ 575,560
State's proportionate share of the net pension liability associated with the District	<u>53,345,513</u>	<u>52,041,081</u>	<u>52,598,270</u>	<u>48,238,076</u>
	<u>\$ 53,985,312</u>	<u>\$ 52,644,103</u>	<u>\$ 53,204,636</u>	<u>\$ 48,813,636</u>
District's covered payroll	\$ 8,007,922	\$ 7,433,892	\$ 7,403,451	\$ 6,617,567
District's proportionate share of the net pension liability as a percentage of covered 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 %

Notes to Schedule

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 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. 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.

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

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

2021*	2020*	2019*	2018*	2017*	2016*
0.000700 %	0.000775 %	0.000802 %	0.001600 %	0.002200 %	0.002999 %
\$ 639,673	\$ 628,326	\$ 625,072	\$ 1,189,608	\$ 1,712,752	\$ 1,765,119
<u>50,102,504</u>	<u>44,717,293</u>	<u>42,820,034</u>	<u>43,314,270</u>	<u>45,236,526</u>	<u>35,185,152</u>
<u>\$ 50,742,177</u>	<u>\$ 45,345,619</u>	<u>\$ 43,445,106</u>	<u>\$ 44,503,878</u>	<u>\$ 46,949,278</u>	<u>\$ 36,950,271</u>
\$ 6,222,662	\$ 6,046,590	\$ 5,739,759	\$ 5,848,499	\$ 5,698,736	\$ 5,433,366
10.28 %	10.39 %	10.89 %	20.34 %	30.05 %	32.49 %
37.80 %	39.60 %	40.00 %	39.30 %	36.40 %	41.47 %

Worth School District 127
Schedule of Employer Contributions
Teachers' Retirement System
Last Ten Fiscal Years

Fiscal Year	Contractually Required Contribution	Contributions in Relation to Contractually Required Contribution	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
2025	\$ 56,762	\$ 56,762	\$ -	\$ 8,468,776	0.67 %
2024	55,045	55,045	-	8,007,922	0.69 %
2023	67,626	67,626	-	7,433,892	0.91 %
2022	80,851	80,851	-	7,403,451	1.09 %
2021	67,783	67,783	-	6,617,567	1.02 %
2020	61,533	61,532	1	6,222,662	0.99 %
2019	49,138	56,232	(7,094)	6,046,590	0.93 %
2018	54,853	61,924	(7,071)	5,739,759	1.08 %
2017	73,925	73,925	-	5,848,499	1.26 %
2016	92,775	102,559	(9,784)	5,698,736	1.80 %

Worth School District 127

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

Last Eight Fiscal Years

	2025*	2024*	2023*	2022*
District's proportion of the net OPEB liability	0.026877 %	0.026526 %	0.026891 %	0.025494 %
District's proportion share of the net OPEB liability	\$ 2,126,142	\$ 1,890,630	\$ 1,840,621	\$ 5,622,776
State's proportionate share of the net OPEB liability associated with the District	<u>2,887,397</u>	<u>2,556,734</u>	<u>2,495,613</u>	<u>7,623,664</u>
	<u>\$ 5,013,539</u>	<u>\$ 4,447,364</u>	<u>\$ 4,336,234</u>	<u>\$ 13,246,440</u>
District's covered payroll	\$ 8,007,922	\$ 7,433,892	\$ 7,403,451	\$ 6,617,567
District's proportionate share of the net OPEB liability as a percentage of covered payroll	26.55 %	25.43 %	24.86 %	84.97 %
Plan fiduciary net position as a percentage of the total OPEB liability	7.43 %	6.21 %	5.24 %	1.40 %

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

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

<u>2021*</u>	<u>2020*</u>	<u>2019*</u>	<u>2018*</u>
0.024651 %	0.024608 %	0.024227 %	0.025432 %
\$ 6,590,799	\$ 6,810,835	\$ 6,382,882	\$ 6,599,522
<u>8,946,301</u>	<u>9,222,783</u>	<u>8,570,867</u>	<u>8,666,874</u>
<u>\$ 15,537,100</u>	<u>\$ 16,033,618</u>	<u>\$ 14,953,749</u>	<u>\$ 15,266,396</u>
\$ 6,222,662	\$ 6,045,590	\$ 5,739,759	\$ 5,848,499
105.92 %	112.66 %	111.20 %	112.84 %
(0.24)%	(0.22)%	(0.07)%	(0.17)%

Worth School District 127
Schedule of Employer Contributions
Teachers' Health Insurance Security Fund
Last Eight Fiscal Years

Fiscal Year	Contractually Required Contribution	Contributions in Relation to Contractually Required Contribution	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
2025	\$ 56,741	\$ 56,741	\$ -	\$ 8,468,776	0.67 %
2024	53,653	53,653	-	8,007,922	0.67 %
2023	49,807	49,807	-	7,433,892	0.67 %
2022	49,603	49,603	-	7,403,451	0.67 %
2021	60,882	60,882	-	6,617,567	0.92 %
2020	57,248	57,248	-	6,222,662	0.92 %
2019	130,606	130,585	21	6,046,590	2.16 %
2018	118,239	118,242	(3)	5,739,759	2.06 %

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

Worth School District 127

Schedule of Revenues Received, Expenditures Disbursed and Changes in Fund Balance - Modified Cash Basis - Budget and Actual

<i>Year Ended June 30, 2025</i>	General Fund			
	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues Received				
Local sources	\$ 10,320,094	\$ 9,149,155	\$ 10,158,843	\$ 1,009,688
State resources	9,705,800	10,902,494	15,080,036	4,177,542
Federal resources	<u>2,151,752</u>	<u>2,551,561</u>	<u>2,597,712</u>	<u>46,151</u>
Total revenues received	<u>22,177,646</u>	<u>22,603,210</u>	<u>27,836,591</u>	<u>5,233,381</u>
Expenditures Disbursed				
Current operating				
Instruction	9,319,510	9,316,686	13,492,185	(4,175,499)
Support Services	7,079,661	7,015,473	7,050,691	(35,218)
Community services	13,677	23,205	7,554	15,651
Non-programmed charges	2,458,789	2,489,304	3,116,891	(627,587)
Capital outlay	<u>750,893</u>	<u>841,936</u>	<u>574,866</u>	<u>267,070</u>
Total expenditures disbursed	<u>19,622,530</u>	<u>19,686,604</u>	<u>24,242,187</u>	<u>(4,555,583)</u>
Excess of revenue received over (under) expenditures disbursed	<u>2,555,116</u>	<u>2,916,606</u>	<u>3,594,404</u>	<u>677,798</u>
Other Financing Sources (Uses)				
Transfers out	<u>(7,250,000)</u>	<u>(7,498,700)</u>	<u>(7,498,700)</u>	<u>-</u>
Total other financing sources (uses)	<u>(7,250,000)</u>	<u>(7,498,700)</u>	<u>(7,498,700)</u>	<u>-</u>
Net change in fund balances	<u>\$ (4,694,884)</u>	<u>\$ (4,582,094)</u>	(3,904,296)	<u>\$ 677,798</u>
Fund balances at beginning of year			<u>16,612,279</u>	
Fund balances at end of year			<u>\$ 12,707,983</u>	

Worth School District 127

Notes to Supplementary Information

Year Ended June 30, 2025

a. Budgetary Information

The budget is prepared on the modified cash basis of accounting for all governmental funds, which is an acceptable method as prescribed by the Illinois State Board of Education, and is the same basis that is used for financial reporting. The level of control (level at which expenditures may not exceed budget/appropriations) is the fund. The budget appropriations lapse at the end of each fiscal year. The District does not utilize an encumbrance system. The District follows these procedures in establishing the budgetary data reflected in the financial statements.

- The Administration submits to the Board of Education a proposed operating budget for the fiscal year commencing July 1. The operating budget includes proposed expenditures and the means of financing them.
- Public hearings are conducted and the proposed budget is available for inspection to obtain taxpayer comments.
- Prior to September 30 the budget is legally adopted through passage of a resolution. On or before the last Tuesday in December, a tax levy ordinance is filed with the County Clerk to obtain tax revenues.
- The Superintendent is authorized to transfer up to 10% of the total budget between departments within any fund without Board of Education approval; however, any revisions that alter the total expenditures of any fund must be approved by the Board of Education following the public hearing process mandated by law. The budget which was originally adopted on September 18, 2024, was amended on June 4, 2025.
- Formal budgetary integration is employed as a management control device during the year.
- The Board of Education may amend the budget (in other ways) by the same procedures required of its original adoption.
- The budget lapses at the end of each fiscal year.

b. Excess of Expenditures over Budget

The following funds had an excess of actual expenditures over the budgeted amount for the year ended June 30, 2025:

Fiscal Year	Budget	Actual	Excess
General Fund - Educational Account	\$ 17,412,687	\$ 22,230,279	\$ 4,817,592
Debt Service Fund	\$ 1,135,700	\$ 1,136,100	\$ 400

The expenditure variance was sufficiently absorbed by surpluses that existed at the beginning of the fiscal year and were approved by the Board of Education. Under the State Budget Act expenditures may exceed the budget if additional resources are available to finance such expenditures.

Worth School District 127
Combining Balance Sheet by Account -
Modified Cash Basis -
General Fund

<i>June 30, 2025</i>	Educational	Operations and Maintenance	Working Cash	Tort Immunity	Total General
Assets					
Cash and investments	\$ <u>9,425,591</u>	\$ <u>700,074</u>	\$ <u>2,395,904</u>	\$ <u>186,414</u>	\$ <u>12,707,983</u>
Fund balances					
Restricted					
Student activities	\$ 73,342	\$ -	\$ -	\$ -	\$ 73,342
Tort immunity	-	-	-	186,414	186,414
Unassigned	<u>9,352,249</u>	<u>700,074</u>	<u>2,395,904</u>	<u>-</u>	<u>12,448,227</u>
Total fund balances	\$ <u>9,425,591</u>	\$ <u>700,074</u>	\$ <u>2,395,904</u>	\$ <u>186,414</u>	\$ <u>12,707,983</u>

Worth School District 127

Combining Schedule of Revenues Received, Expenditures Disbursed and Changes in Fund Balances by Account - Modified Cash Basis - General Fund

<i>Year Ended June 30, 2025</i>	Educational	Operations and Maintenance	Working Cash	Tort Immunity	Total General
Revenues Received					
Property taxes	\$ 7,764,326	\$ 1,016,793	\$ 92,446	\$ 88,899	\$ 8,962,464
Other local sources	794,670	319,866	74,517	7,326	1,196,379
State resources	10,030,036	5,050,000	-	-	15,080,036
Federal resources	<u>2,462,796</u>	<u>134,916</u>	<u>-</u>	<u>-</u>	<u>2,597,712</u>
Total revenues received	<u>21,051,828</u>	<u>6,521,575</u>	<u>166,963</u>	<u>96,225</u>	<u>27,836,591</u>
Expenditures Disbursed					
Current operating					
Instruction	13,492,185	-	-	-	13,492,185
Support Services	5,613,649	1,863,212	-	148,696	7,625,557
Community services	7,554	-	-	-	7,554
Payments to other districts and governmental units	<u>3,116,891</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,116,891</u>
Total expenditures disbursed	<u>22,230,279</u>	<u>1,863,212</u>	<u>-</u>	<u>148,696</u>	<u>24,242,187</u>
Excess of revenues received over (under) expenditures disbursed	<u>(1,178,451)</u>	<u>4,658,363</u>	<u>166,963</u>	<u>(52,471)</u>	<u>3,594,404</u>
Other financing sources (uses)					
Transfers out	<u>-</u>	<u>(7,498,700)</u>	<u>-</u>	<u>-</u>	<u>(7,498,700)</u>
Total other financing sources (uses)	<u>-</u>	<u>(7,498,700)</u>	<u>-</u>	<u>-</u>	<u>(7,498,700)</u>
Net changes in fund balance	(1,178,451)	(2,840,337)	166,963	(52,471)	(3,904,296)
Fund balances at beginning of year	<u>10,604,042</u>	<u>3,540,411</u>	<u>2,228,941</u>	<u>238,885</u>	<u>16,612,279</u>
Fund balances end of year	<u>\$ 9,425,591</u>	<u>\$ 700,074</u>	<u>\$ 2,395,904</u>	<u>\$ 186,414</u>	<u>\$ 12,707,983</u>

Worth School District 127

Schedule of Revenues Received, Expenditures Disbursed and Changes In Fund Balance - Modified Cash Basis - Budget and Actual

Year Ended June 30, 2025	Educational Account			
	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues Received				
Local sources				
Property taxes - general levy	\$ 7,692,868	\$ 6,535,917	\$ 7,024,871	\$ 488,954
Special education tax levy	775,677	733,531	739,455	5,924
Corporate replacement taxes	112,679	112,679	109,251	(3,428)
Charges for services	10,300	12,300	321,713	309,413
Earnings on investments	200,000	200,000	349,243	149,243
Other	<u>4,000</u>	<u>4,000</u>	<u>14,463</u>	<u>10,463</u>
Total local sources	<u>8,795,524</u>	<u>7,598,427</u>	<u>8,558,996</u>	<u>960,569</u>
State sources				
Unrestricted				
Evidence based funding formula	4,423,744	5,468,588	5,468,583	(5)
Restricted				
Special education:				
Private facility tuition	100,000	155,000	205,550	50,550
Orphanage - individual	25,000	75,000	74,442	(558)
Technical Education - Tech Prep	1,056	1,056	1,099	43
State free lunch and breakfast	10,000	7,000	7,738	738
Early childhood	145,000	145,000	146,450	1,450
Other	1,000	850	850	-
On behalf payments - State of Illinois	<u>-</u>	<u>-</u>	<u>4,125,324</u>	<u>4,125,324</u>
Total state sources	<u>4,705,800</u>	<u>5,852,494</u>	<u>10,030,036</u>	<u>4,177,542</u>
Federal sources				
Restricted				
Food service	550,000	550,000	584,900	34,900
Title I - low income	847,216	1,038,785	1,022,785	(16,000)
IDEA - flow through	298,431	378,431	367,909	(10,522)
Title IV - safe and drug free schools formula	34,289	57,530	57,530	-
IDEA - preschool flow-through	7,825	7,825	6,671	(1,154)
Title III - Immigrant Education Program (IEP)	7,870	7,870	4,563	(3,307)
Title III - Language Inst Program - Limited Eng	26,776	26,776	26,776	-
Title II - Teacher Quality	71,380	71,380	63,277	(8,103)
Medicaid admin outreach	40,000	40,000	138,645	98,645
Medicaid fee-for-service	120,000	225,000	176,692	(48,308)
Other	<u>2,072</u>	<u>13,048</u>	<u>13,048</u>	<u>-</u>
Total federal sources	<u>2,005,859</u>	<u>2,416,645</u>	<u>2,462,796</u>	<u>46,151</u>
Total revenues received	<u>15,507,183</u>	<u>15,867,566</u>	<u>21,051,828</u>	<u>5,184,262</u>

Worth School District 127

Schedule of Revenues Received, Expenditures Disbursed and Changes In Fund Balance - Modified Cash Basis - Budget and Actual (Continued)

<i>Year Ended June 30, 2025</i>	Educational Account			Variance with Final Budget
	Original Budget	Final Budget	Actual	
Expenditures Disbursed				
Current operating				
Instruction				
Regular programs	\$ 6,412,963	\$ 6,554,377	\$ 10,545,523	\$ (3,991,146)
Special education programs	1,956,227	1,995,227	1,891,559	103,668
Other programs	<u>990,320</u>	<u>924,925</u>	<u>1,055,103</u>	<u>(130,178)</u>
Total instruction	<u>9,359,510</u>	<u>9,474,529</u>	<u>13,492,185</u>	<u>(4,017,656)</u>
Support services				
Pupils	914,101	894,950	889,554	5,396
Instructional staff	1,104,980	1,191,409	1,354,503	(163,094)
General administration	772,578	745,878	877,719	(131,841)
School administration	1,013,719	1,028,387	1,017,042	11,345
Business	1,322,508	1,340,189	1,252,059	88,130
Central	222,836	222,836	222,772	64
Other	<u>2,000</u>	<u>2,000</u>	<u>-</u>	<u>2,000</u>
Total support services	<u>5,352,722</u>	<u>5,425,649</u>	<u>5,613,649</u>	<u>(188,000)</u>
Community services	<u>13,677</u>	<u>23,205</u>	<u>7,554</u>	<u>15,651</u>
Payments to other governments	<u>2,458,789</u>	<u>2,489,304</u>	<u>3,116,891</u>	<u>(627,587)</u>
Total expenditures disbursed	<u>17,184,698</u>	<u>17,412,687</u>	<u>22,230,279</u>	<u>(4,817,592)</u>
Net change in fund balance	<u>\$ (1,677,515)</u>	<u>\$ (1,545,121)</u>	(1,178,451)	<u>\$ 366,670</u>
Fund balances at beginning of year			<u>10,604,042</u>	
Fund balances at end of year			<u>\$ 9,425,591</u>	

Worth School District 127

Schedule of Revenues Received, Expenditures Disbursed and Changes In Fund Balance - Modified Cash Basis - Budget and Actual

<i>Year Ended June 30, 2025</i>	Operations and Maintenance Account			
	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues Received				
Local sources				
Property taxes	\$ 1,011,515	\$ 1,094,131	\$ 1,016,793	\$ (77,338)
Rentals	168,000	170,000	169,540	(460)
Earnings on investments	50,000	50,000	150,002	100,002
Other	<u>-</u>	<u>-</u>	<u>324</u>	<u>324</u>
Total local sources	<u>1,229,515</u>	<u>1,314,131</u>	<u>1,336,659</u>	<u>22,528</u>
State sources				
Unrestricted				
Evidence Based Funding Formula	<u>5,000,000</u>	<u>5,000,000</u>	<u>5,000,000</u>	<u>-</u>
Restricted				
Infrastructure	<u>-</u>	<u>50,000</u>	<u>50,000</u>	<u>-</u>
Total state sources	<u>5,000,000</u>	<u>5,050,000</u>	<u>5,050,000</u>	<u>-</u>
Federal sources				
Restricted				
Grants-in-aid	<u>145,893</u>	<u>134,916</u>	<u>134,916</u>	<u>-</u>
Total revenues received	<u>6,375,408</u>	<u>6,499,047</u>	<u>6,521,575</u>	<u>22,528</u>
Expenditures Disbursed				
Current operating				
Support services				
Facility Acquisition & construction services	500,000	200,000	63,528	136,472
Operation and maintenance of plant services	<u>1,786,832</u>	<u>1,922,917</u>	<u>1,799,684</u>	<u>123,233</u>
Total expenditures disbursed	<u>2,286,832</u>	<u>2,122,917</u>	<u>1,863,212</u>	<u>259,705</u>
Excess of revenues received over expenditures disbursed	<u>4,088,576</u>	<u>4,376,130</u>	<u>4,658,363</u>	<u>282,233</u>
Other financing sources (uses)				
Transfers out	<u>(7,000,000)</u>	<u>(7,498,700)</u>	<u>(7,498,700)</u>	<u>-</u>
Total other financing sources (uses)	<u>(7,000,000)</u>	<u>(7,498,700)</u>	<u>(7,498,700)</u>	<u>-</u>
Net change in fund balance	<u>\$ (2,911,424)</u>	<u>\$ (3,122,570)</u>	(2,840,337)	<u>\$ 282,233</u>
Fund balances at beginning of year			<u>3,540,411</u>	
Fund balances at end of year			<u>\$ 700,074</u>	

Worth School District 127

Schedule of Revenues Received, Expenditures Disbursed and Changes In Fund Balance - Modified Cash Basis - Budget and Actual

<i>Year Ended June 30, 2025</i>	Working Cash Account			Variance with Final Budget
	Original Budget	Final Budget	Actual	
Revenues Received				
Local sources				
Property taxes	\$ 95,946	\$ 99,560	\$ 92,446	\$ (7,114)
Earnings on investments	<u>40,000</u>	<u>40,000</u>	<u>74,517</u>	<u>34,517</u>
Total revenues received	<u>135,946</u>	<u>139,560</u>	<u>166,963</u>	<u>27,403</u>
Other financing sources (uses)				
Transfers out	<u>(250,000)</u>	-	-	-
Total other financing (uses)	<u>(250,000)</u>	-	-	-
Net change in fund balance	<u>\$ (114,054)</u>	<u>\$ 139,560</u>	166,963	<u>\$ 27,403</u>
Fund balances at beginning of year			<u>2,228,941</u>	
Fund balances at end of year			\$ <u>2,395,904</u>	

Worth School District 127

Schedule of Revenues Received, Expenditures Disbursed and Changes In Fund Balance - Modified Cash Basis - Budget and Actual

<i>Year Ended June 30, 2025</i>	Tort Immunity Account			Variance with Final Budget
	Original Budget	Final Budget	Actual	
Revenues Received				
Local sources				
Property taxes	\$ 156,109	\$ 94,037	\$ 88,899	\$ (5,138)
Earnings on investments	<u>3,000</u>	<u>3,000</u>	<u>7,326</u>	<u>4,326</u>
Total revenues received	<u>159,109</u>	<u>97,037</u>	<u>96,225</u>	<u>(812)</u>
Expenditures Disbursed				
Support services				
General administration	<u>151,000</u>	<u>151,000</u>	<u>148,696</u>	<u>2,304</u>
Total expenditures disbursed	<u>151,000</u>	<u>151,000</u>	<u>148,696</u>	<u>2,304</u>
Net change in fund balance	<u>\$ 8,109</u>	<u>\$ (53,963)</u>	(52,471)	<u>\$ 1,492</u>
Fund balances at beginning of year			<u>238,885</u>	
Fund balances at end of year			<u>\$ 186,414</u>	

Worth School District 127

Schedule of Revenues Received, Expenditures Disbursed and Changes In Fund Balance - Modified Cash Basis - Budget and Actual

<i>Year Ended June 30, 2025</i>	Capital Projects Fund			Variance with Final Budget
	Original Budget	Final Budget	Actual	
Revenues Received				
Local sources				
Earnings on investments	\$ 100,000	\$ 100,000	\$ 147,009	\$ 47,009
Total revenues received	<u>100,000</u>	<u>100,000</u>	<u>147,009</u>	<u>47,009</u>
Expenditures Disbursed				
Support services				
Business	<u>13,100,000</u>	<u>12,200,000</u>	<u>11,110,757</u>	<u>1,089,243</u>
Total expenditures disbursed	<u>13,100,000</u>	<u>12,200,000</u>	<u>11,110,757</u>	<u>1,089,243</u>
Excess of revenues received over (under) expenditures disbursed	<u>(13,000,000)</u>	<u>(12,100,000)</u>	<u>(10,963,748)</u>	<u>1,136,252</u>
Other Financing Sources (Uses)				
Transfers in	<u>7,000,000</u>	<u>7,000,000</u>	<u>7,000,000</u>	<u>-</u>
Total other financing sources (uses)	<u>7,000,000</u>	<u>7,000,000</u>	<u>7,000,000</u>	<u>-</u>
Net change in fund balance	<u>\$ (6,000,000)</u>	<u>\$ (5,100,000)</u>	(3,963,748)	<u>\$ 1,136,252</u>
Fund balances at beginning of year			<u>6,898,087</u>	
Fund balances at end of year			<u>\$ 2,934,339</u>	

Worth School District 127

Nonmajor Governmental Funds

Special Revenue Funds

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

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

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

Debt Service Fund

Debt service fund - to account for the accumulation of, resources for, and the payment of, general long-term debt principal, interest and related costs.

Capital Projects Fund

Fire Prevention and Safety Fund - to account for financial resources to be used for the acquisition, construction and/or additions related to qualifying fire prevention and safety projects.

Worth School District 127
Combining Balance Sheet - Modified Cash Basis
Nonmajor Governmental Funds

<i>June 30, 2025</i>	Transportation Fund	Municipal Retirement/Social Security Fund	Debt Service Fund	Fire Prevention and Safety Fund	Total Nonmajor Governmental Funds
Assets					
Cash and investments	\$ <u>329,441</u>	\$ <u>192,838</u>	\$ <u>473,862</u>	\$ <u>1,202,059</u>	\$ <u>2,198,200</u>
Total assets	\$ <u><u>329,441</u></u>	\$ <u><u>192,838</u></u>	\$ <u><u>473,862</u></u>	\$ <u><u>1,202,059</u></u>	\$ <u><u>2,198,200</u></u>
Fund balances					
Restricted for:					
Transportation	\$ 329,441	\$ -	\$ -	\$ -	\$ 329,441
Retirement	-	192,838	-	-	192,838
Debt service	-	-	473,862	-	473,862
Assigned	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,202,059</u>	<u>1,202,059</u>
Total fund balances	\$ <u><u>329,441</u></u>	\$ <u><u>192,838</u></u>	\$ <u><u>473,862</u></u>	\$ <u><u>1,202,059</u></u>	\$ <u><u>2,198,200</u></u>

Worth School District 127

Combining Schedule of Revenues Received, Expenditures Disbursed and Changes In Fund Balances - Modified Cash Basis - Nonmajor Governmental Funds

<i>Year Ended June 30, 2025</i>	Transportation Fund	Municipal Retirement/Social Security Fund	Debt Service Fund	Fire Prevention and Safety Fund	Total Nonmajor Governmental Funds
Revenue Received					
Local sources	\$ 146,771	\$ 327,506	\$ 852,180	\$ 124,430	\$ 1,450,887
State sources	<u>145,593</u>	-	-	-	<u>145,593</u>
Total revenues received	<u>292,364</u>	<u>327,506</u>	<u>852,180</u>	<u>124,430</u>	<u>1,596,480</u>
Expenditures Disbursed					
Current operating					
Instruction	-	168,109	-	-	168,109
Support Services	351,880	230,101	-	-	581,981
Community services	-	5	-	-	5
Debt service					
Principal	-	-	204,556	-	204,556
Interest and other	-	-	<u>931,544</u>	-	<u>931,544</u>
Total expenditures disbursed	<u>351,880</u>	<u>398,215</u>	<u>1,136,100</u>	<u>-</u>	<u>1,886,195</u>
Excess of revenues received over (under) expenditures disbursed	<u>(59,516)</u>	<u>(70,709)</u>	<u>(283,920)</u>	<u>124,430</u>	<u>(289,715)</u>
Other financing sources					
Transfers in	-	-	<u>498,700</u>	-	<u>498,700</u>
Total other financing sources	-	-	<u>498,700</u>	-	<u>498,700</u>
Net changes in fund balances	(59,516)	(70,709)	214,780	124,430	208,985
Fund balances at beginning of year	<u>388,957</u>	<u>263,547</u>	<u>259,082</u>	<u>1,077,629</u>	<u>1,989,215</u>
Fund balances at end of year	<u>\$ 329,441</u>	<u>\$ 192,838</u>	<u>\$ 473,862</u>	<u>\$ 1,202,059</u>	<u>\$ 2,198,200</u>

Worth School District 127

Schedule of Revenues Received, Expenditures Disbursed and Changes in Fund Balance - Modified Cash Basis - Budget and Actual

<i>Year Ended June 30, 2025</i>	Transportation Fund			
	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues Received				
Local sources				
Property taxes	\$ 105,109	\$ 146,198	\$ 134,274	\$ (11,924)
Earnings on investments	<u>5,000</u>	<u>5,000</u>	<u>12,497</u>	<u>7,497</u>
Total local sources	<u>110,109</u>	<u>151,198</u>	<u>146,771</u>	<u>(4,427)</u>
State sources				
Restricted				
Transportation	<u>200,000</u>	<u>200,000</u>	<u>145,593</u>	<u>(54,407)</u>
Total state sources	<u>200,000</u>	<u>200,000</u>	<u>145,593</u>	<u>(54,407)</u>
Total revenues received	<u>310,109</u>	<u>351,198</u>	<u>292,364</u>	<u>(58,834)</u>
Expenditures Disbursed				
Support services				
Transportation	<u>339,600</u>	<u>389,577</u>	<u>351,880</u>	<u>37,697</u>
Total expenditures disbursed	<u>339,600</u>	<u>389,577</u>	<u>351,880</u>	<u>37,697</u>
Net change in fund balance	<u>\$ (29,491)</u>	<u>\$ (38,379)</u>	(59,516)	<u>\$ (21,137)</u>
Fund balances at beginning of year			<u>388,957</u>	
Fund balances at end of year			<u>\$ 329,441</u>	

Worth School District 127

Schedule of Revenues Received, Expenditures and Changes In Fund Balance - Modified Cash Basis - Budget and Actual

<i>Year Ended June 30, 2025</i>	Municipal Retirement/Social Security Fund			
	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues Received				
Local sources				
Property taxes	\$ 364,664	\$ 356,056	\$ 318,159	\$ (37,897)
Corporate personal property replacement taxes	2,500	2,500	1,641	(859)
Earnings on investments	<u>5,000</u>	<u>5,000</u>	<u>7,706</u>	<u>2,706</u>
 Total revenues received	 <u>372,164</u>	 <u>363,556</u>	 <u>327,506</u>	 <u>(36,050)</u>
Expenditures Disbursed				
Current operating				
Instruction				
Regular programs	77,605	77,605	75,756	1,849
Special education programs	86,194	86,194	84,280	1,914
Other programs	11,315	11,315	8,073	3,242
Support services				
Pupils	23,528	23,528	23,120	408
Instructional staff	8,021	8,021	7,440	581
General administration	15,367	15,367	15,978	(611)
School administration	34,722	34,722	34,555	167
Business	132,345	132,345	128,189	4,156
Central	20,539	20,539	20,819	(280)
Community services	<u>7</u>	<u>7</u>	<u>5</u>	<u>2</u>
 Total expenditures disbursed	 <u>409,643</u>	 <u>409,643</u>	 <u>398,215</u>	 <u>11,428</u>
 Net change in fund balance	 <u>\$ (37,479)</u>	 <u>\$ (46,087)</u>	 (70,709)	 <u>\$ (24,622)</u>
 Fund balances at beginning of year			 <u>263,547</u>	
 Fund balances at end of year			 <u>\$ 192,838</u>	

Worth School District 127

Schedule of Revenues Received, Expenditures Disbursed and Changes in Fund Balance - Modified Cash Basis - Budget and Actual

<i>Year Ended June 30, 2025</i>	Debt Service Fund			
	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues Received				
Local sources				
Property taxes	\$ 742,398	\$ 717,398	\$ 838,064	\$ 120,666
Earnings on investments	<u>1,000</u>	<u>5,000</u>	<u>14,116</u>	<u>9,116</u>
Total revenues received	<u>743,398</u>	<u>722,398</u>	<u>852,180</u>	<u>129,782</u>
Expenditures Disbursed				
Current operating				
Debt service				
Principal	204,556	204,556	204,556	-
Interest	929,144	929,144	929,144	-
Other	<u>2,000</u>	<u>2,000</u>	<u>2,400</u>	<u>(400)</u>
Total expenditures disbursed	<u>1,135,700</u>	<u>1,135,700</u>	<u>1,136,100</u>	<u>(400)</u>
Excess (deficiency) of revenues received over (under) expenditures disbursed	<u>(392,302)</u>	<u>(413,302)</u>	<u>(283,920)</u>	<u>129,382</u>
Other financing sources (uses)				
Transfers in	<u>250,000</u>	<u>498,700</u>	<u>498,700</u>	<u>-</u>
Total other financing sources (uses)	<u>250,000</u>	<u>498,700</u>	<u>498,700</u>	<u>-</u>
Net change in fund balance	<u>\$ (142,302)</u>	<u>\$ 85,398</u>	214,780	<u>\$ 129,382</u>
Fund balances at beginning of year			<u>259,082</u>	
Fund balances at end of year			<u>\$ 473,862</u>	

Worth School District 127

Schedule of Revenues Received, Expenditures Disbursed and Changes in Fund Balance - Modified Cash Basis - Budget and Actual

<i>Year Ended June 30, 2025</i>	Fire Prevention and Safety Fund			
	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues Received				
Local sources				
Property taxes	\$ 92,894	\$ 88,357	\$ 85,877	\$ (2,480)
Earnings on investments	<u>20,000</u>	<u>20,000</u>	<u>38,553</u>	<u>18,553</u>
Total revenues received	<u>112,894</u>	<u>108,357</u>	<u>124,430</u>	<u>16,073</u>
Expenditures Disbursed				
Current operating				
Support services				
Facility acquisition and construction services				
Capital outlay	<u>300,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures disbursed	<u>300,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	<u><u>\$ (187,106)</u></u>	<u><u>\$ 108,357</u></u>	124,430	<u><u>\$ 16,073</u></u>
Fund balances at beginning of year			<u>1,077,629</u>	
Fund balances at end of year			<u><u>\$ 1,202,059</u></u>	

Worth School District 127

Schedule of Assessed Valuations, Tax Extensions and Collections

Last Nine Tax Levy Years

	2024*	2023	2022	2021
Assessed Valuations	<u>\$ 241,852,760</u>	<u>\$ 242,618,771</u>	<u>\$ 190,646,230</u>	<u>\$ 190,843,506</u>
Tax Rates:				
Educational	3.0000	3.1385	3.9336	3.6926
Special education	0.3296	0.3144	0.4000	0.3778
Operations and maintenance	0.4531	0.4323	0.5500	0.5397
Bond and interest	0.4175	0.3029	0.3855	0.3851
Transportation	0.0544	0.0637	0.0810	0.0810
Municipal retirement	0.0526	0.0318	0.0270	0.0270
Social security	0.1228	0.0637	0.1081	0.1079
Working cash	0.0412	0.0393	0.0500	0.0500
Tort immunity	0.0175	0.0637	0.0702	0.0675
Fire prevention and safety	<u>0.0035</u>	<u>0.0786</u>	<u>0.1000</u>	<u>0.0944</u>
Total	<u>4.4922</u>	<u>4.5289</u>	<u>5.7054</u>	<u>5.4230</u>
Tax Extensions:				
Educational	\$ 7,255,530	\$ 7,614,485	\$ 7,499,281	\$ 7,047,006
Special education	797,035	762,807	762,585	721,000
Operations and maintenance	1,095,922	1,048,859	1,048,554	1,030,000
Debt services	1,009,830	735,000	735,000	735,000
Transportation	131,534	154,500	154,500	154,500
Municipal retirement	127,292	77,250	51,500	51,500
Social security	297,010	154,500	206,000	206,000
Working cash	99,629	95,351	95,323	95,422
Tort immunity	42,431	154,500	133,900	128,750
Fire prevention and safety	<u>8,487</u>	<u>190,702</u>	<u>190,646</u>	<u>180,250</u>
Total	<u>\$ 10,864,700</u>	<u>\$ 10,987,954</u>	<u>\$ 10,877,289</u>	<u>\$ 10,349,428</u>
Taxes collected	<u>\$ 5,474,949</u>	<u>\$ 10,288,848</u>	<u>\$ 10,870,751</u>	<u>\$ 9,821,983</u>
Percent of Total Levy Collected	<u>50.39 %</u>	<u>93.64 %</u>	<u>99.94 %</u>	<u>94.90 %</u>

* Preliminary amounts reported as Cook County has not finalized the 2024 rates and extensions at the time of this report.

	2020	2019	2018	2017	2016
	<u>\$ 210,975,691</u>	<u>\$ 169,912,061</u>	<u>\$ 170,244,692</u>	<u>\$ 176,548,611</u>	<u>\$ 150,600,941</u>
	3.2391	3.9107	4.3277	4.1480	3.3711
	0.3224	0.4000	0.4000	0.3425	0.3853
	0.4433	0.5500	0.5500	0.4709	0.5298
	0.4326	0.4326	0.4163	0.4163	0.4880
	0.1465	0.2425	0.2269	0.1896	1.5028
	0.0488	0.0606	0.0605	0.0583	0.1026
	0.1221	0.0606	0.0605	0.0583	0.1197
	0.0403	0.0500	0.0500	0.0428	0.0482
	0.0488	0.0606	0.0605	0.1021	0.1368
	<u>0.0806</u>	<u>0.1000</u>	<u>0.1000</u>	<u>0.0856</u>	<u>0.0968</u>
	<u>4.9245</u>	<u>5.8676</u>	<u>6.2524</u>	<u>5.9144</u>	<u>6.7811</u>
\$	6,833,774	\$ 6,644,766	\$ 7,367,711	\$ 7,323,151	\$ 5,076,975
	680,109	679,648	680,979	604,648	580,226
	935,150	934,516	936,346	831,391	797,810
	735,000	735,000	735,000	735,000	735,000
	309,000	412,000	386,250	334,750	2,263,228
	103,000	103,000	103,000	103,000	154,000
	257,500	103,000	103,000	103,000	180,250
	85,014	84,956	85,122	75,581	72,528
	103,000	103,000	103,000	180,250	206,000
	<u>170,027</u>	<u>169,912</u>	<u>170,245</u>	<u>151,162</u>	<u>145,056</u>
\$	<u>10,211,574</u>	<u>\$ 9,969,798</u>	<u>\$ 10,670,653</u>	<u>10,441,933</u>	<u>10,211,073</u>
\$	<u>10,111,797</u>	<u>\$ 9,650,076</u>	<u>\$ 10,261,204</u>	<u>\$ 10,142,457</u>	<u>\$ 9,784,674</u>
	<u>99.02 %</u>	<u>96.79 %</u>	<u>96.16 %</u>	<u>97.13 %</u>	<u>95.82 %</u>