

New Issue

Date of Sale: Thursday, January 22, 2026

Series 2026A Bonds: Between 10:30 and 10:45 AM., CST

Series 2026B Bonds: Between 11:00 and 11:15AM., CST

(Open Speer Auction)

Investment Rating:

S&P Global Ratings ... "AAA" (Stable Outlook)

### Preliminary Official Statement

*Subject to compliance by the District with certain covenants, in the opinion of Chapman and Cutler LLP, Chicago, Illinois ("Bond Counsel"), under present law, interest on the Bonds is excludable from gross income of the owners thereof for federal income tax purposes and is not includable as an item of tax preference in computing the federal alternative minimum tax for individuals. Interest on the Bonds may affect the corporate alternative minimum tax for certain corporations. Interest on the Bonds is not exempt from present State of Illinois income taxes. See "TAX EXEMPTION" herein for a more complete discussion. The Bonds are "qualified tax-exempt obligations" under Section 265(b)(3) of the Internal Revenue Code of 1986, as amended. See "QUALIFIED TAX-EXEMPT OBLIGATIONS" herein.*



### SCHOOL DISTRICT NUMBER 27

Cook County, Illinois  
(NORTHBROOK)

**\$5,265,000\* General Obligation School Bonds, Series 2026A**  
**\$585,000\* General Obligation Limited Tax School Bonds, Series 2026B**

#### Dated Date of Delivery

#### Bank Qualified

#### Book-Entry

#### Due Serially As Detailed Herein

The \$5,265,000\* General Obligation School Bonds, Series 2026A (the "Series 2026A Bonds") and the \$585,000\* General Obligation Limited Tax School Bonds, Series 2026B (the "Series 2026B Bonds", and together with the Series 2026A Bonds, the "Bonds") are being issued by the School District Number 27, Cook County, Illinois (the "District"). Interest is payable semiannually on June 1 and December 1 of each year, commencing December 1, 2026. Interest is calculated based on a 360-day year of twelve 30-day months. The Bonds will be issued using a book-entry system. The Depository Trust Company, New York, New York ("DTC"), will act as securities depository for the Bonds. The ownership of one fully registered Bond for each maturity will be registered in the name of Cede & Co., as nominee for DTC and no physical delivery of Bonds will be made to purchasers. The Bonds will mature on December 1 as detailed herein.

### OPTIONAL REDEMPTION

The Series 2026A Bonds due December 1, 2036-2050, inclusive, are callable in whole or in part on any date on or after December 1, 2035, at a price of par and accrued interest to the redemption date. If less than all the Series 2026A Bonds of a series are called, they shall be redeemed in such principal amounts and from such maturities as determined by the District and within any maturity by lot. See "OPTIONAL REDEMPTION" herein.

The Series 2026B Bonds are not subject to optional redemption prior to maturity.

### PURPOSE, LEGALITY AND SECURITY

The Series 2026A Bond proceeds will be used to finance fire prevention and life safety improvements to existing school buildings of the District and to pay the costs of issuing the Series 2026A Bonds. See "THE PROJECTS - Series 2026A Bonds" herein.

The Series 2026B Bond proceeds will be used to increase the working cash fund of the District and to pay the costs of issuing the Series 2026B Bonds. See "THE PROJECTS - Series 2026B Bonds" herein.

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

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

This Official Statement is dated January 8, 2026, and has been prepared under the authority of the District. An electronic copy of this Official Statement is available from the [www.speerfinancial.com](http://www.speerfinancial.com) web site under "Debt Auction Center/Competitive Official Statement Sales Calendar". Additional copies may be obtained from Kimberly Rio, Ed.D., CSBO, Assistant Superintendent for Finance & Operations, 1250 Sanders Road, Northbrook, Illinois 60062 or from the Municipal Advisor to the District:

The logo for Speer Financial, Inc. It features a stylized 'S' and 'F' intertwined, followed by the company name "Speer Financial, Inc." in a serif font. Below the name, it says "INDEPENDENT MUNICIPAL ADVISORS • ESTABLISHED 1954".

*\*Subject to change.*

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

The Official Statement, when further supplemented by an addendum or addenda specifying the maturity dates, principal amounts and interest rates of the Bonds, together with any other information required by law or deemed appropriate by the District, shall constitute a “Final Official Statement” of the District with respect to the Bonds, as that term is defined in Rule 15c2-12. Any such addendum or addenda shall, on and after the date thereof, be fully incorporated herein and made a part hereof by reference. Alternatively, such final terms of the Bonds and other information may be included in a separate document entitled “Final Official Statement” rather than through supplementing the Official Statement by an addendum or addenda.

No dealer, broker, salesman or other person has been authorized by the District to give any information or to make any representations with respect to the Bonds other than as contained in the Official Statement and the Final Official Statement and, if given or made, such other information or representations must not be relied upon as having been authorized by the District. Certain information contained in the Official Statement and the Final Official Statement may have been obtained from sources other than records of the District and, while believed to be reliable, is not guaranteed as to completeness. **THE INFORMATION AND EXPRESSIONS OF OPINION IN THE OFFICIAL STATEMENT AND THE FINAL OFFICIAL STATEMENT ARE SUBJECT TO CHANGE, AND NEITHER THE DELIVERY OF THE OFFICIAL STATEMENT OR THE FINAL OFFICIAL STATEMENT NOR ANY SALE MADE UNDER EITHER SUCH DOCUMENT SHALL CREATE ANY IMPLICATION THAT THERE HAS BEEN NO CHANGE IN THE AFFAIRS OF THE DISTRICT SINCE THE RESPECTIVE DATES THEREOF.**

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

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

References herein to laws, rules, regulations, ordinances, resolutions, agreements, reports and other documents do not purport to be comprehensive or definitive. All references to such documents are qualified in their entirety by reference to the particular document, the full text of which may contain qualifications of and exceptions to statements made herein. Where full texts have not been included as appendices to the Official Statement or the Final Official Statement, they will be furnished on request. This Official Statement does not constitute an offer to sell, or solicitation of an offer to buy, any securities to any person in any jurisdiction where such offer or solicitation of such offer would be unlawful.

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

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## **BOND ISSUE SUMMARY**

This Bond Issue Summary is expressly qualified by the entire Official Statement, including the Official Notices of Sale and the Official Bid Forms, which are provided for the convenience of potential investors and which should be reviewed in their entirety by potential investors. The following descriptions apply equally to the Bonds. Other terms specific to each series are provided separately herein.

**Issuer:** School District Number 27, Cook County, Illinois (Northbrook) (the “District”).

**Dated Date:** Date of delivery, expected to be on or about February 10, 2026.

**Authorization:** Bond Resolutions to be adopted by the Board of Education of the District on the 22<sup>nd</sup> day of January, 2026 (the “Bond Resolution”).

**Investment Rating:** The Bonds have been rated “AAA” (Stable Outlook) by S&P Global Ratings, a business unit of Standard & Poor’s Financial Services LLC, New York, New York (“S&P”). See “**INVESTMENT RATING**” herein.

**Tax Exemption:** Bond Counsel will provide an opinion as to the federal tax exemption of the interest on the Bonds as discussed under “**TAX EXEMPTION**” in this Official Statement. Interest on the Bonds is not exempt from present State of Illinois income taxes.

**Bank Qualification:** The Bonds are “qualified tax-exempt obligations” under Section 265(b)(3) of the Internal Revenue Code of 1986, as amended. See “**QUALIFIED TAX-EXEMPT OBLIGATIONS**” herein.

**Bond Registrar/Paying Agent:** Amalgamated Bank of Chicago, Chicago, Illinois (the “Bond Registrar”).

**Delivery:** The Bonds are expected to be delivered on or about February 10, 2026.

**Book-Entry Form:** The Bonds will be registered in the name of Cede & Co., as nominee for The Depository Trust Company, New York, New York (“DTC”). DTC will act as securities depository of the Bonds. See **APPENDIX B** herein.

**Denomination:** \$5,000 or integral multiples thereof.

**Municipal Advisor:** Speer Financial, Inc., Chicago, Illinois.

**Bond/Disclosure Counsel:** Chapman and Cutler LLP, Chicago, Illinois.

## THE SERIES 2026A BONDS

<b>Issue:</b>	\$5,265,000* General Obligation School Bonds, Series 2026A (the “Series 2026A Bonds”).
<b>Purpose:</b>	The Series 2026A Bonds are being issued to finance fire prevention and life safety improvements to existing school buildings of the District and to pay the costs of issuing the Series 2026A Bonds. See “ <b>THE PROJECTS – The Series 2026A Bonds</b> ” herein.
<b>Security:</b>	The Series 2026A Bonds are valid and legally binding obligations of the District payable both as to principal and interest from ad valorem taxes levied against all taxable property therein without limitation as to rate or amount. See “ <b>DESCRIPTION OF THE SERIES 2026A BONDS</b> ” herein.
<b>Interest Due:</b>	Each June 1 and December 1, commencing December 1, 2026.
<b>Principal Due:</b>	December 1, commencing December 1, 2030 through December 1, 2050.
<b>Optional Redemption:</b>	The Series 2026A Bonds maturing on or after December 1, 2036, are callable at the option of the District on any date on or after December 1, 2035 at a price of par plus accrued interest to the redemption date. See “ <b>OPTIONAL REDEMPTION</b> ” herein.

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

Principal Amount*	Due Dec. 1	Interest Rate	Yield	CUSIP Number(1)	Principal Amount*	Due Dec. 1	Interest Rate	Yield	CUSIP Number(1)
\$155,000.....2030		%	%	_____	\$255,000.....2041		%	%	_____
160,000.....2031		%	%	_____	265,000.....2042		%	%	_____
170,000.....2032		%	%	_____	280,000.....2043		%	%	_____
175,000.....2033		%	%	_____	290,000.....2044		%	%	_____
185,000.....2034		%	%	_____	300,000.....2045		%	%	_____
195,000.....2035		%	%	_____	315,000.....2046		%	%	_____
205,000.....2036		%	%	_____	325,000.....2047		%	%	_____
215,000.....2037		%	%	_____	340,000.....2048		%	%	_____
225,000.....2038		%	%	_____	355,000.....2049		%	%	_____
240,000.....2039		%	%	_____	370,000.....2050		%	%	_____
245,000.....2040		%	%	_____					

*Any consecutive maturities may be aggregated into term Bonds at the option of the bidder, in which case the mandatory redemption provisions shall be on the same schedule as above.*

\*Subject to change.

(1)CUSIP numbers appearing in this Official Statement have been provided by CUSIP Global Services (“CGS”). CGS is managed on behalf of the American Bankers Association by FactSet Research Systems Inc. The District is not responsible for the selection of CUSIP numbers and makes no representation as to their correctness on the Series 2026A Bonds or as set forth above.

## THE SERIES 2026B BONDS

**Issue:** \$585,000\* General Obligation Limited Tax School Bonds, Series 2026B (the “Series 2026B Bonds”).

**Purpose:** The Series 2026B Bonds are being issued to increase the working cash fund of the District and to pay the costs of issuing the Series 2026B Bonds. See “**THE PROJECTS – The Series 2026B Bonds**” herein.

**Security:** The Series 2026B Bonds are valid and legally binding upon the District and are payable from any funds of the District legally available for such purpose, and all taxable property in the District is subject to the levy of taxes to pay the same without limitation as to rate. The amount of said taxes that may be extended to pay the Series 2026B Bonds is limited as provided by law. See “**DESCRIPTION OF THE SERIES 2026B BONDS**” herein.

**Interest Due:** Each June 1 and December 1, commencing December 1, 2026.

**Principal Due:** December 1, commencing December 1, 2026 through December 1, 2029.

**No Optional Redemption:** The Series 2026B Bonds are not subject to optional redemption prior to maturity.

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

Principal Amount*	Due Dec. 1	Interest Rate	Yield	CUSIP Number(1)	Principal Amount*	Due Dec. 1	Interest Rate	Yield	CUSIP Number(1)
\$180,000.....	2026				\$135,000.....	2028			
130,000.....	2027				140,000.....	2029			

*Any consecutive maturities may be aggregated into term Bonds at the option of the bidder, in which case the mandatory redemption provisions shall be on the same schedule as above.*

*\*Subject to change.*

*(1) CUSIP numbers appearing in this Official Statement have been provided by CUSIP Global Services (“CGS”). CGS is managed on behalf of the American Bankers Association by FactSet Research Systems Inc. The District is not responsible for the selection of CUSIP numbers and makes no representation as to their correctness on the Series 2026B Bonds or as set forth above.*

**SCHOOL DISTRICT NUMBER 27  
Cook County, Illinois  
(NORTHBROOK)**

**Board of Education**

Matthew Basinger  
*President*

Dr. Gali Oren-Amit  
*Vice President*

Opi Akuffo  
Martha Carlos

Marylse Cohen

Jack Waddle  
Daniel Walsh

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**Officials**

John B. Deiter, Ph.D.  
*Superintendent*

Kimberly Rio, Ed.D., CSBO  
*Assistant Superintendent for Finance and Operations*

**INTRODUCTION**

The purpose of this Official Statement is to set forth certain information concerning the School District Number 27, Cook County, Illinois (Northbrook) (the “District”), in connection with the offering and sale of its \$5,265,000\* General Obligation School Bonds, Series 2026A (the “Series 2026A Bonds”) and \$585,000\* General Obligation Limited Tax School Bonds, Series 2026B (the “Series 2026B Bonds” and, together with the Series 2026A Bonds, the “Bonds”).

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

*\*Subject to change.*

## **AUTHORIZATION, SECURITY AND GENERAL DESCRIPTION**

The Bonds are being issued pursuant to the School Code of the State of Illinois (the “School Code”), the Local Government Debt Reform Act of the State of Illinois (the “Debt Reform Act”), and all laws amendatory thereof and supplementary thereto, and two bond resolutions to be adopted by the Board of Education of the District (the “Board”) on the 22nd day of January, 2026 (together the “Bond Resolution”).

### **The Series 2026A Bonds**

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

### **The Series 2026B Bonds**

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

### **General Description**

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

The Bonds will mature as shown on pages 2 and 3 hereof. Interest on the Bonds will be payable each June 1 and December 1, beginning December 1, 2026. The Bonds will bear interest from their dated date, or from the most recent interest payment date to which interest has been paid or provided for, computed on the basis of a 360-day year consisting of twelve 30-day months. The principal of the Bonds will be payable in lawful money of the United States of America upon presentation and surrender thereof at the principal corporate trust office of the Bond Registrar. Interest on each Bond will be paid by check or draft of the Bond Registrar payable upon presentation in lawful money of the United States of America to the person in whose name such Bond is registered at the close of business on the record date, which is the 15th day of the month next preceding the interest payment date (the “Record Date”).

## THE PROJECTS

### The Series 2026A Bonds

The Series 2026A Bond proceeds will be used to finance fire prevention and life safety improvements to existing school buildings in the District (the “Life Safety Project”) and to pay the costs of issuing the Series 2026A Bonds. The Life Safety Project includes electrical and mechanical upgrades and a roof replacement for Hickory Point Elementary School. The Life Safety Project was completed in the summer of 2024 with funds to the credit of the District’s Operation and Maintenance Fund (the “O&M Fund”). At closing, proceeds of the Life Safety Bonds will be deposited in the District’s Life Safety Fund and then transferred to the O&M Fund to reimburse the O&M Fund for Life Safety Project expenditures.

### The Series 2026B Bonds

The Series 2026B Bond proceeds will be used to increase the Working Cash Fund of the District and to pay the costs of issuing the Series 2026B Bonds. After proper abatement and transfer from the Working Cash Fund, such proceeds will be used to reimburse the District for expenses incurred related to improvements to the Hickory Point Elementary School.

## SOURCES AND USES

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

	<u>The Series 2026A Bonds</u>	<u>The Series 2026B Bonds</u>
<b>SOURCES:</b>		
Principal Amount .....	\$ _____	\$ _____
Original Issue Premium .....	\$ _____	\$ _____
Total Sources .....	\$ _____	\$ _____
<b>USES:</b>		
Costs of the Projects .....	\$ _____	\$ _____
Costs of Issuance(1).....	\$ _____	\$ _____
Total Uses .....	\$ _____	\$ _____

Note: (1) Includes underwriter's discount, fixed costs of issuance and contingencies.

## OPTIONAL REDEMPTION

### The Series 2026A Bonds

The Series 2026A Bonds due December 1, 2036-2050, inclusive, are callable in whole or in part on any date on or after December 1, 2035, at a price of par and accrued interest to the redemption date. If less than all the Series 2026A Bonds are called, they shall be redeemed in such principal amounts and from such maturities as determined by the District and within any maturity by lot.

The Bond Registrar will give notice of redemption, identifying the Series 2026A Bonds (or portions thereof) to be redeemed, by mailing a copy of the redemption notice by first class mail not less than thirty (30) days nor more than sixty (60) days prior to the date fixed for redemption to the registered owner of each Bond (or portion thereof) to be redeemed at the address shown on the registration books maintained by the Bond Registrar (the "Register"). Unless moneys sufficient to pay the redemption price of the Series 2026A Bonds to be redeemed are received by the Bond Registrar prior to the giving of such notice of redemption, such notice may, at the option of the District, state that said redemption will be conditional upon the receipt of such moneys by the Bond Registrar on or prior to the date fixed for redemption. If such moneys are not received, such notice will be of no force and effect, the District will not redeem such Series 2026A Bonds, and the Bond Registrar will give notice, in the same manner in which the notice of redemption has been given, that such moneys were not so received and that such Series 2026A Bonds will not be redeemed. Otherwise, prior to any redemption date, the District will deposit with the Bond Registrar an amount of money sufficient to pay the redemption price of all the Series 2026A Bonds or portions of Series 2026A Bonds which are to be redeemed on that date.

Subject to the provisions for a conditional redemption described above, notice of redemption having been given as described above and in the Bond Resolution, and notwithstanding failure to receive such notice, the Series 2026A Bonds or portions of Series 2026A Bonds so to be redeemed will, on the redemption date, become due and payable at the redemption price therein specified, and from and after such date (unless the District shall default in the payment of the redemption price) such Series 2026A Bonds or portions of Series 2026A Bonds shall cease to bear interest. Upon surrender of such Series 2026A Bonds for redemption in accordance with said notice, such Series 2026A Bonds will be paid by the Bond Registrar at the redemption price.

## **The Series 2026B Bonds**

The Series 2026B Bonds are not subject to optional redemption prior to maturity.

### **DESCRIPTION OF THE SERIES 2026A BONDS**

The Series 2026A Bonds are valid and legally binding upon the District and are payable from any funds of the District legally available for such purpose, and all taxable property in the District is subject to the levy of taxes to pay the same without limitation as to rate or amount.

Pursuant to Public Act 103-0591, effective July 1, 2024, levies to pay school fire and prevention bonds, such as the Series 2026A Bonds, are excepted from the Property Tax Extension Limitation Law of the State of Illinois, as amended (the "Limitation Law"). See "**REAL PROPERTY ASSESSMENT, TAX LEVY AND COLLECTION PROCEDURES—Property Tax Extension Limitation Law**" herein for more information. The Series 2026A Bond Resolution provides for the levy of ad valorem taxes, unlimited as to rate or amount, upon all taxable property within the District in amounts sufficient to pay, as and when due, all principal of and interest on the Series 2026A Bonds. The Series 2026A Bond Resolution will be filed with the County Clerk of The County of Cook, Illinois (the "County Clerk"), and will serve as authorization to the County Clerk to extend and collect the property taxes as set forth in the Series 2026A Bond Resolution to pay the Series 2026A Bonds.

### **DESCRIPTION OF THE SERIES 2026B BONDS**

The Series 2026B Bonds are valid and legally binding upon the District, and all taxable property in the District is subject to the levy of ad valorem taxes to pay the same without limitation as to rate.

Although the obligation of the District to pay the Series 2026B Bonds is a general obligation under the Debt Reform Act and all taxable property in the District is subject to the levy of ad valorem taxes to pay the Series 2026B Bonds without limitation as to rate, the amount of said taxes that will be extended is limited by the Limitation Law.

The Debt Reform Act provides that the Series 2026B Bonds are payable from the debt service extension base (the "Base") of the District, which either (i) is an amount equal to that portion of the extension for the District for the 1994 levy year constituting an extension for payment of principal and interest on bonds issued by the District without referendum, but not including alternate bonds issued under Section 15 of the Debt Reform Act or refunding obligations issued to refund or to continue to refund obligations of the District initially issued pursuant to referendum or (ii) an amount approved by the voters of the District by referendum. The Tax Extension Limitation Law further provides that the annual amount of taxes to be extended to pay the Series 2026B Bonds and all other limited bonds heretofore and hereafter issued by the District shall not exceed the Base.

The District's Base, in the amount of \$2,655,099, was approved by the voters of the District at an election held on April 1, 2025 (the "Election"). At the Election, 1,532 votes (64.05%) were cast in favor of the establishment of the Base and 860 votes (35.95%) were cast in opposition.

The Series 2026B Bonds will constitute one of two series of outstanding limited bonds of the District which are payable from the Base.

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

#### Debt Service Extension Base Available After Issuance of the Series 2026B Bonds<sup>(1)(2)</sup>

Levy Year	Bond Year	Debt Service Extension Base	Debt Service		Total Limited Tax General Obligation Debt Service <sup>(3)</sup>	Unused Debt Service Extension Base <sup>(3)</sup>
			Series 2025B Bonds	Series 2026B(3) Bonds		
2025	2026	\$2,655,099	\$ 1,496,423	\$203,644	\$ 1,700,067	\$ 955,032
2026	2027	2,655,099	1,497,838	150,250	1,648,088	1,007,012
2027	2028	2,655,099	1,496,088	148,750	1,644,838	1,010,262
2028	2029	2,655,099	1,498,588	147,000	1,645,588	1,009,512
2029	2030	2,655,099	1,495,088	0	1,495,088	1,160,012
2030	2031	2,655,099	1,495,838	0	1,495,838	1,159,262
2031	2032	2,655,099	1,495,588	0	1,495,588	1,159,512
2032	2033	2,655,099	1,499,338	0	1,499,338	1,155,762
2033	2034	2,655,099	1,496,838	0	1,496,838	1,158,262
2034	2035	2,655,099	1,498,338	0	1,498,338	1,156,762
2035	2036	2,655,099	1,498,588	0	1,498,588	1,156,512
2036	2037	2,655,099	1,497,588	0	1,497,588	1,157,512
2037	2038	2,655,099	1,495,338	0	1,495,338	1,159,762
2038	2039	2,655,099	1,496,838	0	1,496,838	1,158,262
2039	2040	2,655,099	1,496,838	0	1,496,838	1,158,262
2040	2041	2,655,099	1,495,338	0	1,495,338	1,159,762
2041	2042	2,655,099	1,497,338	0	1,497,338	1,157,762
2042	2043	2,655,099	1,497,588	0	1,497,588	1,157,512
2043	2044	2,655,099	1,498,388	0	1,498,388	1,156,712
2044	2045	2,655,099	1,497,988	0	1,497,988	1,157,112
2045	2046	2,655,099	2,166,388	0	2,166,388	488,712
2046	2047	2,655,099	2,163,063	0	2,163,063	492,037
2047	2048	2,655,099	2,167,188	0	2,167,188	487,912
2048	2049	2,655,099	2,163,338	0	2,163,338	491,762
2049	2050	2,655,099	2,166,725	0	2,166,725	488,374
2050	2051	2,655,099	2,166,925	0	2,166,925	488,174
2051	2052	2,655,099	2,163,938	0	2,163,938	491,162
2052	2053	2,655,099	2,162,763	0	2,162,763	492,337
2053	2054	2,655,099	2,163,188	0	2,163,188	491,912
Total			\$49,425,298	\$649,644	\$50,074,942	

Notes: (1) Source: the District.  
 (2) Amounts are rounded.  
 (3) Subject to change.

## **RISK FACTORS**

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

### **Construction Risks**

There are potential risks that could affect the ability of the District to timely complete the Project. While preliminary costs have been projected by the District's consulting architects, not all of the construction contracts have been let by the District. No assurance can be given that the cost of completing the Project will not exceed available funds. Completion of the Project involves many risks common to construction projects such as shortages or delays in the availability of materials and labor, work stoppages, labor disputes, contractual disputes with contractors or suppliers, weather interferences, construction accidents, delays in obtaining legal approvals, unforeseen engineering, archeological or environmental problems and unanticipated cost increases, any of which could give rise to significant delays or cost overruns.

### **Finances of the State of Illinois**

State funding sources constituted approximately 1% of the District's General Fund (Educational Fund and Operations & Maintenance Fund) revenue sources for the fiscal year ended June 30, 2025. While the finances of the State of Illinois (the "State") have significantly improved in recent years, the State continues to deal with a severe underfunding of its pension systems, which, based on the comprehensive annual financial reports of the State's five retirement systems, have a combined unfunded pension liability of approximately \$140 billion and a combined funded ratio of approximately 45%. Also, despite nine credit rating upgrades since June 2021, the State's long term general obligation bonds carry the lowest ratings of all states.

### **Federal Revenues**

Illinois school districts receive direct and indirect funding from various federal programs, such as Title I, the Individuals with Disabilities Education Act, and nutrition programs such as the National School Lunch and Breakfast Programs. These programs are subject to the priorities and policies of the federal government, which may change significantly from one administration to another, and such programs may be modified through executive action or through legislation enacted by Congress. Under the current administration, the federal government has taken executive actions to reduce the size and scope of the U.S. Department of Education, to terminate or restrict certain programs and services for students with disabilities, low-income students, and students from diverse backgrounds, and to impose new conditions and requirements for federal funding. These actions may impact the availability and amount of federal revenues received by Illinois school districts, such as the District. The District makes no prediction as to the effect of these actions on the District's federal revenues, which constituted 1.74% of the District's General Fund revenue sources for the fiscal year ended June 30, 2025, or the District's ability to comply with federal laws and regulations in the future.

## Future Pension Plan Funding Requirements

The District participates in the TRS and the IMRF (each as defined and described herein). Increasing annual required employer contributions for the District could have a material adverse effect on the finances of the District. See “**PENSION AND RETIREMENT OBLIGATIONS**” for more information on the District’s pension obligations.

## Cybersecurity

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

## Local Economy

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

## Concentration of Taxpayers

Based on the District’s 2023 EAV, the most current available for this purpose, the District’s ten largest taxpayers own 14.16% of the total current EAV (excluding TIF values) of taxable property in the District. See “**PROPERTY ASSESSMENT AND TAX INFORMATION—Principal Taxpayers**” herein for more information. If one or more of these taxpayers were to relocate from the District or cease operations, would be unable to pay its tax bills or was successful in challenging its assessed valuation, the timely receipt of tax dollars by the District could be affected. The District has the authority to levy deficiency taxes if debt service tax collections are inadequate. Notwithstanding, the value of the Bonds, the District’s ability to repay the Bonds or the timing of repayment could be adversely affected.

## Bond Rating

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

## **Secondary Market for the Bonds**

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

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

## **Continuing Disclosure**

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

## **Suitability of Investment**

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

## **Future Changes in Laws**

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

## **Factors Relating to Tax Exemption**

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

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

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

## **Bankruptcy**

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

## **Climate Change Risk**

There are potential risks to the State, the District and their respective financial condition that are associated with changes to the climate over time and with increases in the frequency, timing and severity of extreme weather events, causing or increasing the severity of flooding and other natural disasters. The District cannot predict how or when various climate change risks may occur, nor can it quantify the impact on the State or the District, its population or its financial condition. Over time, the costs could be significant and could have a material adverse effect on the District’s finances.

# **THE DISTRICT**

## **General Description**

The District is situated approximately 25 miles north of downtown Chicago and about four miles west of Lake Michigan. It serves students in Pre-K through eighth grade in the Village of Northbrook (the “Village”) and a portion of the Village of Deerfield. The District’s students attend Glenbrook North High School which is one of two high schools located within Glenbrook Township High School District Number 225.

The District has a network of transportation facilities including Interstate 94 which lies north of the District, Interstate 294 situated west of the District and Routes 43 and 68. The Milwaukee District North (MD-N) Line travels to and from Chicago with over 25 daily trips from the Village. Air transportation is provided by O’Hare International Airport, which is approximately 15 miles south. Midway Airport is 40 miles south and located seven miles from the District is Chicago Executive Airport.

## **Educational Facilities(1)**

The District operates three facilities, as further described below.

<u>Facility:</u>	<u>Grades</u>	<u>Current Enrollment</u>	<u>Capacity Enrollment</u>	<u>Constructed</u>
Hickory Point Elementary School .....	Pre K - 2	408	500	1969
Shabonee Elementary School .....	3-5	461	530	1968
Wood Oaks Junior High School.....	6-8	454	550	1972

Note: (1) Source: The District.

## **Enrollment(1)**

<u>School Year</u>	<u>Enrollment</u>	<u>School Year</u>	<u>Projected Enrollment</u>
2020-2021 .....	1,325	2025-2026	1,315
2021-2022 .....	1,336	2026-2027	1,329
2022-2023 .....	1,335	2027-2028	1,334
2023-2024 .....	1,333	2028-2029	1,337
2024-2025 .....	1,340	2029-2030	1,337

Note: (1) Source: The District.

## **Board of Education(1)**

The District is governed by the Board, whose members are elected for staggered terms of office. The Board is a policy making body whose primary functions are to establish policies for the District, provide for the general operation and personnel of the District, and oversee the property and facilities of the District. The Board elects a President and Vice President from its membership. The present members are as follows:

<u>Title</u>	<u>Name</u>	<u>Current Term Expires</u>
President .....	Matthew Basinger .....	2029
Vice President .....	Dr. Gali Oren-Amit .....	2029
Member .....	Opi Akuffo .....	2027
Member .....	Martha Carlos .....	2027
Member .....	Marylse Cohen .....	2029
Member .....	Jack Waddle .....	2027
Member .....	Daniel Walsh .....	2029

Note: (1) Source: The District.

## **Administration**

The District's Superintendent is Dr. John B. Deiter, who has been with the District since July of 2021. Prior to serving the District, Dr. Deiter served as the superintendent of the DeWitt Public Schools in DeWitt, Michigan for 10 years. Dr. Kimberly Rio serves as the District's Assistant Superintendent for Finance and Operations and served in this position for the past 25 years. Prior to Dr. Rio's service to the District, she served as the Business Manager of the Riverside-Brookfield High School District for three years.

## Employees

The District has approximately 228 employees of whom 151 are certified employees and 77 are non-certified.

Of the total number of employees, approximately 139 are represented by a union. Employee-union relations are considered to be good. District personnel are organized as follows:

<u>Employee Group</u>	<u>Contract Expires</u>	<u>Union Affiliation</u>	<u>Number of Members</u>
Teacher .....	June 2028	IEA	139

## SOCIOECONOMIC INFORMATION

Demographic information is not available for the District. Comparisons are made with the Village, Cook County (the "County") and the State.

## Employment

Following are lists of large employers located in the Village and in the surrounding area.

### Major Village Employers(1)

<u>Name</u>	<u>Product/Service</u>	<u>Approximate Employment</u>
Allstate Corporation.....	Corporate Headquarters; Insurance .....	8,000(2)
UL Solutions.....	Corporate Headquarters; Product Testing.....	1,500
Astellas Pharma US, Inc. ....	Corporate Headquarters; Pharmaceutical Services .....	1,150
Allstate Investments, LLC .....	Investment Management .....	750
Highland Baking Co, Inc. ....	Commercial Bakeries.....	615
Euromarket Designs, Inc. ....	Corporate Headquarters; Crate and Barrel.....	500
CF Industries Holdings, Inc. ....	Corporate Headquarters; Fertilizers .....	400
Hilco Global.....	Company Headquarters; Financial Services .....	400
Bell Flavors & Fragrances, Inc. ....	Corporate Headquarters; Natural Flavors and Fragrances .....	300
M. Holland Company, LLC .....	Plastic Resins .....	288
Wiss, Janney, Elstner Associates .....	Engineering Services.....	254
Birchwood Lighting, Inc., A Leviton Co. ....	Lighting Fixtures .....	200
Blue Chip Marketing.....	Advertising Agency.....	200
Luminex Corp.....	Medical Laboratories .....	200
Chicago Clinical Laboratories .....	Diagnostic Laboratories .....	200
Old World Industries, LLC .....	Automotive Parts .....	200
The Levy Co.....	Drywall Contractors .....	200

Notes: (1) Source: 2025 Illinois Services Directory and the 2025 Illinois Manufacturers Directory.

(2) Allstate Corporation's longtime corporate headquarters was located in the Village, occupying a 2 million square foot campus. In 2022, Allstate sold the Northbrook property as part of a transition to remote work for many employees. The site was purchased by an industrial developer and is being redeveloped into a logistics hub. Allstate continues to maintain a presence in the Chicago area.

## Major Area Employers(1)

<u>Location</u>	<u>Name</u>	<u>Business/Service</u>	<u>Approximate Employment</u>
Deerfield	Walgreens Boots Alliance, Inc.	Holding Company Headquarters; Pharmaceuticals and Home Healthcare Supplies	5,700
Northfield	Medline Industries, Inc.	Corporate Headquarters; Surgical and Medical Instruments	5,000
Deerfield	Walgreen Co.	Company Headquarters; Pharmacy & Drugstore	2,500
Deerfield	Baxter Healthcare Corp.	Corporate Headquarters; Pharmaceutical Products	2,500
Glenview	Abt Electronics, Inc.	Consumer Electronics & Appliances	1,800
Highland Park	Highland Park Hospital	General Hospital	1,200
Deerfield	Alera Group, Inc.	Corporate Headquarters; Risk and Wealth Management	1,150
Glenview	Kraft Heinz Foods Co., Technology Ctr.	Food Products	1,000
Glenview	Anixter, Inc.	Corporate Headquarters; Telecommunications Products	1,000
Glenview	Northshore Glenbrook Hospital	Hospital	1,000
Glenview	Glenbrook High School District 225	Secondary Education	815
Deerfield	Baxter Healthcare Corp.	Corporate Headquarters; Medical Equipment and Supplies	800
Deerfield	Essendant Co.	Company Headquarters; Office Equipment	800
Northfield	College of American Pathologists	Pathologists' Membership Association	750
Glenview	Illinois Tool Works, Inc.	Corporate Headquarters; Industrial Equipment	586
Deerfield	Trinity International University	University	500

Note: (1) Source: 2025 Illinois Manufacturers Directory, 2025 Illinois Services Directory and a selective telephone survey.

The following tables show employment by industry and by occupation for the Village, the County, and the State as reported by the U.S. Census Bureau 2019-2023 American Community Survey 5-Year Estimates (the "2019-2023 ACS") released by the U.S. Census Bureau in December 2024.

## Employment By Industry(1)

<u>Classification</u>	<u>The Village</u>		<u>The County</u>		<u>The State</u>	
	<u>Number</u>	<u>Percent</u>	<u>Number</u>	<u>Percent</u>	<u>Number</u>	<u>Percent</u>
Agriculture, Forestry, Fishing and Hunting, and Mining	18	0.1%	5,014	0.2%	64,288	1.0%
Construction	727	4.4%	120,465	4.7%	338,825	5.4%
Manufacturing	1,267	7.7%	242,723	9.4%	728,327	11.6%
Wholesale Trade	488	3.0%	61,180	2.4%	168,508	2.7%
Retail Trade	1,585	9.6%	236,793	9.1%	650,779	10.4%
Transportation and Warehousing, and Utilities	426	2.6%	201,110	7.8%	433,291	6.9%
Information	419	2.5%	51,027	2.0%	103,644	1.7%
Finance and Insurance, and Real Estate and Rental and Leasing	2,447	14.8%	217,703	8.4%	462,565	7.4%
Professional, Scientific, and Management, and Administrative and Waste Management Services	3,668	22.2%	411,128	15.9%	794,813	12.7%
Educational Services and Health Care and Social Assistance	3,762	22.8%	608,303	23.5%	1,470,742	23.5%
Arts, Entertainment and Recreation and Accommodation and Food Services	855	5.2%	221,832	8.6%	516,702	8.3%
Other Services, Except Public Administration	623	3.8%	122,385	4.7%	285,896	4.6%
Public Administration	241	1.5%	90,955	3.5%	234,863	3.8%
<b>Total</b>	<b>16,526</b>	<b>100.0%</b>	<b>2,590,618</b>	<b>100.0%</b>	<b>6,253,243</b>	<b>100.0%</b>

Note: (1) Source: 2019-2023 ACS.

## Employment By Occupation(1)

<u>Classification</u>	<u>The Village</u>		<u>The County</u>		<u>The State</u>	
	<u>Number</u>	<u>Percent</u>	<u>Number</u>	<u>Percent</u>	<u>Number</u>	<u>Percent</u>
Management, Business, Science and Arts	11,445	69.3%	1,181,349	45.6%	2,660,678	42.5%
Service	953	5.8%	416,526	16.1%	996,806	15.9%
Sales and Office	2,925	17.7%	491,974	19.0%	1,235,237	19.8%
Natural Resources, Construction, and Maintenance	563	3.4%	149,254	5.8%	443,661	7.1%
Production, Transportation, and Material Moving	640	3.9%	351,515	13.6%	916,861	14.7%
<b>Total</b>	<b>16,526</b>	<b>100.0%</b>	<b>2,590,618</b>	<b>100.0%</b>	<b>6,253,243</b>	<b>100.0%</b>

Note: (1) Source: 2019-2023 ACS.

### Annual Average Unemployment Rates(1)

Calendar Year	The Village	The County	The State
2021 .....	4.4%	7.0%	6.1%
2022 .....	3.6%	5.0%	4.6%
2023 .....	3.6%	4.5%	4.5%
2024 .....	4.3%	5.4%	5.0%
2025(2) .....	4.2%	4.9%	4.7%

Notes: (1) Source: Illinois Department of Employment Security.  
 (2) Preliminary rates for August 2025.

## Housing

The 2019-2023 ACS reported that the median value of the Village's owner-occupied homes was \$644,100. This compares to \$305,200 for the County and \$250,500 for the State. The following table represents the five year average market value of specified owner-occupied units for the Village, the County and the State at the time of the 2019-2023 ACS.

### Home Values(1)

Value	The Village		The County		The State	
	Number	Percent	Number	Percent	Number	Percent
Under \$50,000 .....	98	0.9%	41,998	3.5%	179,713	5.4%
\$50,000 to \$99,999.....	48	0.4%	40,050	3.3%	293,418	8.8%
\$100,000 to \$149,999.....	105	0.9%	84,534	7.1%	373,012	11.2%
\$150,000 to \$199,999.....	215	1.9%	117,090	9.8%	402,625	12.0%
\$200,000 to \$299,999.....	559	4.9%	303,912	25.4%	796,642	23.8%
\$300,000 to \$499,999.....	2,187	19.0%	361,818	30.2%	836,453	25.0%
\$500,000 to \$999,999.....	6,633	57.6%	193,482	16.1%	373,844	11.2%
\$1,000,000 or more .....	1,667	14.5%	55,950	4.7%	87,327	2.6%
Total .....	11,512	100.0%	1,198,834	100.0%	3,343,034	100.0%

Note: (1) Source: 2019-2023 ACS.

### Mortgage Status(1)

Value	The Village		The County		The State	
	Number	Percent	Number	Percent	Number	Percent
Housing Units with a Mortgage .....	6,624	57.5%	754,757	63.0%	2,056,770	61.5%
Housing Units without a Mortgage .....	4,888	42.5%	444,077	37.0%	1,286,264	38.5%
Total .....	11,512	100.0%	1,198,834	100.0%	3,343,034	100.0%

Note: (1) Source: 2019-2023 ACS.

## Income

### Per Capita Personal Income for the Highest Income Counties in the State(1)

Ranking	County	2019 to 2023
1 .....	DuPage County .....	\$57,051
2 .....	Lake County.....	55,756
3 .....	Monroe County .....	49,438
4 .....	McHenry County .....	48,275
5 .....	<b>Cook County .....</b>	<b>47,801</b>
6 .....	Will County.....	46,216
7 .....	Kane County .....	46,013
8 .....	Grundy County.....	43,744
9 .....	Piatt County .....	43,547
10 .....	Kendall County .....	43,127

Note: (1) Source: The 2019-2023 ACS.

The following shows the median family income for certain counties in the State.

### Ranking of Median Family Income(1)

County	Family Income	Ranking
DuPage County .....	\$136,376	1
Lake County .....	132,828	2
Monroe County .....	128,922	3
Will County .....	124,227	4
McHenry County .....	121,624	5
Kendall County .....	119,150	6
Kane County .....	116,477	7
<b>Cook County .....</b>	<b>102,297</b>	<b>12</b>

Note: (1) Source: The 2019-2023 ACS.

The 2019-2023 ACS reported that the Village had a median family income of \$206,150. This compares to \$102,297 for the County and \$103,504 for the State. The following table represents the distribution of family incomes for the Village, the County and the State at the time of the 2019-2023 ACS.

### Family Income(1)

Income	The Village		The County		The State	
	Number	Percent	Number	Percent	Number	Percent
Under \$10,000 .....	84	0.9%	42,405	3.5%	92,276	2.9%
\$10,000 to \$14,999.....	94	1.0%	22,515	1.9%	49,504	1.6%
\$15,000 to \$24,999.....	102	1.0%	51,737	4.3%	115,394	3.7%
\$25,000 to \$34,999.....	84	0.9%	63,491	5.2%	144,347	4.6%
\$35,000 to \$49,999.....	198	2.0%	102,147	8.4%	255,343	8.2%
\$50,000 to \$74,999.....	684	7.0%	162,053	13.4%	440,350	14.1%
\$75,000 to \$99,999.....	784	8.1%	147,639	12.2%	413,051	13.2%
\$100,000 to \$149,999.....	1,329	13.7%	232,849	19.2%	664,299	21.2%
\$150,000 to \$199,999.....	1,235	12.7%	150,406	12.4%	404,823	12.9%
\$200,000 or more .....	<u>5,131</u>	<u>52.8%</u>	<u>235,857</u>	<u>19.5%</u>	<u>552,865</u>	<u>17.7%</u>
Total.....	9,725	100.0%	1,211,099	100.0%	3,132,252	100.0%

Note: (1) Source: 2019-2023 ACS.

The 2019-2023 ACS reported that the Village had a median household income of \$155,321. This compares to \$81,797 for the County and \$81,702 for the State. The following table represents the distribution of household incomes for the Village, the County and the State at the time of the 2019-2023 ACS.

### Household Income(1)

Income	The Village		The County		The State	
	Number	Percent	Number	Percent	Number	Percent
Under \$10,000 .....	481	3.6%	124,398	6.0%	262,472	5.2%
\$10,000 to \$14,999.....	116	0.9%	79,619	3.8%	167,954	3.4%
\$15,000 to \$24,999.....	432	3.2%	131,723	6.3%	312,209	6.2%
\$25,000 to \$34,999.....	417	3.1%	135,473	6.5%	325,873	6.5%
\$35,000 to \$49,999.....	554	4.2%	199,836	9.6%	493,412	9.9%
\$50,000 to \$74,999.....	1,322	9.9%	297,564	14.3%	755,975	15.1%
\$75,000 to \$99,999.....	1,102	8.3%	256,665	12.3%	637,303	12.7%
\$100,000 to \$149,999.....	2,010	15.1%	356,146	17.1%	896,614	17.9%
\$150,000 to \$199,999.....	1,372	10.3%	201,564	9.7%	494,802	9.9%
\$200,000 or more .....	<u>5,490</u>	<u>41.3%</u>	<u>301,590</u>	<u>14.5%</u>	<u>655,290</u>	<u>13.1%</u>
Total.....	13,296	100.0%	2,084,578	100.0%	5,001,904	100.0%

Note: (1) Source: 2019-2023 ACS.

## DEFAULT RECORD

The District has no record of default.

## SHORT-TERM BORROWING

The District has not issued tax anticipation warrants or revenue anticipation notes during the last five years to meet its short-term current year cash flow requirements. Notwithstanding the delay in the receipt of second installment taxes for levy year 2024 (being distributed in calendar years 2025 and 2026), the District does not expect to issue any short-term debt, such as tax anticipation warrants. Instead, the District plans to address any cash flow needs as a result of such delay with working cash fund loans in anticipation of the receipt of such taxes.

## DEBT INFORMATION

After issuance of the Bonds, the District will have outstanding \$42,285,000\* principal amount of general obligation debt.

Except for the Bonds, the District does not intend to issue any debt within the next six months.

### General Obligation Bonded Debt(1)(2) (Principal Only)

Calendar Year	The Bonds(3)		Total Outstanding Debt(3)	Cumulative Principal Retired(3)			
	Series 2025A 12/1	Series 2025B 12/1		Series 2026A 12/1	Series 2026B 12/1	Amount	Percent
2026 .....	\$ 280,000	\$ 240,000	\$ 700,000			\$ 700,000	1.66%
2027 .....	325,000	335,000	790,000			1,490,000	3.52%
2028 .....	345,000	350,000	830,000			2,320,000	5.49%
2029 .....	360,000	370,000	870,000			3,190,000	7.54%
2030 .....	380,000	385,000	920,000			4,110,000	9.72%
2031 .....	395,000	405,000	960,000			5,070,000	11.99%
2032 .....	415,000	425,000	1,010,000			6,080,000	14.38%
2033 .....	435,000	450,000	1,060,000			7,140,000	16.89%
2034 .....	460,000	470,000	1,115,000			8,255,000	19.52%
2035 .....	480,000	495,000	1,170,000			9,425,000	22.29%
2036 .....	505,000	520,000	1,230,000			10,655,000	25.20%
2037 .....	530,000	545,000	1,290,000			11,945,000	28.25%
2038 .....	560,000	570,000	1,355,000			13,300,000	31.45%
2039 .....	585,000	600,000	1,425,000			14,725,000	34.82%
2040 .....	610,000	630,000	1,485,000			16,210,000	38.34%
2041 .....	635,000	660,000	1,550,000			17,760,000	42.00%
2042 .....	660,000	695,000	1,620,000			19,380,000	45.83%
2043 .....	685,000	730,000	1,695,000			21,075,000	49.84%
2044 .....	710,000	760,000	1,760,000			22,835,000	54.00%
2045 .....	740,000	790,000	1,830,000			24,665,000	58.33%
2046 .....	0	1,490,000	1,805,000			26,470,000	62.60%
2047 .....	0	1,550,000	1,875,000			28,345,000	67.03%
2048 .....	0	1,620,000	1,960,000			30,305,000	71.67%
2049 .....	0	1,685,000	2,040,000			32,345,000	76.49%
2050 .....	0	1,760,000	2,130,000			34,475,000	81.53%
2051 .....	0	1,835,000	1,835,000			36,310,000	85.87%
2052 .....	0	1,910,000	1,910,000			38,220,000	90.39%
2053 .....	0	1,990,000	1,990,000			40,210,000	95.09%
2054 .....	0	2,075,000	2,075,000			42,285,000	100.00%
Total .....	\$10,095,000	\$26,340,000	\$5,265,000	\$585,000		\$42,285,000	

Notes: (1) Source: The District.  
 (2) Mandatory redemption amounts shown for term bonds.  
 (3) Subject to change.

### Detailed Overlapping Bonded Debt(1)

	Outstanding Bonds	Applicable to the District	
		Percent	Amount
<u>Overlapping Debt:</u>			
The County.....	\$1,930,661,750	0.540%	\$10,425,573
Cook County Forest Preserve District.....	75,290,000	0.540%	406,566
Metropolitan Water Reclamation District of Greater Chicago .....	2,437,561,774	0.550%	13,406,590
Village of Deerfield .....	41,665,000	7.072%	2,946,549
The Village .....	121,296,000	29.221%	35,443,904
Deerfield Park District .....	4,765,000	6.481%	308,820
Northbrook Park District.....	16,100,000	29.289%	4,715,529
High School District 225.....	28,405,000	14.405%	4,091,740
Community College District 535 .....	53,185,000	3.559%	1,892,854
Total Overlapping General Obligation Bonded Debt.....			\$73,638,125

Note: (1) Source: The District's Annual Comprehensive Financial Report for the fiscal year ended June 30, 2025.

### Statement of Bonded Indebtedness(1)

	Amount Applicable	Ratio To	Per Capita (Estimated Pop. 11,142)
		Equalized Assessed	Estimated Actual
<u>District EAV of Taxable Property, 2024.....</u>			
District EAV of Taxable Property, 2024.....	\$1,081,769,160	100.00%	\$ 97,089.32
Estimated Actual Value, 2024 .....	\$3,245,307,480	300.00%	291,267.95
Total Direct Bonded Debt(2) .....	<u>\$ 42,285,000</u>	<u>3.91%</u>	<u>\$ 3,795.10</u>
Net Direct Bonded Debt(2).....	\$ 42,285,000	3.91%	\$ 3,795.10
<u>Overlapping Bonded Debt:(3)</u>			
Schools .....	\$ 5,984,594	0.55%	\$ 537.12
Other .....	67,653,531	6.25%	6,071.94
Total Overlapping Bonded Debt.....	<u>\$ 73,638,125</u>	<u>6.81%</u>	<u>\$ 6,609.06</u>
Net Direct and Total Overlapping Bonded Debt.....	\$ 115,923,125	10.72%	\$ 10,404.16

Notes: (1) Source: The County Clerk and the District.

(2) Includes the Bonds and is subject to change.

(3) Overlapping bonded debt as of June 30, 2025.

### Legal Debt Margin(1)

District EAV of Taxable Property, 2024 .....	\$1,081,769,160
Statutory Debt Limitation (6.9% of EAV).....	\$ 74,642,072

#### General Obligation Debt:

Series 2025A.....	\$10,095,000
Series 2025B.....	26,340,000
<u>The Bonds:(2)</u>	
Series 2026A.....	5,265,000
Series 2026B.....	585,000
Total General Obligation Bonded Debt(2).....	\$42,285,000

Total Applicable Debt(2).....	<u>\$ 42,285,000</u>
Legal Debt Margin(2) .....	\$ 32,357,072

Notes: (1) Source: The County Clerk and the District.

(2) Subject to change.

## PROPERTY ASSESSMENT AND TAX INFORMATION

For the 2023 levy year, the District's EAV was comprised of 65.65% residential, 16.95% commercial, and 17.40% industrial property valuations.

### District Equalized Assessed Valuation(1)

Property Class:	Levy Years					
	2019(2)	2020	2021	2022(2)	2023	2024
Residential .....	\$623,465,158	\$626,954,613	\$578,417,518	\$ 684,298,561	\$ 706,213,387	Details Not Available
Commercial .....	183,865,724	172,631,972	170,850,820	174,153,185	182,375,424	
Industrial.....	<u>167,281,071</u>	<u>176,520,073</u>	<u>161,671,343</u>	<u>178,590,429</u>	<u>187,154,067</u>	
Total .....	\$974,611,953	\$976,106,658	\$910,939,681	\$1,037,042,175	\$1,075,742,878	\$1,081,769,160
Percent Change +(-).....	14.95%(3)	0.15%	(6.68%)	13.84%	3.73%	0.56%

Notes: (1) Source: The County Clerk.  
 (2) Triennial reassessment year.  
 (3) Percentage change based on 2018 EAV of \$847,821,734.

### Representative Tax Rates(1) (Per \$100 EAV)

	Levy Years					Maximum Rate(2)
	2020	2021	2022	2023	2024	
<u>District Rates:</u>						
I.M.R.F .....	\$0.018	\$0.019	\$0.019	\$0.019	\$0.00001	No Limit
Social Security .....	0.070	0.077	0.070	0.068	0.00001	No Limit
Transportation .....	0.105	0.109	0.097	0.099	0.176	No Limit
Education .....	2.652	2.893	2.633	2.655	2.758	No Limit
Building .....	0.100	0.114	0.151	0.197	0.194	\$0.550
Working Cash Funds.....	0.000	0.000	0.000	0.000	0.00001	\$0.050
Levy Adjustment(3) .....	<u>0.000</u>	<u>0.026</u>	<u>0.040</u>	<u>0.047</u>	<u>0.083</u>	No Limit
Total District Rate.....	\$2.946	\$3.238	\$3.011	\$3.084	\$ 3.211	
 The County.....	\$0.453	\$0.446	\$0.431	\$0.386	\$ 0.390	
Consolidated Elections.....	0.000	0.019	0.000	0.032	0.000	
Cook County Forest Preserve District.....	0.058	0.058	0.081	0.075	0.069	
Northfield Township .....	0.022	0.025	0.023	0.024	0.025	
Northfield Township - General Assistance .....	0.007	0.008	0.008	0.009	0.009	
Northfield Township - Road and Bridge .....	0.049	0.055	0.050	0.051	0.053	
The Village .....	0.765	0.825	0.706	0.685	0.716	
Village of Northbrook Library .....	0.311	0.344	0.312	0.309	0.321	
High School District 225 .....	2.084	2.310	2.064	2.076	2.176	
Community College District 535.....	0.227	0.252	0.221	0.227	0.237	
Northbrook Park District .....	0.427	0.458	0.416	0.420	0.456	
Metro Water Reclamation District of Greater Chicago .....	0.378	0.382	0.374	0.345	0.340	
Northwest Mosquito Abatement District .....	<u>0.010</u>	<u>0.011</u>	<u>0.009</u>	<u>0.010</u>	<u>0.011</u>	
Total Tax Rate(4) .....	\$7.737	\$8.431	\$7.706	\$7.733	\$ 8.014	

Notes: (1) Source: The County Clerk.  
 (2) See "REAL PROPERTY ASSESSMENT, TAX LEVY AND COLLECTION PROCEDURES-Property Tax Extension Limitation Law" herein for information on the operation of such maximum rates under the Limitation Law (as hereinafter defined).  
 (3) See "REAL PROPERTY ASSESSMENT, TAX LEVY AND COLLECTION PROCEDURES-Property Tax Extension Limitation Law" herein for information on the operation of such maximum rates under the Limitation Law.  
 (4) Representative tax rates for other government units are from Northfield Township tax code 25076, which represents the largest portion of the District's 2024 EAV, the most current available.

### Tax Extensions and Collections(1)

Levy Year	Coll. Year	Taxes Extended	Total Collections
			Amount
			Percent
2020.....	2021.....	\$28,753,548	\$28,386,436 98.72%
2021.....	2022.....	29,493,977	28,973,001 98.23%
2022.....	2023.....	31,220,316	30,766,015 98.54%
2023.....	2024.....	33,172,293	31,992,499 96.44%
2024.....	2025(2).....	34,734,482	29,337,338 84.46%

Notes: (1) Source: The District and the District's Annual Comprehensive Financial Report for the fiscal year ended June 30, 2025.  
 (2) As of January 7, 2026.

### Principal Taxpayers(1)(2)

Taxpayer Name	Description	2023 EAV
Walgreen Co. ....	Retail/commercial space.....	\$ 28,312,020
Korman Lederer .....	Commercial and office buildings.....	22,018,921
SRC Arbor LK .....	Commercial space .....	18,143,108
Deerfield Senior Residences.....	Special rental structure .....	16,707,714
TA Northbrook Industrial .....	Industrial building .....	15,647,056
AMLI Residential .....	Apartments .....	13,934,338
LO Deerfield Operating .....	Hotel .....	12,016,915
WFC Lincoln Sanders LL .....	Shopping center.....	9,220,527
Co Prologis Re Tax .....	Industrial buildings.....	9,019,319
White Plains Shopping .....	Shopping center.....	7,190,476
Total .....		\$152,210,394
Ten Largest Taxpayers as Percent of District's 2023 EAV (\$1,075,742,878).....		14.16%

Notes: (1) Source: The District's Annual Comprehensive Financial Report for the fiscal year ended June 30, 2025.  
 (2) Levy year 2023 information is the most current available for this purpose.

### CORPORATE PERSONAL PROPERTY REPLACEMENT TAXES

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

Fiscal Year Ended June 30 Receipts	CPPRT
2021 .....	\$ 463,489
2022 .....	1,002,144
2023 .....	1,045,804
2024 .....	630,180
2025 .....	422,585
2026 (projected) .....	465,850

Source: The audited financial statements of the District for the fiscal years ended June 30, 2021 - June 30, 2025, and projections from the Illinois Department of Revenue.

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

### **Summary of Property Assessment, Tax Levy and Collection Procedures**

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

#### **Real Property Assessment**

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

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

Property is classified for assessment into six basic categories, each of which is assessed at various percentages of fair market value as follows: Class 1 - unimproved real estate (10%); Class 2 - residential (10%); Class 3 - rental-residential (16% in tax year 2009, 13% in tax year 2010, and 10% in tax year 2011 and subsequent years); Class 4 - not-for-profit (25%); Class 5a - commercial (25%); and Class 5b - industrial (25%).

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

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

The Assessor has established procedures enabling taxpayers to contest their proposed Assessed Valuations. Once the Assessor certifies its final Assessed Valuations, a taxpayer can seek review of its assessment by appealing to the Cook County Board of Review (the "Board of Review"), which consists of three commissioners elected by the voters of Cook County. The Board of Review has the power to adjust the Assessed Valuations set by the Assessor.

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

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

## **Equalization**

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

Once the Equalization Factor is established, the Assessed Valuation, as revised by the Board of Review or PTAB, is multiplied by the Equalization Factor to determine the EAV of that parcel. The EAV for each parcel is the final property valuation used for determination of tax liability. The aggregate EAV for all parcels in any taxing body’s jurisdiction, plus the valuation of property assessed directly by the Department, constitute the total real estate tax base for the taxing body, which is used to calculate tax rates (the “Assessment Base”). The following table sets forth the Equalization Factor for the County for the last 10 tax levy years.

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

## **Exemptions**

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

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

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

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

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

The Senior Citizens Assessment Freeze Homestead Exemption freezes property tax assessments for homeowners who are 65 and older, reside in their property as their principal place of residence and receive a household income not in excess of \$65,000. This exemption grants to qualifying senior citizens an exemption equal to the difference between (a) the current EAV of the residence and (b) the EAV of a senior citizen's residence for the year prior to the year in which he or she first qualifies and applies for the exemption, plus the EAV of improvements since such year. Beginning in tax year 2017, the amount of the exemption is equal to the greater of the amount calculated as described in the previous sentence (as more completely set forth in the Property Tax Code) or \$2,000.

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

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

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

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

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

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

## **Tax Levy**

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

## **Property Tax Extension Limitation Law**

The Limitation Law is applied after the prior year EAV limitation. The Limitation Law limits the annual growth in the amount of property taxes to be extended for certain Illinois non-home rule units, including the District. The effect of the Limitation Law is to limit the amount of property taxes that can be extended for a taxing body. In addition, general obligation bonds, notes and installment contracts payable from ad valorem taxes, unlimited as to rate and amount, cannot be issued by the affected taxing bodies unless they are approved by referendum, are alternate bonds, are for certain refunding purposes or are school fire prevention and safety bonds (such as the Series 2026A Bonds).

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

The District has the authority to levy taxes for many different purposes. See the table entitled “**Representative Tax Rates**” under “**PROPERTY ASSESSMENT AND TAX INFORMATION**” herein. The ceiling at any particular time on the rate at which these taxes may be extended for the District is either (i) unlimited (as provided by statute), (ii) initially set by statute but permitted to be increased by referendum, (iii) capped by statute, or (iv) limited to the rate approved by referendum. The only ceiling on a particular tax rate is the ceiling set by statute, at which the rate is not permitted to be further increased by referendum or otherwise. Therefore, taxing districts (such as the District) have flexibility to levy taxes for the purposes for which they most need the money. The total aggregate tax rate for the various purposes subject to the Limitation Law, however, will not be allowed to exceed the District’s limiting rate computed in accordance with the provisions of the Limitation Law.

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

In general, the annual growth permitted under the Limitation Law is the lesser of 5% or the percentage increase in the CPI during the calendar year preceding the levy year. Taxes can also be increased due to new construction, referendum approval of tax rate increases, mergers and consolidations. Local governments, including the District, can issue limited tax bonds in lieu of general obligation bonds that have otherwise been authorized by applicable law (such as the Series 2026B Bonds).

Beginning with levy year 2021, each tax capped taxing district (such as the District) receives an automatic levy increase in the amount of any property tax refunds paid by such taxing district in the prior year as a result of the issuance of certificates of error, court orders issued in connection with valuation tax objection complaints and PTAB decisions. For levy year 2024, the additional amount added to the District’s tax levy as a result of this change was \$901,501.

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

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

## Extensions

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

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

## Collections

Property taxes are collected by the County Collector, who is also the County Treasurer, who remits to each Unit its share of the collections. Taxes levied in one year become payable during the following year in two installments, the first due on March 1 and the second on the later of August 1 or 30 days after the mailing of the tax bills. A payment due is deemed to be paid on time if the payment is postmarked on the due date. Beginning with the first installment payable in 2010, the first installment is equal to 55% of the prior year’s tax bill. However, if a Certificate of Error is approved by a court or certified on or before November 30 of the preceding year and before the estimated tax bills are prepared, then the first installment is instead based on the certain percentage of the corrected prior year’s tax bill. The second installment is for the balance of the current year’s tax bill, and is based on the then current tax year levy, assessed value and Equalization Factor, and reflects any changes from the prior year in those factors. The first installment penalty date has historically been the first business day in March. Pursuant to Public Act 102-1112, the first installment penalty date for levy year 2022 was changed from March 1, 2023 to April 1, 2023. Pursuant to Public Act 104-0452, the first installment penalty date for levy year 2025 has been changed from March 1, 2026 to April 1, 2026. The following table sets forth the second installment penalty date for the last ten tax levy years in the County.

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

As a result of ongoing efforts to modernize technology within various County property tax agencies, personnel shortages and turnover attributable to COVID-19 and the complicated nature of the reassessment of property taxes in the City of Chicago, for the 2021 tax year (for amounts payable in calendar year 2022), the distribution of amounts related to second installment County property tax bills for calendar year 2022 were delayed. Likewise, such distribution of amounts were delayed for the year 2022 (payable in calendar year 2023) and are delayed for tax year 2024 (for amounts that historically would have been payable in calendar year 2025). The District did not experience any cash flow issues due to such delays in calendar years 2022 or 2023 and does not expect to issue any short-term debt, such as tax anticipation warrants due to such delay in the tax year 2024 distributions. Instead, the District plans to address any cash flow needs as a result of the delay in the receipt of second installment taxes for levy year 2024 with working cash fund loans in anticipation of the receipt of such taxes.

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

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

## **Unpaid Taxes and Annual Tax Sales**

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

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

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

## **Scavenger Sales**

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

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

## **Truth in Taxation Law**

Legislation known as the Truth in Taxation Law (the "Law") limits the aggregate amount of certain taxes which can be levied by, and extended for, a taxing district to 105% of the amount of taxes extended in the preceding year unless specified notice, hearing and certification requirements are met by the taxing body. The express purpose of the Law is to require published disclosure of, and hearing upon, an intention to adopt a levy in excess of the specified levels. The provisions of the Law do not apply to levies made to pay principal of and interest on the Bonds.

## **FINANCIAL INFORMATION**

### **Budgeting**

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

### **Investment Policy**

The District's Assistant Superintendent for Finance and Operations is appointed as the School Treasurer (the "Treasurer"). 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.

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

The District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. Valuation techniques used should maximize the use of observable inputs and minimize the use of unobservable inputs.

## **Financial Reports**

The District's financial statements are audited annually by certified public accountants. The District's financial statements are completed on a modified accrual basis of accounting consistent with generally accepted accounting principles applicable to governmental entities. See **APPENDIX A** for more details.

### **No Consent or Updated Information Requested of the Auditor**

The tables contained in this “**FINANCIAL INFORMATION**” section (the “Excerpted Financial Information”) are from the audited financial statements of the District, including the audited financial statements for the fiscal year ended June 30, 2025 (the “2025 Audit”), which was approved by formal action of the Board of Education and attached to this Official Statement as **APPENDIX A**. The District has not requested the Auditor to update information contained in the Excerpted Financial Information or the 2025 Audit; nor has the District requested that the Auditor consent to the use of the Excerpted Financial Information or the 2025 Audit in this Official Statement. Other than as expressly set forth in this Official Statement, the financial information contained in the Excerpted Financial Information and 2025 Audit has not been updated since the date of the 2025 Audit. The inclusion of the Excerpted Financial Information and 2025 Audit in this Official Statement in and of itself is not intended to demonstrate the fiscal condition of the District since the date of the 2025 Audit. Questions or inquiries relating to financial information of the District since the date of the 2025 Audit should be directed to the District.

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## Summary Financial Information

The following tables are summaries and do not purport to be the complete audits, copies of which are available upon request. See **APPENDIX A** for the 2025 Audit.

### Educational Fund Statement of Revenues and Expenditures and Changes in Fund Balance

	Audited Fiscal Year Ending June 30				
	2021	2022	2023	2024	2025
<b>REVENUES:</b>					
Property Taxes.....	\$25,052,632	\$25,559,024	\$26,027,914	\$27,987,081	\$28,995,381
State Aid.....	6,980,105	7,937,724	8,143,783	8,159,804	8,546,850
Federal Aid(1).....	595,657	1,056,814	878,026	648,251	686,887
Interest.....	17,497	23,179	455,431	827,626	812,040
Other.....	191,716	267,429	247,497	316,917	375,963
<b>Total Revenues .....</b>	<b><u>\$32,837,607</u></b>	<b><u>\$34,844,170</u></b>	<b><u>\$35,752,651</u></b>	<b><u>\$37,939,679</u></b>	<b><u>\$39,417,121</u></b>
<b>EXPENDITURES:</b>					
Current:					
Instruction:					
Regular Programs .....	\$14,893,897	\$15,569,842	\$15,947,597	\$16,940,830	\$17,948,000
Special Programs .....	1,534,135	1,532,475	1,732,338	1,925,815	2,066,478
Other Instructional Programs .....	92,333	96,716	99,846	102,526	106,997
State Retirement Contributions .....	6,923,103	7,856,911	8,028,882	8,078,697	8,510,098
Support Services:					
Pupils .....	2,097,580	2,159,517	2,264,374	2,215,741	2,296,736
Instructional Staff .....	1,521,202	1,593,873	1,503,461	1,834,361	1,865,615
General Administration.....	1,073,244	939,566	951,616	906,173	1,149,779
School Administration .....	853,954	894,970	873,262	1,057,198	1,148,415
Business.....	62,847	84,808	125,630	77,422	132,385
Operations and Maintenance .....	6,890	8,511	7,729	50,515	7,943
Central.....	344,831	159,863	160,203	248,069	216,696
Community Services .....	55,639	56,109	45,486	73,913	61,289
Nonprogrammed Charges.....	1,786,401	1,541,043	1,832,546	2,782,360	2,483,902
Capital Outlay.....	210,923	545,455	523,517	845,994	592,256
<b>Total Expenditures .....</b>	<b><u>\$31,456,979</u></b>	<b><u>\$33,039,659</u></b>	<b><u>\$34,096,487</u></b>	<b><u>\$37,139,614</u></b>	<b><u>\$38,586,589</u></b>
Excess (Deficiency) of Revenues Over (Under) Expenditures .....	\$ 1,380,628	\$ 1,804,511	\$ 1,656,164	\$ 800,065	\$ 830,532
<b>OTHER FINANCING SOURCES (USES):</b>					
Transfers (Out).....	\$ 0	\$ (2,000,000)	\$ (3,042,318)	\$ (3,060,110)	\$ (2,850,689)
Subscription Liabilities Issued .....	0	0	109,047	80,882	10,720
<b>Total Other Financing Sources (Uses).....</b>	<b><u>\$ 0</u></b>	<b><u>\$ (2,000,000)</u></b>	<b><u>\$ (2,933,271)</u></b>	<b><u>\$ (2,979,228)</u></b>	<b><u>\$ (2,839,969)</u></b>
Net Change in Fund Balance .....	\$ 1,380,628	\$ (195,489)	\$ (1,277,107)	\$ (2,179,163)	\$ (2,009,437)
Beginning Fund Balance .....	<b><u>\$12,955,296(2)</u></b>	<b><u>\$14,335,924</u></b>	<b><u>\$14,140,435</u></b>	<b><u>\$12,863,328</u></b>	<b><u>\$10,684,165</u></b>
Ending Fund Balance .....	<b><u>\$14,335,924</u></b>	<b><u>\$14,140,435</u></b>	<b><u>\$12,863,328</u></b>	<b><u>\$10,684,165</u></b>	<b><u>\$ 8,674,728</u></b>

Notes: (1) In response to the unprecedented challenges posed by the COVID-19 pandemic, which disrupted in-person learning and required significant adjustments to school operations, the District received increased federal aid through the Elementary and Secondary School Emergency Relief ("ESSER") programs, particularly the (i) Coronavirus Aid, Relief, and Economic Security Act (commonly known as ESSER I), (ii) Coronavirus Response and Relief Supplemental Appropriations Act of 2021 (commonly known as ESSER II), and (iii) American Rescue Plan of 2021 (commonly known as ESSER III). These funds were established by federal legislation to help schools address the academic, health, and safety impacts of the pandemic. The District received ESSER I funds in the amount of \$24,443, ESSER II funds totaling \$182,189, and ESSER III funds totaling \$410,299. The funds were used for technology upgrades to support remote learning, interventions to address student academic needs, enhanced health and safety measures, and COVID-19 mitigation efforts.

(2) As restated

**Operations and Maintenance Fund**  
**Statement of Revenues and Expenditures and Changes in Fund Balance**

	Audited Year End June 30				
	2021	2022	2023	2024	2025
<b>REVENUES:</b>					
Property Taxes.....	\$ 934,701	\$ 1,007,731	\$ 1,323,501	\$ 1,815,073	\$ 2,038,265
Replacement Taxes .....	448,489	987,144	1,030,804	615,180	402,484
State Aid.....	788,784	840,087	841,397	792,513	843,669
Interest .....	3,360	1,420	27,668	35,459	188,257
Other .....	4,300	22,159	85,870	630	900
Total Revenues.....	<u>\$ 2,179,634</u>	<u>\$ 2,858,541</u>	<u>\$ 3,309,240</u>	<u>\$ 3,258,855</u>	<u>\$ 3,473,575</u>
<b>EXPENDITURES:</b>					
Current:					
Instruction:					
Regular Programs .....	\$ 0	\$ 0	\$ 0	\$ 0	\$ 15,093
Business.....	4,200	80,694	0	0	127,314
Operations and Maintenance .....	2,914,412	2,685,273	3,097,248	3,992,829	3,515,152
Capital Outlay.....	1,431,170	2,946,869	1,551,464	1,447,820	3,552,976
Total Expenditures .....	<u>\$ 4,349,782</u>	<u>\$ 5,712,836</u>	<u>\$ 4,648,712</u>	<u>\$ 5,440,649</u>	<u>\$ 7,210,535</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures .....	\$(2,170,148)	\$(2,854,295)	\$(1,339,472)	\$(2,181,794)	\$(3,736,960)
<b>OTHER FINANCING SOURCES (USES):</b>					
Transfers (Net).....	\$ 0	\$ 2,000,000	\$ 3,000,000	\$ 2,000,000	\$ 2,800,000
Total Other Financing Sources (Uses).....	<u>\$ 0</u>	<u>\$ 2,000,000</u>	<u>\$ 3,000,000</u>	<u>\$ 2,000,000</u>	<u>\$ 2,800,000</u>
Net Change in Fund Balance .....	\$(2,170,148)	\$ (854,295)	\$ 1,660,528	\$ (181,794)	\$ (936,960)
Beginning Fund Balance .....	\$ 2,779,572	\$ 609,424	\$ (244,871)	\$ 1,415,657	\$ 1,233,863
Ending Fund Balance.....	<u>\$ 609,424</u>	<u>\$ (244,871)</u>	<u>\$ 1,415,657</u>	<u>\$ 1,233,863</u>	<u>\$ 296,903</u>

**Transportation Fund**  
**Statement of Revenues and Expenditures and Changes in Fund Balance**

	Audited Fiscal Year Ending June 30				
	2021	2022	2023	2024	2025
<b>REVENUES:</b>					
Property Taxes.....	\$ 938,892	\$ 1,030,323	\$ 999,062	\$ 1,018,066	\$ 1,448,658
State Aid.....	247,698	190,784	287,412	263,574	469,923
Interest .....	622	160	7,824	12,793	2,000
Other .....	48,603	204,089	217,412	237,787	276,717
Total Revenues.....	<u>\$ 1,235,815</u>	<u>\$ 1,425,356</u>	<u>\$ 1,511,710</u>	<u>\$ 1,532,220</u>	<u>\$ 2,197,298</u>
<b>EXPENDITURES:</b>					
Current:					
Support Services:					
Transportation .....	\$ 930,187	\$ 1,282,721	\$ 1,604,518	\$ 2,326,957	\$ 2,553,184
Total Expenditures .....	<u>\$ 930,187</u>	<u>\$ 1,282,721</u>	<u>\$ 1,604,518</u>	<u>\$ 2,326,957</u>	<u>\$ 2,553,184</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures .....	\$ 305,628	\$ 142,635	\$ (92,808)	\$ (794,737)	\$ (355,886)
<b>OTHER FINANCING SOURCES (USES):</b>					
Transfers (Net).....	\$ 0	\$ 0	\$ 0	\$ 1,000,000	\$ 0
Total Other Financing Sources (Uses).....	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 1,000,000</u>	<u>\$ 0</u>
Net Change in Fund Balance .....	\$ 305,628	\$ 142,635	\$ (92,808)	\$ 205,263	\$ (355,886)
Beginning Fund Balance .....	73,853	379,481	522,116	429,308	634,571
Ending Fund Balance.....	<u>\$ 379,481</u>	<u>\$ 522,116</u>	<u>\$ 429,308</u>	<u>\$ 634,571</u>	<u>\$ 278,685</u>

**Educational Fund(1)  
 Budget Financial Information**

	Budget Twelve Months Ending <u>6/30/2026</u>	Interim 5 Months Ending <u>11/30/2026</u>
<b>RECEIPTS/REVENUES:</b>		
Local Sources .....	\$30,374,903	\$6,074,981
State Sources .....	36,000	7,200
Federal Sources .....	<u>600,000</u>	<u>120,000</u>
Total Receipts .....	\$31,010,903	\$6,202,181
<b>DISBURSEMENTS/EXPENDITURES:</b>		
Instruction .....	\$21,286,064	\$4,257,213
Supporting Services.....	7,108,066	1,421,613
Community Services.....	63,066	12,613
Payments to Other Districts & Governmental Units .....	<u>2,553,707</u>	<u>510,741</u>
Total Disbursements.....	\$31,010,903	\$6,202,180
Receipts Over (Under) Disbursements.....	\$ 0	\$ 0

Note: (1) Source: The District.

**Operations and Maintenance Fund(1)  
 Budget Financial Information**

	Budget Twelve Months Ending <u>6/30/2026</u>	Interim 5 Months Ending <u>11/30/2026</u>
<b>RECEIPTS/REVENUES:</b>		
Local Sources .....	\$2,781,712	\$556,342
State Sources .....	<u>832,806</u>	<u>166,561</u>
Total Receipts .....	\$3,614,518	\$722,903
<b>DISBURSEMENTS/EXPENDITURES:</b>		
Supporting Services.....	\$3,614,518	\$722,903
Total Disbursements.....	\$3,614,518	\$722,903
Receipts Over (Under) Disbursements.....	\$ 0	\$ 0

Note: (1) Source: The District.

**Transportation Fund(1)  
 Budget Financial Information**

	Budget Twelve Months Ending <u>6/30/2026</u>	Interim 5 Months Ending <u>11/30/2026</u>
<b>RECEIPTS/REVENUES:</b>		
Local Sources .....	\$2,142,536	\$428,507
State Sources .....	<u>483,551</u>	<u>96,710</u>
Total Receipts .....	\$2,626,087	\$525,217
<b>DISBURSEMENTS/EXPENDITURES:</b>		
Supporting Services.....	\$2,626,087	\$525,217
Total Disbursements.....	\$2,626,087	\$525,217
Receipts Over (Under) Disbursements.....	\$ 0	\$ 0

Note: (1) Source: The District.

## WORKING CASH FUND

The District is authorized to issue (subject to the provisions of the Limitation Law) general obligation bonds to create, re-create or increase a Working Cash Fund. Such fund can also be created, re-created or increased by the levy of an annual tax not to exceed \$.05 per hundred dollars of EAV (the "Working Cash Fund Tax"). The purpose of the fund is to enable the District to have sufficient cash to meet demands for expenditures for corporate purposes. Moneys in the Working Cash Fund may be loaned, in whole or in part, as authorized and directed by the Board, to any fund or funds of the District in anticipation of ad valorem property taxes levied by the District for such fund or funds. The Working Cash Fund is reimbursed when the anticipated taxes or other moneys are received by the District.

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

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

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

## WORKING CASH FUND SUMMARY(1)

<u>Fiscal Year</u>	<u>End of Year Fund Balance</u>
2021 .....	\$3,752,965
2022 .....	3,755,645
2023 .....	3,852,467
2024 .....	3,999,781
2025(2).....	4,009,846

Notes: (1) Source: The District.  
(2) Does not include sale proceeds of the District's \$26,340,000 General Obligation Limited Tax School Bonds, Series 2025B (the "2025B Bonds"). The District issued the 2025B Bonds on November 6, 2025. Sale proceeds of the 2025B Bonds in the amount of \$26,500,000 were deposited into the Working Cash Fund on such date and are expected to be abated from Working Cash Fund to the O&M Fund and used for capital improvements.

## STATE AID

### General

The State provides aid to local school districts on an annual basis as part of the State's appropriation process. Many school districts throughout the State rely on such State aid as a significant part of their budgets. For the fiscal year ended June 30, 2025, approximately 1% of the District's General Fund revenue came from State funding sources.

### General State Aid - Evidence-Based Funding Model

Beginning with fiscal year 2018, general State funds ("General State Aid") have, pursuant to Public Act 100-0465, been distributed to school districts under the "Evidence Based Funding Model". The Evidence-Based Funding Model sets forth a school funding formula that ties individual district funding to evidence-based best practices that certain research shows enhance student achievement in the classroom. Under the funding formula, ISBE will calculate an adequacy target (the "Adequacy Target") each year for each district based upon its unique student population, regional wage differences and best practices. Each district will be placed in one of four tiers depending on how close the sum of its local resources available to support education (based on certain State resources and its expected property tax collections, its "Local Capacity Target") and its Base Funding Minimum (as hereinafter defined) are to its Adequacy Target; Tier One and Tier Two for those districts that are the furthest away from their Adequacy Targets and Tier Three and Tier Four for those districts that are the closest to (or above) their Adequacy Targets. For each school year, all State funds appropriated for General State Aid in excess of the amount needed to fund the Base Funding Minimum for all school districts ("New State Funds") will be distributed to districts based on tier placement. Of any New State Funds available, Tier One receives 50%, Tier Two receives 49%, Tier Three receives 0.9%, and Tier Four receives 0.1%. Tier Two includes all Tier One districts for the purpose of the allocation percentages for New State Funds.

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

The Evidence-Based Funding Model also provides that each school district will be allocated at least as much in General State Aid in future years as it received in the most recently completed school year (such amount being that district's "Base Funding Minimum"). The Base Funding Minimum for the District for school year 2017-2018 was \$784,500.81 (the "Initial Base Funding Minimum"). Mandated Categorical State Aid (as hereinafter defined) received by the District in fiscal year 2017, other than Mandated Categorical State Aid related to transportation and extraordinary special education, was included in the Initial Base Funding Minimum. Any New State Funds received by a district in a year become part of its Base Funding Minimum in the following year.

For fiscal year ending June 30, 2026, the District has been placed in Tier Four. The following table sets forth the amounts received by the District pursuant to the Evidence-Based Funding Model in each of the last five fiscal years.

#### EVIDENCE-BASED FUNDING(1)

<u>Fiscal Year</u>	<u>Base Funding Minimum</u>	<u>Tier Number</u>	<u>Amount of New State Funds</u>
2021.....	\$788,783.92	4(2)	N/A(2)
2022.....	788,783.92	4	\$1,382.70
2023.....	790,086.65	4	1,302.73
2024.....	791,396.79	4	1,310.14
2025.....	792,512.93	4	1,116.14

Notes: (1) Source: The District.

(2) The State fiscal year 2021 budget did not appropriate General State Aid in excess of the amount appropriated in the State fiscal year 2020 budget. Therefore, school districts did not receive New State Funds during State fiscal year 2021. The tier number shown is the District's tier number for fiscal year 2020.

#### Property Tax Relief Pool Funds

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

In each of the last three fiscal years, \$50 million of General State Aid was allocated to the Property Tax Relief Pool. In the fiscal year 2026 budget, no funds were allocated to the Property Tax Relief Pool. In Fiscal Year 2026 Budget, no funds were allocated to the Property Tax Relief Pool.

#### Mandated Categorical State Aid

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

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

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

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

### **Competitive Grant State Aid**

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

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

### **Payment for Mandated Categorical State Aid and Competitive Grant State Aid**

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

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

## **SCHOOL DISTRICT FINANCIAL PROFILE**

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

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

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

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

For each school district, ISBE calculates an original financial profile score (the “Original Score”) and an adjusted financial profile score (the “Adjusted Score”). The Original Score is calculated based solely on such school district’s audited financial statements as of the close of the most recent fiscal year. The Adjusted Score is calculated based initially on a school district’s audited financial statements for the most recent fiscal year, with adjustments made to reflect the impact on the Original Score of timing differences between such school district’s actual and expected receipt of State payments, as required by Section 1A-8 of the School Code. ISBE has implemented this statutory requirement by adding in payments expected to be received during the calculation year but not actually received until the following fiscal year, as well as by subtracting certain State payments received during the current fiscal year but attributable to a prior fiscal year. Such adjustments may have a varying effect on a school district’s Adjusted Score based on the amount of time by which such State payments are delayed and the accounting basis adopted by such school district. Due to the manner in which such requirement has been implemented by ISBE, a school district’s Adjusted Score may be different than it otherwise would have been in certain years based on the scheduled receipt of State payments.

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

<u>Fiscal Year (June 30)</u>	<u>Original Score</u>	<u>Designation Based on Original Score</u>	<u>Adjusted Score</u>	<u>Designation Based on Adjusted Score</u>
2020 .....	3.65	Financial Recognition	3.65	Financial Recognition
2021 .....	3.65	Financial Recognition	3.65	Financial Recognition
2022 .....	4.00	Financial Recognition	4.00	Financial Recognition
2023 .....	4.00	Financial Recognition	4.00	Financial Recognition
2024 .....	3.55	Financial Recognition	3.55	Financial Recognition

Source: ISBE.

## **PENSION AND RETIREMENT OBLIGATIONS**

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

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

## Background Regarding Pension Plans

### *The Actuarial Valuation*

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

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

### *GASB Standards*

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

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

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

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

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

## **Teachers’ Retirement System of the State of Illinois**

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

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

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

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

Under the Pension Code, active members contribute 9.0% of creditable earnings to TRS. The State makes the balance of employer contributions to the State on behalf of the District, except for a small portion contributed by the teacher's employer, such as the District. For the fiscal years ended June 30, 2023 through June 30, 2025, all amounts contributed by the District to TRS were as follows:

<u>Fiscal Year</u>	<u>TRS Contribution</u>
<u>Ended June 30</u>	
2023 .....	\$90,609
2024 .....	92,643
2025 .....	97,951

Source: The 2025 Audit.

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

#### **Illinois Municipal Retirement Fund**

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

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

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

See Note H to the Audit for additional information on the IMRF's actuarial methods and assumptions, including information regarding the Discount Rate and the sensitivity of the Net Pension Liability to changes in the Discount Rate.

### Contributions

Both employers and employees contribute to the IMRF. At present, employees contribute 4.50% of their salary to the IMRF, as established by statute. Employers are required to make all additional contributions necessary to fund the benefits provided by the IMRF to its employees. The annual rate at which an employer must contribute to the IMRF is established by the IMRF Board. The District's contribution rate for calendar year 2024 was 9.26% of covered payroll.

For the fiscal years ended December 31, 2023 through December 31, 2025, the District contributed the following amounts to IMRF:

<u>Fiscal Year</u>	<u>IMRF Contribution</u>
2023 .....	\$307,320
2024 .....	329,595
2025 .....	343,005

Source: The 2025 Audit.

### Measures of Financial Position

The following table presents the measures of the IMRF Account's financial position as of December 31 of the years 2022 through 2024, which are presented pursuant to the GASB Standards.

<u>Calendar Year Ended December 31</u>	<u>Total Pension Liability</u>	<u>Fiduciary Net Pension</u>	<u>Net Pension Liability/Asset</u>	<u>Fiduciary Net Position as a % of Total Pension Liability</u>	<u>Discount Rate</u>
2022 .....	\$17,656,160	\$15,046,607	\$2,609,553	85.22%	7.25%
2023 .....	18,434,332	16,536,335	1,897,997	89.70%	7.25%
2024 .....	19,138,265	17,475,303	1,662,962	91.31%	7.25%

Source: The 2025 Audit

See Note H to the Audit, and the related required supplementary information disclosures, for a description of the IMRF, the IMRF Account, the District's funding policy, information on the assumptions and methods used by the actuary, and the financial reporting information required by the GASB Standards.

## OTHER POST-EMPLOYMENT BENEFITS

The District administers a single-employer defined benefit healthcare plan (the "Retirees Health Plan"). The Retirees Health Plan provides health insurance contributions for eligible retirees and their spouses through the District's group health insurance plan which covers both active and retired members. The District's annual other postemployment benefit ("OPEB") cost is calculated based on the annual required contribution of the employer. For fiscal year ended June 30, 2025, the District had an unfunded actuarial accrued liability of \$4,484,543. For more information regarding the District's OPEB obligations, see Note I of the Audit.

## TEACHER HEALTH INSURANCE SECURITY FUND

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

The State maintains primary responsibility for funding, but contributions from participating employers and members are also required. For the fiscal year ended June 30, 2025, the District paid \$119,308 to the THIS Fund, which was 100% of the required contribution. For more information regarding the District’s THIS Fund obligation, see Note I to the Audit.

## REGISTRATION, TRANSFER AND EXCHANGE

See also **APPENDIX B** for information on registration, transfer and exchange of book-entry bonds. The Bonds will be initially issued as book-entry bonds.

The District shall cause books (the “Bond Register”) for the registration and for the transfer of the Bonds to be kept at the principal corporate trust office of the Bond Registrar in Chicago, Illinois. The District will authorize to be prepared, and the Bond Registrar shall keep custody of, multiple bond blanks executed by the District for use in the transfer and exchange of Bonds.

Any Bond may be transferred or exchanged, but only in the manner, subject to the limitations, and upon payment of the charges as set forth in the Bond Resolution. Upon surrender for transfer or exchange of any Bond at the principal corporate trust office of the Bond Registrar, duly endorsed by, or accompanied by a written instrument or instruments of transfer in form satisfactory to the Bond Registrar and duly executed by the registered owner or such owner’s attorney duly authorized in writing, the District shall execute and the Bond Registrar shall authenticate, date and deliver in the name of the registered owner, transferee or transferees (as the case may be) a new fully registered Bond or Bonds of the same series and maturity of authorized denominations, for a like aggregate principal amount.

The execution by the District of any fully registered Bond shall constitute full and due authorization of such Bond, and the Bond Registrar shall thereby be authorized to authenticate, date and deliver such Bond, provided, however, the principal amount of outstanding Bonds of each series and maturity authenticated by the Bond Registrar shall not exceed the authorized principal amount of Bonds for such series and maturity less Bonds previously paid.

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

The person in whose name any Bond shall be registered shall be deemed and regarded as the absolute owner thereof for all purposes, and payment of the principal of or interest on any Bonds shall be made only to or upon the order of the registered owner thereof or such owner’s legal representative. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid.

No service charge shall be made for any transfer or exchange of Bonds, but the District or the Bond Registrar may require payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in connection with any transfer or exchange of Bonds, except in the case of the issuance of a Bond or Bonds for the unredeemed portion of a bond surrendered for redemption.

## **TAX EXEMPTION**

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

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

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

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

The issue price for original issue discount (as further discussed below) and market discount purposes (the "OID Issue Price") for each maturity of the Bonds is the price at which a substantial amount of such maturity of the Bonds is first sold to the public (excluding bond houses and brokers and similar persons or organizations acting in the capacity of underwriters, placement agents or wholesalers). The OID Issue Price of a maturity of the Bonds may be different from the prices set forth, or the prices corresponding to the yields set forth, on pages 2 and 3 hereof.

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

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

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

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

An investor may purchase a Bond at a price in excess of its stated principal amount. Such excess is characterized for federal income tax purposes as "bond premium" and must be amortized by an investor on a constant yield basis over the remaining term of the Bond in a manner that takes into account potential call dates and call prices. An investor cannot deduct amortized bond premium relating to a tax-exempt bond. The amortized bond premium is treated as a reduction in the tax-exempt interest received. As bond premium is amortized, it reduces the investor's basis in the Bond. Investors who purchase a Bond at a premium should consult their own tax advisors regarding the amortization of bond premium and its effect on the Bond's basis for purposes of computing gain or loss in connection with the sale, exchange, redemption or early retirement of the Bond.

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

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

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

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

## QUALIFIED TAX-EXEMPT OBLIGATIONS

Subject to the District's compliance with certain covenants, in the opinion of Bond Counsel, the Bonds are "qualified tax-exempt obligations" under the small issuer exception provided under Section 265(b)(3) of the Code, which affords banks and certain other financial institutions more favorable treatment of their deduction for interest expense than would otherwise be allowed under Section 265(b)(2) of the Code.

## CONTINUING DISCLOSURE

The District will enter into a Continuing Disclosure Undertaking (the "Undertaking") for the benefit of the beneficial owners of the Bonds to send certain information annually and to provide notice of certain events to the Municipal Securities Rulemaking Board (the "MSRB") pursuant to the requirements of Section (b)(5) of Rule 15c2-12 (the "Rule") adopted by the Securities and Exchange Commission (the "Commission") under the Securities Exchange Act of 1934. No person, other than the District, has undertaken, or is otherwise expected, to provide continuing disclosure with respect to the Bonds. The information to be provided on an annual basis, the events which will be noticed on an occurrence basis and a summary of other terms of the Undertaking, including termination, amendment and remedies, are set forth in **APPENDIX D** herein.

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

## LITIGATION

There is no litigation of any nature now pending or threatened restraining or enjoining the issuance, sale, execution or delivery of the Bonds, or in any way contesting or affecting the validity of the Bonds or any proceedings of the District taken with respect to the issuance or sale thereof. There is no litigation now pending, or to the knowledge of the District, threatened against the District that is expected to materially impact the financial condition of the District.

## CERTAIN LEGAL MATTERS

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

## OFFICIAL STATEMENT AUTHORIZATION

This Official Statement has been authorized for distribution to prospective purchasers of the Bonds. All statements, information, and statistics herein are believed to be correct but are not guaranteed by the consultants or by the District, and all expressions of opinion, whether or not so stated, are intended only as such.

## INVESTMENT RATING

The Bonds have been rated “AAA” (Stable Outlook) by S&P. The District has supplied certain information and material concerning the Bonds and the District to the rating service shown on the cover page, including certain information and materials which may not have been included in this Official Statement, as part of its application for an investment rating on the Bonds. A rating reflects only the views of the rating agency assigning such rating and an explanation of the significance of such rating may be obtained from such rating agency. Generally, such rating service bases its rating on such information and material, and also on such investigations, studies and assumptions that it may undertake independently. There is no assurance that such rating will continue for any given period of time or that it may not be lowered or withdrawn entirely by such rating service if, in its judgment, circumstances so warrant. Any such downward change in or withdrawal of such rating may have an adverse effect on the secondary market price of the Bonds. Except as may be required by the Undertaking described in “CONTINUING DISCLOSURE”, the form of which is attached hereto as **APPENDIX D**, neither the District nor the Underwriter undertakes responsibility to bring to the attention of the owners of the Bonds any proposed change in or withdrawal of the rating or to oppose any such revision or withdrawal. An explanation of the significance of the investment rating may be obtained from the rating agency: S&P Global Ratings, 55 Water Street, New York, New York 10041, telephone 212-438-2000. The District will provide appropriate periodic credit information to the rating service to maintain a rating on the Bonds.

## UNDERWRITING

### The Series 2026A Bonds

The Series 2026A Bonds were offered for sale by the District at a public, competitive sale on January 22, 2026. The best bid submitted at the sale was submitted by \_\_\_\_\_ (the “Series 2026A Underwriter”). The District awarded the contract for sale of the Series 2026A Bonds to the Series 2026A Underwriter at a price of \$ \_\_\_\_\_ (reflecting the par amount of \$ \_\_\_\_\_, plus a reoffering premium of \$ \_\_\_\_\_, and less an Underwriter’s discount of \$ \_\_\_\_\_). The Series 2026A Underwriter has represented to the District that the Series 2026A Bonds have been subsequently re-offered to the public initially at the yields set forth on page 2 of the Final Official Statement.

### The Series 2026B Bonds

The Series 2026B Bonds were offered for sale by the District at a public, competitive sale on January 22, 2026. The best bid submitted at the sale was submitted by \_\_\_\_\_ (the “Series 2026B Underwriter”). The District awarded the contract for sale of the Series 2026B Bonds to the Series 2026B Underwriter at a price of \$ \_\_\_\_\_ (reflecting the par amount of \$ \_\_\_\_\_, plus a reoffering premium of \$ \_\_\_\_\_, and less an Underwriter’s discount of \$ \_\_\_\_\_). The Series 2026B Underwriter has represented to the District that the Series 2026B Bonds have been subsequently re-offered to the public initially at the yields set forth on page 3 of the Final Official Statement.

## MUNICIPAL ADVISOR

The District has engaged Speer Financial, Inc. as municipal advisor (the "Municipal Advisor") in connection with the issuance and sale of the Bonds. The Municipal Advisor is a Registered Municipal Advisor in accordance with the rules of the MSRB. The Municipal Advisor will not participate in the underwriting of the Bonds. The financial information included in this Official Statement has been compiled by the Municipal Advisor. Such information does not purport to be a review, audit or certified forecast of future events and may not conform with accounting principles applicable to compilations of financial information. The Municipal Advisor is not a firm of certified public accountants and does not serve in that capacity or provide accounting services in connection with the Bonds. The Municipal Advisor is not obligated to undertake any independent verification of or to assume any responsibility for the accuracy, completeness or fairness of the information contained in this Official Statement, nor is the Municipal Advisor obligated by the District's continuing disclosure undertaking.

## CERTIFICATION

We have examined this Official Statement dated January 8, 2026 for the \$5,265,000\* General Obligation School Bonds, Series 2026A, and the \$585,000\* General Obligation Limited Tax School Bonds, Series 2026B, believe it to be true and correct and will provide to the purchaser of the Bonds at the time of delivery a certificate confirming to the purchaser that to the best of our knowledge and belief information in the Official Statement was at the time of acceptance of the bid for the Bonds and, including any addenda thereto, was at the time of delivery of the Bonds true and correct in all material respects and does not include any untrue statement of a material fact, nor does it omit the statement of any material fact required to be stated therein, or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading.

/s/

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*Superintendent*  
SCHOOL DISTRICT NUMBER 27  
Cook County, Illinois

/s/

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*Assistant Superintendent for Finance & Operations*  
SCHOOL DISTRICT NUMBER 27  
Cook County, Illinois

\*Subject to change.

**APPENDIX A**

**SCHOOL DISTRICT NUMBER 27  
COOK COUNTY, ILLINOIS**

**FISCAL YEAR 2025 AUDITED FINANCIAL STATEMENTS**



Northbrook School District 27

## *Annual Comprehensive Financial Report*

Fiscal Year Ended June 30, 2025

***Northbrook School District 27***  
Northbrook, Illinois

# Northbrook School District 27

## Northbrook, Illinois

## Annual Comprehensive Financial Report

## Fiscal Year Ended June 30, 2025

## Official Issuing Report

Dr. Kimberly Rio

## Assistant Superintendent for Finance and Operations

# Department Issuing Report

## Finance and Operations

**Northbrook School District 27**  
**ANNUAL COMPREHENSIVE FINANCIAL REPORT**  
For the year ended June 30, 2025

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**Northbrook School District 27**  
**ANNUAL COMPREHENSIVE FINANCIAL REPORT**  
For the year ended June 30, 2025

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## **INTRODUCTORY SECTION**



## NORTHBROOK SCHOOL DISTRICT 27

**Assistant Superintendent for Finance & Operations**  
Dr. Kimberly Rio, CSBO

**BOARD OF EDUCATION**  
Mr. Matthew Basinger, President  
Dr. Gali Oren-Amit, Vice President  
Mr. Opi Akuffo  
Mrs. Martha Carlos  
Ms. Marlyse Cohen  
Mr. Jack Waddle  
Mr. Daniel Walsh

November 6, 2025

Members of the Board of Education  
Citizens of Northbrook School District 27  
1250 Sanders Road  
Northbrook, Illinois 60062

Dear Members of the Board of Education and Citizens of Northbrook School District 27:

The Annual Comprehensive Financial Report (ACFR) for Northbrook School District 27, for the fiscal year ended June 30, 2025, is submitted herewith.

Each school district is required, as of June 30 of each fiscal year, to have an independent audit completed per Illinois School Code 105 ILCS 5/3-7. This ACFR is published to fulfill that requirement for the fiscal year ending June 30, 2025.

The ACFR is a report that tells the financial story of the District through narrative, financial statements, and statistics. The ACFR includes summary and detailed information for the school year being reported but also includes statistical information for the previous ten years. This ACFR will provide the District 27 stakeholders with a comprehensive presentation of the District's financial position and operating activities. The District 27 management assumes full responsibility for the completeness and reliability of the information contained in the ACFR. The information provided in the ACFR is based on an established comprehensive internal control framework. The objective of the internal control framework is to provide a reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements. The concept of reasonable assurance recognizes that the cost of a control should not exceed the benefits likely to be derived and that the valuation of costs and benefits requires estimates and judgments by management.

Miller, Cooper & Co., Ltd. completed the audit for Northbrook School District 27 for the year ended June 30, 2025. The independent auditors' report is located at the front of the financial section of this report.

Management's discussion and analysis (MD&A) immediately follows the independent auditors' report and provides a narrative introduction, overview, and analysis of the basic financial statements. District 27 management assumes full responsibility for the information provided in the MD&A.

## ORGANIZATION PROFILE

Northbrook School District 27, located 20 miles northwest of Chicago, is a small North Shore suburban school district of approximately five square miles, in a middle to upper-middle-class socio-economic community, with average ethnic diversity. The District is one of four elementary school districts in the Village of Northbrook, serving the northwest segment.

Northbrook School District 27 is a public PreK-8 district, serving a student population of 1,315 for school year 2024-25. The District anticipates stable enrollment over the next five years, projecting the overall enrollment projection range to remain between 1329-1337. The District is configured into three school buildings. Hickory Point School serves grades PreK-2, Shabonee School serves grades 3-5, and Wood Oaks Junior High School serves grades 6-8. District 27 is a feeder district to Glenbrook High School District 225. There are no charter schools in the District or surrounding community. The District currently holds a 37% reserve level and is in a financially stable position. The policy and goal of the Board of Education is to target a 65% cumulative fund balance reserve level in order to mitigate any current or future financial risk while maintaining excellence in programs and services provided to the students and families. The District currently has no long-term general obligation debt, and in 2011 completed a 13-year cycle of building renovations, additions, and site improvements in order to have state-of-the-art facilities. Since 2011, the District has focused on maintaining its capital investment into the buildings by continuing to implement the strong facilities preventative maintenance program currently in place. The long-range capital improvements will concentrate on roof, HVAC, and electrical systems replacements at all three school buildings, along with new addition space at Hickory Point School for early childhood and special education programming. The District successfully passed a referendum in January 2025, to establish a debt service extension base, in order to plan for debt financing to fund the needed future capital improvement projects.

Northbrook School District 27 has a history of high academic performance and has been recognized for its excellence. District 27 offers comprehensive regular and support programs for students, as well as many opportunities for students to be involved in extracurricular activities. Northbrook School District 27's mission is *to educate students to succeed in a changing world*. The core values for all students, staff, and our community partners, are to:

- Pursue learning that develops individual growth, potential, and leadership to the fullest of our capacity;
- Commit to performance excellence as a learning community;
- Use performance results to honor accomplishments, determine needs, and improve learning experiences and achievements;
- Share the responsibility to learn and work in a collaborative environment;
- Adhere to the highest standards of ethical behavior (both personal and organizational); and
- Treat others with respect and value differences.

Stakeholders have identified six key requirements of District 27, which have become the District's key success factors, as follows: 1) Outstanding Student Performance; 2) Coherent and Rigorous Programs and Services; 3) Highly Qualified Staff; 4) Social-Emotional Wellbeing; 5) Safe Learning and Working Environment; and 6) Healthy Financial Position.

The governing body consists of a seven-member Board of Education, each member elected for a four-year term, with the election conducted every other year on the odd year. The chief functions of the Board of Education are to set policy, ensure fiscal responsibility, hire and evaluate the Superintendent, and protect stakeholder interests. The District is not a component unit or a part of a component unit in any other governmental reporting entity, as defined by Governmental Accounting Standards Board (GASB) pronouncements.

The Board of Education operates two key working committees: Finance, and Policy. It also has key liaison chairpersons to oversee Curriculum, Technology, and Facilities, with the senior leaders. The Board receives initiative updates and gives input into the District's Strategic Planning Process. The Board of Education meets twice each month. Typically, one meeting is a Board Working Session focusing on strategic initiatives and goal accomplishment, and the second meeting is a formal business meeting.

An organizational chart and schedule of officers and officials follow this transmittal letter.

## **LOCAL ECONOMY**

Northbrook School District 27 is located within Northfield Township in Cook County, Illinois. Northfield Township is comprised of the Villages of Northbrook and Glenview and unincorporated parts of Cook County. In addition to its residential real estate, the Township houses numerous national and international businesses, such as Walgreen Company, Underwriters Laboratories, ABT Electronics, Crate and Barrel, and Astellas US Pharma, Inc.

In reviewing two decades of the history of the equalized assessed valuation (EAV) of property within the attendance boundaries of District 27, we have seen large-scale increases going from \$524 million in 2000 to \$1.1 billion in 2009. The property values in District 27 have provided a strong stable tax base. For four consecutive years, the District saw a decline in the equalized assessed valuation, going from \$1.109 billion in 2009 to \$704 million in 2015. These decreases were directly related to the depressed housing market and decline in property values. The District has since seen increases in EAV from 2015 to 2023, going from \$704 million to \$1.075 billion. The District continues to maintain stability in total property values or EAV going forward. The District has remained committed to pursuing additional cost containment measures in an effort to maintain a balanced budget and a healthy financial position.

In addition, as a Cook County School District, the District is bound by the Property Tax Extension Limitation Law (PTELL). This legislation limits the District's ability to generate property tax revenues.

For additional information regarding the District's financial position, please read the Management's Discussion and Analysis included in the ACFR.

## **LONG-TERM FINANCIAL PLANNING**

One of the District's key success factors is to maintain a healthy financial position. In terms of strategic planning, the objective is to ensure the financial solvency of the District by proactively managing in an environment of changing funding patterns. The related goals to this key success factor are to maintain a responsible approach to fiscal operations and advocate for federal, state, and local revenue to support District funding. Planning forward, the District will closely monitor the current economic landscape for any economic shifts and/or potential changes in legislation that would impact school funding.

The District is committed to long-term strategic planning for all operations, long-term financial planning, and long-term cost containment efforts. We have taken this approach in managing the District's financial operations in order to be both fiscally responsible and reasonable. The District aggressively implements cost containment measures in the areas of telecommunications, energy, insurance, transportation, inventory control, and staffing pattern alignment. With these cost containment measures; the District has been able to budget for its operating expenditures and maintain a strong financial position for the future.

The District ensures that adequate budgetary and financial resources are available to support the organization through appropriate financial planning. In accordance with the budget process, to ensure that the budget is balanced, the District conducts regular updates of its long-range financial projection in order to project all aspects of the budget in terms of staffing and support services.

The financial projection model is updated continually to forecast revenues and expenditures and plan for any new initiatives that may require additional funding. The projections allow for the assessment of any current or future risk in terms of revenue generation and its impact on expenditures for meeting a projected annual balanced budget, as well as maintaining financial solvency.

For the past 25 years, the Board of Education has been able to maintain a level of reserve between 37%-74%. Due to strategic financial planning, the Board has budgeted for operating expenses, mandated health life safety improvements, and building renovations, while maintaining at least a 5-6-month cash reserve.

The District currently has no long-term general obligation debt.

The District's financial statements are reviewed and approved by the Board on a monthly basis. Twice a year, the Board of Education reviews the District's long-range financial projection in order to ensure the fiscal solvency of the District. This review is conducted to maintain a stable financial position so that the District can continue providing excellence in programming for the students. Throughout the year, the Board of Education also reviews key legislative issues and other pending events that may have a financial impact on the District.

## **RELEVANT FINANCIAL POLICIES/PROCEDURES**

The District's financial calendar includes three key components: the annual budget process, the annual tax levy process, and the independent audit completion, along with subsequent financial publications.

The Board of Education currently has budget and fiscal management policies in place that require the District to maintain a reasonable fund balance reserve sufficient to mitigate current and future financial risks. The policy requires the District to target a 65% cumulative fund balance reserve, defined as fiscal year-end cumulative fund balance divided by next year's board-approved projected operating expense budget, in order to ensure the District can meet its cash flow requirements. The budget policies also outline parameters for the identification and distribution of resources to support all programs and services, the upkeep of school facilities, compliance with all applicable regulatory agencies, and the continuous monitoring of compliance measures and internal controls. The District has a detailed budget calendar and process timeline. The District legally adopts a budget for all funds. The budget planning process begins in December with the updating of the budget calendar. The proposed tentative budget is available for public inspection and comment at least 30 days before the budget hearing. Prior to the end of the first quarter, after final budget adoption by the Board of Education, the budget is filed with the Cook County Clerk's office and filed electronically with the Illinois State Board of Education (ISBE). The adopted budget is also posted on the District's website.

The Board of Education reviews and approves a tentative tax levy during the month of November. During the month of December, the public hearing for the tax levy is held, and it is formally adopted, by the Board, with a vote.

The independent audit is conducted during the months of June through September. The District also publishes an Annual Statement of Affairs by December 1 of each year.

The Assistant Superintendent for Finance & Operations serves as the Treasurer and the Chief Investment Officer. The Assistant Superintendent for Finance & Operations invests funds not required for current operations, in accordance with Board policy and state law. The Board of Education has established an investment policy to ensure the safety of principal, liquidity of principal, return on investments, and maintenance of the public's trust. See the Notes to the Financial Statements for additional information on cash and investments.

## MAJOR INITIATIVES

The major initiatives that District 27 is embarking upon are structured around the six key success factors for the District; 1) Outstanding Student Performance; 2) Coherent and Rigorous Programs and Services; 3) Highly Qualified Staff; 4) Social-Emotional Well-being; 5) Safe Learning and Work Environment; and 6) Healthy Financial Position.

One component of the strategic planning process for the District is to build and map out the major initiatives to accomplish within the various work systems. The District has three main work systems: Academic Programs and Services, Finance & Operational Services, and Personnel and Student Services. The following information will detail the current District 27 initiatives within the next five years related to the various work systems and overall strategic planning process.

### ***Major Initiatives - Academic Programs and Services Work System***

#### *Curriculum & Program Revisions*

The District will continue working on revisions to the K-8 social studies curriculum with a target of full implementation by 2026-27.

The District will continuously explore, monitor, and engage in professional development on evolving uses of Artificial Intelligence (AI), focusing on the effective application and implementation of AI in teaching and learning while addressing emerging trends, ethical implications, best practices, and outcomes for all learners.

In other areas, the District will continue implementation of Math and Reading Achievement Action Plans to increase student learning and growth, continue to integrate practices that create an atmosphere of belonging and a representative learning environment for all students and staff, and monitor the continuum of services for District 27 students, build capacity within the District, and evaluate available partnerships.

#### *Instructional Technology*

On an annual basis, the District reviews and updates its multi-year technology plan with implementation and appropriate professional development planning phases mapped out. The District continues to provide the 1:1 student device program in grades K-8, to accommodate adjustments to instructional delivery.

#### *Social and Emotional Development*

The District continues to implement key programs and resources to support students and staff, including the Positive Behavior Interventions and Supports (PBIS) system and Second Step for student social and emotional development. The District will continue to implement the program Recognize, Understand, Label, Express, and Regulate (RULER), which is an evidence-based approach to social and emotional learning developed by the Yale Center for Emotional Intelligence.

#### *Conduct Satisfaction Surveys*

The District conducts satisfaction surveys to determine staff, student, and parent perceptions of our schools and the District. The District conducts these surveys every other year, on the even years.

### ***Major Initiatives – Finance & Operational Work System***

#### *Long-Term Financial Planning*

The key action plan with this major initiative is to proactively manage in an environment of changing funding patterns and increased financial mandates from the State and Federal governments. The goal is to maintain a reasonable approach to fiscal operations ensuring cost efficiencies while maintaining programs and services. The District will develop and implement a financial plan, including a study of future borrowing options, to ensure fiscal solvency and implementation of future capital improvement projects.

### Long-Range Facilities Improvement Plan

In the year 2022, the District updated the Ten-Year Health Life Safety Study. As a result of this study, the District will continue to implement the recommendations for future preventive maintenance of building infrastructures and systems. Currently, the District has mapped out a multi-year roof system and HVAC replacement project including all three school buildings, new addition space at the Pre-K-2 building, and site improvements at the Junior High building.

### **Major Initiatives – Personnel and Student Services Work System**

#### Long-Term Staffing Projections

The key action plan with this major initiative is to create long-term staffing projections and implement annual staffing plans that address essential and highly-valued District programs and services. The creation of long-term staffing projections will allow the District to meet the challenge of providing cost-effective staffing patterns in an effort to proactively manage in an environment of changing funding patterns. One of the major initiatives is to plan for the reorganization of the special education cooperative and impact to the staffing pattern.

## **AWARDS AND ACHIEVEMENTS**

#### Exemplary Student Academic Performance

The District continues exemplary student academic performance in all state and national testing. Currently, the District's performance places it among the highest-performing districts in the state and nation.

#### Blue Ribbon Award

Wood Oaks Junior High School was awarded the 2022 National Blue Ribbon School Award. This award is presented by the U.S. Department of Education and recognizes high student academic achievement.

#### Certificate of Financial Recognition

The District continues to receive the Certificate of Financial Recognition through the Illinois State Board of Education for financial achievement with financial statements and the School District Financial Profile. This recognition has been received each year for the past 24 years.

#### Certificate of Achievement for Excellence in Financial Reporting

The District received the Certificate of Achievement for Excellence in Financial Reporting from the Government Finance Officers Association (GFOA), for the fiscal year ending June 30, 2024. For sixteen consecutive years, the District has achieved this award for its processes, financial controls, and results delineated in the Annual Comprehensive Financial Reports for Fiscal Years 2009 through 2024.

#### Certificate of Excellence in Financial Reporting

The District received the Certificate of Excellence in Financial Reporting from the Association of School Business Officials International (ASBOI), for the fiscal year that ended June 30, 2024. For sixteen consecutive years, the District has received this award. This award recognizes school systems for best practices in financial reporting and commitment to fiscal integrity, transparency, and best practices in the management of public tax dollars.

The Certificate of Achievement for Excellence in Financial Reporting and the Certificate of Excellence in Financial Reporting are valid for a period of one year only. We believe our current ACFR continues to meet the Programs' requirements and will be submitting it to GFOA and ASBOI to determine eligibility for the certificates.

## ACKNOWLEDGEMENTS

We wish to express our deepest appreciation to the members of the Board of Education for their steadfast commitment to maintaining the highest level of standards of integrity and professionalism in the management of all operations for Northbrook School District 27.

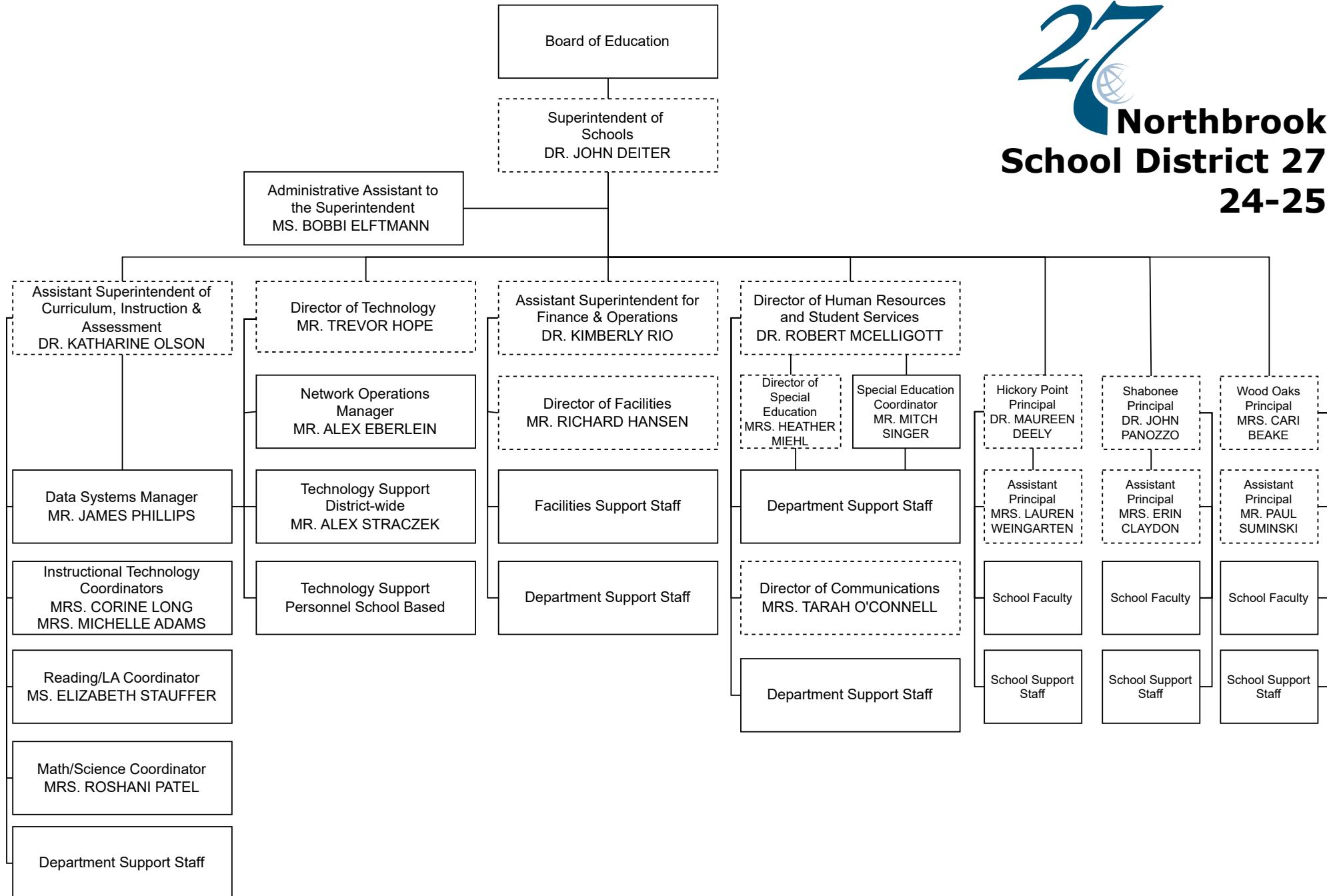
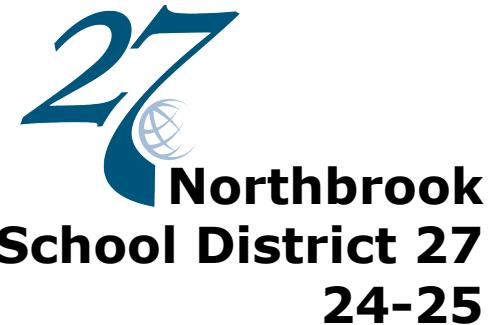
Respectfully,



John B. Deiter, Ph.D.  
Superintendent of Schools



Kimberly Rio, Ed.D., CSBO  
Assistant Superintendent for Finance & Operations



# **Northbrook School District 27**

**1250 Sanders Road**

**Northbrook, Illinois 60062**

## **Annual Comprehensive Financial Report**

### **Officers and Officials**

**Fiscal Year Ended June 30, 2025**

#### **Board of Education**

		<u>Term Expires</u>
Matthew Basinger	President	2029
Gali Oren-Amit	Vice President	2029
Marlyse Cohen	Member	2029
Opi Akuffo	Member	2027
Martha Carlos	Member	2027
Daniel Walsh	Member	2029
Jack Waddle	Member	2027

#### **Township School Treasurer**

**Dr. Craig Schilling**

#### **District Administration**

Dr. John Deiter	Superintendent
Dr. Katharine Olson	Assistant Superintendent for Curriculum, Instruction and Assessment
Dr. Kimberly Rio	Assistant Superintendent for Finance and Operations
Dr. Rob McElligott	Director of Human Resources
Tarah O'Connell	Director of Communications
Rick Hansen	Director of Facilities
Heather Miehl	Director of Special Education
Trevor Hope	Director of Technology
Dr. Maureen Deely	Principal, Hickory Point School
Dr. John Panozzo	Principal, Shabonee School
Cari Beake	Principal, Wood Oaks Jr. High School
Paul Suminski	Asst. Principal, Wood Oaks Jr. High School
Lauren Weingarten	Asst. Principal, Hickory Point School
Erin Claydon	Asst. Principal, Shabonee School

#### **Official Issuing Report**

**Dr. Kimberly Rio**

Assistant Superintendent for Finance and Operations

#### **Finance & Operations**

Business Services



ASSOCIATION OF  
SCHOOL BUSINESS OFFICIALS  
INTERNATIONAL

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

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

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



A handwritten signature in black ink that reads 'Ryan S. Stechschulte'.

Ryan S. Stechschulte  
President

A handwritten signature in black ink that reads 'James M. Rowan'.

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



Government Finance Officers Association

**Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting**

Presented to

**Northbrook School District 27  
Illinois**

For its Annual Comprehensive  
Financial Report  
For the Fiscal Year Ended

June 30, 2024

*Christopher P. Monill*

Executive Director/CEO

## **FINANCIAL SECTION**

# MILLER COOPER &Co.,Ltd

ACCOUNTANTS AND CONSULTANTS

## INDEPENDENT AUDITORS' REPORT

To the Members of the Board of Education  
Northbrook School District 27  
Northbrook, Illinois

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

#### **Opinions**

We have audited the financial statements of the governmental activities and each major fund of Northbrook School District 27 (the District), as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

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

#### **Emphasis of a Matter**

As discussed in Note A-11 and Note M to the financial statements, long-term liabilities and net position as of July 1, 2024 have been restated as a result of an adjustment due to the implementation of Governmental Accounting Standards Board Statement No. 101, *Compensated Absences*. Our opinion is not modified with respect to this matter.

#### **Basis for Opinions**

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

(Continued)

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Chicago, IL 60661 • 3010 Highland Parkway, Suite 100, Downers Grove, IL 60515 •  
847.205.5000 • Fax 847.205.1400 • [www.millercooper.com](http://www.millercooper.com)



WE ARE AN INDEPENDENT MEMBER OF  
THE GLOBAL ADVISORY  
AND ACCOUNTING NETWORK

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with U.S. GAAP, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

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

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

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

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

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

**Required Supplementary Information**

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

**Supplementary Financial Information**

Our audit for the year ended June 30, 2025 was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The accompanying supplementary financial information, as listed in the table of contents, for the year ended June 30, 2025 is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements for the year ended June 30, 2025 and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the accompanying supplementary financial information as listed in the table of contents is fairly stated, in all material respects, in relation to the basic financial statements as a whole for the year ended June 30, 2025.

To the Members of the Board of Education  
Northbrook School District 27

(Continued)

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### **Other Information**

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections, as listed in the table of contents, 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 District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering District's internal control over financial reporting and compliance.

MILLER, COOPER & CO., LTD.



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Certified Public Accountants

Deerfield, Illinois  
November 6, 2025



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

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The discussion and analysis of Northbrook School District 27's (the "District") financial performance provides an overall review of the District's financial activities for the year ended June 30, 2025. The management of the District encourages readers to consider the information presented herein in conjunction with the basic financial statements to enhance their understanding of the District's financial performance.

**Financial Highlights**

- The District continues to maintain a healthy financial position with a 37% cumulative fund balance reserve; this percentage of reserve is derived from taking the ending cumulative fund balance at year-end against the projected budgeted expenditures for the next fiscal year. The District has targeted, as written in Board Policy, to reach a 65% level of fund balance reserve in order to remain financially solvent. The reason for a targeted 65% reserve level is to make sure the District has the appropriate level of funding available to pay for regular operations in between property tax distributions. The District will need to continue to build this reserve in order to meet current and future financial obligations.
- The District experienced declines in the overall Equalized Assessed Valuation (EAV), from 2009 to 2015. The 2009 EAV was at \$1.109 billion, and rapidly declined to \$704 million by 2015. The decline was directly related to the overall economic recession impacting the real estate market and property values. In 2016, the EAV increased by 19.6%, and in 2017 the EAV increased by 3.5%, marking continued improvement in the growth of overall property values. In 2018 the District experienced a slight decline; however, with the 2019 triennial reassessment the EAV increased 11.8% to \$947 million, and in the next triennial reassessment in 2022 the EAV increased to \$1.037 billion. For 2023, the District's EAV was at \$1.075 billion. The District will continue to monitor local property values going forward as it is critical to maintain stability with the local tax base.
- The District also continues to be impacted by the property tax appeals process in which successful appeals are directly negated from overall property tax distributions. Over the past 25 fiscal years, the cumulative total for property tax refunds has totaled over \$12 million. In regards to State and Federal sources of revenue, the District continues to monitor these areas in order to project revenue for budgeting purposes.
- General revenues accounted for \$35,266,097 in revenue, or 73% of all revenues. Program-specific revenues in the form of charges for services, grants, and contributions accounted for \$12,943,500, or 27% of total revenues of \$48,209,597.
- The District had \$48,911,190 in expenses related to governmental activities. However, only \$12,943,500 of these expenses was offset by program-specific charges for services, grants, and contributions. General revenues of \$35,266,097 were adequate to provide for regular operating costs, plus fund balance reserve.
- The General Fund had \$39,427,186 in fiscal 2025 revenues, which primarily consisted of property taxes, state and federal aid, and \$38,586,589 in expenditures.



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

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**Financial Highlights (Continued)**

- The General Fund had a net change in fund balance of (\$1,999,372) from a total of \$14,683,946 (previous year as of June 30, 2024) to a total of \$12,684,574 as of June 30, 2025. The majority of the net change in fund balance is due to an inter-fund transfer to the Operations & Maintenance Fund of \$2.8 million to cover roof, HVAC, and electrical upgrades.
- The enrollment for the 2024-25 school year was 1,315, which reflects a relatively stable enrollment. The good news is that this is the eleventh consecutive year we have maintained our numbers and not experienced a noticeable decrease. Based on the District's current student enrollment projections, it is anticipated that enrollment should remain stable over the next five years.
- The District implemented Governmental Accounting Standards Board Statement (GASB) No. 101, *Compensated Absences* (GASB 101), for the year ending June 30, 2025. This Statement's objective is to update the recognition and measurement guidance for compensated absences by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. See notes to the financial statements for additional information.

**Overview of the Basic Financial Statements**

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

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

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

**Government-wide financial statements**

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

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

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



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

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**Overview of the Basic Financial Statements (Continued)**

**Government-wide financial statements** (Continued)

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

**Fund financial statements**

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

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

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements.

By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental funds balance sheet and the governmental funds statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The District maintains five individual governmental funds. Information is presented separately in the governmental funds' balance sheet and in the governmental funds' statement of revenues, expenditures, and changes in fund balances. The General Fund includes the Educational and Working Cash Accounts. The Educational Account is the District's primary operating account, accounting for all financial resources of the general government, except for those accounted for in another fund. The Working Cash Account is for the financial resources held by the District to be used as temporary inter-fund loans for working capital requirements to the Education, Operations and Maintenance or Transportation Funds. Money loaned by the Working Cash Account to other funds must be repaid within one year. The Operations and Maintenance Fund, Transportation Fund, and Municipal Retirement/Social Security Fund are all special revenue funds. These funds are used to account for and report the proceeds of specific revenue sources (other than those accounted for in Debt Service Fund) that are legally restricted to expenditures for specified purposes. The Debt Service Fund is for the accumulation of resources for and the payment of subscription liabilities. All District funds are considered to be major funds. More detailed information on the government-wide and fund financial statements is provided in Notes A-3 and A-4 to the basic financial statements.



*Northbrook School District 27*

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

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**Overview of the Basic Financial Statements (Continued)**

*Fund financial statements* (Continued)

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

*Notes to the basic financial statements*

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

*Other information*

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the District's pension data related to the Illinois Municipal Retirement Fund (IMRF), the Teachers' Retirement System (TRS), as well as other post-employment benefit data, and budgetary comparison schedules. Other sections of the Annual Comprehensive Financial Report (ACFR) include supplemental and statistical data.



Northbrook School District 27

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

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**Government-Wide Financial Analysis**

**TABLE 1:**  
*Condensed Statement of Net Position*

	<u>2024*</u>	<u>2025</u>
<b>Assets:</b>		
<b>Current and other assets</b>	\$33,988,931	\$30,754,226
<b>Capital assets</b>	<u>27,017,737</u>	<u>29,236,150</u>
<b>TOTAL ASSETS</b>	61,006,668	59,990,376
<b>Deferred Outflows of Resources:</b>		
<b>Deferred Outflows Related to Pensions</b>	1,202,134	793,372
<b>Deferred Outflows Related to Other Post-Employment Benefits</b>	<u>957,945</u>	<u>1,795,843</u>
<b>TOTAL DEFERRED OUTFLOWS</b>	2,160,079	2,589,215
<b>Liabilities:</b>		
<b>Current liabilities</b>	343,998	251,620
<b>Long-term liabilities</b>	<u>9,163,288</u>	<u>14,958,831</u>
<b>TOTAL LIABILITIES</b>	9,507,286	15,210,451
<b>Deferred Inflows of Resources:</b>		
<b>Deferred Inflows Related to Pensions</b>	167,806	110,772
<b>Deferred Inflows Related to Other Post-Employment Benefits</b>	11,832,791	10,318,276
<b>Property Taxes Levied for Future Period</b>	<u>16,034,359</u>	<u>16,638,019</u>
<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	28,034,956	27,067,067
<b>Net Position:</b>		
<b>Investment in capital assets</b>	26,926,059	29,179,857
<b>Restricted</b>	2,926,628	1,180,013
<b>Unrestricted</b>	(4,228,182)	(10,057,797)
<b>TOTAL NET POSITION</b>	<b>\$25,624,505</b>	<b>\$20,302,073</b>

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



*Northbrook School District 27*

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

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**Government-Wide Financial Analysis (Continued)**

<b>TABLE 2:</b> <i>Condensed Statement of Changes in Net Position</i>		
	<u>2024*</u>	<u>2025</u>
<b>Revenues:</b>		
<b>Program Revenues:</b>		
Charges for services	\$555,197	\$537,819
<b>Operating and capital grants and contributions</b>	12,565,098	12,405,681
<b>General Revenues:</b>		
Taxes	32,369,276	32,919,785
General state aid	792,513	793,669
Other	<u>1,110,489</u>	<u>1,552,643</u>
<b>Total Revenues</b>	<u>47,392,573</u>	<u>48,209,597</u>
<b>Expenses:</b>		
<b>Instruction</b>	33,735,541	35,050,695
<b>Pupil and instructional staff services</b>	3,617,278	4,307,932
<b>Administration and business</b>	1,950,528	2,390,323
<b>Transportation</b>	2,326,957	2,680,498
<b>Operations and maintenance</b>	4,549,227	4,188,736
<b>Other</b>	<u>319,050</u>	<u>293,006</u>
<b>Total Expenses</b>	<u>46,498,581</u>	<u>48,911,190</u>
<b>Change in net position</b>	893,992	(701,593)
<b>Net position, beginning of year</b>	<u>24,730,513</u>	<u>**21,003,666</u>
<b>Net position, end year</b>	<u>\$25,624,505</u>	<u>\$20,302,073</u>

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

\*\* The net position at beginning of year was restated due to the implementation of GASB 101 (see Note M).

**Reasons for Change in Net Position:**

The change in net position between fiscal years 2024 and 2025 decreased by (\$701,593). The decrease is primarily due to increased costs for special education program delivery. The District has experienced an increase in the number of students who have been identified with special programming needs, including the need for transportation. The increases in cost are reflected under instruction, pupil and instructional staff services, and transportation. The charts below will detail revenues and expenditures by source for fiscal year 2025.



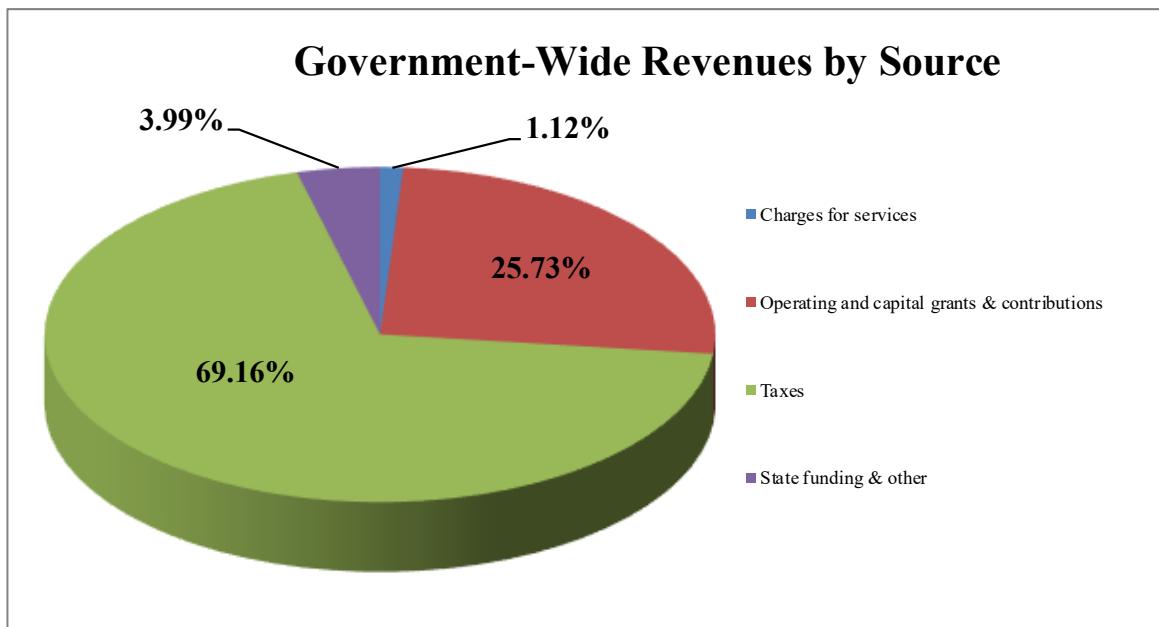
**Management's Discussion and Analysis (Unaudited)**  
**For the Year Ended June 30, 2025**

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**Revenues by Source:**

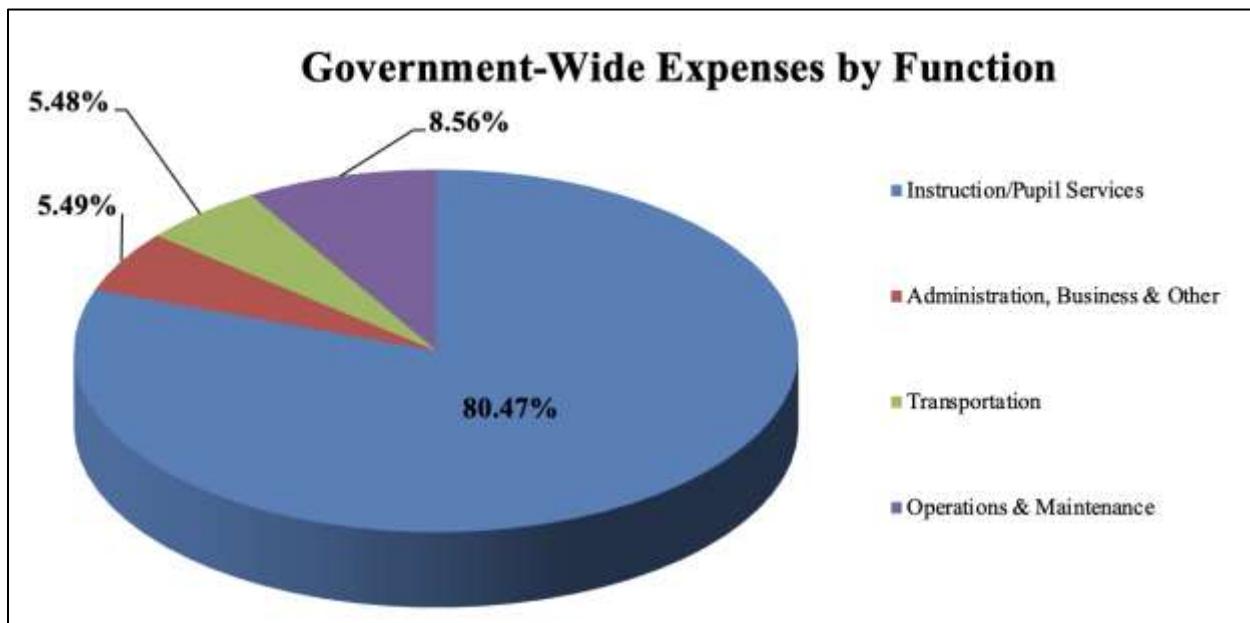
Revenues totaled \$48,209,597 for the fiscal year ended June 30, 2025. Property and replacement taxes in the amount of \$33,342,370 accounted for 69.16% of total revenues and continue to be the primary source of revenue for the District. In addition, operating and capital grants and contributions of \$12,405,681 accounted for 25.73% of total revenues, and charges for services of \$537,819 accounted for 1.12% of total revenue. State based funding, interest, and other miscellaneous sources of revenue of \$1,923,727 accounted for 3.99% of total revenue.

**Revenues by Source:**



**Expenses by Function:**

The total cost of all the District's programs was \$48,911,190. Expenses directly related to instruction and support services (pupil and instructional staff) for students totaled \$39,358,627 or 80.47% of total expenses. The cost to transport students totaled \$2,680,498, or 5.48% of total expenses. The District also incurred expenses for maintaining its capital assets in operations and maintenance totaling \$4,188,736 or 8.56% of total expenses, and for administration and other expenses of \$2,683,329 or 5.49%.



#### Financial Analysis of the District's Funds

As the District closed the year, its governmental funds reported a combined fund balance of \$13,864,587, a decrease of 21.3% from last year's ending fund balance of \$17,610,574. The decrease in fund balance is primarily due to two areas; facilities improvements for roof, HVAC, and electrical updates at Hickory Point School, and an increase in special education programming costs due to an increase in student needs. The District ended the 2024-25 fiscal year with expenditures exceeding revenues by \$3,756,707.

The General Fund is the largest of the governmental funds. The fund balance at the beginning of the year was \$14,683,946. Total revenues were \$39,427,186 and total expenditures were \$38,586,589. Total revenues exceeding total expenditures by \$840,597; however, the net change in fund balance was a decrease of (\$1,999,372), due to an inter-fund transfer to the Operations and Maintenance Fund to help cover the roof, HVAC, and electrical upgrade work at Hickory Point School. The fund balance at the end of the year was \$12,684,574.

The Operations and Maintenance Fund's fund balance at the beginning of the year was \$1,233,863. Total revenues were \$3,473,575 and total expenditures were \$7,210,535; therefore, expenditures exceeding revenues by (\$3,736,960); however, the net change in fund balance was a decrease of (\$936,960). The fund balance for year-end declined to \$296,903. The primary reason for the decrease in fund balance is due to the costs to cover the roof, HVAC, and electrical upgrades at Hickory Point School. An inter-fund transfer of \$2,800,000 from the General (Educational) Fund was completed to help cover these costs.

The Transportation Fund's fund balance at the beginning of the year was \$634,571. Total revenues were \$2,197,298 and total expenditures were \$2,553,184. Total expenditures exceeded total revenues by (\$355,886). The primary reason for expenditures exceeding revenues is due to the increased costs in special education transportation needs. The fund balance at the end of the year was \$278,685.



*Northbrook School District 27*

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

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The Municipal Retirement/Social Security Fund's fund balance at the beginning of the year was \$1,058,194. Total revenues were \$459,517 and total expenditures were \$913,286. The net change in fund balance was a decrease of (\$453,769). The decrease in fund balance was planned due to a higher previous fund balance reserve, and to excess fund accumulation. The fund balance at the end of the year was \$604,425.

The District continues to remain in a stable financial position. The District is dedicated to maintaining a reasonable fund balance reserve sufficient to mitigate current and future financial risks. It is the current goal of the Board of Education to target a 65% cumulative fund balance reserve. The Board of Education and Administration will continue diligence in financial management and planning.



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

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**General Fund Budgetary Highlights**

The District's final budget for the General Fund anticipated that revenues would slightly exceed expenditures. The District ended the fiscal year with revenues exceeding expenditures by \$840,597 (before other financing sources and uses). This is primarily due to increased property tax collections.

**Capital Assets and Debt Administration**

*Capital assets*

By the end of 2025, the District had compiled a total investment of \$29,236,150 net of accumulated depreciation and amortization, in a broad range of capital assets including land improvements, buildings and improvement, land, equipment, subscription assets, equipment and vehicles, and construction in progress. Total depreciation and amortization expense for the year was \$1,667,535. More detailed information about capital assets can be found in Note D to the basic financial statements.

The District will move forward with school building capital improvement planning during fiscal years 2025-26 through 2027-28. This will include the addition of new building space at the PreK-2 building, site improvements at the junior high, and roof system, mechanical, and electrical upgrades at the 3<sup>rd</sup>-5<sup>th</sup> grade building. The funding for the future capital improvement work will be through the sale of general obligation bonds.

<b>TABLE 3:</b> <b>Capital Assets (net of depreciation)</b>		
	<u>2024</u>	<u>2025</u>
<b>Land</b>	\$677,542	\$677,542
<b>Land improvements</b>	228,126	187,312
<b>Buildings and improvements</b>	23,655,092	26,724,972
<b>Equipment and vehicles</b>	964,486	1,043,625
<b>Subscription assets</b>	100,598	261,395
<b>Construction in progress</b>	<u>1,391,893</u>	<u>341,304</u>
 <b>Total</b>	 \$27,017,737	 \$29,236,150

*Long-term Debt*

The District currently has no long-term general obligation debt.

*Long-term Liabilities*

The District reports subscription liabilities, compensated absences, pension, and other post-employment benefits as long-term liabilities. See Note A-11, A-12, Note E, Note H, and Note I to the basic financial statements for more detailed information on the various long-term liabilities of the District.



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

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**Capital Assets and Debt Administration (Continued)**

Long-term Liabilities (Continued)

**TABLE 4:**  
**Long-Term Liabilities**

	<u>2024</u>	<u>2025</u>
<b>Subscription liabilities</b>	\$91,678	\$56,293
<b>Compensated absences</b>	104,003	*5,560,434
<b>Other post-employment benefits</b>	4,267,747	4,843,810
<b>Retirement recognition</b>	1,506,721	1,485,845
<b>IMRF Net Pension Liability</b>	1,897,997	1,662,962
<b>TRS Net Pension Liability</b>	1,295,142	1,349,487
<b>Total</b>	<b>\$9,163,288</b>	<b>\$14,958,831</b>

\*Balance restated due to the implementation of GASB No. 101. See Note M.

**Factors bearing on the District's Future**

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

- The District is in a stable financial position. It is the goal of the Board of Education and Administration to maintain financial solvency and a cumulative fund balance reserve level that is reasonable and sufficient to mitigate future risk. In addition, it is the goal of the District to operate with a balanced budget annually.

The District will continue to monitor local, state, and federal sources of revenue. For state sources, the District will monitor the State's financial stability. Regarding local revenue, the District will continue to monitor the local tax base as the property tax appeals process continues. Finally, with federal sources, the District will continue to monitor federal grant programs in order to secure additional funding sources.

- The District will continue to implement cost containment measures in all operations in order to protect the financial solvency of the District and maintain a balanced budget.
- The District will move forward with school building capital improvement planning during fiscal years 2025-26 through 2027-28. This will include the addition of new building space at the PreK-2 building, site improvements at the junior high, and roof system, mechanical, and electrical upgrades at the 3<sup>rd</sup>-5<sup>th</sup> grade building. The funding for the future capital improvement work will be through the sale of general obligation bonds.



*Northbrook School District 27*

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

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**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 Dr. Kimberly Rio, CSBO, Assistant Superintendent for Finance & Operations, at 847-498-2610 extension 5117.

## **BASIC FINANCIAL STATEMENTS**

**Northbrook School District 27**  
 STATEMENT OF NET POSITION - GOVERNMENTAL ACTIVITIES  
June 30, 2025

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**ASSETS**

Cash and investments	\$ 13,422,308
Receivables (net of allowance for uncollectibles)	16,638,019
Property taxes	72,871
Replacement taxes	295,648
Intergovernmental	308,075
Prepaid items	17,305
Other current assets	677,542
Capital assets:	341,304
Land	28,217,304
Construction in progress	<u>59,990,376</u>
Capital assets being depreciated/amortized, net of depreciation/amortization	<u>59,990,376</u>

Total assets

**DEFERRED OUTFLOWS OF RESOURCES**

Deferred outflows related to pensions	793,372
Deferred outflows related to other postemployment benefits	<u>1,795,843</u>
Total deferred outflows	<u>2,589,215</u>

**LIABILITIES**

Accounts payable	219,471
Other current liabilities	32,149
Long-term liabilities:	
Due within one year	1,621,949
Due after one year	<u>13,336,882</u>
Total liabilities	<u>15,210,451</u>

**DEFERRED INFLOWS OF RESOURCES**

Property taxes levied for a future period	16,638,019
Deferred inflows related to pensions	110,772
Deferred inflows related to other postemployment benefits	<u>10,318,276</u>
Total deferred inflows	<u>27,067,067</u>

**NET POSITION**

Net investment in capital assets	29,179,857
Restricted for:	
Operations and maintenance	296,903
Retirement benefits	278,685
Student transportation	604,425
Unrestricted	<u>(10,057,797)</u>
Total net position	<u>\$ 20,302,073</u>

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The accompanying notes are an integral part of this statement.

## Northbrook School District 27

### STATEMENT OF ACTIVITIES For the Year Ended June 30, 2025

Functions / Programs	Expenses	PROGRAM REVENUES			Net (Expenses) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions			
<b>Governmental activities</b>							
Instruction:							
Regular programs	\$ 19,248,970	\$ 284,458	\$ 63,316	\$ -	\$ (18,901,196)		
Special programs	4,540,814	-	620,831	-	(3,919,983)		
Other instructional programs	98,792	10,125	-	-	(88,667)		
State retirement contributions	11,162,119	-	11,162,119	-	-		
Support services:							
Pupils	2,352,749	-	11,938	-	(2,340,811)		
Instructional staff	1,955,183	-	15,865	-	(1,939,318)		
General administration	1,125,383	-	-	-	(1,125,383)		
School administration	1,117,462	-	-	-	(1,117,462)		
Business	147,478	1,475	11,689	50,000	(84,314)		
Transportation	2,680,498	240,861	469,923	-	(1,969,714)		
Operations and maintenance	4,188,736	900	-	-	(4,187,836)		
Central	216,696	-	-	-	(216,696)		
Community services	71,726	-	-	-	(71,726)		
Interest	4,584	-	-	-	(4,584)		
<b>Total governmental activities</b>	<b>\$ 48,911,190</b>	<b>\$ 537,819</b>	<b>\$ 12,355,681</b>	<b>\$ 50,000</b>	<b>\$ (35,967,690)</b>		
<b>General revenues:</b>							
Taxes:							
Real estate taxes, levied for general purposes					28,995,446		
Real estate taxes, levied for specific purposes					3,924,339		
Unrestricted intergovernmental revenues					422,585		
State aid-formula grants					793,669		
Investment earnings					1,014,297		
Miscellaneous					115,761		
<b>Total general revenues</b>					<b>\$ 35,266,097</b>		
Change in net position							
					(701,593)		
Net position, beginning of year (as previously presented)							
					25,624,505		
Adjustment for change in accounting principle (see Note M)							
					<u>(4,620,839)</u>		
Net position, beginning of year (as restated)							
					<u>21,003,666</u>		
Net position, end of year							
					<u>\$ 20,302,073</u>		

The accompanying notes are an integral part of this statement.

## Northbrook School District 27

Governmental Funds

### BALANCE SHEET

June 30, 2025

	General	Operations and Maintenance	Transportation	Municipal Retirement / Soc. Sec.	Debt Service	Total
<b>ASSETS</b>						
Cash and investments	\$ 12,155,255	\$ 352,470	\$ 315,259	\$ 599,324	\$ -	\$ 13,422,308
Receivables (net of allowance for uncollectibles):						
Property taxes	14,724,895	1,003,335	909,695	94	-	16,638,019
Replacement taxes	-	67,770	-	5,101	-	72,871
Intergovernmental	295,648	-	-	-	-	295,648
Prepaid items	293,070	15,005	-	-	-	308,075
Other current assets	17,305	-	-	-	-	17,305
<b>Total assets</b>	<b>\$ 27,486,173</b>	<b>\$ 1,438,580</b>	<b>\$ 1,224,954</b>	<b>\$ 604,519</b>	<b>\$ -</b>	<b>\$ 30,754,226</b>
<b>LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCES</b>						
<b>LIABILITIES</b>						
Accounts payable	\$ 44,555	\$ 138,342	\$ 36,574	\$ -	-	\$ 219,471
Other current liabilities	32,149	-	-	-	-	32,149
<b>Total liabilities</b>	<b>76,704</b>	<b>138,342</b>	<b>36,574</b>	<b>-</b>	<b>-</b>	<b>251,620</b>
<b>DEFERRED INFLOWS</b>						
Property taxes levied for a future period	14,724,895	1,003,335	909,695	94	-	16,638,019
<b>Total deferred inflows</b>	<b>14,724,895</b>	<b>1,003,335</b>	<b>909,695</b>	<b>94</b>	<b>-</b>	<b>16,638,019</b>
<b>FUND BALANCES</b>						
Nonspendable	293,070	15,005	-	-	-	308,075
Restricted	-	281,898	278,685	604,425	-	1,165,008
Assigned	37,251	-	-	-	-	37,251
Unassigned	12,354,253	-	-	-	-	12,354,253
<b>Total fund balances</b>	<b>12,684,574</b>	<b>296,903</b>	<b>278,685</b>	<b>604,425</b>	<b>-</b>	<b>13,864,587</b>
Total liabilities, deferred inflows, and fund balances	\$ 27,486,173	\$ 1,438,580	\$ 1,224,954	\$ 604,519	\$ -	\$ 30,754,226

The accompanying notes are an integral part of this statement.

**Northbrook School District 27**  
**RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL**  
**FUNDS TO THE STATEMENT OF NET POSITION**  
June 30, 2025

---

Total fund balances - total governmental funds \$ 13,864,587

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

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

29,236,150

Deferred outflows and inflows of resources related to pensions are applicable to future periods and, therefore, are not reported in the governmental funds:

Deferred outflows of resources related to pensions	\$ 793,372
Deferred inflows of resources related to pensions	<u>(110,772)</u>
	682,600

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

Deferred outflows of resources related to OPEB	\$ 1,795,843
Deferred inflows of resources related to OPEB	<u>(10,318,276)</u>
	(8,522,433)

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

Subscription liabilities	\$ (56,293)
Compensated absences	(5,560,434)
IMRF net pension liability	(1,662,962)
TRS net pension liability	(1,349,487)
RHP total other postemployment benefit liability	(359,267)
THIS net other postemployment benefit liability	(4,484,543)
Retirement recognition payable	<u>(1,485,845)</u>
	(14,958,831)
Net position of governmental activities	<u>\$ 20,302,073</u>

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The accompanying notes are an integral part of this statement.

**Northbrook School District 27**  
 Governmental Funds  
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
For the Year Ended June 30, 2025

	General	Operations and Maintenance	Transportation	Municipal Retirement / Soc. Sec.	Debt Service	Total
<b>Revenues</b>						
Property taxes	\$ 28,995,446	\$ 2,038,265	\$ 1,448,658	\$ 437,416	\$ -	\$ 32,919,785
Replacement taxes	-	402,484	-	20,101	-	422,585
State aid	8,546,850	843,669	469,923	-	-	9,860,442
Federal aid	686,887	-	-	-	-	686,887
Interest	822,040	188,257	2,000	2,000	-	1,014,297
Other	375,963	900	276,717	-	-	653,580
<b>Total revenues</b>	<b>39,427,186</b>	<b>3,473,575</b>	<b>2,197,298</b>	<b>459,517</b>	<b>-</b>	<b>45,557,576</b>
<b>Expenditures</b>						
Current:						
Instruction:						
Regular programs	17,948,000	-	-	420,303	-	18,368,303
Special programs	2,066,478	-	-	40,709	-	2,107,187
Other instructional programs	106,997	-	-	1,252	-	108,249
State retirement contributions	8,510,098	-	-	-	-	8,510,098
Support services:						
Pupils	2,296,736	-	-	76,626	-	2,373,362
Instructional staff	1,865,615	-	-	144,135	-	2,009,750
General administration	1,149,779	-	-	33,228	-	1,183,007
School administration	1,148,415	-	-	45,816	-	1,194,231
Business	132,385	15,093	-	-	-	147,478
Transportation	-	127,314	2,553,184	-	-	2,680,498
Operations and maintenance	7,943	3,515,152	-	143,302	-	3,666,397
Central	216,696	-	-	-	-	216,696
Community services	61,289	-	-	7,915	-	69,204
Nonprogrammed charges	2,483,902	-	-	-	-	2,483,902
Debt service:						
Principal	-	-	-	-	46,105	46,105
Interest and other	-	-	-	-	4,584	4,584
Capital outlay	592,256	3,552,976	-	-	-	4,145,232
<b>Total expenditures</b>	<b>38,586,589</b>	<b>7,210,535</b>	<b>2,553,184</b>	<b>913,286</b>	<b>50,689</b>	<b>49,314,283</b>
Excess (deficiency) of revenues over expenditures	840,597	(3,736,960)	(355,886)	(453,769)	(50,689)	(3,756,707)
Other financing sources (uses)						
Transfers in	-	2,800,000	-	-	50,689	2,850,689
Transfers out	(2,850,689)	-	-	-	-	(2,850,689)
Subscription liabilities issued	10,720	-	-	-	-	10,720
<b>Total other financing sources (uses)</b>	<b>(2,839,969)</b>	<b>2,800,000</b>	<b>-</b>	<b>-</b>	<b>50,689</b>	<b>10,720</b>
Net change in fund balance	(1,999,372)	(936,960)	(355,886)	(453,769)	-	(3,745,987)
Fund balance, beginning of year	14,683,946	1,233,863	634,571	1,058,194	-	17,610,574
<b>Fund balance, end of year</b>	<b>\$ 12,684,574</b>	<b>\$ 296,903</b>	<b>\$ 278,685</b>	<b>\$ 604,425</b>	<b>\$ -</b>	<b>\$ 13,864,587</b>

The accompanying notes are an integral part of this statement.

## Northbrook School District 27

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

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Net change in fund balances - total governmental funds. \$ (3,745,987)

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

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

Capital outlay	\$ 3,904,042
Depreciation and amortization expense	(1,667,535)
Gain (loss) on disposal	<u>(18,094)</u> 2,218,413

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

Deferred outflows and inflows of resources related to IMRF pension	\$ (456,676)
Deferred outflows and inflows of resources related to TRS pension	<u>104,948</u> (351,728)

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

Deferred outflows and inflows of resources related to RHP	\$ (79,787)
Deferred outflows and inflows of resources related to THIS	<u>2,432,200</u> 2,352,413

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

Principal repayments - subscription liabilities	\$ 46,105
Subscription liabilities issued	(10,720)
Compensated absences, net	(835,592)
Retirement recognition payable	20,876
IMRF pension liability, net	235,035
TRS pension liability, net	(54,345)
RHP other postemployment benefit liability, net	134,239
THIS other postemployment benefit liability, net	<u>(710,302)</u> (1,174,704)
Change in net position of governmental activities	\$ <u>(701,593)</u>

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The accompanying notes are an integral part of this statement.

**Northbrook School District 27**  
NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2025

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**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The financial statements of Northbrook School District 27 (the District) have been prepared in conformity with accounting principles generally accepted in the United States of America, as applied to government units (hereinafter referred to as generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is the standard-setting body for establishing governmental accounting and financial reporting principles.

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

**1. Reporting Entity**

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

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

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

**2. Fund Accounting**

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

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

**Northbrook School District 27**  
NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2025

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**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**3. Government-Wide and Fund Financial Statements**

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

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

**a. General Fund**

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

The Student Activity balance is accounted for in the Educational Account. The balance accounts for activities such as student yearbooks, student clubs and councils and scholarships. Additionally, the flexible spending balance, which is custodial in nature (assets equal liabilities) and does not involve measurement of the results of operations is also included in the Education account. These balances are held by the District and administered by a third party on behalf of the District's employees for personal medical and dependent care purposes.

**b. Special Revenue Funds**

The special revenue funds are used to account for and report the proceeds of specific revenue sources (other than those accounted for in the debt service or capital projects funds) that are legally restricted to expenditures for specified purposes.

**Northbrook School District 27**  
NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2025

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**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

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

**b. Special Revenue Funds (Continued)**

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

*Operations and Maintenance Fund* - accounts for all revenues and expenditures made for operations, repair, and maintenance of the District's buildings and land. Revenues consist primarily of local property taxes, personal property replacement taxes, and state reimbursement grants.

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

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

**c. Debt Service Fund**

*Debt Service Fund* - accounts for the accumulation of resources for, and the payment of subscription liabilities. The primary revenue sources are transfers from other funds.

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

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

**Northbrook School District 27**  
NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2025

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**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

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

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

Property taxes, replacement taxes, interest, and intergovernmental revenues associated with the current fiscal period are all considered to be susceptible to accrual and are recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the District.

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

**5. Deferred Outflows / Deferred Inflows**

In addition to assets, the statement of net position and the governmental funds balance sheet may report deferred outflows of resources. Deferred outflows of resources represent a consumption of net assets that applies to a future period. At June 30, 2025, the District has deferred outflows of resources related to pensions and other postemployment benefits (OPEB). In addition to liabilities, the District may report deferred inflows of resources. Deferred inflows of resources represent an acquisition of net assets that is applied to a future reporting period. At June 30, 2025, the District reported deferred inflows of resources related to property taxes levied for a future period, pensions, and OPEB.

**Northbrook School District 27**  
NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2025

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**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**6. Budgetary Data**

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

**7. Deposits and Investments**

The District utilizes the investment services of the Northfield Township School Treasurer (the "Treasurer"). Investments are stated at fair value. Changes in fair value are included in investment income.

**8. Personal Property Replacement Taxes**

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

**9. Prepaid Items**

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

**10. Capital Assets**

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

The District's subscription assets are recorded at an amount equal to the related subscription liability (Note E), and amortized on a straight-line basis over the remaining term of the related agreements.

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

**Northbrook School District 27**  
NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2025

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**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**10. Capital Assets (Continued)**

Depreciation and amortization of capital assets is provided over the estimated useful lives using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Land improvements	15 - 20
Buildings and improvements	20 - 50
Equipment and vehicles	5 - 20

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

**11. New Accounting Pronouncement and Compensated Absences**

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

The District grants vacation days earned to twelve-month employees based on individual employment contracts. The vacation days are earned as follows:

<u>Years of Employment</u>	<u>Vacation Time Earned</u>
0 - 1	1 day of vacation per 26 days
1 - 4	2 weeks
5 - 9	3 weeks
10 or more	4 weeks

The twelve-month period is calculated from July 1 through June 30 each fiscal year. Unused vacation time from any twelve-month period must be taken by the following December 31. Upon leaving employment with the District, the District may pay out unused vacation days up to a maximum of 20 days.

**Northbrook School District 27**  
NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2025

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**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**11. New Accounting Pronouncement and Compensated Absences (Continued)**

All full-time employees receive a specified number of sick days per year depending on their years of service, in accordance with agreements with the Board of Education. Upon retirement, a certified employee may apply up to 340 days of unused sick leave toward service credit for TRS (Teacher's Retirement System of the State of Illinois) and non-certified employees may apply 240 days of unused sick leave towards service credit for IMRF (Illinois Municipal Retirement Fund).

District policy permits employees to accumulate earned but unused leave for vacation. The entire balance of vacation is recognized as a liability at year end. Sick leave is recognized as a liability if it is more likely than not to be used for time off or otherwise paid in cash, or settled through a noncash means. The liability for compensated absences includes salary-related benefits, where applicable.

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

**12. Pensions and Other Postemployment Benefits**

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

**13. Use of Estimates**

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

**Northbrook School District 27**  
NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2025

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**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**14. Restricted Net Position**

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

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

**15. Fund Balance**

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

- a. *Nonspendable* - includes amounts that cannot be spent because they are either not in spendable form or legally or contractually required to be maintained intact. The nonspendable in form criteria includes items that are not expected to be converted to cash such as prepaid items or inventories.
- b. *Restricted* - refers to amounts that are subject to outside restrictions such as creditors, grantors, contributors, laws and regulations of other governments, or imposed by law through enabling legislation. Special revenue funds, as well as debt service funds, are by definition restricted for those specified purposes.
- c. *Committed* - refers to amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the District's highest level of decision making authority (the Board of Education). The Board of Education commits fund balances by passing a resolution. Amounts committed cannot be used for any purpose unless the District removes or changes the specific use by taking the same type of formal action it employed to previously commit those funds. The District had no committed fund balance at June 30, 2025.
- d. *Assigned* - refers to amounts that are constrained by the District's intent to be used for a specific purpose, but are neither restricted or committed. Intent may be expressed by the Board of Education or the individual the Board of Education delegated the authority to assign amounts to be used for specific purposes. The Board of Education has declared that the Superintendent may assign amounts for a specific purpose. As of June 30, 2025, the District has assigned \$37,251 to be used for various student activities and clubs.

**Northbrook School District 27**  
NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2025

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**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**15. Fund Balance (Continued)**

e. *Unassigned* - refers to all spendable amounts not contained in the other four classifications described above. In funds other than the General Fund, the unassigned classification is used only to report a deficit balance resulting from overspending for specific purposes for which amounts had been restricted, committed, or assigned.

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

The District targets a fund balance reserve level of 65%.

The nonspendable fund balances of \$293,070 and \$15,005 in the General Fund and Operations and Maintenance Fund, respectively, are comprised of prepaid items.

The restricted fund balances are for the purposes of the restricted funds as described in Note A-3.

**NOTE B - DEPOSITS AND INVESTMENTS**

The District utilizes the investment services of the Northfield Township Schools Treasurer (the "Treasurer"). As such, the Treasurer is the lawful custodian of these school funds. The Treasurer is appointed by the Township Treasurer's Board of Trustees, an independently elected body, to serve the school districts in the township. The investment policies are established by the Northfield Township Schools Treasurer, as prescribed by the Illinois Compiled Statutes. 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.

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

**Northbrook School District 27**  
 NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2025

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**NOTE B - DEPOSITS AND INVESTMENTS (Continued)**

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

	<u>Total</u>
Cash on hand	\$ 300
Deposits with financial institutions*	1,284,477
Illinois School District Liquid Asset Fund Plus (ISDLAF+)	<u>12,137,531</u>
	<u><u>\$ 13,422,308</u></u>

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

**1. Cash and Investments Under the Custody of the Township Treasurer**

District cash and investments (other than the student activity account, imprest fund, flexible spending account, money market account, and cash on hand) are under the custody of the Township Treasurer. The Treasurer maintains records that segregate the cash and investment balances by district. Cash for all funds, including cash applicable to the Municipal Retirement/Social Security Fund, is not deemed available for purposes other than those for which these balances are intended.

**2. Interest Rate Risk**

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

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

	<u>Unfunded Commitments</u>	<u>Redemption Frequency</u>	<u>Redemption Notice Period</u>
ISDLAF+	\$ 12,137,531	n/a	Daily

**Northbrook School District 27**  
NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2025

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**NOTE B - DEPOSITS AND INVESTMENTS (Continued)**

**3. Credit Risk**

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. State law limits investments in commercial paper, corporate bonds and mutual funds to the top two ratings issued by nationally recognized statistical rating organizations (NRSROs). The District's investment policy authorized investments in any type of security as permitted by State statute.

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

**4. Cash and Investments in the Custody of the District**

At June 30, 2025, the carrying values of the District's money market, student activity, and flexible benefit plan accounts totaled \$1,284,477 all of which was deposited with financial institutions and fully insured. The District also maintains \$300 in petty cash.

**5. Custodial Credit Risk**

With respect to deposits, custodial credit risk is the risk that, in the event of a bank failure, the District's deposits may not be returned to it. The District's investment policy limits the exposure to deposit custodial credit risk by requiring all deposits in excess of FDIC insurable limits to be secured by collateral in the event of default or failure of the financial institution holding the funds. At June 30, 2025, the bank balances of the District's deposits with financial institutions totaled \$1,283,900 all of which was fully insured or collateralized.

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

**Northbrook School District 27**  
NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2025

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**NOTE C - PROPERTY TAXES RECEIVABLE**

The District must file its tax levy resolution by the last Tuesday in December of each year. The tax levy resolution was approved by the Board on December 19, 2024. The District's property tax is levied each year on all taxable real property located in the District, and becomes a lien on the property on January 1 of that year. The owner of real property on January 1 (the lien date), in any year, is liable for taxes of that year.

Tax rate ceilings are applied at the fund level. These ceilings are established by state law subject to change only by the approval of the voters of the District.

The District's annual property tax levy is subject to the Property Tax Extension Limitation Act (PTELA), which is applied in the aggregate to the total levy (excluding certain levies for the repayment of debt). PTELA limits the increase in total taxes billed to the lesser of 5% or the percentage increase in the Consumer Price Index (CPI) for the preceding year. The amount can be exceeded to the extent there is "new growth" in the District's tax base. The new growth consists of new construction, annexations, and tax increment finance district property becoming eligible for taxation.

The Cook County Assessor is responsible for the assessment of all taxable property within Cook County, except for certain railroad property, which is assessed directly by the state. One-third of the County is reassessed every year by the Assessor.

The Illinois Department of Revenue has the statutory responsibility of ensuring uniformity of real property assessments throughout the state. Each year, the Illinois Department of Revenue furnishes the county clerks with an adjustment factor to equalize the level of assessment between counties at one-third of market value. This factor (the equalization factor) is then applied to the assessed valuation to compute the valuation of property to which the tax rate will be applied (the equalized assessed valuation). The equalization factor for Cook County for 2024 is 3.0355.

The County Clerk adds the equalized assessed valuation of all real property in the county to the valuation of property assessed directly by the state (to which the equalization factor is not applied) to arrive at the base amount (the assessment base) used to calculate the annual tax rates, as described above. The equalized assessed valuation for the extension of the 2024 tax levy was \$1,081,769,160, (most recent information available - 2024 Draft Agency Tax Rate Report).

Property taxes are collected by the Cook County Collector/Treasurer, who remits them to the District. Taxes levied in one year become due and payable in two installments on March 1 and August 1 during the following year. There was a delay in assessing and billing of the 2024 property taxes, which delayed Cook County remitting the second installment of the 2024 property taxes to the District. The first installment is an estimated bill, and is fifty-five percent of the prior year's tax bill. The second installment bill is based on the current levy, assessment, and equalization, and any changes from the prior year.

**Northbrook School District 27**  
NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2025

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**NOTE C - PROPERTY TAXES RECEIVABLE (Continued)**

The portion of the 2024 property tax levy not received by June 30 is recorded as a receivable, net of estimated uncollectibles of 2%. The net receivable collected within the current year or due and expected to be collected soon enough thereafter to be used to pay liabilities of the current period, less the taxes collected soon enough after the end of the previous fiscal year, are recognized as revenue. Such time, thereafter, does not exceed 60 days. Net taxes receivable less the amount expected to be collected within 60 days are reflected as deferred inflow of resources - property taxes levied for a future period.

**Northbrook School District 27**  
 NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2025

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**NOTE D - CAPITAL ASSETS**

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

	Balance July 1, 2024	Increase	Decrease	Balance June 30, 2025
Capital assets, not being depreciated				
Land	\$ 677,542	\$ -	\$ -	\$ 677,542
Construction in progress	<u>1,391,893</u>	<u>3,293,873</u>	<u>4,344,462</u>	<u>341,304</u>
Total capital assets, not being depreciated	<u>2,069,435</u>	<u>3,293,873</u>	<u>4,344,462</u>	<u>1,018,846</u>
Capital assets, being depreciated/ amortized				
Land improvements	1,618,509	-	-	1,618,509
Buildings and improvements	43,579,290	4,347,797	403,000	47,524,087
Equipment and vehicles	5,721,877	355,101	102,839	5,974,139
Subscription assets	<u>189,929</u>	<u>251,733</u>	<u>7,282</u>	<u>434,380</u>
Total capital assets, being depreciated/ amortized	<u>51,109,605</u>	<u>4,954,631</u>	<u>513,121</u>	<u>55,551,115</u>
Less accumulated depreciation and amortization for:				
Land improvements	1,390,383	40,814	-	1,431,197
Buildings and improvements	19,924,198	1,277,917	403,000	20,799,115
Equipment and vehicles	4,757,391	265,150	92,027	4,930,514
Subscription assets	<u>89,331</u>	<u>83,654</u>	<u>-</u>	<u>172,985</u>
Total accumulated depreciation and amortization	<u>26,161,303</u>	<u>1,667,535</u>	<u>495,027</u>	<u>27,333,811</u>
Total capital assets, being depreciated/ amortized net	<u>24,948,302</u>	<u>3,287,096</u>	<u>18,094</u>	<u>28,217,304</u>
Governmental activities capital assets, net	<u>\$ 27,017,737</u>	<u>\$ 6,580,969</u>	<u>\$ 4,362,556</u>	<u>\$ 29,236,150</u>

**Northbrook School District 27**  
NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2025

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**NOTE D - CAPITAL ASSETS (Continued)**

Depreciation and amortization expense was charged to functions/programs of the primary government as follows:

Governmental activities	
General government	
Regular programs	\$ 1,418,089
Special programs	120,855
School administration	11,795
Business	5,972
Operations and maintenance	27,170
Subscription assets	<u>83,654</u>
	<u><u>\$ 1,667,535</u></u>

**Northbrook School District 27**  
 NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2025

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**NOTE E - LONG-TERM LIABILITIES**

The following is the long-term liability activity for the District for the year ended June 30, 2025:

**1. Changes in General Long-term Liabilities**

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

	Balance				Balance		Due Within
	July 1, 2024	(as restated)*	Additions	Reductions	June 30, 2025		One Year
Subscription liabilities	\$ 91,678	\$ 10,720		46,105	\$ 56,293	\$ 17,856	
Compensated absences**	4,724,842	835,592		-	5,560,434	1,012,836	
Retirement recognition payable	1,506,721	502,116		522,992	1,485,845	591,257	
IMRF net pension liability	1,897,997	1,901,682		2,136,717	1,662,962	-	
TRS net pension liability	1,295,142	164,154		109,809	1,349,487	-	
RHP total other postemployment benefit liability	493,506	25,181		159,420	359,267	-	
THIS net other postemployment benefit liability	3,774,241	2,430,001		1,719,699	4,484,543	-	
	<u>\$ 13,784,127</u>	<u>\$ 5,869,446</u>		<u>\$ 4,694,742</u>	<u>\$ 14,958,831</u>	<u>\$ 1,621,949</u>	

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

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

The District is subject to the Illinois School Code, which limits the bond indebtedness to 6.9% of the most recent available equalized assessed valuation of the District. As of June 30, 2025, the statutory debt limit for the District was \$74,642,072, of which \$74,585,779 is fully available.

**Northbrook School District 27**  
NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2025

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**NOTE E - LONG-TERM LIABILITIES** (Continued)

2. Retirement Recognition Payable

If a certified employee notified the District by April 1, 2019 of an irrevocable intent to retire in June 2020 to June 2024, the certified employee shall receive a lump sum amount payable over the last four years of active employment. In any given year the amount paid does not exceed 6% per year over his or her salary in the previous year. Any amount left unpaid through a salary increase is paid the year after retirement. As of June 30, 2025, the District's liability was \$744,092, which is equal to the present value of future anticipated payments.

3. Retiree Healthcare Funding Plan (Trust)

Effective April 1, 2019, the District adopted the Retiree Healthcare Funding Plan. Under the plan, for certified retirees giving notice of the intent to retire in June 2024 through 2028, the Board of Education will make an employer contribution of \$690 per month during each of the last four years of employment (\$33,120 total) into an IRC Section 115 Trust. The Trust shall be used by the retiree for post-retirement health care expenses. For those staff members whose intent was to retire in June 2020-2023, they retired under the grandfathered provisions of the 2005-2019 Agreement. Whereas, the retiring teacher will be allowed to enroll in the Teachers' Retirement Health Insurance Program (TRIP). For five years after retirement, the Board of Education will pay towards the single TRIP medical insurance premium an amount not to exceed the single TRIP medical insurance premium in effect in the last full month of active employment prior to retirement.

As of June 30, 2025, the District's liability under this plan due to the declaration of intent to retire consistent with the Plan's requirements which is equal to the present value of future anticipated payments to be made proportionately over the next seven years was \$741,753.

At June 30, 2025, the District's future obligations under these arrangements were as follows:

Year Ending		
<u>June 30,</u>		<u>Amount</u>
2026	\$	591,257
2027	508,528	
2028	263,890	
2029	101,379	
2030	20,791	
Total	\$	<u>1,485,845</u>

**Northbrook School District 27**  
NOTES TO THE FINANCIAL STATEMENTS  
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**NOTE E - LONG-TERM LIABILITIES** (Continued)

**4. Subscription Liabilities**

The District has entered into multiple subscription-based information technology arrangements with companies for the use of different software. The arrangements have terms ranging from 3 to 5 years, with annual payments ranging from \$2,879 - \$17,792. The total contractual payments remaining on the arrangements amount to \$56,293 and are recognized within long-term liabilities in the statement of net position. As a result of these subscriptions, the District has recorded right to use assets (Note D) with a book value of \$261,395 at June 30, 2025.

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

	Year ending June 30,	Principal	Interest	Total
2026	\$ 17,856	\$ 2,815	\$ 20,671	
2027	18,749	1,922	20,671	
2028	19,688	984	20,672	
Total	<u>56,293</u>	<u>5,721</u>	<u>62,014</u>	

**NOTE F - JOINT AGREEMENT**

The District is a member of a joint agreement that provides certain special education services to the residents of many school districts (TrueNorth Educational Cooperative 804, formerly NSSED). It is also a member of the risk management pools described in Note G. The District believes that, because it does not control the selection of the governing authority, and because of the control over employment of management personnel, operations, scope of public service, and special financing relationships exercised by the joint agreement governing boards, these are not to be included as component units of the District.

**Northbrook School District 27**  
NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2025

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**NOTE G - RISK MANAGEMENT**

The District is exposed to various risks of loss related to torts, theft of, damage to, and destructions of assets, errors and omissions, injuries to employees, and natural disasters. The District purchases coverage against such risks and participates in the following public entity risk pools: the School Employee Loss Fund (SELF) for worker's compensation claims; and the Suburban School Cooperative Insurance Pool (SSCIP) for property damage and injury claims. The District pays annual premiums to the pools for insurance coverage. The arrangements with the pools provide that the pools will be self-sustaining through member premiums, and will reinsurance through commercial companies for claims in excess of certain levels established by the pools. Settled claims have not exceeded coverage for the past three fiscal years, and the pool coverage has not been exceeded. There have been no significant reductions in insurance coverage from coverage in any of the past three years nor claims that exceeded coverage.

Complete financial statements for SELF can be obtained from its business office at 1111 South Dee Road, Park Ridge, Illinois 60068. Complete financial statements for SSCIP can be obtained from its Treasurer at 2850 Golf Road, Rolling Meadows, Illinois 60008.

The District continues to carry commercial insurance for all other risks of loss, including torts and professional liability insurance. There have been no significant reductions in insured coverage from coverage in any of the past three years nor claims that exceeded coverage.

**NOTE H - PENSION LIABILITIES AND OTHER RETIREMENT PLANS**

1. Teachers' Retirement System of the State of Illinois

**General Information about the Pension Plan**

*Plan Description*

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

**Northbrook School District 27**  
NOTES TO THE FINANCIAL STATEMENTS  
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**NOTE H - PENSION LIABILITIES AND OTHER RETIREMENT PLANS (Continued)**

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

**General Information about the Pension Plan (Continued)**

*Plan Description (Continued)*

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.

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

*Benefits Provided*

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

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

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

**Northbrook School District 27**  
NOTES TO THE FINANCIAL STATEMENTS  
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**NOTE H - PENSION LIABILITIES AND OTHER RETIREMENT PLANS (Continued)**

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

**General Information about the Pension Plan (Continued)**

*Benefits Provided* (Continued)

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

*Contributions*

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

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

**On-behalf Contributions to TRS**

The state of Illinois makes employer pension contributions on behalf of the employer. For the year ended June 30, 2025, state of Illinois contributions recognized by the District were based on the state's proportionate share of the collective net pension liability associated with the District, and the District recognized revenue and expenses of \$9,007,263 in the governmental activities based on the economic resources measurement basis and revenues and expenditures in the amount of \$8,349,834 in the General Fund based on the current financial resources measurement basis.

**2.2 Formula Contributions**

Employers contribute 0.58 percent of total creditable earnings for the 2.2 formula change. The contribution rate is specified by statute. Contributions for the year ended June 30, 2025, were \$103,281, and are deferred because they were paid after the June 30, 2024 measurement date.

**Northbrook School District 27**  
NOTES TO THE FINANCIAL STATEMENTS  
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**NOTE H - PENSION LIABILITIES AND OTHER RETIREMENT PLANS (Continued)**

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

**General Information about the Pension Plan (Continued)**

*Contributions (Continued)*

Federal and Special Trust Fund Contributions

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

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

For the year ended June 30, 2025, the employer pension contribution was 10.34 percent of salaries paid from federal and special trust funds. For the year ended June 30, 2025, there were no salaries paid from federal and special trust funds, and thus there were no required employer contributions.

Early Retirement Cost Contributions

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

A one-time contribution is also required for members granted sick leave days in excess of the normal annual allotment if those days are used as TRS service credit. For the year ended June 30, 2025, the District paid \$102 to TRS for employer contributions due on salary increases in excess of 6 percent and \$0 for sick leave days granted in excess of the normal annual allotment.

**Northbrook School District 27**  
NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2025

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**NOTE H - PENSION LIABILITIES AND OTHER RETIREMENT PLANS (Continued)**

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

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

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

District's proportionate share of the net pension liability	\$ 1,349,487
State's proportionate share of the net pension liability associated with the District	<u>112,518,285</u>
<b>Total</b>	<b><u>\$ 113,867,772</u></b>

The net pension liability was measured as of June 30, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2024. The District's proportion of the net pension liability was based on the District's share of contributions to TRS for the measurement year ended June 30, 2024, relative to the contributions of all participating TRS employers and the state during that period. At June 30, 2024, the District's proportion was 0.0015716253 percent, which was a increase of 0.0000475807 percent from its proportion measured as of June 30, 2023.

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

	Governmental Activities	General Fund
State on-behalf contributions - revenue and expense/expenditure	\$ 9,007,263	\$ 8,349,834
District TRS pension expense (benefit)	<u>52,660</u>	<u>103,281</u>
<b>Total TRS expense/expenditure</b>	<b><u>\$ 9,059,923</u></b>	<b><u>\$ 8,453,115</u></b>

**Northbrook School District 27**  
NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2025

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**NOTE H - PENSION LIABILITIES AND OTHER RETIREMENT PLANS (Continued)**

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

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

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 5,075	\$ 3,502
Net difference between projected and actual earnings on pension plan investments	-	11,586
Changes of assumptions	18,594	716
Changes in proportion and differences between District contributions and proportionate share of contributions	<u>32,915</u>	<u>94,968</u>
 Total deferred amounts to be recognized in pension expense in the future periods	 56,584	110,772
 District contributions subsequent to the measurement date	 <u>103,281</u>	-
 \$ <u>159,865</u>	 \$ <u>110,772</u>	

**Northbrook School District 27**  
NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2025

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**NOTE H - PENSION LIABILITIES AND OTHER RETIREMENT PLANS (Continued)**

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

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

The District reported \$103,281 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 reporting year ended June 30, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended <u>June 30,</u>	Net Deferred Inflows (Outflows) <u>of Resources</u>
2026	\$ 53,969
2027	8,719
2028	4,372
2029	(7,983)
2030	<u>(4,888)</u>
Total	\$ <u>54,189</u>

Actuarial Assumptions

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

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

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

**Northbrook School District 27**  
NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2025

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**NOTE H - PENSION LIABILITIES AND OTHER RETIREMENT PLANS (Continued)**

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

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

Actuarial Assumptions (Continued)

The long-term (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	37.00 %	7.55 %
Private equity	15.00	10.28
Public Income	18.00	5.81
Private Credit	8.00	9.20
Real assets	18.00	7.01
Diversifying strategies	4.00	5.18
Total	<u><u>100.00 %</u></u>	

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

Discount Rate

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

**Northbrook School District 27**  
NOTES TO THE FINANCIAL STATEMENTS  
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**NOTE H - PENSION LIABILITIES AND OTHER RETIREMENT PLANS (Continued)**

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

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

**Discount Rate (Continued)**

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

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

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

	Current		
	1% Decrease	Discount	1% Increase
	(6.00%)	(7.00%)	(8.00%)
District's proportionate share of the net pension liability	\$ <u>1,666,655</u>	\$ <u>1,349,487</u>	\$ <u>1,086,569</u>

**TRS Fiduciary Net Position**

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

**Northbrook School District 27**  
NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2025

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**NOTE H - PENSION LIABILITIES AND OTHER RETIREMENT PLANS (Continued)**

**2. Illinois Municipal Retirement Fund**

**Plan Description**

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

**Benefits Provided**

IMRF has three benefit plans. The vast majority of IMRF members participate in the Regular Plan (RP).

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

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

**Northbrook School District 27**  
NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2025

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**NOTE H - PENSION LIABILITIES AND OTHER RETIREMENT PLANS (Continued)**

**2. Illinois Municipal Retirement Fund (Continued)**

**Employees Covered by Benefit Terms**

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

Retirees and beneficiaries currently receiving benefits	132
Inactive plan members entitled to but not yet receiving benefits	219
Active plan members	<u>80</u>
Total	<u><u>431</u></u>

**Contributions**

As set by statute, the District'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 District's annual contribution rate for calendar year 2024 was 8.94%. For the fiscal year ended June 30, 2025 the District contributed \$362,139 to the plan. The District also contributes for disability benefits, death benefits, and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by IMRF's Board of Trustees, while the supplemental retirement benefits rate is set by statute.

**Net Pension Liability**

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

**Actuarial Assumptions**

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

Actuarial Cost Method	Entry Age Normal
Asset Valuation Method	Market Value of Assets
Inflation Price	2.25%
Salary Increases	2.85% to 13.75%
Investment Rate of Return (Note 1)	7.25%

**Northbrook School District 27**  
NOTES TO THE FINANCIAL STATEMENTS  
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**NOTE H - PENSION LIABILITIES AND OTHER RETIREMENT PLANS (Continued)**

**2. Illinois Municipal Retirement Fund (Continued)**

**Actuarial Assumptions (Continued)**

Retirement Age	Experience-based table of rates, specific to the type of eligibility condition. Last updated for the 2023 valuation pursuant to an experience study from years 2020 to 2022.
Mortality	For non-disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Retiree, Male (adjusted 108.0%) and Female (adjusted 106.4%) tables, and future mortality improvements projected using scale MP-2021. For disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Disabled Retiree, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2021. For active members, the Pub-2010, Amount-Weighted, below-median income, General, Employee, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2021.
Remaining Amortization Period	Non-Taxing bodies: 10-year rolling period. Taxing bodies (Regular, SLEP and ECO groups): 19-year closed period. Early Retirement Incentive Plan liabilities: a period up to 10 years selected by the Employer upon adoption of ERI. SLEP supplemental liabilities attributable to Public Act 94-712 were financed over 14 years for most employers (five employers were financed over 15 years; one employer was financed over 16 years; two employers were financed over 17 years; one employer was financed over 20 years; three employers were financed over 23 years; four employers were financed over 24 years and one employer was financed over 25 years).

**Northbrook School District 27**  
NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2025

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**NOTE H - PENSION LIABILITIES AND OTHER RETIREMENT PLANS (Continued)**

**2. Illinois Municipal Retirement Fund (Continued)**

**Actuarial Assumptions (Continued)**

**Long-term Expected Rate of  
Return**

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

Asset Class	Portfolio Target Percentage	Long-Term Expected Real Rate of Return
Equities	33.50%	4.35%
International 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	100.00%	

**Other information:**

**Note 1:**

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

**Note 2:**

There were no benefit changes during the year.

**Northbrook School District 27**  
NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2025

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**NOTE H - PENSION LIABILITIES AND OTHER RETIREMENT PLANS (Continued)**

2. Illinois Municipal Retirement Fund (Continued)

**Single Discount Rate**

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

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

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

**Northbrook School District 27**  
 NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2025

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**NOTE H - PENSION LIABILITIES AND OTHER RETIREMENT PLANS (Continued)**

**2. Illinois Municipal Retirement Fund (Continued)**

**Changes in Net Pension Liability (Asset)**

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

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability (Asset) (A) - (B)
Balances at December 31, 2023	<u>\$ 18,434,332</u>	<u>\$ 16,536,335</u>	<u>\$ 1,897,997</u>
Changes for the year:			
Service cost	339,939	-	339,939
Interest on the total pension liability	1,309,464	-	1,309,464
Difference between expected and actual experience of the total pension liability	139,980	-	139,980
Contributions - Employer	-	343,005	(343,005)
Contributions - Employees	-	172,654	(172,654)
Net investment income	-	1,621,058	(1,621,058)
Benefit payments, including refunds of employee contributions	(1,085,450)	(1,085,450)	-
Other (net transfer)	-	(112,299)	112,299
Net changes	<u>703,933</u>	<u>938,968</u>	<u>(235,035)</u>
Balances at December 31, 2024	<u>\$ 19,138,265</u>	<u>\$ 17,475,303</u>	<u>\$ 1,662,962</u>

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

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

	Current		
	1% Lower	Discount Rate (7.25%)	1% Higher (8.25%)
Net pension liability	<u>\$ 3,621,056</u>	<u>\$ 1,662,962</u>	<u>\$ 66,295</u>

**Northbrook School District 27**  
NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2025

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**NOTE H - PENSION LIABILITIES AND OTHER RETIREMENT PLANS (Continued)**

**2. Illinois Municipal Retirement Fund (Continued)**

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

For the year ended June 30, 2025 the District recognized pension expense of \$585,403. At June 30, 2025, the District reported deferred outflows and deferred inflows of resources related to pensions from the following sources:

<u>Deferred Amounts Related to Pensions</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Deferred Amounts to be Recognized in Pension Expense in Future Periods		
Differences between expected and actual experience	\$ 44,885	\$ -
Net difference between projected and actual earnings on pension plan investments	<u>389,100</u>	<u>-</u>
Total deferred amounts to be recognized in pension expense in the future periods	<u>433,985</u>	<u>-</u>
Pension contributions made subsequent to the measurement date	<u>199,522</u>	<u>-</u>
Total deferred amounts related to pensions	<u><u>\$ 633,507</u></u>	<u><u>\$ -</u></u>

**Northbrook School District 27**  
NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2025

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**NOTE H - PENSION LIABILITIES AND OTHER RETIREMENT PLANS (Continued)**

2. Illinois Municipal Retirement Fund (Continued)

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

The District reported \$199,522 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 asset in the reporting year ended June 30, 2026.

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

Year ending <u>June 30,</u>	Net Deferred Outflows (Inflows) of Resources
2026	\$ 234,320
2027	488,576
2028	(199,532)
2029	(89,379)
2030	-
Thereafter	-
Total	\$ <u><u>433,985</u></u>

**Northbrook School District 27**  
 NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2025

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**NOTE H - PENSION LIABILITIES AND OTHER RETIREMENT PLANS (Continued)**

**3. Summary of Pension Items**

Below is a summary of the various pension items:

	TRS	IMRF	Total
<b>Deferred outflows of resources:</b>			
Employer contributions	\$ 103,281	\$ 199,522	\$ 302,803
Investments	-	389,100	389,100
Experience	5,075	44,885	49,960
Assumptions	18,594	-	18,594
Proportionate share	32,915	-	32,915
	<u><u>\$ 159,865</u></u>	<u><u>\$ 633,507</u></u>	<u><u>\$ 793,372</u></u>
Net pension liability	<u><u>\$ 1,349,487</u></u>	<u><u>\$ 1,662,962</u></u>	<u><u>\$ 3,012,449</u></u>
Pension expense	<u><u>\$ 9,059,923</u></u>	<u><u>\$ 585,403</u></u>	<u><u>\$ 9,645,326</u></u>
<b>Deferred inflows of resources:</b>			
Investments	\$ 11,586	\$ -	\$ 11,586
Experience	3,502	-	3,502
Assumptions	716	-	716
Proportionate share	94,968	-	94,968
	<u><u>\$ 110,772</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 110,772</u></u>

**4. Social Security/Medicare**

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

**Northbrook School District 27**  
NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2025

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**NOTE H - PENSION LIABILITIES AND OTHER RETIREMENT PLANS (Continued)**

**5. TRS Supplemental Savings Plan**

Illinois Teachers' Retirement System established a Supplemental Savings Plan that is available to Illinois public school teachers employed outside the city of Chicago that was required to be adopted by all public-school districts in Illinois by September 30, 2022. The Board of Education voted to adopt this plan on February 28, 2022. The Supplemental Savings Plan is a of a 457(b) Retirement Plan, which is a defined contribution plan. The plan assets are held in a trust and is administered by a third party serving as the plan's trustee. There were no employees participating in the plan on June 30, 2025.

Northbrook School District 27 joined the Illinois Public Pension Fund Association to participate in the Wise Choice for Educators 403b Plan, effective December 17, 2009. This is a defined contribution plan held in a trust and administered by a third party serving as the plan's trustee. The plan allows for both employee and employer contributions in the following tax-deferred options: 403b, 457, and Section 115. The number of employees participating in the plan on June 30, 2025, was 70 for the 403b option, 106 for the 457 option, and 30 for the Section 115 option. The District did not make any contributions to the plan.

**NOTE I - OTHER POSTEMPLOYMENT BENEFITS**

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

**General Information about the Other Postemployment Plan**

*Plan Description*

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

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

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

**Northbrook School District 27**  
NOTES TO THE FINANCIAL STATEMENTS  
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**NOTE I - OTHER POSTEMPLOYMENT BENEFITS (Continued)**

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

**General Information about the Other Postemployment Plan (Continued)**

*Benefits Provided*

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

*Contributions*

**On behalf contributions to the THIS Fund**

The State of Illinois makes employer retiree health insurance contributions on behalf of the District. In the fund financial statements, the State contributions are intended to match contributions to the THIS Fund from active members, which were 0.90 percent of pay during the year ended June 30, 2025. In the government-wide financial statements, State of Illinois contributions also include a proportional allocation of the State's OPEB expense (based on the portion of the District's share of the expense compared to all School Districts in aggregate). For the year ended June 30, 2025, the District recognized revenue and expenses of \$2,154,856 in the governmental activities based on the economic resources measurement basis and revenues and expenditures in the amount of \$160,264 in the General Fund based on the current financial resources measurement basis for State of Illinois contributions on behalf of the District's employees.

**District contributions to the THIS Fund**

The District also makes contributions to the THIS Fund. The District THIS Fund contribution was 0.67 percent during the year ended June 30, 2025. For the year ended June 30, 2025, the District paid \$119,308 to the THIS Fund, which was 100 percent of the required contribution. These amounts are deferred because they were paid after the June 30, 2024 measurement date.

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

**Northbrook School District 27**  
NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2025

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**NOTE I - OTHER POSTEMPLOYMENT BENEFITS (Continued)**

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

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

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

District's proportionate share of the net OPEB liability	\$ 4,484,543
State's estimated proportionate share of the net OPEB liability associated with the District *	<u>6,090,212</u>
<b>Total</b>	<b><u>\$ 10,574,755</u></b>

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

The net OPEB liability was measured as of June 30, 2025, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of June 30, 2024, and rolled forward to June 30, 2025. The District's proportion of the net OPEB liability was based on the District's share of contributions to THIS for the measurement year ended June 30, 2025, relative to the projected contributions of all participating THIS employers and the state during that period. At June 30, 2025, the District's proportion was 0.056691 percent, which was an increase of 0.003737 percent from its proportion measured as of June 30, 2024.

**Northbrook School District 27**  
**NOTES TO THE FINANCIAL STATEMENTS**  
June 30, 2025

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**NOTE I - OTHER POSTEMPLOYMENT BENEFITS (Continued)**

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

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

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

	Governmental Activities	General Fund
State on-behalf contributions - OPEB revenue and expense/expenditure	\$ 2,154,856	\$ 160,264
District OPEB pension expense/expenditure (benefit)	<u>(1,602,600)</u>	<u>119,308</u>
Total OPEB expense/expenditure	<u>\$ 552,256</u>	<u>\$ 279,572</u>

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 123,748	\$ 1,890,137
Net difference between projected and actual earnings on OPEB plan investments	- 135,535	2,435 6,443,897
Changes of assumptions		
Changes in proportion and differences between District contributions and proportionate share of contributions	<u>1,210,361</u>	<u>1,948,703</u>
Total deferred amounts to be recognized in OPEB expense in the future periods	1,469,644	10,285,172
District contributions subsequent to the measurement date	<u>119,308</u>	-
	<u>\$ 1,588,952</u>	<u>\$ 10,285,172</u>

**Northbrook School District 27**  
NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2025

**NOTE I - OTHER POSTEMPLOYMENT BENEFITS (Continued)**

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

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

The District reported \$119,308 as deferred outflows of resources related to OPEB resulting from District contributions subsequent to the measurement date that will be recognized as a reduction of the net OPEB liability in the reporting year ended June 30, 2026. Other amounts reported as deferred inflows of resources and deferred outflows of resources related to OPEB will be recognized in OPEB expense as follows in these reporting years:

Year ended June 30,	Net Deferred Inflows of Resources
2026	\$ 1,773,742
2027	1,729,123
2028	1,692,111
2029	1,527,559
2030	1,193,277
Thereafter	<u>899,716</u>
	\$ 8,815,528

## Actuarial Assumptions

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

Actuarial Cost Method	Entry Age Normal, used to measure Total OPEB Liability
Contribution Policy	Benefits are financed on a pay-as-you-go basis. Contribution rates are defined by statute. For fiscal year end June 30, 2024, contribution rates are 0.90% of pay for active members, 0.67% of pay for school districts, and 0.90% of pay for the State. Retired members contribute a percentage of premium rates. The goal of the policy is to finance current year costs plus a margin for incurred but not paid plan costs.

**Northbrook School District 27**  
NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2025

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**NOTE I - OTHER POSTEMPLOYMENT BENEFITS (Continued)**

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

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

**Actuarial Assumptions (Continued)**

Asset Valuation Method	Market value
Investment Rate of Return	2.75%, net of OPEB plan investment expense, including inflation, for all plan years.
Inflation	2.25%
Ultimate Salary Increases	3.50%
Retirement Age	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the actuarial valuation as of June 30, 2021.
Mortality	Retirement and Beneficiary Annuitants: PubT-2010 Retiree Mortality Table, adjusted for TRS experience. Disabled Annuitants: PubNS-2010 Non-Safety Disabled Retiree Table. Pre-Retirement: PubT-2010 Employee Mortality Table. All tables reflect future mortality improvements using Projection Scale MP-2020.
Healthcare Trend Rate	Trend rates for plan year 2025 are based on actual premium increases. For non-medicare costs, trend rates start at 8.00% for plan year 2026 and decrease gradually to an ultimate rate of 4.25% in 2041. For MAPD costs, trend rates are based on actual premium increases for 2025, 15% in 2026 to 2030 and 7% in 2031, declining gradually to an ultimate rate of 4.25% in 2041.
Aging Factors	Based on the 2013 SOA Study "Health Care Costs - From Birth to Death".
Expenses	Health administrative expenses are included in the development of the per capita claims costs. Operating expenses are included as a component of the Annual OPEB Expense.

**Northbrook School District 27**  
NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2025

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**NOTE I - OTHER POSTEMPLOYMENT BENEFITS (Continued)**

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

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

**Discount Rate**

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

**Investment Return**

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

**Money-Weighted Rate of Return**

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

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

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

	Current	1% Decrease	1% Increase
	Discount	(2.97%)	(3.97%)
District's proportionate share of the net OPEB liability	<u>\$ 5,004,753</u>	<u>\$ 4,484,543</u>	<u>\$ 4,025,964</u>

**Northbrook School District 27**  
NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2025

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**NOTE I - OTHER POSTEMPLOYMENT BENEFITS (Continued)**

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

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

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

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

	Current		
	1% Decrease **	Healthcare Trend Rate*	1% Increase ***
District's proportionate share of the net OPEB liability	\$ 3,861,191	\$ 4,484,543	\$ 5,226,309

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

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

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

**2. Retiree Health Plan**

**Plan Description**

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

**Northbrook School District 27**  
NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2025

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**NOTE I - OTHER POSTEMPLOYMENT BENEFITS (Continued)**

2. Retiree Health Plan (Continued)

**Benefits Provided**

The plan provides the ability for retirees and their spouses to access the District's group health insurance plan during retirement, provided they are on the group health insurance plan at the time of retirement. IMRF retirees are eligible to participate in the Retiree Health Plan provided they pay the entire premium. Retirees may also access dental and life insurance benefits on a "direct pay" basis.

**Employees Covered by Benefit Terms**

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

Active	72
Inactive entitled to but not yet receiving benefits	-
Inactive currently receiving benefits	<u>24</u>
 Total	 <u>96</u>

**Contributions**

Retirees are responsible to contribute a premium toward the cost of their insurance, which is determined by the Board of Education. The Retiree Healthcare Funding Plan shall be used by the retiree for post-retirement health care expenses.

Retirees under the age of 65 contribute the full active employee equivalent rate. Retirees have the option of choosing from an HMO or PPO plan through the District. Premiums for the plan are set by the Board of Education. Currently, the District does not contribute for postemployment benefits premiums. The Retiree Healthcare Funding Plan (Trust) shall be used by the retiree for post-retirement health care expenses. See Note E for further information.

**Northbrook School District 27**  
NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2025

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**NOTE I - OTHER POSTEMPLOYMENT BENEFITS (Continued)**

**2. Retiree Health Plan (Continued)**

**Total OPEB Liability**

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

Actuarial valuation date	July 1, 2023
Measurement date	June 30, 2024
Actuarial cost method	Entry Age Normal
<b>Actuarial assumptions:</b>	
Inflation rate	3.00%
Discount rate*	4.81%
Salary rate increases	4.00%
Funded ratio (Fiduciary Net Position as a percentage of Total OPEB Liability)	0.00%
Healthcare trend	Initial: District Medical Plan 5.00% Ultimate: District Medical Plan 4.50% Ultimate rate reached in fiscal year 2039
Retiree contribution trend	Same as Health Care Trend
Mortality rates	IMRF employees and retirees rates are from the December 31, 2023 IMRF Actuarial Valuation Report. TRS employees and retirees rates are from the June 30, 2023 Teachers' Retirement System Actuarial Valuation Report.
Disability rates	IMRF employees are from the December 31, 2023 IMRF Actuarial Valuation Report. TRS employees are from the June 30, 2023 TRS Actuarial Valuation Report.

**Northbrook School District 27**  
NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2025

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**NOTE I - OTHER POSTEMPLOYMENT BENEFITS (Continued)**

**2. Retiree Health Plan (Continued)**

**Total OPEB Liability (Continued)**

**Election at Retirement**

100% of Administrators are assumed to elect subsidized TRIP coverage at retirement. 15% of IMRF employees are assumed to elect coverage continuation at retirement.

**Marital Status**

40% of active IMRF employees electing retiree coverage are assumed to be married and to elect spousal coverage with males three years older than females. Actual spouse data was used for current retirees.

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

**Discount Rate**

The District does not have a dedicated Trust to pay retiree healthcare benefits. Per GASB 75, the discount rate should be a yield or index rate for 20-year, tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher (or equivalent quality on another rating scale). A rate of 4.81% is used, which is the S&P Municipal Bond 20-Year High-Grade Rate Index as of June 30, 2025.

**Northbrook School District 27**  
 NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2025

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**NOTE I - OTHER POSTEMPLOYMENT BENEFITS (Continued)**

**2. Retiree Health Plan (Continued)**

**Changes in Total OPEB Liability**

The following table shows the components of the change in the District's net OPEB liability for the fiscal year ended June 30, 2025 based upon a rollforward actuarial valuation for the actuarial valuation performed July 1, 2023 to the fiscal year-end.

	Total OPEB Liability (A)	Fiduciary Net Position (B)	Net OPEB Liability (A) - (B)
Balances at July 1, 2024	\$ 493,506	\$ -	\$ 493,506
Changes for the year:			
Service cost	7,588	-	7,588
Interest on the total OPEB liability	17,593	-	17,593
Difference between expected and actual experience of the total OPEB liability	-	-	-
Changes of benefit terms	-	-	-
Changes of assumptions	(8,169)	-	(8,169)
Contributions - employer	-	-	-
Contributions - employees	-	-	-
Net investment income	-	-	-
Benefit payments, including the implicit rate subsidy	(151,251)	-	(151,251)
Other	-	-	-
Net changes	<u>(134,239)</u>	<u>-</u>	<u>(134,239)</u>
Balances at June 30, 2025	\$ 359,267	\$ -	\$ 359,267

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

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

	Current	1% Lower	Discount Rate	1% Higher
	(4.81%)	(3.81%)	(4.81%)	(5.81%)
Total OPEB liability	\$ 359,267	\$ 368,832	\$ 350,324	\$ 350,324

**Northbrook School District 27**  
 NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2025

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**NOTE I - OTHER POSTEMPLOYMENT BENEFITS (Continued)**

2. Retiree Health Plan (Continued)

**Sensitivity of the Total OPEB Liability to Changes in the Healthcare Trend Rate**

The following presents the plan's net OPEB liability, calculated using a Healthcare Trend Rate range of 4.00% - 5.00%, as well as what the plan's net OPEB liability would be if it were calculated using a Healthcare Trend Rate range that is 1% lower or 1% higher than the current range:

	1% Lower	Current	1% Higher
	<u>3.00%-4.00%</u>	<u>4.00%-5.00%</u>	<u>5.00%-6.00%</u>
Total OPEB liability	\$ <u>350,755</u>	\$ <u>359,267</u>	\$ <u>369,012</u>

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

For the year ended June 30, 2025 the District recognized OPEB expense of \$96,799. At June 30, 2025, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

<u>Deferred Amounts Related to OPEB</u>	Deferred Outflows of Resources	Deferred Inflows of Resources
Deferred Amounts to be Recognized in OPEB		
Expense in Future Periods		
Differences between expected and actual experience	\$ 57,561	\$ 7,548
Change of assumptions	<u>149,330</u>	<u>25,556</u>
Total deferred amounts to be recognized in OPEB expense in the Future periods	\$ <u>206,891</u>	\$ <u>33,104</u>

**Northbrook School District 27**  
NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2025

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**NOTE I - OTHER POSTEMPLOYMENT BENEFITS (Continued)**

2. **Retiree Health Plan (Continued)**

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

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

<u>Year Ended June 30,</u>	<u>Net Deferred Outflows of Resources</u>
2026	\$ 71,618
2027	60,817
2028	36,861
2029	<u>4,491</u>
	<u><u>\$ 173,787</u></u>

**Northbrook School District 27**  
 NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2025

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**NOTE I - OTHER POSTEMPLOYMENT BENEFITS (Continued)**

**3. Summary of OPEB Items**

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

	<u>THIS</u>	<u>RHP</u>	<u>Total</u>
<b>Deferred outflows of resources:</b>			
Employer contributions	\$ 119,308	\$ -	\$ 119,308
Experience	123,748	57,561	181,309
Assumptions	135,535	149,330	284,865
Proportionate share	<u>1,210,361</u>	<u>-</u>	<u>1,210,361</u>
	<u>\$ 1,588,952</u>	<u>\$ 206,891</u>	<u>\$ 1,795,843</u>
OPEB liability	<u>\$ 4,484,543</u>	<u>\$ 359,267</u>	<u>\$ 4,843,810</u>
OPEB expense	<u>\$ 552,256</u>	<u>\$ 96,799</u>	<u>\$ 649,055</u>
<b>Deferred inflows of resources:</b>			
Experience	\$ 1,890,137	\$ 7,548	\$ 1,897,685
Assumptions	6,443,897	25,556	6,469,453
Proportionate share	1,948,703	-	1,948,703
Investments	<u>2,435</u>	<u>-</u>	<u>2,435</u>
	<u>\$ 10,285,172</u>	<u>\$ 33,104</u>	<u>\$ 10,318,276</u>

**NOTE J - INTERFUND TRANSFERS**

The District transferred \$2,800,000 to the Operations and Maintenance Fund from the General Fund (Educational Account) to meet expenses in the Operations and Maintenance Fund.

The District transferred \$50,689 to the Debt Service Fund from the General Fund (Educational Account) for the payment of principal and interest on the District's subscription liabilities.

**NOTE K - CONSTRUCTION COMMITMENTS**

The District has contracts for construction projects which have been approved by the Board of Education at June 30, 2025. Future commitments under these contracts were \$421,992 at June 30, 2025.

**Northbrook School District 27**  
NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2025

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**NOTE L - CONTINGENCIES**

1. **Litigation**

The District is not involved in any significant litigation. With regard to other pending matters, the eventual outcome and related liability, if any, are not determinable at this time. No provision has been made in the accompanying financial statements for settlement costs.

2. **Grants**

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

**NOTE M - RESTATEMENT - CHANGE IN ACCOUNTING PRINCIPLE**

Due to the implementation of GASB 101 (Note A-11), the District re-examined past experience with accumulated sick leave and estimated the amount that is more likely than not to be used / paid as of July 1, 2024. This portion of the sick leave liability that existed at the beginning of the current year was not required to be reported in the previous financial statements under the prior applicable guidance. Accordingly, beginning net position has been restated to reflect the cumulative effect of this change:

**Governmental Activities**

Net position, July 1, 2024 - as previously stated	\$ 25,624,505
Change in accounting principle - GASB 101	<u>(4,620,839)</u>
Net position, July 1, 2024 - as restated	<u>\$ 21,003,666</u>

**NOTE N - SUBSEQUENT EVENTS**

Management has evaluated subsequent events through November 6, 2025, the date that these financial statements were available to be issued. Management has determined that no events or transactions, except as noted below, have occurred subsequent to the statement of net position date that require additional disclosure in the financial statements.

On January 23, 2025, the Board of Education approved a resolution to withdraw from the Northfield Township School Treasurer's Office effective January 1, 2025. Beginning July 1, 2025, the District will assume responsibility for its own Treasury functions.

**Northbrook School District 27**  
NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2025

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**NOTE N - SUBSEQUENT EVENTS (Continued)**

Subsequent to June 30, 2025, the Board of Education adopted a resolution providing for the intent to issue Working Cash Fund Bonds, not to exceed \$28,000,000 for the purpose of increasing the Working Cash Fund of the District.

Subsequent to year end, the District issued \$10,395,000 General Obligation School Bonds, Series 2025A for the purpose of paying costs of fire prevention and life safety improvements to existing school buildings of the District as well as paying the costs of issuing the bonds.

Also subsequent to year end, the District issued \$26,340,000 General Obligation Limited Tax School Bonds, Series 2025B for the purpose of paying costs to construct and equip an addition to the Hickory Point Elementary School, site improvements at Wood Oaks Junior High and district wide technology, safety and security and furniture and flooring improvements.

**REQUIRED SUPPLEMENTARY INFORMATION  
(Unaudited)**

## Northbrook School District 27

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

Illinois Municipal Retirement Fund

Ten Most Recent Fiscal Years

	2025	2024	2023	2022
<b>Total pension liability</b>				
Service cost	\$ 339,939	\$ 341,509	\$ 315,899	\$ 343,614
Interest on the total pension liability	1,309,464	1,253,941	1,182,891	1,139,953
Benefit changes	-	-	-	-
Difference between expected and actual experience of the total pension liability	139,980	250,644	494,332	87,321
Assumption changes	-	(5,575)	-	-
Benefit payments, including the implicit rate subsidy	(1,085,450)	(1,062,347)	(989,493)	(940,070)
Net change in total pension liability	<u>703,933</u>	<u>778,172</u>	<u>1,003,629</u>	<u>630,818</u>
Total pension liability, beginning	<u>18,434,332</u>	<u>17,656,160</u>	<u>16,652,531</u>	<u>16,021,713</u>
Total pension liability, ending	<u><u>\$ 19,138,265</u></u>	<u><u>\$ 18,434,332</u></u>	<u><u>\$ 17,656,160</u></u>	<u><u>\$ 16,652,531</u></u>
<b>Plan fiduciary net position</b>				
Contributions, employer	\$ 343,005	\$ 329,595	\$ 307,320	\$ 401,099
Contributions, employee	172,654	164,312	156,811	157,739
Net investment income	1,621,058	1,636,317	(2,175,140)	2,616,717
Benefit payments, including refunds of employee contributions	(1,085,450)	(1,062,347)	(989,493)	(940,070)
Other (net transfer)	<u>(112,299)</u>	<u>421,851</u>	<u>61,651</u>	<u>(406,102)</u>
Net change in plan fiduciary net position	<u>938,968</u>	<u>1,489,728</u>	<u>(2,638,851)</u>	<u>1,829,383</u>
Plan fiduciary net position, beginning	<u>16,536,335</u>	<u>15,046,607</u>	<u>17,685,458</u>	<u>15,856,075</u>
Plan fiduciary net position, ending	<u><u>\$ 17,475,303</u></u>	<u><u>\$ 16,536,335</u></u>	<u><u>\$ 15,046,607</u></u>	<u><u>\$ 17,685,458</u></u>
<b>Net pension liability (asset)</b>	<u><u>\$ 1,662,962</u></u>	<u><u>\$ 1,897,997</u></u>	<u><u>\$ 2,609,553</u></u>	<u><u>\$ (1,032,927)</u></u>
<b>Plan fiduciary net position as a percentage of the total pension liability</b>	91.31 %	89.70 %	85.22 %	106.20 %
<b>Covered Payroll</b>	\$ 3,836,745	\$ 3,558,956	\$ 3,388,306	\$ 3,270,301
<b>Net pension liability as a percentage of covered valuation payroll</b>	43.34 %	53.33 %	77.02 %	(31.59) %

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

2021	2020	2019	2018	2017	2016
\$ 323,255	\$ 322,985	\$ 308,981	\$ 314,044	\$ 297,080	\$ 300,579
1,106,208	1,054,657	982,633	964,048	901,139	848,640
-	-	-	-	-	-
106,746	149,463	515,823	31,530	168,904	39,819
(188,821)	-	376,553	(426,310)	(29,192)	13,588
<u>(844,188)</u>	<u>(788,180)</u>	<u>(703,379)</u>	<u>(562,584)</u>	<u>(516,919)</u>	<u>(450,803)</u>
<u>503,200</u>	<u>738,925</u>	<u>1,480,611</u>	<u>320,728</u>	<u>821,012</u>	<u>751,823</u>
<u>15,518,513</u>	<u>14,779,588</u>	<u>13,298,977</u>	<u>12,978,249</u>	<u>12,157,237</u>	<u>11,405,414</u>
<u><u>\$ 16,021,713</u></u>	<u><u>\$ 15,518,513</u></u>	<u><u>\$ 14,779,588</u></u>	<u><u>\$ 13,298,977</u></u>	<u><u>\$ 12,978,249</u></u>	<u><u>\$ 12,157,237</u></u>
\$ 362,302	\$ 288,295	\$ 333,447	\$ 320,135	\$ 303,980	\$ 288,763
143,916	138,138	137,513	144,842	124,108	120,368
2,008,815	2,292,168	(653,720)	1,924,547	718,920	52,538
<u>(844,188)</u>	<u>(788,180)</u>	<u>(703,379)</u>	<u>(562,584)</u>	<u>(516,919)</u>	<u>(450,803)</u>
<u>76,088</u>	<u>(24,729)</u>	<u>296,384</u>	<u>(270,254)</u>	<u>77,448</u>	<u>(10,342)</u>
<u>1,746,933</u>	<u>1,905,692</u>	<u>(589,755)</u>	<u>1,556,686</u>	<u>707,537</u>	<u>524</u>
<u>14,109,142</u>	<u>12,203,450</u>	<u>12,793,205</u>	<u>11,236,519</u>	<u>10,528,982</u>	<u>10,528,458</u>
<u><u>\$ 15,856,075</u></u>	<u><u>\$ 14,109,142</u></u>	<u><u>\$ 12,203,450</u></u>	<u><u>\$ 12,793,205</u></u>	<u><u>\$ 11,236,519</u></u>	<u><u>\$ 10,528,982</u></u>
<u><u>\$ 165,638</u></u>	<u><u>\$ 1,409,371</u></u>	<u><u>\$ 2,576,138</u></u>	<u><u>\$ 505,772</u></u>	<u><u>\$ 1,741,730</u></u>	<u><u>\$ 1,628,255</u></u>
98.97 %	90.92 %	82.57 %	96.20 %	86.58 %	86.61 %
\$ 3,155,938	\$ 3,052,771	\$ 3,012,162	\$ 2,912,970	\$ 2,731,172	\$ 2,658,955
5.25 %	46.17 %	85.52 %	17.36 %	63.77 %	61.24 %

**Northbrook School District 27**  
**MULTIYEAR SCHEDULE OF CONTRIBUTIONS**  
**Illinois Municipal Retirement Fund**  
**Ten Most Recent Fiscal Years**

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Fiscal Year	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Payroll	Actual Contribution as a % of Covered Valuation Payroll
2025	\$ 343,005	\$ 343,005	\$ -	\$ 4,048,320	8.47 %
2024	306,070	329,595	(23,525)	3,558,956	9.26
2023	307,319	307,320	(1)	3,451,855	8.90
2022	401,098	401,099	(1)	3,425,263	11.71
2021	362,302	362,302	-	3,155,938	11.48
2020	281,771	288,295	(6,524)	3,052,771	9.44
2019	333,446	333,447	(1)	3,012,162	11.07
2018	320,135	320,135	-	2,912,970	10.99
2017	303,979	303,980	(1)	2,731,172	11.13
2016	288,763	288,763	-	2,658,955	10.86

**Northbrook School District 27**  
 MULTIYEAR SCHEDULE OF THE DISTRICT'S PROPORTIONATE  
 SHARE OF THE NET PENSION LIABILITY  
 Teachers' Retirement System of the State of Illinois  
Ten Most Recent Fiscal Years

	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>
District's proportion of the net pension liability (asset)	0.15716253%	0.15240446%	0.15268429%	0.17150742%
District's proportionate share of the net pension liability (asset)	\$ 1,349,487	\$ 1,295,142	\$ 1,280,110	\$ 1,337,952
State's proportionate share of the net pension liability associated with the District	<u>112,518,285</u>	<u>111,771,409</u>	<u>111,041,078</u>	<u>112,134,562</u>
Total	<u><u>\$ 113,867,772</u></u>	<u><u>\$ 113,066,551</u></u>	<u><u>\$ 112,321,188</u></u>	<u><u>\$ 113,472,514</u></u>
District's covered employee payroll	\$ 16,891,129	\$ 16,047,946	\$ 15,524,089	\$ 14,625,477
District's proportionate share of the net pension liability as a percentage of its covered-employee payroll	7.99%	8.07%	8.25%	9.15%
Plan fiduciary net position as a percentage of the total pension liability	45.40%	43.90%	42.80%	45.10%

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

2021	2020	2019	2018	2017	2016
0.17630558%	0.19542856%	0.19167001%	0.31326327%	0.36757189%	0.38802991%
\$ 1,520,023	\$ 1,585,085	\$ 1,493,969	\$ 2,393,273	\$ 2,901,467	\$ 2,541,987
<u>119,056,103</u>	<u>112,808,783</u>	<u>102,343,123</u>	<u>103,110,586</u>	<u>108,272,769</u>	<u>85,297,368</u>
<u>\$ 120,576,126</u>	<u>\$ 114,393,868</u>	<u>\$ 103,837,092</u>	<u>\$ 105,503,859</u>	<u>\$ 111,174,236</u>	<u>\$ 87,839,355</u>
\$ 14,870,540	\$ 14,712,324	\$ 14,188,758	\$ 13,918,842	\$ 13,640,291	\$ 13,223,022
10.22%	10.77%	10.53%	17.19%	21.27%	19.22%
37.80%	39.60%	40.00%	39.30%	36.40%	41.50%

**Northbrook School District 27**  
**MULTIYEAR SCHEDULE OF DISTRICT CONTRIBUTIONS**  
 Teachers' Retirement System of the State of Illinois  
Ten Most Recent Fiscal Years

	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>
Contractually required contribution	\$ 97,969	\$ 93,078	\$ 90,040	\$ 84,828
Contributions in relation to the contractually required contribution	<u>(97,951)</u>	<u>(92,643)</u>	<u>(90,609)</u>	<u>(89,218)</u>
Contribution deficiency (excess)	<u>\$ 18</u>	<u>\$ 435</u>	<u>\$ (569)</u>	<u>\$ (4,390)</u>
District's covered-employee payroll	<u>\$ 17,807,116</u>	<u>\$ 16,891,129</u>	<u>\$ 16,047,946</u>	<u>\$ 15,524,089</u>
Contributions as a percentage of covered-employee payroll	0.55%	0.55%	0.56%	0.57%

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

	2021	2020	2019	2018	2017	2016
\$	86,249	85,331	82,294	129,021	144,113	134,488
	<u>(85,947)</u>	<u>(88,505)</u>	<u>(79,637)</u>	<u>(129,063)</u>	<u>(142,350)</u>	<u>(135,965)</u>
\$	<u>302</u>	<u>(3,174)</u>	<u>2,657</u>	<u>(42)</u>	<u>1,763</u>	<u>(1,477)</u>
\$	<u>14,625,477</u>	<u>14,870,540</u>	<u>14,712,324</u>	<u>14,188,758</u>	<u>13,918,842</u>	<u>13,640,291</u>
	0.59%	0.60%	0.54%	0.91%	1.02%	1.00%

## Northbrook School District 27

### SCHEDULE OF CHANGES IN TOTAL OTHER POSTREIREMENT BENEFITS (OPEB) LIABILITY AND RELATED RATIOS Retiree Health Plan Eight Most Recent Fiscal Years

	2025	2024	2023
Total OPEB liability			
Service cost	\$ 7,588	\$ 7,984	\$ 8,031
Interest on the total OPEB liability	17,593	19,972	24,514
Changes of benefit terms	-	-	-
Difference between expected and actual experience of the total OPEB liability	(8,169)	66,685	-
Assumption changes	-	(256)	(584)
Benefit payments and refunds	(151,251)	(168,938)	(126,556)
Other	-	-	-
Net change in total OPEB liability	(134,239)	(74,553)	(94,595)
Total OPEB liability, beginning	<u>493,506</u>	<u>568,059</u>	<u>662,654</u>
Total OPEB liability, ending	<u><u>359,267</u></u>	<u><u>493,506</u></u>	<u><u>568,059</u></u>
Plan fiduciary net position			
Contributions, employer	\$ -	\$ -	\$ -
Contributions, employee	-	-	-
Net investment income	-	-	-
Benefit payments, including refunds of employee contributions	-	-	-
Other (net transfer)	-	-	-
Net change in plan fiduciary net position	-	-	-
Plan fiduciary net position, beginning	<u>-</u>	<u>-</u>	<u>-</u>
Plan fiduciary net position, ending	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>-</u></u>
Net OPEB liability	<u><u>359,267</u></u>	<u><u>493,506</u></u>	<u><u>568,059</u></u>
Plan fiduciary net position as a percentage of the total OPEB liability	0.00%	0.00%	0.00%
Covered-employee Payroll	\$ 3,303,805	\$ 3,303,805	\$ 3,529,485
Net OPEB liability as a percentage of covered-employee payroll	10.87%	14.94%	16.09%

Note 1: The District implemented GASB 75 beginning with its fiscal year ended June 30, 2018 therefore 10 years of information is not available.

Note 2: No assets are accumulated in a trust to pay OPEB benefits.

	2022		2021		2020		2019		2018
\$	16,639	\$	21,943	\$	24,400	\$	114,073	\$	102,406
	13,220		18,078		51,482		55,892		56,094
	-		-		(1,376,485)		-		-
	75,164		-		(15,336)		-		(17,668)
	17,023		11,859		135,548		70,349		1,627
	(131,587)		(118,649)		(100,633)		(101,871)		(89,898)
	-		-		124,436		52,564		21,315
	(9,541)		(66,769)		(1,156,588)		191,007		73,876
	672,195		738,964		1,895,552		1,704,545		1,630,669
\$	<u>662,654</u>	\$	<u>672,195</u>	\$	<u>738,964</u>	\$	<u>1,895,552</u>	\$	<u>1,704,545</u>
\$	-	\$	-	\$	-	\$	-	\$	-
	-		-		-		-		-
	-		-		-		-		-
	-		-		-		-		-
	-		-		-		-		-
	-		-		-		-		-
\$	<u>-</u>	\$	<u>-</u>	\$	<u>-</u>	\$	<u>-</u>	\$	<u>-</u>
\$	<u>662,654</u>	\$	<u>672,195</u>	\$	<u>738,964</u>	\$	<u>1,895,552</u>	\$	<u>1,704,545</u>
	0.00%		0.00%		0.00%		0.00%		0.00%
\$	3,529,485	\$	14,921,000	\$	14,921,000	\$	16,015,846	\$	16,015,846
	18.77%		4.51%		4.95%		11.84%		10.64%

**Northbrook School District 27**  
 MULTIYEAR SCHEDULE OF THE DISTRICT'S PROPORTIONATE  
 SHARE OF THE NET OTHER POSTEMPLOYMENT BENEFIT (OPEB) LIABILITY  
 Teacher Health Insurance Security Fund  
Eight Most Recent Fiscal Years

	2025	2024	2023
District's proportion of the net OPEB liability	0.056691 %	0.052954 %	0.060783 %
District's proportionate share of the net OPEB liability	\$ 4,484,543	\$ 3,774,241	\$ 4,160,425
State's proportionate share of the net OPEB liability associated with the District	<u>6,090,212</u>	<u>5,103,976</u>	<u>5,659,849</u>
Total	<u><u>\$ 10,574,755</u></u>	<u><u>\$ 8,878,217</u></u>	<u><u>\$ 9,820,274</u></u>
District's covered payroll	\$ 16,891,129	\$ 16,047,946	\$ 15,524,089
District's proportionate share of the net OPEB liability as a percentage of its covered-employee payroll	26.55%	23.52%	26.80%
Plan fiduciary net position as a percentage of the total OPEB liability	7.43%	6.21%	5.24%

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

Note 2: The District implemented GASB 75 beginning with its fiscal year ended June 30, 2018 therefore 10 years of information is not available.

2022	2021	2020	2019	2018
0.059323 %	0.058933 %	0.060312 %	0.060957 %	0.060514 %
\$ 13,083,975	\$ 15,756,329	\$ 16,692,872	\$ 16,059,724	\$ 15,703,090
<u>17,739,960</u>	<u>21,345,535</u>	<u>22,604,278</u>	<u>21,564,746</u>	<u>20,622,059</u>
\$ <u>30,823,935</u>	\$ <u>37,101,864</u>	\$ <u>39,297,150</u>	\$ <u>37,624,470</u>	\$ <u>36,325,149</u>
\$ 14,625,477	\$ 14,870,540	\$ 14,712,324	\$ 14,188,758	\$ 13,918,842
89.46%	105.96%	113.46%	113.19%	112.82%
1.40%	0.70%	0.25%	-0.07%	-0.17%

**Northbrook School District 27**  
**SCHEDULE OF DISTRICT CONTRIBUTIONS**  
**Teacher Health Insurance Security Fund**  
**Eight Most Recent Fiscal Years**

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	<u>2025</u>	<u>2024</u>	<u>2023</u>
Contractually required contribution	\$ 113,171	\$ 107,521	\$ 104,011
Contributions in relation to the contractually required contribution	<u>113,160</u>	<u>99,208</u>	<u>112,399</u>
Contribution excess (deficiency)	<u><u>\$ 11</u></u>	<u><u>\$ 8,313</u></u>	<u><u>\$ (8,388)</u></u>
District's covered-employee payroll	\$ 17,807,116	\$ 16,891,129	\$ 16,047,946
Contributions as a percentage of covered payroll	0.64%	0.64%	0.65%

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

Note 2: The District implemented GASB 75 beginning with its fiscal year ended June 30, 2018 therefore 10 years of information is not available.

2022	2021	2020	2019	2018
\$ 134,554	\$ 136,809	\$ 135,353	\$ 124,861	\$ 116,918
<u>141,664</u>	<u>137,156</u>	<u>136,378</u>	<u>127,164</u>	<u>116,936</u>
<u><u>\$ (7,110)</u></u>	<u><u>\$ (347)</u></u>	<u><u>\$ (1,025)</u></u>	<u><u>\$ (2,303)</u></u>	<u><u>\$ (18)</u></u>
\$ 15,524,089	\$ 14,625,477	\$ 14,870,540	\$ 14,712,324	\$ 14,188,758
0.87%	0.94%	0.91%	0.85%	0.82%

**Northbrook School District 27**  
 General Fund  
**SCHEDULE OF REVENUES, EXPENDITURES,  
 AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
 For the Year Ended June 30, 2025  
 With Comparative Actual Amounts for the Year Ended June 30, 2024

	2025			
	Original and Final Budget	Actual	Variance From Final Budget	2024 Actual
<b>Revenues</b>				
Local sources				
General levy	\$ 28,487,080	\$ 28,995,446	\$ 508,366	\$ 27,987,081
Regular tuition from pupils or parents	55,000	65,975	10,975	83,132
Summer school tuition from pupils or parents	10,000	10,125	125	13,388
Interest on investments	310,000	822,040	512,040	974,940
Sales to pupils - other	1,300	1,475	175	1,595
Fees	102,000	100,906	(1,094)	102,980
Student Activity Fund Revenues	-	19,395	19,395	14,512
Rentals - regular textbook	98,000	98,182	182	101,173
Contributions and donations				
from private sources	-	24,982	24,982	-
Refund of prior years' expenditures	55,334	55,334	-	-
Other	500	(411)	(911)	137
 Total local sources	 29,119,214	 30,193,449	 1,074,235	 29,278,938
State sources				
Special Education - Private Facility Tuition	65,000	35,603	(29,397)	79,953
Other restricted revenue from state sources	500	1,149	649	1,154
On-Behalf Payments to TRS from the State	12,000,000	8,510,098	(3,489,902)	8,078,697
 Total state sources	 12,065,500	 8,546,850	 (3,518,650)	 8,159,804
Federal sources				
Special Milk Program	7,000	11,689	4,689	10,764
Title I - Low Income	40,000	63,316	23,316	46,039
Title IV - Student Support & Academic Enrichment Grant	10,000	11,938	1,938	10,000
Federal Special Education - Preschool Flow-Through	6,258	6,258	-	11,044
IDEA Flow Through	381,874	366,259	(15,615)	386,113

(Continued)

**Northbrook School District 27**  
 General Fund  
**SCHEDULE OF REVENUES, EXPENDITURES,  
 AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
 For the Year Ended June 30, 2025  
 With Comparative Actual Amounts for the Year Ended June 30, 2024

	2025			
	Original and Final Budget	Actual	Variance From Final Budget	2024 Actual
<b>Federal sources (Continued)</b>				
Federal Special Education -				
IDEA Room & Board	\$ 80,000	\$ 120,827	\$ 40,827	\$ 105,882
Title II - Teacher Quality	20,000	14,716	(5,284)	15,118
Medicaid Matching Funds -				
Administrative Outreach	-	14,545	14,545	14,317
Medicaid Matching Funds -				
Fee-For-Service Program	12,000	77,339	65,339	48,974
Total federal sources	<u>557,132</u>	<u>686,887</u>	<u>129,755</u>	<u>648,251</u>
Total revenues	<u>41,741,846</u>	<u>39,427,186</u>	<u>(2,314,660)</u>	<u>38,086,993</u>
<b>Expenditures</b>				
Instruction				
Regular programs				
Salaries	13,627,360	13,711,024	(83,664)	13,003,791
Employee benefits	2,439,983	2,701,281	(261,298)	2,595,215
On-Behalf Payments to TRS from the State	12,000,000	8,510,098	3,489,902	8,078,697
Purchased services	80,000	55,246	24,754	26,070
Supplies and materials	1,648,956	1,459,867	189,089	1,289,424
Capital outlay	682,126	581,536	100,590	765,112
Non-capitalized equipment	25,000	13,421	11,579	13,970
Total	<u>30,503,425</u>	<u>27,032,473</u>	<u>3,470,952</u>	<u>25,772,279</u>
Special education programs				
Salaries	1,939,887	2,012,077	(72,190)	1,873,926
Employee benefits	42,007	49,960	(7,953)	47,367
Purchased services	1,500	62	1,438	414
Supplies and materials	16,200	4,379	11,821	(4,503)
Capital outlay	-	-	-	8,611
Total	<u>1,999,594</u>	<u>2,066,478</u>	<u>(66,884)</u>	<u>1,925,815</u>

(Continued)

**Northbrook School District 27**  
 General Fund  
**SCHEDULE OF REVENUES, EXPENDITURES,  
 AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
 For the Year Ended June 30, 2025  
 With Comparative Actual Amounts for the Year Ended June 30, 2024

	2025			
	Original and Final Budget	Actual	Variance From Final Budget	2024 Actual
Interscholastic programs				
Purchased services	\$ 7,500	\$ 7,769	\$ (269)	\$ 7,385
Total	<u>7,500</u>	<u>7,769</u>	<u>(269)</u>	<u>7,385</u>
Summer school programs				
Salaries	10,000	-	10,000	-
Employee benefits	125	-	125	-
Supplies and materials	500	-	500	-
Total	<u>10,625</u>	<u>-</u>	<u>10,625</u>	<u>-</u>
Gifted programs				
Salaries	97,211	97,211	-	92,659
Employee benefits	1,215	1,215	-	1,156
Supplies and materials	2,000	802	1,198	1,326
Total	<u>100,426</u>	<u>99,228</u>	<u>1,198</u>	<u>95,141</u>
Student Activity Fund Expenditures	<u>-</u>	<u>7,161</u>	<u>(7,161)</u>	<u>12,360</u>
Total instruction	<u>32,621,570</u>	<u>29,213,109</u>	<u>3,408,461</u>	<u>27,812,980</u>
Support services				
Pupils				
Attendance and social work services				
Salaries	449,173	443,693	5,480	345,076
Employee benefits	5,615	5,546	69	4,314
Supplies and materials	3,000	2,686	314	846
Total	<u>457,788</u>	<u>451,925</u>	<u>5,863</u>	<u>350,236</u>
Guidance services				
Salaries	235,548	234,868	680	222,950
Employee benefits	2,944	2,936	8	2,787
Supplies and materials	45,000	39,987	5,013	20,429
Total	<u>283,492</u>	<u>277,791</u>	<u>5,701</u>	<u>246,166</u>

(Continued)

**Northbrook School District 27**  
 General Fund  
**SCHEDULE OF REVENUES, EXPENDITURES,  
 AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
 For the Year Ended June 30, 2025  
 With Comparative Actual Amounts for the Year Ended June 30, 2024

	2025			
	Original and Final Budget	Actual	Variance From Final Budget	2024 Actual
<b>Health services</b>				
Salaries	\$ 186,846	\$ 178,454	\$ 8,392	\$ 153,163
Employee benefits	915	877	38	764
Purchased services	500	45	455	-
Supplies and materials	<u>5,500</u>	<u>3,468</u>	<u>2,032</u>	<u>4,033</u>
<b>Total</b>	<b><u>193,761</u></b>	<b><u>182,844</u></b>	<b><u>10,917</u></b>	<b><u>157,960</u></b>
<b>Psychological services</b>				
Salaries	241,106	234,086	7,020	373,211
Employee benefits	3,013	2,926	87	21,225
Purchased services	12,000	21,020	(9,020)	9,815
Supplies and materials	<u>6,000</u>	<u>-</u>	<u>6,000</u>	<u>6,971</u>
<b>Total</b>	<b><u>262,119</u></b>	<b><u>258,032</u></b>	<b><u>4,087</u></b>	<b><u>411,222</u></b>
<b>Speech pathology and audiology services</b>				
Salaries	519,172	448,938	70,234	414,876
Employee benefits	6,489	5,612	877	5,186
Purchased services	-	-	-	-
Supplies and materials	<u>3,750</u>	<u>362</u>	<u>3,388</u>	<u>733</u>
<b>Total</b>	<b><u>529,411</u></b>	<b><u>454,912</u></b>	<b><u>74,499</u></b>	<b><u>420,795</u></b>
<b>Other support services - pupils</b>				
Salaries	625,000	652,729	(27,729)	619,105
Employee benefits	7,813	5,198	2,615	4,855
Supplies and materials	<u>500</u>	<u>6,872</u>	<u>(6,372)</u>	<u>5,402</u>
<b>Total</b>	<b><u>633,313</u></b>	<b><u>664,799</u></b>	<b><u>(31,486)</u></b>	<b><u>629,362</u></b>
<b>Total pupils</b>	<b><u>2,359,884</u></b>	<b><u>2,290,303</u></b>	<b><u>69,581</u></b>	<b><u>2,215,741</u></b>

(Continued)

**Northbrook School District 27**  
 General Fund  
**SCHEDULE OF REVENUES, EXPENDITURES,  
 AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
 For the Year Ended June 30, 2025  
 With Comparative Actual Amounts for the Year Ended June 30, 2024

	2025			
	Original and Final Budget	Actual	Variance From Final Budget	2024 Actual
<b>Instructional staff</b>				
Improvement of instruction services				
Salaries	\$ 1,265,459	\$ 1,189,054	\$ 76,405	\$ 1,058,201
Employee benefits	165,063	134,213	30,850	160,833
Purchased services	73,000	57,163	15,837	87,146
Supplies and materials	51,000	12,175	38,825	68,377
Other objects	-	-	-	-
Total	<u>1,554,522</u>	<u>1,392,605</u>	<u>161,917</u>	<u>1,374,557</u>
Educational media services				
Salaries	358,831	359,246	(415)	339,633
Employee benefits	12,765	12,771	(6)	13,567
Supplies and materials	78,700	76,365	2,335	67,226
Total	<u>450,296</u>	<u>448,382</u>	<u>1,914</u>	<u>420,426</u>
Assessment and testing				
Purchased services	43,000	31,061	11,939	39,378
Total	<u>43,000</u>	<u>31,061</u>	<u>11,939</u>	<u>39,378</u>
Total instructional staff	<u>2,047,818</u>	<u>1,872,048</u>	<u>175,770</u>	<u>1,834,361</u>
<b>General administration</b>				
Board of education services				
Purchased services	325,992	437,847	(111,855)	220,649
Total	<u>325,992</u>	<u>437,847</u>	<u>(111,855)</u>	<u>220,649</u>
Executive administration services				
Salaries	653,218	653,218	-	629,884
Employee benefits	45,347	46,059	(712)	46,170
Purchased services	8,000	1,126	6,874	1,800
Supplies and materials	16,000	11,529	4,471	13,670
Total	<u>722,565</u>	<u>711,932</u>	<u>10,633</u>	<u>691,524</u>

(Continued)

**Northbrook School District 27**  
 General Fund  
**SCHEDULE OF REVENUES, EXPENDITURES,  
 AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
 For the Year Ended June 30, 2025  
 With Comparative Actual Amounts for the Year Ended June 30, 2024

	2025			
	Original and Final Budget	Actual	Variance From Final Budget	2024 Actual
Special area administrative services				
Purchased services	\$ -	\$ -	\$ -	\$ (6,000)
Total	- -	- -	- -	(6,000)
Total general administration	<u>1,048,557</u>	<u>1,149,779</u>	<u>(101,222)</u>	<u>906,173</u>
School administration				
Office of the principal services				
Salaries	1,003,943	1,000,545	3,398	921,155
Employee benefits	143,063	136,975	6,088	130,864
Supplies and materials	<u>14,000</u>	<u>10,895</u>	<u>3,105</u>	<u>5,179</u>
Total	<u>1,161,006</u>	<u>1,148,415</u>	<u>12,591</u>	<u>1,057,198</u>
Total school administration	<u>1,161,006</u>	<u>1,148,415</u>	<u>12,591</u>	<u>1,057,198</u>
Business				
Fiscal services				
Purchased services	<u>142,286</u>	<u>112,286</u>	<u>30,000</u>	<u>59,574</u>
Total	<u>142,286</u>	<u>112,286</u>	<u>30,000</u>	<u>59,574</u>
Operation and maintenance of plant services				
Purchased services	<u>40,000</u>	<u>7,943</u>	<u>32,057</u>	<u>50,515</u>
Total	<u>40,000</u>	<u>7,943</u>	<u>32,057</u>	<u>50,515</u>
Food services				
Supplies and materials	<u>18,500</u>	<u>20,099</u>	<u>(1,599)</u>	<u>17,848</u>
Total	<u>18,500</u>	<u>20,099</u>	<u>(1,599)</u>	<u>17,848</u>
Total business	<u>200,786</u>	<u>140,328</u>	<u>60,458</u>	<u>127,937</u>

(Continued)

**Northbrook School District 27**  
 General Fund  
**SCHEDULE OF REVENUES, EXPENDITURES,  
 AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
 For the Year Ended June 30, 2025  
 With Comparative Actual Amounts for the Year Ended June 30, 2024

	2025			
	Original and Final Budget	Actual	Variance From Final Budget	2024 Actual
Central				
Data processing services				
Purchased services	\$ 292,200	\$ 216,696	\$ 75,504	\$ 248,069
Capital outlay	-	10,720	(10,720)	80,882
Total	<u>292,200</u>	<u>227,416</u>	<u>64,784</u>	<u>328,951</u>
Total central	<u>292,200</u>	<u>227,416</u>	<u>64,784</u>	<u>328,951</u>
Total support services	<u>7,110,251</u>	<u>6,828,289</u>	<u>281,962</u>	<u>6,470,361</u>
Community services				
Salaries	48,835	48,835	-	46,941
Purchased services	2,048	11,676	(9,628)	26,972
Supplies and materials	-	778	(778)	-
Total community services	<u>50,883</u>	<u>61,289</u>	<u>(10,406)</u>	<u>73,913</u>
Payments to other districts and governmental units				
Payments for special education programs				
Purchased services	156,258	150,000	6,258	151,044
Other objects	1,300,000	2,333,902	(1,033,902)	2,631,316
Total	<u>1,456,258</u>	<u>2,483,902</u>	<u>(1,027,644)</u>	<u>2,782,360</u>
Total payments to other districts and other government units	<u>1,456,258</u>	<u>2,483,902</u>	<u>(1,027,644)</u>	<u>2,782,360</u>
Total expenditures	<u>41,238,962</u>	<u>38,586,589</u>	<u>2,652,373</u>	<u>37,139,614</u>
Excess of revenues over expenditures	<u>502,884</u>	<u>840,597</u>	<u>337,713</u>	<u>947,379</u>

(Continued)

**Northbrook School District 27**  
 General Fund  
**SCHEDULE OF REVENUES, EXPENDITURES,  
 AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
 For the Year Ended June 30, 2025  
 With Comparative Actual Amounts for the Year Ended June 30, 2024

	2025		Variance From Final Budget	2024
	Original and Final Budget	Actual		
	Actual	Final Budget		
<b>Other financing sources (uses)</b>				
Transfers out	\$ -	\$ (2,800,000)	\$ (2,800,000)	\$ (3,000,000)
Subscription liabilities issued	- 10,720	10,720	10,720	80,882
Transfer to debt service fund for principal on subscription liabilities	- (46,105)	(46,105)	(46,105)	(56,734)
Transfer to debt service fund for interest on subscription liabilities	- (4,584)	(4,584)	(4,584)	(3,376)
<b>Total other financing sources (uses)</b>	<b>- (2,839,969)</b>	<b>(2,839,969)</b>	<b>(2,839,969)</b>	<b>(2,979,228)</b>
Net change to fund balance	<u>\$ 502,884</u>	<u>(1,999,372)</u>	<u>\$ (2,502,256)</u>	<u>(2,031,849)</u>
Fund balance, beginning of year		<u>14,683,946</u>		<u>16,715,795</u>
Fund balance, end of year		<u>\$ 12,684,574</u>		<u>\$ 14,683,946</u>

(Concluded)

**Northbrook School District 27**  
 Operations and Maintenance Fund  
 SCHEDULE OF REVENUES, EXPENDITURES,  
 AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
 For the Year Ended June 30, 2025  
 With Comparative Actual Amounts for the Year Ended June 30, 2024

	2025			
	Original and Final Budget	Variance From Final Budget	2024	
	Actual	Actual	Budget	Actual
<b>Revenues</b>				
Local sources				
General levy	\$ 2,258,989	\$ 2,038,265	\$ (220,724)	\$ 1,815,073
Corporate personal property replacement taxes	448,801	402,484	(46,317)	615,180
Interest on investments	8,000	188,257	180,257	35,459
Rentals	-	900	900	630
Other	500	-	(500)	-
<b>Total local sources</b>	<b>2,716,290</b>	<b>2,629,906</b>	<b>(86,384)</b>	<b>2,466,342</b>
State sources				
Evidence Based Funding Formula	785,000	793,669	8,669	792,513
School Infrastructure - Maintenance Projects	-	50,000	50,000	-
<b>Total state sources</b>	<b>785,000</b>	<b>843,669</b>	<b>58,669</b>	<b>792,513</b>
<b>Total revenues</b>	<b>3,501,290</b>	<b>3,473,575</b>	<b>(27,715)</b>	<b>3,258,855</b>
<b>Expenditures</b>				
Facilities acquisition and construction services				
Purchased services	30,000	15,093	14,907	-
Capital outlay	-	230	(230)	-
<b>Total</b>	<b>30,000</b>	<b>15,323</b>	<b>14,677</b>	<b>-</b>
Operation and maintenance of plant services				
Salaries	949,390	898,373	51,017	874,422
Employee benefits	160,900	153,701	7,199	131,099
Purchased services	1,699,000	1,950,032	(251,032)	2,285,773
Supplies and materials	642,000	513,046	128,954	701,535
Capital outlay	20,000	3,552,746	(3,532,746)	1,447,820
<b>Total</b>	<b>3,471,290</b>	<b>7,067,898</b>	<b>(3,596,608)</b>	<b>5,440,649</b>

(Continued)

**Northbrook School District 27**  
 Operations and Maintenance Fund  
**SCHEDULE OF REVENUES, EXPENDITURES,  
 AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
 For the Year Ended June 30, 2025  
 With Comparative Actual Amounts for the Year Ended June 30, 2024

	2025		Variance From Final Budget	2024
	Original and Final Budget	Actual		
Pupil transportation services				
Supplies and materials	-	127,314	(127,314)	-
Total	<u>-</u>	<u>127,314</u>	<u>(127,314)</u>	<u>-</u>
Total business	<u>\$ 3,501,290</u>	<u>\$ 7,210,535</u>	<u>\$ (3,709,245)</u>	<u>\$ 5,440,649</u>
Total support services	<u>3,501,290</u>	<u>7,210,535</u>	<u>(3,709,245)</u>	<u>5,440,649</u>
Total expenditures	<u>3,501,290</u>	<u>7,210,535</u>	<u>(3,709,245)</u>	<u>5,440,649</u>
Deficiency of revenues over expenditures	<u>-</u>	<u>(3,736,960)</u>	<u>(3,736,960)</u>	<u>(2,181,794)</u>
Other financing sources				
Permanent transfer among funds	<u>-</u>	<u>2,800,000</u>	<u>2,800,000</u>	<u>2,000,000</u>
Total other financing sources	<u>-</u>	<u>2,800,000</u>	<u>2,800,000</u>	<u>2,000,000</u>
Net change in fund balance	<u>\$ -</u>	<u>(936,960)</u>	<u>\$ (936,960)</u>	<u>(181,794)</u>
Fund balance, beginning of year		<u>1,233,863</u>		<u>1,415,657</u>
Fund balance, end of year		<u>\$ 296,903</u>		<u>\$ 1,233,863</u>

(Concluded)

**Northbrook School District 27**  
 Transportation Fund  
 SCHEDULE OF REVENUES, EXPENDITURES,  
 AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
 For the Year Ended June 30, 2025  
 With Comparative Actual Amounts for the Year Ended June 30, 2024

	2025			
	Original and Final Budget	Actual	Variance From Final Budget	2024 Actual
Revenues				
Local sources				
General levy	\$ 1,171,644	\$ 1,448,658	\$ 277,014	\$ 1,018,066
Regular transportation fees from pupils or parents - in state	235,000	240,861	5,861	236,159
Regular transportation fees from co-curricular activities - in state	-	-	-	1,628
Interest on investments	2,000	2,000	-	12,793
Payment from other districts	<u>35,856</u>	<u>35,856</u>	<u>-</u>	<u>-</u>
Total local sources	<u>1,444,500</u>	<u>1,727,375</u>	<u>282,875</u>	<u>1,268,646</u>
State sources				
Transportation - Special Education	<u>500,000</u>	<u>469,923</u>	<u>(30,077)</u>	<u>263,574</u>
Total state sources	<u>500,000</u>	<u>469,923</u>	<u>(30,077)</u>	<u>263,574</u>
Total revenues	<u>1,944,500</u>	<u>2,197,298</u>	<u>252,798</u>	<u>1,532,220</u>
Expenditures				
Business				
Pupil transportation services				
Purchased services	<u>1,944,500</u>	<u>2,553,184</u>	<u>(608,684)</u>	<u>2,326,957</u>
Total support services	<u>1,944,500</u>	<u>2,553,184</u>	<u>(608,684)</u>	<u>2,326,957</u>
Total expenditures	<u>1,944,500</u>	<u>2,553,184</u>	<u>(608,684)</u>	<u>2,326,957</u>
Deficiency of revenues over expenditures	<u>-</u>	<u>(355,886)</u>	<u>(355,886)</u>	<u>(794,737)</u>
Other financing sources				
Permanent transfer among funds	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,000,000</u>
Total other financing sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,000,000</u>
Net change in fund balance	<u>\$ -</u>	<u>(355,886)</u>	<u>\$ (355,886)</u>	<u>205,263</u>
Fund balance, beginning of year		<u>634,571</u>		<u>429,308</u>
Fund balance, end of year		<u>\$ 278,685</u>		<u>\$ 634,571</u>

**Northbrook School District 27**  
 Municipal Retirement / Social Security Fund  
 SCHEDULE OF REVENUES, EXPENDITURES,  
 AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
 For the Year Ended June 30, 2025  
 With Comparative Actual Amounts for the Year Ended June 30, 2024

	2025			
	Original and Final Budget	Actual	Variance From Final Budget	2024
<b>Revenues</b>				
Local sources				
General levy	\$ 86,226	\$ 93,652	\$ 7,426	\$ 197,183
Social security/Medicare only levy	289,102	343,764	54,662	721,693
Corporate personal property replacement taxes	15,000	20,101	5,101	15,000
Interest on investments	2,000	2,000	-	6,278
<b>Total local sources</b>	<b>392,328</b>	<b>459,517</b>	<b>67,189</b>	<b>940,154</b>
<b>Total revenues</b>	<b>392,328</b>	<b>459,517</b>	<b>67,189</b>	<b>940,154</b>
<b>Expenditures</b>				
Instruction				
Regular programs	427,917	420,303	7,614	405,310
Special education programs	41,230	40,709	521	38,119
Summer school programs	145	-	145	-
Gifted programs	1,410	1,252	158	1,181
<b>Total instruction</b>	<b>470,702</b>	<b>462,264</b>	<b>8,438</b>	<b>444,610</b>
Support services				
Pupils				
Attendance and social work services	6,513	6,036	477	4,765
Guidance services	3,415	3,306	109	3,137
Health services	13,808	18,980	(5,172)	16,140
Psychological services	3,496	3,168	328	5,131
and audiology services	7,528	6,348	1,180	5,835
Other support services -pupils	9,063	38,788	(29,725)	38,462
<b>Total pupils</b>	<b>43,823</b>	<b>76,626</b>	<b>(32,803)</b>	<b>73,470</b>

(Continued)

**Northbrook School District 27**  
 Municipal Retirement / Social Security Fund  
 SCHEDULE OF REVENUES, EXPENDITURES,  
 AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
 For the Year Ended June 30, 2025  
 With Comparative Actual Amounts for the Year Ended June 30, 2024

	2025			
	Original and Final Budget	Actual	Variance From Final Budget	2024 Actual
<b>Instructional staff</b>				
Improvement of instruction services	\$ 143,770	\$ 139,198	\$ 4,572	\$ 108,071
Educational media services	<u>5,203</u>	<u>4,937</u>	<u>266</u>	<u>4,449</u>
<b>Total instructional staff</b>	<u>148,973</u>	<u>144,135</u>	<u>4,838</u>	<u>112,520</u>
<b>General administration</b>				
Executive administration services	<u>33,534</u>	<u>33,228</u>	<u>306</u>	<u>31,658</u>
<b>Total general administration</b>	<u>33,534</u>	<u>33,228</u>	<u>306</u>	<u>31,658</u>
<b>School administration</b>				
Office of the principal services	<u>46,887</u>	<u>45,816</u>	<u>1,071</u>	<u>36,912</u>
<b>Total school administration</b>	<u>46,887</u>	<u>45,816</u>	<u>1,071</u>	<u>36,912</u>
<b>Business</b>				
Operation and maintenance of plant services	<u>143,177</u>	<u>143,302</u>	<u>(125)</u>	<u>135,770</u>
<b>Total business</b>	<u>143,177</u>	<u>143,302</u>	<u>(125)</u>	<u>135,770</u>
<b>Total support services</b>	<u>416,394</u>	<u>443,107</u>	<u>(26,713)</u>	<u>390,330</u>
Community services	<u>8,117</u>	<u>7,915</u>	<u>202</u>	<u>7,610</u>
<b>Total expenditures</b>	<u>895,213</u>	<u>913,286</u>	<u>(18,073)</u>	<u>842,550</u>
Excess (deficiency) of revenues over expenditures	<u>\$ (502,885)</u>	<u>(453,769)</u>	<u>\$ 49,116</u>	<u>97,604</u>
Fund balance, beginning of year		1,058,194		960,590
Fund balance, end of year		<u>\$ 604,425</u>		<u>\$ 1,058,194</u>
				(Concluded)

# Northbrook School District 27

Notes to the Required Supplementary Information  
June 30, 2025

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## 1. LEGAL COMPLIANCE AND ACCOUNTABILITY - BUDGETS

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

- a) The Administration submits to the Board of Education a proposed operating budget for the fiscal year commencing July 1. The operating budget includes proposed expenditures and the means of financing them.
- b) Public hearings are conducted and the proposed budget is available for inspection to obtain comments.
- c) By September 30, the budget is legally adopted through passage of a resolution. By the last Tuesday in December each year, a tax levy resolution is filed with the County Clerk to obtain tax revenues.
- d) Management is authorized to transfer budget amounts, provided funds are transferred between the same function and object codes. The Board of Education is authorized to transfer up to a legal level of 10% of the total budget between functions within a fund; however, any revisions that alter the total expenditures of any fund must be approved by the Board of Education after the public hearing process mandated by law.
- e) Formal budgetary integration is employed as a management control device during the year for the governmental funds.
- f) The budget amounts shown in the financial statements are as originally adopted by the Board of Education on September 19, 2024.
- g) All annual budgets lapse at the end of the fiscal year.

## 2. EXPENDITURES IN EXCESS OF BUDGETS

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

<u>Fund</u>	<u>Amount</u>
Operations and Maintenance	\$ 3,709,245
Transportation	608,684
Municipal Retirement / Social Security	18,073

## **Northbrook School District 27**

Notes to the Required Supplementary Information  
June 30, 2025

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

For the 2024 measurement years, the assumed investment rate of return was 7.00 percent, including an inflation rate of 2.50 percent and a real return of 4.50 percent. Salary increases were assumed to vary by service credit. These actuarial assumptions were based on an experience study dated August 16, 2024.

For the 2023 and 2022 and 2020-2016 measurement years, the assumed investment rate of return was 7.00 percent, including an inflation rate of 2.50 percent and a real return of 4.50 percent.\* Salary increases were assumed to vary by service credit. The assumptions used for the 2020-2018 and 2017-2016 measurement years were based on an experience study dated September 18, 2018 and August 13, 2015 respectively.

For the 2015 measurement year, the assumed investment rate of return was 7.50 percent, including an inflation rate of 3.00 percent and real return of 4.50 percent. Salary increases were assumed to vary by service credit. Various other changes in assumptions were adopted based on the experience analysis for the three-year period ending June 30, 2014.

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

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

#### **Valuation Date:**

Notes	Actuarially determined contribution rates are calculated as of December 31 each year, which are 12 months prior to the beginning of the fiscal year in which contributions are reported.
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#### **Methods and Assumptions Used to Determine the 2024 Contribution Rate:**

Actuarial Cost Method	Aggregate Entry Age Normal
Amortization Method	Level Percentage of Payroll, Closed

## Northbrook School District 27

Notes to the Required Supplementary Information  
June 30, 2025

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### 4. SUMMARY OF ACTUARIAL METHODS AND ASSUMPTIONS USED IN THE CALCULATION OF THE 2024 IMRF CONTRIBUTION RATE\* (Continued)

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

Remaining Amortization Period	Non-Taxing bodies: 10-year rolling period. Taxing bodies (Regular, SLEP, and ECO groups): 19-year closed period Early Retirement Incentive Plan liabilities: a period up to 10 years selected by the Employer upon adoption of ERI. SLEP supplemental liabilities attributable to Public Act 94-712 were financed over 14 years for most employers (five employers were financed over 15 years; one employer was financed over 16 years; two employers were financed over 17 years; one employer was financed over 20 years; three employers were financed over 23 years; four employers were financed over 24 years and one employer was financed over 25 years)
Asset Valuation Method	5-year smoothed fair value; 20% corridor
Wage Growth	2.75%
Price Inflation	2.25%
Salary Increases	2.75% to 13.75%, including inflation
Investment Rate of Return	7.25%
Retirement Age	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2020 valuation pursuant to an experience study of the period 2017-2019.
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.

#### **Other Information**

Notes	There were no benefit changes during the year.
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\* Based on Valuation Assumptions used in the December 31, 2022 actuarial valuation.

## Northbrook School District 27

Notes to the Required Supplementary Information  
June 30, 2025

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### 4. SUMMARY OF ACTUARIAL METHODS AND ASSUMPTIONS USED IN THE CALCULATION OF THE 2024 IMRF CONTRIBUTION RATE\* (Continued)

#### **Change in Assumptions:**

For the 2024, 2023 and 2022 measurement year, the assumed investment rate of return was 7.25 percent, including an inflation rate of 2.25 percent and a real return of 5.00 percent.

For the 2021, 2020, 2019 and 2018 measurement years, the assumed investment rate of return was 7.25 percent, including an inflation rate of 2.50 percent and a real return of 4.75 percent.

For the 2017, 2016, 2015 and 2014 measurement years, the assumed investment rate of return was 7.50 percent, including an inflation rate of 2.50 percent and a real return of 5.00 percent.

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

#### **Valuation Date:**

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

#### **Methods and Assumptions Used to Determine the 2024 Contribution Rate:**

Actuarial Cost Method	Entry Age Normal, used to measure the Total OPEB Liability
Contribution Policy	Benefits are financed on a pay-as-you-go basis. Contribution rates are defined by statute. For fiscal year end June 30, 2024, contribution rates are 0.90% of pay for active members, 0.67% of pay for school districts, and 0.90% of pay for the State. Retired members contribute a percentage of premium rates. The goal of the policy is to finance current year costs plus a margin for incurred but not paid plan costs.
Asset Valuation Method	Market value
Investment Rate of Return	2.75%, net of OPEB plan investment expense, including inflation, for all plan years.
Single Equivalent Discount Rate	3.97%
Price Inflation	2.25%
Salary Increases	Depends on service and ranges from 8.50% at 1 year of service to 3.50% at 20 or more years of service.
Retirement Age	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the actuarial valuation as of June 30, 2021.

# Northbrook School District 27

Notes to the Required Supplementary Information  
June 30, 2025

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

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

Mortality	Retirement and Beneficiary Annuitants: PubT-2010 Retiree Mortality Table, adjusted for TRS Experience. Disabled Annuitants: PubNS-2010 Non-Safety Disabled Retiree Table. Pre-Retirement: PubT-2010 Employee Mortality Table. All tables reflect future mortality improvements using Projection Scale MP-2020.
Healthcare Cost Trend Rates	Trend rates for plan year 2025 are based on actual premium increases. For non-Medicare costs, trend rates start at 8.00% for plan year 2026 and decrease gradually to an ultimate rate of 4.25% in 2041. For MAPD costs, trend rates are based on actual premium increases for 2025, 15.00% in 2026 to 2030 and 7.00% in 2031, declining gradually to an ultimate rate of 4.25% in 2041.
Aging Factors	Based on the 2013 SOA Study "Health Care Costs - From Birth to Death".
Expenses	Health administrative expenses are included in the development of the per capita claims costs. Operating expenses are included as a component of the Annual OPEB Expense.

### **Change in Assumptions:**

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

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

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

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

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

## Northbrook School District 27

Notes to the Required Supplementary Information

June 30, 2025

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

#### **Change in Assumptions:** (Continued)

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

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

**SUPPLEMENTARY FINANCIAL INFORMATION**

# Northbrook School District 27

General Fund

## COMBINING BALANCE SHEET

June 30, 2025

	Educational Account	Working Cash Account	Total
<b>ASSETS</b>			
Cash and investments	\$ 8,145,409	\$ 4,009,846	\$ 12,155,255
Property taxes	14,724,833	62	14,724,895
Intergovernmental	295,648	-	295,648
Prepaid items	293,070	-	293,070
Other current assets	<u>17,305</u>	<u>-</u>	<u>17,305</u>
<b>Total assets</b>	<b><u>\$ 23,476,265</u></b>	<b><u>\$ 4,009,908</u></b>	<b><u>\$ 27,486,173</u></b>
<b>LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCES</b>			
<b>LIABILITIES</b>			
Accounts payable	\$ 44,555	\$ -	\$ 44,555
Other current liabilities	<u>32,149</u>	<u>-</u>	<u>32,149</u>
<b>Total liabilities</b>	<b><u>76,704</u></b>	<b><u>-</u></b>	<b><u>76,704</u></b>
<b>DEFERRED INFLOWS</b>			
Property taxes levied for a future period	<u>14,724,833</u>	<u>62</u>	<u>14,724,895</u>
<b>Total deferred inflows</b>	<b><u>14,724,833</u></b>	<b><u>62</u></b>	<b><u>14,724,895</u></b>
<b>FUND BALANCES</b>			
Nonspendable	293,070	-	293,070
Assigned	37,251	-	37,251
Unassigned	<u>8,344,407</u>	<u>4,009,846</u>	<u>12,354,253</u>
<b>Total fund balance</b>	<b><u>8,674,728</u></b>	<b><u>4,009,846</u></b>	<b><u>12,684,574</u></b>
<b>Total liabilities, deferred inflows, and fund balance</b>	<b><u>\$ 23,476,265</u></b>	<b><u>\$ 4,009,908</u></b>	<b><u>\$ 27,486,173</u></b>

## Northbrook School District 27

General Fund

### COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

For the Year Ended June 30, 2025

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	Educational Account	Working Cash Account	Total
<b>Revenues</b>			
Property taxes	\$ 28,995,381	\$ 65	\$ 28,995,446
State aid	8,546,850	-	8,546,850
Federal aid	686,887	-	686,887
Interest	812,040	10,000	822,040
Other	<u>375,963</u>	<u>-</u>	<u>375,963</u>
 Total revenues	 <u>39,417,121</u>	 <u>10,065</u>	 <u>39,427,186</u>
 <b>Expenditures</b>			
Current:			
Instruction:			
Regular programs	17,948,000	-	17,948,000
Special programs	2,066,478	-	2,066,478
Other instructional programs	106,997	-	106,997
State retirement contributions	8,510,098	-	8,510,098
Support services:			
Pupils	2,296,736	-	2,296,736
Instructional staff	1,865,615	-	1,865,615
General administration	1,149,779	-	1,149,779
School administration	1,148,415	-	1,148,415
Business	132,385	-	132,385
Operations and maintenance	7,943	-	7,943
Central	216,696	-	216,696
Community services	61,289	-	61,289
Nonprogrammed charges	2,483,902	-	2,483,902
Capital outlay	<u>592,256</u>	<u>-</u>	<u>592,256</u>
 Total expenditures	 <u>38,586,589</u>	 <u>-</u>	 <u>38,586,589</u>
 Excess of revenues over expenditures	 <u>830,532</u>	 <u>10,065</u>	 <u>840,597</u>
 Other financing sources (uses)			
Transfers out	(2,850,689)	-	(2,850,689)
Subscription liabilities issued	<u>10,720</u>	<u>-</u>	<u>10,720</u>
Total other financing sources (uses)	<u>(2,839,969)</u>	<u>-</u>	<u>(2,839,969)</u>
 Net change in fund balance	 (2,009,437)	 10,065	 (1,999,372)
 Fund balance, beginning of year	 <u>10,684,165</u>	 <u>3,999,781</u>	 <u>14,683,946</u>
 Fund balance, end of year	 <u>\$ 8,674,728</u>	 <u>\$ 4,009,846</u>	 <u>\$ 12,684,574</u>

**STATISTICAL SECTION**  
**(Unaudited)**

## Statistical Section

This part of the District's annual comprehensive financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the District.

<u>Contents</u>	<u>Page</u>
<b>Financial Trends</b>	
These schedules contain trend information to help the reader understand how the District's financial performance and well-being have changed over time.	111 - 122
<b>Revenue Capacity</b>	
These schedules contain information to help the reader assess the District's most significant local revenue source, the property tax.	123 - 128
<b>Debt Capacity</b>	
These schedules present information to help the reader assess the affordability of the District's current levels of outstanding debt and the District's ability to issue additional debt in the future.	129 - 134
<b>Demographic and Economic Information</b>	
These schedules offer demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place.	135 - 141
<b>Operating Information</b>	
These schedules contain information about the District's services and resources to help the reader understand how the District's financial information relates to the services the District provides and the activities it performs.	142 - 146

SOURCES: Unless otherwise noted, the information in these schedules is derived from the audited financial statements for the relevant year.

## Northbrook School District 27

### NET POSITION BY COMPONENT

### LAST TEN FISCAL YEARS

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	2025***	2024	2023	2022
Governmental Activities				
Net investment in				
capital assets	\$ 29,179,857	\$ 26,926,059	\$ 26,493,328	\$ 26,063,691
Restricted	1,180,013	2,926,628	2,797,719	1,365,017
Unrestricted	<u>(10,057,797)</u>	<u>(4,228,182)</u>	<u>(4,560,534)</u>	<u>(5,555,929)</u>
Total net position	<u>\$ 20,302,073</u>	<u>\$ 25,624,505</u>	<u>\$ 24,730,513</u>	<u>\$ 21,872,779</u>

\* Amounts presented as originally reported and not restated due to the implementation of GASB Statement No. 75.

\*\* Amounts prior to 2021 presented as originally reported and not restated due to the implementation of GASB Statement No. 84.

\*\*\* Amounts prior to 2025 presented as originally reported and not restated due to the implementation of GASB Statement No. 101.

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2021**	2020	2019	2018	2017*	2016
\$ 24,086,643	\$ 23,758,106	\$ 23,907,447	\$ 24,157,729	\$ 24,892,617	\$ 25,689,733
1,763,129	3,639,685	4,991,483	5,292,752	7,062,998	6,147,766
<u>(4,940,993)</u>	<u>(6,749,343)</u>	<u>(8,474,851)</u>	<u>(7,501,341)</u>	<u>8,107,226</u>	<u>8,714,545</u>
<b>\$ 20,908,779</b>	<b>\$ 20,648,448</b>	<b>\$ 20,424,079</b>	<b>\$ 21,949,140</b>	<b>\$ 40,062,841</b>	<b>\$ 40,552,044</b>

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**Northbrook School District 27**

CHANGES IN NET POSITION

LAST TEN FISCAL YEARS

	2025	2024	2023	2022
Expenses				
Instruction	\$ 35,050,695	\$ 33,735,541	\$ 30,753,927	\$ 29,315,084
Support services	13,784,185	12,695,435	10,975,910	10,094,999
Community services	71,726	67,605	56,739	47,349
Interest	4,584	3,376	-	-
Total expenses	<u>48,911,190</u>	<u>46,501,957</u>	<u>41,786,576</u>	<u>39,457,432</u>
Program revenues				
Charges for services				
Instruction	294,583	315,184	245,977	265,344
Support services	243,236	240,012	219,062	206,174
Operating grants and contributions				
Instruction	11,846,266	12,264,488	12,027,493	9,360,482
Support services	509,415	300,610	403,370	290,355
Capital grants	50,000	-	-	-
Total program revenues	<u>12,943,500</u>	<u>13,120,295</u>	<u>12,895,902</u>	<u>10,122,355</u>
Net expense	<u>(35,967,690)</u>	<u>(33,378,286)</u>	<u>(28,890,674)</u>	<u>(29,335,077)</u>
General revenues				
Taxes:				
Real estate taxes	32,919,785	31,739,096	29,233,674	28,456,797
Personal property				
replacement taxes	422,585	630,180	1,045,804	1,002,144
Other local sources	115,761	81,019	85,740	22,159
General state aid	793,669	792,513	791,397	790,087
Investment earnings	1,014,297	1,029,470	591,433	27,890
Total general revenues	<u>35,266,097</u>	<u>34,272,278</u>	<u>31,748,048</u>	<u>30,299,077</u>
Change in net position	<u>\$ (701,593)</u>	<u>\$ 893,922</u>	<u>\$ 2,857,374</u>	<u>\$ 964,000</u>

2021	2020	2019	2018	2017	2016
\$ 33,279,789	\$ 31,354,863	\$ 29,774,399	\$ 30,995,782	\$ 29,008,748	\$ 24,724,548
9,892,597	11,156,514	10,897,221	9,584,713	9,073,696	8,817,983
39,140	64,349	79,023	65,553	49,319	161,146
-	-	-	-	-	-
<u>43,211,526</u>	<u>42,575,726</u>	<u>40,750,643</u>	<u>40,646,048</u>	<u>38,131,763</u>	<u>33,703,677</u>
189,801	175,056	111,865	193,939	153,053	143,958
50,303	18,427	18,983	28,255	28,020	23,993
13,910,095	13,784,930	11,142,515	11,908,984	11,576,106	8,017,042
256,307	299,969	143,810	132,776	141,399	144,271
-	-	-	-	-	-
<u>14,406,506</u>	<u>14,278,382</u>	<u>11,417,173</u>	<u>12,263,954</u>	<u>11,898,578</u>	<u>8,329,264</u>
<u>(28,805,020)</u>	<u>(28,297,344)</u>	<u>(29,333,470)</u>	<u>(28,382,094)</u>	<u>(26,233,185)</u>	<u>(25,374,413)</u>
27,760,623	27,006,119	26,147,623	25,295,028	24,873,736	24,618,618
463,489	332,656	307,648	276,464	374,524	265,404
4,515	21,465	15,692	62,301	70,369	84,677
788,784	788,784	787,401	786,016	294,702	258,936
25,110	372,689	550,045	336,198	130,651	67,825
<u>29,042,521</u>	<u>28,521,713</u>	<u>27,808,409</u>	<u>26,756,007</u>	<u>25,743,982</u>	<u>25,295,460</u>
<u>\$ 237,501</u>	<u>\$ 224,369</u>	<u>\$ (1,525,061)</u>	<u>\$ (1,626,087)</u>	<u>\$ (489,203)</u>	<u>\$ (78,953)</u>

**Northbrook School District 27**  
**FUND BALANCES - GOVERNMENTAL FUNDS**  
**LAST TEN FISCAL YEARS**

	2025	2024	2023	2022
General Fund				
Nonspendable	\$ 293,070	\$ 255,487	\$ 301,054	\$ 106,164
Restricted	-	-	-	-
Assigned	37,251	4,024,798	3,875,332	3,775,166
Unassigned	<u>12,354,253</u>	<u>10,403,661</u>	<u>12,539,409</u>	<u>14,014,750</u>
Total General Fund	<u>12,684,574</u>	<u>14,683,946</u>	<u>16,715,795</u>	<u>17,896,080</u>
All other governmental funds				
Nonspendable, reporting in:				
Special revenue funds	15,005	16,415	7,836	7,836
Restricted, reported in:				
Special revenue funds	1,165,008	2,910,213	2,797,719	2,797,719
Unassigned, reported in:				
Special revenue funds	-	-	-	(271,064)
Total all other governmental funds	<u>1,180,013</u>	<u>2,926,628</u>	<u>2,805,555</u>	<u>2,534,491</u>
Total all governmental funds	<u>\$ 13,864,587</u>	<u>\$ 17,610,574</u>	<u>\$ 19,521,350</u>	<u>\$ 20,430,571</u>

\* Amounts prior to 2021 have not been restated for the implementation of GASB 84.

\*\* In 2019 and prior, the General Fund and Operations and Maintenance Fund were reported together on this schedule. Prior years have not been restated to reflect this change.

	2021*	2020**	2019	2018	2017	2016
\$	92,763	\$ -	\$ 75,555	\$ 2,257	\$ 3,201	\$ 3,800
-	-	-	4,241,917	4,537,890	6,108,292	5,189,137
3,771,850	3,750,103	3,692,107	3,583,520	3,583,520	3,565,450	
<u>14,224,276</u>	<u>12,932,466</u>	<u>11,586,950</u>	<u>11,876,089</u>	<u>9,671,106</u>	<u>9,747,037</u>	
<u>18,088,889</u>	<u>16,682,569</u>	<u>19,596,529</u>	<u>19,999,756</u>	<u>19,366,119</u>	<u>18,505,424</u>	
33,921	-	-	-	-	-	-
1,729,208	3,639,685	709,259	752,605	952,132	956,146	
-	-	-	-	-	-	-
<u>1,763,129</u>	<u>3,639,685</u>	<u>709,259</u>	<u>752,605</u>	<u>952,132</u>	<u>956,146</u>	
<u>\$ 19,852,018</u>	<u>\$ 20,322,254</u>	<u>\$ 20,305,788</u>	<u>\$ 20,752,361</u>	<u>\$ 20,318,251</u>	<u>\$ 19,461,570</u>	

## **Northbrook School District 27**

### GOVERNMENTAL FUNDS REVENUES BY SOURCE AND OTHER FINANCING SOURCES LAST TEN FISCAL YEARS

	2025	2024	2023	2022
Local sources				
Taxes	\$ 33,342,370	\$ 32,369,276	\$ 30,279,478	\$ 29,458,941
Earnings on investments	1,014,297	1,029,470	591,433	27,890
Other local sources	<u>653,580</u>	<u>555,334</u>	<u>550,779</u>	<u>493,677</u>
Total local sources	35,010,247	33,954,080	31,421,690	29,980,508
State and federal sources	<u>2,037,231</u>	<u>1,785,445</u>	<u>2,121,736</u>	<u>2,168,498</u>
Total direct revenues	37,047,478	35,739,525	33,543,426	32,149,006
TRS on-behalf receipts	<u>8,510,098</u>	<u>8,078,697</u>	<u>8,028,882</u>	<u>7,856,911</u>
Total revenues	45,557,576	43,818,222	41,572,308	40,005,917
Other financing sources	<u>10,720</u>	<u>80,882</u>	<u>109,047</u>	-
Total	<u>\$ 45,568,296</u>	<u>\$ 43,899,140</u>	<u>\$ 41,681,355</u>	<u>\$ 40,005,917</u>

2021	2020	2019	2018	2017	2016
\$ 28,224,112	\$ 27,338,775	\$ 26,455,271	\$ 25,571,492	\$ 25,248,260	\$ 24,884,022
25,110	372,689	550,045	336,198	130,651	67,825
<u>244,619</u>	<u>214,948</u>	<u>146,540</u>	<u>284,495</u>	<u>251,442</u>	<u>252,628</u>
28,493,841	27,926,412	27,151,856	26,192,185	25,630,353	25,204,475
<u>1,689,141</u>	<u>1,580,054</u>	<u>1,272,417</u>	<u>1,204,750</u>	<u>1,223,270</u>	<u>1,286,018</u>
30,182,982	29,506,466	28,424,273	27,396,935	26,853,623	26,490,493
<u>6,923,103</u>	<u>6,834,407</u>	<u>6,520,449</u>	<u>11,623,026</u>	<u>10,788,937</u>	<u>7,134,231</u>
37,106,085	36,340,873	34,944,722	39,019,961	37,642,560	33,624,724
-	-	-	-	-	-
<u>\$ 37,106,085</u>	<u>\$ 36,340,873</u>	<u>\$ 34,944,722</u>	<u>\$ 39,019,961</u>	<u>\$ 37,642,560</u>	<u>\$ 33,624,724</u>

**Northbrook School District 27**  
**GOVERNMENTAL FUNDS EXPENDITURES AND DEBT SERVICE RATIO**  
**LAST TEN FISCAL YEARS**

	2025	2024	2023	2022
<b>Current</b>				
Instruction				
Regular programs	\$ 18,368,303	\$ 17,346,140	\$ 16,321,179	\$ 15,950,798
Special programs	2,107,187	1,963,934	1,767,551	1,565,849
Other instructional programs	108,249	103,707	101,014	97,701
Total instruction	<u>20,583,739</u>	<u>19,413,781</u>	<u>18,189,744</u>	<u>17,614,348</u>
Supporting services				
Pupils	2,373,362	2,289,211	2,332,015	2,222,246
Instructional staff	2,009,750	1,946,881	1,598,960	1,691,125
General administration	1,183,007	937,831	983,338	982,817
School administration	1,194,231	1,094,110	907,084	932,423
Business	147,478	77,422	125,630	165,502
Transportation	2,680,498	2,326,957	1,604,518	1,282,721
Operations and maintenance	3,666,397	4,179,114	3,245,890	2,836,525
Central	216,696	248,069	160,203	159,863
Total supporting services	<u>13,471,419</u>	<u>13,099,595</u>	<u>10,957,638</u>	<u>10,273,222</u>
Community services	<u>69,204</u>	<u>81,523</u>	<u>50,122</u>	<u>63,861</u>
Nonprogrammed charges	<u>2,483,902</u>	<u>2,782,360</u>	<u>1,832,546</u>	<u>1,541,043</u>
Total current	<u>36,608,264</u>	<u>35,377,259</u>	<u>31,030,050</u>	<u>29,492,474</u>
<b>Other</b>				
Debt service:				
Principal	46,105	56,734	41,517	-
Interest	4,584	3,376	801	-
Capital outlay	4,145,232	2,293,814	2,074,981	3,492,324
Total other	<u>4,195,921</u>	<u>2,353,924</u>	<u>2,117,299</u>	<u>3,492,324</u>
Total direct expenditures	40,804,185	37,731,183	33,147,349	32,984,798
TRS on-behalf payment	<u>8,510,098</u>	<u>8,087,697</u>	<u>8,028,882</u>	<u>7,856,911</u>
Total	<u>\$ 49,314,283</u>	<u>\$ 45,809,880</u>	<u>\$ 41,176,231</u>	<u>\$ 40,841,709</u>
Net change in fund balance	<u>\$ (3,745,987)</u>	<u>\$ (1,910,776)</u>	<u>\$ 505,124</u>	<u>\$ (835,792)</u>
Debt service as a percentage of noncapital direct expenditures	0.11%	0.13%	0.11%	0.00%

2021	2020	2019	2018	2017	2016
\$ 15,290,034	\$ 14,456,398	\$ 14,333,467	\$ 13,777,923	\$ 13,545,937	\$ 13,088,493
1,567,574	1,399,826	1,403,689	1,422,773	1,350,608	1,421,534
93,216	104,053	91,150	85,325	84,900	81,773
<u>16,950,824</u>	<u>15,960,277</u>	<u>15,828,306</u>	<u>15,286,021</u>	<u>14,981,445</u>	<u>14,591,800</u>
2,172,654	2,219,281	2,211,511	2,113,906	2,105,220	2,008,119
1,633,764	1,447,701	1,550,123	1,533,418	1,441,374	1,404,952
1,129,016	1,115,981	1,111,518	1,124,063	994,216	883,621
890,894	918,784	916,569	904,936	867,443	766,701
67,047	108,499	229,917	91,389	94,473	102,102
930,187	859,959	999,930	775,768	606,797	539,812
3,065,227	2,970,217	2,711,008	2,540,039	2,544,266	2,441,822
344,831	225,353	208,811	140,483	179,139	199,552
<u>10,233,620</u>	<u>9,865,775</u>	<u>9,939,387</u>	<u>9,224,002</u>	<u>8,832,928</u>	<u>8,346,681</u>
63,110	55,604	72,859	67,754	47,560	149,592
<u>1,786,401</u>	<u>2,229,737</u>	<u>1,999,304</u>	<u>1,927,331</u>	<u>1,692,294</u>	<u>1,525,583</u>
<u>29,033,955</u>	<u>28,111,393</u>	<u>27,839,856</u>	<u>26,505,108</u>	<u>25,554,227</u>	<u>24,613,656</u>
-	-	-	-	-	-
1,642,093	1,378,607	1,030,990	457,717	442,715	226,425
<u>1,642,093</u>	<u>1,378,607</u>	<u>1,030,990</u>	<u>457,717</u>	<u>442,715</u>	<u>226,425</u>
30,676,048	29,490,000	28,870,846	26,962,825	25,996,942	24,840,081
6,923,103	6,834,407	6,520,449	11,623,026	10,788,937	7,134,231
<u>\$ 37,599,151</u>	<u>\$ 36,324,407</u>	<u>\$ 35,391,295</u>	<u>\$ 38,585,851</u>	<u>\$ 36,785,879</u>	<u>\$ 31,974,312</u>
<u>\$ (493,066)</u>	<u>\$ 16,466</u>	<u>\$ (446,573)</u>	<u>\$ 434,110</u>	<u>\$ 856,681</u>	<u>\$ 1,650,412</u>
0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

**Northbrook School District 27**  
**GOVERNMENT-WIDE REVENUES**  
**LAST TEN FISCAL YEARS**

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	2025	2024	2023	2022
Program revenue				
Charges for services	\$ 537,819	\$ 555,197	\$ 465,039	\$ 471,518
Operating grants	12,355,681	12,565,098	12,430,863	9,650,837
Capital grants	50,000	-	-	-
General revenues				
Taxes	33,342,370	32,369,276	30,279,478	29,458,941
Investment income	1,014,297	1,029,470	591,433	27,890
Miscellaneous	<u>909,430</u>	<u>873,532</u>	<u>877,137</u>	<u>812,246</u>
Total revenues	<u><u>\$ 48,209,597</u></u>	<u><u>\$ 47,392,573</u></u>	<u><u>\$ 44,643,950</u></u>	<u><u>\$ 40,421,432</u></u>

	2021	2020	2019	2018	2017	2016
\$	240,104	193,483	222,194	222,194	181,073	167,951
14,166,402	14,084,899	12,041,760	12,041,760	11,717,505	8,161,313	
-	-	-	-	-	-	-
28,224,112	27,338,775	25,571,492	25,571,492	25,248,260	24,884,022	
25,110	372,689	336,198	336,198	130,651	67,825	
793,299	810,249	848,317	848,317	365,071	343,613	
<u>\$ 43,449,027</u>	<u>\$ 42,800,095</u>	<u>\$ 39,019,961</u>	<u>\$ 39,019,961</u>	<u>\$ 37,642,560</u>	<u>\$ 33,624,724</u>	

**Northbrook School District 27**  
**PROPERTY TAX RATES - LEVIES AND COLLECTIONS**  
**LAST TEN TAX LEVY YEARS**

	2024	2023	2022	2021
Annual Levy Amount	<u>\$ 35,567,443</u>	<u>\$ 34,393,081</u>	<u>\$ 32,188,877</u>	<u>\$ 29,676,453</u>
Rates Extended				
Educational	2.7583	2.6548	2.6334	2.8928
Operations and Maintenance	0.1936	0.1965	0.1511	0.1144
Transportation	0.1756	0.0988	0.0968	0.1089
Municipal Retirement/Social Security	-	0.0869	0.0897	0.0961
Working Cash	-	-	-	-
Recapture 102-0519	<u>0.0833</u>	<u>0.0466</u>	<u>0.0395</u>	<u>0.0255</u>
Total rates extended	<u>3.2108</u>	<u>3.0836</u>	<u>3.0105</u>	<u>3.2377</u>
Levies Extended				
Educational	\$ 29,838,904	\$ 28,558,737	\$ 27,309,793	\$ 26,351,742
Operations and Maintenance	2,094,619	2,114,270	1,567,213	1,042,308
Transportation	1,899,132	1,062,986	1,003,698	992,221
Municipal Retirement/Social Security	195	935,000	930,000	875,237
Working Cash	130	131	125	115
Recapture 102-0519	<u>901,502</u>	<u>501,169</u>	<u>409,487</u>	<u>232,354</u>
Total levies extended	<u>\$ 34,734,482</u>	<u>\$ 33,172,293</u>	<u>\$ 31,220,316</u>	<u>\$ 29,493,977</u>
Collections on levies extended				
Current year	\$ 17,401,776	\$ 16,247,822	\$ 15,257,468	\$ 15,372,458
Subsequent years	<u>-</u>	<u>15,744,677</u>	<u>15,508,547</u>	<u>13,600,543</u>
Total collections	<u>\$ 17,401,776</u>	<u>\$ 31,992,499</u>	<u>\$ 30,766,015</u>	<u>\$ 28,973,001</u>
Percentage of extensions collected				
Current year	50.10%	48.98%	48.87%	52.12%
Subsequent years	<u>0.00%</u>	<u>47.46%</u>	<u>49.67%</u>	<u>46.11%</u>
Percentage of extensions collected	<u>50.10%</u>	<u>96.44%</u>	<u>98.54%</u>	<u>98.23%</u>

Note: Tax rates are expressed in dollars per \$100 of assessed valuation.

Source of information: Cook County - Agency Tax Rate Reports and Annual Financial Reports

2020	2019	2018	2017	2016	2015
\$ 28,977,464	\$ 29,084,827	\$ 28,308,246	\$ 27,259,322	\$ 27,163,147	\$ 26,464,395
2.6521	2.5886	2.9238	2.5656	2.5725	3.0405
0.0997	0.0957	0.1193	0.3253	0.3200	0.3645
0.1053	0.0901	0.0670	0.0527	0.0532	0.0633
0.0886	0.0859	0.0939	0.0867	0.0845	0.1004
-	-	-	-	-	-
-	-	-	-	-	-
<b>2.9457</b>	<b>2.8603</b>	<b>3.2040</b>	<b>3.0303</b>	<b>3.0302</b>	<b>3.5687</b>
\$ 25,887,242	\$ 25,228,636	\$ 24,788,351	\$ 22,378,490	\$ 21,685,433	\$ 21,419,179
972,934	932,827	1,011,306	2,837,156	2,697,837	2,567,544
1,027,700	878,412	567,627	459,406	448,703	445,584
865,559	836,323	796,295	755,530	712,550	707,596
113	110	108	106	104	103
-	-	-	-	-	-
<b>\$ 28,753,548</b>	<b>\$ 27,876,308</b>	<b>\$ 27,163,687</b>	<b>\$ 26,430,688</b>	<b>\$ 25,544,627</b>	<b>\$ 25,140,006</b>
\$ 14,913,664	\$ 14,457,852	\$ 14,199,991	\$ 13,691,510	\$ 13,283,571	\$ 12,954,537
13,472,772	12,843,811	12,426,551	12,072,861	11,543,207	11,703,923
<b>\$ 28,386,436</b>	<b>\$ 27,301,663</b>	<b>\$ 26,626,542</b>	<b>\$ 25,764,371</b>	<b>\$ 24,826,778</b>	<b>\$ 24,658,460</b>
51.87%	51.86%	52.28%	51.80%	52.00%	51.53%
46.86%	46.07%	45.75%	45.68%	45.19%	46.55%
<b>98.72%</b>	<b>97.94%</b>	<b>98.02%</b>	<b>97.48%</b>	<b>97.19%</b>	<b>98.08%</b>

**Northbrook School District 27**  
**EQUALIZED ASSESSED VALUATION AND ESTIMATED**  
**ACTUAL VALUE OF TAXABLE PROPERTY**  
**LAST TEN LEVY YEARS**

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Tax Levy Year	Equalized Assessed Valuation	Amount of Increase (Decrease) Over Previous Year	Percentage Increase (Decrease) Over Previous Year	Actual Estimated Value	Total Direct Rate
2024	\$ 1,081,769,160	\$ 6,026,282	0.56%	\$ 3,245,307,480	3.211
2023	1,075,742,878	38,700,703	3.73%	3,227,228,634	3.084
2022	1,037,042,175	126,102,494	13.84%	3,111,126,525	3.011
2021	910,939,681	(65,166,977)	-6.68%	2,732,819,043	3.238
2020	976,106,658	28,494,705	3.01%	2,928,319,974	2.946
2019	947,611,953	99,790,219	11.77%	2,842,835,859	2.861
2018	847,821,734	(24,425,070)	-2.80%	2,543,465,202	3.204
2017	872,246,804	29,267,836	3.47%	2,616,740,412	3.031
2016	842,978,968	138,516,596	19.66%	2,528,936,904	3.031
2015	704,462,372	704,462,372	-2.53%	2,113,387,116	3.569

Note: See the Major Categories of Equalized Assessed Valuation table for additional information.

Source of information: Cook County Levy, Rate, and Extension Reports for 2015 to 2024

**Northbrook School District 27**  
 PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS\*  
 LAST TEN TAX LEVY YEARS

Taxing District	2024**	2023	2022	2021	2020	2019	2018	2017	2016	2015
<b><u>Overlapping</u></b>										
County of Cook	**	0.386	0.431	0.446	0.453	0.454	0.489	0.496	0.533	0.552
Cook County Forest Preserve District	**	0.075	0.081	0.058	0.058	0.059	0.060	0.062	0.063	0.069
Consolidated Elections	**	0.032	0	0.019	-	0.030	-	0.031	-	0.034
Northfield Township	**	0.024	0.023	0.025	0.022	0.021	0.024	0.023	0.024	0.028
Northfield Township Road and Bridge	**	0.051	0.05	0.055	0.049	0.047	0.052	0.049	0.049	0.057
Northfield Township General Assistance	**	0.009	0.008	0.008	0.007	0.007	0.007	0.006	0.006	0.007
Metropolitan Water Reclamation District	**	0.345	0.374	0.382	0.378	0.389	0.396	0.402	0.406	0.426
North Shore Mosquito Abatement	**	0.01	0.009	0.011	0.010	0.010	0.011	0.010	0.010	0.012
Community College District No. 535	**	2.076	2.064	0.252	0.227	0.221	0.246	0.232	0.231	0.271
Northbrook Park District	**	0.227	0.221	0.458	0.427	0.416	0.456	0.419	0.423	0.569
Village of Northbrook	**	0.42	0.416	0.825	0.765	0.764	0.772	0.715	0.626	0.676
Village of Northbrook Library Fund	**	0.685	0.706	0.344	0.311	0.314	0.347	0.329	0.329	0.385
High School District #225	**	0.309	0.312	2.310	2.084	2.006	2.216	2.102	2.106	2.493
<b><u>Direct</u></b>										
Northbrook School District 27		3.211	3.084	3.011	3.238	2.946	2.861	3.204	3.031	3.031
Total Tax Rates		N/A	7.733	7.706	8.431	7.737	7.599	8.280	7.907	7.837
										8.740

\*Tax Rates are expressed in dollars per \$100 of assessed valuations.

\*\*2024 direct rates are from the preliminary Agency Tax Rate Report and overlapping rates were not available.

Note: The totals above reflect the typical tax rates for individual taxpayers within the District.

Source of information: Cook County Clerk's Office

**Northbrook School District 27**  
 MAJOR CATEGORIES OF EQUALIZED ASSESSED VALUATION  
 LAST TEN TAX LEVY YEARS

Category	2023 Valuation	2022 Valuation	2021 Valuation	2020 Valuation
Industrial	\$ 187,154,067	\$ 178,590,429	\$ 161,671,343	\$ 176,520,073
Residential	706,213,387	684,298,561	578,417,518	626,954,613
Commercial	182,375,424	174,153,185	170,850,820	172,631,972
	<hr/> <u>\$ 1,075,742,878</u>	<hr/> <u>\$ 1,037,042,175</u>	<hr/> <u>\$ 910,939,681</u>	<hr/> <u>\$ 976,106,658</u>

Source of information: Cook County Clerk's Office

\*2024 Tax Levy data not available at the time of this report.

Note: Most recent information presented.

2019 Valuation	2018 Valuation	2017 Valuation	2016 Valuation	2015 Valuation	2014 Valuation
\$ 167,281,071	\$ 132,147,063	\$ 130,778,643	\$ 125,050,273	\$ 112,630,420	\$ 114,713,227
623,465,158	568,185,479	583,186,852	573,381,001	458,879,540	472,728,361
183,865,724	147,489,192	158,281,309	144,547,694	132,952,412	135,327,261
<u>\$ 974,611,953</u>	<u>\$ 847,821,734</u>	<u>\$ 872,246,804</u>	<u>\$ 842,978,968</u>	<u>\$ 704,462,372</u>	<u>\$ 722,768,849</u>

**Northbrook School District 27**  
**DIRECT AND OVERLAPPING GENERAL OBLIGATION BONDED DEBT**  
June 30, 2025

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Taxing Authority	Outstanding Bonds	Applicable to District Percentage*	Amount
<b><u>Direct Debt</u></b>			
Northbrook School District 27	\$ -	100.000%	\$ -
<b><u>Overlapping Debt</u></b>			
Cook County	1,930,661,750	0.540%	10,425,573
Cook County Forest Preserve	75,290,000	0.540%	406,566
Metropolitan Water Reclamation District	2,437,561,774 (1)	0.550%	13,406,590
Village of Deerfield	41,665,000	7.072%	2,946,549
Village of Northbrook	121,296,000	29.221%	35,443,904
Deerfield Park District	4,765,000	6.481%	308,820
Northbrook Park District	16,100,000	29.289%	4,715,529
High School District 225	28,405,000	14.405%	4,091,740
Community College District 535	53,185,000	3.559%	<u>1,892,854</u>
Total Overlapping General Obligation Bonded Debt			\$ <u>73,638,125</u>

\*Tax Year 2023 EAVs were used in this statement.

(1) - Includes IEPA Revolving Loan Fund Bonds.

Sources: Offices of the Cook County Clerk, Cook County Department of Revenue and the Treasurer of the Metropolitan Water Reclamation District

**Northbrook School District 27**  
 LEGAL DEBT MARGIN INFORMATION  
 LAST TEN FISCAL YEARS

	2025	2024	2023	2022
Debt Limit	\$ 74,642,072	\$ 74,226,259	\$ 63,566,186	\$ 62,854,838
Total Net Debt Applicable to Legal Limit	<u>56,293</u>	<u>91,678</u>	<u>67,530.00</u>	-
Legal Debt Margin	<u>\$ 74,585,779</u>	<u>\$ 74,134,581</u>	<u>\$ 63,498,656</u>	<u>\$ 62,854,838</u>
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	0%	0%	0%	0%
Equalized Assessed Valuation*	<u>\$ 1,081,769,160</u>	<u>\$ 1,075,742,878</u>	<u>\$ 1,037,042,175</u>	<u>\$ 910,939,681</u>
Voted and Unvoted Debt Limit - 6.9% of Equalized Assessed Valuation	74,642,072	74,226,259	63,566,186	62,854,838
Total Debt Outstanding	<u>56,293</u>	<u>91,678</u>	<u>67,530</u>	-
Net Debt Subject to 6.9% Legal Limit	<u>56,293</u>	<u>91,678</u>	<u>67,530</u>	-
Total Legal Voted and Unvoted Debt Margin	<u>\$ 74,585,779</u>	<u>\$ 74,134,581</u>	<u>\$ 63,498,656</u>	<u>\$ 62,854,838</u>

2021	2020	2019	2018	2017	2016
\$ 67,351,359	\$ 67,248,225	\$ 58,499,700	\$ 60,185,029	\$ 58,165,549	\$ 48,607,904
-	-	-	-	-	-
<u>\$ 67,351,359</u>	<u>\$ 67,248,225</u>	<u>\$ 58,499,700</u>	<u>\$ 60,185,029</u>	<u>\$ 58,165,549</u>	<u>\$ 48,607,904</u>
0%	0%	0%	0%	0%	0%
\$ 910,939,681	\$ 947,611,953	\$ 847,821,734	\$ 872,246,804	\$ 842,978,968	\$ 704,462,372
67,351,359	67,248,225	58,499,700	60,185,029	58,165,549	48,607,904
-	-	-	-	-	-
<u>\$ 67,351,359</u>	<u>\$ 67,248,225</u>	<u>\$ 58,499,700</u>	<u>\$ 60,185,029</u>	<u>\$ 58,165,549</u>	<u>\$ 48,607,904</u>

**Northbrook School District 27**  
 RATIO OF OUTSTANDING DEBT BY TYPE  
 LAST TEN FISCAL YEARS

Year	General Obligation Bonds	Bond Premiums	Lease Liabilities	Subscription Liabilities	Total	Percentage of Estimated Actual Value		Outstanding Debt Per Capita
2025	\$ -	\$ -	\$ -	\$ 56,293	\$ 56,293	0.00%	\$ 5	
2024	-	-	-	91,678	91,678	0.01%		8
2023	-	-	-	67,530	-	0.00%		-
2022	-	-	-	-	-	0.00%		-
2021	-	-	-	-	-	0.00%		-
2020	-	-	-	-	-	0.00%		-
2019	-	-	-	-	-	0.00%		-
2018	-	-	-	-	-	0.00%		-
2017	-	-	-	-	-	0.00%		-
2016	-	-	-	-	-	0.00%		-

Note: See Demographic and Economic Statistics table for population data.

**Northbrook School District 27**  
 RATIO OF NET GENERAL BONDED DEBT TO ASSESSED  
 VALUE AND NET GENERAL BONDED DEBT PER CAPITA  
 LAST TEN FISCAL YEARS

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Fiscal Year	General Bonded Debt	Add: Bond Premiums	Less Amounts Available To Repay Principal	Net General Bonded Debt	Percentage of Net General Bonded Debt To Estimated Acuarial Valuation	Net General Bonded Debt Per Capita
2025	\$ -	\$ -	\$ -	\$ -	-	\$ -
2024	-	-	-	-	-	-
2023	-	-	-	-	-	-
2022	-	-	-	-	-	-
2021	-	-	-	-	-	-
2020	-	-	-	-	-	-
2019	-	-	-	-	-	-
2018	-	-	-	-	-	-
2017	-	-	-	-	-	-
2016	-	-	-	-	-	-

**Northbrook School District 27**  
**RATIO OF ANNUAL DEBT SERVICE EXPENDITURES FOR**  
**GENERAL BONDED DEBT TO TOTAL GENERAL EXPENDITURES**  
**LAST TEN FISCAL YEARS**

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Fiscal Year Ended June 30,	Tax Levy Year	Total General Expenditures (A)	Debt Service Fund Expenditures (B)	Percentage of Annual Debt Service Fund Expenditures to Total General Expenditures
2025	2024	\$ 49,314,283	\$ 50,689	0.10 %
2024	2023	41,176,231	60,110	0.15
2023	2022	41,176,231	42,318	0
2022	2021	40,841,709	-	-
2021	2020	37,599,151	-	-
2020	2019	36,324,407	-	-
2019	2018	35,391,295	-	-
2018	2017	38,585,851	-	-
2017	2016	36,785,879	-	-
2016	2015	31,974,312	-	-

(A) Includes expenditures of all Governmental Fund Types.

(B) Debt Service Fund expenditures represent payment of principal, interest and other charges on subscription liabilities.

**Northbrook School District 27**  
 PRINCIPAL TAXPAYERS IN THE DISTRICT  
 CURRENT TAX YEAR AND NINE YEARS AGO

Type of Business, Property	2023*	Percentage of Total 2023 Equalized Assessed Valuation
# 1 Walgreen Co., Two-or-three-story building containing part or all retail and/or commercial space	\$ 28,312,020	2.63%
# 2 Korman Lederer, Industrial, commercial and office buildings,	22,018,921	2.05%
# 3 SRC Arbor LK, Commercial building over three stories	18,143,108	1.69%
# 4 Deerfield Senior Residences, Special rental structure	16,707,714	1.55%
# 5 TA Northbrook Industrial, Industrial building	15,647,056	1.45%
# 6 AMLI Residential, Apartment building over three stories	13,934,338	1.30%
# 7 LO Deerfield Operating, Hotel	12,016,915	1.12%
# 8 WFC Lincoln Sanders LL, Shopping center	9,220,527	0.86%
# 9 Co Prologis Re Tax, Industrial buildings	9,019,319	0.84%
# 10 White Plains Shopping, Shopping center	7,190,476	0.67%
 Total	 \$ 152,210,394	 14.16%
Type of Business, Property	2013 Equalized Assessed Valuation	Percentage of Total 2013 Equalized Assessed Valuation
# 1 Walgreen Co. - office buildings	\$ 33,877,352	4.73%
# 2 Korman Lederer - industrial, commercial and office buildings, one-story store	13,674,973	1.91%
# 3 James Campbell Co. - commercial building over three stories	13,229,774	1.85%
# 4 WFC Lincoln Sanders - shopping center	10,682,880	1.49%
# 5 LO Deerfield Operating - hotel	8,484,726	1.18%
# 6 TI Investors of Northbrook - industrial properties	6,003,012	0.84%
# 7 White Plains Shopping - shopping center	5,612,468	0.78%
# 8 Stuart Levin - Two or three story buildings residential or commercial	4,705,435	0.66%
# 9 Northbrook Real Estate - properties with special commercial improvements	4,412,724	0.62%
# 10 161 Tower Partnership - one-story store	3,993,142	0.56%
 Total	 \$ 104,676,486	 14.62%

Note: The information presented includes taxpayers within Northfield Township.

\*Most recent information available.

Information presented is the most recent available.

Source of information: Cook County Clerk's and Assessor's Office

**Northbrook School District 27**  
 PRINCIPAL EMPLOYERS  
 CURRENT YEAR AND NINE YEARS AGO

Employer*	Type of Business or Property	2025		Percentage of Estimated Total Employment
		Approximate Number Employed	Data Source	
Underwriters Laboratories (HQ)	Independent Non-Profit Product Testing & Certification	1,750	(1)	31.07%
Astellas US Pharma, Inc. (Corp. HQ)	Pharmaceutical Products; Research & Development	800	(1)	14.20%
Essendant	Office Supplies	700	(1)	12.43%
Glenbrook High School North	Public high school	530	(1)	9.41%
Medline Industries	Medical Products	500	(1)	8.88%
Trinity International University	Christian Liberal Arts	500	(2)	8.88%
Euromarket Designs, Inc. (Crate & Barrel) (HQ)	Home Furnishing & Housewares Retail Stores	475	(1)	8.43%
United Parcel Service	Delivery service distribution center	425	(2)	7.55%
Covenant Living / Brandel Care of Northbrook	Retirement and Rehabilitation Community	375	(2)	6.66%
CF Industries	Clean Energy Production	300	(3)	5.33%
Hilco Global (HQ)	Financial Services Company	250	(3)	4.44%
Mariano's	Grocery and Pharmacy	225	(2)	4.00%
		Total	<u>6,830</u>	
2016				
Employer	Type of Business or Property	Employees		% of Total Employment
Allstate Insurance Co. & Allstate Life	Company headquarters, insurance, includes office in adjacent communities	8,750		171.30%
Walgreen Co.	Corporate headquarters and retail in Deerfield and Northbrook	2,500		49.00%
Baxter Healthcare Corp.	Corporate headquarters, pharmaceutical & healthcare products	2,500		49.00%
Underwriters Laboratories	Product testing (corporate headquarters)	2,000		39.20%
CVS/Caremark International	Administrative office for health care services	1,400		27.40%
Astellas US LLC	Corporate headquarters, pharmaceutical research laboratories	1,150		22.50%
Glenbrook High School District #225	Public high schools (Northbrook and Glenview)	822		16.10%
Hilco Global	Corporate headquarters, holding company, asset management	550		10.80%
Crate & Barrel	Corporate headquarters, retail store	500		9.80%
Trinity International University	Christian liberal arts school	500		9.80%
W.W. Grainger, Inc.	Industrial equipment and supplies sales office	350		6.90%
United Parcel Service	Delivery service distribution center	300		5.90%
		Total	<u>21,322</u>	

\* Calculating applicable percentages to the Illinois Department of Employment Security Reports, using tax year 2023 year percentages, the estimated number of persons employed in the District in 2024 (Deerfield & Northbrook) is 5,632.

Data Sources:

- (1) Village Records / School District Records
- (2) Employer Data/Website
- (3) Data Axle Reference Database

**Northbrook School District 27**  
 DEMOGRAPHIC AND ECONOMIC STATISTICS  
 LAST TEN YEARS

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Year	(a) District Population	(b) Per Capita Income		(a) x (b) Personal Income	Unemployment Rate
		\$	\$		
2023	11,733	\$ 85,680	\$ 1,005,283,440		4.8%
2022	11,837	\$ 83,625	\$ 989,869,125		4.0%
2021	11,638	78,195	910,033,410		3.5%
2020	11,998	61,560	738,596,880		3.1%
2019	11,998	61,560	738,596,880		3.1%
2018	11,998	61,560	738,596,880		3.1%
2017	11,657	59,412	692,565,684		3.9%
2016	11,452	58,893	674,442,636		4.2%
2015	11,218	57,694	647,211,292		4.1%
2014	11,061	56,951	629,935,011		4.8%

Source of information: U.S. Census Bureau, IES National Center for Educational Statistics  
 Bureau of Economic Analysis: Regional Economic Accounts  
 Illinois Dept. of Commerce and Economic Opportunity

Note: Most recent information available presented.

**Northbrook School District 27**  
 SCHOOL BUILDING INFORMATION  
 LAST TEN FISCAL YEARS

	2025	2024	2023	2022	2021
<b>Hickory Point School</b>					
Square Feet	54,597	54,597	54,597	54,597	54,597
Student Enrollment	398	438	422	422	416
<b>Shabonee School</b>					
Square Feet	88,576	88,576	88,576	88,576	88,576
Student Enrollment	464	440	435	436	435
<b>Wood Oaks Junior High School</b>					
Square Feet	130,040	130,040	130,040	130,040	130,040
Student Enrollment	453	455	478	478	474
<b>Total Square Footage</b>	273,213	273,213	273,213	273,213	273,213
<b>Total Student Enrollment</b>	1,315	1,333	1,335	1,336	1,325

Source of Information: Architect's Data and Sixth Day Enrollment Forms

2020	2019	2018	2017	2016
54,597 378	54,597 378	54,597 385	54,597 398	54,597 381
88,576 430	88,576 430	88,576 429	88,576 409	88,576 417
130,040 452	130,040 452	130,040 444	130,040 437	130,040 445
273,213 1,260	273,213 1,260	273,213 1,258	273,213 1,244	273,213 1,243

**Northbrook School District 27**  
 NUMBER OF EMPLOYEES BY FUNCTION  
 LAST TEN FISCAL YEARS

	2025	2024	2023	2022
<b>Administration:</b>				
Superintendent	1.0	1.0	1.0	1.0
District Administrators	6.9	6.9	6.9	6.6
Principals and assistants	6.0	6.0	5.0	5.0
Total administration	13.9	13.9	12.9	12.6
<b>Teachers:</b>				
Regular classroom teachers	101.3	97.4	96.4	96.9
Special education teachers	15.0	13.0	13.0	13.0
Guidance/Counselors	1.0	1.0	1.0	1.0
Psychologists	3.0	4.0	4.0	4.0
Librarians/Media Specialists	3.0	4.0	4.0	4.0
Social workers	4.0	4.0	4.0	4.0
ELL/Bilingual Teachers	4.5	3.5	3.0	3.0
Speech/Language Therapists	5.6	5.0	5.0	5.0
Reading Specialists	2.0	2.0	2.0	2.0
Certified Nurses	1.0	1.0	1.0	1.0
Total teachers	140.4	134.9	133.4	133.9
<b>Coordinators/Supervisors</b>				
<b>Other supporting staff:</b>				
Secretarial/Clerical/Paraprofessionals	63.4	52.5	52.5	52.5
Custodial/Maintenance/Security/Technology	12.0	12.0	12.0	12.0
Total support staff	75.4	64.5	64.5	64.5
Total staff	229.7	213.3	210.8	211.0
<b>Function</b>	2025	2024	2023	
Instruction				
Regular and Special	99.8	94.0	93.0	
Support Services				
Pupils	50.6	41.0	40.0	
Instructional Staff	38.4	37.4	38.2	
General administration	13.9	13.9	13.6	
School Administration	15.0	15.0	14.0	
Maintenance and Security	12.0	12.0	12.0	
Total	229.7	213.3	210.8	

Source of information: District Personnel Records, Teacher Service Records

2021	2020	2019	2018	2017	2016
1.0	1.0	1.0	1.0	1.0	1.0
6.6	6.6	6.6	6.6	7.7	7.7
5.0	5.0	5.0	5.0	5.0	4.0
<b>12.6</b>	<b>12.6</b>	<b>12.6</b>	<b>12.6</b>	<b>13.7</b>	<b>12.7</b>
94.3	92.3	89.2	89.7	82.0	85.1
13.0	13.0	13.0	13.0	13.0	13.0
1.0	1.0	1.0	1.0	1.0	1.0
4.0	4.0	4.0	4.0	4.0	4.0
4.0	4.0	4.0	4.0	4.0	4.0
4.0	4.0	4.0	4.0	4.0	4.0
3.0	3.0	3.0	2.5	2.5	1.5
5.0	5.0	5.0	5.0	5.0	5.0
2.0	2.0	2.0	2.5	2.5	2.5
1.0	1.0	1.0	1.0	1.0	1.0
<b>131.3</b>	<b>129.3</b>	<b>126.2</b>	<b>126.7</b>	<b>119.0</b>	<b>121.1</b>
-	-	-	-	5.0	5.0
66.0	53.0	52.3	51.5	50.1	49.7
12.0	12.0	12.5	12.5	12.5	12.5
<b>78.0</b>	<b>65.0</b>	<b>64.8</b>	<b>64.0</b>	<b>62.6</b>	<b>62.2</b>
<b>221.9</b>	<b>206.9</b>	<b>203.6</b>	<b>203.3</b>	<b>200.3</b>	<b>201.0</b>

**Northbrook School District 27**  
 OPERATING INDICATORS BY FUNCTION - LAST NINE FISCAL YEARS  
June 30, 2025

Function	2025	2024	2023	2022	2021	2020	2019	2018	2017
<b>Instruction</b>									
Regular and Special student enrollment	1,333	1,333	1,335	1,336	1,325	1,300	1,260	1,258	1,244
<b>Support Services</b>									
Pupil									
English Language Learners Program -									
number of languages served	22	18	29	20	20	18	18	20	20
Instructional Staff									
ISAT - overall student performance*	85.0%	77.0%	73.0%	***	***	***	89.0%	86.0%	81.1%
(meeting or exceeding Illinois Learning Standards)									
School Administration									
Average daily attendance	1,260	1,312	1,277	1,266	1,261	1,261	1,197	1,190	1,174
<b>Fiscal</b>									
Purchase Orders Processed	2,778	2,557	2,342	2,041	1,823	2,135	2,339	2,868	2,497
<b>Maintenance</b>									
District Square Footage Maintained by Custodians and Maintenance Staff	273,213	273,213	273,213	273,213	273,213	273,213	273,213	273,213	273,213
Acreage Maintained by Grounds Staff	45	45	45	45	45	45	45	45	45
<b>Transportation</b>									
Avg. number of regular pupils transported per year	615	625	620	585	270	623	623	660	660
Avg. number of regular bus runs to/from school	25	24	24	18	13	24	24	24	24
<b>Extra Curricular Activities</b>									
Number of competitive sports	18	15	17	***	***	6	6	6	6
Number of student clubs	10	12	12	***	***	11	11	11	11

Source for information: District financial system, Architect Data and the General State Aid Report

NOTE: Information presented is the most current available at the time of publication.

\* New cut scores established by the Illinois State Board of Education for students meeting or exceeding State standards. Cut scores were raised in order for students to be aligned with Partnership for Assessment of Readiness for College and Careers (PARCC) assessments for college and career readiness.

\*\*\* Due to the COVID pandemic, the Illinois State Board of Education halted testing in the spring of 2020. Student assessments resumed during the 2021 school year; therefore student performance data will be updated for the 2022 school year.

\*\*\* Due to the COVID pandemic, competitive sports and clubs were suspended for the 2020-21 school year.

# Northbrook School District 27

## DISTRICT HISTORY

### HIGHLIGHTS

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#### **FACILITY RELATED:**

1951 Original Construction of Grove School

1964 Original Construction of Indian Ridge School

1968 Original Construction of Shabonee School

1969 Original Construction of Hickory Point School

1972 Original Construction of Wood Oaks Junior High School

1985 Indian Ridge School sold to Northbrook Park District

1991 Construction Project - Addition of classrooms and Admin Office at Wood Oaks

1992 Construction Project - Addition of new gymnasium at Wood Oaks

1998 Construction Project - Renovation and Additions to Shabonee School

2000 Construction Project - Renovation and Additions to Hickory Point School

2006 Construction Project - Renovation and Additions to Wood Oaks Junior High

2010 Construction Project - Addition of classroom and office space to Hickory Point School

2010 Construction Project - Razing of Grove School

2010 Construction Project - Addition of classroom and office space to Shabonee School

#### **OTHER AREAS:**

2006 Northbrook District 27 schools ranked in the top 20 of Cook County Schools Chicago Magazine Publication

2006 District 27 receives the Award of Excellence from the National School Public Relations Association for the District's 2005 Annual Report

2006 District 27 receives the Shirley Havens Support & Classified Staff Development Award from the National Staff Development Council

2007 District 27 receives the Facilities Masters Award for the 2006-07 school year from the Association of School Business Officials International

(Continued)

**OTHER AREAS: (Continued)**

2008 District 27 receives the Facilities Masters Award for the 2007-08 school year from the Association of School Business Officials International

2009 District 27 receives the Certificate of Achievement for Excellence in Financial Reporting from the Government Finance Officers' Association.

2009 District 27 receives the Certificate of Excellence in Financial Reporting from the Association of School Business Officials' International

2010 District 27 receives the Certificate of Achievement for Excellence in Financial Reporting from the Government Finance Officers' Association.

2010 District 27 receives the Certificate of Excellence in Financial Reporting from the Association of School Business Officials' International

2010 District 27 received the SchoolSearch Bright Red Apple Award

2010 District 27 received the Award of Excellence from the Illinois Chapter of the National School Public Relations Association for the District's Annual Report

2011 District 27 received the SchoolSearch Bright A+ Award

2011 Wood Oaks Junior High received the Academic Award of Excellence from the Illinois State Board of Education

2011 Wood Oaks Junior High was awarded the National Blue Ribbon School Award from the U.S. Department of Education

2011 District 27 received the Certificate of Achievement for Excellence in Financial Reporting from the Government Finance Officers' Association.

2011 District 27 received the Certificate of Excellence in Financial Reporting from the Association of School Business Officials' International

2012 District 27 received the SchoolSearch Bright Red Apple Award

2012 District 27 received the SchoolSearch Bright A+ Award

2012 District 27 received the Award of Excellence from the Illinois Chapter of the National School Public Relations Association for the District's website

2012 District 27 received the Award of Merit from the Illinois Chapter of the National School Public Relations Association for the District's Financial Publication on Property Tax Bills

(Continued)

**OTHER AREAS: (Continued)**

2013 Wood Oaks Junior High named a Gallup High Hope School

2013 Wood Oaks Junior High received the Academic Award of Excellence from the Illinois State Board of Education

2013 District 27 received the School Search Bright Red Apple Award

2013 District 27 received the School Search Bright A+ Award

2013 District 27 received the Award of Merit from the Illinois Chapter of the National School Public Relations Association for the District's Educational Video Publication on Teacher Partnerships

2014 District 27 received the Certificate of Achievement for Excellence in Financial Reporting from the Government Finance Officers' Association.

2014 District 27 received the Certificate of Excellence in Financial Reporting from the Association of School Business Officials' International

2015 District 27 received the Certificate of Excellence in Financial Reporting from the Association of School Business Officials' International

2015 District 27 received the Certificate of Achievement for Excellence in Financial Reporting from the Government Finance Officers' Association.

2016 District 27 received the Certificate of Excellence in Financial Reporting from the Association of School Business Officials' International

2016 District 27 received the Certificate of Achievement for Excellence in Financial Reporting from the Government Finance Officers' Association.

2017 District 27 received the Certificate of Achievement for Excellence in Financial Reporting from the Government Finance Officers' Association.

2017 District 27 received the Certificate of Achievement for Excellence in Financial Reporting from the Government Finance Officer's Association.

2018 District 27 received the Certificate of Excellence in Financial Reporting from the Association of School Business Officials' International

2018 District 27 received the Certificate of Excellence in Financial Reporting from the Association of School Business Officials' International

2019 District 27 received the Certificate of Excellence in Financial Reporting from the Association of School Business Officials' International

(Continued)

**OTHER AREAS: (Continued)**

2020 District 27 received the Certificate of Excellence in Financial Reporting from the Association of School Business Officials' International

2020 District 27 received the Certificate of Achievement for Excellence in Financial Reporting from the Government Finance Officer's Association.

2021 District 27 received the Certificate of Excellence in Financial Reporting from the Association of School Business Officials' International

2021 District 27 received the Certificate of Achievement for Excellence in Financial Reporting from the Government Finance Officer's Association.

2022 District 27 received the Certificate of Excellence in Financial Reporting from the Association of School Business Officials' International.

2022 District 27 received the Certificate of Achievement for Excellence in Financial Reporting from the Government Finance Officer's Association.

2022 Wood Oaks Junior High was awarded the National Blue Ribbon Award from the U.S. Department of Education.

2023 District 27 received the Certificate of Excellence in Financial Reporting from the Association of School Business Officials' International.

2023 District 27 received the Certificate of Achievement for Excellence in Financial Reporting from the Government Finance Officer's Association.

2024 District 27 received the Certificate of Excellence in Financial Reporting from the Association of School Business Officials' International.

2024 District 27 received the Certificate of Achievement for Excellence in Financial Reporting from the Government Finance Officer's Association.

2025 The Northbrook School District 27 community of voters approved through referendum the establishment of a debt service extension base.

(Concluded)

## **APPENDIX B**

### **DESCRIBING BOOK-ENTRY ONLY ISSUANCE**

The Depository Trust Company, New York, New York (“DTC”), will act as securities depository for the Bonds (the “Securities”). The Securities will be issued as fully registered securities registered in the name of Cede & Co. (DTC’s partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully registered Security certificate will be issued for each series and maturity of the Securities, each in the aggregate principal amount of such issues, and will be deposited with DTC.

1. DTC, the world’s largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a “banking organization” within the meaning of the New York Banking Law, a member of the Federal Reserve System, a “clearing corporation” within the meaning of the New York Uniform Commercial Code, and a “clearing agency” registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC’s participants (“Direct Participants”) deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants’ accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly owned subsidiary of The Depository Trust & Clearing Corporation (“DTCC”). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly (“Indirect Participants”). DTC has an S&P Global Ratings rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at [www.dtcc.com](http://www.dtcc.com).

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

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

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

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

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

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

8. A Beneficial Owner shall give notice to elect to have its Securities purchased or tendered, through its Participant, to any Tender/Remarketing Agent, and shall effect delivery of such Securities by causing the Direct Participant to transfer the Participant's interest in the Securities, on DTC's records, to any Tender/Remarketing Agent. The requirement for physical delivery of Securities in connection with an optional tender or a mandatory purchase will be deemed satisfied when the ownership rights in the Securities are transferred by Direct Participants on DTC's records and followed by a book-entry credit of tendered Securities to any Tender/Remarketing Agent's DTC account.

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

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

11. The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the District believes to be reliable, but the District takes no responsibility for the accuracy thereof.

**APPENDIX C**  
**PROPOSED FORMS OF OPINIONS OF BOND COUNSEL**

**PROPOSED FORM OF OPINION OF BOND COUNSEL – SERIES 2026A BONDS**

**[LETTERHEAD OF CHAPMAN AND CUTLER LLP]**

**[TO BE DATED CLOSING DATE]**

School District Number 27  
Cook County, Illinois

We hereby certify that we have examined certified copy of the proceedings (the “*Proceedings*”) of the Board of Education of School District Number 27, Cook County, Illinois (the “*District*”), passed preliminary to the issue by the District of its fully registered General Obligation School Bonds, Series 2026A (the “*Bonds*”), to the amount of \$\_\_\_\_\_, dated February 10, 2026, due serially on December 1 of the years and in the amounts and bearing interest as follows:

2034	\$	%
2035		%
2036		%
2037		%
2038		%
2039		%
2040		%
2041		%
2042		%
2043		%
2044		%
2045		%
2046		%
2047		%
2048		%
2049		%
2050		%

the Bonds due on or after December 1, 2036, being subject to redemption prior to maturity at the option of the District as a whole or in part in any order of their maturity as determined by the District (less than all of the Bonds of a single maturity to be selected by the Bond Registrar), on December 1, 2035, or on any date thereafter, at the redemption price of par plus accrued interest to the redemption date, as provided in the *Proceedings*, and we are of the opinion that the *Proceedings* show lawful authority for said issue under the laws of the State of Illinois now in force.

We further certify that we have examined the form of bond prescribed for said issue and find the same in due form of law, and in our opinion said issue, to the amount named, is valid and legally binding upon the District and is payable from any funds of the District legally available for

such purpose, and all taxable property in the District is subject to the levy of taxes to pay the same without limitation as to rate or amount, except that the rights of the owners of the Bonds and the enforceability of the Bonds may be limited by bankruptcy, insolvency, moratorium, reorganization and other similar laws affecting creditors' rights and by equitable principles, whether considered at law or in equity, including the exercise of judicial discretion.

It is our opinion that, subject to the District's compliance with certain covenants, under present law, interest on the Bonds is excludible from gross income of the owners thereof for federal income tax purposes and is not includible as an item of tax preference in computing the alternative minimum tax for individuals under the Internal Revenue Code of 1986, as amended (the "*Code*"). Interest on the Bonds may affect the corporate alternative minimum tax for certain corporations. Failure to comply with certain of such District covenants could cause interest on the Bonds to be includible in gross income for federal income tax purposes retroactively to the date of issuance of the Bonds. Ownership of the Bonds may result in other federal tax consequences to certain taxpayers, and we express no opinion regarding any such collateral consequences arising with respect to the Bonds.

It is also our opinion that the Bonds are "qualified tax-exempt obligations" pursuant to Section 265(b)(3) of the Code.

We express no opinion herein as to the accuracy, adequacy or completeness of any information furnished to any person in connection with any offer or sale of the Bonds.

In rendering this opinion, we have relied upon certifications of the District with respect to certain material facts within the District's knowledge. Our opinion represents our legal judgment based upon our review of the law and the facts that we deem relevant to render such opinion and is not a guarantee of a result. This opinion is given as of the date hereof and we assume no obligation to revise or supplement this opinion to reflect any facts or circumstances that may hereafter come to our attention or any changes in law that may hereafter occur.

**PROPOSED FORM OF OPINION OF BOND COUNSEL – SERIES 2026B BONDS**

**[LETTERHEAD OF CHAPMAN AND CUTLER LLP]**

**[TO BE DATED CLOSING DATE]**

School District Number 27  
Cook County, Illinois

We hereby certify that we have examined certified copy of the proceedings (the “*Proceedings*”) of the Board of Education of School District Number 27, Cook County, Illinois (the “*District*”), passed preliminary to the issue by the District of its fully registered General Obligation Limited Tax School Bonds, Series 2026B (the “*Bonds*”), to the amount of \$\_\_\_\_\_, dated February 10, 2026, due serially on December 1 of the years and in the amounts and bearing interest as follows:

2026	\$	%
2027		%
2028		%
2029		%
2030		%
2031		%
2032		%
2033		%

and we are of the opinion that the Proceedings show lawful authority for said issue under the laws of the State of Illinois now in force.

We further certify that we have examined the form of bond prescribed for said issue and find the same in due form of law, and in our opinion said issue, to the amount named, is valid and legally binding upon the District, is payable from any funds of the District legally available for such purpose, and all taxable property in the District is subject to the levy of taxes to pay the same without limitation as to rate, except that the rights of the owners of the Bonds and the enforceability of the Bonds may be limited by bankruptcy, insolvency, moratorium, reorganization and other similar laws affecting creditors’ rights and by equitable principles, whether considered at law or in equity, including the exercise of judicial discretion. The amount of said taxes that may be extended to pay the Bonds is limited as provided by the Property Tax Extension Limitation Law of the State of Illinois, as amended (the “*Law*”). The Law provides that the annual amount of said taxes to be extended to pay the Bonds and all other limited bonds (as defined in the Local Government Debt Reform Act of the State of Illinois, as amended) heretofore and hereafter issued by the District shall not exceed the debt service extension base (as defined in the Law) of the District, as more fully described in the Proceedings.

It is our opinion that, subject to the District’s compliance with certain covenants, under present law, interest on the Bonds is excludible from gross income of the owners thereof for federal

income tax purposes and is not includable as an item of tax preference in computing the alternative minimum tax for individuals under the Internal Revenue Code of 1986, as amended (the “*Code*”). Interest on the Bonds may affect the corporate alternative minimum tax for certain corporations. Failure to comply with certain of such District covenants could cause interest on the Bonds to be includable in gross income for federal income tax purposes retroactively to the date of issuance of the Bonds. Ownership of the Bonds may result in other federal tax consequences to certain taxpayers, and we express no opinion regarding any such collateral consequences arising with respect to the Bonds.

It is also our opinion that the Bonds are “qualified tax-exempt obligations” pursuant to Section 265(b)(3) of the Code.

We express no opinion herein as to the accuracy, adequacy or completeness of any information furnished to any person in connection with any offer or sale of the Bonds.

In rendering this opinion, we have relied upon certifications of the District with respect to certain material facts within the District’s knowledge. Our opinion represents our legal judgment based upon our review of the law and the facts that we deem relevant to render such opinion and is not a guarantee of a result. This opinion is given as of the date hereof and we assume no obligation to revise or supplement this opinion to reflect any facts or circumstances that may hereafter come to our attention or any changes in law that may hereafter occur.

**APPENDIX D**  
**FORM OF CONTINUING DISCLOSURE UNDERTAKING**

**CONTINUING DISCLOSURE UNDERTAKING  
FOR THE PURPOSE OF PROVIDING  
CONTINUING DISCLOSURE INFORMATION  
UNDER SECTION (b)(5) OF RULE 15c2-12**

This Continuing Disclosure Undertaking (this “*Agreement*”) is executed and delivered by School District Number 27, Cook County, Illinois (the “*District*”), in connection with the issuance of \$ \_\_\_\_\_ General Obligation School Bonds, Series 2026A, and \$ \_\_\_\_\_ General Obligation Limited Tax School Bonds, Series 2026B (collectively, the “*Bonds*”). The Bonds are being issued pursuant to a resolution adopted by the Board of Education of the District on the 22nd day of January, 2026 (the “*Resolution*”).

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

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

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

*Annual Financial Information* means information of the type contained under the following headings and subheadings of the Official Statement:

**DEBT INFORMATION**

- General Obligation Bonded Debt
- Statement of Bonded Indebtedness (only as it relates to direct debt)
- Legal Debt Margin

**PROPERTY ASSESSMENT AND TAX INFORMATION**

- District Equalized Assessed Valuation
- Representative Tax Rates (only as it relates to the District’s tax rates)
- Tax Extensions and Collections

**FINANCIAL INFORMATION**

- Summary Financial Information (excluding budget financial information tables)

**WORKING CASH FUND SUMMARY**

**SCHOOL DISTRICT FINANCIAL PROFILE** (last paragraph only)

*Annual Financial Information Disclosure* means the dissemination of disclosure concerning Annual Financial Information and the dissemination of the Audited Financial Statements as set forth in Section 4.

*Audited Financial Statements* means the audited financial statements of the District prepared pursuant to the principles and as described in *Exhibit I*.

*Commission* means the Securities and Exchange Commission.

*Dissemination Agent* means any agent designated as such in writing by the District and which has filed with the District a written acceptance of such designation, and such agent's successors and assigns.

*EMMA* means the MSRB through its Electronic Municipal Market Access system for municipal securities disclosure or through any other electronic format or system prescribed by the MSRB for purposes of the Rule.

*Exchange Act* means the Securities Exchange Act of 1934, as amended.

*Financial Obligation* of the District means a (a) debt obligation; (b) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (c) guarantee of a debt obligation or any such derivative instrument; *provided* that "financial obligation" shall not include municipal securities as to which a final official statement (as defined in the Rule) has been provided to the MSRB consistent with the Rule.

*MSRB* means the Municipal Securities Rulemaking Board.

*Official Statement* means the Final Official Statement, dated January 22, 2026, and relating to the Bonds.

*Participating Underwriter* means each broker, dealer or municipal securities dealer acting as an underwriter in the primary offering of the Bonds.

*Reportable Event* means the occurrence of any of the Events with respect to the Bonds set forth in *Exhibit II*.

*Reportable Events Disclosure* means dissemination of a notice of a Reportable Event as set forth in Section 5.

*Rule* means Rule 15c2-12 adopted by the Commission under the Exchange Act, as the same may be amended from time to time.

*State* means the State of Illinois.

*Undertaking* means the obligations of the District pursuant to Sections 4 and 5.

3. *CUSIP NUMBERS.* The CUSIP Numbers of the Bonds are set forth in *Exhibit III*. All filings required under this Agreement will be filed on EMMA under these CUSIP Numbers. If the Bonds are refunded after the date hereof, the District will also make all filings required under this Agreement under any new CUSIP Numbers assigned to the Bonds as a result of such refunding,

to the extent the District remains legally liable for the payment of such Bonds. The District will not make any filings pursuant to this Agreement under new CUSIP Numbers assigned to any of the Bonds after the date hereof as a result of a holder of the Bonds obtaining a bond insurance policy or other credit enhancement with respect to some or all of the outstanding Bonds in the secondary market.

4. ANNUAL FINANCIAL INFORMATION DISCLOSURE. Subject to Section 8 of this Agreement, the District hereby covenants that it will disseminate its Annual Financial Information and its Audited Financial Statements (in the form and by the dates set forth in *Exhibit I*) to EMMA in such manner and format and accompanied by identifying information as is prescribed by the MSRB or the Commission at the time of delivery of such information and by such time so that such entities receive the information by the dates specified. MSRB Rule G-32 requires all EMMA filings to be in word-searchable PDF format. This requirement extends to all documents to be filed with EMMA, including financial statements and other externally prepared reports.

If any part of the Annual Financial Information can no longer be generated because the operations to which it is related have been materially changed or discontinued, the District will disseminate a statement to such effect as part of its Annual Financial Information for the year in which such event first occurs.

If any amendment or waiver is made to this Agreement, the Annual Financial Information for the year in which such amendment or waiver is made (or in any notice or supplement provided to EMMA) shall contain a narrative description of the reasons for such amendment or waiver and its impact on the type of information being provided.

5. REPORTABLE EVENTS DISCLOSURE. Subject to Section 8 of this Agreement, the District hereby covenants that it will disseminate in a timely manner (not in excess of ten business days after the occurrence of the Reportable Event) Reportable Events Disclosure to EMMA in such manner and format and accompanied by identifying information as is prescribed by the MSRB or the Commission at the time of delivery of such information. References to "material" in *Exhibit II* refer to materiality as it is interpreted under the Exchange Act. MSRB Rule G-32 requires all EMMA filings to be in word-searchable PDF format. This requirement extends to all documents to be filed with EMMA, including financial statements and other externally prepared reports. Notwithstanding the foregoing, notice of optional or unscheduled redemption of any Bonds or defeasance of any Bonds need not be given under this Agreement any earlier than the notice (if any) of such redemption or defeasance is given to the Bondholders pursuant to the Resolution.

6. CONSEQUENCES OF FAILURE OF THE DISTRICT TO PROVIDE INFORMATION. The District shall give notice in a timely manner to EMMA of any failure to provide Annual Financial Information Disclosure when the same is due hereunder.

In the event of a failure of the District to comply with any provision of this Agreement, the beneficial owner of any Bond may seek mandamus or specific performance by court order, to cause the District to comply with its obligations under this Agreement. A default under this Agreement shall not be deemed a default under the Resolution, and the sole remedy under this

Agreement in the event of any failure of the District to comply with this Agreement shall be an action to compel performance.

7. AMENDMENTS; WAIVER. Notwithstanding any other provision of this Agreement, the District by resolution authorizing such amendment or waiver, may amend this Agreement, and any provision of this Agreement may be waived, if:

(a) (i) The amendment or waiver is made in connection with a change in circumstances that arises from a change in legal requirements, including without limitation, pursuant to a “no-action” letter issued by the Commission, a change in law, or a change in the identity, nature, or status of the District, or type of business conducted; or

(ii) This Agreement, as amended, or the provision, as waived, would have complied with the requirements of the Rule at the time of the primary offering, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and

(b) The amendment or waiver does not materially impair the interests of the beneficial owners of the Bonds, as determined by parties unaffiliated with the District (such as Bond Counsel).

In the event that the Commission or the MSRB or other regulatory authority shall approve or require Annual Financial Information Disclosure or Reportable Events Disclosure to be made to a central post office, governmental agency or similar entity other than EMMA or in lieu of EMMA, the District shall, if required, make such dissemination to such central post office, governmental agency or similar entity without the necessity of amending this Agreement.

8. TERMINATION OF UNDERTAKING. The Undertaking of the District shall be terminated hereunder if the District shall no longer have any legal liability for any obligation on or relating to repayment of the Bonds under the Resolution.

9. FUTURE CHANGES TO THE RULE. As set forth in Section 1 of this Agreement, the District has executed and delivered this Agreement solely and only to assist the Participating Underwriters in complying with the requirements of the Rule. Therefore, notwithstanding anything in this Agreement to the contrary, in the event the Commission, the MSRB or other regulatory authority shall approve or require changes to the requirements of the Rule, the District shall be permitted, but shall not be required, to unilaterally modify the covenants in this Agreement, without complying with the requirements of Section 7 of this Agreement, in order to comply with, or conform to, such changes. In the event of any such modification of this Agreement, the District shall file a copy of this Agreement, as revised, on EMMA in a timely manner.

10. DISSEMINATION AGENT. The District may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Agreement, and may discharge any such Dissemination Agent, with or without appointing a successor Dissemination Agent.

11. ADDITIONAL INFORMATION. Nothing in this Agreement shall be deemed to prevent the District from disseminating any other information, using the means of dissemination set forth in this Agreement or any other means of communication, or including any other information in any Annual Financial Information Disclosure or notice of occurrence of a Reportable Event, in addition to that which is required by this Agreement. If the District chooses to include any information from any document or notice of occurrence of a Reportable Event in addition to that which is specifically required by this Agreement, the District shall have no obligation under this Agreement to update such information or include it in any future disclosure or notice of occurrence of a Reportable Event.

12. BENEFICIARIES. This Agreement has been executed in order to assist the Participating Underwriters in complying with the Rule; however, this Agreement shall inure solely to the benefit of the District, the Dissemination Agent, if any, and the beneficial owners of the Bonds, and shall create no rights in any other person or entity.

13. RECORDKEEPING. The District shall maintain records of all Annual Financial Information Disclosure and Reportable Events Disclosure, including the content of such disclosure, the names of the entities with whom such disclosure was filed and the date of filing such disclosure.

14. ASSIGNMENT. The District shall not transfer its obligations under the Resolution unless the transferee agrees to assume all obligations of the District under this Agreement or to execute an Undertaking under the Rule.

15. GOVERNING LAW. This Agreement shall be governed by the laws of the State.

SCHOOL DISTRICT NUMBER 27,  
COOK COUNTY, ILLINOIS

By \_\_\_\_\_  
President, Board of Education

Date: February 10, 2026

**EXHIBIT I**  
**ANNUAL FINANCIAL INFORMATION AND TIMING AND AUDITED**  
**FINANCIAL STATEMENTS**

All or a portion of the Annual Financial Information and the Audited Financial Statements as set forth below may be included by reference to other documents which have been submitted to EMMA or filed with the Commission. If the information included by reference is contained in a Final Official Statement, the Final Official Statement must be available on EMMA; the Final Official Statement need not be available from the Commission. The District shall clearly identify each such item of information included by reference.

Annual Financial Information exclusive of Audited Financial Statements will be submitted to EMMA by 270 days after the last day of the District's fiscal year (currently June 30), beginning with the fiscal year ending June 30, 2025. Audited Financial Statements as described below should be filed at the same time as the Annual Financial Information. If Audited Financial Statements are not available when the Annual Financial Information is filed, Audited Financial Statements will be submitted to EMMA within 30 days after availability to the District.

Audited Financial Statements will be prepared in accordance with accounting principles generally accepted in the United States of America.

If any change is made to the Annual Financial Information as permitted by Section 4 of the Agreement, the District will disseminate a notice of such change as required by Section 4.

**EXHIBIT II**  
**EVENTS WITH RESPECT TO THE BONDS FOR WHICH**  
**REPORTABLE EVENTS DISCLOSURE IS REQUIRED**

1. Principal and interest payment delinquencies
2. Non-payment related defaults, if material
3. Unscheduled draws on debt service reserves reflecting financial difficulties
4. Unscheduled draws on credit enhancements reflecting financial difficulties
5. Substitution of credit or liquidity providers, or their failure to perform
6. Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the security, or other material events affecting the tax status of the security
7. Modifications to the rights of security holders, if material
8. Bond calls, if material, and tender offers
9. Defeasances
10. Release, substitution or sale of property securing repayment of the securities, if material
11. Rating changes
12. Bankruptcy, insolvency, receivership or similar event of the District\*
13. The consummation of a merger, consolidation, or acquisition involving the District or the sale of all or substantially all of the assets of the District, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material
14. Appointment of a successor or additional trustee or the change of name of a trustee, if material
15. Incurrence of a Financial Obligation, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the District, any of which affect security holders, if material
16. Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation, any of which reflect financial difficulties

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

**EXHIBIT III**  
**CUSIP NUMBERS**

**SERIES 2026A BONDS**

MATURITY (DECEMBER 1)	CUSIP NUMBER (_____)
2034	
2035	
2036	
2037	
2038	
2039	
2040	
2041	
2042	
2043	
2044	
2045	
2046	
2047	
2048	
2049	
2050	

**SERIES 2026B BONDS**

<b>MATURITY (DECEMBER 1)</b>	<b>CUSIP NUMBER (_____)</b>
2026	
2027	
2028	
2029	
2030	
2031	
2032	
2033	

# OFFICIAL BID FORM - THE SERIES 2026A BONDS

*(Open Speer Auction)*

School District Number 27  
1250 Sanders Road  
Northbrook, IL 60062

January 22, 2026  
*Speer Financial, Inc.*

Board of Education:

For the \$5,265,000\* General Obligation School Bonds, Series 2026A (the "Series 2026A Bonds"), of the School District Number 27, Cook County, Illinois (Northbrook) (the "District"), as described in the annexed Official Notice of Sale, which is expressly made a part of this bid, we will pay you \$ \_\_\_\_\_ (no less than \$5,265,000). The Bonds are dated the date of delivery, expected to be on or about February 10, 2026. The Bonds will bear interest as follows (each rate a multiple of 1/8 or 1/100 of 1%). **The premium or discount, if any, is subject to adjustment allowing the same \$ \_\_\_\_\_ gross spread per \$1,000 bond as bid herein.**

## MATURITIES\* - DECEMBER 1

\$155,000 .....	2030	\$255,000 .....	2041
160,000 .....	2031	265,000 .....	2042
170,000 .....	2032	280,000 .....	2043
175,000 .....	2033	290,000 .....	2044
185,000 .....	2034	300,000 .....	2045
195,000 .....	2035	315,000 .....	2046
205,000 .....	2036	325,000 .....	2047
215,000 .....	2037	340,000 .....	2048
225,000 .....	2038	355,000 .....	2049
240,000 .....	2039	370,000 .....	2050
245,000 .....	2040		

*Any consecutive maturities may be aggregated into term bonds at the option of the bidder, in which case the mandatory redemption provisions shall be on the same schedule as above.*

The Bonds are to be executed and delivered to us in accordance with the terms of this bid accompanied by the approving legal opinion of Chapman and Cutler LLP, Chicago, Illinois. The District will pay for the legal opinion. The underwriter agrees to **apply for CUSIP numbers within 24 hours** and pay the fee charged by CUSIP Global Services and will accept the Bonds with the CUSIP numbers as entered on the Bonds.

As evidence of our good faith, if we are the winning bidder, we will wire transfer the amount of **TWO PERCENT OF PAR** (the "Deposit") **WITHIN TWO HOURS** after the bid opening time to the District's good faith bank and under the terms provided in the Official Notice of Sale for the Bonds. Alternatively, we have wire transferred or enclosed herewith a check payable to the order of the School Treasurer of the District in the amount of the Deposit under the terms provided in the Official Notice of Sale for the Bonds.

### Form of Deposit (Check One)

#### Prior to Bid Opening:

Certified/Cashier's Check   
Wire Transfer

#### Within TWO hours of Bidding:

Wire Transfer

Amount: \$105,300

### Account Manager Information

Name \_\_\_\_\_

Address \_\_\_\_\_

By \_\_\_\_\_

City \_\_\_\_\_ State/Zip \_\_\_\_\_

Direct Phone (\_\_\_\_\_) \_\_\_\_\_

FAX Number (\_\_\_\_\_) \_\_\_\_\_

E-Mail Address \_\_\_\_\_

### Bidders Option Insurance

We have purchased insurance from:

Name of Insurer  
(Please fill in)

Premium: \_\_\_\_\_

Maturities: (Check One)

\_\_\_\_\_ Years

All

The foregoing bid was accepted and the Bonds sold by resolution of the District on January 22, 2026, and receipt is hereby acknowledged of the good faith Deposit which is being held in accordance with the terms of the annexed Official Notice of Sale.

SCHOOL DISTRICT NUMBER 27, COOK COUNTY, ILLINOIS (NORTHBROOK)

\*Subject to change.

President, Board of Education

### ----- NOT PART OF THE BID -----

*(Calculation of true interest cost)*

	Bid	Post Sale Revision
Gross Interest	\$	
Less Premium/Plus Discount	\$	
True Interest Cost	\$	
True Interest Rate	%	
TOTAL BOND YEARS	82,254.50	
AVERAGE LIFE	17.804 Years	

## OFFICIAL NOTICE OF SALE

**\$5,265,000\***

**SCHOOL DISTRICT NUMBER 27**

**Cook County, Illinois  
(NORTHBROOK)**

**General Obligation School Bonds, Series 2026A**

*(Open Speer Auction)*

The School District Number 27, Cook County, Illinois (Northbrook) (the "District"), will receive electronic bids on the SpeerAuction ("SpeerAuction") website address "[www.SpeerAuction.com](http://www.SpeerAuction.com)" for its \$5,265,000\* General Obligation School Bonds, Series 2026A (the "Series 2026A Bonds"), on an all or none basis between 10:30 A.M. and 10:45 A.M., C.S.T., Thursday, January 22, 2026. To bid, bidders must have: (1) completed the registration form on the SpeerAuction website, and (2) requested and received admission to the District's sale (as described below). Award will be made or all bids rejected at a meeting of the District on that date. The District reserves the right to change the date or time for receipt of bids. Any such change shall be made not less than twenty-four (24) hours prior to the revised date and time for receipt of the bids for the Series 2026A Bonds and shall be communicated by publishing the changes in the Amendments Page of the SpeerAuction webpage and through *Thomson Municipal News*.

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

### Bidding Details

Bidders should be aware of the following bidding details associated with the sale of the Series 2026A Bonds.

- (1) All bids must be submitted on the SpeerAuction website at [www.SpeerAuction.com](http://www.SpeerAuction.com). **No telephone, telefax or personal delivery bids will be accepted.** The use of SpeerAuction shall be at the bidder's risk and expense and the District shall have no liability with respect thereto, including (without limitation) liability with respect to incomplete, late arriving and non-arriving bid. Any questions regarding bidding on the SpeerAuction website should be directed to Grant Street Group at (412) 391-5555 x 370.
- (2) Bidders may change and submit bids as many times as they like during the bidding time period; provided, however, each and any bid submitted subsequent to a bidder's initial bid must result in a lower true interest cost ("TIC") with respect to a bid, when compared to the immediately preceding bid of such bidder. In the event that the revised bid does not produce a lower TIC with respect to a bid the prior bid will remain valid.
- (3) If any bid in the auction becomes a leading bid two (2) minutes prior to the end of the auction, then the auction will be automatically extended by two (2) minutes from the time such bid was received by SpeerAuction. The auction end time will continue to be extended, indefinitely, until a single leading bid remains the leading bid for at least two minutes.
- (4) The last valid bid submitted by a bidder before the end of the bidding time period will be compared to all other final bids submitted by others to determine the winning bidder or bidders.
- (5) During the bidding, no bidder will see any other bidder's bid, but bidders will be able to see the ranking of their bid relative to other bids (i.e., "Leader", "Cover", "3rd" etc.)
- (6) On the Auction Page, bidders will be able to see whether a bid has been submitted.

### Rules of SpeerAuction

Bidders must comply with the Rules of SpeerAuction in addition to the requirements of this Official Notice of Sale. To the extent there is a conflict between the Rules of SpeerAuction and this Official Notice of Sale, this Official Notice of Sale shall control.

### Establishment of Issue Price

- (a) The winning bidder shall assist the District in establishing the issue price of the Series 2026A Bonds and shall execute and deliver to the District at closing an "issue price" or similar certificate setting forth the reasonably expected initial offering price to the Public or the sales price or prices of the Series 2026A Bonds, together with the supporting pricing wires or equivalent communications, substantially in the form attached hereto as **Exhibit A** to this Official Notice of Sale, with such modifications as may be appropriate or necessary, in the reasonable judgment of the winning bidder, the District and Chapman and Cutler LLP, Chicago, Illinois ("Bond Counsel"). All actions to be taken by the District under this Official Notice of Sale to establish the issue price of the Series 2026A Bonds may be taken on behalf of the District by the District's municipal advisor and any notice or report to be provided to the District may be provided to Speer Financial, Inc., Chicago, Illinois ("Speer").

(b) The District intends that the provisions of Treasury Regulation Section 1.148-1(f)(3)(i) (defining “competitive sale” for purposes of establishing the issue price of the Series 2026A Bonds) will apply to the initial sale of the Series 2026A Bonds (the “competitive sale requirements”) because:

- (i) the District shall disseminate this Official Notice of Sale to potential Underwriters in a manner that is reasonably designed to reach potential Underwriters;
- (ii) all bidders shall have an equal opportunity to bid;
- (iii) the District may receive bids from at least three Underwriters of municipal bonds who have established industry reputations for underwriting new issuances of municipal bonds; and
- (iv) the District anticipates awarding the sale of the Series 2026A Bonds to the bidder who submits a firm offer to purchase the Series 2026A Bonds at the lowest true interest cost, as set forth in this Official Notice of Sale.

Any bid submitted pursuant to this Official Notice of Sale shall be considered a firm offer for the purchase of the Series 2026A Bonds, as specified in the bid.

(c) In the event that the competitive sale requirements are not satisfied, the District shall so advise the winning bidder. **The District will not require bidders to comply with the “hold-the-offering-price rule” and therefore does not intend to use the initial offering price to the Public as of the Sale Date of any maturity of the Series 2026A Bonds as the issue price of that maturity, though the winning bidder may elect to apply the “hold the offering price rule” (as described below). Bids will not be subject to cancellation in the event that the competitive sale requirements are not satisfied. Unless a bidder intends to apply the “hold-the-offering-price rule” as described below, bidders should prepare their bids on the assumption that all of the maturities of the Series 2026A Bonds will be subject to the 10% test (as described below) in order to establish the issue price of the Series 2026A Bonds.** If the competitive sale requirements are not satisfied, the 10% test shall apply to determine the issue price of each maturity of the Series 2026A Bonds unless the winning bidder shall request that the “hold-the-offering-price rule” (as described below) shall apply. The winning bidder must notify Speer of its intention to apply the “hold-the-offering-price rule” at or prior to the time the Series 2026A Bonds are awarded.

- (i) If the winning bidder does not request that the “hold-the-offering-price rule” apply to determine the issue price of the Series 2026A Bonds, the following two paragraphs shall apply:

The District shall treat the first price at which 10% of a maturity of the Series 2026A Bonds (the “10% test”) is sold to the Public as the issue price of that maturity, applied on a maturity-by-maturity basis. The winning bidder shall advise the District if any maturity of the Series 2026A Bonds satisfies the 10% test as of the date and time of the award of the Series 2026A Bonds.

Until the 10% test has been satisfied as to each maturity of the Series 2026A Bonds, the winning bidder agrees to promptly report to the District the prices at which the unsold Series 2026A Bonds of that maturity have been sold to the Public. That reporting obligation shall continue, whether or not the closing date has occurred, until the 10% test has been satisfied as to the Series 2026A Bonds of that maturity or until all Series 2026A Bonds of that maturity have been sold to the Public. In addition, if the 10% test has not been satisfied with respect to any maturity of the Series 2026A Bonds prior to closing, then the purchaser shall provide the District with a representation as to the price of prices, as of the date of closing, at which the purchaser reasonably expects to sell the remaining Series 2026A Bonds of such maturity.

- (ii) If the winning bidder does request that the “hold-the-offering-price rule” apply to determine the issue price of the Series 2026A Bonds, the following three paragraphs shall apply:

The District may determine to treat (i) pursuant to the 10% test, the first price at which 10% of a maturity of the Series 2026A Bonds is sold to the Public as the issue price of that maturity and/or (ii) the initial offering price to the Public as of the Sale Date of any maturity of the Series 2026A Bonds as the issue price of that maturity (the "hold-the-offering-price rule"), in each case applied on a maturity-by-maturity basis. The winning bidder shall advise the District if any maturity of the Series 2026A Bonds satisfies the 10% test as of the date and time of the award of the Series 2026A Bonds. The District shall promptly advise the winning bidder, at or before the time of award of the Series 2026A Bonds, which maturities of the Series 2026A Bonds shall be subject to the 10% test or shall be subject to the hold-the-offering-price rule or both. Bids will *not* be subject to cancellation in the event that the District determines to apply the hold-the-offering-price rule to any maturity of the Series 2026A Bonds.

By submitting a bid, the winning bidder shall (i) confirm that the Underwriters have offered or will offer the Series 2026A Bonds to the Public on or before the date of award at the offering price or prices (the "*initial offering price*"), and (ii) agree, on behalf of the Underwriters participating in the purchase of the Series 2026A Bonds, that the Underwriters will neither offer nor sell unsold Series 2026A Bonds of any maturity to which the hold-the-offering-price rule shall apply to any person at a price that is higher than the initial offering price to the Public during the period starting on the Sale Date and ending on the earlier of the following:

- (1) the close of the fifth business day after the Sale Date; or
- (2) the date on which the Underwriters have sold at least 10% of that maturity of the Series 2026A Bonds to the Public at a price that is no higher than the initial offering price to the Public.

(d) The District acknowledges that, in making the representation set forth above, the winning bidder will rely on (i) the agreement of each Underwriter to comply with the hold-the-offering-price rule, as set forth in an agreement among Underwriters and the related pricing wires, (ii) in the event a selling group has been created in connection with the initial sale of the Series 2026A Bonds to the Public, the agreement of each dealer who is a member of the selling group to comply with the hold-the-offering-price rule, as set forth in a selling group agreement and the related pricing wires, and (iii) in the event that an Underwriter is a party to a third-party distribution agreement that was employed in connection with the initial sale of the Series 2026A Bonds to the Public, the agreement of each broker-dealer that is a party to such agreement to comply with the hold-the-offering-price rule, as set forth in the third-party distribution agreement and the related pricing wires. The District further acknowledges that each Underwriter shall be solely liable for its failure to comply with its agreement regarding the hold-the-offering-price rule and that no Underwriter shall be liable for the failure of any other Underwriter, or of any dealer who is a member of a selling group, or of any broker-dealer that is a party to a third-party distribution agreement to comply with its corresponding agreement regarding the hold-the-offering-price applicable to the Series 2026A Bonds.

(e) By submitting a bid, each bidder confirms that: (i) any agreement among Underwriters, any selling group agreement and each third-party distribution agreement (to which the bidder is a party) relating to the initial sale of the Series 2026A Bonds to the Public, together with the related pricing wires, contains or will contain language obligating each Underwriter, each dealer who is a member of the selling group, and each broker-dealer that is a party to such third-party distribution agreement, as applicable, to (a) report the prices at which it sells to the Public the unsold Series 2026A Bonds of each maturity allotted to it until it is notified by the winning bidder that either the 10% test has been satisfied as to the Series 2026A Bonds of that maturity or all Series 2026A Bonds of that maturity have been sold to the Public and (b) comply with the hold-the-offering-price rule, if applicable, in each case if and for so long as directed by the winning bidder and as set forth in the related pricing wires which shall be at least until the 10% test has been satisfied as to the Series 2026A Bonds of that maturity or until the close of the fifth business day following the date of the award, and (ii) any agreement among Underwriters relating to the initial sale of the Series 2026A Bonds to the Public, together with the related pricing wires, contains or will contain language obligating each Underwriter that is a party to a third-party distribution agreement to be employed in connection with the initial sale of the Series 2026A Bonds to the Public to require each broker-dealer that is a party to such third-party distribution agreement to (a) report the prices at which it sells to the Public the unsold Series 2026A Bonds of each maturity allotted to it until it is notified by the winning bidder or such Underwriter that either the 10% test has been satisfied as to the Series 2026A Bonds of that maturity or all Series 2026A Bonds of that maturity have been sold to the Public and (b) comply with the hold-the-offering-price rule, if applicable, in each case if and for so long as directed by the winning bidder or such Underwriter and as set forth in the related pricing wires, which shall be at least until the 10% test has been satisfied as to the Series 2026A Bonds of that maturity or until the close of the fifth business day following the date of the award.

(f) Sales of any Series 2026A Bonds to any person that is a Related Party to an Underwriter shall not constitute sales to the Public for purposes of this Official Notice of Sale. Further, for purposes of this Official Notice of Sale:

- (i) "Public" means any person other than an Underwriter or a Related Party,
- (ii) "Underwriter" means (A) any person that agrees pursuant to a written contract with the District (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Series 2026A Bonds to the public including, specifically, the purchaser, and (b) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (A) to participate in the initial sale of the Series 2026A Bonds to the Public (including a member of a selling group or a party to a third-party distribution agreement participating in the initial sale of the Series 2026A Bonds to the Public),
- (iii) a purchaser of any of the Series 2026A Bonds is a "Related Party" to an Underwriter if the Underwriter and the purchaser are subject, directly or indirectly, to (i) more than 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (ii) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (iii) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other), and
- (iv) "Sale Date" means the date that the Series 2026A Bonds are awarded by the District to the winning bidder.

## Rules

- (1) A bidder ("Bidder") submitting a winning bid ("Winning Bid") is irrevocably obligated to purchase the Series 2026A Bonds at the rates and prices of the winning bid, if acceptable to the District, as set forth in the related Official Notice of Sale. Winning Bids are not officially awarded to Winning Bidders until formally accepted by the District.
- (2) Neither the District, Speer, nor Grant Street Group (the "Auction Administrator") is responsible for technical difficulties that result in loss of Bidder's internet connection with SpeerAuction, slowness in transmission of bids, or other technical problems.
- (3) If for any reason a Bidder is disconnected from the Auction Page during the auction after having submitted a Winning Bid, such bid is valid and binding upon such Bidder, unless the District exercises its right to reject bids, as set forth herein.
- (4) Bids which generate error messages are not accepted until the error is corrected and bid is received prior to the deadline.
- (5) Bidders accept and agree to abide by all terms and conditions specified in the Official Notice of Sale (including amendments, if any) related to the auction.
- (6) Neither the District, Speer, nor the Auction Administrator is responsible to any bidder for any defect or inaccuracy in the Official Notice of Sale, amendments, or Official Statement as they appear on SpeerAuction.
- (7) Only Bidders who request and receive admission to an auction may submit bids. SpeerAuction and the Auction Administrator reserve the right to deny access to SpeerAuction website to any Bidder, whether registered or not, at any time and for any reason whatsoever, in their sole and absolute discretion.
- (8) Neither the District, Speer, nor the Auction Administrator is responsible for protecting the confidentiality of a Bidder's SpeerAuction password.
- (9) If two bids submitted in the same auction by the same or two or more different Bidders result in same True Interest Cost, the first confirmed bid received by SpeerAuction prevails. Any change to a submitted bid constitutes a new bid, regardless of whether there is a corresponding change in True Interest Cost.
- (10) Bidders must compare their final bids to those shown on the Observation Page immediately after the bidding time period ends, and if they disagree with the final results shown on the Observation Page they must report them to SpeerAuction within 15 minutes after the bidding time period ends. Regardless of the final results reported by SpeerAuction, Series 2026A Bonds are definitively awarded to the winning bidder only upon official award by the District. If, for any reason, the District fails to: (i) award Series 2026A Bonds to the winner reported by SpeerAuction, or (ii) deliver Series 2026A Bonds to winning bidder at settlement, neither the District, Speer, nor the Auction Administrator will be liable for damages.

The District reserves the right to reject all proposals, to reject any bid proposal not conforming to this Official Notice of Sale, and to waive any irregularity or informality with respect to any proposal. Additionally, the District reserves the right to modify or amend this Official Notice of Sale; however, any such modification or amendment shall not be made less than twenty-four (24) hours prior to the date and time for receipt of bids on the Series 2026A Bonds and any such modification or amendment will be announced on the Amendments Page of the SpeerAuction webpage and through *Thomson Municipal News*.

The Series 2026A Bonds will be in fully registered form in the denominations of \$5,000 and integral multiples thereof in the name of Cede & Co. as nominee of The Depository Trust Company, New York, New York ("DTC"), to which principal and interest payments on the Series 2026A Bonds will be paid. Individual purchases will be in book-entry only form. Interest on each Bond shall be paid by check or draft of the Bond Registrar to the person in whose name such bond is registered at the close of business on the fifteenth day of the month next preceding any interest payment date. The principal of the Series 2026A Bonds shall be payable in lawful money of the United States of America at the principal office maintained for the purpose by the Bond Registrar in Chicago, Illinois. Semiannual interest is due June 1 and December 1 of each year, commencing December 1, 2026, and is payable by Amalgamated Bank of Chicago (the "Bond Registrar"). The Series 2026A Bonds are dated the date of delivery, expected to be on or about February 10, 2026.

If the winning bidder is not a direct participant of DTC and does not have clearing privileges with DTC, the Series 2026A Bonds will be issued as Registered Series 2026A Bonds in the name of the purchaser. At the request of such winning bidder, the District will assist in the timely conversion of the Registered Series 2026A Bonds into book-entry Series 2026A Bonds with DTC as described herein.

#### MATURITIES\* - DECEMBER 1

\$155,000 .....	2030	\$255,000 .....	2041
160,000 .....	2031	265,000 .....	2042
170,000 .....	2032	280,000 .....	2043
175,000 .....	2033	290,000 .....	2044
185,000 .....	2034	300,000 .....	2045
195,000 .....	2035	315,000 .....	2046
205,000 .....	2036	325,000 .....	2047
215,000 .....	2037	340,000 .....	2048
225,000 .....	2038	355,000 .....	2049
240,000 .....	2039	370,000 .....	2050
245,000 .....	2040		

*Any consecutive maturities may be aggregated into term bonds at the option of the bidder, in which case the mandatory redemption provisions shall be on the same schedule as above.*

The Series 2026A Bonds due December 1, 2036-2050, inclusive, are callable in whole or in part on any date on or after December 1, 2035, at a price of par and accrued interest to the redemption date. If less than all the Series 2026A Bonds are called, they shall be redeemed in any order of maturity as determined by the District and within any maturity by lot.

All interest rates must be in multiples of one-eighth or one one-hundredth of one percent (1/8 or 1/100 of 1%), and not more than one rate for a single maturity shall be specified. No coupon rate shall exceed five percent (5%). The differential between the highest rate bid and the lowest rate bid shall not exceed three percent (3%). All bids must be for all of the Series 2026A Bonds, must be for not less than \$5,265,000.

**Award of the Series 2026A Bonds:** The Series 2026A Bonds will be awarded on the basis of true interest cost, determined in the following manner. True interest cost shall be computed by determining the annual interest rate (compounded semi-annually) necessary to discount the debt service payments on the Series 2026A Bonds from the payment dates thereof to the dated date and to the bid price. For the purpose of calculating true interest cost, the Series 2026A Bonds shall be deemed to become due in the principal amounts and at the times set forth in the table of maturities set forth above. In the event two or more qualifying bids produce the identical lowest true interest cost, the winning bid shall be the bid that was submitted first in time on the Speer Auction webpage.

The Series 2026A Bonds will be awarded to the bidder complying with the terms of this Official Notice of Sale whose bid produces the lowest true interest cost rate to the District as determined by the District's Municipal Advisor, which determination shall be conclusive and binding on all bidders; *provided*, that the District reserves the right to reject all bids or any non-conforming bid and reserves the right to waive any informality in any bid. Bidders should verify the accuracy of their final bids and compare them to the winning bids reported on the SpeerAuction Observation Page immediately after the bidding.

**The premium or discount, if any, is subject to pro rata adjustment if the maturity amounts of the Series 2026A Bonds are changed, allowing the same dollar amount of profit per \$1,000 bond as submitted on the Official Bid Form. The dollar amount of profit must be written on the Official Bid Form for any adjustment to be allowed and is subject to verification.**

The true interest cost of each bid will be computed by SpeerAuction and reported on the Observation Page of the SpeerAuction webpage immediately following the date and time for receipt of bids. These true interest costs are subject to verification by the District's Municipal Advisor, will be posted for information purposes only and will not signify an actual award of any bid or an official declaration of the winning bid. The District or its Municipal Advisor will notify the bidder to whom the Series 2026A Bonds will be awarded, if and when such award is made.

The winning bidder will be required to make the standard filings and maintain the appropriate records routinely required pursuant to MSRB Rules G-8, G-11 and G-32. The winning bidder will be required to pay the standard MSRB charge for Series 2026A Bonds purchased. In addition, the winning bidder who is a member of the Securities Industry and Financial Markets Association ("SIFMA") will be required to pay SIFMA's standard charge per bond.

The winning bidder is required to wire transfer from a solvent bank or trust company to the District's good faith bank the amount of **TWO PERCENT OF PAR** (the "Deposit") **WITHIN TWO HOURS** after the bid opening time as evidence of the good faith of the bidder. Alternatively, a bidder may submit its Deposit upon or prior to the submission of its bid in the form of a certified or cashier's check on, or a wire transfer from, a solvent bank or trust company for **TWO PERCENT OF PAR** payable to the Treasurer of the District. The District reserves the right to award the Series 2026A Bonds to a bidder whose wire transfer is initiated but not received within such two hour time period provided that such bidder's federal wire reference number has been received. In the event the Deposit is not received as provided above, the District may award the Series 2026A Bonds to the bidder submitting the next best bid provided such bidder agrees to such award.

The Deposit of the successful bidder will be retained by the District pending delivery of the Series 2026A Bonds and all others, if received, will be promptly returned. Should the successful bidder fail to take up and pay for the Series 2026A Bonds when tendered in accordance with this Official Notice of Sale and said bid, said Deposit shall be retained as full and liquidated damages to the District caused by failure of the bidder to carry out the offer of purchase. Such Deposit will otherwise be applied on the purchase price upon delivery of the Series 2026A Bonds. No interest on the Deposit will accrue to the purchaser.

If a wire transfer is used for the Deposit, it must be sent according to the following wire instructions:

Amalgamated Bank of Chicago  
Corporate Trust  
30 North LaSalle Street  
38th Floor  
Chicago, IL 60602  
ABA (for wires only) # 071003405  
Credit To: 3281 Speer Bidding Escrow  
RE: School District Number 27, Cook County, Illinois (Northbrook)  
Bid for \$5,265,000\* General Obligation School Bonds, Series 2026A Bonds

Contemporaneously with such wire transfer, the winning bidder shall send an email to [biddingescrow@aboc.com](mailto:biddingescrow@aboc.com) with the following information: (1) indication that a wire transfer has been made, (2) the amount of the wire transfer, (3) the issue to which it applies, and (4) the return wire instructions if such bidder is not awarded the Series 2026A Bonds. The District and any bidder who chooses to wire the Deposit hereby agree irrevocably that Speer shall be the escrow holder of the Deposit wired to such account subject only to these conditions and duties: (i) if the bid is not accepted, Speer shall, at its expense, promptly return the Deposit amount to such bidder; (ii) if the bid is accepted, the Deposit shall be forwarded to the District; (iii) Speer shall bear all costs of maintaining the escrow account and returning the funds to the bidder; (iv) Speer shall not be an insurer of the Deposit amount and shall have no liability except if it willfully fails to perform, or recklessly disregards, its duties specified herein; and (v) no interest on the Deposit will accrue to the winning bidder.

The District covenants and agrees to enter into a written agreement or contract, constituting an undertaking (the "Undertaking") to provide ongoing disclosure about the District for the benefit of the beneficial owners of the Series 2026A Bonds on or before the date of delivery of the Series 2026A Bonds as required under Section (b)(5) of Rule 15c2-12 (the "Rule") adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934. The Undertaking shall be as described in the Official Statement, with such changes as may be agreed in writing by the Underwriter.

The Underwriter's obligation to purchase the Series 2026A Bonds shall be conditioned upon the District delivering the Undertaking on or before the date of delivery of the Series 2026A Bonds.

The winning bidder shall provide a certificate, in form as set forth in **Exhibit A**, to evidence the issue price of each maturity of the Series 2026A Bonds.

By submitting a bid, any bidder makes the representation that it understands Bond Counsel represents the District in the Bond transaction and, if such bidder has retained Bond Counsel in an unrelated matter, such bidder represents that the signatory to the bid is duly authorized to, and does consent to and waive for and on behalf of such bidder any conflict of interest of Bond Counsel arising from any adverse position to the District in this matter; such consent and waiver shall supersede any formalities otherwise required in any separate understandings, guidelines or contractual arrangements between the bidder and Bond Counsel.

Series 2026A Bonds will be delivered to the successful purchaser against full payment in immediately available funds as soon as they can be prepared and executed, which is expected to be on or about February 10, 2026. Should delivery be delayed beyond sixty (60) days from the date of sale for any reason beyond the control of the District except failure of performance by the purchaser, the District may cancel the award or the purchaser may withdraw the good faith deposit and thereafter the purchaser's interest in and liability for the Series 2026A Bonds will cease.

The Official Statement, when further supplemented by an addendum or addenda specifying the maturity dates, principal amounts, and interest rates of the Series 2026A Bonds, and any other information required by law or deemed appropriate by the District, shall constitute a "Final Official Statement" of the District with respect to the Series 2026A Bonds, as that term is defined in the Rule. Any such addendum or addenda shall, on and after the date thereof, be fully incorporated herein and made a part hereof by reference. Alternatively, such final terms of the Series 2026A Bonds and other information may be included in a separate document entitled "Final Official Statement" rather than through supplementing the Official Statement by an addendum or addenda. By awarding the Series 2026A Bonds to any underwriter or underwriting syndicate, the District agrees that, no more than seven (7) business days after the date of such award, it shall provide, without cost to the senior managing underwriter of the syndicate to which the Series 2026A Bonds are awarded, up to 50 copies of the Final Official Statement to permit each "Participating Underwriter" (as that term is defined in the Rule) to comply with the provisions of such Rule. The District shall treat the senior managing underwriter of the syndicate to which the Series 2026A Bonds are awarded as its designated agent for purposes of distributing copies of the Final Official Statement to each Participating Underwriter. Any underwriter executing and delivering an Official Bid Form with respect to the Series 2026A Bonds agrees thereby that if its bid is accepted by the District it shall enter into a contractual relationship with all Participating Underwriters of the Series 2026A Bonds for purposes of assuring the receipt by each such Participating Underwriter of the Final Official Statement.

By submission of its bid, the senior managing underwriter of the successful bidder agrees to supply all necessary pricing information and any Participating Underwriter identification necessary to complete the Official Statement within 24 hours after award of the Series 2026A Bonds. Additional copies of the Final Official Statement may be obtained by Participating Underwriters from the printer at cost.

The District will, at its expense, deliver the Series 2026A Bonds to the purchaser in New York, New York, through the facilities of DTC and will pay for bond counsel's opinion. At the time of closing, the District will also furnish to the purchaser the following documents, each dated as of the date of delivery of the Series 2026A Bonds: (1) the opinion of Bond Counsel, that the Bonds are lawful and enforceable obligations of the District in accordance with their terms; (2) the opinion of said attorneys that the interest on the Bonds is exempt from federal income taxes as and to the extent set forth in the Official Statement for the Bonds; and (3) a no litigation certificate by the District.

The District intends to designate the Series 2026A Bonds as "qualified tax-exempt obligations" pursuant to the small issuer exception provided by Section 265(b)(3) of the Internal Revenue Code of 1986, as amended.

The District has authorized the printing and distribution of an Official Statement containing pertinent information relative to the District and the Series 2026A Bonds. Copies of such Official Statement or additional information may be obtained from Kimberly Rio, Ed.D., CSBO, Assistant Superintendent for Finance & Operations, 1250 Sanders Road, Northbrook, Illinois 60062 or an electronic copy of this Official Statement is available from the [www.speerfinancial.com](http://www.speerfinancial.com) web site under "Debt Auction Center/Competitive Sales Calendar" from the Municipal Advisor to the District, Speer Financial, Inc., 230 W. Monroe Street, Suite 2630, Chicago, Illinois 60606, telephone (312) 346-3700.

/s/

*Superintendent*  
SCHOOL DISTRICT NUMBER 27  
Cook County, Illinois

/s/

*Assistant Superintendent for Finance & Operations*  
SCHOOL DISTRICT NUMBER 27  
Cook County, Illinois

**Exhibit A**  
**Example Issue Price Certificate**

## **CERTIFICATE OF PURCHASER (SERIES 2026A BONDS)**

The undersigned, on behalf of \_\_\_\_\_ (the “*Purchaser*”), hereby certifies as set forth below with respect to the sale and issuance of the \$ \_\_\_\_\_ General Obligation School Bonds, Series 2026A (the “*Bonds*”), of School District Number 27, Cook County, Illinois (the “*District*”).

### **I. GENERAL**

On the Sale Date, the Purchaser purchased the Bonds from the District by submitting electronically an “Official Bid Form” responsive to an “Official Notice of Sale” and having its bid accepted by the District. The Purchaser has not modified the terms of the purchase since the Sale Date.

### **II. PRICE**

#### **Competitive Sale Requirements Met – 3 Bids Received**

Reasonably Expected Initial Offering Price.

(a) As of the Sale Date, the reasonably expected initial offering prices of the Bonds to the Public by the Purchaser are the prices listed in *Exhibit A* (the “*Expected Offering Prices*”). The Expected Offering Prices are the prices for the Maturities of the Bonds used by the Purchaser in formulating its bid to purchase the Bonds. Attached as *Exhibit B* is a true and correct copy of the bid provided by the Purchaser to purchase the Bonds.

(b) The Purchaser was not given an exclusive opportunity to review other bids prior to submitting its bid.

(c) The bid submitted by the Purchaser constituted a firm offer to purchase the Bonds.

#### **3 Bids Not Received – At Least 10% of Each Maturity Sold by Closing**

As of the date of this certificate, for each Maturity of the Bonds, the first price at which at least 10% of such Maturity of the Bonds was sold to the Public is the respective price listed in *Exhibit A* (the “*First Sale Price*”).

**3 Bids Not Received – At Least 10% of Certain Maturities Not Sold by Closing; Expected First Sale Price**

1. As of the date of this certificate, for each Maturity of the Bonds, the first price at which at least 10% of such Maturity of the Bonds was sold to the Public is the respective price listed in *Exhibit A* (the “*First Sale Price*”).
2. Expected First Sale Price.

With respect to each of the \_\_\_\_\_ Maturities of the Bonds:

- (a) As of the date of this certificate, the Purchaser has not sold at least 10% of the Bonds of this Maturity at any Price.
- (b) As of the date of this certificate, the Purchaser reasonably expects that the first sale to the Public of an amount of Bonds of this Maturity equal to 10% or more of this Maturity will be at or below the Expected Sale Price listed on the attached *Exhibit A* (the “*Expected First Sale Price*”).

**3 Bids Not Received – At Least 10% of Certain Maturities Not Sold by Closing; Hold-the-Offering-Price Rule**

1. As of the date of this certificate, for each of the General Rule Maturities, the first price at which at least 10% of such Maturity of the Bonds was sold to the Public is the respective price listed in *Exhibit A* (the “*First Sale Price*”).
2. (a) The Purchaser offered the Hold-the-Offering-Price Maturities to the Public for purchase at the respective initial offering prices listed in *Exhibit A* (the “*Initial Offering Prices*”) on or before the Sale Date. A copy of the pricing wire or equivalent communication for the Bonds is attached to this certificate as *Exhibit B*.  
  
(b) As set forth in the Official Notice of Sale and the Official Bid Form, the Purchaser has agreed in writing that, (i) for each Maturity of the Hold-the-Offering-Price Maturities, it would neither offer nor sell any of the Bonds of such Maturity to any person at a price that is higher than the Initial Offering Price for such Maturity during the Holding Period for such Maturity (the “*Hold-the-Offering-Price Rule*”), and (ii) any selling group agreement would contain the agreement of each dealer who is a member of the selling group, and any third-party distribution agreement would contain the agreement of each broker-dealer who is a party to the third-party distribution agreement, to comply with the Hold-the-Offering-Price Rule.  
  
(c) No Underwriter (as defined below) has offered or sold any Bonds of any Maturity of the Hold-the-Offering-Price Maturities at a price that is higher than the respective Initial Offering Price for that Maturity during the Holding Period.

### III. DEFINED TERMS

[1. “*General Rule Maturities*” means those Maturities of the Bonds not listed in *Exhibit A* hereto as the “Hold-the-Offering-Price Maturities.”]

[2. “*Hold-the-Offering-Price Maturities*” means those Maturities of the Bonds listed in *Exhibit A* hereto as the “Hold-the-Offering-Price Maturities.”]

[3. “*Holding Period*” means, with respect to a Hold-the-Offering-Price Maturity, the period starting on the Sale Date and ending on the earlier of (i) the close of the fifth business day after the Sale Date (said fifth business day being \_\_\_\_\_, 2026), or (ii) the date on which the Purchaser has sold at least 10% of such Hold-the-Offering-Price Maturity to the Public at prices that are no higher than the Initial Offering Price for such Hold-the-Offering-Price Maturity.]

4. “*Maturity*” means Bonds with the same credit and payment terms. Bonds with different maturity dates, or Bonds with the same maturity date but different stated interest rates, are treated as separate maturities.

5. “*Public*” means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a Related Party to an Underwriter.

6. A person is a “*Related Party*” to an Underwriter if the Underwriter and the person are subject, directly or indirectly, to (i) more than 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (ii) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (iii) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other).

7. “*Sale Date*” means the first day on which there is a binding contract in writing for the sale of a Maturity of the Bonds. The Sale Date of the Bonds is January 22, 2026.

8. “*Underwriter*” means (i) any person that agrees pursuant to a written contract with the District (or with the Underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this paragraph to participate in the initial sale of the Bonds to the Public (including a member of a selling group or a party to a third-party distribution agreement participating in the initial sale of the Bonds to the Public).

#### **IV. USE OF REPRESENTATIONS**

The representations set forth in this certificate are limited to factual matters only. Nothing in this certificate represents the Purchaser's interpretation of any laws, including specifically Sections 103 and 148 of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations thereunder. The undersigned understands that the foregoing information will be relied upon by the District with respect to certain of the representations and with respect to compliance with the federal income tax rules affecting the Bonds, and by Chapman and Cutler LLP, Chicago, Illinois, Bond Counsel, in connection with rendering its opinion concerning interest on the Bonds, the preparation of the Internal Revenue Service Form 8038-G, and other federal income tax advice that it may give to the District from time to time relating to the Bonds.

IN WITNESS WHEREOF, I hereunto affix my signature, this 10th day of February, 2026.

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

By: \_\_\_\_\_  
Title: \_\_\_\_\_

## EXHIBIT A

The Bonds are dated February 10, 2026, and are due on December 1 of the years and in the amounts, bear interest at the rates and were sold and offered to the Public as described in the attached Certificate of Purchaser at the prices, in percentages and dollars, as follows:

HOLD-THE-OFFER-PRICE MATURITY IF MARKED (*)	YEAR	PRINCIPAL AMOUNT	INTEREST RATE (%)	[EXPECTED] FIRST SALE PRICE OF AT LEAST 10% 10%/[TOTAL ISSUE PRICE (\$)]	[EXPECTED] FIRST SALE PRICE OF AT LEAST 10% 10%/[TOTAL ISSUE PRICE (\$)]		[INITIAL OFFERING PRICE [/TOTAL ISSUE PRICE (\$)]	[INITIAL OFFERING PRICE [/TOTAL ISSUE PRICE (\$)]
					[INITIAL OFFERING PRICE [/TOTAL ISSUE PRICE (\$)]	[INITIAL OFFERING PRICE [/TOTAL ISSUE PRICE (\$)]		
					[INITIAL OFFERING PRICE [/TOTAL ISSUE PRICE (\$)]	[INITIAL OFFERING PRICE [/TOTAL ISSUE PRICE (\$)]		

**EXHIBIT B**

**[PURCHASER'S BID]**

**[PRICING WIRE OR EQUIVALENT COMMUNICATION]**

# OFFICIAL BID FORM - THE SERIES 2026B BONDS

*(Open Speer Auction)*

School District Number 27  
1250 Sanders Road  
Northbrook, IL 60062

January 22, 2026  
*Speer Financial, Inc.*

Board of Education:

For the \$585,000\* General Obligation Limited Tax School Bonds, Series 2026B (the "Series 2026B Bonds"), of the School District Number 27, Cook County, Illinois (Northbrook) (the "District"), as described in the annexed Official Notice of Sale, which is expressly made a part of this bid, we will pay you \$ \_\_\_\_\_ (no less than \$579,150). The Bonds are dated the date of delivery, expected to be on or about February 10, 2026. The Bonds will bear interest as follows (each rate a multiple of 1/8 or 1/100 of 1%). The premium or discount, if any, is subject to adjustment allowing the same \$ \_\_\_\_\_ gross spread per \$1,000 bond as bid herein.

## MATURITIES\* - DECEMBER 1

\$180,000.....	2026	\$135,000 .....	2028
130,000 .....	2027	140,000 .....	2029

*Any consecutive maturities may be aggregated into term bonds at the option of the bidder, in which case the mandatory redemption provisions shall be on the same schedule as above.*

The Bonds are to be executed and delivered to us in accordance with the terms of this bid accompanied by the approving legal opinion of Chapman and Cutler LLP, Chicago, Illinois. The District will pay for the legal opinion. The underwriter agrees to apply for CUSIP numbers within 24 hours and pay the fee charged by CUSIP Global Services and will accept the Bonds with the CUSIP numbers as entered on the Bonds.

As evidence of our good faith, if we are the winning bidder, we will wire transfer the amount of **TWO PERCENT OF PAR** (the "Deposit") **WITHIN TWO HOURS** after the bid opening time to the District's good faith bank and under the terms provided in the Official Notice of Sale for the Bonds. Alternatively, we have wire transferred or enclosed herewith a check payable to the order of the School Treasurer of the District in the amount of the Deposit under the terms provided in the Official Notice of Sale for the Bonds.

### Form of Deposit (Check One)

#### Prior to Bid Opening:

Certified/Cashier's Check   
Wire Transfer

#### Within TWO hours of Bidding:

Wire Transfer

Amount: \$11,700

### Account Manager Information

Name \_\_\_\_\_

Address \_\_\_\_\_

By \_\_\_\_\_

City \_\_\_\_\_ State/Zip \_\_\_\_\_

Direct Phone (\_\_\_\_\_) \_\_\_\_\_

FAX Number (\_\_\_\_\_) \_\_\_\_\_

E-Mail Address \_\_\_\_\_

### Bidders Option Insurance

We have purchased insurance from:

**Name of Insurer**  
(Please fill in)

Premium: \_\_\_\_\_

Maturities: (Check One)

\_\_\_\_\_ Years

All

The foregoing bid was accepted and the Bonds sold by resolution of the District on January 22, 2026, and receipt is hereby acknowledged of the good faith Deposit which is being held in accordance with the terms of the annexed Official Notice of Sale.

SCHOOL DISTRICT NUMBER 27, COOK COUNTY, ILLINOIS (NORTHBROOK)

\*Subject to change.

\_\_\_\_\_  
President, Board of Education

### ----- NOT PART OF THE BID ----- (Calculation of true interest cost)

	Bid	Post Sale Revision
Gross Interest	\$	
Less Premium/Plus Discount	\$	
True Interest Cost	\$	
True Interest Rate	%	
TOTAL BOND YEARS	5,404.25	
AVERAGE LIFE	4.394 Years	

## OFFICIAL NOTICE OF SALE

**\$585,000\***

**SCHOOL DISTRICT NUMBER 27**  
**Cook County, Illinois**  
**(NORTHBROOK)**

**General Obligation Limited Tax School Bonds, Series 2026B**

*(Open Speer Auction)*

The School District Number 27, Cook County, Illinois (Northbrook) (the "District"), will receive electronic bids on the SpeerAuction ("SpeerAuction") website address "www.SpeerAuction.com" for \$585,000\* General Obligation Limited Tax School Bonds, Series 2026B (the "Series 2026B Bonds"), on an all or none basis between 11:00 A.M. and 11:15 A.M., C.S.T., Thursday, January 22, 2026. To bid, bidders must have: (1) completed the registration form on the SpeerAuction website, and (2) requested and received admission to the District's sale (as described below). Award will be made or all bids rejected at a meeting of the District on that date. The District reserves the right to change the date or time for receipt of bids. Any such change shall be made not less than twenty-four (24) hours prior to the revised date and time for receipt of the bids for the Series 2026B and shall be communicated by publishing the changes in the Amendments Page of the SpeerAuction webpage and through *Thomson Municipal News*.

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

### Bidding Details

Bidders should be aware of the following bidding details associated with the sale of the Series 2026B Bonds.

- (1) All bids must be submitted on the SpeerAuction website at [www.SpeerAuction.com](http://www.SpeerAuction.com). **No telephone, telefax or personal delivery bids will be accepted.** The use of SpeerAuction shall be at the bidder's risk and expense and the District shall have no liability with respect thereto, including (without limitation) liability with respect to incomplete, late arriving and non-arriving bid. Any questions regarding bidding on the SpeerAuction website should be directed to Grant Street Group at (412) 391-5555 x 370.
- (2) Bidders may change and submit bids as many times as they like during the bidding time period; provided, however, each and any bid submitted subsequent to a bidder's initial bid must result in a lower true interest cost ("TIC") with respect to a bid, when compared to the immediately preceding bid of such bidder. In the event that the revised bid does not produce a lower TIC with respect to a bid the prior bid will remain valid.
- (3) If any bid in the auction becomes a leading bid two (2) minutes prior to the end of the auction, then the auction will be automatically extended by two (2) minutes from the time such bid was received by SpeerAuction. The auction end time will continue to be extended, indefinitely, until a single leading bid remains the leading bid for at least two minutes.
- (4) The last valid bid submitted by a bidder before the end of the bidding time period will be compared to all other final bids submitted by others to determine the winning bidder or bidders.
- (5) During the bidding, no bidder will see any other bidder's bid, but bidders will be able to see the ranking of their bid relative to other bids (i.e., "Leader", "Cover", "3rd" etc.)
- (6) On the Auction Page, bidders will be able to see whether a bid has been submitted.

### Rules of SpeerAuction

Bidders must comply with the Rules of SpeerAuction in addition to the requirements of this Official Notice of Sale. To the extent there is a conflict between the Rules of SpeerAuction and this Official Notice of Sale, this Official Notice of Sale shall control.

### Establishment of Issue Price

- (a) The winning bidder shall assist the District in establishing the issue price of the Series 2026B and shall execute and deliver to the District at closing an "issue price" or similar certificate setting forth the reasonably expected initial offering price to the Public or the sales price or prices of the Series 2026B Bonds, together with the supporting pricing wires or equivalent communications, substantially in the form attached hereto as **Exhibit A** to this Official Notice of Sale, with such modifications as may be appropriate or necessary, in the reasonable judgment of the winning bidder, the District and Chapman and Cutler LLP, Chicago, Illinois ("Bond Counsel"). All actions to be taken by the District under this Official Notice of Sale to establish the issue price of the Series 2026B Bonds may be taken on behalf of the District by the District's municipal advisor and any notice or report to be provided to the District may be provided to Speer Financial, Inc., Chicago, Illinois ("Speer").

*\*Subject to change.*

(b) The District intends that the provisions of Treasury Regulation Section 1.148-1(f)(3)(i) (defining “competitive sale” for purposes of establishing the issue price of the Series 2026B Bonds) will apply to the initial sale of the Series 2026B Bonds (the “competitive sale requirements”) because:

- (i) the District shall disseminate this Official Notice of Sale to potential Underwriters in a manner that is reasonably designed to reach potential Underwriters;
- (ii) all bidders shall have an equal opportunity to bid;
- (iii) the District may receive bids from at least three Underwriters of municipal bonds who have established industry reputations for underwriting new issuances of municipal bonds; and
- (iv) the District anticipates awarding the sale of the Series 2026B Bonds to the bidder who submits a firm offer to purchase the Series 2026B Bonds at the lowest true interest cost, as set forth in this Official Notice of Sale.

Any bid submitted pursuant to this Official Notice of Sale shall be considered a firm offer for the purchase of the Series 2026B Bonds, as specified in the bid.

(c) In the event that the competitive sale requirements are not satisfied, the District shall so advise the winning bidder. **The District will not require bidders to comply with the “hold-the-offering-price rule” and therefore does not intend to use the initial offering price to the Public as of the Sale Date of any maturity of the Series 2026B Bonds as the issue price of that maturity, though the winning bidder may elect to apply the “hold the offering price rule” (as described below). Bids will not be subject to cancellation in the event that the competitive sale requirements are not satisfied. Unless a bidder intends to apply the “hold-the-offering-price rule” as described below, bidders should prepare their bids on the assumption that all of the maturities of the Series 2026B Bonds will be subject to the 10% test (as described below) in order to establish the issue price of the Series 2026B Bonds.** If the competitive sale requirements are not satisfied, the 10% test shall apply to determine the issue price of each maturity of the Series 2026B Bonds unless the winning bidder shall request that the “hold-the-offering-price rule” (as described below) shall apply. The winning bidder must notify Speer of its intention to apply the “hold-the-offering-price rule” at or prior to the time the Series 2026B Bonds are awarded.

- (i) If the winning bidder does not request that the “hold-the-offering-price rule” apply to determine the issue price of the Series 2026B Bonds, the following two paragraphs shall apply:

The District shall treat the first price at which 10% of a maturity of the Series 2026B Bonds (the “10% test”) is sold to the Public as the issue price of that maturity, applied on a maturity-by-maturity basis. The winning bidder shall advise the District if any maturity of the Series 2026B Bonds satisfies the 10% test as of the date and time of the award of the Series 2026B Bonds.

Until the 10% test has been satisfied as to each maturity of the Series 2026B Bonds, the winning bidder agrees to promptly report to the District the prices at which the unsold Series 2026B Bonds of that maturity have been sold to the Public. That reporting obligation shall continue, whether or not the closing date has occurred, until the 10% test has been satisfied as to the Series 2026B Bonds of that maturity or until all Series 2026B Bonds of that maturity have been sold to the Public. In addition, if the 10% test has not been satisfied with respect to any maturity of the Series 2026B Bonds prior to closing, then the purchaser shall provide the District with a representation as to the price of prices, as of the date of closing, at which the purchaser reasonably expects to sell the remaining Series 2026B Bonds of such maturity.

- (ii) If the winning bidder does request that the “hold-the-offering-price rule” apply to determine the issue price of the Series 2026B Bonds, the following three paragraphs shall apply:

The District may determine to treat (i) pursuant to the 10% test, the first price at which 10% of a maturity of the Series 2026B Bonds is sold to the Public as the issue price of that maturity and/or (ii) the initial offering price to the Public as of the Sale Date of any maturity of the Series 2026B Bonds as the issue price of that maturity (the “hold-the-offering-price rule”), in each case applied on a maturity-by-maturity basis. The winning bidder shall advise the District if any maturity of the Series 2026B Bonds satisfies the 10% test as of the date and time of the award of the Series 2026B Bonds. The District shall promptly advise the winning bidder, at or before the time of award of the Series 2026B Bonds, which maturities of the Series 2026B Bonds shall be subject to the 10% test or shall be subject to the hold-the-offering-price rule or both. Bids will *not* be subject to cancellation in the event that the District determines to apply the hold-the-offering-price rule to any maturity of the Series 2026B Bonds.

By submitting a bid, the winning bidder shall (i) confirm that the Underwriters have offered or will offer the Series 2026B Bonds to the Public on or before the date of award at the offering price or prices (the “*initial offering price*”), and (ii) agree, on behalf of the Underwriters participating in the purchase of the Series 2026B Bonds, that the Underwriters will neither offer nor sell unsold Series 2026B Bonds of any maturity to which the hold-the-offering-price rule shall apply to any person at a price that is higher than the initial offering price to the Public during the period starting on the Sale Date and ending on the earlier of the following:

- (1) the close of the fifth business day after the Sale Date; or
- (2) the date on which the Underwriters have sold at least 10% of that maturity of the Series 2026B Bonds to the Public at a price that is no higher than the initial offering price to the Public.

(d) The District acknowledges that, in making the representation set forth above, the winning bidder will rely on (i) the agreement of each Underwriter to comply with the hold-the-offering-price rule, as set forth in an agreement among Underwriters and the related pricing wires, (ii) in the event a selling group has been created in connection with the initial sale of the Series 2026B Bonds to the Public, the agreement of each dealer who is a member of the selling group to comply with the hold-the-offering-price rule, as set forth in a selling group agreement and the related pricing wires, and (iii) in the event that an Underwriter is a party to a third-party distribution agreement that was employed in connection with the initial sale of the Series 2026B Bonds to the Public, the agreement of each broker-dealer that is a party to such agreement to comply with the hold-the-offering-price rule, as set forth in the third-party distribution agreement and the related pricing wires. The District further acknowledges that each Underwriter shall be solely liable for its failure to comply with its agreement regarding the hold-the-offering-price rule and that no Underwriter shall be liable for the failure of any other Underwriter, or of any dealer who is a member of a selling group, or of any broker-dealer that is a party to a third-party distribution agreement to comply with its corresponding agreement regarding the hold-the-offering-price applicable to the Series 2026B Bonds.

(e) By submitting a bid, each bidder confirms that: (i) any agreement among Underwriters, any selling group agreement and each third-party distribution agreement (to which the bidder is a party) relating to the initial sale of the Series 2026B Bonds to the Public, together with the related pricing wires, contains or will contain language obligating each Underwriter, each dealer who is a member of the selling group, and each broker-dealer that is a party to such third-party distribution agreement, as applicable, to (a) report the prices at which it sells to the Public the unsold Series 2026B Bonds of each maturity allotted to it until it is notified by the winning bidder that either the 10% test has been satisfied as to the Series 2026B Bonds of that maturity or all Series 2026B Bonds of that maturity have been sold to the Public and (b) comply with the hold-the-offering-price rule, if applicable, in each case if and for so long as directed by the winning bidder and as set forth in the related pricing wires which shall be at least until the 10% test has been satisfied as to the Series 2026B Bonds of that maturity or until the close of the fifth business day following the date of the award, and (ii) any agreement among Underwriters relating to the initial sale of the Series 2026B Bonds to the Public, together with the related pricing wires, contains or will contain language obligating each Underwriter that is a party to a third-party distribution agreement to be employed in connection with the initial sale of the Series 2026B Bonds to the Public to require each broker-dealer that is a party to such third-party distribution agreement to (a) report the prices at which it sells to the Public the unsold Series 2026B Bonds of each maturity allotted to it until it is notified by the winning bidder or such Underwriter that either the 10% test has been satisfied as to the Series 2026B Bonds of that maturity or all Series 2026B Bonds of that maturity have been sold to the Public and (b) comply with the hold-the-offering-price rule, if applicable, in each case if and for so long as directed by the winning bidder or such Underwriter and as set forth in the related pricing wires, which shall be at least until the 10% test has been satisfied as to the Series 2026B Bonds of that maturity or until the close of the fifth business day following the date of the award.

(f) Sales of any Series 2026B Bonds to any person that is a Related Party to an Underwriter shall not constitute sales to the Public for purposes of this Official Notice of Sale. Further, for purposes of this Official Notice of Sale:

- (i) “Public” means any person other than an Underwriter or a Related Party,
- (ii) “Underwriter” means (A) any person that agrees pursuant to a written contract with the District (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Series 2026B Bonds to the public including, specifically, the purchaser, and (B) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (A) to participate in the initial sale of the Series 2026B Bonds to the Public (including a member of a selling group or a party to a third-party distribution agreement participating in the initial sale of the Series 2026B Bonds to the Public),

- (iii) a purchaser of any of the Series 2026B Bonds is a “Related Party” to an Underwriter if the Underwriter and the purchaser are subject, directly or indirectly, to (i) more than 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (ii) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (iii) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other), and
- (iv) “Sale Date” means the date that the Series 2026B Bonds are awarded by the District to the winning bidder.

## Rules

- (1) A bidder (“Bidder”) submitting a winning bid (“Winning Bid”) is irrevocably obligated to purchase the Series 2026B Bonds at the rates and prices of the winning bid, if acceptable to the District, as set forth in the related Official Notice of Sale. Winning Bids are not officially awarded to Winning Bidders until formally accepted by the District.
- (2) Neither the District, Speer, nor Grant Street Group (the “Auction Administrator”) is responsible for technical difficulties that result in loss of Bidder’s internet connection with SpeerAuction, slowness in transmission of bids, or other technical problems.
- (3) If for any reason a Bidder is disconnected from the Auction Page during the auction after having submitted a Winning Bid, such bid is valid and binding upon such Bidder, unless the District exercises its right to reject bids, as set forth herein.
- (4) Bids which generate error messages are not accepted until the error is corrected and bid is received prior to the deadline.
- (5) Bidders accept and agree to abide by all terms and conditions specified in the Official Notice of Sale (including amendments, if any) related to the auction.
- (6) Neither the District, Speer, nor the Auction Administrator is responsible to any bidder for any defect or inaccuracy in the Official Notice of Sale, amendments, or Official Statement as they appear on SpeerAuction.
- (7) Only Bidders who request and receive admission to an auction may submit bids. SpeerAuction and the Auction Administrator reserve the right to deny access to SpeerAuction website to any Bidder, whether registered or not, at any time and for any reason whatsoever, in their sole and absolute discretion.
- (8) Neither the District, Speer, nor the Auction Administrator is responsible for protecting the confidentiality of a Bidder’s SpeerAuction password.
- (9) If two bids submitted in the same auction by the same or two or more different Bidders result in same True Interest Cost, the first confirmed bid received by SpeerAuction prevails. Any change to a submitted bid constitutes a new bid, regardless of whether there is a corresponding change in True Interest Cost.
- (10) Bidders must compare their final bids to those shown on the Observation Page immediately after the bidding time period ends, and if they disagree with the final results shown on the Observation Page they must report them to SpeerAuction within 15 minutes after the bidding time period ends. Regardless of the final results reported by SpeerAuction, Series 2026B Bonds are definitively awarded to the winning bidder only upon official award by the District. If, for any reason, the District fails to: (i) award Series 2026B Bonds to the winner reported by SpeerAuction, or (ii) deliver Series 2026B Bonds to winning bidder at settlement, neither the District, Speer, nor the Auction Administrator will be liable for damages.

The District reserves the right to reject all proposals, to reject any bid proposal not conforming to this Official Notice of Sale, and to waive any irregularity or informality with respect to any proposal. Additionally, the District reserves the right to modify or amend this Official Notice of Sale; however, any such modification or amendment shall not be made less than twenty-four (24) hours prior to the date and time for receipt of bids on the Series 2026B Bonds and any such modification or amendment will be announced on the Amendments Page of the SpeerAuction webpage and through *Thomson Municipal News*.

The Series 2026B Bonds will be in fully registered form in the denominations of \$5,000 and integral multiples thereof in the name of Cede & Co. as nominee of The Depository Trust Company, New York, New York (“DTC”), to which principal and interest payments on the Series 2026B Bonds will be paid. Individual purchases will be in book-entry only form. Interest on each Bond shall be paid by check or draft of the Bond Registrar to the person in whose name such bond is registered at the close of business on the fifteenth day of the month next preceding any interest payment date. The principal of the Series 2026B Bonds shall be payable in lawful money of the United States of America at the principal office maintained for the purpose by the Bond Registrar in Chicago, Illinois. Semiannual interest is payable on June 1 and December 1 of each year, commencing December 1, 2026, and is payable by Amalgamated Bank of Chicago (the “Bond Registrar”). The Series 2026B Bonds are dated the date of delivery, expected to be on or about February 10, 2026.

\*Subject to change.

If the winning bidder is not a direct participant of DTC and does not have clearing privileges with DTC, the Series 2026B Bonds will be issued as Registered Series 2026B Bonds in the name of the purchaser. At the request of such winning bidder, the District will assist in the timely conversion of the Registered Series 2026B Bonds into book-entry Series 2026B Bonds with DTC as described herein.

#### MATURITIES\* - DECEMBER 1

\$180,000.....	2026	\$135,000 .....	2028
130,000 .....	2027	140,000 .....	2029

*Any consecutive maturities may be aggregated into term bonds at the option of the bidder, in which case the mandatory redemption provisions shall be on the same schedule as above.*

The Series 2026B Bonds are not subject to optional redemption prior to maturity.

All interest rates must be in multiples of one-eighth or one one-hundredth of one percent (1/8 or 1/100 of 1%), and not more than one rate for a single maturity shall be specified. No coupon rate shall exceed five percent (5%). The differential between the highest rate bid and the lowest rate bid shall not exceed three percent (3%). All bids must be for all of the Series 2026B Bonds, must be for not less than \$579,150.

**Award of the Series 2026B Bonds:** The Series 2026B Bonds will be awarded on the basis of true interest cost, determined in the following manner. True interest cost shall be computed by determining the annual interest rate (compounded semi-annually) necessary to discount the debt service payments on the Series 2026B Bonds from the payment dates thereof to the dated date and to the bid price. For the purpose of calculating true interest cost, the Series 2026B Bonds shall be deemed to become due in the principal amounts and at the times set forth in the table of maturities set forth above. In the event two or more qualifying bids produce the identical lowest true interest cost, the winning bid shall be the bid that was submitted first in time on the Speer Auction webpage.

The Series 2026B Bonds will be awarded to the bidder complying with the terms of this Official Notice of Sale whose bid produces the lowest true interest cost rate to the District as determined by the District's Municipal Advisor, which determination shall be conclusive and binding on all bidders; *provided*, that the District reserves the right to reject all bids or any non-conforming bid and reserves the right to waive any informality in any bid. Bidders should verify the accuracy of their final bids and compare them to the winning bids reported on the SpeerAuction Observation Page immediately after the bidding.

**The premium or discount, if any, is subject to pro rata adjustment if the maturity amounts of the Series 2026B Bonds are changed, allowing the same dollar amount of profit per \$1,000 bond as submitted on the Official Bid Form. The dollar amount of profit must be written on the Official Bid Form for any adjustment to be allowed and is subject to verification.**

The true interest cost of each bid will be computed by SpeerAuction and reported on the Observation Page of the SpeerAuction webpage immediately following the date and time for receipt of bids. These true interest costs are subject to verification by the District's Municipal Advisor, will be posted for information purposes only and will not signify an actual award of any bid or an official declaration of the winning bid. The District or its Municipal Advisor will notify the bidder to whom the Series 2026B Bonds will be awarded, if and when such award is made.

The winning bidder will be required to make the standard filings and maintain the appropriate records routinely required pursuant to MSRB Rules G-8, G-11 and G-32. The winning bidder will be required to pay the standard MSRB charge for Series 2026B Bonds purchased. In addition, the winning bidder who is a member of the Securities Industry and Financial Markets Association ("SIFMA") will be required to pay SIFMA's standard charge per bond.

*\*Subject to change.*

The winning bidder is required to wire transfer from a solvent bank or trust company to the District's good faith bank the amount of **TWO PERCENT OF PAR** (the "Deposit") **WITHIN TWO HOURS** after the bid opening time as evidence of the good faith of the bidder. Alternatively, a bidder may submit its Deposit upon or prior to the submission of its bid in the form of a certified or cashier's check on, or a wire transfer from, a solvent bank or trust company for **TWO PERCENT OF PAR** payable to the Treasurer of the District. The District reserves the right to award the Series 2026B Bonds to a bidder whose wire transfer is initiated but not received within such two hour time period provided that such bidder's federal wire reference number has been received. In the event the Deposit is not received as provided above, the District may award the Series 2026B Bonds to the bidder submitting the next best bid provided such bidder agrees to such award.

The Deposit of the successful bidder will be retained by the District pending delivery of the Series 2026B Bonds and all others, if received, will be promptly returned. Should the successful bidder fail to take up and pay for the Series 2026B Bonds when tendered in accordance with this Official Notice of Sale and said bid, said Deposit shall be retained as full and liquidated damages to the District caused by failure of the bidder to carry out the offer of purchase. Such Deposit will otherwise be applied on the purchase price upon delivery of the Series 2026B Bonds. No interest on the Deposit will accrue to the purchaser.

If a wire transfer is used for the Deposit, it must be sent according to the following wire instructions:

Amalgamated Bank of Chicago  
Corporate Trust  
30 North LaSalle Street  
38th Floor  
Chicago, IL 60602  
ABA (for wires only) # 071003405  
Credit To: 3281 Speer Bidding Escrow  
RE: School District Number 27, Cook County, Illinois (Northbrook)  
Bid for \$585,000\* General Obligation Limited Tax School Bonds, Series 2026B

Contemporaneously with such wire transfer, the winning bidder shall send an email to [biddingescrow@aboc.com](mailto:biddingescrow@aboc.com) with the following information: (1) indication that a wire transfer has been made, (2) the amount of the wire transfer, (3) the issue to which it applies, and (4) the return wire instructions if such bidder is not awarded the Series 2026B Bonds. The District and any bidder who chooses to wire the Deposit hereby agree irrevocably that Speer shall be the escrow holder of the Deposit wired to such account subject only to these conditions and duties: (i) if the bid is not accepted, Speer shall, at its expense, promptly return the Deposit amount to such bidder; (ii) if the bid is accepted, the Deposit shall be forwarded to the District; (iii) Speer shall bear all costs of maintaining the escrow account and returning the funds to the bidder; (iv) Speer shall not be an insurer of the Deposit amount and shall have no liability except if it willfully fails to perform, or recklessly disregards, its duties specified herein; and (v) no interest on the Deposit will accrue to the winning bidder.

The District covenants and agrees to enter into a written agreement or contract, constituting an undertaking (the "Undertaking") to provide ongoing disclosure about the District for the benefit of the beneficial owners of the Series 2026B Bonds on or before the date of delivery of the Series 2026B Bonds as required under Section (b)(5) of Rule 15c2-12 (the "Rule") adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934. The Undertaking shall be as described in the Official Statement, with such changes as may be agreed in writing by the Underwriter.

The Underwriter's obligation to purchase the Series 2026B Bonds shall be conditioned upon the District delivering the Undertaking on or before the date of delivery of the Series 2026B Bonds.

The winning bidder shall provide a certificate, in form as set forth in **Exhibit A**, to evidence the issue price of each maturity of the Series 2026B Bonds.

By submitting a bid, any bidder makes the representation that it understands Bond Counsel represents the District in the Bond transaction and, if such bidder has retained Bond Counsel in an unrelated matter, such bidder represents that the signatory to the bid is duly authorized to, and does consent to and waive for and on behalf of such bidder any conflict of interest of Bond Counsel arising from any adverse position to the District in this matter; such consent and waiver shall supersede any formalities otherwise required in any separate understandings, guidelines or contractual arrangements between the bidder and Bond Counsel.

Series 2026B Bonds will be delivered to the successful purchaser against full payment in immediately available funds as soon as they can be prepared and executed, which is expected to be on or about February 10, 2026. Should delivery be delayed beyond sixty (60) days from the date of sale for any reason beyond the control of the District except failure of performance by the purchaser, the District may cancel the award or the purchaser may withdraw the good faith deposit and thereafter the purchaser's interest in and liability for the Series 2026B Bonds will cease.

The Official Statement, when further supplemented by an addendum or addenda specifying the maturity dates, principal amounts, and interest rates of the Series 2026B Bonds, and any other information required by law or deemed appropriate by the District, shall constitute a "Final Official Statement" of the District with respect to the Series 2026B Bonds, as that term is defined in the Rule. Any such addendum or addenda shall, on and after the date thereof, be fully incorporated herein and made a part hereof by reference. Alternatively, such final terms of the Series 2026B Bonds and other information may be included in a separate document entitled "Final Official Statement" rather than through supplementing the Official Statement by an addendum or addenda. By awarding the Series 2026B Bonds to any underwriter or underwriting syndicate, the District agrees that, no more than seven (7) business days after the date of such award, it shall provide, without cost to the senior managing underwriter of the syndicate to which the Series 2026B Bonds are awarded, up to 50 copies of the Final Official Statement to permit each "Participating Underwriter" (as that term is defined in the Rule) to comply with the provisions of such Rule. The District shall treat the senior managing underwriter of the syndicate to which the Series 2026B Bonds are awarded as its designated agent for purposes of distributing copies of the Final Official Statement to each Participating Underwriter. Any underwriter executing and delivering an Official Bid Form with respect to the Series 2026B Bonds agrees thereby that if its bid is accepted by the District it shall enter into a contractual relationship with all Participating Underwriters of the Series 2026B Bonds for purposes of assuring the receipt by each such Participating Underwriter of the Final Official Statement.

By submission of its bid, the senior managing underwriter of the successful bidder agrees to supply all necessary pricing information and any Participating Underwriter identification necessary to complete the Official Statement within 24 hours after award of the Series 2026B Bonds. Additional copies of the Final Official Statement may be obtained by Participating Underwriters from the printer at cost.

The District will, at its expense, deliver the Series 2026B Bonds to the purchaser in New York, New York, through the facilities of DTC and will pay for bond counsel's opinion. At the time of closing, the District will also furnish to the purchaser the following documents, each dated as of the date of delivery of the Series 2026B Bonds: (1) the opinion of Bond Counsel, that the Bonds are lawful and enforceable obligations of the District in accordance with their terms; (2) the opinion of said attorneys that the interest on the Bonds is exempt from federal income taxes as and to the extent set forth in the Official Statement for the Bonds; and (3) a no litigation certificate by the District.

The District intends to designate the Series 2026B Bonds as "qualified tax-exempt obligations" pursuant to the small issuer exception provided by Section 265(b)(3) of the Internal Revenue Code of 1986, as amended.

The District has authorized the printing and distribution of an Official Statement containing pertinent information relative to the District and the Series 2026B Bonds. Copies of such Official Statement or additional information may be obtained from Kimberly Rio, Ed.D., CSBO, Assistant Superintendent for Finance & Operations, 1250 Sanders Road, Northbrook, Illinois 60062 or an electronic copy of this Official Statement is available from the [www.speerfinancial.com](http://www.speerfinancial.com) web site under "Debt Auction Center/Competitive Sales Calendar" from the Municipal Advisor to the District, Speer Financial, Inc., 230 W. Monroe Street, Suite 2630, Chicago, Illinois 60606, telephone (312) 346-3700.

/s/

*Superintendent*  
SCHOOL DISTRICT NUMBER 27  
Cook County, Illinois

/s/

*Assistant Superintendent for Finance & Operations*  
SCHOOL DISTRICT NUMBER 27  
Cook County, Illinois

**Exhibit A**  
**Example Issue Price Certificate**

## **CERTIFICATE OF PURCHASER (SERIES 2026B BONDS)**

The undersigned, on behalf of \_\_\_\_\_ (the “*Purchaser*”), hereby certifies as set forth below with respect to the sale and issuance of the \$ \_\_\_\_\_ General Obligation Limited Tax School Bonds, Series 2026B (the “*Bonds*”), of School District Number 27, Cook County, Illinois (the “*District*”).

### **I. GENERAL**

On the Sale Date, the Purchaser purchased the Bonds from the District by submitting electronically an “Official Bid Form” responsive to an “Official Notice of Sale” and having its bid accepted by the District. The Purchaser has not modified the terms of the purchase since the Sale Date.

### **II. PRICE**

#### **Competitive Sale Requirements Met – 3 Bids Received**

Reasonably Expected Initial Offering Price.

(a) As of the Sale Date, the reasonably expected initial offering prices of the Bonds to the Public by the Purchaser are the prices listed in *Exhibit A* (the “*Expected Offering Prices*”). The Expected Offering Prices are the prices for the Maturities of the Bonds used by the Purchaser in formulating its bid to purchase the Bonds. Attached as *Exhibit B* is a true and correct copy of the bid provided by the Purchaser to purchase the Bonds.

(b) The Purchaser was not given an exclusive opportunity to review other bids prior to submitting its bid.

(c) The bid submitted by the Purchaser constituted a firm offer to purchase the Bonds.

#### **3 Bids Not Received – At Least 10% of Each Maturity Sold by Closing**

As of the date of this certificate, for each Maturity of the Bonds, the first price at which at least 10% of such Maturity of the Bonds was sold to the Public is the respective price listed in *Exhibit A* (the “*First Sale Price*”).

**3 Bids Not Received – At Least 10% of Certain Maturities Not Sold by Closing; Expected First Sale Price**

1. As of the date of this certificate, for each Maturity of the Bonds, the first price at which at least 10% of such Maturity of the Bonds was sold to the Public is the respective price listed in *Exhibit A* (the “*First Sale Price*”).
2. Expected First Sale Price.

With respect to each of the \_\_\_\_\_ Maturities of the Bonds:

- (a) As of the date of this certificate, the Purchaser has not sold at least 10% of the Bonds of this Maturity at any Price.
- (b) As of the date of this certificate, the Purchaser reasonably expects that the first sale to the Public of an amount of Bonds of this Maturity equal to 10% or more of this Maturity will be at or below the Expected Sale Price listed on the attached *Exhibit A* (the “*Expected First Sale Price*”).

**3 Bids Not Received – At Least 10% of Certain Maturities Not Sold by Closing; Hold-the-Offering-Price Rule**

1. As of the date of this certificate, for each of the General Rule Maturities, the first price at which at least 10% of such Maturity of the Bonds was sold to the Public is the respective price listed in *Exhibit A* (the “*First Sale Price*”).
2. (a) The Purchaser offered the Hold-the-Offering-Price Maturities to the Public for purchase at the respective initial offering prices listed in *Exhibit A* (the “*Initial Offering Prices*”) on or before the Sale Date. A copy of the pricing wire or equivalent communication for the Bonds is attached to this certificate as *Exhibit B*.  
  
(b) As set forth in the Official Notice of Sale and the Official Bid Form, the Purchaser has agreed in writing that, (i) for each Maturity of the Hold-the-Offering-Price Maturities, it would neither offer nor sell any of the Bonds of such Maturity to any person at a price that is higher than the Initial Offering Price for such Maturity during the Holding Period for such Maturity (the “*Hold-the-Offering-Price Rule*”), and (ii) any selling group agreement would contain the agreement of each dealer who is a member of the selling group, and any third-party distribution agreement would contain the agreement of each broker-dealer who is a party to the third-party distribution agreement, to comply with the Hold-the-Offering-Price Rule.  
  
(c) No Underwriter (as defined below) has offered or sold any Bonds of any Maturity of the Hold-the-Offering-Price Maturities at a price that is higher than the respective Initial Offering Price for that Maturity during the Holding Period.

### III. DEFINED TERMS

[1. “*General Rule Maturities*” means those Maturities of the Bonds not listed in *Exhibit A* hereto as the “Hold-the-Offering-Price Maturities.”]

[2. “*Hold-the-Offering-Price Maturities*” means those Maturities of the Bonds listed in *Exhibit A* hereto as the “Hold-the-Offering-Price Maturities.”]

[3. “*Holding Period*” means, with respect to a Hold-the-Offering-Price Maturity, the period starting on the Sale Date and ending on the earlier of (i) the close of the fifth business day after the Sale Date (said fifth business day being \_\_\_\_\_, 2026), or (ii) the date on which the Purchaser has sold at least 10% of such Hold-the-Offering-Price Maturity to the Public at prices that are no higher than the Initial Offering Price for such Hold-the-Offering-Price Maturity.]

4. “*Maturity*” means Bonds with the same credit and payment terms. Bonds with different maturity dates, or Bonds with the same maturity date but different stated interest rates, are treated as separate maturities.

5. “*Public*” means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a Related Party to an Underwriter.

6. A person is a “*Related Party*” to an Underwriter if the Underwriter and the person are subject, directly or indirectly, to (i) more than 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (ii) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (iii) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other).

7. “*Sale Date*” means the first day on which there is a binding contract in writing for the sale of a Maturity of the Bonds. The Sale Date of the Bonds is January 22, 2026.

8. “*Underwriter*” means (i) any person that agrees pursuant to a written contract with the District (or with the Underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this paragraph to participate in the initial sale of the Bonds to the Public (including a member of a selling group or a party to a third-party distribution agreement participating in the initial sale of the Bonds to the Public).

#### **IV. USE OF REPRESENTATIONS**

The representations set forth in this certificate are limited to factual matters only. Nothing in this certificate represents the Purchaser's interpretation of any laws, including specifically Sections 103 and 148 of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations thereunder. The undersigned understands that the foregoing information will be relied upon by the District with respect to certain of the representations and with respect to compliance with the federal income tax rules affecting the Bonds, and by Chapman and Cutler LLP, Chicago, Illinois, Bond Counsel, in connection with rendering its opinion concerning interest on the Bonds, the preparation of the Internal Revenue Service Form 8038-G, and other federal income tax advice that it may give to the District from time to time relating to the Bonds.

IN WITNESS WHEREOF, I hereunto affix my signature, this 10th day of February, 2026.

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

By: \_\_\_\_\_  
Title: \_\_\_\_\_

## EXHIBIT A

The Bonds are dated February 10, 2026, and are due on December 1 of the years and in the amounts, bear interest at the rates and were sold and offered to the Public as described in the attached Certificate of Purchaser at the prices, in percentages and dollars, as follows:

HOLD-THE-OFFER-PRICE MATURITY IF MARKED (*)	PRINCIPAL AMOUNT YEAR	INTEREST RATE (%)	[EXPECTED] FIRST SALE PRICE OF AT LEAST 10% (% OF PAR)]	[EXPECTED] FIRST SALE PRICE OF AT LEAST 10%/[TOTAL]	[INITIAL OFFERING PRICE [/TOTAL ISSUE PRICE (\$)]	[INITIAL OFFERING PRICE [/TOTAL ISSUE PRICE (\$)]
				[INITIAL OFFERING PRICE [/TOTAL ISSUE PRICE (\$)]]	[TOTAL ISSUE PRICE (\$)]	
				[INITIAL OFFERING PRICE [/TOTAL ISSUE PRICE (\$)]]		

**EXHIBIT B**

**[PURCHASER'S BID]**

**[PRICING WIRE OR EQUIVALENT COMMUNICATION]**