Rankin Community School District No. 98

Pekin, Illinois

Annual Financial Report

and Other Financial Information

June 30, 2025

RANKIN COMMUNITY SCHOOL DISTRICT NO. 98

TABLE OF CONTENTS
JUNE 30, 2025

Gorenz and Associates, Ltd.

Certified Public Accountants

Russell J. Rumbold II, CPA — *Jason A. Hohulin, CPA*
Cory S. Cowan, CPA — *Kyle P. Hendrickson, CPA*

Independent Auditor's Report

To the Board of Education
Rankin Community School District No. 98
Pekin, Illinois

Opinions

We have audited the accompanying financial statements of Rankin Community School District No. 98 (the District) which comprise the Statement of Assets and Liabilities Arising from Cash Transactions of each fund and account group as of June 30, 2025, and the related Statement of Revenues Received, Expenditures Disbursed, Other Sources (Uses) and Changes in Fund Balances (All Funds), the Statement of Revenues Received (All Funds), and the Statements of Expenditures Disbursed - Budget to Actual (All Funds) for the year then ended and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Unmodified Opinion on Regulatory Basis of Accounting

In our opinion, the financial statements referred to above present fairly, in all material respects, the assets and liabilities arising from cash transactions of each fund and account group of the District as of June 30, 2025, and each funds' respective revenues received, expenditures disbursed, other sources (uses) and changes in fund balances, revenues received, and expenditures disbursed -budget to actual, for the year then ended in accordance with the financial reporting provisions of the Illinois State Board of Education as described in Note #1.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the "Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles" section of our report, the financial statements referred to above do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the District as of June 30, 2025, or changes in net position or cash flows thereof for the year then ended.

Basis for Opinions

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

Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles

As described in Note #1, the financial statements are prepared by the District on the basis of the financial reporting provisions of the Illinois State Board of Education, which is a basis of accounting other than accounting principles generally accepted in the United States of America, to meet the requirements of the Illinois State Board of Education. The effects on the financial statements of the variances between the regulatory basis of accounting described in Note #1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material and pervasive.

4200 N. Knoxville Avenue • Peoria, IL 61614 • (309) 685-7621 • (309) 685-4758 fax • www.gorenzcpa.com

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the financial reporting provisions of the Illinois State Board of Education, as described in Note #1. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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 Responsibility for the Audit of the Financial Statements

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

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

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

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

Supplementary Information

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated October 24, 2025, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Gorenz and Associates, Ltd.

Peoria, Illinois
October 24, 2025

Gorenz and Associates, Ltd.

Certified Public Accountants

Russell J. Rumbold II, CPA | *Jason A. Hohulin, CPA*
Cory S. Cowan, CPA | *Kyle P. Hendrickson, CPA*

Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

To the Board of Education
Rankin Community School District No. 98
Pekin, Illinois

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the Statement of Assets and Liabilities Arising from Cash Transactions of each fund and each account group as of June 30, 2025, and the related Statement of Revenues Received, Expenditures Disbursed, Other Sources (Uses) and Changes in Fund Balances (All Funds), the Statement of Revenues Received (All Funds), and the Statements of Expenditures Disbursed - Budget to Actual for the year then ended and the related notes to the financial statements of Rankin Community School District No. 98 (the District) which collectively comprise the District's basic financial statements, and have issued our report thereon dated October 24, 2025. Our opinions were adverse due to the financial statements not being prepared in accordance with accounting principles generally accepted in the United States of America. However, the financial statements were found to be fairly stated on the regulatory basis of accounting, in accordance with financial reporting provisions of the Illinois State Board of Education as described in Note #1.

Report on Internal Control Over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We identified a certain deficiency in internal control, described in the accompanying schedule of findings and questioned costs as item 2025-001 that we consider to be a material weakness.

4200 N. Knoxville Avenue • Peoria, IL 61614 • (309) 685-7621 • (309) 685-4758 fax • www.gorenzcpa.com

Report on Compliance and Other Matters

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

The District's Response to Findings

Government Auditing Standards require the auditor to perform limited procedures on the District's response to the findings identified in our audit and described in the accompanying schedule of findings and questioned costs. The District's responses were not subjected to other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

Purpose of this Report

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

Gorenz and Associates, Ltd.

Peoria, Illinois
October 24, 2025

RANKIN COMMUNITY SCHOOL DISTRICT NO. 98
STATEMENT OF ASSETS AND LIABILITIES
ARISING FROM CASH TRANSACTIONS
JUNE 30, 2025

	Educational	Operations and Maintenance	Debt Services	Transportation	Municipal Retirement/ Social Security	Working Cash	Fire Prevention and Safety	Account Groups: General Fixed Assets	Account Groups: General Long Term Debt	Total (Memorandum Only)
Assets										
Current Assets										
Cash and Cash Equivalents	1,148,440	106,932	16,991	45,854	222,521	135,301	73,430			1,749,469
Investments	1,730,978	296,739		593,478						2,621,195
Capital Assets										
Land								125,600		125,600
Buildings & Building Improvements								9,125,820		9,125,820
Site Improvements & Infrastructure								1,494,380		1,494,380
Capitalized Equipment								498,284		498,284
Amounts Available in Debt Service Funds									16,991	16,991
Amounts to be Provided for Payment of Debt									2,405,009	2,405,009
Total Assets	2,879,418	403,671	16,991	639,332	222,521	135,301	73,430	11,244,084	2,422,000	18,036,748
Liabilities and Fund Balances										
Liabilities:										
Long Term Debt Payable									2,422,000	2,422,000
Total Liabilities	0	0	0	0	0	0	0	0	2,422,000	2,422,000
Fund Balances:										
Reserved					95,004					95,004
Unreserved	2,879,418	403,671	16,991	639,332	127,517	135,301	73,430			4,275,660
Investments in General Fixed Assets								11,244,084		11,244,084
Total Fund Balances	2,879,418	403,671	16,991	639,332	222,521	135,301	73,430	11,244,084	0	15,614,748
Total Liabilities and Fund Balances	2,879,418	403,671	16,991	639,332	222,521	135,301	73,430	11,244,084	2,422,000	18,036,748

The accompanying notes are an integral part of these financial statements.

RANKIN COMMUNITY SCHOOL DISTRICT NO. 98
STATEMENT OF ASSETS AND LIABILITIES
ARISING FROM CASH TRANSACTIONS
JUNE 30, 2025

								Account Groups		
	Educational	Operations and Maintenance	Debt Services	Transportation	Municipal Retirement/ Social Security	Working Cash	Fire Prevention and Safety	General Fixed Assets	General Long Term Debt	Total (Memorandum Only)
Assets/Liabilities for Student Activity Funds										
Current Assets										
Student Activity Fund Cash and Investments	19,771									19,771
Total Current Assets for Student Activity Funds	19,771									19,771
Current Liabilities										
Fund Balance Reserved for Student Activity Funds	19,771									19,771
Total Liabilities and Fund Balance for Student Activity Funds	19,771									19,771
Total Assets/Liabilities District and Student Activity Funds										
Total Current Assets and Student Activity Funds	2,899,189	403,671	16,991	639,332	222,521	135,301	73,430			4,390,435
Total Capital Assets and Student Activity Funds								11,244,084	2,422,000	13,666,084
Total Assets with Student Activity Funds (Memorandum Only)										18,056,519
Long-Term Liabilities and Student Activity Funds									2,422,000	2,422,000
Reserved Fund Balance and Student Activity Funds	19,771				95,004					114,775
Unreserved Fund Balance and Student Activity Funds	2,879,418	403,671	16,991	639,332	127,517	135,301	73,430			4,275,660
Investments in General Fixed Assets								11,244,084		11,244,084
Total Liabilities and Fund Balance and Student Activity Funds	2,899,189	403,671	16,991	639,332	222,521	135,301	73,430	11,244,084	2,422,000	18,056,519

The accompanying notes are an integral part of these financial statements.

RANKIN COMMUNITY SCHOOL DISTRICT NO. 98
STATEMENT OF REVENUES RECEIVED, EXPENDITURES DISBURSED,
OTHER SOURCES (USES) AND CHANGES IN FUND BALANCES (ALL FUNDS)
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	Educational	Operations and Maintenance	Debt Services	Transportation	Municipal Retirement/ Social Security	Capital Projects	Working Cash	Fire Prevention and Safety	Total (Memorandum Only)
Receipts:									
Local Sources	2,688,838	284,342	286,572	178,571	82,955		37,108	51,850	3,610,236
State Sources	379,504	129,268		116,714					625,486
Federal Sources	209,832				3,135				212,967
Total Direct Receipts	3,278,174	413,610	286,572	295,285	86,090	0	37,108	51,850	4,448,689
Receipts for On-Behalf Payments	813,006								813,006
Total Receipts	4,091,180	413,610	286,572	295,285	86,090	0	37,108	51,850	5,261,695
Disbursements:									
Instruction	1,906,663				42,484				1,949,147
Support Services	1,129,527	327,154		5,160	56,634	354,498		4,805	1,877,778
Payments to Other Governmental Units	98,764			219,548					318,312
Debt Services			287,050						287,050
Total Direct Disbursements	3,134,954	327,154	287,050	224,708	99,118	354,498	0	4,805	4,432,287
Disbursements for On-Behalf Payments	813,006								813,006
Total Disbursements	3,947,960	327,154	287,050	224,708	99,118	354,498	0	4,805	5,245,293
Excess of Direct Receipts Over (Under) Direct Disbursements	143,220	86,456	(478)	70,577	(13,028)	(354,498)	37,108	47,045	16,402
Other Sources of Funds:									
Sale of Fixed Assets		350							350
Transfer to Capital Projects Fund						354,498			354,498
Other (Uses) of Funds:									
Transfer to Capital Projects Fund	(354,498)								(354,498)
Total Other Sources and (Uses) of Funds	(354,498)	350	0	0	0	354,498	0	0	350
Excess of Receipts and Other Sources of Funds Over (Under) Disbursements and Other Uses of Funds	(211,278)	86,806	(478)	70,577	(13,028)	0	37,108	47,045	16,752
Fund Balances without Student Activity Funds - July 1, 2024	3,090,696	316,865	17,469	568,755	235,549	0	98,193	26,385	4,353,912
Fund Balances without Student Activity Funds - June 30, 2025	2,879,418	403,671	16,991	639,332	222,521	0	135,301	73,430	4,370,664

The accompanying notes are an integral part of these financial statements.

RANKIN COMMUNITY SCHOOL DISTRICT NO. 98
STATEMENT OF REVENUES RECEIVED, EXPENDITURES DISBURSED,
OTHER SOURCES (USES) AND CHANGES IN FUND BALANCES (ALL FUNDS)
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	Educational	Operations and Maintenance	Debt Services	Transportation	Municipal Retirement/ Social Security	Capital Projects	Working Cash	Fire Prevention and Safety	Total (Memorandum Only)
Student Activity Fund Balance - July 1, 2024	10,996								10,996
Receipts - Student Activity Funds									
Total Student Activity Direct Receipts	54,423								54,423
Disbursements - Student Activity Funds									
Total Student Activity Fund Disbursements	45,648								45,648
Excess Direct Receipts Over(Under) Direct Disbursements	8,775								8,775
Student Activity Fund Balance - June 30, 2025	19,771								19,771
Receipts (with Student Activity Funds):									
Local Sources	2,743,261	284,342	286,572	178,571	82,955		37,108	51,850	3,664,659
State Sources	379,504	129,268		116,714					625,486
Federal Sources	209,832				3,135				212,967
Total Direct Receipts	3,332,597	413,610	286,572	295,285	86,090	0	37,108	51,850	4,503,112
Receipts for On-Behalf Payments	813,006								813,006
Total Receipts (with Student Activity Funds)	4,145,603	413,610	286,572	295,285	86,090	0	37,108	51,850	5,316,118
Disbursements (with Student Activity Funds):									
Instruction	1,952,311				42,484				1,994,795
Support Services	1,129,527	327,154		5,160	56,634	354,498		4,805	1,877,778
Payments to Other Governmental Units	98,764			219,548					318,312
Debt Services			287,050						287,050
Total Direct Disbursements	3,180,602	327,154	287,050	224,708	99,118	354,498	0	4,805	4,477,935
Disbursements for On-Behalf Payments	813,006								813,006
Total Disbursements (with Student Activity Funds)	3,993,608	327,154	287,050	224,708	99,118	354,498	0	4,805	5,290,941
Excess of Direct Receipts Over (Under) Direct Disbursements	151,995	86,456	(478)	70,577	(13,028)	(354,498)	37,108	47,045	25,177

The accompanying notes are an integral part of these financial statements.

RANKIN COMMUNITY SCHOOL DISTRICT NO. 98
STATEMENT OF REVENUES RECEIVED, EXPENDITURES DISBURSED,
OTHER SOURCES (USES) AND CHANGES IN FUND BALANCES (ALL FUNDS)
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	Educational	Operations and Maintenance	Debt Services	Transportation	Municipal Retirement/ Social Security	Capital Projects	Working Cash	Fire Prevention and Safety	Total (Memorandum Only)
Other Sources/Uses of Funds (with Student Activity Funds):									
Other Sources of Funds:									
Total Other Sources of Funds	0	350	0	0	0	354,498	0	0	354,848
Other (Uses) of Funds:									
Total Other Uses of Funds	(354,498)	0	0	0	0	0	0	0	(354,498)
Total Other Sources and (Uses) of Funds	(354,498)	350	0	0	0	354,498	0	0	350
Fund Balances (All sources) - June 30, 2025	2,899,189	403,671	16,991	639,332	222,521	0	135,301	73,430	4,390,435

The accompanying notes are an integral part of these financial statements.

RANKIN COMMUNITY SCHOOL DISTRICT NO. 98
STATEMENT OF REVENUES RECEIVED (ALL FUNDS)
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	Educational	Operations and Maintenance	Debt Services	Transportation	Municipal Retirement/ Social Security	Working Cash	Fire Prevention and Safety	Total (Memorandum Only)
Receipts From Local Sources:								
Ad Valorem Taxes Levied By Local Education Agency:								
Designated Purposes Levies	2,201,103	263,491	284,385	151,531	27,957	36,752	51,420	3,016,639
Special Education Levy	19,810							19,810
Social Security/Medicare Levy					44,305			44,305
Other Tax Levies		7,400						7,400
Payments in Lieu of Taxes:								
Corporate Personal Property Replacement Taxes	96,262				10,000			106,262
Tuition:								
Regular - Tuition From Pupils or Parents (In State)	64,000							64,000
Regular - Tuition From Other LEAs (In State)	54,318							54,318
Interest on Investments	125,764	9,177	471	26,042	257	134	120	161,965
Food Services:								
Sales to Pupils - Lunch	32,367							32,367
Sales to Pupils - Breakfast	14,709							14,709
Sales to Pupils - Ala Carte	13,398							13,398
Sales to Adults	1,980							1,980
District/School Activity Income:								
Admissions - Athletic	6,631							6,631
Student Activity Fund Revenues	54,423							
Textbook Income:								
Rentals - Regular Textbooks	11,082							11,082
Other Receipts from Local Sources:								
Rentals		2,684						2,684
Contributions from Private Sources	1,000							1,000
Services Provided Other LEAs	22,741							22,741
Refund of Prior Years' Expenditures	9,732			84				9,816
Payments of Surplus Moneys from TIF Districts	13,400	1,590	1,716	914	436	222	310	18,588
Other Local Revenue	541							541
Total Receipts from Local Sources (without Student Activity Funds)	2,688,838	284,342	286,572	178,571	82,955	37,108	51,850	3,610,236
Total Receipts from Local Sources (with Student Activity Funds)	2,743,261							

The accompanying notes are an integral part of these financial statements.

RANKIN COMMUNITY SCHOOL DISTRICT NO. 98
STATEMENT OF REVENUES RECEIVED (ALL FUNDS)
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	Educational	Operations and Maintenance	Debt Services	Transportation	Municipal Retirement/ Social Security	Working Cash	Fire Prevention and Safety	Total (Memorandum Only)
Receipts From State Sources:								
Unrestricted Grants-in-Aid:								
Evidence Based Funding Formula - Sec. 18-8.15	278,763	129,268						408,031
Restricted Grants-in-Aid:								
Special Education:								
Private Facilities Tuition	54,218							54,218
Orphanage - Individual	42,079			8,311				50,390
State Free Lunch and Breakfast	582							582
Transportation:								
Transportation - Regular / Vocational				64,529				64,529
Transportation - Special Education				43,874				43,874
Other Restricted Revenues from State Funds	3,862							3,862
Total Receipts from State Sources	379,504	129,268	0	116,714	0	0	0	625,486
Receipts From Federal Sources:								
Restricted Grants-in-Aid Received								
Directly from the Federal Govt.:								
Other Direct Federal Sources	20,037							20,037
Restricted Grants-in-Aid Received Directly from								
the Federal Government Through the State:								
Food Service								
National School Lunch Program	42,165							42,165
School Breakfast Program	18,426							18,426
Title 1:								
Low Income	47,285				3,095			50,380
Title IV -								
Student Support & Academic Enrichment	1,888							1,888
Federal - Special Education:								
Pre-School Flow Through	1,636							1,636
I.D.E.A.-Flow Through	43,838							43,838
Title II - Teacher Quality	4,607							4,607
Medicaid Matching - Administrative Outreach	6,435							6,435
Medicaid Matching - Fee for Service Program	15,922							15,922
Other Federal	7,593				40			7,633
Total Receipts from Federal Sources	209,832	0	0	0	3,135	0	0	212,967
Total Direct Receipts (without Student Activity Funds)	3,278,174	413,610	286,572	295,285	86,090	37,108	51,850	4,448,689
Total Direct Receipts (with Student Activity Funds)	3,332,597							

The accompanying notes are an integral part of these financial statements.

RANKIN COMMUNITY SCHOOL DISTRICT NO. 98
STATEMENT OF EXPENDITURES DISBURSED
BUDGET TO ACTUAL
EDUCATIONAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	Actual	Budget	Variance with Budget
Expenditures Disbursed:			
Instruction:			
Regular Programs:			
Salaries	856,392	857,365	973
Employee Benefits	214,071	214,560	489
Purchased Services	95,780	97,695	1,915
Supplies and Materials	53,858	57,507	3,649
Capital Outlay	11,056	11,100	44
Other Objects	2,596	2,600	4
Total Regular Programs	1,233,753	1,240,827	7,074
Special Education Programs:			
Salaries	280,281	280,780	499
Employee Benefits	45,702	46,025	323
Purchased Services	1,624	1,800	176
Supplies and Materials	2,932	5,000	2,068
Total Special Education Programs	330,539	333,605	3,066
Remedial and Supplemental Programs K-12:			
Salaries	85,153	85,710	557
Employee Benefits	19,297	19,375	78
Purchased Services	816	816	0
Supplies and Materials	8,925	9,117	192
Total Remedial and Supplemental Programs K-12	114,191	115,018	827
Interscholastic Programs:			
Salaries	57,781	59,160	1,379
Employee Benefits	3,958	4,050	92
Purchased Services	16,178	16,575	397
Supplies and Materials	17,797	19,500	1,703
Other Objects	3,110	0	(3,110)
Non-Capitalized Equipment	0	3,200	3,200
Total Interscholastic Programs	98,824	102,485	3,661
Gifted Programs:			
Salaries	811	820	9
Employee Benefits	95	100	5
Total Gifted Programs	906	920	14
Special Education Programs K-12 - Private Tuition	128,450	128,500	50
Student Activty Fund Expenditures	45,648	46,000	352
Total Instruction (Without Student Activity Funds)	1,906,663	1,921,355	14,692
Total Instruction (With Student Activity Funds)	1,952,311	1,967,355	15,044

The accompanying notes are an integral part of these financial statements.

RANKIN COMMUNITY SCHOOL DISTRICT NO. 98
STATEMENT OF EXPENDITURES DISBURSED
BUDGET TO ACTUAL
EDUCATIONAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	Actual	Budget	Variance with Budget
Supporting Services:			
Support Services - Pupils:			
Attendance and Social Work Services:			
Salaries	45,933	46,115	182
Employee Benefits	14,699	14,730	31
Purchased Services	530	600	70
Supplies and Materials	637	1,000	363
Total Attendance and Social Work Services	61,799	62,445	646
Health Services:			
Salaries	39,113	39,537	424
Purchased Services	0	50	50
Supplies and Materials	3,410	3,500	90
Total Health Services	42,523	43,087	564
Psychological Services:			
Purchased Services	1,300	1,300	0
Total Psychological Services	1,300	1,300	0
Speech Pathology and Audiology Services:			
Salaries	3,459	3,460	1
Employee Benefits	529	532	3
Purchased Services	142,688	142,736	48
Total Speech Pathology and Audiology Services:	146,676	146,728	52
Other Support Services-Pupils:			
Salaries	675	675	0
Employee Benefits	71	75	4
Purchased Services	1,816	1,850	34
Supplies and Materials	426	500	74
Total Other Support Services-Pupils	2,988	3,100	112
Total Support Services-Pupils	255,286	256,660	1,374
Support Services-Instructional Staff:			
Improvement of Instruction Services:			
Salaries	5,626	6,000	374
Employee Benefits	12,858	13,172	314
Purchased Services	1,145	1,150	5
Total Improvement of Instructional Services	19,629	20,322	693
Total Support Services-Instructional Staff	19,629	20,322	693

The accompanying notes are an integral part of these financial statements.

RANKIN COMMUNITY SCHOOL DISTRICT NO. 98
STATEMENT OF EXPENDITURES DISBURSED
BUDGET TO ACTUAL
EDUCATIONAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	Actual	Budget	Variance with Budget
Support Services-General Administration:			
Board of Education Services:			
Salaries	4,780	4,780	0
Employee Benefits	0	105,350	105,350
Purchased Services	104,834	2,000	(102,834)
Supplies and Materials	1,898	0	(1,898)
Capital Outlay	0	12,000	12,000
Other Objects	11,993	0	(11,993)
Total Board of Education Services	123,505	124,130	625
Executive Administration Services:			
Salaries	172,146	172,531	385
Employee Benefits	36,099	36,127	28
Purchased Services	13,320	13,630	310
Supplies and Materials	8,360	9,000	640
Other Objects	2,126	2,200	74
Total Executive Administration Services	232,051	233,488	1,437
Total Support Services-General Administration	355,556	357,618	2,062
Support Services-School Administration:			
Office of the Principal Services:			
Salaries	122,407	122,865	458
Employee Benefits	14,083	14,095	12
Purchased Services	1,983	2,000	17
Other Objects	761	765	4
Total Office of the Principal Service	139,234	139,725	491
Total Support Services-School Administration	139,234	139,725	491
Support Services-Business:			
Fiscal Services:			
Salaries	61,197	61,200	3
Employee Benefits	9,513	9,525	12
Purchased Services	6,667	7,100	433
Supplies and Materials	683	1,000	317
Total Fiscal Services	78,060	78,825	765
Operation and Maintenance of Plant Services:			
Purchased Services	2,779	2,800	21
Supplies and Materials	109,697	111,000	1,303
Capital Outlay	188	188	0
Total Operation and Maintenance of Plant Services	112,664	113,988	1,324

The accompanying notes are an integral part of these financial statements.

RANKIN COMMUNITY SCHOOL DISTRICT NO. 98
STATEMENT OF EXPENDITURES DISBURSED
BUDGET TO ACTUAL
EDUCATIONAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	Actual	Budget	Variance with Budget
Food Services:			
Salaries	46,701	47,000	299
Employee Benefits	5,463	6,020	557
Purchased Services	1,977	3,000	1,023
Supplies and Materials	114,957	115,000	43
Total Food Services	169,098	171,020	1,922
Total Support Services-Business	359,822	363,833	4,011
Total Supporting Services	1,129,527	1,138,158	8,631
Payments to Other Governmental Units (In-State):			
Payments for Regular Programs:			
Purchased Services	574	575	1
Total Payments for Regular Programs	574	575	1
Payments for Special Education Programs:			
Purchased Services	62,014	62,616	602
Total Payments for Spec. Ed. Programs	62,014	62,616	602
Total Payments to Other Governmental Units (In-State)	62,588	63,191	603
Payments to Other Governmental Units - Tuition (In-State):			
Special Education Programs - Tuition	36,176	36,200	24
Total Payments to Other Governmental Units	98,764	99,391	627
Total Direct Disbursements (without Student Activity Funds)	3,134,954	3,158,904	23,950
Total Direct Disbursements (with Student Activity Funds)	3,180,602	3,204,904	24,302

The accompanying notes are an integral part of these financial statements.

RANKIN COMMUNITY SCHOOL DISTRICT NO. 98
STATEMENT OF EXPENDITURES DISBURSED
BUDGET TO ACTUAL
OPERATIONS AND MAINTENANCE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	Actual	Budget	Variance with Budget
Expenditures Disbursed:			
Supporting Services:			
Support Services-Business:			
Operation and Maintenance of Plant Services:			
Salaries	167,584	170,000	2,416
Employee Benefits	23,902	24,575	673
Purchased Services	55,121	60,500	5,379
Supplies and Materials	49,455	52,750	3,295
Capital Outlay	31,092	31,100	8
Total Direct Disbursements	327,154	338,925	11,771

The accompanying notes are an integral part of these financial statements.

RANKIN COMMUNITY SCHOOL DISTRICT NO. 98
STATEMENT OF EXPENDITURES DISBURSED
BUDGET TO ACTUAL
DEBT SERVICES FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	Actual	Budget	Variance with Budget
Expenditures Disbursed:			
Interest on Long-Term Debt	100,050	100,050	0
Payments of Principal on Long-Term Debt	186,000	186,000	0
Debt Service-Other:			
Purchased Services	1,000	1,000	0
Total Direct Disbursements	287,050	287,050	0

The accompanying notes are an integral part of these financial statements.

RANKIN COMMUNITY SCHOOL DISTRICT NO. 98
STATEMENT OF EXPENDITURES DISBURSED
BUDGET TO ACTUAL
TRANSPORTATION FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	Actual	Budget	Variance with Budget
Expenditures Disbursed:			
Supporting Services:			
Support Services-Business:			
Pupil Transportation Services:			
Purchased Services	5,160	5,160	0
Total Pupil Transportation Services	5,160	5,160	0
Total Supporting Services	5,160	5,160	0
Payments to Other Governmental Units (In-State):			
Payments for Regular Programs:			
Purchased Services	174,666	175,150	484
Total Payments for Regular Programs	174,666	175,150	484
Payments for Special Education Programs:			
Purchased Services	44,882	45,000	118
Total Payments for Special Education Programs	44,882	45,000	118
Total Payments to Other Governmental Units (In-State)	219,548	220,150	602
Total Payments to Other Governmental Units	219,548	220,150	602
Total Direct Disbursements	224,708	225,310	602

The accompanying notes are an integral part of these financial statements.

RANKIN COMMUNITY SCHOOL DISTRICT NO. 98
STATEMENT OF EXPENDITURES DISBURSED
BUDGET TO ACTUAL
MUNICIPAL RETIREMENT/SOCIAL SECURITY FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	Actual	Budget	Variance with Budget
Expenditures Disbursed:			
Instruction:			
Regular Programs:			
Employee Benefits	17,088	17,250	162
Special Education Programs:			
Employee Benefits	17,805	17,850	45
Remedial and Supplemental Programs K-12:			
Employee Benefits	3,876	3,957	81
Interscholastic Programs:			
Employee Benefits	3,704	3,850	146
Gifted Programs:			
Employee Benefits	11	15	4
Total Instruction	42,484	42,922	438
Supporting Services:			
Support Services-Pupils:			
Attendance and Social Work Services:			
Employee Benefits	651	675	24
Health Services:			
Employee Benefits	5,634	5,725	91
Speech Pathology and Audiology:			
Employee Benefits	52	52	0
Other Support Services-Pupils:			
Employee Benefits	10	15	5
Total Support Services-Pupils	6,347	6,467	120

The accompanying notes are an integral part of these financial statements.

RANKIN COMMUNITY SCHOOL DISTRICT NO. 98
STATEMENT OF EXPENDITURES DISBURSED
BUDGET TO ACTUAL
MUNICIPAL RETIREMENT/SOCIAL SECURITY FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	Actual	Budget	Variance with Budget
Support Services-Instructional Staff:			
Improvement of Instruction Services:			
Employee Benefits	80	95	15
Total Support Services-Instructional Staff	80	95	15
Support Services-General Administration:			
Board of Education Services:			
Employee Benefits	366	366	0
Executive Administration Services:			
Employee Benefits	6,749	7,010	261
Total Support Services-General Administration	7,115	7,376	261
Support Services-School Administration:			
Office of the Principal Services:			
Employee Benefits	4,784	4,870	86
Total Support Services-School Administration	4,784	4,870	86
Support Services-Business:			
Fiscal Services:			
Employee Benefits	8,728	8,735	7
Operation and Maintenance of Plant Services:			
Employee Benefits	22,894	23,225	331
Food Services:			
Employee Benefits	6,686	6,850	164
Total Support Services-Business	38,308	38,810	502
Total Support Services	56,634	57,618	984
Total Direct Disbursements	99,118	100,540	1,422

The accompanying notes are an integral part of these financial statements.

RANKIN COMMUNITY SCHOOL DISTRICT NO. 98
STATEMENT OF EXPENDITURES DISBURSED
BUDGET TO ACTUAL
CAPITAL PROJECTS FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	Actual	Budget	Variance with Budget
Expenditures Disbursed:			
Support Services:			
Support Services-Business:			
Facilities Acquisition & Construction:			
Capital Outlay	354,498	354,498	0
Total Direct Disbursements	354,498	354,498	0

The accompanying notes are an integral part of these financial statements.

RANKIN COMMUNITY SCHOOL DISTRICT NO. 98
STATEMENT OF EXPENDITURES DISBURSED
BUDGET TO ACTUAL
FIRE PREVENTION AND SAFETY FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	Actual	Budget	Variance with Budget
Expenditures Disbursed:			
Support Services:			
Support Services-Business:			
Operation and Maintenance of Plant Services:			
Purchased Services	4,805	5,000	195
Total Direct Disbursements	4,805	5,000	195

The accompanying notes are an integral part of these financial statements.

Note #1 - Summary of Significant Accounting Policies

The District's accounting policies conform to the modified cash basis of accounting as prescribed by the Illinois State Board of Education within Title 23 Education and Cultural Resources of the Illinois Administrative Code. Part 100 of Title 23 provides the requirements for accounting, budgeting, financial reporting, and auditing of school districts within the State of Illinois.

A. Principles Used to Determine the Scope of the Reporting Entity

The District's reporting entity includes the District's governing board and all related organizations for which the District exercises oversight responsibility.

Component Units - The District has developed criteria to determine whether outside agencies with activities that benefit the citizens of the District, including joint agreements which serve pupils from numerous districts, should be included within its financial reporting entity. The criteria include, but are not limited to, whether the District exercises oversight responsibility (which includes financial interdependency, selection of governing authority, designation of management, ability to significantly influence operations, and accountability for fiscal matters), scope of public service, and special financing relationships.

The joint agreements have been determined not to be part of the reporting entity after applying the manifesting of oversight, scope of public service, and special financing relationships criteria and are, therefore, excluded from the accompanying financial statements because the District does not control the assets, operations, or management of the joint agreements. In addition, the District is not aware of any entity that would exercise such oversight as to result in the District being considered a component unit of the entity.

B. Basis of Presentation - Fund Accounting

The accounts of the District are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets and liabilities (arising from cash transactions), fund balance, revenue received, and expenditures disbursed. The District maintains individual funds required by the State of Illinois. The various funds are summarized by type in the financial statements. These funds are grouped as required for reports filed with the Illinois State Board of Education. District resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The following funds and account groups are used by the District:

Governmental Funds - Governmental funds are those through which most governmental functions of the District are financed. The acquisition, use, and balances of the District's expendable financial resources and the related liabilities (arising from cash transactions) are accounted for through governmental funds.

The Educational Fund is the general operating fund of the District. It is used to account for all financial resources except those required to be accounted for in another fund. The Educational Fund includes the Student Activity Funds. These funds are used to account for financial resources used for student programs.

The Operations and Maintenance Fund, the Transportation Fund, and the Municipal Retirement/Social Security Fund are used to account for cash received from specific sources (other than those accounted for in the Fiduciary Funds) that are legally restricted to cash for specified purposes.

Note #1 - Summary of Significant Accounting Policies (cont'd.)

B. Basis of Presentation - Fund Accounting (cont'd.)

Governmental Funds - (cont'd.)

The Debt Services Fund accounts for the accumulation of resources for, and the payment of, general long-term debt principal, interest, and related costs.

The Working Cash Fund accounts for financial resources held by the District to be used for temporary interfund loans to other funds.

The Fire Prevention and Safety and Capital Projects Funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by Trust Funds.)

Governmental Funds - Measurement Focus - The financial statements of all Governmental Funds focus on the measurement of spending or "financial flow" and the determination of changes in financial position rather than upon net income determination. This means that only current assets and current liabilities are generally included on their balance sheets. Their reported fund balance (net current assets) is considered a measure of "available spendable resources". Governmental fund operating statements present increases (cash receipts and other financing sources) and decreases (cash disbursements and other financing uses) in net current assets. Accordingly, they are said to present a summary of sources and uses of "available spendable resources" during a period.

General Fixed Assets and General Long-Term Debt Account Group - All fixed assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated fixed assets are valued at their estimated fair value on the date donated. The District records purchases of property and equipment as expenditures of various funds when paid. The District maintains a detailed list of property and equipment purchased for insurance purposes.

The District follows a formal written capitalization policy, approved by the Board of Education. The policy states a capital item must be at or above $5,000 per unit to be consider a capital asset for financial reporting purposes.

No depreciation has been provided on fixed assets in these financial statements. The Illinois State Board of Education's Annual Financial Report (ISBE Form SD50-35/JA50-60) includes depreciation of $280,178 which has been utilized for the calculation of the per capita tuition charge, and accumulated depreciation totaling $4,296,026. Depreciation has been computed over the estimated useful lives of the assets using the straight-line method.

Note #1 - Summary of Significant Accounting Policies (cont'd.)

B. Basis of Presentation - Fund Accounting (cont'd.)

General Fixed Assets and General Long-Term Debt Account Group (cont'd.)

The estimated useful lives are as follows:

Depreciable Land	50 years
Buildings	
Permanent	50 years
Temporary	20 years
Infrastructure Improvements other than Buildings	20 years
Capitalized Equipment	3-10 years

Long-term liabilities expected to be financed from Debt Services Funds are accounted for in the General Long-Term Debt Account Group, not in the governmental funds. Proceeds from sales of bonds are included as receipts in the appropriate fund on the date received. Related principal payable in the future is recorded at the same time in the General Long-Term Debt Account Group.

The two account groups are not "funds". They are concerned only with the measurement of financial position. They are not involved with measurement of results of operations.

C. Basis of Accounting

Basis of accounting refers to when revenues received and expenditures disbursed are recognized in the account and how they are reported in the financial statements. The District maintains its accounting records for all funds and account groups on the modified cash basis of accounting under guidelines prescribed by the Illinois State Board of Education. Accordingly, revenues are recognized and recorded in the accounts when cash is received. In the same manner, expenditures are recognized and recorded upon the disbursement of cash. Assets of a fund are only recorded when a right to receive cash exists which arises from a previous cash transaction. Liabilities of a fund, similarly, result from previous cash transactions.

Cash-basis financial statements omit recognition of receivables and payables and other accrued and deferred items that do not arise from previous cash transactions.

Proceeds from sales of bonds are included as other financing sources in the appropriate fund on the date received. Related principal payable in the future is recorded at the same time in the General Long-Term Debt Account Group.

Note #1 - Summary of Significant Accounting Policies (cont'd.)

D. Budgets and Budgetary Accounting

The budget for all Governmental Funds is prepared on the modified cash basis of accounting, which is the same basis that is used in financial reporting. This allows for comparability between budget and actual amounts. This is an acceptable method in accordance with Chapter 105, Section 5, Paragraph 17.1 of the Illinois Compiled Statutes. The original budget was passed on September 23, 2024, and was amended on June 23, 2025. The budget lapses at the end of each fiscal year.

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

1. Prior to July 31, the Superintendent submits to the Board of Education a proposed operating budget for the fiscal year commencing on that date. The operating budget includes proposed expenditures disbursed and the means of financing them.

2. A public hearing is conducted to obtain taxpayer comments.

3. Prior to October 1, the budget is legally adopted through passage of a resolution.

4. Formal budgetary integration is employed as a management control device during the year.

5. The Board of Education may make transfers between the various items in any fund not exceeding in the aggregate 10% of the total of such fund as set forth in the budget.

6. The Board of Education may amend the budget (in other ways) by the same procedures required of its original adoption.

E. Cash and Cash Equivalents

Cash includes amounts in demand deposits and time deposits (savings) accounts. Cash equivalents include amounts in time deposits and other investments, with original maturities of less than 90 days.

F. Investments

Investments are stated at cost or amortized cost, which approximates market. The District, under 30 ILCS 235/2, may legally invest in all securities guaranteed by the full faith and credit of the United States, as well as interest-bearing savings accounts, certificates of deposit, or time deposits constituting direct obligations of banks insured by FDIC and savings and loan associates insured by FSLIC. The District may also invest in short-term obligations of the Federal National Mortgage Association, the Public Treasurer's Investment Pool, and all interest-bearing obligations of the State of Illinois.

G. Inventories

Inventory consists of expendable supplies held for consumption. The cost is recorded as an expenditure disbursed at the time the individual inventory items are purchased.

Note #1 - Summary of Significant Accounting Policies (cont'd.)

H. Fund Balances

In accordance with Government Accounting Standards, fund balances are classified into five major classifications: Nonspendable Fund Balance, Restricted Fund Balance, Committed Fund Balance, Assigned Fund Balance, and Unassigned Fund Balance.

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

Restricted - The restricted fund balance classification refers to amounts that are subject to outside restrictions not controlled by the entity, such as restrictions imposed by creditors, grantors, contributors, laws and regulations of other governments, or imposed by law through constitutional provisions or enabling legislation. The District has certain funds that are, by definition, restricted for specified purposes. These funds consist of the reserved amounts in the Educational Fund as identified in Note #3, the Operations and Maintenance, Debt Services, Transportation, Municipal Retirement/Social Security, Capital Projects, Tort, and the Fire Prevention and Safety funds.

Committed - The committed fund balance classification refers to amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the government's highest level of decision-making authority (the School Board). Those committed amounts cannot be used for any other purpose unless the government removes or changes the specified use by taking the same type of formal action it employed to previously commit those amounts.

The School Board commits fund balance by making motions or passing resolutions to adopt policies or to approve contracts. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.

Assigned - The assigned fund balance classification refers to amounts that are constrained by the government's intent to be used for a specific purpose, but are neither restricted nor committed. Intent may be expressed by the School Board itself by assigning amounts to be used for specific purposes.

Unassigned - The unassigned fund balance classification is the residual classification for amounts in the general funds (Educational and Working Cash) for amounts that have not been restricted, committed, or assigned to specific purposes within the general funds.

It is the District's policy to consider restricted resources to have been spent first when an expenditure is incurred for which both restricted and unrestricted (i.e. committed, assigned or unassigned fund balances) are available, followed by committed and then assigned fund balances. Unassigned amounts are used only after the other resources have been used.

The District follows the regulatory basis of reporting fund balances under guidelines prescribed by the Illinois State Board of Education, which is a special purpose reporting framework. The regulatory basis reports Reserved and Unreserved fund balance. See Note #3 for more detail.

Note #1 - Summary of Significant Accounting Policies (cont'd.)

I. Leases

The District accounts for leases as follows:

Lease contracts that transfer ownership – lease expenditures are recognized in the individual funds as capital outlay and included in the General Fixed Assets Account Group when paid.

All other lease contracts – lease expenditures are recognized in the individual funds as purchased services when paid.

No right-of-use asset and corresponding liability has been recorded in the financial statements in accordance with the basis of accounting described in this note.

J. Subscription-Based Information Technology Arrangements

The District accounts for subscription-based technology arrangements by recognizing expenditures in the individual funds as purchased services when paid. No right-of-use asset and corresponding liability has been recorded in the financial statements in accordance with the basis of accounting described in this note.

K. Compensated Absences

The District accounts for compensated absences by recognizing expenditures in the individual funds as salaries when paid. No liability has been recorded in the financial statements in accordance with the basis of accounting described in this note.

L. Termination Benefits

The District accounts for termination benefits by recognizing expenditures in the individual funds as salaries when paid. No liability has been recorded in the financial statements in accordance with the basis of accounting described in this note.

M. Use of Estimates

The preparation of financial statements in conformity with the guidelines prescribed by the Illinois State Board of Education requires the use of management's estimates and assumptions that affect the reported amount of assets and liabilities arising from cash transactions and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amount of revenues received and expenditures disbursed during the reporting period. Accordingly, actual results may differ from those estimates.

N. Total Memorandum Only

The "Total Memorandum Only" column represents the aggregation (by addition) of the line-item amounts reported for each fund type and account group. No consolidations or other eliminations were made in arriving at the totals; thus, they do not present consolidated information.

These totals are presented only to facilitate financial analysis and are not intended to reflect the financial position or results of operations of the District as a whole.

Note #2 - Property Taxes

The District's property tax is levied each year on all taxable real property located in the District on or before the last Tuesday in December. Taxes are levied in Tazewell County. The 2024 levy was passed by the board on December 16, 2024. Property taxes attach as an enforceable lien on property as of January 1 and are payable in two installments in June and September. The District receives significant distributions of tax receipts approximately one month after these due dates. Taxes included in these financial statements are from the 2023 and prior tax levies.

Property Tax Extension Limitation Law of the State of Illinois, as amended (PTELL), limits the amount of annual increase in property taxes to be extended for certain Illinois non-home rule units of government, including this District. In general, the PTELL restricts the amount of a property tax extension increase to the lesser of 5% or the percentage increase in the Consumer Price Index for Urban Consumers during the preceding calendar year. Tax levies may also be increased due to assessed valuation increases from new construction, referendum approval, and consolidation of local government units.

The effect of the PTELL is to limit the growth of the amount of property taxes that can be extended for a taxing body. The PTELL was effective for Tazewell County for property taxes levied after 1998.

The following are the tax rates applicable to the various levies per $100 of assessed valuation:

	Maximum Rate	Actual 2024 Rate	Actual 2023 Rate	Actual 2022 Rate
Educational	None	2.79485	2.86753	2.92466
Operations and Maintenance	0.55000	0.33301	0.34327	0.35182
Transportation	None	0.19151	0.19741	0.20232
Debt Services	None	0.33932	0.37049	0.39107
Municipal Retirement	None	0.02816	0.03642	0.04518
Social Security	None	0.05002	0.05772	0.06571
Special Education	0.40000	0.02505	0.02581	0.02644
Fire Prevention and Safety	0.10000	0.06499	0.06699	0.06865
Working Cash	0.05000	0.04646	0.04788	0.04907
Revenue Recovery	None	0.02020	0.00960	0.00404
Total		3.89357	4.02312	4.12896

Note #3 - Regulatory Fund Balances

The District follows the regulatory basis of reporting fund balances under guidelines prescribed by the Illinois State Board of Education, which consists of Reserved and Unreserved Fund Balances. Reserved Fund Balances result when constraints placed on fund balance use is either externally imposed by creditors, grantors, contributors, and the like, or imposed by law through constitutional provisions or enabling legislation. Unreserved Fund Balances consists of a fund balance that does not meet the criteria of the preceding category.

The District has the following categories of reserved fund balances:

Special Education Levy - Cash receipts and the related cash disbursements of this tax levy are accounted for in the Educational Fund. Expenditures disbursed exceeded revenue received for this purpose, resulting in no reserved fund balance.

Social Security Levy - Cash disbursed and the related cash receipts of this tax levy are accounted for in the Municipal Retirement/Social Security Fund. Revenue received exceeded expenditures disbursed for this purpose, resulting in a reserved fund balance of $95,004.

Note #3 - Regulatory Fund Balances (cont'd.)

State Grants - Proceeds from state grants and the related expenditures have been included in the Educational, Operations and Maintenance, and Transportation Funds. Expenditures disbursed exceeded revenue received for those specific purposes, resulting in no reserved fund balance.

Federal Grants - Proceeds from federal grants and the related expenditures have been included in the Educational and Municipal Retirement/Social Security Funds. Expenditures disbursed exceeded revenue received for those specific purposes, resulting in no reserved fund balance.

Student Activity Funds - The District has Student Activity Funds that are included in the Educational Fund balance. As of June 30, 2025, net revenues received exceeded expenditures disbursed, resulting in a reserved balance of $19,771.

When both reserved and unreserved resources are available for use, it is the District's policy to use reserved resources first to finance qualifying activities, then unreserved resources as they are needed.

Note #4 – Deposits and Investments

The District is allowed to invest in securities as authorized by the District's investment policy, Sections 2 and 6 of the Public Funds Investment Act (30 IlCS 235), and Section 8-7 of the School Code of Illinois (105 ILCS 5).

A. Custodial Credit Risk Related to Deposits with Financial Institutions

Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The District's general investment policy requires all amounts deposited or invested with financial institutions in excess of any insurance limit shall be collateralized by securities eligible for District investment or any other high-quality, interest-bearing security rated at least AA/Aa by one or more standard rating services to include Standard & Poor's, Moody's, or Fitch. The market value of the pledged securities shall equal or exceed the portion of the deposit requiring collateralization.

The District's investment policy states the preferred method for safekeeping of collateral is to have securities registered in the District's name and held by a third-party custodian. Safekeeping practices should qualify for the Governmental Accounting Standards Board's Statement III, Category I, the highest recognized safekeeping procedures.

As of June 30, 2025, none of the District's deposits were exposed to custodial credit risk.

B. Investments

As of June 30, 2025, the District had the following investments and maturities:

			Investment Maturities (in Years)			
Investment Type	Book Value	Fair Value	Less Than 1	1-5	6-10	More Than 10
Illinois School District Liquid Asset Fund Plus	$ 352,333	$ 352,333	$ 352,333	$ 0	$ 0	$ 0
Illinois Funds Money Market	286,888	286,888	286,888	0	0	0
Treasury Bills	2,621,195	2,635,601	2,635,601	0	0	0
Total	$ 3,260,416	$ 3,274,822	$ 3,274,822	$ 0	$ 0	$ 0

Note #4 – Deposits and Investments (cont'd.)

C. Custodial Credit Risk of Investments

Custodial credit risk is the risk that, in the event of the failure of the counterparty, the District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. At year end, none of the District's investments were subject to custodial credit risk due to one of the following:

1. Investments were part of an insured pool
2. Investments were book-entry only in the name of the District and were fully insured.
3. Investments were part of a mutual fund
4. Investments were held by an agent in the District's name

D. Interest Rate Risk

Interest rate risk is the risk that the value of investments will decrease as a result of a rise in interest rates. The District's investment policy does not limit investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

E. Credit Risk

As of June 30, 2025, the District investment types are not rated.

F. Concentration of Credit Risk

Concentration of credit risk is the risk of loss attributed to the magnitude of an investment in a single issuer. Disclosures are required for any issuer that represents 5% or more of total investments, exclusive of mutual funds, external investment pools and investments issued or guaranteed by the U.S. government. The District's investment policy places no limit on the amount the District may invest in any one issuer. The following percentages reflect the breakdown of investments for the District as of June 30, 2025:

10.8% - Illinois School District Liquid Asset Fund Plus
8.80% - Illinois Funds Money Market
80.4% - Treasury Bills

ISDLAF+ (Investment Pool)

During the year ended June 30, 2025, the District maintained an account with the Illinois School District Liquid Asset Fund Plus (also known as ISDLAF+). ISDLAF+ is an external investment pool created in cooperation by the Illinois Association of School Boards, the Illinois Association of School Business Officials and the Illinois Association of School Administrators. Its primary purpose is to provide School Districts, Community College Districts and Educational Service Regions with an alternative investment vehicle which will enable them to earn a competitive rate of return on fully collateralized investments, while maintaining immediate access to invested funds.

The Multi-Class Series invests in money market instruments having a maximum remaining maturity of one year (except that U.S. government obligations may have remaining maturities of up to two years). It has earned an AAA rating from Standard & Poor's ("S&P"). The Multi-Class Series consists of two classes of shares: the Liquid Class and the MAX Class. The Liquid Class offers check writing privileges, while the MAX Class does not.

Note #4 – Deposits and Investments (cont'd.)

F Concentration of Credit Risk (cont'd.)

ISDLAF+ also provides a Fixed Income Investment Program that allows investors to purchase investment instruments including certificates of deposit of banks and thrift institutions ("CD's"), commercial paper and banker's acceptances. CD's purchased under this program are fully FDIC insured and have been classified as deposits for financial statement purposes.

At June 30, 2025, the District had $352,333 invested with the ISDLAF + Multi-Class Series of Investments.

Illinois Funds Money Market

During the year ended June 30, 2025, the District maintained accounts with the Illinois Funds Money Market (formerly known as IPTIP). Illinois Funds Money Market is an external investment pool created by the Illinois General Assembly in 1975. Its primary purpose is to provide Public Treasurers and other custodians of public funds with an alternative investment vehicle which will enable them to earn a competitive rate of return on fully collateralized investments, while maintaining immediate access to invested funds.

The monies invested by the individual participants are pooled together and invested in U.S. Treasury bills and notes backed by the full faith and credit of the U.S. Treasury. In addition, monies are invested in fully collateralized time deposits in Illinois financial institutions, in collateralized repurchase agreements, and in treasury mutual funds that invest in U.S. Treasury obligations and collateralized repurchase agreements.

The time deposits are collateralized 110% over FDIC or FSLIC $250,000 insurance with U.S. Treasury obligations and marked to market on a weekly basis to maintain sufficiency. The repurchase agreements are collateralized at 102% with U.S. Treasury obligations and collateral is checked daily to determine sufficiency. Individual participants maintain separate investment accounts representing a proportionate share of the pool assets and its respective collateral; therefore, no collateral is identified with each participant's account.

At June 30, 2025 the District had $286,888 invested with the Illinois Funds Money Market.

G. Foreign Currency Risk

Foreign currency risk is the risk that an investment denominated in the currency of a foreign country could reduce its U.S. dollar value, as a result of changes in foreign currency exchange rates. The District had no foreign currency risk as of June 30, 2025.

Note #5 – General Fixed Asset Account Group

A summary of changes in general fixed assets follows:

	Balance July 1, 2024	Additions	Deletions	Balance June 30, 2025
Non-Depreciable Land	$ 125,600	$ 0	$ 0	$ 125,600
Permanent Buildings	9,125,820	0	0	9,125,820
Improvements Other than Buildings	890,206	604,174	0	1,494,380
10-Year Equipment	497,212	11,056	9,984	498,284
5-Year Equipment	0	0	0	0
Construction in Progress	218,396	0	218,396	0
Total	$ 10,857,234	$ 615,230	$ 228,380	$ 11,244,084

Note #6 – Pension Disclosures

The District contributes to two defined benefit pension plans: the Teachers Retirement System (TRS), and the Illinois Municipal Retirement Fund (IMRF). TRS is administered by the TRS board of trustees and is a cost sharing multiple employer plan. IMRF is administered by IMRF board of trustees and is an agent multiple-employer public employee retirement system. The benefits, benefit levels, employee contributions and employer contributions for both plans are governed by Illinois Compiled Statutes and can only be amended by the Illinois General Assembly. The aggregate employer recognized pension expense on a modified cash basis for the year ended June 30, 2025, was $47,853.

A. Teacher's Retirement System of the State of Illinois

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

TRS issues a publicly available financial report that can be obtained at https://www.trsil.org/financial/acfrs/fy2023; by writing to TRS at 2815 W. Washington, PO Box 19253, Springfield, IL 62794; or by calling 888-678-3675, option 2.

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

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

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

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

Contributions - The state of Illinois maintains the primary responsibility for funding TRS. The Illinois Pension Code, as amended by Public Act 88-0593 and subsequent acts, provides that for years 2010 through 2045, the 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.

Note #6 – Pension Disclosures (cont'd.)

A. Teacher's Retirement System of the State of Illinois (cont'd.)

Contributions (cont'd.)

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 June 30, 2025, was 9.0 percent of creditable earnings. The member contribution, which may be paid on behalf of employees by the employer, is submitted to TRS by the employer.

On behalf contributions to TRS - The State of Illinois makes employer pension contributions on behalf of the employer. For the year ended June 30, 2025, State of Illinois contributions recognized by the employer were based on the state's proportionate share of with the pension expense associated with the employer, and the employer recognized revenue and expenditures of $802,634 in pension contributions from the State of Illinois.

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 remitted for the year ended June 30, 2025, were $9,064.

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

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

For the year ended June 30, 2025, the employer pension contribution was 10.34 percent of salaries paid from federal and special trust funds. For the year ended June 30, 2025, salaries totaling $13,418 were paid from federal and special trust funds that required employer contributions of $1,387. Contributions remitted for the year ended June 30, 2025, were $1,387.

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

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

Pension expense - For the year ended June 30, 2025, the employer recognized TRS pension expense of $10,451 on a modified cash basis under this plan.

Note #6 – Pension Disclosures (cont'd)

B. Illinois Municipal Retirement Fund

Plan description - The District's defined benefit pension plan for non-certified employees provides retirement and disability benefits, post-retirement increases, and death benefits to plan members and beneficiaries. The District's plan is managed by the Illinois Municipal Retirement Fund (IMRF), the administrator of a multi-employer public pension fund. A summary of IMRF's pension benefits is provided in the "Benefits Provided" section of this document. Details of all benefits are available from IMRF. Benefit provisions are established by statute and may only be changed by the General Assembly of the State of Illinois. IMRF issues a publicly available Annual Comprehensive Financial Report that includes financial statements, detailed information about the pension plan's fiduciary net position, and required supplementary information, for the plan as a whole, but not for individual employers. That report is available for download at https://www.imrf.org/en/publications-and-archive/annual-financial-reports.

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

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

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

1. 3% of the original pension amount, or
2. ½ of the increase in the Consumer Price Index of the original pension amount.

Employees covered by benefit terms - At December 31, 2024, the following employees were covered by the benefit terms:

Retirees or Beneficiaries currently receiving benefits	14
Inactive employees entitled to but not yet receiving benefits	32
Active employees	19
Total members	65

Note #6 – Pension Disclosures (cont'd.)

B. Illinois Municipal Retirement Fund (cont'd.)

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 rates for the calendar years 2024 and 2025 were 6.57% and 6.93%, respectively. For the fiscal year ended June 30, 2025, the District contributed $37,402 to the plan, which is the recognized pension expense on the basis of accounting described in Note #1. 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.

Note #7 – Other Post-Employment Benefits

The District participates in two Post Employment benefit plans Other than Pensions. The two plans are the Teacher's Health Insurance Security (THIS) Fund and their own health insurance plan. All IMRF employers are required by State statutes to allow retirees to continue on their health plans.

A. Teacher Health Insurance Security

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

The State Employees Group Insurance Act of 1971 (5 ILCS 375) outlines the benefit provisions of 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.

All active members of the Teachers' Retirement System (TRS), including substitute and part-time noncontractual teachers who are not employees of a state agency covered by the state employees' health plan, are required to make contributions to the Teachers' Health Insurance Security (THIS) Fund. For the 2024-2025 school year, 0.90 percent member contributions are due.

On behalf contributions to THIS - The State of Illinois makes employer THIS contributions on behalf of the employer. For the year ended June 30, 2025, the State of Illinois contributions recognized by the employer were based on the state's proportionate share of the THIS expense associated with the employer. The employer recognized revenue and expenditures of $10,372 in THIS contributions from the State of Illinois.

Employer contributions to the THIS Fund - The employer also makes contributions to the THIS Fund. The employer THIS Fund contribution was 0.67 percent during the year ended June 30, 2025. Contributions remitted for the year ended June 30, 2025, were $10,471.

Note #7 – Other Post-Employment Benefits (cont'd.)

A. Teacher Health Insurance Security (cont'd.)

Further information on the THIS Fund - The publicly available financial report of the THIS Fund may be found on the website of the Illinois Auditor General (http://www.auditor.illinois.gov/Audit-Reports/ABC-List.asp). The current reports are listed under "Central Management Services" (http://www.auditor.illinois.gov/Audit-Reports/CMS-THISF.asp). Reports prior to FY2013 are available under "Healthcare and Family Services" (http://www.auditor.illinois.gov/Audit-Reports/HEALTHCARE-FAMILY-SERVICES-Teacher-Health-Ins-Sec-Fund.asp).

B. Post-Retirement Health Care Plan

*Plan Descriptio*n - The District provides post-retirement health care benefits for the retirees and their dependents through a single employer defined benefit plan. The benefits, benefit levels, employee contributions and employer contributions are governed by the District and can be amended by the District through its personnel manual and union contracts. The plan is not accounted for as a trust fund, and an irrevocable trust has not been established to account for the plan. The plan does not issue a separate report.

The District provides limited health care coverage at the active employee rate to all eligible employees in accordance with Illinois Statutes, which creates an implicit subsidy of retiree health care coverage. To be eligible for benefits, an employee must qualify for retirement under one of the Districts retirement plans. Upon a retiree reaching 65 years of age, Medicare becomes the primary insurer.

Funding Policy - Current policy is for the District to pay for post-retirement health care benefits or premiums as they occur. The District did not have an actuarial valuation performed for the plan as of June 30, 2025. No liability has been recorded in the financial statements in accordance with the basis of accounting as described in Note #1.

Contributions – Contributions made by the District during the fiscal year ended June 30, 2025 were $-0-.

Note #8 – General Long-Term Debt Account Group

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

General obligation bonds - Current requirements for principal and interest expenditures are payable solely from future revenues of the Debt Services Fund which consists principally of property taxes collected by the District and interest earnings.

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

Description	Original Amount	Date of Issue	Date of Maturity	Interest Rate	Balance July 1, 2024	Additions	Reductions	Balance June 30, 2025	Due In Less Than One Year
Building Bonds	$ 2,250,000	02/03/17	12/01/33	4.00 – 4.50%	$ 2,250,000	$ 0	$ 0	$ 2,250,000	$ 25,000
2020 Series A Bond	263,000	11/17/20	12/01/26	1.55 – 1.70%	114,000	0	(50,000)	64,000	51,000
2020 Series B Bond	612,000	11/17/20	12/01/25	1.50%	244,000	0	(136,000)	108,000	108,000
Total					$ 2,608,000	$ 0	$ (186,000)	$ 2,422,000	$ 184,000

The annual debt service requirements are as follows:

	Principal	Interest	Total
2026	$ 184,000	$ 97,046	$ 281,046
2027	178,000	91,692	269,692
2028	235,000	82,788	317,788
2029	255,000	71,762	326,762
2030	280,000	60,425	340,425
2031-2034	1,290,000	108,375	1,398,375
Total	$ 2,422,000	$ 512,088	$ 2,934,088

At June 30, 2025, the total excess of assets over liabilities of the Debt Services Fund was $16,991; $3,192 was allocable to the Series 2020A bond issue, $9,891 was allocable to the Series 2020B bond issue, $3,908 was allocable to the 2017 Building Bonds.

Legal Debt Limit – The District is subject to the Illinois School District, which limits the amount of certain indebtedness to 6.9% of the latest equalized assessed valuation, which was $82,826,383.

The estimated legal debt margin of the District at June 30, 2025, was calculated as follows:

Legal Debt Limit	$ 5,715,020
Less Qualifying Debt	(2,422,000)
Legal Debt Margin	$ 3,293,020

Note #9 - Tax Anticipation Warrants

There were no tax anticipation warrants issued, retired, or outstanding during the fiscal year ended June 30, 2025.

Note #10 - Interfund Loans and Transfers

During the fiscal year ended June 30, 2025, the District made no interfund loans.

During the fiscal year ended June 30, 2025, the District made the following permanent transfers:

To (Fund)	From (Fund)	Amount
Capital Projects	Educational	$ 329,809
Capital Projects	Educational	24,689

The purpose of the transfers from the Educational to the Capital Projects Fund was to fund pavement improvement and capital project expenditures.

Note #11 - Common Bank Accounts

Separate bank accounts are not maintained for all District funds; instead, certain funds maintain their uninvested cash balances in a common checking account, with accounting records being maintained to show the portion of the common bank account balance attributable to each participating fund.

Note #12 – Self-Insurance Plan

The District has elected to be self-insured for Illinois unemployment insurance which is administered by the Illinois Department of Employment Security. The District is liable for claims made by eligible former employees in which the District is the chargeable employer. No material amounts of payables existed for unemployment compensation as of June 30, 2025.

Note #13 - Contingencies

State and Federal aid - The District has received funding from state and federal grants in the current and prior years which are subject to audits by the granting agencies. The school board believes any adjustments that may arise from these audits will be insignificant to District operations.

Risk Management - Significant losses are covered by commercial insurance for all major programs: property, liability, and worker's compensation. During the year ended June 30, 2025, there were no significant reductions in insurance coverage. Also, there have been no settlement amounts that have exceeded insurance coverage in the past three years.

The District is insured under a Guaranteed Cost policy for worker's compensation coverage. The initial premium may be adjusted based on actual wages covered. Adjustments in premiums are recorded when paid or received. During the year ended June 30, 2025, there were no significant adjustments in premiums based on actual experience.

Note #14 – Commitments

As of June 30, 2025, the District had the following commitments:

Unpaid Teacher's Contracts – Teacher's contracts for services rendered during the school year for teachers electing twelve-month pay schedules are recorded as disbursements in the fiscal year when such checks are drawn. At June 30, 2025, the total amount of unpaid teacher's contracts for services performed during the year ended June 30, 2025, amounted to $122,740.

Construction Commitments – As of June 30, 2025, the District had no construction commitments.

Note #15 – Disbursements and Transfers in Excess of Budget

During the fiscal year ended June 30, 2025, the District had no disbursements and/or transfers in excess of budgeted amounts.

Note #16 – Joint Agreements

The District is a member of the Tazewell-Mason Counties Special Education Association (TMCSEA), along with other area school districts. The District does not have an equity interest in this joint agreement. The joint agreement is separately audited and is not included in these financial statements. Financial information may be obtained directly from the offices of the joint agreement at 300 Cedar Street, Pekin, Illinois. The District paid $94,643 to TMCSEA during the fiscal year ended June 30, 2025 for tuition and benefits.

Note #17 - Deficit Fund Balances

During the fiscal year ended June 30, 2025, the District had no deficit fund balances.

Note #18 – Implementation of New Accounting Policies

Governmental Accounting Standards Board Statement No. 101, *Compensated Absences* is effective for reporting periods beginning after December 15, 2023. The objective of this statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. This pronouncement did not impact the preparation of these financial statements due to the basis of accounting as described in Note #1.

Note #19 – Subsequent Events

The District evaluates events and transactions that occur subsequent to year-end for potential recognition or disclosure in the financial statements through the date of the Independent Auditor's Report, which is the date the financial statements were available to be issued. There were no material subsequent events that required recognition or additional disclosure in these financial statements.

SUPPLEMENTARY INFORMATION

RANKIN COMMUNITY SCHOOL DISTRICT NO. 98
SCHEDULE OF LONG TERM DEBT PAYABLE
JUNE 30, 2025

General Obligation Limited Refunding School Bonds, Series 2020A
Dated: November 17, 2020
Principal Due: December 1
Interest Due: December 1, and June 1
Paying Agent: The Atlanta National Bank, Atlanta, IL
The bonds are not subject to redemption prior to maturity.

Fiscal Year			Interest Due		
of Maturity	Rate	December 1	December 1	June 1	Total
2025-26	1.550%	51,000	506	111	51,617
2026-27	1.700%	13,000	111	0	13,111
Total		64,000	617	111	64,728

General Obligation Refunding School Bonds, Series 2020B
Dated: November 17, 2020
Principal Due: December 1
Interest Due: December 1, and June 1
Paying Agent: The Atlanta National Bank, Atlanta, IL
The bonds are not subject to redemption prior to maturity.

Fiscal Year			Interest Due		
of Maturity	Rate	December 1	December 1	June 1	Total
2025-26	1.50%	108,000	810	0	108,810
Total		108,000	810	0	108,810

RANKIN COMMUNITY SCHOOL DISTRICT NO. 98
SCHEDULE OF LONG TERM DEBT PAYABLE
JUNE 30, 2025

Building Bonds
Dated: February 3, 2017
Principal Due: December 1
Interest Due: December 1, and June 1
Paying Agent: Atlanta National Bank

Fiscal Year of Maturity	Rate	December 1	Interest Due December 1	Interest Due June 1	Total
2025-26	4.25%	25,000	48,075	47,544	120,619
2026-27	4.25%	165,000	47,544	44,037	256,581
2027-28	4.50%	235,000	44,038	38,750	317,788
2028-29	4.50%	255,000	38,750	33,012	326,762
2029-30	4.00%	280,000	33,013	27,412	340,425
2030-31	4.25%	310,000	27,413	20,825	358,238
2031-32	4.25%	335,000	20,825	13,706	369,531
2032-33	4.25%	365,000	13,706	5,950	384,656
2033-34	4.25%	280,000	5,950	0	285,950
Total		2,250,000	279,314	231,236	2,760,550

RANKIN COMMUNITY SCHOOL DISTRICT NO. 98
SCHEDULE OF TAXES EXTENDED AND COLLECTED
JUNE 30, 2025

		Educational Levy	Special Education Levy	Operation & Maintenance Levy	Debt Services Levy	Trans-portation Levy	Municipal Retirement Levy	Social Security Levy	Working Cash Levy	Fire Safety Levy	Sec. 18-233 Recovery Levy	Total All Levies
2022 Levy												
Assessed Valuation	71,689,627											
Tax Rate per $100.00		2.92466	0.02644	0.35182	0.39107	0.20232	0.04518	0.06571	0.04907	0.06865	0.00404	4.12896
Taxes Extended		2,096,678	18,955	252,218	280,357	145,042	32,389	47,107	35,178	49,215	2,896	2,960,035
Taxes Collected	99.73%	2,090,920	18,903	251,526	279,587	144,644	32,300	46,978	35,081	49,080	2,895	2,951,914
2023 Levy												
Assessed Valuation	77,208,445											
Tax Rate per $100.00		2.86753	0.02581	0.34327	0.37049	0.19741	0.03642	0.05772	0.04788	0.06699	0.00960	4.02312
Taxes Extended		2,213,975	19,927	265,033	286,050	152,417	28,119	44,565	36,967	51,722	7,412	3,106,187
Taxes Collected	99.42%	2,201,099	19,812	263,492	284,386	151,531	27,956	44,306	36,752	51,421	7,400	3,088,155
2024 Levy												
Assessed Valuation	82,826,383											
Tax Rate per $100.00		2.79485	0.02505	0.33301	0.33932	0.19151	0.02816	0.05002	0.04646	0.06499	0.02020	3.89357
Taxes Extended		2,314,873	20,748	275,820	281,046	158,621	23,324	41,430	38,481	53,829	16,731	3,224,903

Rankin Community School District No. 98
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ending June 30, 2025

FINANCIAL STATEMENT FINDINGS

1. FINDING NUMBER: 2025 -001 **2. THIS FINDING IS:** ☐ New ☒ **Repeat from Prior Year?**
Year originally reported? 1990

3. Criteria or specific requirement
Internal controls are designed to allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements and safeguard assets. A concept in a good system of internal control is adequate segregation of duties.

4. Condition
A limited number of employees have the primary responsibility for performing most of the accounting and financial duties including key functions of recording, reconciling, and reporting cash transactions. This structure reduces certain aspects of the internal control system which rely on adequate segregation of duties.

5. Context
Most district accounting and financial records are maintained by a limited number of employees.

6. Effect
Inadequate segregation of duties increases the risk of misstatements in the financial statements.

7. Cause
A limited number of employees have the ability to complete and record accounting functions which ideally would be segregated.

8. Recommendation
The district should review the assignment of tasks and positions on an annual basis. The district should implement any identified, cost effective changes.

9. Management's response
The district is currently reviewing procedures and attempting to separate accounting duties. The district has determined that the current internal control system is acceptable.