ANNUAL FINANCIAL REPORT

PROVISO TOWNSHIP
SCHOOL TREASURER'S OFFICE
WESTCHESTER, ILLINOIS

FOR THE FISCAL YEAR ENDED
JUNE 30, 2026

PROVISO TOWNSHIP SCHOOL TREASURER'S OFFICE
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EVANS, MARSHALL & PEASE, P.C.

SINCE 1917

CERTIFIED PUBLIC ACCOUNTANTS
AND CONSULTANTS

1875 Hicks Road

Rolling Meadows, Illinois 60008

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

INDEPENDENT AUDITOR'S REPORT

Board of Trustees
Proviso Township School Treasurer's Office
10114 Gladstone
Westchester, Illinois 60154

Opinions

We have audited the accompanying modified cash basis financial statements of the governmental activities and the aggregate remaining fund information of the Proviso Township School Treasurer's Office (the "Treasurer") as of and for the year ended June 30, 2026, and the related notes to the financial statements, which collectively comprise the Treasurer's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective modified cash basis financial position of the governmental activities and the aggregate remaining fund information of the Treasurer as of June 30, 2026, and the respective changes in modified cash basis financial position for the year then ended in accordance with the modified cash basis of accounting described in Note 1.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. 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 Treasurer, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Emphasis of Matter

Basis of Accounting

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

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the modified cash basis of accounting described in Note 1, and for determining that the modified cash basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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 Treasurer's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards 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, 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 Treasurer'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 Treasurer's ability to continue as a going concern for a reasonable period of time.

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

Other Matters

Other Information

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

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

Evans, Marshall & Pease, P.C.

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

Rolling Meadows, IL
September 10, 2026

OTHER INFORMATION
Management's Discussion and Analysis

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This section of the Proviso Township School Treasurer's Office's (the "Treasurer") annual financial report presents management's discussion and analysis of the Treasurer's financial performance for the fiscal year ended June 30, 2026. The MD&A provides an overview of the Treasurer's financial activities and significant changes from the prior year and should be read in conjunction with the Treasurer's basic financial statements and accompanying notes.

Financial Highlights

- The Treasurer's governmental activities reported expenses of $1,463,549 for the fiscal year ended June 30, 2026, while charges for services totaled $1,455,809, resulting in a decrease in net position of $7,740.

- The General Fund reported an ending fund balance deficit of $1,068,065 at June 30, 2026, compared with a deficit of $1,060,325 at the beginning of the fiscal year. The deficit primarily reflects an interfund balance due to the Custodial Fund related to the Treasurer's administration of resources among its funds.

- The Custodial Fund reported total fiduciary net position of $475,892,490 at June 30, 2026. These resources are held and administered by the Treasurer on behalf of the participating school districts and joint agreements.

- The Custodial Fund reported $16,269,059 of income from pooled investments during fiscal year 2026 and $16,612,070 of investment earnings distributed to participating school districts, resulting in a $343,011 decrease in fiduciary net position.

- At June 30, 2026, the Treasurer held cash and investments with a carrying amount of $474,824,425. Under the Treasurer's modified cash basis of accounting, investments are reported at cost. The fair value of cash and investments at year-end was approximately $490.1 million and is presented for disclosure purposes only.

Overview of the Financial Statements

This financial report consists of three components: Management's Discussion and Analysis (MD&A), the basic financial statements, and other information. The basic financial statements provide different perspectives of the Treasurer's financial activities:

- The government-wide financial statements, consisting of the statement of net position and statement of activities, provide a broad overview of the Treasurer's nonfiduciary financial position and results of operations.

- The governmental fund financial statements provide more detailed information about the Treasurer's General Fund, which is the Treasurer's primary operating fund, and demonstrate how resources are received, used, and maintained within the fund.

- The fiduciary fund financial statements provide information about resources held and administered by the Treasurer in a custodial capacity on behalf of the participating school districts and joint agreements. These resources are not available to support the Treasurer's own operations and, therefore, are excluded from the government-wide financial statements.

The basic financial statements are accompanied by notes to the financial statements, which provide additional information necessary to understand the amounts reported. The report also includes other information, including pension and budgetary schedules that provide additional detail and support for the financial statements.

The following table summarizes the major features of the Treasurer's financial statements, including the activities presented and the types of financial information reported.

Major Features of the Government-Wide and Fund Financial Statements

	Government-Wide Financial Statements	Governmental Fund Financial Statements	Fiduciary Fund Financial Statements
Scope	The Treasurer's nonfiduciary activities as a whole. Fiduciary activities are excluded.	The Treasurer's General (Distributive) Fund, which is the Treasurer's primary operating fund.	The Treasurer's Custodial Fund, which accounts for resources held and administered on behalf of participating school districts and joint agreements.
Required Financial Statements	Statement of Net Position and Statement of Activities.	Balance Sheet and Statement of Revenues, Expenditures and Changes in Fund Balance.	Statement of Fiduciary Net Position and Statement of Changes in Fiduciary Net Position.
Measurement Focus	Economic resources focus, as applied within the limitations of the modified cash basis of accounting.	Current financial resources focus, as applied within the limitations of the modified cash basis of accounting.	Economic resources focus, as applied within the limitations of the modified cash basis of accounting.
Basis of Accounting	Modified cash basis of accounting. Revenues and expenses are generally recognized when cash is received or disbursed, with certain modifications for applicable assets and liabilities.	Modified cash basis of accounting. Revenues are generally recognized when cash is received and expenditures when cash is disbursed.	Modified cash basis of accounting. Additions and deductions are generally recognized based on cash transactions, with certain modifications for applicable assets and liabilities.
Asset and Liability Information	Includes assets and liabilities arising from transactions recognized under the Treasurer's modified cash basis of accounting.	Generally includes current financial resources and related liabilities recognized under the modified cash basis of accounting.	Includes assets and liabilities associated with resources held by the Treasurer in a custodial capacity for participating entities.
Revenue and Expenditure/Expense Information	Reports revenues and expenses associated with the Treasurer's governmental activities.	Reports revenues when received and expenditures when disbursed in accordance with the modified cash basis of accounting.	Reports additions to and deductions from fiduciary net position associated with resources administered on behalf of participating entities.

The remainder of this section provides an overview of the purpose, structure, and information presented in each of the Treasurer's financial statements.

Government-Wide Financial Statements

The government-wide financial statements provide a broad overview of the Treasurer's nonfiduciary financial position and activities. These statements consist of the Statement of Net Position and the Statement of Activities.

The Statement of Net Position reports the Treasurer's assets and liabilities recognized under the modified cash basis of accounting. The difference between assets and liabilities is reported as net position, which provides an indication of the Treasurer's overall financial position.

The Statement of Activities reports the Treasurer's revenues and expenses for the fiscal year and demonstrates how the Treasurer's net position changed during the year. Changes in net position over time may provide an indication of whether the Treasurer's financial position is improving or declining; however, other financial and operational factors should also be considered when evaluating the Treasurer's overall financial condition.

The Treasurer reports only governmental activities in the government-wide financial statements. These activities consist primarily of treasury, investment, cash management, and related administrative services provided to the participating school districts and joint agreements. The Treasurer's governmental activities are financed primarily through fees and charges for services to the participating entities. Fiduciary activities conducted on behalf of the participating entities are excluded from the government-wide financial statements.

Fund Financial Statements

The fund financial statements provide more detailed information about the Treasurer's governmental and fiduciary activities. Funds are used to account for specific financial resources and activities and to demonstrate compliance with applicable legal, budgetary, and other requirements.

The Treasurer reports the General (Distributive) Fund as its governmental fund. The General Fund is the Treasurer's primary operating fund and accounts for the financial resources used to finance the operations of the Treasurer's Office. The governmental fund financial statements focus primarily on current financial resources and the balances available at the end of the fiscal year.

Because the governmental fund financial statements have a different measurement focus from the government-wide financial statements, reconciliations are presented to explain significant differences, if any, between governmental fund balance and government-wide net position and between the change in governmental fund balance and the change in net position of governmental activities.

The Treasurer also reports a Custodial Fund as a fiduciary fund. The Custodial Fund accounts for resources held, invested, and administered by the Treasurer on behalf of the participating school districts and joint agreements. Because these resources are held for the benefit of parties outside the Treasurer's reporting entity and are not available to finance the Treasurer's own operations, the Custodial Fund is excluded from the government-wide financial statements.

Financial Analysis of the Treasurer as a Whole

Net Position: The following summarizes the Treasurer's governmental activities net position as of June 30, 2026, and 2025:

	2026	2025
Assets		
Total Assets	$ -	$ -
Liabilities		
Due to Custodial Fund	1,068,065	1,060,325
Total Liabilities	1,068,065	1,060,325
Net Position		
Unrestricted	(1,068,065)	(1,060,325)
Total Net Position	$ (1,068,065)	$ (1,060,325)

The Treasurer's governmental activities reported a deficit net position of $1,068,065 at June 30, 2026, compared with a deficit of $1,060,325 at June 30, 2025, representing a decrease in net position of $7,740 during the fiscal year. The deficit primarily reflects the interfund balance due to the Custodial Fund related to the Treasurer's administration of resources among its funds.

Custodial Fund: Because fiduciary activities are excluded from the government-wide financial statements, the Treasurer's Custodial Fund is presented separately. The Custodial Fund accounts for resources held, invested, and administered by the Treasurer on behalf of the participating school districts and joint agreements.

At June 30, 2026, the Custodial Fund reported total fiduciary net position of $475,892,490, compared with $476,235,501 at June 30, 2025, representing a decrease of $343,011 during the fiscal year. During fiscal year 2026, the Custodial Fund reported $16,269,059 of income from pooled investments and $16,612,070 of investment earnings distributed to participating school districts.

The substantial fiduciary net position reported by the Custodial Fund represents resources held for the benefit of participating entities and is not available to finance the Treasurer's own operations.

Changes in Net Position: The following summarizes the changes in the Treasurer's governmental activities net position for the fiscal years ended June 30, 2026, and 2025:

	2026	2025
Program revenues		
Charges for services	$ 1,455,809	$ 1,311,853
Total Revenues	1,455,809	1,311,853
Expenses		
Treasurer's office services	1,463,549	1,344,169
Total Expenses	1,463,549	1,344,169
Change in Net Position	(7,740)	(32,316)
Net Position - Beginning	(1,060,325)	(1,028,009)
Net Position - Ending	$ (1,068,065)	$ (1,060,325)

For fiscal year 2026, the Treasurer reported $1,455,809 of charges for services provided to participating school districts. Expenses associated with Treasurer's Office services totaled $1,463,549, resulting in a decrease in governmental activities net position of $7,740. Net position decreased from a deficit of $1,060,325 at the beginning of the fiscal year to a deficit of $1,068,065 at June 30, 2026.

Custodial Fund Activity: Because fiduciary activities are excluded from the government-wide financial statements, the Treasurer's Custodial Fund is presented separately. During fiscal year 2026, the Custodial Fund reported income from pooled investments of $16,269,059 and distributions of investment earnings to participating school districts of $16,612,070, resulting in a decrease in fiduciary net position of $343,011. Fiduciary net position decreased from $476,235,501 at the beginning of the fiscal year to $475,892,490 at June 30, 2026. These resources are held, invested, and administered by the Treasurer on behalf of the participating school districts and joint agreements and are not available to finance the Treasurer's own operations.

Financial Analysis of the Treasurer's Funds

At June 30, 2026, the Treasurer's General (Distributive) Fund reported a deficit fund balance of $1,068,065, compared with a deficit fund balance of $1,060,325 at June 30, 2025. During fiscal year 2026, the General Fund reported revenues of $1,455,809 and expenditures of $1,463,549, resulting in a decrease in fund balance of $7,740. The deficit fund balance primarily reflects the interfund balance due to the Custodial Fund related to the Treasurer's administration of resources among the funds.

The Custodial Fund accounts for resources held and administered by the Treasurer on behalf of participating school districts and joint agreements. At June 30, 2026, the Custodial Fund reported fiduciary net position of $475,892,490. These resources are held for the benefit of the participating entities and are not available to finance the Treasurer's own operations.

Capital Assets and Long-Term Financing

The Treasurer did not report any capital assets or long-term debt obligations at June 30, 2026. Accordingly, there were no significant capital asset or long-term financing activities affecting the Treasurer during fiscal year 2026.

Currently Known Facts, Decisions, or Conditions

The Treasurer continues to provide treasury, investment, cash management, and related financial services to the participating school districts and joint agreements. The Treasurer's operations are influenced by the level of resources administered on behalf of the participating entities, investment market conditions, interest rates, and the costs associated with providing treasury, investment, cash management, and related financial services.

The Treasurer will continue to manage and invest pooled resources in accordance with applicable Illinois law and its investment policy, with an emphasis on the preservation of principal, liquidity, and the investment needs of the participating entities.

Management will continue to monitor operating costs and the fees and charges necessary to support the operations of the Treasurer's Office. No other currently known facts, decisions, or conditions are expected to have a significant effect on the Treasurer's financial position or results of operations in the near term.

Contacting the Treasurer's Office

This financial report provides the participating school districts, joint agreements, and other interested parties with an overview of the Treasurer's financial position and activities. Questions regarding this report or requests for additional financial information should be directed to the Proviso Township School Treasurer's Office.

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BASIC FINANCIAL STATEMENTS

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EXHIBIT A

PROVISO TOWNSHIP SCHOOL TREASURER'S OFFICE
STATEMENT OF NET POSITION - MODIFIED CASH BASIS
JUNE 30, 2026

	Governmental Activities
LIABILITIES	
Due to Custodial Fund	$ 1,068,065
Total Liabilities	1,068,065
NET POSITION	
Unrestricted	(1,068,065)
Total Net Position	$ (1,068,065)

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

PROVISO TOWNSHIP SCHOOL TREASURER'S OFFICE
STATEMENT OF ACTIVITIES - MODIFIED CASH BASIS
YEAR ENDED JUNE 30, 2026

Functions/Programs	Expenses	Program Revenues Charges for Services	Net (Expense) Revenue and Changes in Net Position Governmental Activities
Governmental Activities			
Treasurer's office services	$ 1,463,549	$ 1,455,809	$ (7,740)
	Net Position - Beginning of year		(1,060,325)
	Net Position - End of year		$ (1,068,065)

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

PROVISO TOWNSHIP SCHOOL TREASURER'S OFFICE
GENERAL FUND
BALANCE SHEET - MODIFIED CASH BASIS
JUNE 30, 2026

LIABILITIES	
Due to Custodial Fund	$ 1,068,065
Total Liabilities	1,068,065
FUND BALANCE	
Unassigned	(1,068,065)
Total Fund Balance	(1,068,065)
Total Liabilities and Fund Balance	$ -

(Continued)

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

PROVISO TOWNSHIP SCHOOL TREASURER'S OFFICE
RECONCILIATION OF THE GOVERNMENTAL FUND
BALANCE SHEET TO THE STATEMENT OF NET POSITION
JUNE 30, 2026

Total Fund Balance - General Fund (Exhibit C)	$ (1,068,065)
Net Position of Governmental Activities (Exhibit A)	$ (1,068,065)

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

PROVISO TOWNSHIP SCHOOL TREASURER'S OFFICE
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
MODIFIED CASH BASIS
YEAR ENDED JUNE 30, 2026

REVENUES	
Reimbursements of Treasurer's Office Services	
Fees and charges to school districts	$ 1,455,809
Total Revenues	1,455,809
EXPENDITURES	
Treasurer's Office Services	
Salaries	627,024
Illinois retirement/FICA expense	138,259
Hospitalization insurance	205,690
Rent	51,177
Office expense	16,045
Custodial	5,536
Utilities	17,644
Travel/convention expense	2,608
Consulting	26,157
Insurance	18,850
Dues and fees	2,625
Data processing/equipment	284,229
Legal	3,648
Audit	22,900
Treasurer's bond	41,157
Total Expenditures	1,463,549
CHANGE IN FUND BALANCE	(7,740)
FUND BALANCE - BEGINNING	(1,060,325)
FUND BALANCE - ENDING	$ (1,068,065)

(Continued)

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

PROVISO TOWNSHIP SCHOOL TREASURER'S OFFICE
RECONCILIATION OF THE GOVERNMENTAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
TO THE STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2026

Net Change in Fund Balance - General Fund (Exhibit D)	$	(7,740)
Change in Net Position of Governmental Activities (Exhibit B)	$	(7,740)

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

EXHIBIT E

PROVISO TOWNSHIP SCHOOL TREASURER'S OFFICE
CUSTODIAL FUND
STATEMENT OF FIDUCIARY NET POSITION - MODIFIED CASH BASIS
JUNE 30, 2026

ASSETS	
Cash and Investments	$ 474,243,425
Restricted Investments	581,000
Due from General Fund	1,068,065
Total Assets	$ 475,892,490
NET POSITION	
Restricted	
Berkeley School District 87	$ 64,142,676
Bellwood School District 88	26,175,960
Maywood-Melrose Park-Broadview School District 89	42,146,853
River Forest School District 90	40,049,523
River Forest School District 90 – ART Account	581,000
Forest Park School District 91	33,039,416
E. F. Lindop School District 92	14,375,560
Westchester School District 92½	14,196,466
Hillside School District 93	14,378,915
Komarek School District 94	2,437,596
Brookfield-LaGrange Park School District 95	19,366,687
Riverside School District 96	18,690,498
La Grange School District 105	29,169,418
LaGrange Highlands School District 106	17,509,281
Pleasantdale School District 107	15,804,183
Riverside Brookfield Township High School District 208	30,904,970
Proviso Township High Schools District 209	86,874,916
Proviso Area for Exceptional Children (PAEC)	1,352,934
Proviso Township School Treasurer - for distribution to School Districts	4,695,638
Total Net Position	$ 475,892,490

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

EXHIBIT F

PROVISO TOWNSHIP SCHOOL TREASURER'S OFFICE
CUSTODIAL FUND
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
MODIFIED CASH BASIS
YEAR ENDED JUNE 30, 2026

ADDITIONS	
Income from pooled investments	$ 16,269,059
Total Additions	16,269,059
DEDUCTIONS	
Distribution of investment earnings to school districts	16,612,070
Total Deductions	16,612,070
CHANGE IN FIDUCIARY NET POSITION	(343,011)
NET POSITION RESTRICTED FOR OTHERS	
NET POSITION - BEGINNING	476,235,501
NET POSITION - ENDING	$ 475,892,490

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

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Proviso Township School Treasurer's Office (the "Treasurer") provides treasury and related financial services for Berkeley School District No. 87, Bellwood School District No. 88, Maywood-Melrose Park-Broadview School District No. 89, River Forest School District No. 90, Forest Park School District No. 91, E.F. Lindop School District No. 92, Westchester School District No. 92½, Hillside School District No. 93, Komarek School District No. 94, Brookfield-LaGrange Park School District No. 95, Riverside School District No. 96, La Grange School District No. 105, LaGrange Highlands School District No. 106, Pleasantdale School District No. 107, Riverside Brookfield Township High School District No. 208, Proviso Township High Schools District No. 209, and the Proviso Area for Exceptional Children, Special Education Joint Agreement District No. 803 (collectively, the "Participating Districts"). The Treasurer and the Participating Districts are located in Cook County, Illinois.

In carrying out its treasury responsibilities, the Treasurer receives funds from various sources on behalf of the Participating Districts and distributes such funds to the Participating Districts on a current basis to meet their operating needs. Funds not required for immediate distribution are invested by the Treasurer in accordance with applicable Illinois law and the Treasurer's investment policy.

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

The following is a summary of the Treasurer's significant accounting policies.

A. Financial Reporting Entity

The financial reporting entity consists of the primary government and those component units for which the primary government is financially accountable. Financial accountability is determined in accordance with criteria established by the Governmental Accounting Standards Board (GASB).

A legally separate organization is considered a component unit when the primary government appoints a voting majority of the organization's governing body and is either able to impose its will on the organization or there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the primary government. A legally separate organization may also be considered a component unit when it is fiscally dependent on the primary government and there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the primary government.

Certain other legally separate organizations may also be included as component units when the nature and significance of their relationship with the primary government are such that exclusion would cause the financial statements to be misleading.

Based upon the application of these criteria, the Treasurer has no component units, and no other entities are required to be included as component units in the Treasurer's financial reporting entity.

B. Basis of Presentation

Government-Wide Financial Statements

The government-wide financial statements, which consist of the Statement of Net Position and the Statement of Activities, report information on all of the nonfiduciary activities of the Treasurer.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or program are offset by program revenues. Direct expenses are those that are specifically associated with a function or program and are therefore clearly identifiable to that function or program. Program revenues include charges for services and other revenues that are directly related to a specific function or program. Revenues that do not meet the criteria for classification as program revenues are reported as general revenues.

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

Fiduciary funds are excluded from the government-wide financial statements.

Fund Financial Statements: Separate fund financial statements are provided for governmental and fiduciary funds. A fund is a separate accounting entity with a self-balancing set of accounts used to account for resources that are segregated for specific activities or objectives. The Treasurer reports the following fund types:

Governmental Funds

Governmental funds are used to account for the Treasurer's general governmental activities. The Treasurer reports the following major governmental fund:

General (Distributive) Fund – The General (Distributive) Fund is the Treasurer's primary operating fund and is used to account for all financial resources of the Treasurer that are not required to be accounted for in another fund.

Fiduciary Funds

Fiduciary funds are used to account for assets held by the Treasurer in a fiduciary capacity for the benefit of parties outside the Treasurer's reporting entity. Fiduciary activities are not included in the government-wide financial statements because the resources of these funds are not available to support the Treasurer's own programs and activities.

Custodial Fund – The Custodial Fund is used to account for resources held by the Treasurer in a custodial capacity for the participating school districts and joint agreements. The Treasurer receives, holds, invests, and distributes these resources on behalf of the participating entities. The Custodial Fund reports fiduciary net position and changes in fiduciary net position in accordance with applicable GASB standards.

C. Measurement Focus and Basis of Accounting

Measurement Focus

The government-wide financial statements are reported using the economic resources measurement focus, as applied within the limitations of the modified cash basis of accounting. Under this measurement focus, all assets and liabilities resulting from transactions and events recognized under the modified cash basis of accounting are reported, and the difference between assets and liabilities is reported as net position.

Governmental fund financial statements are reported using the current financial resources measurement focus, as applied within the limitations of the modified cash basis of accounting. Under this measurement focus, generally only current financial assets and liabilities resulting from transactions and events recognized under the modified cash basis of accounting are reported on the balance sheet. The operating statement reports increases and decreases in available spendable resources during the period, and fund balance represents the measure of available spendable financial resources at the end of the period.

Fiduciary fund financial statements are reported using the economic resources measurement focus, as applied within the limitations of the modified cash basis of accounting.

Basis of Accounting

The government-wide and fund financial statements are presented using the modified cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America (GAAP).

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

Under the modified cash basis of accounting, revenues are generally recognized when received and expenditures or expenses are generally recognized when paid. Certain modifications to the cash basis are made to report cash and cash equivalents, investments, amounts due to and from other governments, interfund balances, and other assets and liabilities arising from cash transactions or otherwise specifically recognized under the Treasurer's modified cash basis of accounting.

In the government-wide financial statements, the modified cash basis is further modified to report capital assets and related depreciation, as applicable, and long-term obligations and related changes in those obligations.

As a result of the use of the modified cash basis of accounting, certain assets, liabilities, revenues, and expenses that would be recognized under GAAP are not reported. Such items generally include accounts receivable and related revenues for amounts earned but not received and accounts payable, accrued liabilities, and related expenditures or expenses for goods and services received but not paid as of year-end.

Under GAAP, governmental fund financial statements would be reported using the modified accrual basis of accounting, while the government-wide and fiduciary fund financial statements would be reported using the accrual basis of accounting.

D. Equity Classifications and Fund Balance Reporting

Government-Wide Financial Statements

Net Position

The Statement of Net Position reports the difference between the Treasurer's nonfiduciary assets and liabilities as net position. Net position is reported in the following categories, as applicable:

Net investment in capital assets – consists of capital assets, net of accumulated depreciation, reduced by the outstanding principal of debt attributable to the acquisition, construction, or improvement of those assets, as applicable.

Restricted – consists of net position subject to constraints on its use that are either externally imposed by creditors, grantors, contributors, laws or regulations of other governments, or imposed by law through constitutional provisions or enabling legislation.

Unrestricted – consists of net position that does not meet the definition of either of the preceding categories.

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

Fund Balance

In the governmental fund financial statements, fund balance is reported in the following classifications, as applicable:

Nonspendable – includes amounts that cannot be spent because they are either not in spendable form or are legally or contractually required to be maintained intact.

Restricted – includes amounts subject to constraints on their use that are either externally imposed by creditors, grantors, contributors, laws or regulations of other governments, or imposed by law through constitutional provisions or enabling legislation.

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

Committed – includes amounts that may be used only for specific purposes pursuant to constraints imposed by formal action of the Treasurer's highest level of decision-making authority. Committed amounts cannot be used for any other purpose unless the commitment is removed or changed through the same type of formal action used to establish the commitment.

Assigned – includes amounts intended to be used for specific purposes but that do not meet the criteria to be classified as restricted or committed. Intent may be expressed by the Treasurer's highest level of decision-making authority or by an official or body to which authority to assign amounts has been delegated.

Unassigned – consists of the residual fund balance of the General Fund that has not been classified as nonspendable, restricted, committed, or assigned.

When an expenditure is incurred for a purpose for which both restricted and unrestricted fund balance are available, it is the Treasurer's policy to use restricted fund balance first. When an expenditure is incurred for a purpose for which committed, assigned, or unassigned fund balance is available, it is the Treasurer's policy to use committed fund balance first, followed by assigned fund balance and then unassigned fund balance.

E. Cash and Investments

The Treasurer receives, holds, invests, and disburses cash and investments on behalf of the participating public school districts and joint agreements. Funds not required for immediate distribution or other current needs are invested by the Treasurer in accordance with applicable Illinois statutes and the Treasurer's investment policy. The Treasurer maintains accounting records identifying the cash and investment balances attributable to each participating entity.

Under the Treasurer's modified cash basis of accounting, investments are reported at cost. Investment income is recognized when received and is allocated to the participating entities, as applicable, in accordance with the Treasurer's established policies and procedures.

F. Restricted Investments

Certain investments are classified as restricted assets on the Statement of Net Position because their use is limited to specific purposes. These restrictions result from externally imposed requirements, legal or contractual provisions, or other limitations governing the use of the underlying resources. Accordingly, such investments are not available to finance the Treasurer's general operations and are reported separately from unrestricted cash and investments.

G. Use of Estimates

The preparation of financial statements in accordance with the modified cash basis of accounting requires management to make estimates and assumptions that affect certain reported amounts and disclosures in the financial statements and accompanying notes. Actual results could differ from those estimates and assumptions.

NOTE 2 – CASH AND INVESTMENTS

The Treasurer serves as custodian of cash and investments held on behalf of the participating school districts and joint agreements. The Treasurer maintains accounting records that separately identify each participating entity's respective interest in pooled cash and investment accounts. Deposits, investments, and related collateral, as applicable, are maintained in the name of the Treasurer for the benefit of the participating entities.

NOTE 2 – CASH AND INVESTMENTS (CONT'D)

The Treasurer's investment activities are governed by applicable provisions of Illinois law and the Treasurer's investment policy. Under Illinois law, the Treasurer is authorized to invest in various instruments, subject to applicable statutory restrictions, including obligations of the U.S. government and certain U.S. government agencies; interest-bearing deposits and certificates of deposit of qualified financial institutions; certain short-term obligations of corporations meeting statutory requirements; certain obligations of state and local governments; repurchase agreements that meet statutory collateralization requirements; investment pools authorized under Illinois law; money market mutual funds; and other investments permitted by applicable Illinois statutes.

The Treasurer may invest available funds in pooled investment programs in order to provide liquidity, diversification, and investment income while preserving principal in accordance with applicable legal and policy requirements. The Treasurer utilizes certain pooled investment programs, as applicable, as described below.

Illinois Funds – The Illinois Funds is an investment pool administered by the Office of the Illinois State Treasurer that permits units of local government and other eligible public entities in Illinois to pool their funds for investment purposes. The Illinois Funds is not registered with the U.S. Securities and Exchange Commission as an investment company. Investments in the pool are reported based upon the Treasurer's proportionate interest in the pool and are valued at the pool's applicable share price.

Illinois School District Liquid Asset Fund Plus (ISDLAF+) – ISDLAF+ is a pooled investment program established for eligible Illinois public entities, including school districts and other governmental entities. The program is governed by a board of trustees selected from participating members and provides investment options designed to meet the liquidity and investment needs of participating governmental entities. ISDLAF+ is not registered with the U.S. Securities and Exchange Commission as an investment company. Investments in ISDLAF+ are reported based upon the Treasurer's proportionate interest in the pool and are valued at the applicable share price.

Illinois Trust – The Illinois Trust is an investment program established to provide eligible Illinois public entities with the opportunity to jointly invest funds in accordance with applicable Illinois law. Participation in the Illinois Trust is voluntary. The Illinois Trust provides investment options designed to meet the liquidity and investment objectives of participating public entities and is not registered with the U.S. Securities and Exchange Commission as an investment company. Investments in the Illinois Trust are reported based upon the Treasurer's proportionate interest in the pool and are valued at the applicable share price.

The Treasurer serves as custodian of funds held on behalf of the participating school districts and joint agreements. The Treasurer pools certain cash and investments of the participating entities for investment and cash management purposes. Detailed accounting records are maintained to separately identify each participating entity's respective interest in the pooled cash and investment accounts, including amounts attributable to the individual funds of each participating entity.

At year-end, the Treasurer's cash and investments consisted of the following:

	Governmental	Fiduciary	Total
Cash and Investments	$ -	$ 474,824,425	$ 474,824,425

At June 30, 2026, the carrying amount of the Treasurer's cash and investments totaled $474,824,425. The cost and fair value of the Treasurer's cash and investments are presented below.

NOTE 2 – CASH AND INVESTMENTS (CONT'D)

Cash and Investments	Cost
Cash and Money Market Accounts	$ 128,636,524
Other	14,284,306
Certificates of Deposit (CD)	163,530,268
Corporate Notes and Commercial Paper (CORP)	106,882,725
Federal Farm Credit Banks (FFCB)	9,454,627
Federal Home Loan Bank (FHLB)	28,955,405
Federal Home Loan Mortgage Corporation (FHLMC)	1,971,362
Federal National Mortgage Association (FNMA)	1,000,000
Municipal Bonds (MUNI)	7,441,758
Other Agencies	11,187,170
U.S. Treasury Notes (USTN)	1,480,281
Total	$ 474,824,425

		Maturity		
Cash and Investments	Fair Value	Less Than One Year	One Year to Five Years	More than Five Years
Cash and Money Market Accounts	$ 128,636,524	$ 128,636,524	$ -	$ -
Other	29,875,105	29,875,105	-	-
Certificates of Deposit (CD)	163,530,268	159,380,268	4,150,000	-
Corporate Notes and Commercial Paper (CORP)	106,974,218	71,546,628	20,554,459	14,873,131
Federal Farm Credit Banks (FFCB)	9,297,660	998,870	4,844,420	3,454,370
Federal Home Loan Bank (FHLB)	28,684,260	7,940,500	2,935,610	17,808,150
Federal Home Loan Mortgage Corporation (FHLMC)	1,964,655	-	-	1,964,655
Federal National Mortgage Association (FNMA)	993,650	-	993,650	-
Municipal Bonds (MUNI)	7,520,157	1,995,005	3,611,491	1,913,661
Other Agencies	11,186,281	-	9,952,970	1,233,311
U.S. Treasury Notes (USTN)	1,473,160	-	1,473,160	-
Total	$ 490,135,937	$ 400,372,900	$ 48,515,759	$ 41,247,278

The Treasurer's financial statements are prepared on the modified cash basis of accounting, under which investments are reported at cost. Fair value information is presented for disclosure purposes only and does not represent the measurement basis used to report investments in the financial statements.

For purposes of this disclosure, the Treasurer categorizes the fair value of its investments using the fair value hierarchy established by generally accepted accounting principles. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are observable inputs, either directly or indirectly, other than quoted prices included within Level 1; and Level 3 inputs are significant unobservable inputs.

NOTE 2 – CASH AND INVESTMENTS (CONT'D)

As of June 30, 2026, all investments for which fair value information is presented are classified as Level 2. Fair values are determined using a matrix pricing technique, which estimates the value of securities based on observable market information for similar securities, including market prices, interest rates, yield curves, credit ratings, maturity dates, and other relevant market data.

Interest Rate Risk – Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The Treasurer's investment policy does not establish specific maturity limitations for the investment portfolio. However, the Treasurer's primary investment strategy is to purchase investments with the intent to hold them to maturity, which helps mitigate exposure to interest rate risk.

Credit Risk – Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. In addition to limiting investments to those authorized by State statutes, the Treasurer's investment policy establishes the safety of principal as its foremost investment objective.

At year-end, the Treasurer's investments in Federal National Mortgage Association (FNMA), Federal Home Loan Bank (FHLB), and Federal Farm Credit Banks (FFCB) were rated AA+ by S&P Global Ratings. Certain investments included within Other Agencies, including Federal Home Loan Mortgage Corporation (FHLMC), Government National Mortgage Association (GNMA), and State of Israel Bonds, were not rated. State and local government bonds were rated Aaa, Aa1, Aa2, or Aa3 by Moody's Investors Service. Pooled investments included within Cash and Money Market Accounts were rated AAAmmf by Fitch Ratings for Illinois Funds and AAAm by S&P Global Ratings for ISDLAF+ and Illinois Trust. Certificates of deposit and other money market accounts were not rated.

Custodial Credit Risk – Deposits. Custodial credit risk for deposits is the risk that, in the event of a financial institution's failure, the Treasurer may not be able to recover its deposits. The Treasurer does not have a formal policy specifically addressing custodial credit risk for deposits. At year-end, the entire bank balance of the Treasurer's deposits was covered by collateral, federal depository insurance, or equivalent insurance.

Custodial Credit Risk – Investments. Custodial credit risk for investments is the risk that, in the event of a counterparty's failure, the Treasurer may not be able to recover the value of its investments or collateral securities held by an outside party. The Treasurer's investment policy requires investment securities to be insured, registered, or held by the Treasurer's agent in the Treasurer's name. Investments in Illinois Funds, ISDLAF+, and Illinois Trust are not subject to custodial credit risk.

Concentration of Credit Risk – Concentration of credit risk is the risk of loss attributable to the magnitude of the Treasurer's investment in a single issuer. The Treasurer's investment policy requires diversification of the investment portfolio to minimize the risk of loss resulting from an over-concentration in a particular issuer or type of security.

NOTE 3 – INTERFUND BALANCES

Interfund balances represent amounts recorded between the Treasurer's funds to reflect the allocation and administration of financial resources among the funds. These amounts are reported as interfund receivables in the fund to which the resources are attributable and as interfund payables in the corresponding fund.

As of June 30, 2026, the General Fund reported an interfund payable of $1,068,065 to the Custodial Fund, which reported a corresponding interfund receivable of $1,068,065. The interfund balance reflects the Treasurer's administration of resources between the funds and is not indicative of a conventional borrowing arrangement requiring repayment under specified terms.

NOTE 4 – RETIREMENT SYSTEMS

A. Illinois Municipal Retirement Fund (IMRF)

IMRF Plan Description

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

Benefits Provided

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

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

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

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

Employees Covered by Benefit Terms

As of December 31, 2025, the following employees were covered by the benefit terms:

	IMRF
Retirees and beneficiaries currently receiving benefits	11
Inactive plan members entitled to but not yet receiving benefits	2
Active plan members	6
Total	19

NOTE 4 – RETIREMENT SYSTEMS (CONT'D)

Contributions

Regular Plan members are required by statute to contribute 4.5% of their annual covered salary. Employers are required to contribute the amount necessary, in addition to member contributions, to fund retirement benefits. The employer's required contribution rate for calendar year 2025 was 12.59%. For the fiscal year ended June 30, 2026, the employer contributed $81,816 to the plan. The employer also contributes for disability, death, and supplemental retirement benefits, which are pooled at the IMRF level.

Net Pension Liability

The employer's net pension liability was measured as of December 31, 2025. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

Actuarial Assumptions

The following are the methods and assumptions used to determine total pension liability at December 31, 2025:

- The Actuarial Cost Method used was Entry Age Normal.
- The Asset Valuation Method used was Market Value of Assets.
- The Inflation Rate was assumed to be 2.25%.
- Salary Increases were expected to be 2.85% to 13.75%, including inflation.
- The Investment Rate of Return was assumed to be 7.25%.
- Projected Retirement Age was from the Experience-based Table of Rates, specific to the type of eligibility condition, last updated for the 2023 valuation according to an experience study from years 2020 to 2022.
- For non-disabled retirees, mortality rates were based on the Pub-2010, Amount-Weighted, below-median income, General Retiree tables for males (adjusted 108%) and females (adjusted 106.4%), with future mortality improvements projected using scale MP-2021. For disabled retirees, mortality rates were based on the Pub-2010, Amount-Weighted, below-median income, General Disabled Retiree tables for males and females (both unadjusted), with future mortality improvements projected using scale MP-2021.
- For Active Members, the Pub-2010, Amount-Weighted, below-median income, General, Employee, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP- 2021.
- The long-term expected rate of return was determined using a building-block method that considers expected real rates of return for each major asset class, target asset allocations, and expected inflation. The target allocations and expected real rates of return are summarized below:

NOTE 4 – RETIREMENT SYSTEMS (CONT'D)

Asset Class	Target Allocation	Return 12/31/2025	Projected Returns/Risk One Year Arithmetic	Projected Returns/Risk Ten Year Geometric
Equities	32.50%	14.44%	4.85%	7.35%
International Equities	18.00%	32.71%	4.95%	7.45%
Fixed Income	24.00%	7.50%	2.25%	4.75%
Real Estate	10.50%	2.33%	3.75%	6.25%
Alternatives	14.00%	15.24%		
Private Equity		N/A	6.00%	8.50%
Hedge Funds		N/A	N/A	N/A
Commodities		N/A	1.40%	3.90%
Cash Equivalents	1.00%	4.35%	0.50%	3.00%
Total	100.00%			

Single Discount Rate

A Single Discount Rate of 7.25% was used to measure the total pension liability as of December 31, 2025. The projection of cash flow used to determine this Single Discount Rate assumed that the plan members' contributions will be made at the current contribution rate, and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. The Single Discount Rate reflects:

1. The long-term expected rate of return on pension plan investments (during the period in which the fiduciary net position is projected to be sufficient to pay benefits), and

2. The tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating (which is published by the Federal Reserve) as of the measurement date (to the extent that the contributions for use with the long-term expected rate of return are not met).

For the purpose of this valuation, the expected rate of return on pension plan investments is 7.25%; the municipal bond rate is 4.83%; and the resulting single discount rate is 7.25%.

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

The following table shows the plan's net pension liability, using a Single Discount Rate as well as rates that are either one percentage point higher or lower.

	1% Decrease (6.25%)	Current Single Discount Rate (7.25%)	1% Increase (8.25%)
Net Pension Liability/(Asset)	$ 361,656	$ 8,154	$ (296,758)

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

For the year ended June 30, 2026, the employer recognized pension expense of $176,166. As of June 30, 2026, the employer reported deferred outflows of resources and deferred (inflows) of resources related to pensions from the following sources:

NOTE 4 – RETIREMENT SYSTEMS (CONT'D)

Deferred Amounts Related to Pensions	Deferred Outflows of Resources	Deferred Inflows of Resources
Deferred amounts to be recognized in pension expense in future periods		
Differences between expected and actual experience	$ -	$ 41,150
Changes of assumptions	-	-
Net difference between projected and actual earnings on pension plan investments	-	232,630
Total deferred amounts to be recognized in pension expense in future periods	-	273,780
Pension contributions made subsequent to the measurement date	41,798	-
Total	$ 41,798	$ 273,780

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

Year Ending December 31	Net Deferred Outflows (Inflows) of Resources
2026	$ 20,633
2027	(129,276)
2028	(95,267)
2029	(69,870)
2030	-
Thereafter	-
Total	$ (273,780)

Financial Reporting

Net pension liability/(asset), deferred outflows of resources, and deferred inflows of resources are not recorded because the financial statements are prepared on the modified cash basis of accounting.

B. Social Security/Medicare

Employees not qualifying for coverage under the Illinois Teachers' Retirement System or the Illinois Municipal Retirement Fund are considered "non-participating employees." These employees and those qualifying for coverage under the Illinois Municipal Retirement Fund are covered under Social Security/Medicare.

NOTE 5 – OTHER POST-EMPLOYMENT BENEFITS

Employees who retire through the Treasurer's pension plan may continue coverage under the Treasurer's health insurance plan in accordance with state law. Retirees electing continued coverage are responsible for 100% of the applicable premium. The Treasurer has determined that any associated implicit subsidy is immaterial to the financial statements.

NOTE 6 – DEFICIT FUND BALANCE

As of June 30, 2026, the Treasurer's General Fund reported a deficit fund balance of $1,068,065. The deficit primarily reflects the interfund balance due to the Custodial Fund related to the Treasurer's administration of resources among the funds.

NOTE 7 – RISK MANAGEMENT

The Treasurer is exposed to various risks of loss, including property damage, theft, liability claims, employee injuries, errors and omissions, and natural disasters. The Treasurer maintains commercial insurance coverage for general liability, property, workers' compensation, and employee health benefits. There were no significant changes in insurance coverage during the current year, and settled claims have not exceeded insurance coverage in any of the past three years.

NOTE 8 – CONTINGENCIES

As of June 30, 2026, the Treasurer was not aware of any pending or threatened litigation that would have a material adverse effect on the Treasurer's financial position.

NOTE 9 – SUBSEQUENT EVENTS

The Treasurer evaluated subsequent events occurring after June 30, 2026, through the date the financial statements were available to be issued. Subsequent events that provide additional evidence about conditions existing at June 30, 2026, are recognized in the financial statements, while events arising after year-end are disclosed when material.

No subsequent events were identified that required recognition or disclosure in the financial statements.

OTHER INFORMATION

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PROVISO TOWNSHIP SCHOOL TREASURER'S OFFICE
OTHER INFORMATION
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
ILLINOIS MUNICIPAL RETIREMENT FUND (IMRF)
MOST RECENT CALENDAR YEARS

Calendar year ending December 31,	2025	2024	2023	2022
Total pension liability				
Service cost	$ 64,611	$ 60,317	$ 60,396	$ 56,545
Interest on the total pension liability	278,796	266,366	280,871	271,964
Difference between expected and actual experience	(91,983)	-	(223,049)	122,026
Changes of assumptions	-	142,866	(1,763)	-
Benefit payments	(295,841)	(304,634)	(328,336)	(330,881)
Net change in pension liability	(44,417)	164,915	(211,881)	119,654
Total pension liability - beginning	3,961,082	3,796,167	4,008,048	3,888,394
Total pension liability - ending (A)	$ 3,916,665	$ 3,961,082	$ 3,796,167	$ 4,008,048
Plan fiduciary net position				
Contributions - employer	$ 76,991	$ 75,912	$ 50,789	$ 71,127
Contributions - employees	27,519	25,958	23,907	23,278
Net investment income	601,521	372,181	407,987	(648,874)
Benefit payments	(295,841)	(304,634)	(328,336)	(330,881)
Other (net transfer)	(151,227)	(6,380)	(153,019)	51,422
Net change in plan fiduciary net position	258,963	163,037	1,328	(833,928)
Plan fiduciary net position - beginning	3,649,548	3,486,511	3,485,183	4,319,111
Plan fiduciary net position - ending (B)	$ 3,908,511	$ 3,649,548	$ 3,486,511	$ 3,485,183
Net pension liability/(asset) - ending (A) - (B)	$ 8,154	$ 311,534	$ 309,656	$ 522,865
Plan fiduciary net position as a percentage of total pension liability	99.79%	92.14%	91.84%	86.95%
Covered valuation payroll	$ 611,530	$ 576,850	$ 531,273	$ 517,288
Net pension liability as a percentage of covered valuation payroll	1.33%	54.01%	58.29%	101.08%

2021	2020	2019	2018	2017	2016
$ 61,183	$ 61,367	$ 53,648	$ 53,749	$ 43,479	$ 53,621
269,791	257,549	250,938	245,218	250,792	230,426
8,078	115,841	30,270	58,219	8,503	216,059
-	(8,182)	(3,216)	80,855	(116,405)	(53,641)
(282,643)	(232,601)	(265,587)	(217,563)	(314,081)	(159,567)
56,409	193,974	66,053	220,478	(127,712)	286,898
3,831,985	3,638,011	3,571,958	3,351,480	3,479,192	3,192,294
$ 3,888,394	$ 3,831,985	$ 3,638,011	$ 3,571,958	$ 3,351,480	$ 3,479,192
$ 80,773	$ 106,392	$ 56,893	$ 78,397	$ 72,345	$ 60,892
23,196	24,845	23,065	21,227	19,682	20,267
656,159	508,186	592,349	(205,081)	533,186	176,036
(282,643)	(232,601)	(265,587)	(217,563)	(314,081)	(159,567)
(36,874)	32,954	52,599	96,348	(8,084)	68,385
440,611	439,776	459,319	(226,672)	303,048	166,013
3,878,500	3,438,724	2,979,405	3,206,077	2,903,029	2,737,016
$ 4,319,111	$ 3,878,500	$ 3,438,724	$ 2,979,405	$ 3,206,077	$ 2,903,029
$ (430,717)	$ (46,515)	$ 199,287	$ 592,553	$ 145,403	$ 576,163
111.08%	101.21%	94.52%	83.41%	95.66%	83.44%
$ 515,459	$ 552,114	$ 512,552	$ 471,707	$ 437,378	$ 450,382
-83.56%	-8.42%	38.88%	125.62%	33.24%	127.93%

PROVISO TOWNSHIP SCHOOL TREASURER'S OFFICE
OTHER INFORMATION
MULTI-YEAR SCHEDULE OF CONTRIBUTIONS
ILLINOIS MUNICIPAL RETIREMENT FUND (IMRF)
LAST TEN CALENDAR YEARS

Calendar Year Ending December 31	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Valuation Payroll	Actual Contribution as a % of Covered Valuation Payroll
2025	$ 76,992	$ 76,991	$ 1	$ 611,530	12.59%
2024	75,913	75,912	1	576,850	13.16%
2023	50,790	50,789	1	531,273	9.56%
2022	71,127	71,127	-	517,288	13.75%
2021	80,772	80,773	(1)	515,459	15.67%
2020	106,392	106,392	-	552,114	19.27%
2019	56,893	56,893	-	512,552	11.10%
2018	78,398	78,397	1	471,707	16.62%
2017	56,378	72,345	(15,967)	437,378	16.54%
2016	60,892	60,892	-	450,382	13.52%

Summary of Actuarial Methods and Assumptions Used in the Calculation of the 2025 Contribution Rate*

Valuation Date:

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

Methods and Assumptions Used to Determine 2025 Contribution Rates

Actuarial Cost Method	Aggregate entry age normal
Amortization Method	Level percentage of payroll, closed
Remaining Amortization Period	18-year closed period
Asset Valuation Method	5-year smoothed market; 20% corridor
Wage Growth	2.75%
Price Inflation	2.25%
Salary Increases	2.85% to 13.75%, including inflation
Investment Rate of Return	7.25%
Retirement Age	Experience-based table of rates that are specific to the type of eligibility condition; last updated for the 2023 valuation pursuant to an experience study of the period 2020 to 2022.
Mortality	For non-disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Retiree, Male (adjusted 108%) and Female (adjusted 106.4%) tables, and future mortality improvements projected using scale MP-2021. For disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Disabled Retiree, Male and Female (both unadjusted) tables, and future mortality improvements using scale MP-2021. For active members, the Pub-2010, Amount-Weighted, below-median income, General, Employee, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2021.

Other Information:

Notes	There were no benefit changes during the year.

*Based on Valuation Assumptions used in the December 31, 2023 actuarial valuation

SCHEDULE 1

PROVISO TOWNSHIP SCHOOL TREASURER'S OFFICE
GENERAL FUND
SCHEDULE OF REVENUES
MODIFIED CASH BASIS
YEAR ENDED JUNE 30, 2026

REVENUES	
Reimbursements of Treasurer's Office Services	
Fees and charges to school districts	$ 1,455,809
Total Revenues	$ 1,455,809

SCHEDULE 2

PROVISO TOWNSHIP SCHOOL TREASURER'S OFFICE
GENERAL FUND
SCHEDULE OF EXPENDITURES
MODIFIED CASH BASIS - BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2026

	Budgeted Amounts		Variance with Original Budget - over (under)		Variance with Final Budget - over (under)
	Original	Final	Final Budget	Actual Amounts	Actual Amounts
EXPENDITURES					
Treasurer's Office Services					
Salaries	$ 627,024	$ 627,024	$ -	$ 627,024	$ -
Illinois retirement/FICA expense	132,430	142,430	10,000	138,259	(4,171)
Hospitalization insurance	217,095	207,095	(10,000)	205,690	(1,405)
Rent	60,000	60,000	-	51,177	(8,823)
Office expense	27,500	26,500	(1,000)	16,045	(10,455)
Custodial	7,000	7,000	-	5,536	(1,464)
Utilities	23,000	23,000	-	17,644	(5,356)
Travel/convention expense	5,000	5,000	-	2,608	(2,392)
Consulting	32,000	32,000	-	26,157	(5,843)
Insurance	22,500	22,500	-	18,850	(3,650)
Dues and fees	3,000	3,000	-	2,625	(375)
Data processing/equipment	213,700	309,700	96,000	284,229	(25,471)
Legal	7,500	7,500	-	3,648	(3,852)
Audit	22,900	22,900	-	22,900	-
Treasurer's bond	43,000	43,000	-	41,157	(1,843)
Total Expenditures	$ 1,443,649	$ 1,538,649	$ 95,000	$ 1,463,549	$ (75,100)

NOTE 1 – ILLINOIS MUNICIPAL RETIREMENT FUND (IMRF)

Changes of Assumptions

For the 2025 measurement year, the assumed investment rate of return was 7.25%, and the assumed rate of inflation was 2.25%. Salary increases were assumed to range from 2.85% to 13.75%, including inflation, based on service and other applicable factors. The retirement age assumptions were based on experience-based rates specific to the type of eligibility condition, as last updated for the 2023 valuation pursuant to an experience study covering the period 2020 through 2022.

The actuarial assumptions and methods used in the calculation of the total pension liability were based on the December 31, 2025, IMRF annual actuarial valuation report.

NOTE 2 – BUDGETARY INFORMATION

An annual budget is adopted for the General Fund on the modified cash basis of accounting. The budget is adopted for each fiscal year and lapses at year-end.

On or before July 1, the Treasurer prepares and submits a proposed budget for the fiscal year beginning on that date. Following review of the proposed budget, a public hearing is held, and the final budget is adopted no later than October 1.

Budgetary Summary

For the year ended June 30, 2026, the Treasurer's final General Fund expenditure budget totaled $1,538,649, compared with an original budget of $1,443,649. During the year, the budget was amended by a net increase of $95,000, primarily to provide additional funding for data processing and equipment expenditures.

Actual General Fund expenditures totaled $1,463,549, which was $75,100 below the final budget. No individual expenditure category exceeded its final budget.

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