



Harlem

SCHOOL DISTRICT 122

*A Community of Leaders*

HARLEM HIGH SCHOOL

Harlem School District 122  
Annual Comprehensive  
Financial Report  
For The Fiscal Year Ended June 30, 2025

Machesney Park, IL

**HARLEM CONSOLIDATED SCHOOL DISTRICT #122**  
**MACHESNEY PARK, ILLINOIS**

ANNUAL COMPREHENSIVE  
FINANCIAL REPORT

For the Year Ended  
June 30, 2025

Prepared by:  
District Finance Department

**HARLEM CONSOLIDATED SCHOOL DISTRICT #122**  
**MACHESNEY PARK, ILLINOIS**  
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**MACHESNEY PARK, ILLINOIS**  
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## **INTRODUCTORY SECTION**



December 9, 2025

Board of Education and Citizens  
Harlem Consolidated School District No. 122  
Machesney Park, Illinois 61115

The Annual Comprehensive Financial Report (ACFR) of the Harlem Consolidated School District No. 122 (the District) for the fiscal year ended June 30, 2025, is hereby submitted. The District's Business Office has prepared this report. We believe the data, as presented, is accurate in all material respects, that it is presented in a manner designed to fairly set forth the financial position and results of operations of the District as measured by the financial activity of its various funds, and that all disclosures necessary to enable the reader to gain the maximum understanding of the District's financial affairs have been included.

GAAP requires that management provide a narrative introduction, overview and analysis to accompany the basic financial statements in the form of the Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The Harlem Consolidated School District's MD&A can be found in the Financial Section, immediately following the report of the independent auditor.

Responsibility for the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the District's administration. To provide a reasonable basis for making these representations, the District has established an internal control framework that is designed both to protect the District's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the District's financial statements in conformity with accounting principles generally accepted in the United States of America (GAAP). Because the cost of internal controls should not outweigh their benefits, the District's framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements are free from material misstatement. As administration, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The independent accounting firm of Sikich has audited the Harlem Consolidated School District's basic financial statements. The purpose of the independent audit conducted by Sikich was to express an opinion as to whether the District's financial statements as of and for the fiscal year ended June 30, 2025, present fairly in all material respects the financial position and the change in net position of the District in accordance with GAAP. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the government-wide and fund financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the Harlem Consolidated School District's basic financial statements for the fiscal year ended June 30, 2025, are fairly presented in conformity with GAAP.



In addition to the independent audit of the financial statements, a separate, federally mandated “Single Audit” was performed to meet the needs of specific grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair financial statements, but also on the audited government’s internal controls and compliance with legal requirements applicable to certain federal awards. These reports are available in the Harlem Consolidated School District’s separately issued Single Audit Reports.

The ACFR is presented in three sections: introductory, financial, and statistical.

## **Introductory Section**

The introductory section is designed to introduce the reader to the report and includes this transmittal letter, the organizational chart, a list of District officials, and the Certificate of Achievement for Excellence in Financial Reporting for the 2024 fiscal year.

## **Financial Section**

The financial section begins with the independent auditor’s report. The auditor’s report discloses the opinion of the independent auditor with regard to the presentation of the financial statements. This section also includes the Management’s Discussion and Analysis, the Basic Financial Statements and Notes that provide information on the District’s financial position and operating results, and additional supplementary information and schedules that provide detailed information relative to the Basic Financial Statements.

## **Statistical Section**

The statistical section includes selected financial and demographic information, generally presented on a multi-year basis. This section is designed to provide the user with a broader and more complete understanding of the District and its financial affairs than is possible from only the financial statements and supporting schedules presented in the financial section.

## **Harlem Consolidated School District #122**

### **District Organization and History**

In 1910, the District became the second consolidated school district in Winnebago County, Illinois. The District houses students in eleven buildings. The schools are organized with children in pre-kindergarten and kindergarten, attending the District’s Early Education Center, Maple (Pre-kindergarten), children in grades one through five attending eight elementary schools, students in grades six, seven and eight attending middle school, students in grades nine through twelve attend the high school main campus. The School District had 5,986 students enrolled for the 2024-2025 school year. Current enrollment projections continue to show a slight decrease in enrollment for the near future.

The District is located in Northern Winnebago County, which borders Wisconsin. The District serves three progressive communities with a combined population of over 40,000 residents. The District is located adjacent to the City of Rockford on the north and east. The City of Loves Park, Village of Machesney Park and the southern part of the Village of Roscoe are the primary population centers of the District’s twenty-two square miles. The District derives its name from the Harlem Township.

The flat topography and concentrated population allow the District to provide neighborhood schools with minimal time riding school buses. Students living more than 1.5 miles from school are transported to the school building on District buses. Students who would encounter a hazardous road condition on their way to school are also transported.

The racial makeup of the student population in FY25 was 64% White, 7.4% African American, 17.9% Hispanic, and 10.7% Two or More Races. Low-income students made up 61.3% of the population.

During FY25 all students received free lunches due to the District qualifying for Community Eligibility Provision (CEP), as authorized by the Healthy Hunger-Free Kids Act of 2010. This provision allows our students to receive free meals starting this school year until the end of the 2027-2028 school year.

Despite the many diverse responsibilities placed on schools, the District has maintained a healthy educational philosophy and has developed a sound educational system through careful program management. Strides have been made during the past years in the revision of curriculum, maintaining career/vocational classes and special education services for students with special needs.

Educators continuously encounter a public that has shifting attitudes and expectations. State and national education priorities have prompted the District to shift its emphasis from the responsibility of providing educational opportunities to the responsibility of guaranteeing every child an appropriate education.

The Elementary and Secondary Education Act (ESEA) has diversified goals of programs and continue to place additional financial constraints upon the District. Due to the need to prioritize our resources and in order to review the District's educational programming for its effectiveness, the District developed a long-range plan which can be accessed at [www.harlem122.org](http://www.harlem122.org). The District's responsibility of meeting the needs of each student is taken seriously and reflects this commitment in its mission statement.

### **Mission Statement**

The Mission of the Harlem Consolidated School District, as a vital part of the community, is to help diverse learners realize their unlimited potential by providing an educational program dedicated to academic excellence and the development of strong character in a safe and respectful learning environment.

### **Belief Statements**

We believe each individual has unlimited potential to reach their goals and ambitions.

We believe that every student has an equal right to a quality education that builds on their individual strengths and needs.

We believe in interrupting inequities within our system which prevent students from realizing their unlimited potential.

We believe in fostering individual academic, social and character growth and development of the learner.

We believe the Harlem Consolidated School District, its families, and the Community as a whole, are equally vital partners in the pursuit of lifelong learning.

We believe every person has the right to learn and work in a safe, non-threatening environment.

We believe in effective and responsible use of our resources.

## **District Long-Range Plan**

### **Student Learning**

**Goal: All students will be provided a continuum of learning experiences that prepare them for life after high school.**

Students have access to a rigorous curriculum, high-quality instruction that meets their individual needs, and opportunities for experiences that prepare them for future careers.

#### **Strategies**

- Develop a Profile of a Graduate.
- Work with Science teachers in grades 6-12 to provide training on the Next Generation Science Standards and to align and vertically articulate the curriculum.
- Assess ELA resources and instructional needs to align with the Illinois Literacy Plan.
- Develop a plan to implement Artificial intelligence as an educational tool.

**Goal: The District will provide opportunities to engage and connect students beyond the classroom through interest-based activities.**

Students at [all](#) levels are able to engage in interest-based activities.

#### **Strategies**

- Complete analysis of District programs and participation.
- Develop a plan to implement work-based learning opportunities and post procedures on the Career Pathway website.
- Provide awareness activities related to College and Career endorsements for all stakeholders.

### **Learning Conditions**

**Goal: The District will foster and continue to grow an environment that promotes the social, emotional, and physical growth of all students and staff.**

We are committed to caring for the whole child and creating a culture of belonging and safety for all students, staff, and community members. The health and well-being of our students and staff are a priority.

#### **Strategies**

- Assess the 2022 Early Development Instrument data in collaboration with community stakeholders.
- Prioritize the implementation of the Second Step social and emotional learning curriculum Pre-K through 8th Grade.
- Evaluate social and emotional learning instruction at Harlem High School.

**Goal: The District will create an equitable environment where all stakeholders feel valued, supported, and safe.**

All students and staff are valued, honored and supported and the District is committed to ensuring that staff provides an equitable experience for all students.

**Strategies**

- Finalize the development of the District’s Standard Reunification Plan.
- Completion of the employee health clinic for insured members and covered dependents.

**Goal: The District will utilize a building and facility maintenance cycle and assess the current and future program needs.**

The District's facilities will be well maintained and positively represent the District while contributing to the success of educational programs.

**Strategies**

- Completion of the Career and Technical Education addition and renovations at Harlem High School.
- Review of the 10-year Life Safety Survey and Facility Assessment to help guide the development of future facility projects.

**Elevating Educators**

**Goal: The District will invest in all staff to ensure that they feel prepared, supported, and honored for their role in creating a high-quality experience for all stakeholders.**

The District will value and honor the contributions of our staff and ensure they receive the tools and resources they need to be successful in their roles.

**Strategies**

- Implementation of Stay Interviews for the Human Resources department.
- Develop an equity professional development plan for staff.

**Financial Condition**

In FY 25, the District had its first deficit in the General Fund in the last five years as reflected below:

<u>Fiscal Year</u>	<u>General Fund Increase</u>
• 2021	\$1,355,752
• 2022	\$7,230,603
• 2023	\$3,260,816
• 2024	\$2,830,759
• 2025	(\$4,625,211)

The 2025 General Fund decrease of (\$4,625,211) was mainly due to a nearly \$2 million drop in CPPRT and an increase in salaries, benefits and tuition costs. In addition, the Evidence Based Funding from the State of Illinois has slowed down to a level below CPI. The General Fund decrease above shows the first decrease in the last 5 years, and reflects a change in financial health.

In FY 18, the State of Illinois passed a new Evidence Based Funding model which is the District’s main source of State revenue. This new funding model has provided additional funds to the District and will ensure that there is not a loss of funds due to a decline in enrollment. The District was in Tier 2 and funded at 80.5% in FY 25.

Every district receives a designation from the Illinois State Board of Education (ISBE) in order to provide further information regarding the financial condition of school districts throughout the State of Illinois. These designations, ranked from highest to lowest, are; Financial Recognition, Financial Review, Financial Early Warning and Financial Watch.

<u>Fiscal Year</u>	<u>Designation</u>
• 2021	Recognition
• 2022	Recognition
• 2023	Recognition
• 2024	Recognition
• 2025	Review

The District had historically been a community with stable tax values. In 2009, due to the economic recession, the district experienced a notable decrease in equalized assessed valuation (EAV). In 2009, the equalized assessed valuation of the District was \$734,923,482. By 2014, EAV had bottomed out at \$567,031,565. Since that time period the EAV has begun to steadily increase over the last nine years. The EAV in 2025 was \$844,275,621. Over the last five years EAV has increased by \$232,572,077 or 38.0%. In 1996, the County passed the “Property Tax Extension Limitation Act.” This Act imposed a mandatory property tax limitation, which limits the increase in property tax extensions to 5% or the percent increase in the National Consumer Price Index (CPI), whichever is less. Voters must approve increases above 5% or the Consumer Price Index by referendum. This Act limits the amount of tax dollars available to the District.

The District’s 11 school buildings, when you take the year built plus additions, have an average age of 54.4 years old. The District prioritizes maintenance and upkeep of its facilities and has invested \$21.8 million in capital project improvements and Life Safety funds over the last 10 years. Those funds focused on security and facility improvements.

The District has nine Tax Incremental Financing (TIF) districts within the School District boundaries. The TIF districts cause the School District’s property tax to remain on the level at which the property was during the conception of the TIF, with any increased value being captured by the TIF to further development. Growth within the TIF districts has helped the economic development within the local area, but has created a loss of property tax revenue. The largest single source of revenue to the School District is local property taxes.

**Long-Term Financial Planning**

The District utilizes a third party to assist with Long-Range financial planning. Historical information is used in conjunction with current budget information and certain estimates regarding future variables are made to compile a financial projection five years into the future. This financial projection is updated annually and plays an important role in the future financial decisions of the District.

## **The Budget**

The District annually creates a comprehensive line item budget that is adopted by the Board of Education in a public meeting during the first quarter of the fiscal year. Management's control of the budget is maintained at the department/building level and is overseen at the District Administrative level. This budget includes all governmental funds that are included in the District's financial statements. Financial reports are presented to the Board of Education each month to give an up-to-date assessment of the District's financial operations. The annual budget is presented on our website site at [www.harlem122.org](http://www.harlem122.org).

## **Awards**

The Association of School Business Officials International (ASBO) awarded its Certificate of Achievement for Excellence in Reporting to the District for the last thirty-three consecutive fiscal years (1992 through 2024). In order to be awarded a Certificate of Excellence for Financial Reporting, a government unit must publish an easily readable and efficiently organized ACFR, the contents of which conform to program standards. Such reports must satisfy both accounting principles generally accepted in the United States of America and applicable legal requirements.

A Certificate of Excellence for Financial Reporting is valid for a period of one year. We believe our current report continues to conform to the program requirements, and we are submitting it to ASBO to determine eligibility for this recognition. We welcome comments or suggestions regarding this report.

## **Acknowledgement**

The preparation of this report could not have been accomplished without the efficient and dedicated services of Xira Hardt, Accountant. In addition, we would like to express appreciation to all members of the Administrative staff who assisted in the preparation of this report. We also extend a special thank you to the members of the Board of Education for their interest and support in planning and conducting the financial operations of the District in a responsible and progressive manner.

Respectfully submitted,



Terrell Yarbrough, Ed.D.  
Superintendent



Joshua Aurand  
Assistant Superintendent for Business and Operations, CSBO



ASSOCIATION OF  
SCHOOL BUSINESS OFFICIALS  
INTERNATIONAL

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

**Harlem Consolidated School District 122**

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

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



A handwritten signature in black ink, reading 'Ryan S. Stechschulte'.

**Ryan S. Stechschulte  
President**

A handwritten signature in black ink, reading 'James M. Rowan'.

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

**ANNUAL COMPREHENSIVE FINANCIAL REPORT**  
of the  
**HARLEM CONSOLIDATED SCHOOL DISTRICT NO. 122**

Loves Park, Machesney Park, and Southern Roscoe, Illinois

**For the fiscal year ended June 30, 2025**

**BOARD OF EDUCATION**

		<u>Term Expires</u>
Michael Sterling	President	2027
Kurt Thompson	Vice President	2029
Evelyn Meeks	Secretary	2029
Rebecca Carlson	Member	2027
Aaron McKnight	Member	2027
Diana Johnson	Member	2029
Diane McKinney	Member	2029

**DISTRICT ADMINISTRATION**

Terrell Yarbrough, Ed.D.	Superintendent of Schools
Michelle Erb, Ed.D.	Assistant Superintendent for Curriculum & Instruction
Joshua Aurand	Assistant Superintendent of Business and Operations, CSBO
Shelley Wagner, Ed.D.	Assistant Superintendent for Human Resources
Jason Blume	Assistant Superintendent for Communications and Community Relations

**OFFICIALS ISSUING REPORT**

Terrell Yarbrough, Ed.D.	Superintendent of Schools
Joshua Aurand	Assistant Superintendent of Business and Operations, CSBO

**DEPARTMENT ISSUING REPORT**

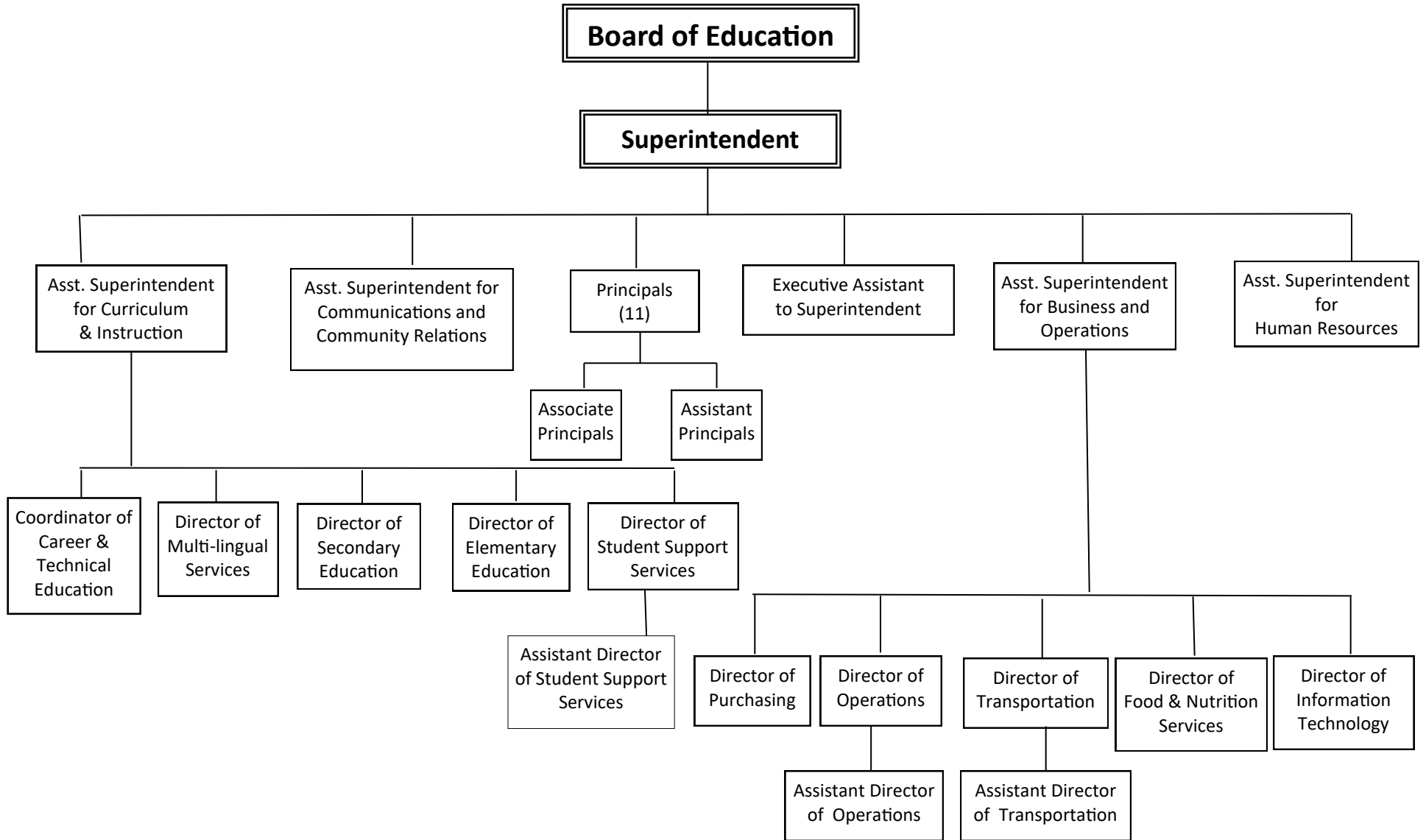
Business Office

**ADMINISTRATIVE CENTER**

8605 North Second Street  
Machesney Park, IL 61115



**Harlem Consolidated School District 122**  
Organizational Chart



## **FINANCIAL SECTION**

## **INDEPENDENT AUDITOR'S REPORT**

To the Board of Education  
Harlem Consolidated School District #122  
Machesney Park, Illinois

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

#### **Opinions**

We have audited the accompanying financial statements of the governmental activities and each major fund of Harlem Consolidated School District #122 (the District) as of and for the year ended June 30, 2025, and the related notes to the financial statements which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of Harlem Consolidated School District #122, as of June 30, 2025, and the respective changes in financial position, thereof, for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### **Basis for Opinions**

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under these 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.

#### **Change in Accounting Principle**

As described in Note 10 to the financial statements, the District adopted the Governmental Accounting Standards Board (GASB) Statement No. 101, *Compensated Absences*, for the year ended June 30, 2025. The implementation of this guidance resulted in changes to the accrual of compensated absence balances and a restatement of beginning net position. Our opinion was 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 accounting principles generally accepted in the United States of America and for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for 12 months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

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

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

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

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

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

## **Other Matters**

### *Required Supplementary Information*

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

### *Supplementary Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The supplementary information is presented for purposes of additional analysis and are not a required part of the basic financial statements. The supplementary information is the responsibility of management and were derived from and relate 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 is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

### *Other Information*

Management is responsible for the other information included in the annual report. The other information comprises the introductory sections, statistical sections and other supplementary 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.

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated December 9, 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.

*Sikich CPA LLC*

Naperville, Illinois  
December 9, 2025

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**SIKICH.COM**

**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  
Harlem Consolidated School District #122  
Machesney Park, 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 financial statements of the governmental activities and each major fund of Harlem Consolidated School District #122 (the District), as of and for the year ended June 30, 2025, and the related notes to financial statements, which collectively comprise the District's basic financial statements and have issued our report thereon dated December 9, 2025.

**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 a 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 a 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 over financial reporting that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that have not been identified.

## **Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the District's financial statements are free from 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 instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

### **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 District'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 District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

***Sikich CPA LLC***

Naperville, Illinois  
December 9, 2025



**GENERAL PURPOSE EXTERNAL  
FINANCIAL STATEMENTS**

# Harlem Consolidated School District 122

## Management's Discussion and Analysis (Unaudited)

### As of and for the Year Ended June 30, 2025

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The discussion and analysis of Harlem Consolidated School District 122's (the "District") financial performance provides an overall review of the District's financial activities as of and for the year ended June 30, 2025. The management of the District encourages readers to consider the information presented herein in conjunction with the transmittal letter found in the introductory section and the basic financial statements to enhance their understanding of the District's financial performance. Certain comparative information between the current year and the prior is required to be presented in the Management's Discussion and Analysis (the "MD&A").

#### Financial Highlights

- In total, net position decreased by \$1.3 million, inclusive of the change in accounting principle.
- General revenues accounted for \$95.2 million in revenue or 66.4% of all revenues. Program specific revenues in the form of charges for services and fees and grants accounted for \$48.2 million or 33.6% of total revenues of \$143.4 million.
- The District had \$141.3 million in expenses related to government activities. However, only \$48.2 million of these expenses were offset by program specific charges and grants.
- Total fund balances in the fund financial statements of the District decreased from \$40.0 million in fiscal year 2024 to \$35.0 million in fiscal year 2025, a 12.5% decrease.

#### Overview of the Financial Statements

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

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

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

#### *Government-wide financial statements*

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

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

The statement of activities presents information showing how the government's net position changed during the fiscal year being reported. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash

# Harlem Consolidated School District 122

## Management's Discussion and Analysis (Unaudited)

### As of and for the Year Ended June 30, 2025

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flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

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

#### *Fund financial statements*

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

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

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

The District maintains eight individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the General Fund, Tort Immunity and Judgment, Operations and Maintenance Fund, Transportation Fund, IMRF/Social Security Fund, Debt Service Fund, Capital Projects Fund, and Fire Prevention and Safety Fund, all of which are considered to be major funds.

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

# Harlem Consolidated School District 122

## Management's Discussion and Analysis (Unaudited)

### As of and for the Year Ended June 30, 2025

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#### *Notes to basic financial statements*

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

#### *Other information*

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the District's net pension and OPEB liabilities.

### **Government-Wide Financial Analysis**

The District's combined net position was lower on June 30, 2025, than it was the year before, decreasing 2.3% to \$56.9.

**Table 1**  
**Condensed Statements of Net Position**  
**(in millions of dollars)**

	<u><b>2024</b></u>	<u><b>2025</b></u>
<b>Assets:</b>		
Current and other assets	\$ 104.6	\$ 102.2
Capital assets	77.3	83.2
Total assets	181.9	185.4
Total deferred outflows of resources	8.8	8.1
<b>Liabilities:</b>		
Current liabilities	12.1	12.1
Long-term debt outstanding	33.8	41.8
Total liabilities	45.9	53.9
Total deferred inflows of resources	86.6	83.0
<b>Net position:</b>		
Net investment in capital assets	65.4	67.1
Restricted	17.7	17.4
Unrestricted (deficit)	(24.9)	(27.6)
Total net position	\$ 58.2	\$ 56.9

Revenues in the governmental activities of the District of \$143.4 million fell short of the expenses by \$2.1 million. This was attributed primarily to a decrease in CPPRT and an increase in salary and benefits.

Harlem Consolidated School District 122  
Management's Discussion and Analysis (Unaudited)  
As of and for the Year Ended June 30, 2025

<b>Table 2</b> <b>Changes in Net Position</b> <b>(in millions of dollars)</b>		
	<u><b>2024</b></u>	<u><b>2025</b></u>
<b>Revenues:</b>		
<i>Program revenues:</i>		
Charges for services	\$ 2.6	\$ 2.5
Operating grants & contributions	60.0	45.7
<i>General revenues:</i>		
Taxes	57.3	55.6
Evidenced based funding	34.6	35.6
Other	4.3	4.0
Total revenues	<u>158.8</u>	<u>143.4</u>
<b>Expenses:</b>		
Instruction	86.0	88.4
Pupil & instructional staff services	15.0	16.0
Administration & business	14.5	17.1
Transportation	6.1	6.3
Operations & maintenance	5.4	5.8
Interest & fees	0.3	0.5
Other	6.9	7.2
Total expenses	<u>134.2</u>	<u>141.3</u>
Decrease in net position	24.6	2.1
Net position, beginning of year, as reported	33.6	58.2
Change in accounting principle	-	(3.4)
Net position, beginning of year, as restated	<u>33.6</u>	<u>54.8</u>
Net position, end of year	<u>\$ 58.2</u>	<u>\$ 56.9</u>

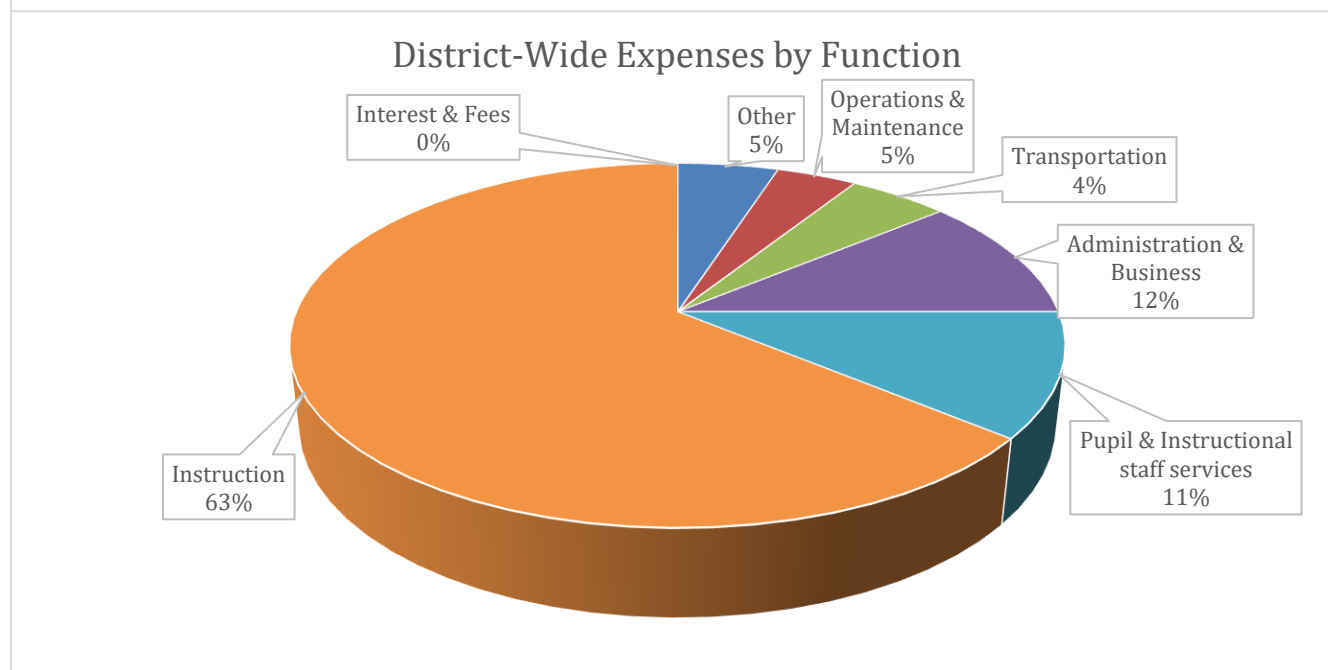
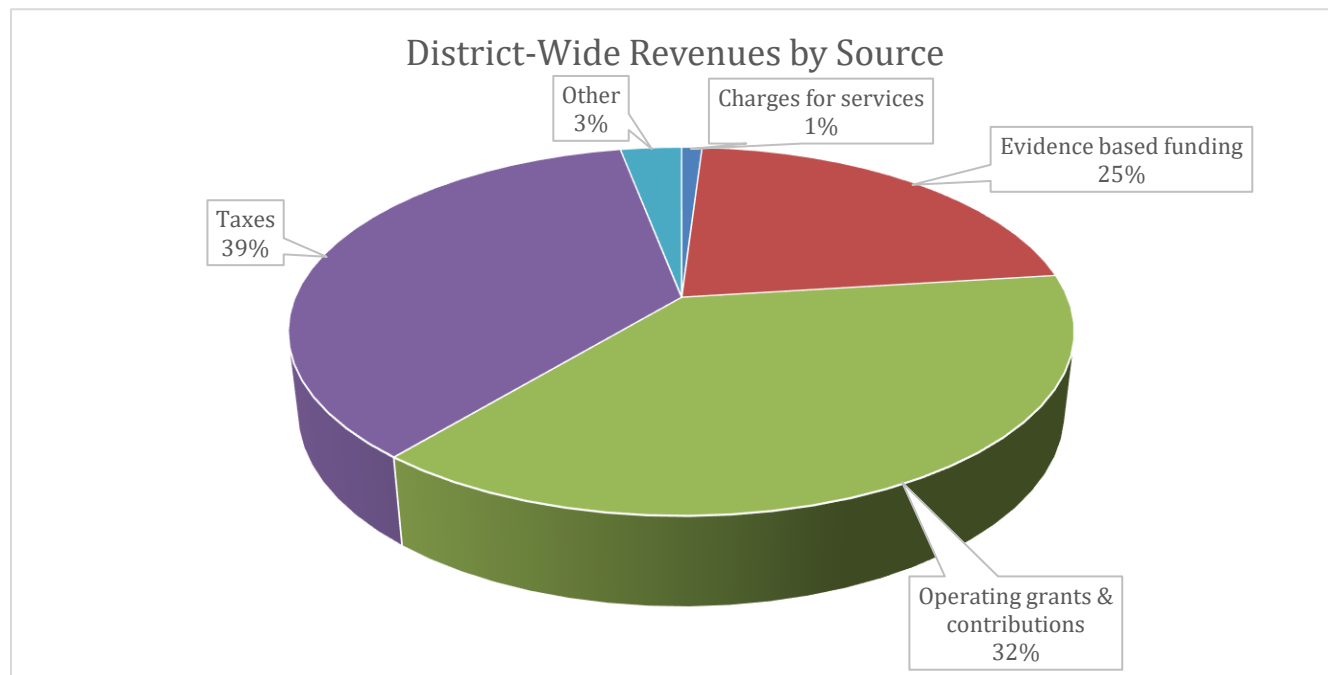
Taxes accounted for the largest portion of the District's revenues, contributing 38.8% of total revenues. The remainder of revenues came from operating grants and contributions, state, and other sources. The total cost of all the District's programs was \$141.3 million, mainly related to instructing and caring for the students and student transportation at 78.3%.

# Harlem Consolidated School District 122

## Management's Discussion and Analysis (Unaudited)

### As of and for the Year Ended June 30, 2025

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

The District's Governmental Fund balance decreased from \$40.0 million to \$35.0 million.

The General Fund in FY 25 had a decrease of \$4,625,211 for the year and an ending balance of \$19,611,583, this includes activity account funds. This represents a 19.0% decrease over the prior year. The decrease is \$4,476,847 more than projected ending fund balance, but only 3.6% of General Fund expenditures.

# Harlem Consolidated School District 122

## Management's Discussion and Analysis (Unaudited)

### As of and for the Year Ended June 30, 2025

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The Tort Immunity and Judgement Fund in FY 25 had a decrease of \$4,843 for the year and an ending balance of \$758,732. This decrease was due to an increase in insurance cost.

The Operations and Maintenance Fund in FY 25 had a decrease of \$219,845 for the year and an ending balance of \$3,342,493. This represents a 6.2% decrease over the prior year. This decrease was mainly attributed to an increase in outsourced custodial costs and an increase in utility costs.

The Transportation Fund in FY 25 had a decrease of \$635,009 for the year and an ending balance of \$3,152,926. This decrease is attributed to State Revenue coming in \$231,442 lower than budgeted.

The Municipal Retirement Fund/Social Security Fund in FY 25 had a decrease of \$35,517 for the year and an ending balance of \$2,357,553. This decrease was mainly attributed to taxes and interest revenue coming in higher than budgeted.

The Debt Service Fund in FY 25 had an increase of \$59,190 for the year and an ending balance of \$360,732. This \$29,390 increase was attributed to an increase in interest earned over the budgeted amount.

The Capital Projects Fund in FY 25 had a decrease of \$4,055,845 and an ending balance of \$49,205. This decrease in funds is directly related to the District's construction of a new Career and Technical Education (CTE) addition and partial renovation at the High School. The cost of this project was \$18,210,742. This project was completed in August 2024.

The Fire Prevention and Life Safety Fund in FY 25 had an increase of \$4,508,981 and an ending balance of \$5,322,759. This increase in fund balance relates to new bond issuances to complete life safety projects such as the roof replacement at both Harlem Middle School and HH9.

#### **Significant Budgetary Variances from Final Budget**

##### *Education Fund*

CPPRT revenue came in \$390,707 lower than budgeted due to a significant decrease in CPPRT revenue.

Special Education private facility tuition revenues came in \$274,885 under budget due to a reduced allocation from the state of IL.

ECB Childhood block grant came in \$202,827 lower than budgeted.

Title I came in \$29,011 more than budgeted.

Medicaid revenue came in \$62,780 over budget due to the timing of payments from the Federal Government.

Healthcare costs came in \$2 million higher than budgeted due to an increase of healthcare expenses.

Tuition expenses came in \$315,588 over budget due to an increase in tuition costs.

# Harlem Consolidated School District 122

## Management's Discussion and Analysis (Unaudited)

### As of and for the Year Ended June 30, 2025

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#### *Operations and Maintenance*

Purchased services expense came in \$358,707 higher than budgeted due to custodial contracted services and water expense being higher than budgeted.

#### *Transportation*

State Transportation revenue came in \$231,442 under budget due to reduced allocation from the state.

Salaries came in \$142,871 higher than budgeted due to an adjusted transportation schedule.

#### *IMRF/Social Security Fund*

Interest revenue came in \$28,268 higher than budgeted.

Total Expenditures came in \$7,259 under budget due to IMRF rate changes mid-year and overall expenses being lower.

#### *Capital Projects Fund*

Total revenues came in \$103,366 over budget.

Capital expenditures came in \$54,162 over budget due to timing of construction expenditures.

### **Original Budget vs Final Amended Budget**

The District did not amend its budget in FY 25.

### **Capital Assets and Debt Administration**

#### *Capital assets*

By the end of 2025, the District had compiled a total investment of \$140.2 million (\$78.8 million net of accumulated depreciation) in a broad range of capital assets including buildings, land and equipment. Total depreciation expense for the year was \$3.4 million. More detailed information about capital assets can be found in Note 4 of the basic financial statements.

<b>Table 3</b>			
<b>Capital Assets (net of depreciation)</b>			
<b>(in millions of dollars)</b>			
	<b><u>2024</u></b>		<b><u>2025</u></b>
Land	\$ 0.4	\$	0.4
Construction in progress	15.4		4.0
Buildings	52.0		68.9
Transportation equipment	5.4		6.0
Other equipment	1.4		1.4
Land improvements	2.6		2.5
Total	<u>\$ 77.2</u>	<u>\$</u>	<u>83.2</u>



# Harlem Consolidated School District 122

## Management's Discussion and Analysis (Unaudited)

### As of and for the Year Ended June 30, 2025

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#### *Long-term debt*

The District retired \$2.0 million of outstanding bonds in 2025. At the end of fiscal 2025, the District had a debt margin of \$117.9 million. More detailed information on long-term debt can be found in Note 5 of the basic financial statements.

<b>Table 4</b>			
<b>Outstanding Long-Term Debt</b>			
<b>(in millions of dollars)</b>			
		<b><u>2024</u></b>	<b><u>2025</u></b>
General obligation bonds	\$	10.3	\$ 13.8
Net pension liability		8.2	8.4
Net THIS OPEB liability		13.1	13.8
Unamortized premium		1.0	1.2
Net District stand-alone OPEB liability		0.8	0.8
Compensated absences*		0.4	3.8
Total	\$	33.8	\$ 41.8

\*Compensated absences were restated for the implementation of GASB Statement No. 101, *Compensated Absences* in fiscal year 2025. The table above presents the 2024 information prior to restatement. After restatement, compensated absences at the end of fiscal 2024 was \$3.8 million, and a total of long-term debt of \$37.2 million.

#### **Factors Bearing on the District's Future**

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

State Funding - Including Evidence Based Funding and CPPRT Funds

Interest Rates

Medicaid Funding

Healthcare trends

The Board of Education and the District's administration will evaluate and review these factors going forward to continue to ensure the District meets the needs of its students.

#### **Requests for Information**

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

Joshua Aurand, Assistant Superintendent for Business & Operations, CSBO.  
 Harlem Consolidated School District 122  
 8605 North Second Street  
 Machesney Park, Illinois 61115

## **BASIC FINANCIAL STATEMENTS**

**HARLEM CONSOLIDATED SCHOOL DISTRICT #122**  
**MACHESNEY PARK, ILLINOIS**

**STATEMENT OF NET POSITION**

June 30, 2025

	<b>Governmental Activities</b>
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<b>CURRENT ASSETS</b>	
Cash and cash equivalents	\$ 71,651,816
Student activity cash and investments	468,104
Receivables	
Property taxes, net	25,094,348
Replacement taxes	691,068
Intergovernmental	3,544,114
Other	113,215
Inventory	202,490
Prepaid items	508,404
	<hr/>
Total current assets	102,273,559
	<hr/>
<b>NONCURRENT ASSETS</b>	
Capital assets not being depreciated	4,317,271
Capital assets being depreciated, net	78,845,550
	<hr/>
Total noncurrent assets	83,162,821
	<hr/>
Total assets	185,436,380
	<hr/>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>	
Pension items - IMRF	3,747,850
Pension items - TRS	685,391
OPEB items - RHP	163,110
OPEB items - THIS	3,529,081
	<hr/>
Total deferred outflows of resources	8,125,432
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Total assets and deferred outflows of resources	193,561,812
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(This statement is continued on the following page.)

**HARLEM CONSOLIDATED SCHOOL DISTRICT #122**  
**MACHESNEY PARK, ILLINOIS**

STATEMENT OF NET POSITION (Continued)

June 30, 2025

	<b>Governmental Activities</b>
<b>CURRENT LIABILITIES</b>	
Accounts payable	\$ 1,885,260
Contracts payable	6,023,212
Claims payable	2,895,786
Unearned revenue	20,592
Salaries and benefits payable	1,312,908
Total current liabilities	<u>12,137,758</u>
Long-term liabilities	
Due within one year	3,433,102
Due after one year	38,344,315
Total long-term liabilities	<u>41,777,417</u>
Total liabilities	<u>53,915,175</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>	
Property taxes levied for subsequent years	53,944,970
Pension items - IMRF	217,615
Pension items - TRS	268,884
OPEB items - RHP	248,166
OPEB items - THIS	28,018,724
Total deferred inflows of resources	<u>82,698,359</u>
Total liabilities and deferred inflows of resources	<u>136,613,534</u>
<b>NET POSITION</b>	
Net investment in capital assets	67,088,453
Restricted for	
Retirement	2,357,553
Capital projects	49,205
Debt service	360,732
Transportation	3,145,076
Tort immunity and judgement	752,016
Operations and maintenance	3,188,424
Life safety	5,322,759
Food service	2,228,031
Unrestricted (deficit)	<u>(27,543,971)</u>
<b>TOTAL NET POSITION</b>	<u><u>\$ 56,948,278</u></u>

See accompanying notes to financial statements.

**HARLEM CONSOLIDATED SCHOOL DISTRICT #122  
MACHESNEY PARK, ILLINOIS**

STATEMENT OF ACTIVITIES

For the Year Ended June 30, 2025

FUNCTIONS/PROGRAMS	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position Governmental Activities
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
<b>PRIMARY GOVERNMENT</b>					
Governmental Activities					
Instruction					
Regular programs	\$ 60,420,060	\$ 634,538	\$ 33,015,240	\$ -	\$ (26,770,282)
Special education programs	21,610,277	100,612	4,916,677	-	(16,592,988)
Other instructional programs	5,375,053	97,991	39,585	-	(5,237,477)
Student activities	1,003,242	965,106	-	-	(38,136)
Support services					
Pupils	12,731,006	-	124,777	-	(12,606,229)
Instructional staff	3,226,201	-	312,432	-	(2,913,769)
General administration	2,701,201	-	-	-	(2,701,201)
School administration	6,209,012	-	-	-	(6,209,012)
Business	8,236,858	500,257	3,977,010	-	(3,759,591)
Transportation	6,254,443	-	3,283,910	-	(2,970,533)
Operations and maintenance	5,831,945	231,703	48,737	-	(5,551,505)
Central	2,434,284	-	-	-	(2,434,284)
Other	114,022	-	-	-	(114,022)
Community services	888,762	-	-	-	(888,762)
Payments to other governments	3,816,626	-	-	-	(3,816,626)
Interest on debt	475,575	-	-	-	(475,575)
<b>TOTAL PRIMARY GOVERNMENT</b>	<b>\$ 141,328,567</b>	<b>\$ 2,530,207</b>	<b>\$ 45,718,368</b>	<b>\$ -</b>	<b>(93,079,992)</b>
General revenues					
Taxes					
Property taxes levied for general purposes					
					37,021,727
Property taxes levied for specific purposes					
					12,050,571
Property taxes levied for debt service					
					2,489,286
Replacement taxes					
					4,007,538
State aid - formula grants, grants and					
contributions not restricted to specific					
programs					
					35,625,485
Investment income					
					2,871,130
Gain on sale of asset					
					32,209
Other general revenues					
					1,083,441
Total general revenues					95,181,387
CHANGE IN NET POSITION					2,101,395
NET POSITION, JULY 1, AS REPORTED					58,244,410
Change in accounting principle					(3,397,527)
NET POSITION, JULY 1, AS RESTATED					54,846,883
NET POSITION, JUNE 30					\$ 56,948,278

See accompanying notes to financial statements.

**HARLEM CONSOLIDATED SCHOOL DISTRICT #122  
MACHESNEY PARK, ILLINOIS**

**BALANCE SHEET  
GOVERNMENTAL FUNDS**

June 30, 2025

	<b>General Fund</b>	<b>Tort Immunity and Judgment Fund</b>	<b>Operations and Maintenance Fund</b>
<b>ASSETS</b>			
Cash and investments	\$ 45,943,178	\$ 1,571,850	\$ 6,548,301
Student activity cash and investments	468,104	-	-
Receivables			
Property taxes, net	18,077,351	713,069	2,535,993
Replacement taxes	691,068	-	-
Intergovernmental	3,531,860	-	-
Other	57,482	-	55,733
Cash with paying agent	-	-	-
Inventory	202,490	-	-
Prepaid items	339,769	6,716	154,069
<b>TOTAL ASSETS</b>	<b>\$ 69,311,302</b>	<b>\$ 2,291,635</b>	<b>\$ 9,294,096</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>			
<b>LIABILITIES</b>			
Accounts payable	\$ 402,781	\$ -	\$ 307,217
Contracts payable	5,521,520	-	14,468
Health claims payable	2,661,760	-	76,442
Unearned revenue	20,592	-	-
Salaries and wages payable	1,144,257	-	51,555
Total liabilities	9,750,910	-	449,682
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Unavailable revenue - property taxes	38,860,396	1,532,903	5,451,921
Unavailable revenue - other	1,088,413	-	50,000
Total deferred inflows of resources	39,948,809	1,532,903	5,501,921
<b>FUND BALANCES</b>			
Nonspendable			
Inventories, prepaid items	542,259	6,716	154,069
Restricted for			
Retirement	-	-	-
Capital projects	-	-	-
Debt service	-	-	-
Transportation	-	-	-
Tort immunity and judgement	-	752,016	-
Operations and maintenance	-	-	3,188,424
Life safety	-	-	-
Food service	2,228,031	-	-
Assigned for working cash	507,572	-	-
Assigned for student activity funds	468,104	-	-
Assigned for future years' budget	2,950,658	-	-
Unassigned	12,914,959	-	-
Total fund balances	19,611,583	758,732	3,342,493
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>	<b>\$ 69,311,302</b>	<b>\$ 2,291,635</b>	<b>\$ 9,294,096</b>

Transportation Fund	Illinois Municipal Retirement/ Social Security Fund	Debt Service Fund	Capital Projects Fund	Fire Prevention and Life Safety Fund	Total Governmental Funds
\$ 5,418,687	\$ 4,026,341	\$ 1,526,691	\$ 874,026	\$ 5,742,742	\$ 71,651,816
-	-	-	-	-	468,104
1,192,094	1,217,320	1,282,739	-	75,782	25,094,348
-	-	-	-	-	691,068
12,254	-	-	-	-	3,544,114
-	-	-	-	-	113,215
-	-	308,419	-	-	308,419
-	-	-	-	-	202,490
7,850	-	-	-	-	508,404
\$ 6,630,885	\$ 5,243,661	\$ 3,117,849	\$ 874,026	\$ 5,818,524	\$ 102,581,978
\$ 17,649	\$ -	\$ -	\$ 824,821	\$ 332,792	\$ 1,885,260
219,421	267,803	-	-	-	6,023,212
157,584	-	-	-	-	2,895,786
-	-	-	-	-	20,592
115,943	1,153	-	-	-	1,312,908
510,597	268,956	-	824,821	332,792	12,137,758
2,562,508	2,617,152	2,757,117	-	162,973	53,944,970
404,854	-	-	-	-	1,543,267
2,967,362	2,617,152	2,757,117	-	162,973	55,488,237
7,850	-	-	-	-	710,894
-	2,357,553	-	-	-	2,357,553
-	-	-	49,205	-	49,205
-	-	360,732	-	-	360,732
3,145,076	-	-	-	-	3,145,076
-	-	-	-	-	752,016
-	-	-	-	-	3,188,424
-	-	-	-	5,322,759	5,322,759
-	-	-	-	-	2,228,031
-	-	-	-	-	507,572
-	-	-	-	-	468,104
-	-	-	-	-	2,950,658
-	-	-	-	-	12,914,959
3,152,926	2,357,553	360,732	49,205	5,322,759	34,955,983
\$ 6,630,885	\$ 5,243,661	\$ 3,117,849	\$ 874,026	\$ 5,818,524	\$ 102,581,978

See accompanying notes to financial statements.

**HARLEM CONSOLIDATED SCHOOL DISTRICT #122  
MACHESNEY PARK, ILLINOIS**

**RECONCILIATION OF FUND BALANCES OF GOVERNMENTAL FUNDS TO THE  
GOVERNMENTAL ACTIVITIES IN THE STATEMENT OF NET POSITION**

June 30, 2025

<b>FUND BALANCES OF GOVERNMENTAL FUNDS</b>	<b>\$ 34,955,983</b>
Amounts reported for governmental activities in the statement of net position are different because:	
Net capital assets used in governmental activities and included in the statement of net position do not require the expenditure of financial resources and, therefore, are not reported in the governmental funds balance sheet	83,162,821
Differences between expected and actual experiences, assumptions changes, net differences between projected and actual earnings and contributions subsequent to the measurement date for the Illinois Municipal Retirement Fund are recognized as deferred outflows of resources and deferred inflows of resources on the statement of net position	
Deferred outflows of resources	3,747,850
Deferred inflows of resources	(217,615)
Differences between expected and actual experiences, assumptions changes, net differences between projected and actual earnings and contributions subsequent to the measurement date for the Teachers' Retirement System of the State of Illinois are recognized as deferred outflows of resources and deferred inflows of resources on the statement of net position	
Deferred outflows of resources	685,391
Deferred inflows of resources	(268,884)
Differences between expected and actual experiences, assumptions changes, net differences between projected and actual earnings and contributions subsequent to the measurement date for the Teachers' Health Insurance Security Fund are recognized as deferred outflows of resources and deferred inflows of resources on the statement of net position	
Deferred outflows of resources	3,529,081
Deferred inflows of resources	(28,018,724)
Differences between expected and actual experiences and assumptions changes for the OPEB liability are recognized as deferred outflows of resources and deferred inflows of resources on the statement of net position	
Deferred outflows of resources	163,110
Deferred inflows of resources	(248,166)
Interest not due in the current period, but paid prior to year end is an asset in the governmental funds balance sheet, but is expensed on the government-wide statements.	(308,419)
Long-term liabilities applicable to the District's governmental activities are not due and payable in the current period and, accordingly, are not reported as fund liabilities. All liabilities, both current and long-term, are reported in the statement of net position	
General obligation bonds	(13,785,000)
Unamortized bond premium	(1,149,904)
Compensated absences	(3,802,041)
Total OPEB liability - RHP	(751,572)
Total OPEB liability - THIS	(13,839,631)
Net pension liability - IMRF	(4,278,037)
Net pension liability - TRS	(4,171,232)
Grant revenues in the statement of activities that do not provide current financial resources are unavailable in the funds	1,543,267
<b>NET POSITION OF GOVERNMENTAL ACTIVITIES</b>	<b>\$ 56,948,278</b>

See accompanying notes to financial statements.



**HARLEM CONSOLIDATED SCHOOL DISTRICT #122  
MACHESNEY PARK, ILLINOIS**

STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS

For the Year Ended June 30, 2025

	General Fund	Tort Immunity and Judgment Fund	Operations and Maintenance Fund
<b>REVENUES</b>			
Property taxes	\$ 36,995,860	\$ 1,475,144	\$ 5,373,131
Replacement taxes	3,717,538	-	-
State aid	64,250,257	-	-
Federal aid	10,326,195	-	197,886
Investment income	1,964,478	31,451	289,945
Student activities	965,106	-	-
Other	2,031,842	2,868	247,526
Total revenues	120,251,276	1,509,463	6,108,488
<b>EXPENDITURES</b>			
Current operating			
Instruction			
Regular programs	63,032,787	-	-
Special education programs	20,570,838	-	-
Other instructional programs	5,265,651	-	-
Student activity funds	1,003,242	-	-
Support services			
Pupils	12,219,380	-	-
Instructional staff	3,169,842	-	-
General administration	1,148,884	1,514,306	-
School administration	5,989,782	-	-
Business	4,620,185	-	10,464
Transportation	-	-	-
Operations and maintenance	-	-	5,831,945
Central	2,220,584	-	-
Other	48,565	-	34,499
Community services	803,281	-	-
Payments to other governments	3,816,626	-	-
Capital outlay	116,840	-	161,494
Debt service			
Principal	-	-	-
Interest	-	-	-
Total expenditures	124,026,487	1,514,306	6,038,402
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(3,775,211)	(4,843)	70,086
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in	-	-	650,000
Transfers (out)	(850,000)	-	(939,931)
Proceeds from sale of assets	-	-	-
Issuance of bonds	-	-	-
Premium on issuance of bonds	-	-	-
Total other financing sources (uses)	(850,000)	-	(289,931)
NET CHANGE IN FUND BALANCES	(4,625,211)	(4,843)	(219,845)
FUND BALANCES, JULY 1	24,236,794	763,575	3,562,338
FUND BALANCES, JUNE 30	\$ 19,611,583	\$ 758,732	\$ 3,342,493

Transportation Fund	Illinois Municipal Retirement/ Social Security Fund	Debt Service Fund	Capital Projects Fund	Fire Prevention and Life Safety Fund	Total Governmental Funds	
\$ 2,399,204	\$ 2,624,541	\$ 2,493,714	\$ -	\$ 199,990	\$ 51,561,584	
-	290,000	-	-	-	4,007,538	
3,268,558	88,504	-	500,000	-	68,107,319	
14,768	64,872	-	162,558	-	10,766,279	
170,657	163,184	56,345	66,594	128,476	2,871,130	
-	-	-	-	-	965,106	
4,664	5,102	4,848	368,714	389	2,665,953	
5,857,851	3,236,203	2,554,907	1,097,866	328,855	140,944,909	
-	364,652	-	-	-	63,397,439	
-	851,427	-	-	-	21,422,265	
-	97,844	-	-	-	5,363,495	
-	-	-	-	-	1,003,242	
-	511,542	-	-	-	12,730,922	
-	50,674	-	-	-	3,220,516	
-	31,110	-	-	-	2,694,300	
-	184,207	-	-	-	6,173,989	
-	944,726	-	302,523	1,570,274	7,448,172	
4,966,645	-	-	-	-	4,966,645	
-	-	-	-	-	5,831,945	
-	167,990	-	-	-	2,388,574	
-	137	-	-	-	83,201	
-	67,411	-	-	-	870,692	
-	-	-	-	-	3,816,626	
2,083,720	-	-	5,791,119	-	8,153,173	
-	-	2,010,000	-	-	2,010,000	
-	-	485,717	-	122,847	608,564	
7,050,365	3,271,720	2,495,717	6,093,642	1,693,121	152,183,760	
(1,192,514)	(35,517)	59,190	(4,995,776)	(1,364,266)	(11,238,851)	
200,000	-	-	939,931	-	1,789,931	
-	-	-	-	-	(1,789,931)	
357,505	-	-	-	-	357,505	
-	-	-	-	5,545,000	5,545,000	
-	-	-	-	328,247	328,247	
557,505	-	-	939,931	5,873,247	6,230,752	
(635,009)	(35,517)	59,190	(4,055,845)	4,508,981	(5,008,099)	
3,787,935	2,393,070	301,542	4,105,050	813,778	39,964,082	
\$ 3,152,926	\$ 2,357,553	\$ 360,732	\$ 49,205	\$ 5,322,759	\$ 34,955,983	

See accompanying notes to financial statements.

**HARLEM CONSOLIDATED SCHOOL DISTRICT #122  
MACHESNEY PARK, ILLINOIS**

RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES,  
EXPENDITURES AND CHANGES IN FUND BALANCES TO THE  
GOVERNMENTAL ACTIVITIES IN THE STATEMENT OF ACTIVITIES

For the Year Ended June 30, 2025

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<b>NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS</b>	<b>\$ (5,008,099)</b>
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Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report capital outlays as expenditures; however, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense	
Depreciation expense	(3,434,279)
Capital outlay	9,658,852

In the statement of activities, only the gain or loss on the sale of capital assets is reported. However, in the governmental funds, the proceeds from the sale increase financial resources. The change in net position differs from the change in fund balance by the net book value of the assets sold	(325,296)
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The change in the Illinois Municipal Retirement Fund net pension liability and deferred outflows/inflows of resources are not a source or use of financial resources	(562,422)
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The change in the Teachers' Retirement System of the State of Illinois net pension liability and deferred outflows/inflows of resources are not a source or use of financial resources	(4,525)
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The change in the Teachers' Health Insurance Security Fund total OPEB liability and deferred outflows/inflows of resources are not a source or use of financial resources	5,007,615
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The change in the net OPEB liability and deferred outflows/inflows of resources are not a source or use of financial resources	(19,494)
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Some revenues and expenses reported in the statement of activities do not provide (use) current financial resources and therefore are not reported in the governmental funds	
State on-behalf contributions - TRS and THIS	1,959,639
State on-behalf expense - TRS and THIS	(1,959,639)

Revenues in the statement of activities that do not provide current financial resources are are not reported as revenues in the funds	493,205
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The issuance of long-term debt is reported as an other financing source in governmental funds, but as an increase in debt outstanding on the statement of activities	
Bonds issued	(5,545,000)
Premium on bonds issued	(328,247)

The repayment of long-term debt is reported as an expenditure when due in governmental funds but as a reduction of principal outstanding in the statement of activities	
General obligation bonds	2,010,000

Governmental funds report the effects of premiums, discounts and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities	199,516
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Some expenses do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds	
Compensated absences	26,096

The change in accrued interest on long-term debt is reported only on the statement of activities	(66,527)
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<b>CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES</b>	<b><u>\$ 2,101,395</u></b>
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See accompanying notes to financial statements.

**HARLEM CONSOLIDATED SCHOOL DISTRICT #122**  
**MACHESNEY PARK, ILLINOIS**

**NOTES TO FINANCIAL STATEMENTS**

June 30, 2025

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The financial statements of the Harlem Consolidated School District #122 (the District) have been prepared in conformity with accounting principles generally accepted in the United States of America, as applied to government units (hereinafter referred to as generally accepted accounting principles (GAAP)). The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the District's accounting policies are described below.

**a. Nature of Operations**

The District Board of Education (the Board) is the level of government that has governance responsibilities over all activities related to public elementary and secondary school education within the jurisdiction of the District. The Board receives funding from local, state and federal government sources and must comply with requirements of these funding source entities. Board members are elected by the public and have decision-making authority, the power to designate management, the responsibility to significantly influence operations and primary accountability for fiscal matters. Based on these criteria, the District is considered a primary government and there are no other organizations or agencies whose financial statements should be combined or discretely presented with these basic financial statements.

**b. Reporting Entity**

GAAP requires that the financial reporting entity include (1) the primary government, (2) organizations for which the primary district is financially accountable and (3) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. The criteria provided by governmental accounting standards have been considered and there are no agencies or entities which should be presented with the District.

**c. Fund Accounting**

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

**HARLEM CONSOLIDATED SCHOOL DISTRICT #122**  
**MACHESNEY PARK, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

c. Fund Accounting (Continued)

Funds are classified into the following categories: governmental.

Governmental funds are used to account for all or most of the District's general activities, including the collection and disbursement of restricted or committed monies (special revenue funds), the funds committed, restricted or assigned for the acquisition or construction of capital assets (capital projects funds) and the funds committed, restricted or assigned for the servicing of long-term debt (debt service funds). The General Fund is used to account for all activities of the general government not accounted for in some other fund.

The District reports the following major governmental funds:

The General Fund is the District's primary operating fund. It accounts for all financial resources of the general government, except those accounted for in another fund. This fund is primarily used for most of the instructional and administrative aspects of the District's operations. Revenues consist largely of local property taxes and state government aid. This fund also includes student activity funds held and controlled by the District, under the direction of District personnel, and administrative involvement of the Board of Education.

The Special Revenue Funds (Operations and Maintenance Fund, Transportation Fund, Tort Fund and Illinois Municipal Retirement/Social Security Fund) are used to account for the proceeds of specific revenue sources that are restricted, committed or assigned to expenditures for specified purposes other than debt service or capital projects. These funds did not meet the criteria for inclusion as a major fund; however, the District has elected to report them as such.

The Debt Services Fund is used to account for financial resources that are restricted, committed or assigned to expenditures for the period payment of principal, interest and related fees on general long-term debt. The Debt Services Fund did not meet the criteria for inclusion as a major fund; however, the District has elected to report it as such.

The Capital Projects Fund and Fire Prevention and Safety Fund are used to account for financial resources that are restricted, committed or assigned to expenditures for the acquisition or construction of capital facilities and other capital assets. These funds did not meet the criteria for inclusion as a major fund; however, the District has elected to report them as such.

**HARLEM CONSOLIDATED SCHOOL DISTRICT #122**  
**MACHESNEY PARK, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

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

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the District. The effect of material interfund activity other than interfund sales and services has been eliminated from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on user fees and charges for support. The District has no business-type activities.

The statement of activities demonstrates the degree to which the direct expenses of a given function, segment or program are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include (1) charges to customers or applicants who purchase, use or directly benefit from goods, services or privileges provided by a given function or segment and (2) grants and shared revenues that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues. Indirect expenses not allocated to functions are reported separately. Interest on general long-term debt is considered such an indirect expense. Depreciation expense is specifically identified by function and is included in the direct expenses of each function.

**e. Measurement Focus, Basis of Accounting and Financial Statement Presentation**

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

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). “Measurable” means the amount of the transaction can be determined and “available” means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period (60 days for property taxes and most other revenues; 90 days for pledged donations and state aid). The District recognizes property taxes when they become both measurable and available in the year intended to finance. Expenditures are recorded when the related liability is incurred.

**HARLEM CONSOLIDATED SCHOOL DISTRICT #122**  
**MACHESNEY PARK, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

e. Measurement Focus, Basis of Accounting and Financial Statement Presentation  
(Continued)

Principal and interest on general long-term debt are recorded as expenditures become due.

Those revenues susceptible to accrual are property taxes, charges for services, intergovernmental and interest on investments.

The District reports unearned and unavailable revenue on its financial statements. Unavailable revenues arise when potential revenue does not meet the available criteria for recognition in the current period for governmental funds. Unearned revenues also arise when resources are received by the District before it has legal claim to them as when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods, when revenue recognition criteria are met, or when the District has a legal claim to the resources by meeting all eligibility requirements, the liability for unearned revenue is removed from the financial statements and revenue is recognized. Unavailable revenue results from property taxes being levied and reported as a receivable before the period for which the taxes are levied.

f. Cash and Investments

Cash and Cash Equivalents

Cash and cash equivalents consist of cash on hand, cash in depository accounts and short-term, highly liquid investment instruments with original maturities of three months or less from the date of acquisition, which are stated at cost.

Investments

Investments with a maturity of less than one year when purchased, non-negotiable certificates of deposit and other nonparticipating investments are stated at cost or amortized cost. Investments with a maturity greater than one year when purchased are stated at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Investment income is reported in the fund where the investment securities are maintained.

**HARLEM CONSOLIDATED SCHOOL DISTRICT #122**  
**MACHESNEY PARK, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

g. Property Taxes

Property taxes are recognized as a receivable at the time they are levied, and the current taxes receivable represent the 2024 levy and prior levies still uncollected, if any.

Property taxes are levied in December of each year and attach as an enforceable lien on the property as of the preceding January 1. The original 2024 tax levy was adopted on November 18, 2024. Taxes from the 2024 levy are intended to finance the expenditures for the year ended June 30, 2026, and, accordingly, the entire tax levy has been deferred as of June 30, 2025. Property taxes are collected by the Winnebago County Collector, who in turn remits to the District its respective share. Taxes levied in one year become due and payable by the taxpayers in two installments in June and September during the following year.

The 2025 tax levy, which attached as an enforceable lien on property as of January 1, 2025, has not been recorded as a receivable as of June 30, 2025 as the tax has not yet been levied by the District and will not be levied until December 2025 and, therefore, the levy is not measurable at June 30, 2025.

The Property Tax Extension Limitation Law imposes mandatory property tax limitations on the ability of taxing districts in Illinois to raise revenues through unlimited property tax increases. The increase in property tax extensions is limited to the lesser of 5% or the percentage increase in the Consumer Price Index for all urban consumers. The limitation includes taxes levied for tort immunity, fire protection and safety, municipal retirement and social security purposes. The amount of the limitation may be adjusted for new property added or annexed to the tax base or due to voter approved increases.

h. Inventories and Vocational Projects

Inventories and vocational projects are valued at the lower of cost or market. Inventories consist of expendable supplies held for consumption and are valued at the average cost first-in/first-out (FIFO) method. The cost of governmental fund type inventories is recorded as expenditures when consumed rather than purchased. Vocational projects consist of real property purchased for the purpose of constructing homes in conjunction with vocational programs. When completed, the District sells the homes. These assets are included in the "other current assets" amount on the statement of net position. There were no vocational projects held as of June 30, 2025.



**HARLEM CONSOLIDATED SCHOOL DISTRICT #122**  
**MACHESNEY PARK, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

i. Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items/expenses using the consumption method. Such amounts are offset by nonspendable fund balance in the governmental fund financial statements.

j. Capital Assets

Capital assets are defined as assets with an initial cost of \$5,000 with an estimated useful life greater than one year. Capital assets are recorded at cost or estimated historical cost and depreciated over their estimated useful lives (excluding salvage value). Donated capital assets are recorded at acquisition value at the date of donation. Land and construction in progress are not depreciated by the District. The estimated useful life is management's estimate of how long the asset is expected to meet service demands. Straight-line depreciation is used based on the following estimated useful lives:

Assets	Years
Buildings	50
Land improvements	20
Transportation equipment	5-10
Other equipment	3-15

The District reviews its capital assets to evaluate prominent events or changes in circumstances affecting them to determine whether impairment of a capital asset has occurred. A capital asset generally should be considered impaired if both (a) the decline in service utility of the capital asset is large in magnitude and (b) the event or change in circumstance is outside the normal life cycle of the capital asset. There has been no impairment of capital assets during the year.

k. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

**HARLEM CONSOLIDATED SCHOOL DISTRICT #122**  
**MACHESNEY PARK, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**l. Compensated Absences/Other**

District employees earn vacation days and these vacation days may be taken at any time during the year in which they were earned or a subsequent two-year period. The vacation days earned is dependent on the type of position, collective bargaining agreement and length of service. The District's liability for the vested compensated absences/other and salary related payments are reported in the government-wide financial statements.

For the year ended June 30, 2025, the District began recording sick time in accordance with GASB Statement No. 101, *Compensated Absences*. Full-time employees accrue sick time and the balance is estimated based on the average usage and average pay rate by functional allocation. A liability is recognized for the portion of accumulating sick leave benefits that is estimated to be more likely than not to be used for time off or otherwise paid in cash or settled through noncash means.

As a result of the implementation of GASB Statement 101, *Compensated Absences*, beginning net position for the governmental activities was restated. See Note 5 and 10 for additional information.

**m. Long-Term Liabilities**

In the government-wide financial statements long-term debt and other long-term obligations are reported as liabilities. Bond premiums and discounts, as well as deferred amounts on refunding, are deferred and amortized over the life of the bond. Bonds payable are reported net of the applicable bond premium or discount. Issuance costs are recognized during the current period.

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

**n. Net Position/Fund Balance**

In the fund financial statements, governmental funds report nonspendable fund balance for amounts that are either not in spendable form or legally or contractually required to be maintained intact.

**HARLEM CONSOLIDATED SCHOOL DISTRICT #122**  
**MACHESNEY PARK, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

n. Net Position/Fund Balance (Continued)

Restrictions of fund balance are reported for amounts constrained by legal restrictions from outside parties for use for a specific purpose or externally imposed by outside entities or from enabling legislation adopted by the District. Committed fund balance is constrained by formal actions of the District's Board of Education, which is considered the District's highest level of decision-making authority. Formal actions include resolutions and ordinances approved by the Board of Education. Assigned fund balance represents amounts constrained by the District's intent to use them for a specific purpose.

The authority to assign fund balance has been delegated to the District's Assistant Superintendent for Business and Operations through the approved fund balance policy of the District. Any residual fund balance in the General Fund and any deficit fund balance of any other governmental fund is reported as unassigned.

The District's flow of funds assumption prescribes that the funds with the highest level of constraint are expended first. If restricted or unrestricted funds are available for spending, the restricted funds are spent first. Additionally, if different levels of unrestricted funds are available for spending the District considers committed funds to be expended first followed by assigned funds and then unassigned funds.

In the government-wide financial statements, restricted net position is legally restricted by outside parties for a specific purpose. Net investment in capital assets represents the book value of capital assets less any long-term debt issued to acquire or construct the capital assets.

None of the restricted net position or restricted fund balance results from enabling legislation adopted by the District.

o. Interfund Transactions

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either due to/from other fund (i.e., the current portion of interfund loans).

Interfund service transactions are accounted for as revenues, expenditures or expenses. Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it that are properly applicable to another fund, are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures/expenses in the fund that is reimbursed.

**HARLEM CONSOLIDATED SCHOOL DISTRICT #122**  
**MACHESNEY PARK, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**o. Interfund Transactions (Continued)**

All other interfund transactions, except interfund service transactions and reimbursements, are reported as transfers.

**p. Use of Estimates**

The preparation of financial statements in conformity with the GAAP requires management to make estimates and assumptions that affect the reported amounts of assets, deferred outflows, liabilities, deferred inflows and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results may differ from those estimates.

**2. DEPOSITS AND INVESTMENTS**

The District's investment policy authorizes the District to make deposits/invest in all investments allowed by Illinois Compiled Statutes (ILCS). These include deposits/investments in commercial banks, savings and loan institutions, obligations of the U.S. Treasury and U.S. agencies, credit union shares, repurchase agreements, commercial paper rated with the three highest classifications by at least two standard rating services and the Illinois School District Liquid Asset Fund Plus.

The Illinois School District Liquid Asset Fund Plus (ISDLAF), operates as a qualified external investment pool in accordance with the criteria established in GASB Statement No. 79, *Certain External Investment Pools and Pool Participants*, and thus, reports all investments at net asset value (NAV) rather than fair value. The Multi-Class Series invests in high-quality short-term debt instruments (money market instruments) and shares may be redeemed on any Illinois banking day. The Term Series invest in high-quality debt instruments, which are generally money market instruments but may include instruments with a maturity over one year, and shared may be redeemed with seven day's advance notice.

Certain district funds maintain their 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.

It is the policy of the District to invest its funds in a manner which will provide the highest investment return with the maximum security while meeting the daily cash flow demands of the District and conforming to all state and local statutes governing the investment of public funds, using the "prudent person" standard for managing the overall portfolio. The primary objectives of the policy are, in order of priority, safety of principal, liquidity, rate of return and diversification.

**HARLEM CONSOLIDATED SCHOOL DISTRICT #122**  
**MACHESNEY PARK, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

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**2. DEPOSITS AND INVESTMENTS (Continued)**

Deposits with Financial Institutions

Custodial credit risk for deposits with financial institutions is the risk that in the event of bank failure, the District's deposits may not be returned to it. The District's investment policy requires all amounts deposited or invested with financial institutions be either covered by federal depository insurance or collateral held by a third party, in the District's name, in an amount equal to the amount of deposits in excess of depository insurance coverage.

Investments

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

Investment Type	Fair Value	Investment Maturities (in Years)			
		Less than 1	1-5	6-10	Greater than 10
Municipal bonds	\$ 4,596,689	\$ 1,372,877	\$ 3,223,812	\$ -	\$ -
<b>TOTAL</b>	<b>\$ 4,596,689</b>	<b>\$ 1,372,877</b>	<b>\$ 3,223,812</b>	<b>\$ -</b>	<b>\$ -</b>

The District categorizes its fair value measurements within the fair value hierarchy established by GAAP. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs. The District has the following recurring fair value measurements as of June 30, 2025: the municipal bonds are valued using quoted matrix pricing models (Level 2 inputs).

Custodial credit risk for investments 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. The District's investment policy describes the preferred method for safekeeping as having the securities registered in the District's name and held by a third party custodian. The District had no investments subject to custodial credit risk at June 30, 2025.

Interest rate risk is the risk that changes in interest rates will adversely affect the value of an investment. The District's investment policy does not address interest rate risk.

**HARLEM CONSOLIDATED SCHOOL DISTRICT #122**  
**MACHESNEY PARK, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

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**2. DEPOSITS AND INVESTMENTS (Continued)**

Investments (Continued)

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. State statutes limits the investments in commercial paper to the top three ratings of two nationally recognized statistical rating organizations (NRSRO's). The District's investment policy does not address credit risk. The municipal bonds are rated AA- to AAA by Standard and Poor's.

Concentration of credit risk for investments is the risk that the District has a high percentage of their investments invested in one type of investment. The District's investment policy does not further limit its investment choices beyond the Illinois School Code.

**3. INTERFUND TRANSFERS**

Interfund transfers for the year ended June 30, 2025 are as follows:

Fund	Transfers In	Transfers Out
MAJOR GOVERNMENTAL		
General	\$ -	\$ 850,000
Operations and Maintenance	650,000	939,931
Transportation	200,000	-
Capital Projects	939,931	-
TOTAL	<u>\$ 1,789,931</u>	<u>\$ 1,789,931</u>

The purposes of significant transfers during the year are as follows:

- \$650,000 transferred to the Operations and Maintenance Fund from the General Fund for abatement of the working cash sub-fund. This amount will not be repaid.
- \$200,000 transferred to the Transportation Fund from the General Fund for operational costs. This amount will not be repaid.
- \$939,931 transferred to the Capital Projects Fund from the Operations and Maintenance Fund for capital improvement costs. This amount will not be repaid.

**HARLEM CONSOLIDATED SCHOOL DISTRICT #122**  
**MACHESNEY PARK, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

**4. CAPITAL ASSETS**

Changes in the capital assets during the year ended June 30, 2025 are as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
<b>GOVERNMENTAL ACTIVITIES</b>				
Capital assets not being depreciated				
Land	\$ 365,610	\$ -	\$ -	\$ 365,610
Construction in progress	15,417,304	7,278,582	18,744,225	3,951,661
Total capital assets not being depreciated	15,782,914	7,278,582	18,744,225	4,317,271
Capital assets being depreciated				
Building	103,000,878	18,579,670	-	121,580,548
Land improvements	3,945,463	164,555	-	4,110,018
Transportation equipment	9,093,003	2,083,720	1,399,596	9,777,127
Other equipment	4,899,269	296,550	482,374	4,713,445
Total capital assets being depreciated	120,938,613	21,124,495	1,881,970	140,181,138
Less accumulated depreciation for				
Building	50,938,371	1,749,126	-	52,687,497
Land improvements	1,349,045	212,008	-	1,561,053
Transportation equipment	3,664,462	1,314,211	1,224,285	3,754,388
Other equipment	3,506,105	158,934	332,389	3,332,650
Total accumulated depreciation	59,457,983	3,434,279	1,556,674	61,335,588
Total capital assets being depreciated, net	61,480,630	17,690,216	325,296	78,845,550
<b>GOVERNMENTAL ACTIVITIES</b>				
<b>CAPITAL ASSETS, NET</b>	<b>\$ 77,263,544</b>	<b>\$ 24,968,798</b>	<b>\$ 19,069,521</b>	<b>\$ 83,162,821</b>

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

<b>GOVERNMENTAL ACTIVITIES</b>	
Instruction - regular programs	\$ 63,874
Instruction - other	5,638
Support services - general administration	800
Support services - business	2,042,985
Support services - transportation	1,287,798
Support services - other	30,821
Support services - central	2,363
<b>TOTAL DEPRECIATION EXPENSE - GOVERNMENTAL ACTIVITIES</b>	<b>\$ 3,434,279</b>

**HARLEM CONSOLIDATED SCHOOL DISTRICT #122**  
**MACHESNEY PARK, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

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**5. LONG-TERM DEBT**

a. General Obligation Bonds

The District issues general obligation bonds to finance various capital improvements. As of June 30, 2025, the District's general obligation bonds consist of the following:

	Balance June 30	Current Portion
General Obligation Limited School Bonds, Series 2017, \$2,635,000 original amount, dated April 6, 2017 due in annual installments through January 1, 2026, interest at 3% to 4%.	\$ 770,000	\$ 770,000
General Obligation Limited School Bonds, Series 2018, \$2,055,000 original amount, dated February 6, 2018 due in annual installments through January 1, 2026, interest at 3% to 4%.	175,000	175,000
General Obligation Limited School Bonds, Series 2023, \$7,660,000 original amount, dated February 9, 2023 due in annual installments through January 1, 2032, interest at 5%.	7,295,000	545,000
General Obligation Limited School Bonds, Series 2025, \$5,545,000 original amount, dated February 11, 2025 due in annual installments through January 1, 2031, interest at 5%.	5,545,000	605,000
<b>TOTAL</b>	<b>\$ 13,785,000</b>	<b>\$ 2,095,000</b>



**HARLEM CONSOLIDATED SCHOOL DISTRICT #122**  
**MACHESNEY PARK, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

**5. LONG-TERM DEBT (Continued)**

**b. Changes in Long-Term Debt**

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

	Beginning Balances, Restated**	Additions	Reductions	Ending Balances	Current Portion
General obligation bonds	\$ 10,250,000	\$ 5,545,000	\$ 2,010,000	\$ 13,785,000	\$ 2,095,000
Bond premium	1,021,173	328,247	199,516	1,149,904	-
Total bonds payable	11,271,173	5,873,247	2,209,516	14,934,904	2,095,000
Total OPEB liability - THIS	13,062,792	776,839	-	13,839,631	349,222
Total OPEB liability - RHP	750,002	1,570	-	751,572	38,370
Compensated absences*/**	3,828,137	-	26,096	3,802,041	950,510
Net pension liability - TRS	4,172,580	-	1,348	4,171,232	-
Net pension liability - IMRF	4,103,253	174,784	-	4,278,037	-
<b>TOTAL</b>	<b>\$ 37,187,937</b>	<b>\$ 6,826,440</b>	<b>\$ 2,236,960</b>	<b>\$ 41,777,417</b>	<b>\$ 3,433,102</b>

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

\*\*Compensated absences beginning balances were restated for the implementation of GASB 101, *Compensated Absences*. See Note 10 for additional information.

The obligations for the net pension liabilities and other postemployment benefits will be repaid from the General Fund.

**c. General Obligation Bonds**

A summary of the future debt service requirements to amortize the remaining outstanding general obligation bonds as of June 30, 2025 is as follows:

Year Ending June 30,	Principal	Interest
2026	\$ 2,095,000	\$ 400,800
2027	2,160,000	584,500
2028	2,265,000	476,500
2029	2,380,000	363,250
2030	2,500,000	244,250
2031-2032	2,385,000	140,750
<b>TOTAL</b>	<b>\$ 13,785,000</b>	<b>\$ 2,210,050</b>

**HARLEM CONSOLIDATED SCHOOL DISTRICT #122**  
**MACHESNEY PARK, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

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**5. LONG-TERM DEBT (Continued)**

c. General Obligation Bonds (Continued)

The June 30, 2025 legal debt limit of the District was \$131,652,212 based upon 13.80% of its 2024 equalized assessed valuation of \$954,001,535 resulting in a legal debt margin of \$117,867,212.

**6. RETIREMENT PLAN COMMITMENTS**

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

The aggregate amount recognized for the pension plans is:

	TRS	IMRF	Total
Net pension liability	\$ 4,171,232	\$ 4,278,037	\$ 8,449,269
Deferred outflows of resources	685,391	3,747,850	4,433,241
Deferred inflows of resources	268,884	217,615	486,499
Pension expense	28,358,333	2,353,479	30,711,812

a. Teachers' Retirement System of the State of Illinois

*Plan Description*

The District participates in the TRS. TRS is a cost-sharing, multiple-employer defined benefit pension plan that was created by the Illinois legislature for the benefit of Illinois public school teachers employed outside the City of Chicago. TRS members include all active non-annuitants who are employed by a TRS-covered employer to provide services for which teacher licensure is required. The Illinois Pension Code outlines the benefit provisions of TRS, and amendments to the plan can be made only by legislative action with the Governor's approval. The TRS Board of Trustees is responsible for the System's administration. TRS issues a publicly available financial report that can be obtained at <http://trsil.org/financial/acfrs/fy2024>; by writing to TRS at 2815 W. Washington, PO Box 19253, Springfield, Illinois 62794; or by calling (888) 678-3675, option 2.

**HARLEM CONSOLIDATED SCHOOL DISTRICT #122**  
**MACHESNEY PARK, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

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**6. RETIREMENT PLAN COMMITMENTS (Continued)**

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

*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 ten years, or age 55 with 20 years. The benefit is determined by the average of the four highest years of creditable earnings within the last ten years of creditable service and the percentage of average salary to which the member is entitled. Most members retire under a formula that provides 2.20% of final average salary up to a maximum of 75% with 34 years of service.

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

Essentially all Tier 1 retirees receive an annual 3% 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 3% of the original benefit or 1/2% 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 had 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 allowed retiring Tier 1 members to receive a partial lump-sum payment in exchange for accepting a lower, delayed annual increase. The other allowed 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.

**HARLEM CONSOLIDATED SCHOOL DISTRICT #122**  
**MACHESNEY PARK, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

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**6. RETIREMENT PLAN COMMITMENTS (Continued)**

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

*Contributions*

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

Contributions from active members and TRS contributing employers are also required by the Illinois Pension Code. The contribution rates are specified in the pension code. The active member contribution rate for the year ended June 30, 2024 was 9% 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 makes employer pension contributions on behalf of the District. For the year ended June 30, 2025, state contributions recognized by the employer were based on the State's proportionate share of the collective net pension liability (NPL) associated with the employer and the employer recognized revenue and expenditures of \$27,841,233 in pension contributions from the State.

*2.2 Formula Contributions*

Employers contribute 0.58% of total creditable earnings for the 2.2 formula change. The contribution rate is specified by statute. Contributions for the year ended June 30, 2025 were \$310,543 and are deferred because they were paid after the June 30, 2024 measurement date.

*Federal and Special Trust Fund Contributions*

When TRS members are paid from federal and special trust funds administered by the employer, there is a statutory requirement for the District to pay an employer pension contribution from those funds. Under Public Act 100-0340, the federal and special trust fund contributions 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.

**HARLEM CONSOLIDATED SCHOOL DISTRICT #122**  
**MACHESNEY PARK, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

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**6. RETIREMENT PLAN COMMITMENTS (Continued)**

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

*Federal and Special Trust Fund Contributions (Continued)*

For the year ended June 30, 2025, the employer pension contribution was 10.34% of salaries paid from federal and special trust funds. For the year ended June 30, 2025, salaries totaling \$1,953,888 were paid from federal and special trust funds that required employer contributions of \$202,032. These contributions are deferred because they were paid after the June 30, 2024 measurement date.

*Employer Retirement Cost Contributions*

Under GASB Statement No. 68, contributions that an employer is required to pay because of a TRS member retiring are categorized as specific liability payments. The employer is required to make a one-time contribution to TRS for members granted salary increases over 6% 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 \$41,262 to TRS for employer contributions due on salary increases in excess of 6% and \$0 for sick leave days granted in excess of the normal annual allotment.

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

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

District's proportionate share of the net pension liability	\$ 4,171,232
State's proportionate share of the net pension liability associated with the District	<u>347,791,308</u>
<b>TOTAL</b>	<u><b>\$ 351,962,540</b></u>

**HARLEM CONSOLIDATED SCHOOL DISTRICT #122**  
**MACHESNEY PARK, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

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**6. RETIREMENT PLAN COMMITMENTS (Continued)**

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

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

The net pension liability was measured as of June 30, 2024 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2023 and rolled forward to June 30, 2024. The District's proportion of the net pension liability was based on the District's share of contributions to TRS for the measurement year ended June 30, 2024, relative to the projected contributions of all participating TRS employers and the State during that period. At June 30, 2024, the employer's proportion was 0.0048578559%, which was a decrease of 0.0000521837% from its proportion measured as of June 30, 2023 (0.0049100396%).

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

	Governmental Activities	General Fund
State on-behalf contributions - revenue		
and expense/expenditure	\$ 27,841,233	\$ 25,921,469
District TRS pension (benefit) expense	517,100	512,575
<b>TOTAL TRS EXPENSE/EXPENDITURE</b>	<b>\$ 28,358,333</b>	<b>\$ 26,434,044</b>

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 15,686	\$ 10,827
Net difference between projected and actual earnings on pension plan investments	-	35,812
Assumption changes	57,474	2,213
Changes in proportion and differences between employer contributions and proportionate share of contributions	99,656	220,032
District contributions subsequent to the measurement date	512,575	-
<b>TOTAL</b>	<b>\$ 685,391</b>	<b>\$ 268,884</b>

**HARLEM CONSOLIDATED SCHOOL DISTRICT #122**  
**MACHESNEY PARK, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

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**6. RETIREMENT PLAN COMMITMENTS (Continued)**

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

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

\$512,575 reported as deferred outflows of resources related to pensions resulting from employer contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the reporting year ending June 30, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year Ending June 30,</u>	<u>Amount</u>
2026	\$ (107,381)
2027	2,230
2028	(3,385)
2029	11,016
2030	<u>1,452</u>
 TOTAL	 <u><u>\$ (96,068)</u></u>

*Actuarial Assumptions*

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

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

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

**HARLEM CONSOLIDATED SCHOOL DISTRICT #122**  
**MACHESNEY PARK, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

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**6. RETIREMENT PLAN COMMITMENTS (Continued)**

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

*Actuarial Assumptions (Continued)*

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

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Global equity	37.00%	7.55%
Private equity	15.00%	10.28%
Public income	18.00%	5.81%
Private credit	8.00%	9.20%
Real assets	18.00%	7.01%
Diversifying strategies	4.00%	5.18%
TOTAL	100.00%	

*Discount Rate*

At June 30, 2024, the discount rate used to measure the total pension liability was 7%, which was the same as the June 30, 2023 rate. The projection of cash flows used to determine the discount rate assumed that employee contributions, district contributions and state contributions will be made at the current statutorily required rates.



**HARLEM CONSOLIDATED SCHOOL DISTRICT #122**  
**MACHESNEY PARK, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

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**6. RETIREMENT PLAN COMMITMENTS (Continued)**

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

*Discount Rate* (Continued)

Based on those assumptions, TRS' fiduciary net position at June 30, 2024 was projected to be available to make all projected future benefit payments of current active and inactive members and all benefit recipients. Tier 1's liability is partially funded by Tier 2 members, as the Tier 2 member contribution is higher than the cost of Tier 2 benefits. Due to this subsidy, contributions from future members in excess of the service cost are also included in the determination of the discount rate. All projected future payments were covered, so the long-term expected rate of return on TRS investments was applied to all periods of projected benefit payments to determine the total pension liability.

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

The following presents the District's proportionate share of the net pension liability calculated using the discount rate of 7%, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (6%) or 1 percentage point higher (8%) than the current rate.

	1% Decrease (6%)	Current Discount Rate (7%)	1% Increase (8%)
Employer's proportionate share of the net pension liability	\$ 5,151,590	\$ 4,171,232	\$ 3,358,560

*TRS Fiduciary Net Position*

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

**HARLEM CONSOLIDATED SCHOOL DISTRICT #122**  
**MACHESNEY PARK, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

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**6. RETIREMENT PLAN COMMITMENTS (Continued)**

**b. Illinois Municipal Retirement Fund**

*Plan Description*

The District's defined benefit pension plan for regular employees provides retirement and disability benefits, postretirement increases and death benefits to plan members and beneficiaries. The employer plan is affiliated with IMRF, an agent multiple-employer plan. 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 financial report that includes financial statements and required supplementary information (RSI). That report may be obtained at [www.imrf.org](http://www.imrf.org).

*Plan Administration*

All employees (other than those covered by TRS) hired in positions that meet or exceed the prescribed annual hourly standard must be enrolled in IMRF as participating members.

The plan is accounted for on the economic resources measurement focus and the accrual basis of accounting. Employer and employee contributions are recognized when earned in the year that the contributions are required, benefits and refunds are recognized as an expense and liability when due and payable.

*Plan Membership*

At December 31, 2024, IMRF membership consisted of:

Inactive employees or their beneficiaries	
currently receiving benefits	466
Inactive employees entitled to but not yet	
receiving benefits	581
Active employees	606
	<hr/>
TOTAL	1,653
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**HARLEM CONSOLIDATED SCHOOL DISTRICT #122**  
**MACHESNEY PARK, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

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**6. RETIREMENT PLAN COMMITMENTS (Continued)**

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

*Benefits Provided*

All employees (other than those covered by TRS) hired in positions that meet or exceed the prescribed annual hourly standard must be enrolled in IMRF as participating members. IMRF provides two tiers of pension benefits. Employees hired prior to January 1, 2011, are eligible for Tier 1 benefits. For Tier 1 employees, pension benefits vest after eight years of service. Participating members who retire at age 55 (reduced benefits) or after age 60 (full benefits) with eight years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1 2/3% of their final rate of earnings, for each year of credited service up to 15 years, and 2% for each year thereafter.

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 members who retire at age 62 (reduced benefits) or after age 67 (full benefits) with ten years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1 2/3% of their final rate of earnings, for each year of credited service up to 15 years, and 2% for each year thereafter.

IMRF also provides death and disability benefits. These benefit provisions are established by state statute.

*Contributions*

Participating members are required to contribute 4.50% of their annual salary to IMRF. The District is required to contribute the remaining amounts necessary to fund IMRF as specified by statute. The employer contribution rate for the year ended June 30, 2025 was 7.31% of covered payroll.

*Actuarial Assumptions*

The District's net pension liability was measured as of December 31, 2024 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation performed as of the same date using the actuarial methods and assumptions on the following page.

**HARLEM CONSOLIDATED SCHOOL DISTRICT #122**  
**MACHESNEY PARK, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

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**6. RETIREMENT PLAN COMMITMENTS (Continued)**

b. Illinois Municipal Retirement Fund (Continued)

*Actuarial Assumptions* (Continued)

Actuarial valuation date	December 31, 2024
Actuarial cost method	Entry-age normal
Assumptions	
Price inflation	2.25%
Salary increases	2.85% to 13.75%
Investment rate of return	7.25%
Asset valuation method	Fair value

For non-disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Retiree, Male (adjusted 108.0%) and Female (adjusted 106.4%) tables and future mortality improvements projected using scale MP-2021. For disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Disabled Retiree, Male and Female (both unadjusted) tables and future mortality improvements projected using scale MP-2021. For active members, the Pub-2010, Amount-Weighted, below-median income, General, Employee, Male and Female (both unadjusted) tables and future mortality improvements projected using scale MP-2021.

*Single Discount Rate*

A single discount rate of 7.25% was used to measure the total pension liability. The projection of cash flows used to determine this single discount rate assumed that the plan members' contributions will be made at the current contribution rate and that district contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the IMRF's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members.

*Long-Term Expected Rate of Return*

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

**HARLEM CONSOLIDATED SCHOOL DISTRICT #122**  
**MACHESNEY PARK, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

**6. RETIREMENT PLAN COMMITMENTS (Continued)**

b. Illinois Municipal Retirement Fund (Continued)

*Long-Term Expected Rate of Return* (Continued)

Asset Class	Portfolio Target Percentage	Long-Term Expected Real Rate of Return
Domestic equity	33.50%	4.35%
International equity	18.00%	5.40%
Fixed income	24.50%	5.20%
Real estate	10.50%	6.40%
Alternative investments	12.50%	4.85% to 6.25%
Cash equivalents	1.00%	3.60%
<b>TOTAL</b>	<b>100.00%</b>	

*Changes in the Net Pension Liability*

	(a) Total Pension Liability	(b) Plan Fiduciary Net Position	(a) - (b) Net Pension Liability
<b>BALANCES AT</b>			
JANUARY 1, 2024	\$ 72,603,422	\$ 68,500,169	\$ 4,103,253
<b>Changes for the period</b>			
Service cost	1,397,268	-	1,397,268
Interest	5,166,733	-	5,166,733
Difference between expected and actual experience	2,164,226	-	2,164,226
Changes in assumptions	-	-	-
Employer contributions	-	1,114,423	(1,114,423)
Employee contributions	-	695,485	(695,485)
Net investment income	-	6,735,361	(6,735,361)
Benefit payments and refunds	(4,073,537)	(4,073,537)	-
Other (net transfer)	-	8,174	(8,174)
<b>Net changes</b>	<b>4,654,690</b>	<b>4,479,906</b>	<b>174,784</b>
<b>BALANCES AT</b>			
DECEMBER 31, 2024	\$ 77,258,112	\$ 72,980,075	\$ 4,278,037

**HARLEM CONSOLIDATED SCHOOL DISTRICT #122**  
**MACHESNEY PARK, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

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**6. RETIREMENT PLAN COMMITMENTS (Continued)**

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

*Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources*

For the year ended June 30, 2025, the District recognized pension expense of \$2,353,479.

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 1,444,497	\$ 197,958
Assumption changes	-	19,657
Net difference between projected and actual earnings on pension plan investments	1,719,843	-
Employer contributions after the measurement date	583,510	-
<b>TOTAL</b>	<u><u>\$ 3,747,850</u></u>	<u><u>\$ 217,615</u></u>

\$583,510 reported as deferred outflows of resources resulting from district contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the reporting year ending June 30, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year Ending June 30,</u>	
2026	\$ 1,372,444
2027	2,790,099
2028	(845,647)
2029	(370,171)
2030	-
Thereafter	-
<b>TOTAL</b>	<u><u>\$ 2,946,725</u></u>

**HARLEM CONSOLIDATED SCHOOL DISTRICT #122**  
**MACHESNEY PARK, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

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**6. RETIREMENT PLAN COMMITMENTS (Continued)**

b. Illinois Municipal Retirement Fund (Continued)

*Discount Rate Sensitivity*

The following is a sensitivity analysis of the net pension liability (asset) to changes in the discount rate. The table below presents the net pension liability (asset) of the District calculated using the discount rate of 7.25% as well as what the District's net pension liability (asset) would be if it were calculated using a discount rate that is 1 percentage point lower (6.25%) or 1 percentage point higher (8.25%) than the current rate:

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Net pension liability (asset)	\$ 12,558,683	\$ 4,278,037	\$ (2,474,670)

**7. OTHER POSTEMPLOYMENT BENEFITS**

The aggregate amount recognized for the other post employment benefit plans is:

	RHP	THIS	Total
Total OPEB liability	\$ 751,572	\$ 13,839,631	\$ 14,591,203
Deferred outflows of resources	163,110	3,529,081	3,692,191
Deferred inflows of resources	248,166	28,018,724	28,266,890
OPEB expense (income)	57,864	(4,127,132)	(4,069,268)

a. Retirees Health Plan

*Plan Description*

The District's other postemployment benefits (OPEB) plan is a single-employer defined benefit healthcare plan that is administered by the District. The District provides postemployment benefits for eligible participants enrolled in the District sponsored plan. Benefits are provided in the form of an implicit rate subsidy under which retirees that have not yet reached age 65 receive health insurance coverage by paying a combined retiree/active rate. Benefit provisions are established through contractual agreements and may only be amended through negotiations with the Board. The plan does not issue a separate, publicly available report. The plan is not accounted for as a trust fund, as an irrevocable trust has not been established to account for the plan. The activity of the plan is reported in the District's General Fund.

**HARLEM CONSOLIDATED SCHOOL DISTRICT #122**  
**MACHESNEY PARK, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

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**7. OTHER POSTEMPLOYMENT BENEFITS (Continued)**

a. Retirees Health Plan (Continued)

*Benefits Provided*

The District provides continued health insurance coverage at the blended employee rate to all eligible retirees in accordance with ILCS, which creates an implicit subsidy of retiree health insurance.

*Membership*

At June 30, 2024 (most recent information available), membership consisted of:

Retirees and beneficiaries currently receiving benefits	5
Active employees	<u>402</u>
 TOTAL	 <u>407</u>
 Participating employers	 <u>1</u>

*Total OPEB Liability*

The District's total OPEB liability of \$751,572 was measured as of June 30, 2025 and was determined by an actuarial valuation as of July 1, 2024.

*Actuarial Assumptions and Other Inputs*

The total OPEB liability at June 30, 2025, as determined by an actuarial valuation as of July 1, 2024, was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified. The total OPEB liability was rolled forward by the actuary using updated procedures to June 30, 2025, including updating the discount rate, as noted below.

Actuarial cost method	Entry-age normal
Actuarial value of assets	Fair value
Salary increases	4.00%
Discount rate	4.81%
Healthcare cost trend rates	7.00% to 4.50%

The discount rate was based on the 20-year municipal bond yield at June 30, 2025.



**HARLEM CONSOLIDATED SCHOOL DISTRICT #122**  
**MACHESNEY PARK, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

**7. OTHER POSTEMPLOYMENT BENEFITS (Continued)**

a. Retirees Health Plan (Continued)

*Actuarial Assumptions and Other Inputs* (Continued)

Mortality rates were based on the PubG-2010(B) improved generationally using MP-2021 improvement rates, weighted per IMRF experience study.

*Changes in the Total OPEB Liability*

	<u>Total OPEB Liability</u>
BALANCES AT JULY 1, 2024	<u>\$ 750,002</u>
Changes for the period	
Service cost	27,386
Interest	30,768
Difference between expected and actual experience	-
Changes in benefit terms	-
Changes in assumptions	(18,214)
Benefit payments	<u>(38,370)</u>
Net changes	<u>1,570</u>
BALANCES AT JUNE 30, 2025	<u><u>\$ 751,572</u></u>

There were changes in assumptions related to the discount rate.

*Rate Sensitivity*

The following is a sensitivity analysis of the total OPEB liability to changes in the discount rate and the healthcare cost trend rate. The table below presents the total OPEB liability of the District calculated using the discount rate of 4.81% as well as what the District total OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (3.81%) or 1 percentage point higher (5.81%) than the current rate:

	1% Decrease (3.81%)	Current Discount Rate (4.81%)	1% Increase (5.81%)
Total OPEB liability	\$ 790,060	\$ 751,572	\$ 715,525

**HARLEM CONSOLIDATED SCHOOL DISTRICT #122**  
**MACHESNEY PARK, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

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**7. OTHER POSTEMPLOYMENT BENEFITS (Continued)**

a. Retirees Health Plan (Continued)

*Rate Sensitivity* (Continued)

The table below presents the total OPEB liability of the District calculated using the healthcare rate of 4.50% to 7.00% as well as what the District's total OPEB liability would be if it were calculated using a healthcare rate that is 1 percentage point lower (3.50% to 6.00%) or 1 percentage point higher (5.50% to 8.00%) than the current rate:

	1% Decrease (varies)	Current Healthcare Rate (varies)	1% Increase (varies)
Total OPEB liability	\$ 704,598	\$ 751,572	\$ 804,081

*OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB*

For the year ended June 30, 2025, the District recognized OPEB expense of \$57,864. At June 30, 2025, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 59,606	\$ 11,803
Changes of assumptions	103,504	236,363
<b>TOTAL</b>	<b>\$ 163,110</b>	<b>\$ 248,166</b>

**HARLEM CONSOLIDATED SCHOOL DISTRICT #122**  
**MACHESNEY PARK, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

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**7. OTHER POSTEMPLOYMENT BENEFITS (Continued)**

a. Retirees Health Plan (Continued)

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

Amounts reported as deferred outflows of resources and deferred inflows of resources will be recognized in OPEB expense as follows:

Year Ending June 30,	
2026	\$ (20,392)
2027	(23,095)
2028	(23,630)
2029	(15,412)
2030	(1,373)
Thereafter	<u>(1,154)</u>
<b>TOTAL</b>	<b><u>\$ (85,056)</u></b>

b. Teacher Health Insurance Security Fund of the State of Illinois

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

**HARLEM CONSOLIDATED SCHOOL DISTRICT #122**  
**MACHESNEY PARK, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

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**7. OTHER POSTEMPLOYMENT BENEFITS (Continued)**

**b. Teacher Health Insurance Security Fund of the State of Illinois (Continued)**

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

- On-behalf contributions to the THIS Fund - The State makes employer retiree health insurance contributions on behalf of the District. State contributions are intended to match contributions to the THIS Fund from active members which were 0.90% of pay during the year ended June 30, 2025. State contributions were \$481,877 and the District recognized revenue and expenditures of this amount during the year.
- Employer contributions to the THIS Fund - The District also makes contributions to the THIS Fund. The employer THIS Fund contribution was 0.67% during the year ended June 30, 2025. For the year ended June 30, 2025, the District paid \$358,731 to the THIS Fund, which was 100% of the required contribution.

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.”

*Actuarial Assumptions*

The total OPEB liability was determined by an actuarial valuation as of June 30, 2023, rolled forward to June 30, 2024, using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified.

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

**HARLEM CONSOLIDATED SCHOOL DISTRICT #122**  
**MACHESNEY PARK, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

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**7. OTHER POSTEMPLOYMENT BENEFITS (Continued)**

b. Teacher Health Insurance Security Fund of the State of Illinois (Continued)

*Actuarial Assumptions* (Continued)

Mortality rates for retirement and beneficiary annuitants: PubT-2010 Retiree Mortality Table, adjusted for TRS experience. Disabled Annuitants: PubNS-2010 Non-Safety Disabled Retiree Table. Pre-Retirement: PubT-2010 Employee Mortality Table. All tables reflect future mortality improvements using Projection Scale MP-2020.

*Single Discount Rate*

Projected benefit payments are required to be discounted to their actuarial present values using a Single Discount Rate that reflects (1) a long-term expected rate of return on OPEB plan investments (to the extent that the plan's fiduciary net position is projected to be sufficient to pay benefits) and (2) tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date (to the extent that the contributions for use with the long-term expected rate of return are not met).

Since the THIS Fund is financed on a pay-as-you-go basis, the sponsor has selected a discount rate consistent with the 20-year general obligation bond index described above. The discount rates are 3.97% as of June 30, 2024 and 3.86% as of June 30, 2023.

*Sensitivity of the Employer's Proportionate Share of the Collective Net OPEB Liability to Changes in the Discount Rate*

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

	1% Decrease (2.97%)	Current Discount Rate (3.97%)	1% Increase (4.97%)
Employer's proportionate share of the collective net OPEB liability	\$ 15,445,037	\$ 13,839,631	\$ 12,424,422

**HARLEM CONSOLIDATED SCHOOL DISTRICT #122**  
**MACHESNEY PARK, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

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**7. OTHER POSTEMPLOYMENT BENEFITS (Continued)**

b. Teacher Health Insurance Security Fund of the State of Illinois (Continued)

*Sensitivity of the Employer's Proportionate Share of the Collective Net OPEB Liability to Changes in the Healthcare Cost Trend Rates*

The following table shows the District's net OPEB liability as of June 30, 2024, using current trend rates and sensitivity trend rates that are either 1 percentage point higher or lower. The current claims trend rates are 6% in 2025, 8% in 2026, decreasing by 0.25% per year to an ultimate rate of 4.25% in 2041.

	1% Decrease <sup>a</sup>	Current Discount Rate	1% Increase <sup>b</sup>
Employer's proportionate share of the collective net OPEB liability	\$ 11,915,920	\$ 13,839,631	\$ 16,128,775

<sup>a</sup> One percentage point decrease in healthcare trend rates -

*Pre-Medicare per capita costs: 5.00% in 2025, 7.00% in 2026, decreasing by 0.25% per year to an ultimate rate of 3.25% in 2041.*

*Post-Medicare per capita costs: Based on actual increase in 2025, 14% from 2026 to 2030, 6% in 2031 decreasing ratably to an ultimate trend rate of 3.25% in 2041.*

<sup>b</sup> One percentage point increase in healthcare trend rates -

*Pre-Medicare per capita costs: 7.00% in 2025, 9.00% in 2026, decreasing by 0.25% per year to an ultimate rate of 5.25% in 2041.*

*Post-Medicare per capita costs: Based on actual increase in 2025, 16% from 2026 to 2030, 8% in 2031 decreasing ratably to an ultimate trend rate of 5.25% in 2041.*

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

At June 30, 2025, the District disclosed a liability for its proportionate share of the net OPEB liability that reflected a reduction for state OPEB support provided to the District. The collective net OPEB liability was measured as of June 30, 2024, and the total OPEB liability used to calculate the collective net OPEB liability was determined by an actuarial valuation as of June 30, 2023. The District proportion of

**HARLEM CONSOLIDATED SCHOOL DISTRICT #122**  
**MACHESNEY PARK, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

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**7. OTHER POSTEMPLOYMENT BENEFITS (Continued)**

b. Teacher Health Insurance Security Fund of the State of Illinois (Continued)

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

the collective net OPEB liability was based on a projection of the District's long-term share of contributions to the OPEB plan relative to the projected contributions of the District, actuarially determined. At June 30, 2024, the District's proportion was 0.174952%, which was a decrease of 0.008325% from its proportion measured as of June 30, 2023 (0.183277%). The State's support and total are for disclosure purposes only.

The amount recognized by the District as its proportionate share of the net OPEB liability, the related state support and the total portion of the net OPEB liability that was associated with the District were as follows:

Employer's proportionate share of the net OPEB liability	\$ 13,839,631
State's proportionate share of the net OPEB liability associated with the employer	<u>18,794,869</u>
<b>TOTAL</b>	<u><u>\$ 32,634,500</u></u>

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

	Governmental Activities	General Fund
State on-behalf contributions - revenue and expense/expenditure	\$ 521,752	\$ 481,877
District THIS pension (benefit) expense	<u>(4,648,884)</u>	<u>358,731</u>
<b>TOTAL THIS EXPENSE/EXPENDITURE</b>	<u><u>\$ (4,127,132)</u></u>	<u><u>\$ 840,608</u></u>

**HARLEM CONSOLIDATED SCHOOL DISTRICT #122**  
**MACHESNEY PARK, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

**7. OTHER POSTEMPLOYMENT BENEFITS (Continued)**

b. Teacher Health Insurance Security Fund of the State of Illinois (Continued)

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

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 381,895	\$ 5,833,101
Changes of assumptions	418,272	19,886,341
Net difference between projected and actual earnings on OPEB plan investments	-	7,513
Changes in the proportion and differences between employer contributions and proportionate share of contributions	2,370,183	2,291,769
Employer contributions subsequent to the measurement date	358,731	-
<b>TOTAL</b>	<u>\$ 3,529,081</u>	<u>\$ 28,018,724</u>

\$358,731 disclosed as deferred outflows of resources related to OPEB resulting from the District's contributions subsequent to the measurement date and before the end of the fiscal year will be included as a reduction of the collective net OPEB liability in the year ending June 30, 2025. Other amounts disclosed as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in the District's OPEB expense as follows:

Year Ended June 30,	
2026	\$ (2,797,817)
2027	(2,797,817)
2028	(2,797,817)
2029	(2,797,817)
2030	(2,797,817)
Thereafter	<u>(10,859,289)</u>
<b>TOTAL</b>	<u>\$ (24,848,374)</u>



**HARLEM CONSOLIDATED SCHOOL DISTRICT #122**  
**MACHESNEY PARK, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

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**8. RISK MANAGEMENT**

The District is exposed to various risks of loss related to employee health benefits; workers' compensation claims; theft of, damage to, and destruction of assets; and natural disasters. To protect from such risks, the District participates in the following public entity risk pool: Collective Liability Insurance Cooperative (CLIC) for general liability, workers compensation and other. The District pays annual premiums to the pools for insurance coverage. The arrangements with the pools provide that each will be self-sustaining through member premiums and will reinsure through commercial companies for claims in excess of certain levels established by the pools. There have been no significant reductions in insurance coverage from coverage in any of the past three fiscal years.

The District is self-insured for medical coverage that is provided to district personnel. A third party administrator administers claims for a monthly fee per participant. Expenditures are recorded as incurred in the form of direct contributions from the District to the third party administrator for payment of employee health claims and administration fees. The District's liability will not exceed \$200,000 per employee, as provided by stop-loss provisions incorporated in the plan.

As of June 30, 2025, total unpaid claims, including an estimate of claims that have been incurred but not reported to the administrative agent, totaled \$2,895,786. The estimates are developed based on reports prepared by the administrative agent. The District does not allocate overhead costs or incremental costs to the claims liability. For the years ended June 30, 2024 and June 30, 2025, changes in the liability reported in the General Fund, Tort Immunity and Judgment Fund, Operations and Maintenance Fund and Transportation Fund for unpaid claims are summarized as follows:

An analysis of claims activity consisted of the following:

	Fiscal Year 2025	Fiscal Year 2024
Self-insurance liability, July 1	\$ 1,882,611	\$ 2,508,441
Current year claims and changes in estimate	19,290,396	14,555,911
Claims paid	(18,277,221)	(15,181,741)
<b>SELF-INSURANCE LIABILITY, JUNE 30</b>	<b>\$ 2,895,786</b>	<b>\$ 1,882,611</b>

**HARLEM CONSOLIDATED SCHOOL DISTRICT #122**  
**MACHESNEY PARK, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

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**9. COMMITMENTS AND CONTINGENCIES**

a. Grantor Agencies

Federal and state grants-in-aid received by the District are subject to audit and adjustment by grantor agencies. If grant revenues are received for expenditures which are subsequently disallowed, the District may be required to repay the revenues. In the opinion of management, liabilities resulting from such disallowed expenditures, if any, will not be material.

b. Litigation

The District is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, in the opinion of the District's attorney the resolution of these matters will not have a material adverse effect on the financial condition of the District.

**10. CHANGE IN ACCOUNTING PRINCIPLE**

The District's beginning net position was adjusted due the implementation GASB Statement No. 101, *Compensated Absences*. In addition to the value of unused time owed to employees upon separation of employment, the District now recognizes an estimated amount of sick leave earned as of year-end that will be used by employees as time off in future years as part of the liability for compensated absences. The implementation of this guidance resulted in an increase in compensated absences and expense of \$3,397,527 for the fiscal year ended June 30, 2024. The effects of the change in accounting principle is summarized in the table below:

	<u>Governmental Activities</u>
BEGINNING NET POSITION, AS PREVIOUSLY REPORTED	<u>\$ 58,244,410</u>
Change in accounting principle - GASB 101	<u>(3,397,527)</u>
Total net restatement	<u>(3,397,527)</u>
BEGINNING NET POSITION, AS RESTATED	<u>\$ 54,846,883</u>

## **REQUIRED SUPPLEMENTARY INFORMATION**

**HARLEM CONSOLIDATED SCHOOL DISTRICT #122**  
**MACHESNEY PARK, ILLINOIS**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL  
GENERAL FUND

For the Year Ended June 30, 2025

	Original and Final Budget	Actual	Variance Over (Under)
<b>REVENUES</b>			
Local sources			
General property taxes	\$ 35,022,815	\$ 34,935,955	\$ (86,860)
Leasing property taxes	5,057	5,044	(13)
Special education property taxes	1,994,108	1,989,162	(4,946)
Mobile home privilege tax	42,005	65,699	23,694
Corporate personal property replacement taxes	4,108,245	3,717,538	(390,707)
Summer school tuition from pupils or parents (in state)	-	2,300	2,300
Special education tuition from other LEAs (in state)	130,000	100,612	(29,388)
Investment income	1,765,000	1,964,478	199,478
Sales to pupils - lunch	-	51,734	51,734
Sales to pupils - a la carte	415,000	361,257	(53,743)
Other food service	125,000	139,001	14,001
Admissions - athletic	81,000	69,603	(11,397)
Admissions - other	10,000	9,565	(435)
Fees	60,000	78,296	18,296
Student activities	1,000,000	965,106	(34,894)
Rentals	102,320	102,320	-
Contributions and donations from private sources	1,000	250	(750)
Onsite fitness revenue	-	4,280	4,280
Payments of surplus monies from TIF districts	485,000	493,637	8,637
Other local fees	545,000	618,978	73,978
Other	-	9	9
Total local sources	45,891,550	45,674,824	(216,726)
State sources			
Evidence based funding	35,108,788	35,125,485	16,697
Special education - private facility tuition	1,100,000	825,115	(274,885)
Special education - orphanage - individual	400,000	379,701	(20,299)
State free lunch and breakfast	60,000	42,383	(17,617)
Driver education	38,000	39,585	1,585
Early childhood - block grant	1,520,871	1,318,044	(202,827)
State library grant	-	4,936	4,936
Other restricted revenue from state sources	302,138	111,662	(190,476)
On behalf payments to TRS from the state	30,000,000	26,403,346	(3,596,654)
Total state sources	68,529,797	64,250,257	(4,279,540)
Federal sources			
National school lunch program	3,000,000	2,608,540	(391,460)
Breakfast start up grant	-	8,994	8,994
School breakfast program	650,000	888,779	238,779
Food service - other	-	265,756	265,756
Title I - low income	2,080,822	1,956,327	(124,495)
Title I - other	110,750	264,258	153,508
Title IV - student support and academic enrichment grant	65,678	108,891	43,213

(This schedule is continued on the following pages.)

**HARLEM CONSOLIDATED SCHOOL DISTRICT #122**  
**MACHESNEY PARK, ILLINOIS**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL (Continued)  
GENERAL FUND

For the Year Ended June 30, 2025

	Original and Final Budget	Actual	Variance Over (Under)
<b>REVENUES (Continued)</b>			
Federal sources (Continued)			
Federal - special education - preschool flowthrough	\$ 37,336	\$ 40,368	\$ 3,032
Federal - special education - IDEA flowthrough	1,551,243	1,874,834	323,591
Federal - special education - IDEA room and board	10,000	-	(10,000)
Emergency immigrant assistance	-	2,427	2,427
Title III - English language acquisition	38,139	35,887	(2,252)
McKinney education for homeless children	4,828	10,907	6,079
Title II - Teacher quality	219,991	269,281	49,290
Medicaid matching funds - administrative outreach	400,000	363,241	(36,759)
Medicaid matching funds - fee-for-service program	1,350,000	1,449,539	99,539
Other restricted revenue from federal sources	147,968	178,166	30,198
Total federal sources	9,666,755	10,326,195	659,440
Total revenue	124,088,102	120,251,276	(3,836,826)
<b>EXPENDITURES</b>			
Instruction			
Regular programs			
Salaries	21,831,670	22,855,323	1,023,653
Employee benefits	7,567,548	10,228,126	2,660,578
On-behalf payments to TRS from the state	30,000,000	26,403,346	(3,596,654)
Purchased services	1,448,221	1,761,883	313,662
Supplies and materials	1,360,730	1,360,223	(507)
Capital outlay	58,250	70,120	11,870
Other objects	1,000	195,563	194,563
Non-capitalized equipment	156,465	228,323	71,858
Total regular programs	62,423,884	63,102,907	679,023
Special education programs			
Salaries	14,632,548	13,996,377	(636,171)
Employee benefits	5,385,573	4,914,962	(470,611)
Purchased services	179,975	209,137	29,162
Supplies and materials	80,000	78,846	(1,154)
Total special education programs	20,278,096	19,199,322	(1,078,774)
Remedial and supplemental programs K-12			
Salaries	953,183	950,093	(3,090)
Employee benefits	384,402	419,674	35,272
Purchased services	5,000	759	(4,241)
Supplies and materials	-	990	990
Total remedial and supplemental programs K-12	1,342,585	1,371,516	28,931

(This schedule is continued on the following pages.)

**HARLEM CONSOLIDATED SCHOOL DISTRICT #122**  
**MACHESNEY PARK, ILLINOIS**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL (Continued)  
GENERAL FUND

For the Year Ended June 30, 2025

	Original and Final Budget	Actual	Variance Over (Under)
<b>EXPENDITURES (Continued)</b>			
Instruction (Continued)			
CTE programs			
Salaries	\$ 1,367,096	\$ 1,424,059	\$ 56,963
Employee benefits	520,431	520,574	143
Total CTE programs	1,887,527	1,944,633	57,106
Interscholastic programs			
Salaries	706,918	724,078	17,160
Employee benefits	101,714	58,577	(43,137)
Purchased services	182,850	162,443	(20,407)
Supplies and materials	76,360	43,771	(32,589)
Capital outlay	21,000	12,644	(8,356)
Other objects	60,000	65,222	5,222
Non-capitalized equipment	11,000	22,945	11,945
Total interscholastic programs	1,159,842	1,089,680	(70,162)
Summer school programs			
Salaries	55,000	103,779	48,779
Employee benefits	3,195	13,409	10,214
Total summer school programs	58,195	117,188	58,993
Driver's education programs			
Salaries	102,775	116,984	14,209
Employee benefits	28,029	31,422	3,393
Total driver's education programs	130,804	148,406	17,602
Bilingual programs			
Salaries	1,445,920	1,350,132	(95,788)
Employee benefits	591,223	533,304	(57,919)
Purchased services	3,200	11,147	7,947
Supplies and materials	6,800	10,631	3,831
Other objects	-	174	174
Total bilingual programs	2,047,143	1,905,388	(141,755)
Truant's alternative and optional programs			
Purchased services	40,000	73,000	33,000
Total truant's alternative and optional programs	40,000	73,000	33,000

(This schedule is continued on the following pages.)

**HARLEM CONSOLIDATED SCHOOL DISTRICT #122**  
**MACHESNEY PARK, ILLINOIS**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL (Continued)  
GENERAL FUND

For the Year Ended June 30, 2025

	Original and Final Budget	Actual	Variance Over (Under)
<b>EXPENDITURES (Continued)</b>			
Instruction (Continued)			
Student activities			
Other objects	\$ -	\$ 1,003,242	\$ 1,003,242
Total student activities	-	1,003,242	1,003,242
Total instruction	89,368,076	89,955,282	587,206
Support services			
Pupils			
Attendance and social work services			
Salaries	2,232,350	2,188,611	(43,739)
Employee benefits	782,025	730,126	(51,899)
Supplies and materials	16,000	(5,448)	(21,448)
Total attendance and social work services	3,030,375	2,913,289	(117,086)
Guidance services			
Salaries	1,285,498	1,341,284	55,786
Employee benefits	413,477	388,429	(25,048)
Purchased services	4,095	4,095	-
Supplies and materials	3,000	2,351	(649)
Total guidance services	1,706,070	1,736,159	30,089
Health services			
Salaries	862,751	714,292	(148,459)
Employee benefits	316,658	281,854	(34,804)
Supplies and materials	7,500	6,688	(812)
Total health services	1,186,909	1,002,834	(184,075)
Psychological services			
Salaries	516,472	419,252	(97,220)
Employee benefits	191,110	141,742	(49,368)
Purchased services	146,254	139,399	(6,855)
Supplies and materials	7,000	9,322	2,322
Non-capitalized equipment	-	2,350	2,350
Total psychological services	860,836	712,065	(148,771)
Speech pathology and audiology services			
Salaries	1,376,771	1,351,722	(25,049)
Employee benefits	440,778	405,178	(35,600)
Purchased services	10,000	58,223	48,223

(This schedule is continued on the following pages.)

**HARLEM CONSOLIDATED SCHOOL DISTRICT #122**  
**MACHESNEY PARK, ILLINOIS**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL (Continued)  
GENERAL FUND

For the Year Ended June 30, 2025

	Original and Final Budget	Actual	Variance Over (Under)
<b>EXPENDITURES (Continued)</b>			
Support services (Continued)			
Pupils (Continued)			
Speech pathology and audiology services (Continued)			
Supplies and materials	\$ 10,000	\$ 13,903	\$ 3,903
Other objects	4,500	6,156	1,656
Total speech pathology and audiology services	1,842,049	1,835,182	(6,867)
Other support services - pupils			
Salaries	3,311,941	3,227,272	(84,669)
Employee benefits	780,480	762,652	(17,828)
Purchased services	-	15,775	15,775
Supplies and materials	16,500	14,152	(2,348)
Total other support services - pupils	4,108,921	4,019,851	(89,070)
Total pupils	12,735,160	12,219,380	(515,780)
Instructional staff			
Improvement of instructional services			
Salaries	740,394	840,286	99,892
Employee benefits	280,391	244,771	(35,620)
Purchased services	235,710	305,915	70,205
Supplies and materials	49,448	55,001	5,553
Capital outlay	12,000	11,182	(818)
Other objects	3,000	2,958	(42)
Non-capitalized equipment	5,100	6,370	1,270
Total improvement of instructional services	1,326,043	1,466,483	140,440
Educational media services			
Salaries	961,481	995,318	33,837
Employee benefits	282,579	298,524	15,945
Purchased services	2,550	257	(2,293)
Supplies and materials	71,698	87,110	15,412
Non-capitalized equipment	-	64,655	64,655
Total educational media services	1,318,308	1,445,864	127,556
Assessment and testing			
Salaries	154,981	155,540	559
Employee benefits	59,615	61,818	2,203
Purchased services	24,195	46,062	21,867
Supplies and materials	4,000	5,257	1,257
Total assessment and testing	242,791	268,677	25,886
Total instructional staff	2,887,142	3,181,024	293,882

(This schedule is continued on the following pages.)



**HARLEM CONSOLIDATED SCHOOL DISTRICT #122**  
**MACHESNEY PARK, ILLINOIS**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL (Continued)  
GENERAL FUND

For the Year Ended June 30, 2025

	Original and Final Budget	Actual	Variance Over (Under)
<b>EXPENDITURES (Continued)</b>			
Support services (Continued)			
General administration			
Board of Education services			
Employee benefits	\$ 68,358	\$ 68,351	\$ (7)
Purchased services	56,936	61,385	4,449
Purchased services	253,500	259,976	6,476
Supplies and materials	17,500	8,712	(8,788)
Other objects	12,000	18,490	6,490
Total Board of Education services	408,294	416,914	8,620
Executive administration services			
Salaries	286,642	284,185	(2,457)
Employee benefits	64,971	52,421	(12,550)
Purchased services	15,500	16,843	1,343
Supplies and materials	7,250	4,572	(2,678)
Other objects	4,000	3,389	(611)
Non-capitalized equipment	1,000	-	(1,000)
Total executive administration services	379,363	361,410	(17,953)
Special area administration services			
Salaries	167,137	241,389	74,252
Employee benefits	80,751	88,172	7,421
Purchased services	1,050	741	(309)
Supplies and materials	2,500	1,832	(668)
Capital outlay	10,000	-	(10,000)
Other objects	500	-	(500)
Non-capitalized equipment	4,050	8,197	4,147
Total special area administration services	265,988	340,331	74,343
Tort immunity services			
Purchased services	25,000	30,229	5,229
Total tort immunity services	25,000	30,229	5,229
Total general administration	1,078,645	1,148,884	70,239
School administration			
Office of the principal services			
Salaries	4,265,198	4,425,932	160,734
Employee benefits	1,400,251	1,438,949	38,698
Purchased services	74,499	114,456	39,957
Supplies and materials	11,886	8,629	(3,257)

(This schedule is continued on the following pages.)

**HARLEM CONSOLIDATED SCHOOL DISTRICT #122**  
**MACHESNEY PARK, ILLINOIS**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL (Continued)  
GENERAL FUND

For the Year Ended June 30, 2025

	Original and Final Budget	Actual	Variance Over (Under)
<b>EXPENDITURES (Continued)</b>			
Support services (Continued)			
School administration (Continued)			
Office of the principal services (Continued)			
Other objects	\$ 3,230	\$ 1,816	\$ (1,414)
Total office of the principal services	5,755,064	5,989,782	234,718
Total school administration	5,755,064	5,989,782	234,718
Business			
Direction of business support services			
Salaries	315,844	318,063	2,219
Employee benefits	83,100	83,094	(6)
Purchased services	119,500	124,690	5,190
Supplies and materials	3,000	4,429	1,429
Capital outlay	10,000	-	(10,000)
Other objects	1,000	120	(880)
Non-capitalized equipment	1,500	7,497	5,997
Total direction of business support services	533,944	537,893	3,949
Fiscal services			
Employee benefits	90,560	89,324	(1,236)
Purchased services	30,484	30,121	(363)
Total fiscal services	121,044	119,445	(1,599)
Operation and maintenance of plant services			
Salaries	33,141	11,372	(21,769)
Supplies and materials	-	110	110
Non-capitalized equipment	-	8,994	8,994
Total operation and maintenance of plant services	33,141	20,476	(12,665)
Food service			
Salaries	1,254,147	1,265,367	11,220
Employee benefits	218,710	210,673	(8,037)
Purchased services	41,650	59,782	18,132
Supplies and materials	2,269,000	2,314,986	45,986
Capital outlay	290,000	22,894	(267,106)
Other objects	33,000	34,898	1,898
Non-capitalized equipment	12,000	48,747	36,747
Total food service	4,118,507	3,957,347	(161,160)

(This schedule is continued on the following pages.)

**HARLEM CONSOLIDATED SCHOOL DISTRICT #122**  
**MACHESNEY PARK, ILLINOIS**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL (Continued)  
GENERAL FUND

For the Year Ended June 30, 2025

	Original and Final Budget	Actual	Variance Over (Under)
<b>EXPENDITURES (Continued)</b>			
Support services (Continued)			
Business (Continued)			
Internal services			
Purchased services	\$ 7,250	\$ 7,861	\$ 611
Supplies and materials	-	57	57
Total internal services	7,250	7,918	668
Total business	4,813,886	4,643,079	(170,807)
Central			
Direction of central support services			
Salaries	608,476	605,876	(2,600)
Employee benefits	132,404	136,928	4,524
Purchased services	87,800	92,425	4,625
Supplies and materials	9,150	10,969	1,819
Capital outlay	10,000	-	(10,000)
Other objects	3,000	2,805	(195)
Noncapitalized equipment	-	11,204	11,204
Total direction of central support services	850,830	860,207	9,377
Planning, research, development and evaluation services			
Salaries	863,980	947,185	83,205
Employee benefits	277,032	283,383	6,351
Purchased services	69,075	51,253	(17,822)
Supplies and materials	-	396	396
Total planning, research, development and evaluation services	1,210,087	1,282,217	72,130
Information services			
Purchased services	17,628	15,717	(1,911)
Supplies and materials	6,000	5,879	(121)
Other objects	100	100	-
Total information services	23,728	21,696	(2,032)
Staff services			
Salaries	2,000	1,228	(772)
Employee benefits	-	32	32
Purchased services	10,000	10,367	367
Supplies and materials	14,000	18,137	4,137
Total staff services	26,000	29,764	3,764

(This schedule is continued on the following pages.)

**HARLEM CONSOLIDATED SCHOOL DISTRICT #122**  
**MACHESNEY PARK, ILLINOIS**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL (Continued)  
GENERAL FUND

For the Year Ended June 30, 2025

	Original and Final Budget	Actual	Variance Over (Under)
<b>EXPENDITURES (Continued)</b>			
Support services (Continued)			
Central (Continued)			
Data processing services			
Purchased services	\$ 26,700	\$ 26,700	\$ -
Total data processing services	26,700	26,700	-
Total central	2,137,345	2,220,584	83,239
Other support services			
Salaries	-	8,497	8,497
Employee benefits	6,476	1,806	(4,670)
Supplies and materials	5,078	5,036	(42)
Other objects	30,000	33,226	3,226
Total other support services	41,554	48,565	7,011
Total support services	29,448,796	29,451,298	2,502
Community services			
Salaries	524,316	472,081	(52,235)
Employee benefits	135,061	139,521	4,460
Purchased services	146,682	123,025	(23,657)
Supplies and materials	49,802	67,013	17,211
Non-capitalized equipment	-	1,641	1,641
Total community services	855,861	803,281	(52,580)
Payments to other districts and governmental units			
Payments for special education programs			
Purchased services	592,518	582,317	(10,201)
Total payments for special education programs	592,518	582,317	(10,201)
Payments for CTE programs			
Other objects	25,000	-	(25,000)
Total payments for CTE programs	25,000	-	(25,000)
Payments for special education programs - tuition			
Other objects	3,096,215	3,234,309	138,094
Total payments for special education programs - tuition	3,096,215	3,234,309	138,094
Total other payments to in-state governmental units	3,713,733	3,816,626	102,893
Total expenditures	123,386,466	124,026,487	640,021

(This schedule is continued on the following page.)

**HARLEM CONSOLIDATED SCHOOL DISTRICT #122**  
**MACHESNEY PARK, ILLINOIS**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL (Continued)  
GENERAL FUND

For the Year Ended June 30, 2025

	<b>Original and Final Budget</b>	<b>Actual</b>	<b>Variance Over (Under)</b>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>\$ 701,636</u>	<u>\$ (3,775,211)</u>	<u>\$ (4,476,847)</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfer (out)	<u>(850,000)</u>	<u>(850,000)</u>	<u>-</u>
Total other financing sources (uses)	<u>(850,000)</u>	<u>(850,000)</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	<u><u>\$ (148,364)</u></u>	<u>(4,625,211)</u>	<u><u>\$ (4,476,847)</u></u>
FUND BALANCE, JULY 1		<u>24,236,794</u>	
FUND BALANCE, JUNE 30		<u><u>\$ 19,611,583</u></u>	

(See independent auditor's report.)

**HARLEM CONSOLIDATED SCHOOL DISTRICT #122**  
**MACHESNEY PARK, ILLINOIS**

SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
TORT IMMUNITY AND JUDGMENT FUND

For the Year Ended June 30, 2025

	Original and Final Budget	Actual	Variance with Final Budget Over (Under)
<b>REVENUES</b>			
Local sources			
Property taxes	\$ 1,475,366	\$ 1,472,524	\$ (2,842)
Mobile home privilege tax	1,500	2,620	1,120
Interest on investments	30,571	31,451	880
Other local revenues	-	2,868	2,868
	<u>1,507,437</u>	<u>1,509,463</u>	<u>2,026</u>
Total local sources	<u>1,507,437</u>	<u>1,509,463</u>	<u>2,026</u>
Total revenues	<u>1,507,437</u>	<u>1,509,463</u>	<u>2,026</u>
<b>EXPENDITURES</b>			
Support services - general administration			
Board of education services			
Purchased services	9,000	8,612	(388)
Claims paid from self insurance fund			
Purchased services	-	908,649	908,649
Insurance payments			
Purchased services	-	24,650	24,650
Risk management and claims services payments			
Purchased services	1,513,194	572,395	(940,799)
Other objects	4,243	-	(4,243)
	<u>1,517,437</u>	<u>572,395</u>	<u>(945,042)</u>
Total risk management and claims services payments	<u>1,517,437</u>	<u>572,395</u>	<u>(945,042)</u>
Total support services - general administration	<u>1,526,437</u>	<u>1,514,306</u>	<u>(12,131)</u>
Total expenditures	<u>1,526,437</u>	<u>1,514,306</u>	<u>(12,131)</u>
NET CHANGE IN FUND BALANCE	<u>\$ (19,000)</u>	(4,843)	<u>\$ 14,157</u>
FUND BALANCE, JULY 1		<u>763,575</u>	
FUND BALANCE, JUNE 30		<u>\$ 758,732</u>	

(See independent auditor's report.)

**HARLEM CONSOLIDATED SCHOOL DISTRICT #122**  
**MACHESNEY PARK, ILLINOIS**

SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
OPERATIONS AND MAINTENANCE FUND

For the Year Ended June 30, 2025

	<b>Original and Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Over (under)</b>
<b>REVENUES</b>			
Local sources			
Property taxes	\$ 5,384,380	\$ 5,363,589	\$ (20,791)
Mobile home privilege tax	7,000	9,542	2,542
Investment income	271,004	289,945	18,941
Rentals	234,000	231,703	(2,297)
Other local revenue	39,000	15,823	(23,177)
Total local sources	5,935,384	5,910,602	(24,782)
Federal sources			
Title IV	48,772	48,737	(35)
Other restricted revenue from federal sources	113,786	149,149	35,363
Total federal sources	162,558	197,886	35,328
Total revenues	6,097,942	6,108,488	10,546
<b>EXPENDITURES</b>			
Support services			
Pupils			
Other support services - pupils			
Salaries	7,724	-	(7,724)
Employee benefits	1,421	-	(1,421)
Purchased services	1,225	-	(1,225)
Total other support services - pupils	10,370	-	(10,370)
Total pupils	10,370	-	(10,370)
Business			
Direction of business support services			
Salaries	8,920	8,920	-
Purchased services	1,472	1,544	72
Total direction of business support services	10,392	10,464	72
Total support services - business	10,392	10,464	72

(This schedule is continued on the following page.)

**HARLEM CONSOLIDATED SCHOOL DISTRICT #122  
MACHESNEY PARK, ILLINOIS**

**SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL (Continued)  
OPERATIONS AND MAINTENANCE FUND**

For the Year Ended June 30, 2025

	<b>Original and Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Over (under)</b>
<b>EXPENDITURES (Continued)</b>			
Support services (Continued)			
Operation and maintenance of plant services			
Salaries	\$ 2,406,334	\$ 2,106,292	\$ (300,042)
Employee benefits	601,882	562,537	(39,345)
Purchased services	863,150	1,223,082	359,932
Supplies and materials	1,670,300	1,711,277	40,977
Capital outlay	265,772	161,494	(104,278)
Other objects	3,000	1,018	(1,982)
Noncapitalized equipment	183,036	227,739	44,703
Total operation and maintenance of plant services	5,993,474	5,993,439	(35)
Pupil transportation services			
Salaries	-	29,088	29,088
Employee benefits	-	5,411	5,411
Total pupil transportation services	-	34,499	34,499
Total expenditures	6,014,236	6,038,402	24,166
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	83,706	70,086	(13,620)
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in	650,000	650,000	-
Transfers (out)	(939,931)	(939,931)	-
Total other financing sources (uses)	(289,931)	(289,931)	-
<b>NET CHANGE IN FUND BALANCE</b>	<b>\$ (206,225)</b>	<b>(219,845)</b>	<b>\$ (13,620)</b>
<b>FUND BALANCE, JULY 1</b>		<b>3,562,338</b>	
<b>FUND BALANCE, JUNE 30</b>		<b>\$ 3,342,493</b>	

(See independent auditor's report.)



**HARLEM CONSOLIDATED SCHOOL DISTRICT #122**  
**MACHESNEY PARK, ILLINOIS**

SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
TRANSPORTATION FUND

For the Year Ended June 30, 2025

	Original and Final Budget	Actual	Variance with Final Budget Over (Under)
<b>REVENUES</b>			
Local sources			
Property taxes	\$ 2,405,563	\$ 2,394,943	\$ (10,620)
Mobile home privilege tax	3,000	4,261	1,261
Regular transportation fees from co-curricular activities	20,000	-	(20,000)
Investment income	139,167	170,657	31,490
Other local revenues	3,000	4,664	1,664
Total local sources	2,570,730	2,574,525	3,795
State sources			
Transportation - regular	2,000,000	1,979,005	(20,995)
Transportation - special education	1,500,000	1,289,553	(210,447)
Total state sources	3,500,000	3,268,558	(231,442)
Federal sources			
Title I - school improvement and accountability	-	4,080	4,080
Other restricted revenue from federal sources	450	10,688	10,238
Total federal sources	450	14,768	14,318
Total revenues	6,071,180	5,857,851	(213,329)
<b>EXPENDITURES</b>			
Support services			
Business			
Pupil transportation services			
Salaries	2,725,500	2,868,371	142,871
Employee benefits	1,330,589	1,170,928	(159,661)
Purchased services	358,150	451,503	93,353
Supplies and materials	514,800	462,615	(52,185)
Capital outlay	2,091,720	2,083,720	(8,000)
Other objects	2,250	1,335	(915)
Non-capitalized equipment	6,000	11,893	5,893
Total pupil transportation services	7,029,009	7,050,365	21,356
Total support services - business	7,029,009	7,050,365	21,356
Total expenditures	7,029,009	7,050,365	21,356

(This schedule is continued on the following page.)

**HARLEM CONSOLIDATED SCHOOL DISTRICT #122  
MACHESNEY PARK, ILLINOIS**

**SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL (Continued)  
TRANSPORTATION FUND**

For the Year Ended June 30, 2025

	<b>Original and Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Over (Under)</b>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$ (957,829)	\$ (1,192,514)	\$ (234,685)
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in	200,000	200,000	-
Proceeds from sale of assets	357,500	357,505	5
Total other financing sources (uses)	557,500	557,505	5
NET CHANGE IN FUND BALANCE	<u>\$ (400,329)</u>	(635,009)	<u>\$ (234,680)</u>
FUND BALANCE, JULY 1		<u>3,787,935</u>	
FUND BALANCE, JUNE 30		<u>\$ 3,152,926</u>	

(See independent auditor's report.)

**HARLEM CONSOLIDATED SCHOOL DISTRICT #122  
MACHESNEY PARK, ILLINOIS**

**SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
ILLINOIS MUNICIPAL RETIREMENT/SOCIAL SECURITY FUND**

For the Year Ended June 30, 2025

	<b>Original and Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Over (Under)</b>
<b>REVENUES</b>			
Local sources			
Property taxes	\$ 725,857	\$ 723,611	\$ (2,246)
FICA/Medicare only property taxes	1,901,963	1,896,269	(5,694)
Mobile home privilege tax	3,500	4,661	1,161
Corporate personal property replacement taxes	290,000	290,000	-
Investment income	134,916	163,184	28,268
Other	-	5,102	5,102
Total local sources	3,056,236	3,082,827	26,591
State sources			
Early childhood - block grant	88,871	82,103	(6,768)
Other restricted revenue from state sources	5,996	6,401	405
Total state sources	94,867	88,504	(6,363)
Federal sources			
Title I - low income	21,760	18,464	(3,296)
Title I - school improvement and accountability	-	872	872
Federal - special education - preschool flow through	2,613	2,785	172
Federal - special education - IDEA flow through	19,675	24,247	4,572
Title III - english language acquisition	450	2,905	2,455
McKinney education for homeless children	-	43	43
Title II - Eisenhower pro	994	1,932	938
Other restricted revenue from federal sources	17,981	13,624	(4,357)
Total federal sources	63,473	64,872	1,399
Total revenues	3,214,576	3,236,203	21,627
<b>EXPENDITURES</b>			
Instruction			
Regular programs	367,688	364,652	(3,036)
Special education programs	854,789	836,795	(17,994)
Remedial and supplemental programs - K-12	16,426	14,632	(1,794)
CTE programs	31,010	21,765	(9,245)
Interscholastic programs	6,745	43,299	36,554
Summer school programs	4,151	7,049	2,898
Drivers education programs	1,478	1,822	344
Bilingual programs	17,688	23,909	6,221
Total instruction	1,299,975	1,313,923	13,948

(This schedule is continued on the following pages.)

**HARLEM CONSOLIDATED SCHOOL DISTRICT #122**  
**MACHESNEY PARK, ILLINOIS**

SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL (Continued)  
ILLINOIS MUNICIPAL RETIREMENT/SOCIAL SECURITY FUND

For the Year Ended June 30, 2025

	<b>Original and Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Over (Under)</b>
<b>EXPENDITURES (Continued)</b>			
Support services			
Pupils			
Attendance and social work services	\$ 53,207	\$ 46,291	\$ (6,916)
Guidance services	54,731	42,598	(12,133)
Health services	110,822	88,081	(22,741)
Psychological services	8,707	8,153	(554)
Speech pathology and audiology services	22,072	20,686	(1,386)
Other support services	321,106	305,733	(15,373)
Total pupils	570,645	511,542	(59,103)
Instructional staff			
Improvement of instructional services	31,860	32,726	866
Educational media services	15,321	15,428	107
Assessment and testing	2,458	2,520	62
Total instructional staff	49,639	50,674	1,035
General administration			
Board of education services	10,159	10,917	758
Executive administration services	16,500	16,209	(291)
Special area administration services	3,701	3,984	283
Total general administration	30,360	31,110	750
School administration			
Office of principal services	180,626	184,207	3,581
Total school administration	180,626	184,207	3,581
Business			
Direction of business support services	24,518	23,909	(609)
Facilities acquisition and construction services	13,457	13,124	(333)
Operation and maintenance of plant services	336,449	310,992	(25,457)
Pupil transportation services	347,117	415,361	68,244
Food services	179,517	177,053	(2,464)
Internal services	10,022	4,287	(5,735)
Total business	911,080	944,726	33,646

(This schedule is continued on the following page.)

**HARLEM CONSOLIDATED SCHOOL DISTRICT #122**  
**MACHESNEY PARK, ILLINOIS**

SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL (Continued)  
ILLINOIS MUNICIPAL RETIREMENT/SOCIAL SECURITY FUND

For the Year Ended June 30, 2025

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Over (Under)</u>
<b>EXPENDITURES (Continued)</b>			
Support services (Continued)			
Central			
Direction of central support services	\$ 68,712	\$ 68,613	\$ (99)
Planning, research, development and evaluation services	90,619	99,274	8,655
Staff services	-	103	103
Total central	159,331	167,990	8,659
Other support services	-	137	137
Total support services	1,901,681	1,890,386	(11,295)
Community services	77,323	67,411	(9,912)
Total expenditures	3,278,979	3,271,720	(7,259)
NET CHANGE IN FUND BALANCE	<u>\$ (64,403)</u>	(35,517)	<u>\$ 28,886</u>
FUND BALANCE, JULY 1		<u>2,393,070</u>	
FUND BALANCE, JUNE 30		<u>\$ 2,357,553</u>	

(See independent auditor's report.)

**HARLEM CONSOLIDATED SCHOOL DISTRICT #122  
MACHESNEY PARK, ILLINOIS**

**SCHEDULE OF EMPLOYER CONTRIBUTIONS  
ILLINOIS MUNICIPAL RETIREMENT FUND**

Last Ten Fiscal Years

<b>FISCAL YEAR ENDED JUNE 30,</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>
Actuarially determined contribution	\$ 1,272,782	\$ 1,271,059	\$ 1,279,730	\$ 1,345,307	\$ 1,135,776	\$ 1,304,978	\$ 1,478,314	\$ 1,229,052	\$ 1,173,135	\$ 1,207,547
Contributions in relation to the actuarially determined contribution	1,295,283	1,278,838	(1,312,327)	1,345,307	1,164,876	1,319,103	1,483,477	1,229,052	1,173,135	1,207,547
<b>CONTRIBUTION DEFICIENCY (Excess)</b>	<b>\$ (22,501)</b>	<b>\$ (7,779)</b>	<b>\$ 2,592,057</b>	<b>\$ -</b>	<b>\$ (29,100)</b>	<b>\$ (14,125)</b>	<b>\$ (5,163)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
Covered payroll	\$ 10,695,651	\$ 10,780,819	\$ 11,285,100	\$ 11,718,703	\$ 11,892,940	\$ 11,983,268	\$ 13,726,217	\$ 15,014,307	\$ 15,388,428	\$ 16,514,863
Contributions as a percentage of covered payroll	12.11%	11.86%	(11.63%)	11.48%	9.79%	11.01%	10.81%	8.19%	7.62%	7.31%

Notes to Required Supplemental Information

The information presented was determined as part of the actuarial valuations as of January 1 of the prior calendar year. Additional information as of the latest actuarial valuation presented is as follows: the actuarial cost method was aggregate entry-age normal; the amortization method was level percent of pay, closed and the amortization period was 19 years; the asset valuation method was five-year smoothed; and the significant actuarial assumptions were an investment rate of return at 7.25% annually, projected salary increases assumption of 2.75% to 13.75% compounded annually and wage growth of 2.75%.

(See independent auditor's report.)

**HARLEM CONSOLIDATED SCHOOL DISTRICT #122  
MACHESNEY PARK, ILLINOIS**

**SCHEDULE OF EMPLOYER CONTRIBUTIONS  
TEACHERS' RETIREMENT SYSTEM OF THE STATE OF ILLINOIS**

Last Ten Fiscal Years

<b>FISCAL YEAR ENDED JUNE 30,</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>
Statutorily required contribution	\$ 314,726	\$ 320,358	\$ 279,444	\$ 350,629	\$ 407,797	\$ 421,352	\$ 657,114	\$ 659,987	\$ 591,379	\$ 512,575
Contributions in relation to the statutorily required contribution	314,726	325,373	295,430	357,613	406,838	427,693	657,114	659,987	591,379	512,575
<b>CONTRIBUTION DEFICIENCY (Excess)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (15,986)</b>	<b>\$ (6,984)</b>	<b>\$ 959</b>	<b>\$ (6,341)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
Covered payroll	\$ 40,482,863	\$ 40,672,745	\$ 41,352,416	\$ 42,034,052	\$ 43,907,361	\$ 45,752,327	\$ 48,508,220	\$ 51,558,031	\$ 52,153,781	\$ 53,541,924
Contributions as a percentage of covered payroll	0.78%	0.80%	0.71%	0.85%	0.93%	0.93%	1.35%	1.28%	1.13%	0.96%

Notes to Required Supplemental Information

Changes of assumptions: For the 2024 measurement year, the assumed investment rate of return was of 7%, including an inflation rate of 2.50% and a real return of 4.50%. Salary increases were assumed to vary by service credit. These actuarial assumptions were based on an experience study dated Aug. 16, 2024. For the 2023-2022 and 2020-2016 measurement years, the assumed investment rate of return was 7%, including an inflation rate of 2.50% and a real return of 4.50%\*. Salary increases were assumed to vary by service credit. The assumptions used for the 2020-2018 and 2017-2016 measurement years were based on an experience study dated September 18, 2018 and August 13, 2015, respectively. For the 2015 measurement year, the assumed investment rate of return was 7.50%, including an inflation rate of 3% and a real return of 4.50%. Salary increases were assumed to vary by service credit. Various other changes in assumptions were adopted based on the experience analysis for the three-year period ending June 30, 2014.

(See independent auditor's report.)

**HARLEM CONSOLIDATED SCHOOL DISTRICT #122  
MACHESNEY PARK, ILLINOIS**

**SCHEDULE OF EMPLOYER CONTRIBUTIONS  
TEACHERS' HEALTH INSURANCE SECURITY FUND**

Last Eight Fiscal Years

<b>FISCAL YEAR ENDED JUNE 30,</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>
Actuarially determined contribution	\$ 363,901	\$ 386,713	\$ 403,948	\$ 420,921	\$ 325,005	\$ 236,109	\$ 349,430	\$ 358,731
Contributions in relation to the actuarially determined contribution	363,546	386,713	403,948	420,921	325,005	236,109	349,430	358,731
<b>CONTRIBUTION DEFICIENCY (Excess)</b>	<b>\$ 355</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
Covered payroll	\$ 41,352,416	\$ 42,034,052	\$ 43,907,361	\$ 45,752,327	\$ 48,508,220	\$ 51,558,031	\$ 52,153,781	\$ 53,541,924
Contributions as a percentage of covered payroll	0.88%	0.92%	0.92%	0.92%	0.67%	0.46%	0.67%	0.67%

Notes to Required Supplemental Information

Ultimately, this schedule should present information for the last ten years. However, until ten years of information can be compiled, information will be presented for as many years as is available.

(See independent auditor's report.)



**HARLEM CONSOLIDATED SCHOOL DISTRICT #122  
MACHESNEY PARK, ILLINOIS**

SCHEDULE OF CHANGES IN THE EMPLOYER'S  
NET PENSION LIABILITY AND RELATED RATIOS  
ILLINOIS MUNICIPAL RETIREMENT FUND

Last Ten Calendar Years

MEASUREMENT DATE DECEMBER 31,	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
<b>TOTAL PENSION LIABILITY</b>										
Service cost	\$ 1,222,891	\$ 1,155,668	\$ 1,178,689	\$ 1,154,075	\$ 1,251,240	\$ 1,234,796	\$ 1,142,862	\$ 1,326,963	\$ 1,415,108	\$ 1,397,268
Interest	3,797,091	3,926,941	4,096,350	4,159,403	4,276,191	4,489,536	4,532,899	4,889,447	5,014,337	5,166,733
Differences between expected and actual experience	(475,424)	64,274	379,144	(220,593)	742,055	(1,088,491)	2,759,914	(761,547)	(309,216)	2,164,226
Changes in assumptions	61,320	(128,324)	(1,720,860)	1,596,160	-	(541,877)	-	-	(48,333)	-
Benefit payments, including refunds of member contributions	(2,699,056)	(2,838,019)	(2,984,544)	(3,176,055)	(3,252,741)	(3,384,390)	(3,515,402)	(3,704,234)	(3,848,388)	(4,073,537)
Net change in total pension liability	1,906,822	2,180,540	948,779	3,512,990	3,016,745	709,574	4,920,273	1,750,629	2,223,508	4,654,690
Total pension liability - beginning	51,433,562	53,340,384	55,520,924	56,469,703	59,982,693	62,999,438	63,709,012	68,629,285	70,379,914	72,603,422
<b>TOTAL PENSION LIABILITY - ENDING</b>	<b>\$ 53,340,384</b>	<b>\$ 55,520,924</b>	<b>\$ 56,469,703</b>	<b>\$ 59,982,693</b>	<b>\$ 62,999,438</b>	<b>\$ 63,709,012</b>	<b>\$ 68,629,285</b>	<b>\$ 70,379,914</b>	<b>\$ 72,603,422</b>	<b>\$ 77,258,112</b>
<b>PLAN FIDUCIARY NET POSITION</b>										
Contributions - employer	\$ 1,295,283	\$ 1,278,838	\$ 1,312,327	\$ 1,345,307	\$ 1,164,876	\$ 1,319,103	\$ 1,483,477	\$ 1,240,891	\$ 1,204,041	\$ 1,114,423
Contributions - member	481,606	506,142	513,176	528,024	545,314	539,243	617,678	645,591	677,791	695,485
Net investment income	229,095	3,124,927	8,534,306	(3,121,674)	9,587,682	8,502,315	11,046,765	(9,501,723)	6,895,156	6,735,361
Benefit payments, including refunds of member contributions	(2,699,056)	(2,838,019)	(2,984,544)	(3,176,055)	(3,252,741)	(3,384,390)	(3,515,402)	(3,704,234)	(3,848,388)	(4,073,537)
Other (net transfer)	116,333	(233,126)	(990,342)	771,073	354,813	(628,194)	(268,906)	(737,489)	1,243,163	8,174
Net change in plan fiduciary net position	(576,739)	1,838,762	6,384,923	(3,653,325)	8,399,944	6,348,077	9,363,612	(12,056,964)	6,171,763	4,479,906
Plan fiduciary net position - beginning	46,280,116	45,703,377	47,542,139	53,927,062	50,273,737	58,673,681	65,021,758	74,385,370	62,328,406	68,500,169
<b>PLAN FIDUCIARY NET POSITION - ENDING</b>	<b>\$ 45,703,377</b>	<b>\$ 47,542,139</b>	<b>\$ 53,927,062</b>	<b>\$ 50,273,737</b>	<b>\$ 58,673,681</b>	<b>\$ 65,021,758</b>	<b>\$ 74,385,370</b>	<b>\$ 62,328,406</b>	<b>\$ 68,500,169</b>	<b>\$ 72,980,075</b>
<b>EMPLOYER'S NET PENSION LIABILITY (ASSET)</b>	<b>\$ 7,637,007</b>	<b>\$ 7,978,785</b>	<b>\$ 2,542,641</b>	<b>\$ 9,708,956</b>	<b>\$ 4,325,757</b>	<b>\$ (1,312,746)</b>	<b>\$ (5,756,085)</b>	<b>\$ 8,051,508</b>	<b>\$ 4,103,253</b>	<b>\$ 4,278,037</b>

MEASUREMENT DATE DECEMBER 31,	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Plan fiduciary net position as a percentage of the total pension liability	85.68%	85.63%	95.50%	83.81%	93.13%	102.06%	108.39%	88.56%	94.35%	94.46%
Covered payroll	\$ 10,695,651	\$ 10,780,819	\$ 11,285,100	\$ 11,718,703	\$ 11,892,940	\$ 11,983,268	\$ 13,726,217	\$ 14,345,386	\$ 15,057,705	\$ 15,456,637
Employer's net pension liability as a percentage of covered payroll	71.40%	74.01%	22.53%	82.85%	36.37%	(10.95%)	(41.93%)	56.13%	27.25%	27.68%

Assumption Changes:

2015 - changes in assumptions related to investment rate of return, retirement age and mortality rates.

2016 - changes in assumptions related to retirement age and mortality rates.

2017 - changes in assumptions related to inflation rates, salary rates and mortality rates.

2018 - changes in assumptions related to the investment rate of return.

2020 - changes in assumptions related to inflation rates, salary increases and mortality rates.

2023 - changes in assumptions related to mortality rates.

(See independent auditor's report.)

**HARLEM CONSOLIDATED SCHOOL DISTRICT #122  
MACHESNEY PARK, ILLINOIS**

SCHEDULE OF THE DISTRICT'S PROPORTIONATE  
SHARE OF THE NET PENSION LIABILITY AND RELATED RATIOS  
TEACHER'S RETIREMENT SYSTEM OF THE STATE OF ILLINOIS

Last Ten Fiscal Years

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
District's proportion of the net pension liability	0.0173549433%	0.0085747558%	0.0078725949%	0.0057910572%	0.0053769254%	0.0052325532%	0.0051262920%	0.0047251198%	0.0049100396%	0.0048578559%
District's proportionate share of the net pension liability	\$ 11,369,236	\$ 6,768,573	\$ 6,014,516	\$ 4,513,830	\$ 4,361,126	\$ 4,511,259	\$ 3,999,087	\$ 3,961,556	\$ 4,172,580	4,171,232
State's proportionate share of the net pension liability associated with the District	256,438,875	321,118,574	299,991,701	309,216,283	310,376,544	353,345,249	335,165,965	343,638,765	360,095,789	347,791,308
<b>TOTAL PENSION LIABILITY</b>	<b>\$ 267,808,111</b>	<b>\$ 327,887,147</b>	<b>\$ 306,006,217</b>	<b>\$ 313,730,113</b>	<b>\$ 314,737,670</b>	<b>\$ 357,856,508</b>	<b>\$ 339,165,052</b>	<b>\$ 347,600,321</b>	<b>\$ 364,268,369</b>	<b>\$ 351,962,540</b>
District's covered payroll	\$ 39,576,382	\$ 40,482,863	\$ 41,352,416	\$ 41,352,416	\$ 42,034,052	\$ 43,907,361	\$ 45,752,327	\$ 48,508,220	\$ 51,558,031	\$ 52,153,781
District's proportionate share of the net pension liability as a percentage of its covered payroll	28.73%	16.72%	14.54%	10.92%	10.38%	10.27%	8.74%	8.17%	8.09%	8.00%
Plan fiduciary net position as a percentage of the total pension liability	41.50%	36.40%	39.30%	40.00%	39.60%	37.80%	45.10%	42.80%	43.90%	45.40%

(See independent auditor's report.)

**HARLEM CONSOLIDATED SCHOOL DISTRICT #122  
MACHESNEY PARK, ILLINOIS**

SCHEDULE OF CHANGES IN THE EMPLOYER'S  
TOTAL OPEB LIABILITY AND RELATED RATIOS  
OTHER POSTEMPLOYMENT BENEFIT PLAN

Last Eight Fiscal Years

MEASUREMENT DATE JUNE 30,	2018	2019	2020	2021	2022	2023	2024	2025
<b>TOTAL OPEB LIABILITY</b>								
Service cost	\$ 42,733	\$ 40,843	\$ 56,365	\$ 55,417	\$ 54,548	\$ 39,623	\$ 31,180	\$ 27,386
Interest	21,950	21,919	21,504	21,111	18,633	26,803	27,601	30,768
Changes of benefit terms	-	-	-	20,535	-	-	-	-
Differences between expected and actual experience	188,354	-	(61,736)	-	106,104	-	7,932	-
Changes of assumptions	(94,535)	7,875	27,488	-	(346,707)	(1,689)	48,097	(18,214)
Benefit payments	97,854	(576)	(33,923)	-	-	(37,263)	(66,244)	(38,370)
Other changes	(33,686)	(35,777)	18,899	(45,289)	(26,685)	-	-	-
Net change in total OPEB liability	222,670	34,284	28,597	51,774	(194,107)	27,474	48,566	1,570
Total OPEB liability - beginning	530,744	753,414	787,698	816,295	868,069	673,962	701,436	750,002
<b>TOTAL OPEB LIABILITY - ENDING</b>	<b>\$ 753,414</b>	<b>\$ 787,698</b>	<b>\$ 816,295</b>	<b>\$ 868,069</b>	<b>\$ 673,962</b>	<b>\$ 701,436</b>	<b>\$ 750,002</b>	<b>\$ 751,572</b>
Covered-employee payroll	\$ 8,410,935	\$ 8,410,935	\$ 9,397,033	\$ 9,397,033	\$ 11,305,243	\$ 11,749,347	\$ 12,319,721	\$ 12,803,612
Employer's total OPEB liability as a percentage of covered-employee payroll	8.96%	9.37%	8.69%	9.24%	5.96%	5.97%	6.09%	5.87%

There were changes in assumptions related to the discount rate in 2025.

There were changes in assumptions related to the discount rate, healthcare cost trend rates and mortality tables in 2024.

There were changes in assumptions related to the discount rate in 2023.

Ultimately, this schedule should present information for the last ten years. However, until ten years of information can be compiled, information will be presented for as many years as is available.

(See independent auditor's report.)

**HARLEM CONSOLIDATED SCHOOL DISTRICT #122  
MACHESNEY PARK, ILLINOIS**

**SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE  
COLLECTIVE NET OPEB LIABILITY AND RELATED RATIOS  
TEACHERS' HEALTH INSURANCE SECURITY FUND**

Last Eight Fiscal Years

<b>MEASUREMENT DATE JUNE 30,</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>
District's proportion of the collective net OPEB liability	0.176734%	0.174440%	0.171020%	0.173568%	0.177059%	0.176580%	0.183277%	0.174952%
District's proportionate share of the collective net OPEB liability	\$ 45,861,835	\$ 45,974,004	\$ 47,334,130	\$ 46,433,334	\$ 39,051,011	\$ 12,086,377	\$ 13,062,792	\$ 13,839,631
State's proportionate share of the collective net OPEB liability associated with the District	60,227,985	61,733,173	64,096,451	62,904,522	52,947,471	16,442,350	21,273,613	18,794,869
<b>TOTAL</b>	<b>\$ 106,089,820</b>	<b>\$ 107,707,177</b>	<b>\$ 111,430,581</b>	<b>\$ 109,337,856</b>	<b>\$ 91,998,482</b>	<b>\$ 28,528,727</b>	<b>\$ 34,336,405</b>	<b>\$ 32,634,500</b>
Plan's fiduciary net position as a percentage of the total pension liability	(0.17%)	(0.07%)	0.25%	0.70%	1.40%	5.24%	6.21%	7.43%
District's covered payroll	\$ 41,352,416	\$ 41,352,416	\$ 42,034,052	\$ 43,907,361	\$ 45,752,327	\$ 48,508,220	\$ 51,558,031	\$ 52,153,781
Proportionate of the collective net OPEB liability associated with employer as a percentage of its covered payroll	256.55%	260.46%	265.10%	249.02%	201.08%	58.81%	66.60%	62.57%

Ultimately, this schedule should present information for the last ten years. However, until ten years of information can be compiled, information should be presented or as many years as is available.

(See independent auditor's report.)

**HARLEM CONSOLIDATED SCHOOL DISTRICT #122**  
**MACHESNEY PARK, ILLINOIS**

**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION**

June 30, 2025

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**1. BUDGETS AND BUDGETARY ACCOUNTING**

Budgets are adopted each year and amended, as required, for all governmental funds. The appropriated budget is prepared by fund and department. The budget is prepared on the same basis of accounting used to reflect the actual revenues and expenditures recognized in accordance with GAAP. The level of budgetary control is the fund level. All appropriations lapse at fiscal year end.

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

- a. Prior to August 1, the Superintendent submits to the Board of Education a proposed operating budget for the fiscal year commencing July 1. The operating budget includes proposed expenditures and the means of financing them.
- b. Public hearings are conducted to obtain taxpayer comments.
- c. Prior to October 1, the budget is legally adopted through passage of resolution.
- d. The Board of Education authorizes the Superintendent or their designee to make transfers within any fund. Furthermore, the Board of Education may amend the budget in other ways by the same procedures required of its original adoption. There were no budget amendments for the fiscal year ended June 30, 2025.

Formal budgetary integration is at a fund level and is employed as a management control device during the year for the General, Special Revenue, Debt Service and Capital Project Funds.

**2. EXCESS EXPENDITURES OVER APPROPRIATIONS**

The following funds had expenditures in excess of budget for the year ended June 30, 2025:

Fund	Excess
General	\$ 640,021
Operations and Maintenance	24,166
Transportation	21,356
Capital Projects	54,162

## **SUPPLEMENTARY INFORMATION**

## **MAJOR GOVERNMENTAL FUNDS**



**HARLEM CONSOLIDATED SCHOOL DISTRICT #122**  
**MACHESNEY PARK, ILLINOIS**

COMBINING BALANCE SHEET  
GENERAL FUND - BY ACCOUNT

June 30, 2025

	Educational Accounts	Working Cash Accounts	Total
<b>ASSETS</b>			
Cash and investments	\$ 45,432,533	\$ 510,645	\$ 45,943,178
Student activity cash and investments	468,104	-	468,104
Receivables			
Property taxes, net	18,074,672	2,679	18,077,351
Replacement taxes	691,068	-	691,068
Intergovernmental	3,531,860	-	3,531,860
Other	57,482	-	57,482
Inventory	202,490	-	202,490
Prepaid items	339,769	-	339,769
<b>TOTAL ASSETS</b>	<b>\$ 68,797,978</b>	<b>\$ 513,324</b>	<b>\$ 69,311,302</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>			
<b>LIABILITIES</b>			
Accounts payable	\$ 402,781	\$ -	\$ 402,781
Salaries and wages payable	1,144,257	-	1,144,257
Contracts payable	5,521,520	-	5,521,520
Unearned other	20,592	-	20,592
Health claims payable	2,661,760	-	2,661,760
Total liabilities	9,750,910	-	9,750,910
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Property taxes levied for subsequent years	38,854,644	5,752	38,860,396
Deferred revenue	1,088,413	-	1,088,413
Total deferred inflows of resources	39,943,057	5,752	39,948,809
Total liabilities and deferred inflows of resources	49,693,967	5,752	49,699,719
<b>FUND BALANCES</b>			
Nonspendable	542,259	-	542,259
Restricted - food service	2,228,031	-	2,228,031
Assigned for working cash	-	507,572	507,572
Assigned for future years' budget	2,950,658	-	2,950,658
Assigned for student activity funds	468,104	-	468,104
Unassigned	12,914,959	-	12,914,959
Total fund balances	19,104,011	507,572	19,611,583
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>	<b>\$ 68,797,978</b>	<b>\$ 513,324</b>	<b>\$ 69,311,302</b>

(See independent auditor's report.)

**HARLEM CONSOLIDATED SCHOOL DISTRICT #122**  
**MACHESNEY PARK, ILLINOIS**

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES  
GENERAL FUND - BY ACCOUNT

For the Year Ended June 30, 2025

	Educational Accounts	Working Cash Accounts	Total
<b>REVENUES</b>			
Property taxes	\$ 36,990,790	\$ 5,070	\$ 36,995,860
Corporate personal property replacement taxes	3,717,538	-	3,717,538
State aid	64,250,257	-	64,250,257
Federal aid	10,326,195	-	10,326,195
Investment income	1,941,344	23,134	1,964,478
Student activities	965,106	-	965,106
Other	2,031,833	9	2,031,842
Total revenues	120,223,063	28,213	120,251,276
<b>EXPENDITURES</b>			
Current			
Instruction			
Regular programs	63,032,787	-	63,032,787
Special programs	20,570,838	-	20,570,838
Other instructional programs	5,265,651	-	5,265,651
Student activity funds	1,003,242	-	1,003,242
Support services			
Pupils	12,219,380	-	12,219,380
Instructional staff	3,169,842	-	3,169,842
General administration	1,148,884	-	1,148,884
School administration	5,989,782	-	5,989,782
Business	4,620,185	-	4,620,185
Central	2,220,584	-	2,220,584
Other support services	48,565	-	48,565
Community services	803,281	-	803,281
Intergovernmental	3,816,626	-	3,816,626
Capital outlay	116,840	-	116,840
Total expenditures	124,026,487	-	124,026,487
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	(3,803,424)	28,213	(3,775,211)
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers (out)	(850,000)	-	(850,000)
Total other financing sources (uses)	(850,000)	-	(850,000)
<b>NET CHANGE IN FUND BALANCES</b>	(4,653,424)	28,213	(4,625,211)
<b>FUND BALANCES, JULY 1</b>	23,757,435	479,359	24,236,794
<b>FUND BALANCES, JUNE 30</b>	\$ 19,104,011	\$ 507,572	\$ 19,611,583

(See independent auditor's report.)

**HARLEM CONSOLIDATED SCHOOL DISTRICT #122**  
**MACHESNEY PARK, ILLINOIS**

**SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
DEBT SERVICE FUND**

For the Year Ended June 30, 2025

	<b>Original and Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Over (Under)</b>
<b>REVENUES</b>			
Local sources			
Property taxes	\$ 2,495,350	\$ 2,489,286	\$ (6,064)
Mobile home privilege tax	3,000	4,428	1,428
Interest on investments	30,000	56,345	26,345
Other	-	4,848	4,848
	<hr/>	<hr/>	<hr/>
Total local sources	2,528,350	2,554,907	26,557
	<hr/>	<hr/>	<hr/>
Total revenues	2,528,350	2,554,907	26,557
	<hr/>	<hr/>	<hr/>
<b>EXPENDITURES</b>			
Debt service			
Payments on long-term debt			
Interest on long-term debt	483,050	483,650	600
Principal payments on long-term debt	2,010,000	2,010,000	-
Purchased services	5,500	2,067	(3,433)
	<hr/>	<hr/>	<hr/>
Total payments on long-term debt	2,498,550	2,495,717	(2,833)
	<hr/>	<hr/>	<hr/>
Total expenditures	2,498,550	2,495,717	(2,833)
	<hr/>	<hr/>	<hr/>
NET CHANGE IN FUND BALANCE	<u>\$ 29,800</u>	59,190	<u>\$ 29,390</u>
FUND BALANCE, JULY 1		<hr/> 301,542	
FUND BALANCE, JUNE 30		<u>\$ 360,732</u>	

(See independent auditor's report.)

**HARLEM CONSOLIDATED SCHOOL DISTRICT #122**  
**MACHESNEY PARK, ILLINOIS**

SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
CAPITAL PROJECTS FUND

For the Year Ended June 30, 2025

	Original and Final Budget	Actual	Variance with Final Budget Over (Under)
<b>REVENUES</b>			
Local sources			
Investment income	\$ 82,500	\$ 66,594	\$ (15,906)
Other local revenues	250,000	368,714	118,714
Total local sources	332,500	435,308	102,808
State sources			
Evidence based funding	500,000	500,000	-
Total state sources	500,000	500,000	-
Federal sources			
Other restricted revenue from federal sources	162,000	162,558	558
Total federal sources	162,000	162,558	558
Total revenues	994,500	1,097,866	103,366
<b>EXPENDITURES</b>			
Support services			
Business			
Facilities acquisition and construction services			
Purchased services	-	29,233	29,233
Supplies and materials	-	77,443	77,443
Capital outlay	6,039,480	5,791,119	(248,361)
Non-capitalized equipment	-	195,847	195,847
Total facilities acquisition and construction services	6,039,480	6,093,642	54,162
Total support services - business	6,039,480	6,093,642	54,162
Total expenditures	6,039,480	6,093,642	54,162
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(5,044,980)	(4,995,776)	49,204
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in	939,931	939,931	-
Total other financing sources (uses)	939,931	939,931	-
NET CHANGE IN FUND BALANCE	<u>\$ (4,105,049)</u>	<u>(4,055,845)</u>	<u>\$ 49,204</u>
FUND BALANCE, JULY 1		<u>4,105,050</u>	
FUND BALANCE, JUNE 30		<u>\$ 49,205</u>	

(See independent auditor's report.)

**HARLEM CONSOLIDATED SCHOOL DISTRICT #122**  
**MACHESNEY PARK, ILLINOIS**

SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
FIRE PREVENTION AND SAFETY FUND

For the Year Ended June 30, 2025

	Original and Final Budget	Actual	Variance with Final Budget Over (Under)
<b>REVENUES</b>			
Local sources			
Property taxes	\$ 200,093	\$ 199,635	\$ (458)
Mobile home privilege tax	200	355	155
Interest on investments	40,000	128,476	88,476
Other local revenues	-	389	389
Total revenues	240,293	328,855	88,562
<b>EXPENDITURES</b>			
Support Services			
Business			
Facilities acquisition and construction service			
Purchased services	35,350	257,339	221,989
Capital outlay	2,260,000	1,312,935	(947,065)
Total business	2,295,350	1,570,274	(725,076)
Debt service			
Payments on long-term debt			
Interest	-	122,847	122,847
Total expenditures	2,295,350	1,693,121	(602,229)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(2,055,057)	(1,364,266)	690,791
<b>OTHER FINANCING SOURCES (USES)</b>			
Issuance of bonds	5,500,000	5,545,000	45,000
Premium on issuance of bonds	-	328,247	328,247
Total other financing sources (uses)	5,500,000	5,873,247	373,247
NET CHANGE IN FUND BALANCE	<u>\$ 3,444,943</u>	4,508,981	<u>\$ 1,064,038</u>
FUND BALANCE, JULY 1		<u>813,778</u>	
FUND BALANCE, JUNE 30		<u><u>\$ 5,322,759</u></u>	

(See independent auditor's report.)

**HARLEM CONSOLIDATED SCHOOL DISTRICT #122  
MACHESNEY PARK, ILLINOIS**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL  
EDUCATION FUND**

For the Year Ended June 30, 2025

	<b>Original and Final Budget</b>	<b>Actual</b>	<b>Variance Over (Under)</b>
<b>REVENUES</b>			
Local sources			
General property taxes	\$ 35,017,745	\$ 34,930,894	\$ (86,851)
Leasing property taxes	5,057	5,044	(13)
Special education property taxes	1,994,108	1,989,162	(4,946)
Mobile home privilege tax	42,000	65,690	23,690
Corporate personal property replacement taxes	4,108,245	3,717,538	(390,707)
Summer school tuition from pupils or parents (in state)	-	2,300	2,300
Special education tuition from other LEAs (in state)	130,000	100,612	(29,388)
Investment income	1,750,000	1,941,344	191,344
Sales to pupils - lunch	-	51,734	51,734
Sales to pupils - a la carte	415,000	361,257	(53,743)
Other food service	125,000	139,001	14,001
Admissions - athletic	81,000	69,603	(11,397)
Admissions - other	10,000	9,565	(435)
Fees	60,000	78,296	18,296
Student activities	1,000,000	965,106	(34,894)
Rentals	102,320	102,320	-
Contributions and donations from private sources	1,000	250	(750)
Onsite fitness revenue	-	4,280	4,280
Payments of surplus monies from TIF districts	485,000	493,637	8,637
Other local fees	545,000	618,978	73,978
Total local sources	45,871,475	45,646,611	(224,864)
State sources			
Evidence based funding	35,108,788	35,125,485	16,697
Special education - private facility tuition	1,100,000	825,115	(274,885)
Special education - orphanage - individual	400,000	379,701	(20,299)
State free lunch and breakfast	60,000	42,383	(17,617)
Driver education	38,000	39,585	1,585
Early childhood - block grant	1,520,871	1,318,044	(202,827)
State library grant	-	4,936	4,936
Other restricted revenue from state sources	302,138	111,662	(190,476)
On behalf payments to TRS from the state	30,000,000	26,403,346	(3,596,654)
Total state sources	68,529,797	64,250,257	(4,279,540)
Federal sources			
National school lunch program	3,000,000	2,608,540	(391,460)
Breakfast start up grant	-	8,994	8,994
School breakfast program	650,000	888,779	238,779
Food service - other	-	265,756	265,756
Title I - low income	2,080,822	1,956,327	(124,495)
Title I - other	110,750	264,258	153,508
Title IV - student support and academic enrichment grant	65,678	108,891	43,213

(This schedule is continued on the following pages.)

**HARLEM CONSOLIDATED SCHOOL DISTRICT #122  
MACHESNEY PARK, ILLINOIS**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL (Continued)  
EDUCATION FUND**

For the Year Ended June 30, 2025

	<b>Original and Final Budget</b>	<b>Actual</b>	<b>Variance Over (Under)</b>
<b>REVENUES (Continued)</b>			
Federal sources (Continued)			
Federal - special education - preschool flowthrough	\$ 37,336	\$ 40,368	\$ 3,032
Federal - special education - IDEA flowthrough	1,551,243	1,874,834	323,591
Federal - special education - IDEA room and board	10,000	-	(10,000)
Emergency immigrant assistance	-	2,427	2,427
Title III - English language acquisition	38,139	35,887	(2,252)
McKinney education for homeless children	4,828	10,907	6,079
Title II - Teacher quality	219,991	269,281	49,290
Medicaid matching funds - administrative outreach	400,000	363,241	(36,759)
Medicaid matching funds - fee-for-service program	1,350,000	1,449,539	99,539
Other restricted revenue from federal sources	147,968	178,166	30,198
Total federal sources	9,666,755	10,326,195	659,440
Total revenue	124,068,027	120,223,063	(3,844,964)
<b>EXPENDITURES</b>			
Instruction			
Regular programs			
Salaries	21,831,670	22,855,323	1,023,653
Employee benefits	7,567,548	10,228,126	2,660,578
On-behalf payments to TRS from the state	30,000,000	26,403,346	(3,596,654)
Purchased services	1,448,221	1,761,883	313,662
Supplies and materials	1,360,730	1,360,223	(507)
Capital outlay	58,250	70,120	11,870
Other objects	1,000	195,563	194,563
Non-capitalized equipment	156,465	228,323	71,858
Total regular programs	62,423,884	63,102,907	679,023
Special education programs			
Salaries	14,632,548	13,996,377	(636,171)
Employee benefits	5,385,573	4,914,962	(470,611)
Purchased services	179,975	209,137	29,162
Supplies and materials	80,000	78,846	(1,154)
Total special education programs	20,278,096	19,199,322	(1,078,774)
Remedial and supplemental programs K-12			
Salaries	953,183	950,093	(3,090)
Employee benefits	384,402	419,674	35,272
Purchased services	5,000	759	(4,241)
Supplies and materials	-	990	990
Total remedial and supplemental programs K-12	1,342,585	1,371,516	28,931

(This schedule is continued on the following pages.)

**HARLEM CONSOLIDATED SCHOOL DISTRICT #122  
MACHESNEY PARK, ILLINOIS**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL (Continued)  
EDUCATION FUND**

For the Year Ended June 30, 2025

	<b>Original and Final Budget</b>	<b>Actual</b>	<b>Variance Over (Under)</b>
<b>EXPENDITURES (Continued)</b>			
Instruction (Continued)			
CTE programs			
Salaries	\$ 1,367,096	\$ 1,424,059	\$ 56,963
Employee benefits	520,431	520,574	143
Total CTE programs	1,887,527	1,944,633	57,106
Interscholastic programs			
Salaries	706,918	724,078	17,160
Employee benefits	101,714	58,577	(43,137)
Purchased services	182,850	162,443	(20,407)
Supplies and materials	76,360	43,771	(32,589)
Capital outlay	21,000	12,644	(8,356)
Other objects	60,000	65,222	5,222
Non-capitalized equipment	11,000	22,945	11,945
Total interscholastic programs	1,159,842	1,089,680	(70,162)
Summer school programs			
Salaries	55,000	103,779	48,779
Employee benefits	3,195	13,409	10,214
Total summer school programs	58,195	117,188	58,993
Driver's education programs			
Salaries	102,775	116,984	14,209
Employee benefits	28,029	31,422	3,393
Total driver's education programs	130,804	148,406	17,602
Bilingual programs			
Salaries	1,445,920	1,350,132	(95,788)
Employee benefits	591,223	533,304	(57,919)
Purchased services	3,200	11,147	7,947
Supplies and materials	6,800	10,631	3,831
Other objects	-	174	174
Total bilingual programs	2,047,143	1,905,388	(141,755)
Truant's alternative and optional programs			
Purchased services	40,000	73,000	33,000
Total truant's alternative and optional programs	40,000	73,000	33,000

(This schedule is continued on the following pages.)



**HARLEM CONSOLIDATED SCHOOL DISTRICT #122  
MACHESNEY PARK, ILLINOIS**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL (Continued)  
EDUCATION FUND**

For the Year Ended June 30, 2025

	<b>Original and Final Budget</b>	<b>Actual</b>	<b>Variance Over (Under)</b>
<b>EXPENDITURES (Continued)</b>			
Instruction (Continued)			
Student activities			
Other objects	\$ -	\$ 1,003,242	\$ 1,003,242
Total student activities	-	1,003,242	1,003,242
Total instruction	89,368,076	89,955,282	587,206
Support services			
Pupils			
Attendance and social work services			
Salaries	2,232,350	2,188,611	(43,739)
Employee benefits	782,025	730,126	(51,899)
Supplies and materials	16,000	(5,448)	(21,448)
Total attendance and social work services	3,030,375	2,913,289	(117,086)
Guidance services			
Salaries	1,285,498	1,341,284	55,786
Employee benefits	413,477	388,429	(25,048)
Purchased services	4,095	4,095	-
Supplies and materials	3,000	2,351	(649)
Total guidance services	1,706,070	1,736,159	30,089
Health services			
Salaries	862,751	714,292	(148,459)
Employee benefits	316,658	281,854	(34,804)
Supplies and materials	7,500	6,688	(812)
Total health services	1,186,909	1,002,834	(184,075)
Psychological services			
Salaries	516,472	419,252	(97,220)
Employee benefits	191,110	141,742	(49,368)
Purchased services	146,254	139,399	(6,855)
Supplies and materials	7,000	9,322	2,322
Non-capitalized equipment	-	2,350	2,350
Total psychological services	860,836	712,065	(148,771)
Speech pathology and audiology services			
Salaries	1,376,771	1,351,722	(25,049)
Employee benefits	440,778	405,178	(35,600)
Purchased services	10,000	58,223	48,223

(This schedule is continued on the following pages.)

**HARLEM CONSOLIDATED SCHOOL DISTRICT #122**  
**MACHESNEY PARK, ILLINOIS**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL (Continued)  
EDUCATION FUND

For the Year Ended June 30, 2025

	Original and Final Budget	Actual	Variance Over (Under)
<b>EXPENDITURES (Continued)</b>			
Support services (Continued)			
Pupils (Continued)			
Speech pathology and audiology services (Continued)			
Supplies and materials	\$ 10,000	\$ 13,903	\$ 3,903
Other objects	4,500	6,156	1,656
Total speech pathology and audiology services	1,842,049	1,835,182	(6,867)
Other support services - pupils			
Salaries	3,311,941	3,227,272	(84,669)
Employee benefits	780,480	762,652	(17,828)
Purchased services	-	15,775	15,775
Supplies and materials	16,500	14,152	(2,348)
Total other support services - pupils	4,108,921	4,019,851	(89,070)
Total pupils	12,735,160	12,219,380	(515,780)
Instructional staff			
Improvement of instructional services			
Salaries	740,394	840,286	99,892
Employee benefits	280,391	244,771	(35,620)
Purchased services	235,710	305,915	70,205
Supplies and materials	49,448	55,001	5,553
Capital outlay	12,000	11,182	(818)
Other objects	3,000	2,958	(42)
Non-capitalized equipment	5,100	6,370	1,270
Total improvement of instructional services	1,326,043	1,466,483	140,440
Educational media services			
Salaries	961,481	995,318	33,837
Employee benefits	282,579	298,524	15,945
Purchased services	2,550	257	(2,293)
Supplies and materials	71,698	87,110	15,412
Non-capitalized equipment	-	64,655	64,655
Total educational media services	1,318,308	1,445,864	127,556
Assessment and testing			
Salaries	154,981	155,540	559
Employee benefits	59,615	61,818	2,203
Purchased services	24,195	46,062	21,867
Supplies and materials	4,000	5,257	1,257
Total assessment and testing	242,791	268,677	25,886
Total instructional staff	2,887,142	3,181,024	293,882

(This schedule is continued on the following pages.)

**HARLEM CONSOLIDATED SCHOOL DISTRICT #122  
MACHESNEY PARK, ILLINOIS**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL (Continued)  
EDUCATION FUND**

For the Year Ended June 30, 2025

	<b>Original and Final Budget</b>	<b>Actual</b>	<b>Variance Over (Under)</b>
<b>EXPENDITURES (Continued)</b>			
Support services (Continued)			
General administration			
Board of Education services			
Employee benefits	\$ 68,358	\$ 68,351	\$ (7)
Purchased services	56,936	61,385	4,449
Purchased services	253,500	259,976	6,476
Supplies and materials	17,500	8,712	(8,788)
Other objects	12,000	18,490	6,490
	<hr/>	<hr/>	<hr/>
Total Board of Education services	408,294	416,914	8,620
	<hr/>	<hr/>	<hr/>
Executive administration services			
Salaries	286,642	284,185	(2,457)
Employee benefits	64,971	52,421	(12,550)
Purchased services	15,500	16,843	1,343
Supplies and materials	7,250	4,572	(2,678)
Other objects	4,000	3,389	(611)
Non-capitalized equipment	1,000	-	(1,000)
	<hr/>	<hr/>	<hr/>
Total executive administration services	379,363	361,410	(17,953)
	<hr/>	<hr/>	<hr/>
Special area administration services			
Salaries	167,137	241,389	74,252
Employee benefits	80,751	88,172	7,421
Purchased services	1,050	741	(309)
Supplies and materials	2,500	1,832	(668)
Capital outlay	10,000	-	(10,000)
Other objects	500	-	(500)
Non-capitalized equipment	4,050	8,197	4,147
	<hr/>	<hr/>	<hr/>
Total special area administration services	265,988	340,331	74,343
	<hr/>	<hr/>	<hr/>
Tort immunity services			
Purchased services	25,000	30,229	5,229
	<hr/>	<hr/>	<hr/>
Total tort immunity services	25,000	30,229	5,229
	<hr/>	<hr/>	<hr/>
Total general administration	1,078,645	1,148,884	70,239
	<hr/>	<hr/>	<hr/>
School administration			
Office of the principal services			
Salaries	4,265,198	4,425,932	160,734
Employee benefits	1,400,251	1,438,949	38,698
Purchased services	74,499	114,456	39,957

(This schedule is continued on the following pages.)

**HARLEM CONSOLIDATED SCHOOL DISTRICT #122**  
**MACHESNEY PARK, ILLINOIS**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL (Continued)  
EDUCATION FUND

For the Year Ended June 30, 2025

	Original and Final Budget	Actual	Variance Over (Under)
<b>EXPENDITURES (Continued)</b>			
Support services (Continued)			
School administration (Continued)			
Office of the principal services (Continued)			
Supplies and materials	\$ 11,886	\$ 8,629	\$ (3,257)
Other objects	3,230	1,816	(1,414)
Total office of the principal services	5,755,064	5,989,782	234,718
Total school administration	5,755,064	5,989,782	234,718
Business			
Direction of business support services			
Salaries	315,844	318,063	2,219
Employee benefits	83,100	83,094	(6)
Purchased services	119,500	124,690	5,190
Supplies and materials	3,000	4,429	1,429
Capital outlay	10,000	-	(10,000)
Other objects	1,000	120	(880)
Non-capitalized equipment	1,500	7,497	5,997
Total direction of business support services	533,944	537,893	3,949
Fiscal services			
Employee benefits	90,560	89,324	(1,236)
Purchased services	30,484	30,121	(363)
Total fiscal services	121,044	119,445	(1,599)
Operation and maintenance of plant services			
Salaries	33,141	11,372	(21,769)
Supplies and materials	-	110	110
Non-capitalized equipment	-	8,994	8,994
Total operation and maintenance of plant services	33,141	20,476	(12,665)
Food service			
Salaries	1,254,147	1,265,367	11,220
Employee benefits	218,710	210,673	(8,037)
Purchased services	41,650	59,782	18,132
Supplies and materials	2,269,000	2,314,986	45,986
Capital outlay	290,000	22,894	(267,106)
Other objects	33,000	34,898	1,898
Noncapitalized equipment	12,000	48,747	36,747
Total food service	4,118,507	3,957,347	(161,160)

(This schedule is continued on the following pages.)

**HARLEM CONSOLIDATED SCHOOL DISTRICT #122**  
**MACHESNEY PARK, ILLINOIS**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL (Continued)  
EDUCATION FUND

For the Year Ended June 30, 2025

	Original and Final Budget	Actual	Variance Over (Under)
<b>EXPENDITURES (Continued)</b>			
Support services (Continued)			
Business (Continued)			
Internal services			
Purchased services	\$ 7,250	\$ 7,861	\$ 611
Supplies and materials	-	57	57
Total internal services	7,250	7,918	668
Total business	4,813,886	4,643,079	(170,807)
Central			
Direction of central support services			
Salaries	608,476	605,876	(2,600)
Employee benefits	132,404	136,928	4,524
Purchased services	87,800	92,425	4,625
Supplies and materials	9,150	10,969	1,819
Capital outlay	10,000	-	(10,000)
Other objects	3,000	2,805	(195)
Noncapitalized equipment	-	11,204	11,204
Total direction of central support services	850,830	860,207	9,377
Planning, research, development and evaluation services			
Salaries	863,980	947,185	83,205
Employee benefits	277,032	283,383	6,351
Purchased services	69,075	51,253	(17,822)
Supplies and materials	-	396	396
Total planning, research, development and evaluation services	1,210,087	1,282,217	72,130
Information services			
Purchased services	17,628	15,717	(1,911)
Supplies and materials	6,000	5,879	(121)
Other objects	100	100	-
Total information services	23,728	21,696	(2,032)
Staff services			
Salaries	2,000	1,228	(772)
Employee benefits	-	32	32
Purchased services	10,000	10,367	367
Supplies and materials	14,000	18,137	4,137
Total staff services	26,000	29,764	3,764

(This schedule is continued on the following pages.)

**HARLEM CONSOLIDATED SCHOOL DISTRICT #122  
MACHESNEY PARK, ILLINOIS**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL (Continued)  
EDUCATION FUND**

For the Year Ended June 30, 2025

	<b>Original and Final Budget</b>	<b>Actual</b>	<b>Variance Over (Under)</b>
<b>EXPENDITURES (Continued)</b>			
Support services (Continued)			
Central (Continued)			
Data processing services			
Purchased services	\$ 26,700	\$ 26,700	\$ -
Total data processing services	26,700	26,700	-
Total central	2,137,345	2,220,584	83,239
Other support services			
Salaries	-	8,497	8,497
Employee benefits	6,476	1,806	(4,670)
Supplies and materials	5,078	5,036	(42)
Other objects	30,000	33,226	3,226
Total other support services	41,554	48,565	7,011
Total support services	29,448,796	29,451,298	2,502
Community services			
Salaries	524,316	472,081	(52,235)
Employee benefits	135,061	139,521	4,460
Purchased services	146,682	123,025	(23,657)
Supplies and materials	49,802	67,013	17,211
Non-capitalized equipment	-	1,641	1,641
Total community services	855,861	803,281	(52,580)
Payments to other districts and governmental units			
Payments for special education programs			
Purchased services	592,518	582,317	(10,201)
Total payments for special education programs	592,518	582,317	(10,201)
Payments for CTE programs			
Other objects	25,000	-	(25,000)
Total payments for CTE programs	25,000	-	(25,000)
Payments for special education programs - tuition			
Other objects	3,096,215	3,234,309	138,094
Total payments for special education programs - tuition	3,096,215	3,234,309	138,094
Total payments to other districts and governmental units	3,713,733	3,816,626	102,893
Total expenditures	123,386,466	124,026,487	640,021

(This schedule is continued on the following page.)

**HARLEM CONSOLIDATED SCHOOL DISTRICT #122  
MACHESNEY PARK, ILLINOIS**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL (Continued)  
EDUCATION FUND**

For the Year Ended June 30, 2025

	<b>Original and Final Budget</b>	<b>Actual</b>	<b>Variance Over (Under)</b>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>\$ 681,561</u>	<u>\$ (3,803,424)</u>	<u>\$ (4,484,985)</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfer (out)	<u>(850,000)</u>	<u>(850,000)</u>	<u>-</u>
Total other financing sources (uses)	<u>(850,000)</u>	<u>(850,000)</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	<u><u>\$ (168,439)</u></u>	<u>(4,653,424)</u>	<u><u>\$ (4,484,985)</u></u>
FUND BALANCE, JULY 1		<u>23,757,435</u>	
FUND BALANCE, JUNE 30		<u><u>\$ 19,104,011</u></u>	

(See independent auditor's report.)

**HARLEM CONSOLIDATED SCHOOL DISTRICT #122**  
**MACHESNEY PARK, ILLINOIS**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES**  
**IN FUND BALANCE - BUDGET AND ACTUAL**  
**WORKING CASH FUND**

For the Year Ended June 30, 2025

	<b>Original and Final Budget</b>	<b>Actual</b>	<b>Variance Over (Under)</b>
<b>REVENUES</b>			
Local sources			
Property taxes	\$ 5,070	\$ 5,061	\$ (9)
Mobile home privilege tax	5	9	4
Investment income	15,000	23,134	8,134
Other	-	9	9
Total revenues	20,075	28,213	8,138
<b>EXPENDITURES</b>			
None	-	-	-
Total expenditures	-	-	-
NET CHANGE IN FUND BALANCE	<u>\$ 20,075</u>	28,213	<u>\$ 8,138</u>
FUND BALANCE, JULY 1		<u>479,359</u>	
FUND BALANCE, JUNE 30		<u>\$ 507,572</u>	

(See independent auditor's report.)



## **OTHER SUPPLEMENTARY INFORMATION**

**HARLEM CONSOLIDATED SCHOOL DISTRICT #122**  
**MACHESNEY PARK, ILLINOIS**

SCHEDULE OF PROPERTY TAX ASSESSED VALUATION, TAX RATES,  
EXTENSIONS AND COLLECTIONS - UNAUDITED

Last Six Levy Years

Tax levy year	2024	2023	2022	2021	2020	2019
Assessed valuation	\$ 954,001,535	\$ 844,275,621	\$ 765,161,159	\$ 712,349,829	\$ 677,019,388	\$ 641,947,719
<b>TAX RATES</b>						
Educational	3.8427	4.1458	4.5378	4.6955	4.2443	4.3513
Tort immunity	0.1599	0.1748	0.1699	0.1614	0.1772	0.1752
Special education	0.2097	0.2369	0.2614	0.2808	0.2954	0.3116
Operations and maintenance	0.5687	0.6367	0.6633	0.6791	0.6942	0.7181
Leasing	0.0006	0.0006	0.0007	0.0007	0.0007	0.0008
Bond and interest	0.2876	0.2955	0.3380	0.3116	0.3725	0.9001
Transportation	0.2673	0.2843	0.2941	0.3008	0.2991	0.2921
Municipal retirement	0.0410	0.0859	0.1784	0.179	0.1772	0.183
Social security	0.2320	0.2251	0.2027	0.2034	0.2048	0.1947
Working cash	0.0006	0.0006	0.0007	0.0007	0.0007	0.0008
Fire prevention and life safety	0.0170	0.0237	0.0242	0.0246	0.0185	0.0195
Revenue recapture adjustment	0.0275	0.0200	0.0535	0.02	-	-
<b>TOTAL</b>	<b>5.6546</b>	<b>6.1299</b>	<b>6.7247</b>	<b>6.8576</b>	<b>6.4846</b>	<b>7.1472</b>
<b>TAX EXTENSIONS</b>						
Educational	\$ 36,659,417	\$ 35,001,979	\$ 34,721,483	\$ 33,448,386	\$ 28,734,734	\$ 27,933,071
Tort immunity	1,525,448	1,475,794	1,300,009	1,149,733	1,199,678	1,124,692
Special education	2,000,541	2,000,089	2,000,131	2,000,278	1,999,915	2,000,309
Operations and maintenance	5,425,407	5,375,503	5,075,314	4,837,568	4,699,869	4,609,827
Leasing	5,724	5,066	5,356	4,986	4,739	5,136
Bond and interest	2,743,707	2,494,835	2,586,245	2,219,682	2,521,897	5,778,171
Transportation	2,550,046	2,400,276	2,250,339	2,142,748	2,024,965	1,875,129
Municipal retirement	391,141	725,233	1,365,048	1,275,106	1,199,678	1,174,764
Social security	2,213,284	1,900,464	1,550,982	1,448,920	1,386,536	1,249,872
Working cash	5,724	5,066	5,356	4,986	4,739	5,136
Fire prevention and life safety	162,180	200,093	185,169	175,238	125,249	125,180
Revenue recapture adjustment	262,350	168,855	409,361	151,731	-	-
<b>TOTAL</b>	<b>\$ 53,944,969</b>	<b>\$ 51,753,253</b>	<b>\$ 51,454,793</b>	<b>\$ 48,859,362</b>	<b>\$ 43,901,999</b>	<b>\$ 45,881,287</b>
<b>TOTAL COLLECTIONS</b>	<b>\$ 28,697,941</b>	<b>\$ 51,470,016</b>	<b>\$ 51,337,380</b>	<b>\$ 48,617,762</b>	<b>\$ 43,780,291</b>	<b>\$ 45,734,751</b>
<b>PERCENT OF LEVY COLLECTED</b>	<b>53.20%</b>	<b>99.45%</b>	<b>99.77%</b>	<b>99.51%</b>	<b>99.72%</b>	<b>99.68%</b>

Notes: Property tax rates per \$100 of assessed valuation.

Collections of delinquent taxes and protested taxes are not reflected in the above summary.

(See independent auditor's report.)

## STATISTICAL SECTION

This part of the District's annual comprehensive financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures and required supplementary information says about the District's overall financial health.

<u>Contents</u>	<u>Page(s)</u>
Financial Trends	
These schedules contain trend information to help the reader understand how the District's financial performance and well-being have changed over time.	99-113
Revenue Capacity	
These schedules contain information to help the reader assess the District's most significant local revenue source, the property tax.	114-120
Debt Capacity	
These schedules present information to help the reader assess the affordability of the District's current levels of outstanding debt and the District's ability to issue additional debt in the future.	121-125
Demographic and Economic Information	
These schedules offer demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place.	126-128
Operating Information	
These schedules contain service and infrastructure data to help the reader understand how the information in the District's financial report relates to the services the District provides and the activities it performs.	129-131

*Sources: Unless otherwise noted, the information in these schedules is derived from the annual comprehensive financial reports for the relevant year.*

**HARLEM CONSOLIDATED SCHOOL DISTRICT #122**  
**MACHESNEY PARK, ILLINOIS**

**SCHEDULE OF NET POSITION BY COMPONENT**

Last Ten Fiscal Years

<b>Fiscal Year</b>	<b>Invested in Capital Assets, Net of Related Debt</b>	<b>Restricted</b>	<b>Unrestricted</b>	<b>Total Net Position</b>
2025	\$ 67,088,453	\$ 17,403,796	\$ (27,543,971)	\$ 56,948,278
2024	65,447,197	17,678,487	(24,881,274)	58,244,410
2023	54,931,582	21,573,062	(42,886,639)	33,618,005
2022	50,870,450	16,536,829	(47,584,977)	19,822,302
2021	48,391,483	12,584,856	(55,262,504)	5,713,835
2020	42,694,681	9,762,875	(55,829,837)	(3,372,281)
2019	41,133,026	6,506,311	(60,716,981)	(13,077,644)
2018	35,474,021	7,349,488	(60,961,955) *	(18,138,446)
2017	30,883,344	7,879,856	(11,499,868) *	27,263,332
2016	39,414,149	10,803,802	(25,719,457)	24,498,494

Data Source

District's Government-Wide Financial Statements.

\*Fiscal Year 2017 information has not been updated for the GASB75 implementation. The increase in the unrestricted deficit in 2018 is from implementing GASB S-75 and recording net pension liabilities.

**HARLEM CONSOLIDATED SCHOOL DISTRICT #122**  
**MACHESNEY PARK, ILLINOIS**

SCHEDULE OF CHANGES IN NET POSITION

Last Ten Fiscal Years

<b>Fiscal Year</b>	<b>2025</b>	<b>2024</b>	<b>2023</b>	<b>2022</b>
<b>EXPENSES</b>				
Instruction				
Regular programs	\$ 60,420,060	\$ 59,607,037	\$ 62,406,313	\$ 33,563,158
Special education programs	21,610,277	20,348,753	17,979,682	18,843,589
Other instructional programs	5,375,053	4,943,051	4,161,595	5,262,331
Student activities	1,003,242	1,052,381	1,030,143	757,966
State retirement contributions*	-	-	-	23,386,932
Support services				
Pupils	12,731,006	11,787,616	10,996,250	9,831,634
Instructional staff	3,226,201	3,200,850	2,669,044	2,377,059
General administration	2,701,201	2,494,342	2,389,980	2,150,684
School administration	6,209,012	5,362,884	5,068,437	5,420,640
Business	8,236,858	6,610,022	7,196,717	3,486,806
Transportation	6,254,443	6,110,205	5,900,732	5,273,916
Operations and maintenance	5,831,945	5,427,469	5,008,644	6,690,081
Central	2,434,284	2,176,143	2,363,990	2,982,632
Other	114,022	143,263	158,068	47,248
Community services	888,762	801,054	945,154	640,500
Payments to other governments	3,816,626	3,769,745	3,850,949	25,186
Interest on debt	475,575	335,104	396,459	203,000
<b>TOTAL EXPENSES</b>	<b>\$ 141,328,567</b>	<b>\$ 134,169,919</b>	<b>\$ 132,522,157</b>	<b>\$ 120,943,362</b>
<b>PROGRAM REVENUES</b>				
Charges for services	\$ 2,530,207	\$ 2,554,924	\$ 2,685,858	\$ 2,467,614
Operating grants and contributions	45,718,368	59,957,662	49,935,449	46,180,049
Capital grants and contributions	-	50,000	50,000	-
<b>TOTAL PROGRAM REVENUES</b>	<b>48,248,575</b>	<b>62,562,586</b>	<b>52,671,307</b>	<b>48,647,663</b>
<b>NET EXPENSE BEFORE GENERAL REVENUES</b>	<b>(93,079,992)</b>	<b>(71,607,333)</b>	<b>(79,850,850)</b>	<b>(72,295,699)</b>
<b>GENERAL REVENUES</b>				
Taxes				
Property taxes levied for general purposes	37,021,727	36,962,452	35,410,842	30,712,965
Real estate taxes, levied for specific purposes	12,050,571	11,778,951	10,994,321	10,615,975
Property taxes levied for debt service	2,489,286	2,595,979	2,212,599	2,514,871
Replacement taxes	4,007,538	5,976,245	9,917,755	9,503,045
State aid-formula grants and grants and contributions not restricted to specific programs	35,625,485	34,597,879	32,541,261	32,340,539
Investment earnings	2,871,130	3,326,506	1,982,849	125,220
Gain on sale of asset	32,209	259,908	-	-
<b>OTHER GENERAL REVENUES</b>	<b>1,083,441</b>	<b>735,818</b>	<b>586,926</b>	<b>591,551</b>
<b>TOTAL GENERAL REVENUES</b>	<b>95,181,387</b>	<b>96,233,738</b>	<b>93,646,553</b>	<b>86,404,166</b>
<b>CHANGE IN NET POSITION</b>	<b>\$ 2,101,395</b>	<b>\$ 24,626,405</b>	<b>\$ 13,795,703</b>	<b>\$ 14,108,467</b>

\*State retirement contributions are not a functional expense. Retirement contributions were allocated to Regular Programs starting in 2023.

Data Source

District's Government-Wide Financial Statements.

2021	2020	2019	2018	2017	2016
\$ 34,672,600	\$ 28,443,748	\$ 29,232,798	\$ 26,424,523	\$ 28,972,795	\$ 52,158,955
16,683,896	18,336,787	17,229,335	15,360,370	15,617,599	13,800,891
4,168,385	4,261,343	4,246,476	4,476,112	3,748,531	4,262,331
289,186	-	-	-	-	-
39,278,243	36,268,270	32,131,224	30,011,705	31,991,336	-
8,845,941	9,579,662	8,506,235	11,274,894	8,695,247	7,742,249
2,445,276	2,975,783	3,054,541	2,450,912	2,357,278	2,100,688
2,002,818	2,987,136	2,992,609	2,743,484	2,930,317	2,219,109
4,704,360	3,675,642	4,145,176	4,596,418	4,274,689	4,112,935
2,519,869	3,147,149	3,254,734	3,515,756	3,533,937	11,482,057
4,986,361	5,314,052	5,294,893	5,438,088	5,185,740	4,240,254
6,392,920	6,362,852	6,792,933	6,987,756	6,761,529	-
1,846,573	1,889,742	1,732,355	1,794,329	1,654,580	1,694,207
126,790	37,282	42,467	43,576	64,078	50,520
723,163	779,927	661,705	399,272	392,740	740,074
19,633	7,025	11,892	35,467	36,165	1,402,611
465,096	830,205	900,667	1,150,090	1,374,121	1,447,474
\$ 130,171,110	\$ 124,896,605	\$ 120,230,040	\$ 116,702,752	\$ 117,590,682	\$ 107,454,355
\$ 1,073,813	\$ 2,082,057	\$ 2,080,886	\$ 2,084,193	\$ 3,562,428	\$ 3,751,207
55,426,234	47,818,862	44,683,799	40,522,111	42,183,871	33,466,390
-	-	-	-	-	15,350
56,500,047	49,900,919	46,764,685	42,606,304	45,746,299	37,232,947
(73,671,063)	(74,995,686)	(73,465,355)	(74,096,448)	(71,844,383)	(70,221,408)
29,906,804	32,533,566	31,717,062	27,386,138	27,244,719	39,953,972
10,139,193	10,910,858	10,413,575	13,550,188	13,587,566	-
5,760,877	6,051,770	6,037,764	6,398,226	6,718,474	6,767,568
4,395,119	3,154,478	2,917,336	2,621,621	3,551,477	2,516,681
31,242,281	31,241,892	26,111,020	25,311,459	22,272,549	21,262,254
98,571	548,342	765,283	487,669	301,573	128,183
-	-	-	-	-	-
492,834	563,725	564,117	527,190	932,863	939,717
82,035,679	85,004,631	78,526,157	76,282,491	74,609,221	71,568,375
\$ 8,364,616	\$ 10,008,945	\$ 5,060,802	\$ 2,186,043	\$ 2,764,838	\$ 1,346,967

**HARLEM CONSOLIDATED SCHOOL DISTRICT #122**  
**MACHESNEY PARK, ILLINOIS**

SCHEDULE OF FUND BALANCES - GOVERNMENTAL FUNDS

Last Ten Fiscal Years

<b>Fiscal Year</b>	<b>2025</b>	<b>2024</b>	<b>2023</b>	<b>2022</b>
<b>GENERAL FUND</b>				
Nonspendable	\$ 542,259	\$ 598,312	\$ 593,569	\$ 414,178
Restricted				
Operations and maintenance	-	-	-	-
Food service	2,228,031	1,951,199	1,501,326	928,838
Assigned	3,926,334	1,304,038	3,250,342	473,742
Unassigned	12,914,959	20,383,245	16,060,978	16,328,641
Unreserved	-	-	-	-
<b>TOTAL GENERAL FUND</b>	<b>\$ 19,611,583</b>	<b>\$ 24,236,794</b>	<b>\$ 21,406,215</b>	<b>\$ 18,145,399</b>
<b>ALL OTHER GOVERNMENTAL FUNDS</b>				
Nonspendable	\$ 168,635	\$ 10,035	\$ 232,289	\$ 140,420
Restricted				
Retirement	2,357,553	2,393,070	1,856,258	1,620,705
Capital Projects/Fire Prevention Life Safety	5,371,964	4,918,828	10,295,729	949,655
Debt service	360,732	301,542	251,066	304,720
Transportation	3,145,076	3,787,935	3,134,041	3,662,920
Tort immunity and judgement	752,016	763,575	803,127	966,374
Operations and maintenance	3,188,424	3,552,303	3,499,226	3,098,714
<b>TOTAL ALL OTHER GOVERNMENTAL FUNDS</b>	<b>\$ 15,344,400</b>	<b>\$ 15,727,288</b>	<b>\$ 20,071,736</b>	<b>\$ 10,743,508</b>

Data Source

District's fund financial statements.

Note: GASB Statement No. 54 was implemented in 2011.

2021	2020	2019	2018	2017	2016
\$ 410,132	\$ 405,469	\$ 436,901	\$ 388,828	\$ 594,682	\$ 430,581
-	-	-	-	-	3,035,667
-	-	-	-	-	-
421,355	653,182	635,728	615,962	621,080	680,441
10,083,309	8,082,475	2,909,175	1,428,769	(624,143)	-
-	-	-	-	-	(1,892,959)
\$ 10,914,796	\$ 9,141,126	\$ 3,981,804	\$ 2,433,559	\$ 591,619	\$ 2,253,730
\$ 191,839	\$ 251,552	\$ 307,188	\$ 379,798	\$ 530,799	\$ 229,853
1,457,965	1,564,446	1,604,550	1,780,360	1,977,565	1,814,716
1,457,514	2,458,781	1,050,049	2,262,435	2,270,438	2,925,503
273,886	201,150	103,929	26,954	105,433	428,359
3,715,869	3,191,245	2,656,257	1,628,208	1,287,804	1,075,012
866,967	886,551	685,982	695,377	739,690	684,681
3,459,328	2,974,165	2,494,833	2,367,584	2,605,771	-
\$ 11,423,368	\$ 11,527,890	\$ 8,902,788	\$ 9,140,716	\$ 9,517,500	\$ 7,158,124



**HARLEM CONSOLIDATED SCHOOL DISTRICT #122**  
**MACHESNEY PARK, ILLINOIS**

SCHEDULE OF CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS

Last Ten Fiscal Years

<b>Fiscal Year</b>	<b>2025</b>	<b>2024</b>	<b>2023</b>	<b>2022</b>
<b>REVENUES</b>				
Property taxes/replacement taxes	\$ 55,569,122	\$ 57,313,627	\$ 58,535,517	\$ 53,283,334
State aid	68,107,319	69,688,737	69,163,949	63,107,541
Other state revenue	-	-	-	-
Federal aid	10,766,279	19,335,798	16,173,009	16,342,311
Investment income	2,871,130	3,326,506	1,982,849	125,220
Tuition	-	-	-	-
Student and community services	-	-	-	-
Student activities	965,106	1,076,481	1,039,490	810,353
Other	2,665,953	2,220,016	2,233,631	2,229,154
Total revenues	140,944,909	152,961,165	149,128,445	135,897,913
<b>EXPENDITURES</b>				
Instruction				
Regular programs	63,397,439	60,136,965	67,387,192	35,461,628
Special Education programs	21,422,265	20,921,834	18,942,539	16,402,674
Other instructional programs	5,363,495	4,975,885	4,592,633	4,927,144
Student activities	1,003,242	1,052,381	1,030,143	757,966
State retirement contributions	-	-	-	24,245,213
Support Services				
Pupils	12,730,922	11,820,351	11,854,166	10,545,647
Instructional staff	3,220,516	3,220,882	2,832,102	2,544,213
General administration	2,694,300	2,516,681	2,427,647	2,437,399
School administration	6,173,989	5,487,724	5,395,405	5,104,865
Business	7,448,172	5,758,715	5,039,012	3,703,728
Transportation	4,966,645	5,094,241	4,981,663	5,070,325
Operations and maintenance	5,831,945	5,427,469	5,008,644	5,398,828
Central	2,388,574	2,333,022	2,252,382	3,474,131
Other	83,201	113,778	137,981	45,608
Community services	870,692	867,528	896,922	723,458
Payments to other governments	3,816,626	3,769,745	3,850,949	2,888,554
Capital outlay	8,153,173	18,673,681	6,332,831	3,275,295
Debt service				
Principal	2,010,000	2,075,000	1,965,000	2,202,243
Interest and other charges	608,564	515,046	388,412	324,151
Total expenditures	152,183,760	154,760,928	145,315,623	129,533,070
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(11,238,851)	(1,799,763)	3,812,822	6,364,843
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfer in	1,789,931	5,204,600	19,986,030	890,507
Transfer (out)	(1,789,931)	(5,204,600)	(19,986,030)	(890,507)
Issuance of bonds	5,545,000	-	7,660,000	-
Refunding bond proceeds	-	-	-	-
Premium on issuance of bonds	328,247	-	1,009,621	-
Payment to refunding bond agent	-	-	-	-
Issuance of lease payable	-	-	-	-
Proceeds from sale of asset	357,505	285,894	106,601	185,900
Total other financing sources (uses)	6,230,752	285,894	8,776,222	185,900
CHANGE IN FUND BALANCE	\$ (5,008,099)	\$ (1,513,869)	\$ 12,589,044	\$ 6,550,743
<b>DEBT SERVICE AS A PERCENTAGE OF NONCAPITAL EXPENDITURES</b>				
	1.82%	1.90%	1.69%	2.00%

Data Source

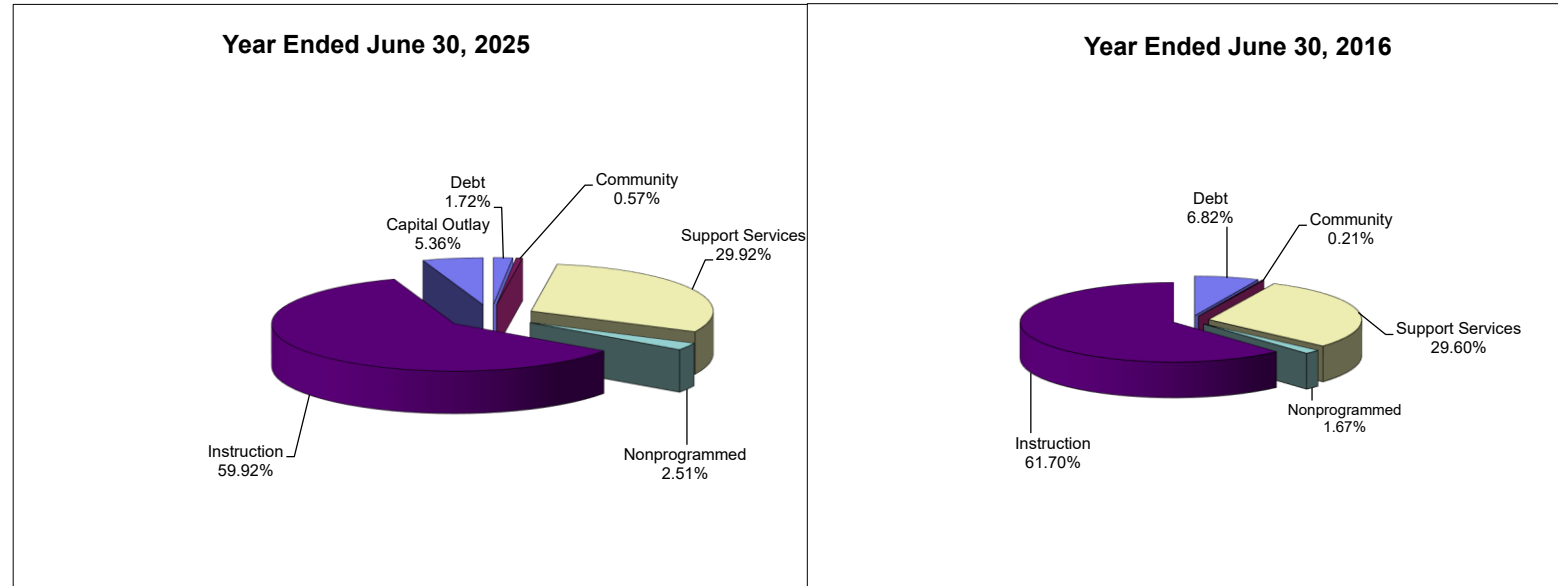
District's fund financial statements.

2021	2020	2019	2018	2017	2016
\$ 50,138,869	\$ 52,522,424	\$ 51,085,737	\$ 49,886,695	\$ 51,034,880	\$ 49,238,221
59,005,838	57,088,183	51,180,994	60,204,651	60,296,256	23,193,501
-	-	-	-	-	23,924,807
9,155,710	6,017,651	6,957,558	6,250,676	6,413,092	6,279,880
98,571	548,342	765,283	487,669	214,379	128,183
-	-	-	-	-	666,871
-	-	-	-	-	1,312,850
292,623	-	-	-	-	-
1,506,494	2,574,360	2,614,177	2,664,109	4,550,233	2,794,120
120,198,105	118,750,960	112,603,749	119,493,800	122,508,840	107,538,433
32,909,319	29,133,008	28,613,038	27,125,022	29,484,370	51,777,722
15,076,936	15,299,317	14,736,513	13,825,309	13,948,981	13,703,685
4,531,848	4,285,942	4,158,584	4,045,122	3,750,257	4,227,822
289,186	-	-	-	-	-
21,379,139	20,218,912	18,522,509	30,011,705	31,991,336	-
9,835,487	9,414,721	9,007,719	9,146,545	8,544,032	7,372,047
2,605,275	2,569,123	2,981,185	2,244,130	2,359,126	2,006,702
2,351,605	2,806,456	2,932,630	2,690,706	2,899,429	2,153,834
4,410,387	3,943,757	4,097,335	4,309,268	4,143,310	3,928,361
2,646,898	3,123,896	3,247,575	3,420,860	3,444,874	8,966,162
4,666,199	4,652,243	4,570,873	4,545,914	4,156,275	3,546,286
4,756,421	4,499,726	4,873,117	4,983,624	4,794,324	-
1,963,178	1,822,170	1,701,001	1,647,975	1,551,451	1,623,307
126,790	37,282	42,467	43,576	41,973	33,385
757,774	784,202	686,638	414,989	352,710	729,760
2,681,779	2,518,476	2,228,104	1,752,801	1,725,423	1,402,611
2,186,097	2,096,141	2,810,203	3,171,750	4,141,128	3,886,868
5,293,992	5,517,266	5,397,501	6,073,613	6,671,751	7,076,887
501,565	660,598	744,440	737,374	706,420	581,195
118,969,875	113,383,236	111,351,432	120,190,283	124,707,170	113,016,634
1,228,230	5,367,724	1,252,317	(696,483)	(2,198,330)	(5,478,201)
102,143	4,690,668	1,422,355	3,221,087	2,903,907	2,007,482
(102,143)	(4,690,668)	(1,422,355)	(3,221,087)	(2,903,907)	(2,007,482)
-	2,115,000	-	2,055,000	2,635,000	4,000,000
-	-	-	-	-	-
-	254,700	-	106,639	207,595	-
-	-	-	-	-	-
-	-	-	-	-	-
23,000	47,000	58,000	-	53,000	51,000
23,000	2,416,700	58,000	2,161,639	2,895,595	4,051,000
\$ 1,251,230	\$ 7,784,424	\$ 1,310,317	\$ 1,465,156	\$ 697,265	\$ (1,427,201)
4.96%	5.55%	5.66%	5.82%	6.12%	7.02%

**HARLEM CONSOLIDATED SCHOOL DISTRICT #122**  
**MACHESNEY PARK, ILLINOIS**

**GENERAL DISTRICT EXPENDITURES BY FUNCTION**

Graphic Presentation



**HARLEM CONSOLIDATED SCHOOL DISTRICT NO. 122**  
**MACHESNEY PARK, ILLINOIS**

GENERAL DISTRICT EXPENDITURES BY FUNCTION (Continued)

Last Ten Fiscal Years\*

<b>Fiscal Year</b>	<b>2025</b>	<b>2024</b>	<b>2023</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>
<b>INSTRUCTION</b>										
Regular Programs	\$ 63,397,439	\$ 60,136,965	\$ 67,387,192	\$ 61,463,588	\$ 56,041,876	\$ 50,977,398	\$ 48,636,463	\$ 58,573,384	\$ 62,725,150	\$ 53,133,758
Special Programs	21,422,265	20,921,834	18,942,539	16,402,674	15,076,936	15,299,317	14,736,513	13,825,309	13,948,981	14,309,107
Vocational Programs	1,961,746	1,810,982	1,638,946	1,483,683	1,328,862	1,610,334	1,509,357	1,551,013	1,445,914	1,334,020
Interscholastic Programs	3,277,512	2,945,370	2,684,920	977,632	799,955	888,255	954,503	822,103	826,081	770,304
Summer Programs	124,237	219,533	277,332	751,266	696,216	246,720	243,345	243,163	236,631	185,996
Student Activities	1,003,242	1,052,381	1,030,143	757,966	289,186	-	-	-	-	-
<b>TOTAL INSTRUCTION</b>	<b>\$ 91,186,441</b>	<b>\$ 87,087,065</b>	<b>\$ 91,961,072</b>	<b>\$ 81,836,809</b>	<b>\$ 74,233,031</b>	<b>\$ 69,022,024</b>	<b>\$ 66,080,181</b>	<b>\$ 75,014,972</b>	<b>\$ 79,182,757</b>	<b>\$ 69,733,185</b>
<b>SUPPORT SERVICES</b>										
Pupils	\$ 12,730,922	\$ 11,820,351	\$ 11,854,166	\$ 10,545,647	\$ 9,835,487	\$ 9,417,646	\$ 9,007,719	\$ 9,150,378	\$ 8,544,032	\$ 7,372,048
Instructional Staff	3,220,516	3,220,882	2,832,102	2,544,213	2,605,275	2,569,123	2,981,185	2,244,130	2,359,126	1,963,912
General Administration	2,694,300	2,516,681	2,427,647	2,437,399	2,351,605	2,818,460	2,932,630	2,690,706	2,899,429	2,955,714
School Administration	6,173,989	5,487,724	5,395,405	5,149,822	4,410,387	3,943,757	4,097,335	4,309,268	4,143,310	3,667,308
Business Services**	18,246,762	16,280,425	15,029,319	17,361,035	14,209,012	14,272,232	15,452,231	16,110,501	16,528,788	15,870,759
Central Support Services	2,388,574	2,333,022	2,252,382	3,474,131	1,963,178	1,822,170	1,701,001	1,647,975	1,551,451	1,541,069
Other	83,201	113,778	137,981	45,608	126,790	37,282	42,467	43,576	41,973	77,715
<b>TOTAL SUPPORT SERVICES</b>	<b>\$ 45,538,264</b>	<b>\$ 41,772,863</b>	<b>\$ 39,929,002</b>	<b>\$ 41,557,855</b>	<b>\$ 35,501,734</b>	<b>\$ 34,880,670</b>	<b>\$ 36,214,568</b>	<b>\$ 36,196,534</b>	<b>\$ 36,068,109</b>	<b>\$ 33,448,525</b>

**HARLEM CONSOLIDATED SCHOOL DISTRICT NO. 122**  
**MACHESNEY PARK, ILLINOIS**

GENERAL DISTRICT EXPENDITURES BY FUNCTION (Continued)

Last Ten Fiscal Years\*

<b>Fiscal Year</b>	<b>2025</b>	<b>2024</b>	<b>2023</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>
<b>COMMUNITY SERVICES</b>	\$ 870,692	\$ 867,528	\$ 896,922	\$ 723,458	\$ 757,774	\$ 784,202	\$ 686,638	\$ 414,989	\$ 352,710	\$ 241,982
<b>CAPITAL OUTLAY</b>	8,153,173	18,673,681	6,332,831	-	-	-	-	-	-	-
<b>NONPROGRAMMED</b>	3,816,626	3,769,745	3,850,949	2,888,554	2,681,779	2,518,476	2,228,104	1,752,801	1,725,423	1,890,390
<b>DEBT SERVICES***</b>	2,618,564	2,590,046	2,353,412	2,526,394	5,795,557	6,177,864	6,141,941	6,810,987	7,378,171	7,702,552
<b>TOTAL</b>	<u>\$ 152,183,760</u>	<u>\$ 154,760,928</u>	<u>\$ 145,324,188</u>	<u>\$ 129,533,070</u>	<u>\$ 118,969,875</u>	<u>\$ 113,383,236</u>	<u>\$ 111,351,432</u>	<u>\$ 120,190,283</u>	<u>\$ 124,707,170</u>	<u>\$ 113,016,634</u>

\*Includes expenditures of all governmental fund type funds.

\*\*Includes operation and maintenance of plant, pupil transportation, food service and general business services.

\*\*\*Includes expenditures incurred with calling and refunding bonds.

Note: Capital outlay is reflected within the functional areas.

Data Source

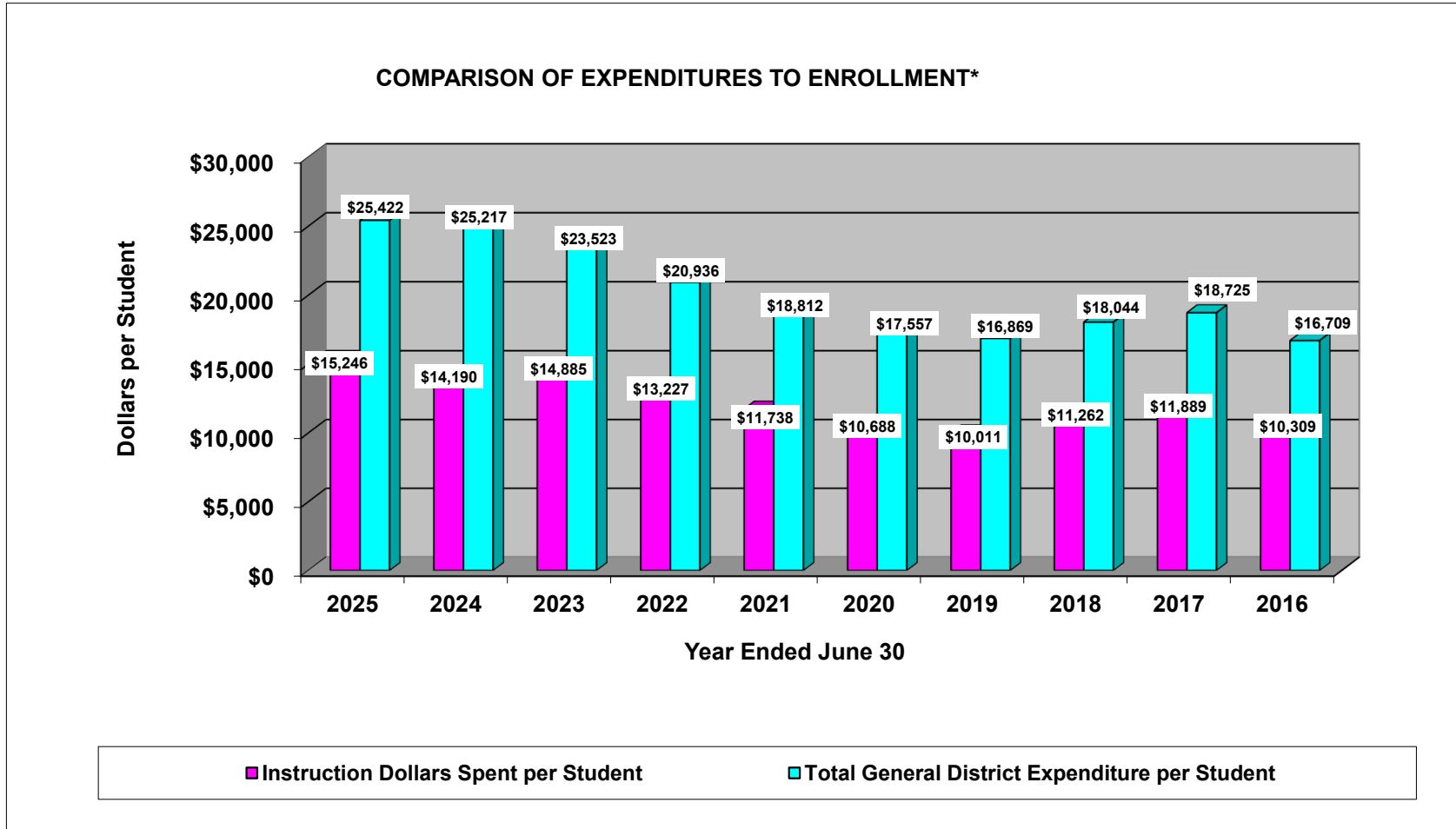
Annual Financial Report to State Board of Education.

**HARLEM CONSOLIDATED SCHOOL DISTRICT #122  
MACHESNEY PARK, ILLINOIS**

**GENERAL DISTRICT EXPENDITURES COMPARED TO ENROLLMENT**

Graphic Presentation

Last Ten Fiscal Years



\*Students enrolled is based on the Fall Housing Report.

**HARLEM CONSOLIDATED SCHOOL DISTRICT #122  
MACHESNEY PARK, ILLINOIS**

**GENERAL DISTRICT REVENUES BY SOURCE**

Last Ten Fiscal Years\*

<b>Fiscal Year</b>	<b>2025</b>	<b>2024</b>	<b>2023</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>
<b>LOCAL SOURCES</b>										
Property Tax	\$ 51,470,018	\$ 51,278,033	\$ 48,553,316	\$ 43,780,289	\$ 45,743,750	\$ 49,367,946	\$ 48,168,401	\$ 47,265,074	\$ 47,416,047	\$ 46,657,356
C.P.R. Tax	4,007,538	5,976,245	9,917,755	9,503,045	4,395,119	3,154,478	2,917,336	2,621,621	3,551,477	2,516,681
Earnings/Investment	2,871,130	3,326,506	1,982,849	125,220	98,571	548,342	765,283	487,669	214,379	128,183
Mobile Home Tax	91,566	59,349	64,446	63,522	63,124	128,248	-	69,478	67,356	64,184
Other Local Revenue	3,631,059	3,296,497	3,273,121	2,975,985	1,735,993	2,446,112	2,614,177	2,594,631	4,550,233	4,773,841
<b>TOTAL LOCAL SOURCES</b>	<b>\$ 62,071,311</b>	<b>\$ 63,936,630</b>	<b>\$ 63,791,487</b>	<b>\$ 56,448,061</b>	<b>\$ 52,036,557</b>	<b>\$ 55,645,126</b>	<b>\$ 54,465,197</b>	<b>\$ 53,038,473</b>	<b>\$ 55,799,492</b>	<b>\$ 54,140,245</b>
<b>FLOW THRU SOURCES</b>										
State Sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Federal Sources	-	-	-	-	-	-	-	-	-	-
<b>TOTAL FLOW THRU</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>STATE SOURCES</b>										
Unrestricted	\$ 35,108,788	\$ 32,925,376	\$ 32,541,261	\$ 32,340,539	\$ 31,242,281	\$ 31,241,892	\$ 26,111,020	\$ 25,311,459	\$ 22,272,549	\$ 21,262,254
Restricted	6,595,185	10,983,429	6,666,104	6,521,789	6,384,418	5,627,379	6,547,465	4,881,487	2,618,447	1,931,247
Other**	26,403,346	25,779,932	29,956,584	24,245,213	21,379,139	20,218,912	18,522,509	30,011,705	35,405,260	23,924,807
<b>TOTAL STATE SOURCES</b>	<b>\$ 68,107,319</b>	<b>\$ 69,688,737</b>	<b>\$ 69,163,949</b>	<b>\$ 63,107,541</b>	<b>\$ 59,005,838</b>	<b>\$ 57,088,183</b>	<b>\$ 51,180,994</b>	<b>\$ 60,204,651</b>	<b>\$ 60,296,256</b>	<b>\$ 47,118,308</b>
<b>FEDERAL SOURCES</b>										
Restricted	\$ 10,766,279	\$ 19,335,798	\$ 16,173,009	\$ 16,342,311	\$ 9,155,710	\$ 6,017,651	\$ 6,957,558	\$ 6,250,676	\$ 6,413,092	\$ 6,279,880
<b>TOTAL</b>	<b>\$ 140,944,909</b>	<b>\$ 152,961,165</b>	<b>\$ 149,128,445</b>	<b>\$ 135,897,913</b>	<b>\$ 120,198,105</b>	<b>\$ 118,750,960</b>	<b>\$ 112,603,749</b>	<b>\$ 119,493,800</b>	<b>\$ 122,508,840</b>	<b>\$ 107,538,433</b>
<b>PERCENTAGES</b>										
Local Sources	44.04%	41.80%	42.78%	41.54%	43.29%	46.86%	48.37%	44.39%	45.55%	50.35%
Flow Thru Sources	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
State Sources	48.32%	45.56%	46.38%	46.44%	49.09%	48.07%	45.45%	50.38%	49.22%	43.82%
Federal Sources	7.64%	12.64%	10.85%	12.03%	7.62%	5.07%	6.18%	5.23%	5.23%	5.84%
<b>TOTAL</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.01%</b>	<b>100.01%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.01%</b>

\*Includes revenues from all governmental fund types.

\*\*Intergovernmental transfers/TRS pension expense/on behalf due to the implementation of GASB 68.

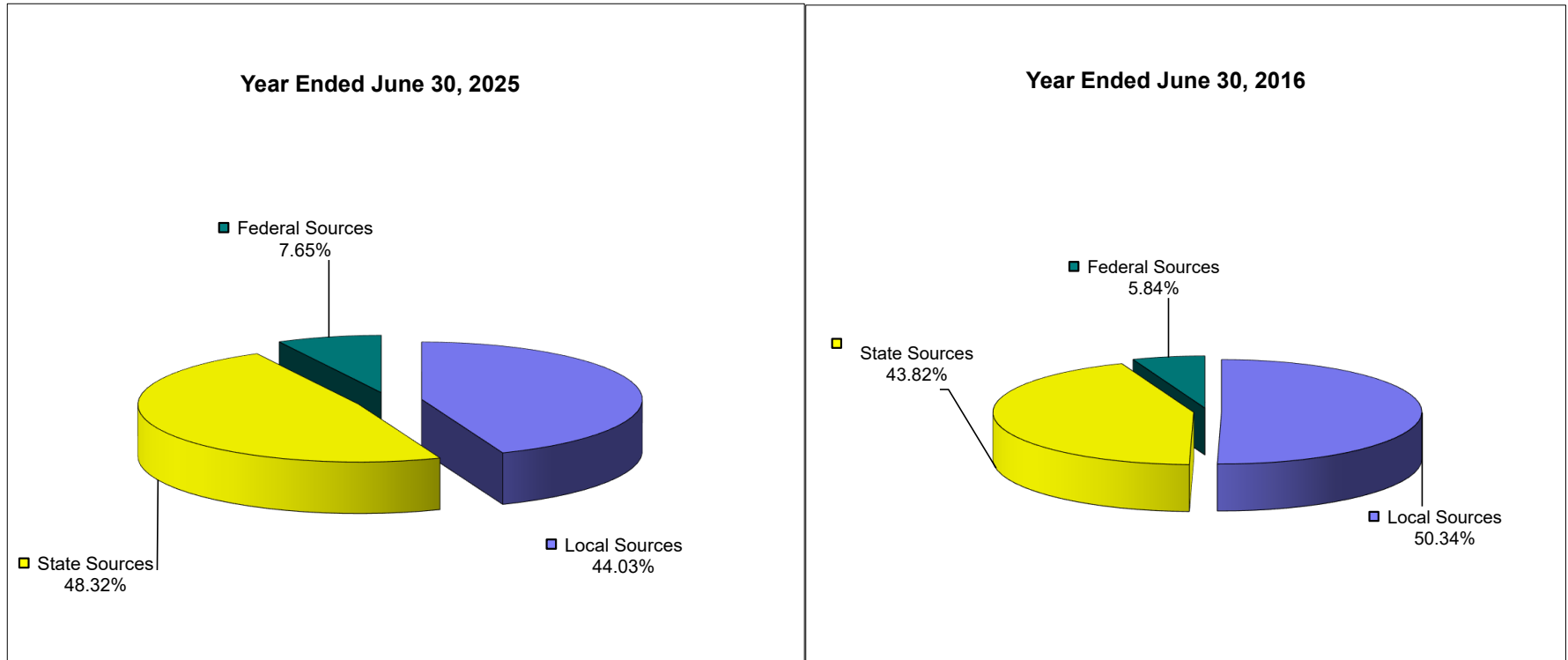
Data Source

Annual Financial Report to State Board of Education.

**HARLEM CONSOLIDATED SCHOOL DISTRICT #122  
MACHESNEY PARK, ILLINOIS**

**GENERAL DISTRICT REVENUES BY SOURCE**

Graphic Presentation

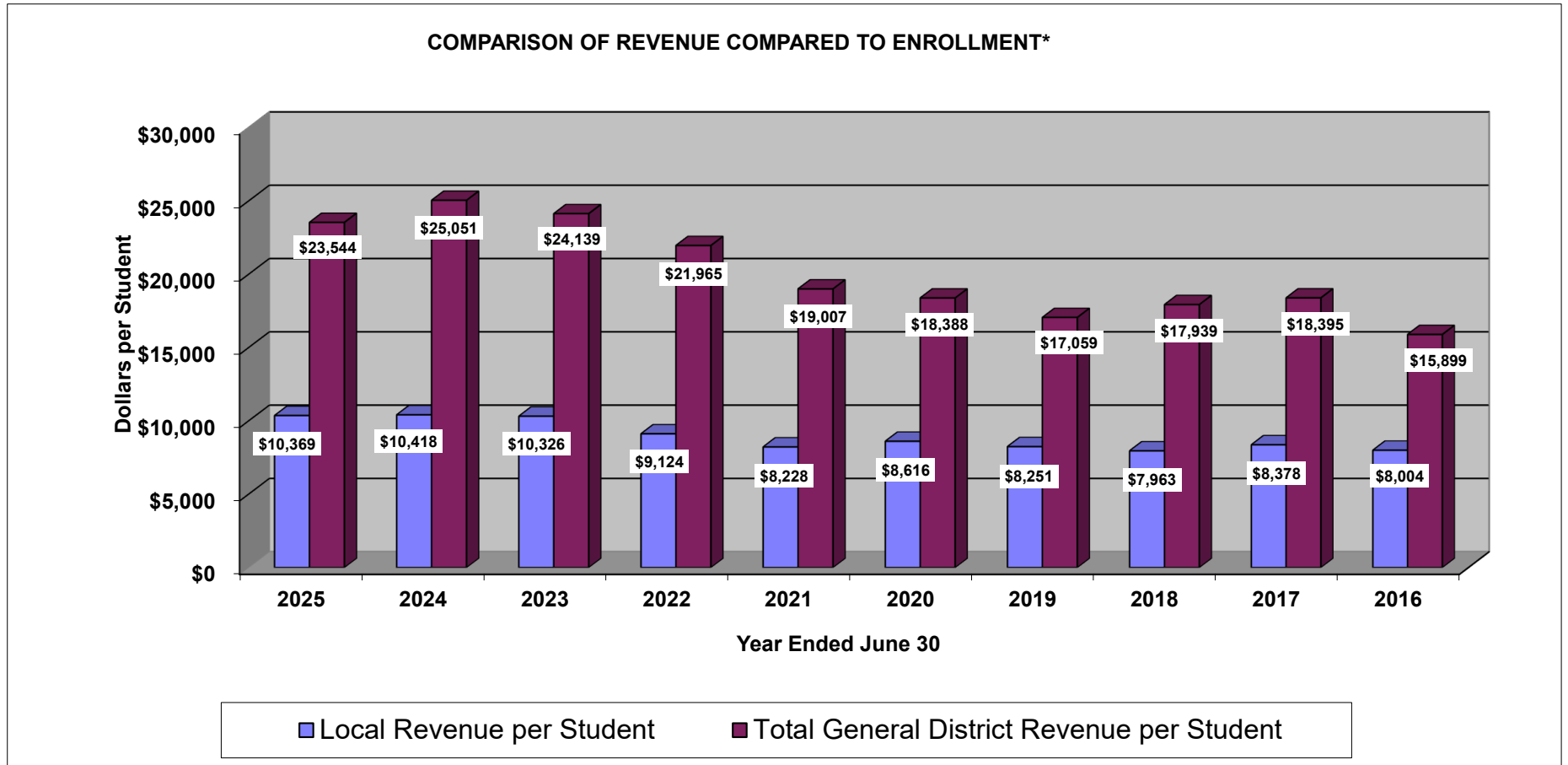




**HARLEM CONSOLIDATED SCHOOL DISTRICT #122**  
**MACHESNEY PARK, ILLINOIS**

**GENERAL DISTRICT REVENUES COMPARED TO ENROLLMENT**

Graphic Presentation  
(Last Ten Fiscal Years)

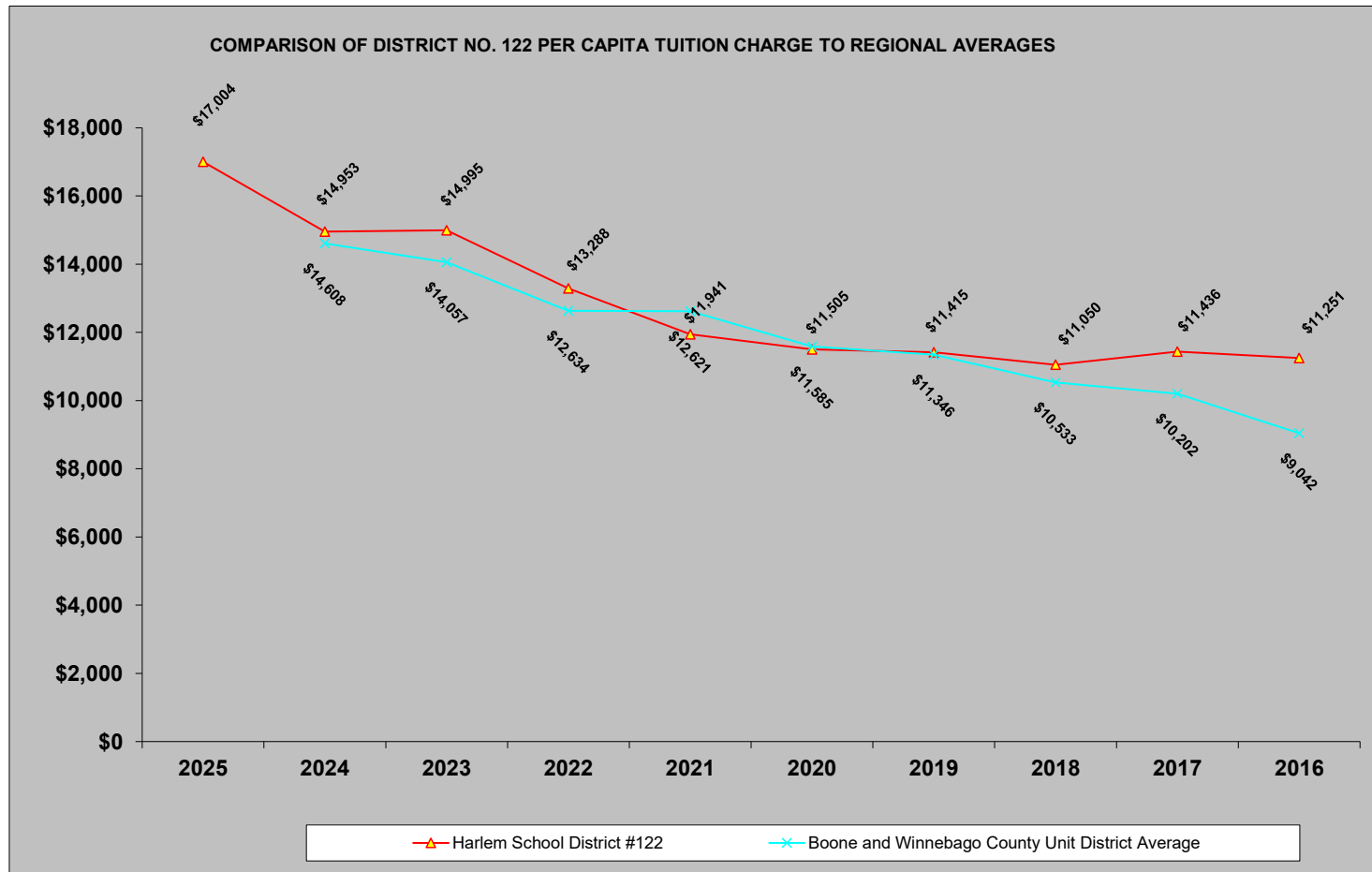


\*Students enrolled is based on the Fall Housing Report.

**HARLEM CONSOLIDATED SCHOOL DISTRICT #122  
MACHESNEY PARK, ILLINOIS**

**PER CAPITA TUITION CHARGE COMPARED TO REGIONAL AVERAGES**

Graphic Presentation  
(Last Ten Fiscal Years)



Data Sources

Regional Office of Education

2024 data not available from the Regional Office of Education

**HARLEM CONSOLIDATED SCHOOL DISTRICT #122  
MACHESNEY PARK, ILLINOIS**

**SCHEDULE OF EQUALIZED ASSESSED VALUATION AND  
ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY**

Last Ten Years

<b>Tax Levy Year</b>	<b>Residential</b>	<b>Farm</b>	<b>Commercial</b>	<b>Industrial</b>	<b>Mineral</b>	<b>Railroad</b>	<b>Total Equalized Assessed Valuation</b>	<b>Estimated Actual Taxable Value</b>	<b>Total Direct Rate</b>
2024	\$ 709,617,488	\$ 698,059	\$ 155,369,941	\$ 87,394,962	\$ 149,562	\$ 771,523	\$ 954,001,535	\$ 2,862,004,605	5.6546
2023	623,461,206	606,039	140,729,138	78,665,685	-	813,553	844,275,621	2,532,826,863	6.1299
2022	561,474,786	543,888	129,710,988	72,679,071	-	752,426	765,161,159	2,295,483,477	6.7247
2021	517,877,198	527,148	124,981,435	68,278,273	-	685,775	712,349,829	2,137,049,487	6.8589
2020	490,419,087	506,595	120,472,645	64,990,981	-	630,080	677,019,388	2,031,058,164	6.4846
2019	462,877,972	439,318	115,782,542	62,243,555	-	604,332	641,947,719	1,925,843,157	7.1472
2018	441,834,361	532,502	109,407,789	59,375,375	-	553,517	611,703,544	1,835,110,632	8.1087
2017	427,695,484	507,513	105,588,340	57,086,398	-	515,093	591,392,828	1,774,178,484	8.1964
2016	417,708,549	489,241	103,047,975	5,710,660	-	504,859	527,461,284	1,582,383,852	8.2648
2015	410,461,562	400,090	102,993,446	54,594,788	-	496,170	568,946,056	1,706,838,168	8.3864

Data Source

Winnebago County Clerk's Office

**HARLEM CONSOLIDATED SCHOOL DISTRICT #122**  
**MACHESNEY PARK, ILLINOIS**

SCHEDULE OF PROPERTY TAX RATES  
(Direct and Overlapping Governments)\*

Last Ten Years

<b>TAX LEVY YEAR</b>	<b>2024</b>	<b>2023</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>
Harlem Consolidated School District No. 122	\$ 5.6546	\$ 6.1299	\$ 6.7247	\$ 6.8589	\$ 6.4846	\$ 7.1472	\$ 8.1087	\$ 8.1964	\$ 8.2648	\$ 8.3864
Winnebago County	0.6730	0.7587	0.8373	0.9032	0.9436	0.9661	1.0173	1.0587	1.0826	1.0984
Winnebago Country Forest Preserve District	0.0835	0.0913	0.0993	0.1041	0.1073	0.1107	0.1147	0.1182	0.1207	0.1203
Rockford Township	0.0848	0.0963	0.1072	0.1173	0.1233	0.1298	0.1385	0.1446	0.1455	0.1452
North Suburban Library District	0.2419	0.2620	0.2730	0.2777	0.2844	0.2909	0.2996	0.3023	0.3002	0.3032
Greater Rockford Airport Authority	0.0803	0.0877	0.0926	0.0955	0.0987	0.1011	0.1073	0.1102	0.1103	0.1073
Community College 511	0.4719	0.4593	0.4762	0.4564	0.4615	0.4703	0.4987	0.5053	0.4927	0.4893
Rockford Park District	0.8132	0.8914	0.9401	0.9739	1.0042	1.0334	1.0963	1.1371	1.1544	1.1629
Rockford TWSP Road	0.1012	0.1108	0.1173	0.1218	0.1260	0.1327	0.1416	0.1478	0.1487	0.1484
Rock River Reclamation District	0.1253	0.1425	0.1593	0.1731	0.1795	0.1848	0.1964	0.2040	0.2082	0.2075
<b>TOTAL RATE</b>	<b>\$ 8.3297</b>	<b>\$ 9.0299</b>	<b>\$ 9.8270</b>	<b>\$ 10.0819</b>	<b>\$ 9.8131</b>	<b>\$ 10.5670</b>	<b>\$ 11.7191</b>	<b>\$ 11.9246</b>	<b>\$ 12.0281</b>	<b>\$ 12.1689</b>

\*Tax rates are expressed in dollars per \$100 of equalized assessed valuation.

Note: The City of Loves Park and Village of Machesney Park do not assess a property tax.

Data Source

Winnebago County Clerk's Office

**HARLEM CONSOLIDATED SCHOOL DISTRICT #122  
MACHESNEY PARK, ILLINOIS**

**TEN PRINCIPAL TAXPAYERS IN THE DISTRICT**

Current Year and Nine Years Prior

<b>Taxpayer</b>	<b>Type of Business</b>	<b>2024 Equalized Assessed Valuation</b>	<b>Percentage of Total District Equalized Assessed Valuation</b>	<b>2015 Equalized Assessed Valuation</b>	<b>Percentage of Total District Equalized Assessed Valuation</b>
Woodward Inc. and Woodward Governor Co.	Industrial land, vacant and improved and commercial business improved property	\$ 13,942,388	1.46%	\$ 8,988,101	1.58%
Hennig Inc	Industrial land with improvements	6,558,717	0.69%		
Forest Hills Village MHC Holdings LLC	Commercial resident and vacant commercial			2,242,795	0.39%
Machesney Crossings Inc.	Commercial business with vacant commercial land	5,510,435	0.58%		
Walmart Real Estate Business Trust	Discount department store	4,817,890	0.51%	2,776,389	0.49%
Ballard Properties Group   LLC	Industrial land, vacant and improved	4,411,635	0.46%		
Meijer Stores Limited Partnership	Commercial business with vacant commercial land	3,955,591	0.41%	4,215,927	0.74%
TLC Illinois	Comm Residential with improvements	3,714,172	0.39%		
Curtis Metal Finishing Co.	Industrial land, vacant and improved	3,465,665	0.36%		
Machesney Park Legacy LLC	Commercial business, improved	3,295,033	0.35%	2,872,936	0.50%
Fairhaven Christian Retirement Center	Comm Res (6+units)-improved and single family residence	3,282,295	0.34%		
Mondelez Global LLC	Vacant industrial land, one parcel with improvements			3,066,389	0.54%
OSF Saint Francis Inc.	Aero-medical life-line ambulance services commercial office and vacant commercial land			3,056,713	0.54%
Menard Inc.	Home Center - lumber, hardware, and garden supplies			4,925,532	0.87%
Two Star Property Co. Inc.	Supermarket-Schnuck Markets Inc			2,458,971	0.43%
Rubloff C & G, LLC & Rubloff CB Machesney LLC	Shopping center & commercial business, office and vacant land			3,212,422	0.56%
<b>Total</b>		<b>\$ 52,953,821</b>	<b>5.55%</b>	<b>\$ 37,816,175</b>	<b>6.64%</b>

Data Source

Winnebago County Clerk's and Assessor's Offices and the Harlem Township Assessor's Office

**HARLEM CONSOLIDATED SCHOOL DISTRICT #122  
MACHESNEY PARK, ILLINOIS**

**AVERAGE DAILY ATTENDANCE, OPERATING EXPENDITURE  
PER PUPIL ENROLLMENT**

Last Ten Fiscal Years

<b>Year Ended June 30,</b>	<b>Expenditures</b>	<b>Less Non- Operating Expenditures</b>	<b>*Operating Expenditures</b>	<b>Average Daily Attendance</b>	<b>Operating Expenditures Per Pupil</b>	<b>**Per Capita Tuition Charge</b>
2025	\$ 152,183,760	\$ 39,800,828	\$ 112,382,932	5,396	\$ 20,827	\$ 17,004
2024	153,697,169	30,960,596	122,736,573	5,469	22,442	14,953
2023	145,315,623	41,489,105	103,826,518	5,435	19,103	14,995
2022	129,533,070	32,079,776	97,453,294	5,493	17,741	13,288
2021	118,981,943	31,016,459	87,965,484	6,417	13,708	11,941
2020	113,383,236	29,847,554	83,535,682	6,192	13,491	11,505
2019	111,351,432	28,370,325	82,981,107	5,971	13,897	11,416
2018	120,190,283	40,486,807	79,703,476	6,118	13,028	11,050
2017	124,707,170	44,082,416	80,624,754	6,061	13,302	11,436
2016	113,016,634	33,861,068	79,155,566	6,140	12,892	11,252

\*Operating expenditures include all governmental fund type expenditures, other than capital outlay, tuition payments, principal payments and TRS pension expense/on behalf due to the implementation of GASB 68.

\*\*Per Capita Tuition Charge represents expenditures from local taxes and common school fund moneys and is generated per fund financial statements by deducting revenues for various state categorical programs, local user fees and federal receipts from operating expenses and dividing by average daily attendance.

Data Source

Annual Financial Reports to State Board of Education

**HARLEM CONSOLIDATED SCHOOL DISTRICT #122**  
**MACHESNEY PARK, ILLINOIS**

**TAX LEVIES AND COLLECTIONS**

Last Ten Years

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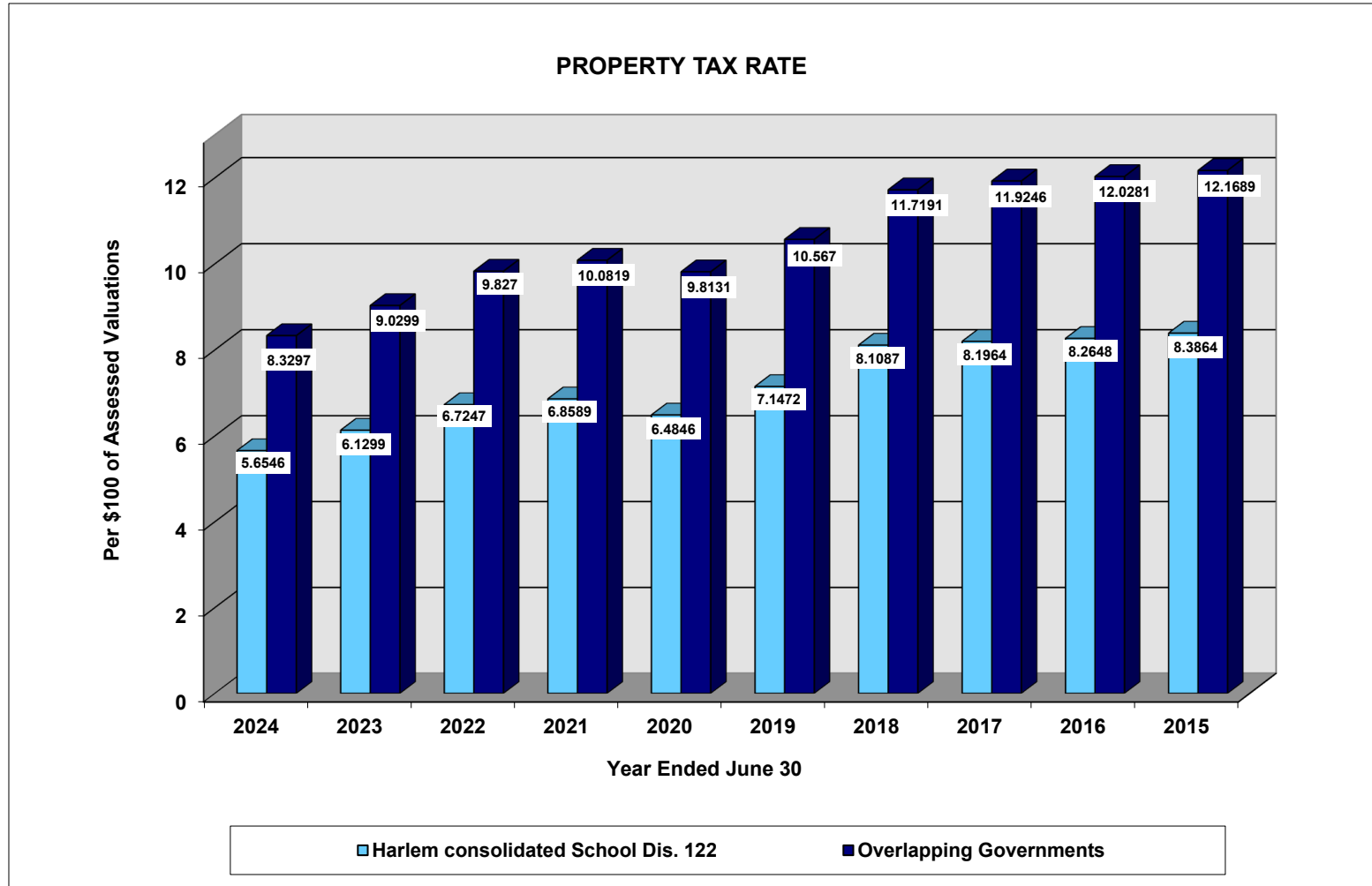
Tax Levy Year	Taxes Levied for the Fiscal Year		Collections within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections	Total Percentage of Levy
			Amount	Percentage of Levy			
2024	\$	53,944,970	\$ 28,942,188	53.65%	\$ -	\$ 28,942,188	53.65%
2023		51,753,251	27,840,385	53.79%	23,627,747	51,468,132	99.45%
2022		51,454,792	23,437,648	45.55%	27,840,385	51,278,033	99.66%
2021		48,859,362	26,466,276	54.17%	22,151,486	48,617,762	99.51%
2020		43,901,999	23,907,277	54.46%	19,990,521	43,897,798	99.99%
2019		45,881,287	20,333,047	44.32%	25,528,675	45,861,722	99.96%
2018		49,601,205	7,868,324	15.86%	41,459,291	49,327,615	99.45%
2017		48,472,922	25,741,320	53.10%	22,427,081	48,168,401	99.37%
2016		47,833,462	25,329,710	52.95%	21,935,361	47,265,071	98.81%
2015		47,714,090	25,355,649	53.14%	22,127,754	47,483,403	99.52%

**HARLEM CONSOLIDATED SCHOOL DISTRICT #122**  
**MACHESNEY PARK, ILLINOIS**

**PROPERTY TAX RATES - OVERLAPPING GOVERNMENTS**

Graphic Presentation

Last Ten Years



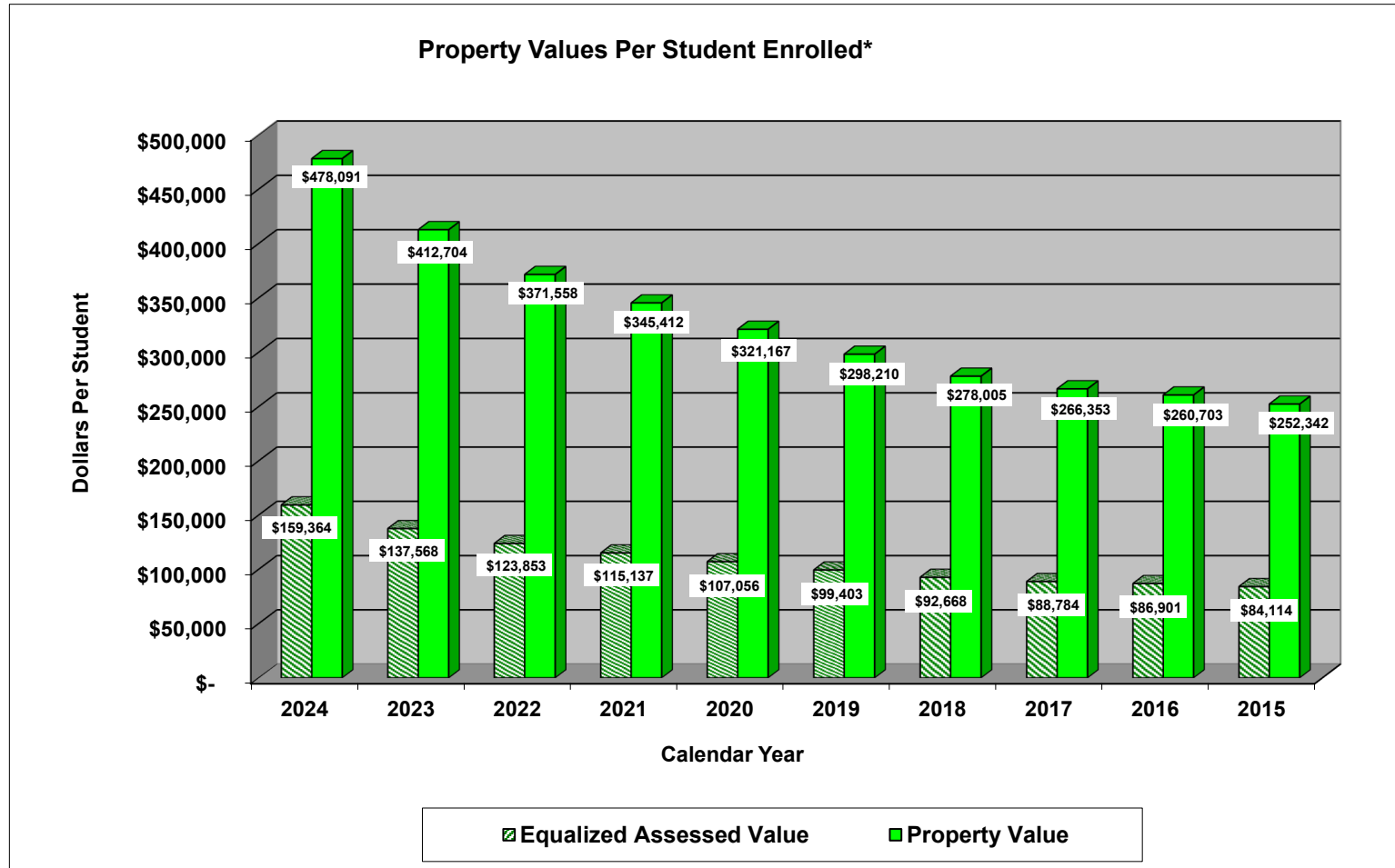


HARLEM CONSOLIDATED SCHOOL DISTRICT #122  
MACHESNEY PARK, ILLINOIS

LOCAL PROPERTY VALUES PER STUDENT ENROLLED

Graphic Presentation

Last Ten Years



\*Students enrolled is based on the Fall Housing Report.

**HARLEM CONSOLIDATED SCHOOL DISTRICT #122  
MACHESNEY PARK, ILLINOIS**

**RATIOS OF OUTSTANDING DEBT**

Last Ten Years

<b>Fiscal Year Ended June 30,</b>	<b>Outstanding General Obligation/Capital Appreciation Bonds</b>	<b>Amount in Debt Service Fund</b>	<b>Net General Bonded Debt As Percentage Of Equalized Assessd Valuation</b>	<b>Net Bonded Debt Per Capita</b>	<b>Net Bonded Debt Per Student</b>	<b>Leases Payable</b>	<b>Net Total Debt*</b>	<b>Debt As Percentage of Taxable Value</b>
2025	\$ 13,785,000	\$ 360,731	1.63%	\$ 334	\$ 2,303	\$ -	\$ 13,424,269	1.41%
2024	10,250,000	301,542	1.21%	248	1,670	-	9,948,458	1.18%
2023	12,325,000	474,194	1.61%	299	1,995	-	11,850,806	1.55%
2022	6,630,000	432,465	0.93%	158	1,072	-	6,197,535	0.87%
2021	8,830,000	435,446	1.30%	210	1,396	2,304	8,396,858	1.24%
2020	14,110,000	441,663	2.20%	335	2,185	16,235	13,684,572	2.13%
2019	17,485,000	398,079	2.86%	409	2,649	43,501	17,130,422	2.80%
2018	22,825,000	388,121	3.86%	530	3,427	305,611	22,742,490	3.85%
2017	23,639,216	420,935	4.08%	546	3,549	359,615	23,577,896	4.07%
2016	24,011,443	428,359	4.22%	542	3,550	802,454	24,385,538	4.29%

\*Net total debt is calculated by adding outstanding bonds, less amount in debt service, plus leases payable, compensated absences, arbitrage rebate and early retirement benefits.

Note: Personal income information is only available from census data which is currently out dated.

**HARLEM CONSOLIDATED SCHOOL DISTRICT #122  
MACHESNEY PARK, ILLINOIS**

RATIOS OF GENERAL BONDED DEBT  
TO EQUALIZED ASSESSED VALUATION (EAV) AND  
GENERAL BONDED DEBT PER CAPITA

Last Ten Years

<b>Fiscal Year Ended June 30,</b>	<b>Tax Levy Year</b>	<b>General Bonded Debt</b>	<b>Equalized Assessed Valuation</b>	<b>Percentage of General Bonded Debt To EAV</b>	<b>Estimated Population</b>		<b>General Bonded Debt Per Capita</b>	<b>General Bonded Debt Per Capita To Personal Income</b>
2025	2024	\$ 13,785,000	\$954,001,535	1.44%	41,300	(5i)	334	\$ 0.01
2024	2023	10,250,000	844,275,621	1.21%	41,300	(5i)	248	0.01
2023	2022	12,325,000	765,161,159	1.61%	41,251	(5h)	299	0.01
2022	2021	6,630,000	712,349,829	0.93%	41,974	(5f)	158	0.01
2021	2020	8,830,000	677,019,388	1.30%	41,974	(5f)	210	0.01
2020	2019	14,110,000	641,947,719	2.20%	42,063	(5e)	335	0.01
2019	2018	17,485,000	611,703,544	2.86%	42,768	(5d)	409	0.02
2018	2017	22,825,000	591,392,828	3.86%	43,030	(5c)	530	0.02
2017	2016	23,239,216	578,761,284	4.02%	43,262	(5b)	537	0.02
2016	2015	24,011,443	568,946,056	4.22%	44,262	(5a)	542	0.02

(5a) US Census Bureau's American Community Survey 2010-2014 5 year average estimate of the District's population is 44,262.

(5b) US Census Bureau's American Community Survey 2011-2015 5 year average estimate of the District's population is 43,262.

(5c) US Census Bureau's American Community Survey 2012-2016 5 year average estimate of the District's population is 43,030.

(5d) US Census Bureau's American Community Survey 2013-2017 5 year average estimate of the District's population is 42,768.

(5e) US Census Bureau's American Community Survey 2014-2018 5 year average estimate of the District's population is 42,063.

(5f) US Census Bureau's American Community Survey 2015-2019 5 year average estimate of the District's population is 41,974.

(5h) US Census Bureau's American Community Survey 2017-2021 5 year average estimate of the District's population is 41,251.

(5i) US Census Bureau's American Community Survey 2018-2022 5 year average estimate of the District's population is 41,300.

Most recent information available as of the date of this report.

Data Source

Winnebago County Clerk's Office and Census.gov

**HARLEM CONSOLIDATED SCHOOL DISTRICT #122  
MACHESNEY PARK, ILLINOIS**

**SCHEDULE OF DIRECT AND OVERLAPPING DEBT**

As of June 30, 2025

Overlapping Agencies	2024 Equalized Assessed Valuation	Outstanding Debt*		Applicable to District	
				Percent	Amount
Winnebago County	\$ 6,131,467,218	\$ -	(1)	15.559%	\$ -
Winnebago County Forest Preserve District	6,132,300,064	2,992,930	(2)	15.557%	465,610
Greater Rockford Airport Authority	4,537,083,208	-	(1)	21.027%	-
Four Rivers Sanitation Authority	4,272,625,184	-	(1)	19.158%	-
North Park Fire District	263,552,912	4,905,000		75.768%	3,716,420
City of Loves Park	604,891,452	-	(1)	64.885%	-
City of Rockford	2,499,452,425	-	(1)	1.096%	-
Village of Roscoe	331,173,138	-	(1)	24.097%	-
Rockford Park District	3,624,894,588	13,213,500	(1)	12.033%	1,589,980
Community College District # 511	8,827,549,737	37,425,000		10.807%	<u>4,044,520</u>
<b>TOTAL OVERLAPPING AGENCIES</b>					<b>9,816,530</b>
<b><u>DIRECT DEBT</u></b>					
Harlem Consolidated School District No. 122	954,001,535	13,785,000		100.00%	<u>13,785,000</u>
<b>TOTAL OVERLAPPING AND DIRECT DEBT</b>					<b><u>\$ 23,601,530</u></b>

(1) Excludes principal amounts of outstanding General Obligation Alternate Revenue Source Bonds which are expected to be paid from sources other than general taxation.

(2) Includes original principal amounts of outstanding General Obligation Capital Appreciation Bonds.

Data Source

Winnebago County Clerk's Office

**HARLEM CONSOLIDATED SCHOOL DISTRICT #122  
MACHESNEY PARK, ILLINOIS**

**SCHEDULE OF LEGAL BONDED DEBT MARGIN**

As of June 30, 2025

<b>Year Ended June 30,</b>	<b>Equalized Assessed Valuation</b>	<b>Statutory Debt Limit 13.8%</b>	<b>General Bonded Debt</b>	<b>Legal Debt Margin</b>	<b>Percentage of Debt to Debt Limit</b>
2025	\$ 954,001,535	\$ 131,652,212	\$ 13,785,000	\$ 117,867,212	10.5%
2024	844,275,621	116,510,036	10,250,000	106,260,036	8.8%
2023	765,161,159	105,592,240	12,325,000	93,267,240	11.7%
2022	712,349,829	98,304,276	6,630,000	91,674,276	6.7%
2021	677,019,388	93,428,676	8,830,000	84,598,676	9.5%
2020	641,947,719	88,588,785	14,110,000	74,478,785	15.9%
2019	611,703,544	84,415,089	17,485,000	66,930,089	20.7%
2018	591,392,828	81,612,210	22,825,000	58,787,210	28.0%
2017	578,761,284	79,869,057	23,639,216	56,229,841	29.6%
2016	568,946,056	78,514,556	24,011,443	54,503,113	30.6%

Data Sources

Equalized Assessed Valuation of taxable property from Winnebago County Clerk's Office.

Debt limitation is established by the Illinois General Assembly and promulgated by the Illinois Revised Statutes.

**HARLEM CONSOLIDATED SCHOOL DISTRICT #122  
MACHESNEY PARK, ILLINOIS**

**PERCENTAGE OF ANNUAL DEBT SERVICE EXPENDITURES  
FOR GENERAL BONDED DEBT TO TOTAL GENERAL EXPENDITURES**

Last Ten Years

<b>Year Ended June 30,</b>	<b>Principal</b>	<b>Interest and Other Charges</b>	<b>Total Debt Service Expenditures*</b>	<b>Total General Expenditures**</b>	<b>Percentage of Annual Debt Service to Total General Expenditures</b>
2025	\$ 2,010,000	\$ 485,717	\$ 2,495,717	\$ 152,183,760	1.64%
2024	2,075,000	515,046	2,590,046	154,749,550	1.67%
2023	1,965,000	255,390	2,220,390	145,315,623	1.53%
2022	2,202,243	324,151	2,526,394	129,539,745	1.95%
2021	5,293,992	501,565	5,795,557	118,981,943	4.87%
2020	5,516,862	660,598	6,177,460	113,383,326	5.45%
2019	5,396,704	744,267	6,140,971	111,351,432	5.51%
2018	5,869,004	733,028	6,602,032	120,190,283	5.49%
2017	6,256,346	600,829	6,857,175	124,707,170	5.50%
2016	6,295,000	537,277	6,832,277	113,016,634	6.05%

\*Debt service expenditures represent payment of principal and interest on general obligation/capital appreciation bonds, excluding other financing uses.

\*\*Includes expenditures of all governmental funds.

Data Source

Per Fund Statements

**HARLEM CONSOLIDATED SCHOOL DISTRICT #122  
MACHESNEY PARK, ILLINOIS**

**PRINCIPAL EMPLOYERS**

Current Year and Nine Years Prior

Employer	2025		2016	
	Approximate # of Employees	Percent of Total Employed*	Approximate # of Employees	Percent of Total Employed*
Woodward Govenor Co.	1,200	6.41%	1,200	6.12%
Harlem Consolidated School District #122	1,165	6.22%	1,100	5.61%
Schnuck's (4 Locations)	525	2.80%		
Ecolab, Inc.	450	2.40%		
Meijer (2 Locations)	350	1.87%	250	1.27%
JC Precision Milling	330	1.76%		
Pierce Distribution	325	1.74%		
Rockford University	310	1.66%		
Perfetti Van Melle Group (Purchased Mondelez Gum Mfg Dec 2022)	300	1.60%	650	3.31%
Beef-A-Roo (Multiple Locations in the Rockford Area)	300	1.60%		
Gleason Cutting Tools Corp.	290	1.55%	350	1.78%
Walmart Supercenter - Roscoe	280	1.50%	180	0.92%
American Aluminum Extrusion Co.	275	1.47%		
Bridgeway			250	1.27%
Practice Velocity			250	1.27%
Servicom, LLC			300	1.53%
GKN Rockford			250	1.27%
<b>TOTAL</b>	<b>6,100</b>	<b>32.58%</b>	<b>4,780</b>	<b>24.35%</b>

This list may include full and part-time and/or seasonal employees unless noted otherwise

\*Includes companies and institutions located in the communities in which the District is located  
but not necessarily within the boundaries of the District

\*Calculating applicable percentages to the Illinois Department of Employment Security Reports the estimated number of  
persons employed in the District is 18,721.

Data Sources

City/Village Records  
School District Records  
Official Website of Employer  
Data Axle Reference Solution

**HARLEM CONSOLIDATED SCHOOL DISTRICT #122  
MACHESNEY PARK, ILLINOIS**

**MISCELLANEOUS DEMOGRAPHIC STATISTICS**

	<b>2020</b>		<b>2010</b>	
	Loves Park	Machesney Park	Loves Park	Machesney Park
Median Family Income	\$ 59,059	\$ 63,662	\$ 49,503	\$ 52,346
Per Capita Income	31,406	29,896	23,945	24,541
Total Households	9,738	8,969	9,902	8,893
Population	23,397	22,950	23,996	23,499
Unemployment Rate	16.50%		12.90%	

Data Source

Latest data from U.S. Bureau of the Census in 2020 and 2010.

**MISCELLANEOUS STUDENT/TEACHER/ADMINISTRATOR STATISTICS**

2024-2025 School Year

**School District No. 122 Characteristics:**

- Bachelor's Degree	39.10%
- Master's Degree	59.60%
- Pupil/Teacher Ratio (Elementary)	20:1
- Pupil/Teacher Ratio (Secondary)	19:1
- Pupil/Administrator Ratio	146:1
- Average Teacher Salary	\$74,428
- Average Administrator Salary	\$113,993

- Racial/Ethnic Background	<u>Students</u>	<u>Teachers</u>
White	64.00%	95.10%
African American	7.40%	0.90%
Hispanic	17.90%	1.90%
Other	10.70%	2.10%

- Student Attendance Rate	90.30%
- Low Income Students	61.30%

Note: Low income students are pupils receiving public aid or are eligible for free or reduced price lunches.

Data Sources

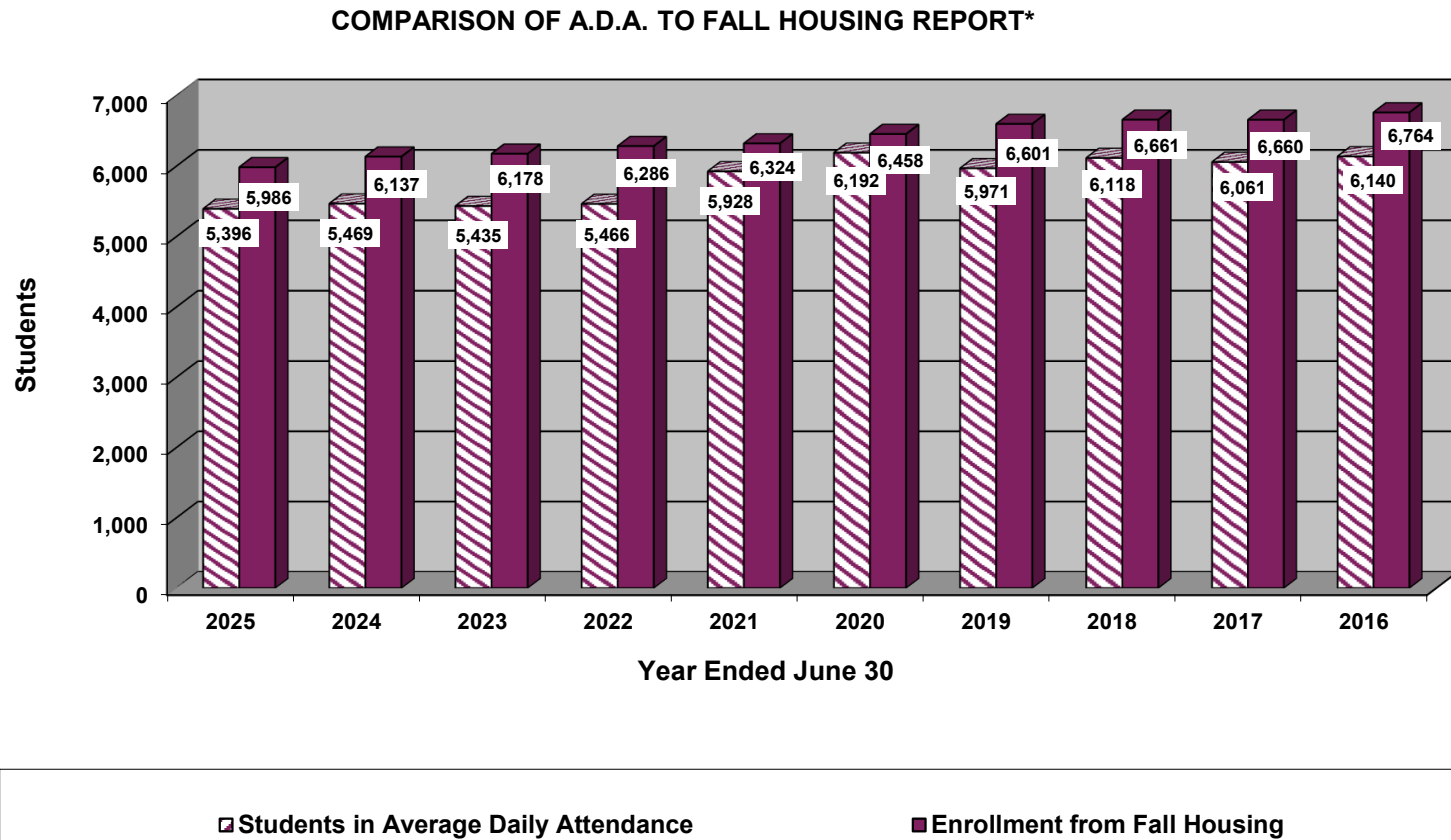
2025 School District Report Card



**HARLEM CONSOLIDATED SCHOOL DISTRICT #122  
MACHESNEY PARK, ILLINOIS**

**AVERAGE DAILY ATTENDANCE COMPARED TO FALL HOUSING**

Graphic Presentation  
(Last Ten Fiscal Years)



\*Students enrolled is based on the Fall Housing Report.

**HARLEM CONSOLIDATED SCHOOL DISTRICT #122**  
**MACHESNEY PARK, ILLINOIS**

DISTRICT EMPLOYMENT STATISTICS

Last Ten Fiscal Years

Employee Type	Status	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Central Office Adm.	Full-Time	5	5	4	4	5	4	4	4	4	7
Building Principals	Full-Time	11	11	11	11	11	11	13	12	12	12
Asst. Principals	Full-Time	17	17	17	17	14	14	13	13	13	11
Other Administrators*	Full-Time	14	15	13	14	14	13	13	12	12	8
Teachers	Full-Time	555	575	543	530	544	552	563	549	549	552
Teachers	Part-Time	-	1	7	2	2	6	8	7	7	9
Instructional Aides	Full-Time	162	161	153	162	151	149	158	138	132	130
Secretarial/Clerical	Full-Time	44	47	51	52	52	52	55	55	55	56
Secretarial/Clerical	Part-Time	1	1	-	-	1	1	1	1	1	2
Bookkeeper	Full-Time	1	1	1	1	1	1	1	1	1	1
Custodial	Full-Time	42	38	42	44	45	42	44	45	45	45
Custodial	Part-Time	-	-	1	2	2	1	1	1	2	1
Food Service Director	Full-Time	1	1	1	1	1	1	1	1	1	1
Food Service Workers	Full-Time	15	12	11	13	10	10	12	12	11	12
Food Service Workers	Part-Time	41	34	34	38	43	52	57	61	60	65
Maintenance	Full-Time	5	5	5	5	5	5	5	5	4	4
Bus Drivers	Full-Time	63	65	76	90	89	89	93	92	85	79
Security	Full-Time	3	3	2	2	2	2	2	2	2	2
Others**	Full-Time	79	77	80	84	63	53	68	70	70	76
Others**	Part-Time	106	96	109	127	124	124	125	129	128	111
<b>TOTAL</b>		<b>1,165</b>	<b>1,165</b>	<b>1,161</b>	<b>1,199</b>	<b>1,179</b>	<b>1,182</b>	<b>1,237</b>	<b>1,210</b>	<b>1,194</b>	<b>1,184</b>

\*Includes Program Directors, Athletic Director, Special Education Director and those not included in any of the above categories.

\*\*Includes crossing guards, supervisory aides and those not included in any of the above categories.

Data Sources

Fall Housing Reports, Teacher Service Record Reports, Annual Publication Reports, District Directories

**HARLEM CONSOLIDATED SCHOOL DISTRICT #122**  
**MACHESNEY PARK, ILLINOIS**

School Building Information

Year Ended June 30, 2025

	<u>Total</u> <u>Square Feet</u>	<u>2024-2025</u> <u>Enrollment</u>	<u>Student</u> <u>Capacity</u>
<b><u>ELEMENTARY SCHOOLS</u></b>			
Loves Park Elementary	51,949	277	488
Machesney Elementary	55,689	357	520
Maple Elementary	35,031	313	545
Marquette Elementary	33,374	267	431
Olson Park Elementary	39,895	294	540
Parker Early Ed. Center	43,315	571	675
Rock Cut Elementary	32,798	260	590
Ralston Elementary	34,246	232	514
Windsor Elementary	33,321	313	462
<b><u>MIDDLE SCHOOLS</u></b>			
Harlem Middle School	141,290	1,325	1,462
<b><u>HIGH SCHOOL</u></b>			
Harlem High School	407,000	1,778	2,600
Hoffman Center	63,683	-	650
<b><u>SUPPORT FACILITIES</u></b>			
Administration Center	12,000	N/A	N/A
Operations Building	17,500	N/A	N/A
Bus Garage	21,120	N/A	N/A
Auto Shop	9,000	N/A	N/A
<b>TOTALS</b>	<u>1,031,211</u>	<u>5,987</u>	<u>9,477</u>

Note: Building data not derived from District Financial Statements.

**HARLEM CONSOLIDATED SCHOOL DISTRICT #122**  
**MACHESNEY PARK, ILLINOIS**

DISTRICT ENROLLMENTS\*

Last Ten Years

GRADE	2024-2025	2023-2024	2022-2023	2021-2022	2020-2021	2019-2020	2018-2019	2017-2018	2016-2017	2015-2016
Pre-K/Kdg.	673	699	701	737	683	689	703	625	605	600
1st	430	425	483	449	377	430	445	443	442	474
2nd	424	493	460	387	421	447	451	454	476	472
3rd	501	454	401	416	443	453	434	479	473	485
4th	455	406	405	430	454	444	476	475	494	515
5th	401	422	435	446	438	475	482	503	509	468
6th	428	452	461	455	491	489	506	503	476	543
7th	442	458	470	484	497	516	508	486	512	482
8th	455	481	487	481	516	513	482	528	500	530
9th	469	609	578	598	608	569	579	571	580	636
10th	438	442	488	483	459	531	532	559	620	610
11th	458	436	440	395	505	455	502	560	516	488
12th	413	360	369	426	432	447	501	475	457	461
<b>TOTAL</b>	<b>5,987</b>	<b>6,137</b>	<b>6,178</b>	<b>6,187</b>	<b>6,324</b>	<b>6,458</b>	<b>6,601</b>	<b>6,661</b>	<b>6,660</b>	<b>6,764</b>

\*Students enrolled is based on the Fall Housing Report.