



**TRI-STATE FIRE PROTECTION DISTRICT  
WILLOWBROOK, ILLINOIS**

**ANNUAL FINANCIAL REPORT**

**MAY 31, 2025**

TRI-STATE FIRE PROTECTION DISTRICT  
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## INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees  
Tri-State Fire Protection District  
Willowbrook, Illinois

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

#### ***Opinions***

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of

Tri-State Fire Protection District

as of and for the year ended May 31, 2025, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Tri-State Fire Protection District, as of May 31, 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). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Tri-State Fire Protection 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 16 to the financial statements, the District implemented GASB Statement No. 101, *Compensated Absences* and GASB Statement No. 100, *Accounting Changes and Error Corrections*. Our opinion is not modified with respect to this matter.

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with 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 one year beyond the financial statement date, including any currently known information that may rise 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 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, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risk 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 Tri-State Fire Protection 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 Tri-State Fire Protection 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.

### ***Required Supplementary Information***

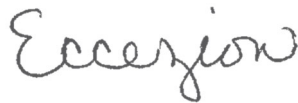
Accounting principles generally accepted in the United States of America require that the required supplementary information, as listed on the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of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



Eccezion  
Strategic Business Solutions

McHenry, Illinois  
March 3, 2026

REQUIRED SUPPLEMENTARY INFORMATION

**TRI-STATE FIRE PROTECTION DISTRICT**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**MAY 31, 2025**

As management of the Tri-State Fire Protection District (District), we offer readers of the District's statements this narrative overview and analysis of the financial activities of the District for the fiscal year ended May 31, 2025. We encourage readers to consider the information presented here in conjunction with additional information found in the notes to the financial statements.

**OVERVIEW OF THE FINANCIAL STATEMENTS**

This discussion and analysis is intended to serve as an introduction to the District's basic financial statements. The District's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other required supplementary information in addition to the basic financial statements themselves.

This Management's Discussion and Analysis is intended to explain the significant changes in financial position and differences in operation between the current and prior years.

**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 and deferred outflows of resources, less its liabilities and deferred inflows of resources, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating when comparing year-to-year results.

The Statement of Activities presents information showing how the District's net position changed during the most recent fiscal year. 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 flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes).

The government-wide financial statements show functions of the District that are principally supported by taxes, fees, and other revenues (governmental activities). The District does not conduct functions intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the District include providing general governmental administrative services and public safety functions of fire protection and emergency medical services (EMS) and related 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, like other state and local governments, 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.

Governmental Funds – Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government'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 District'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 six individual governmental funds. The Corporate Fund is used to account for funds received from general property taxes and other general revenue, and to account for expenditures made for general District purposes. The Ambulance Fund is used to account for funds received from ambulance taxes and fees and to account for expenditures made for emergency medical services purposes. The Audit, Tort, and Social Security and IMRF Funds are used to account for funds received from taxes that are restricted for specific purposes, and the associated expenditures for these purposes. The Capital Fund is used to account for district-wide capital expenditures.

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 Corporate, Ambulance, and Capital Funds, which are considered to be major funds. The other funds are non-major and are aggregated for the Balance Sheet and Statement of Revenues, Expenditures, and Changes in Fund Balances.

Fiduciary Funds – Fiduciary funds are used to account for resources held for the benefit of parties outside the District. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the District's own programs. The accounting used for fiduciary funds is in accordance with accounting principles generally accepted in the United States of America.

**Notes to the Financial Statements** – The notes 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 progress in meeting its obligation to provide as fully adequate as possible fire protection and emergency medical services to all of its residents.

The District adopts an annual budget and appropriation ordinance for all of its funds. A budgetary comparison statement has been provided for each fund presented as required supplementary information to demonstrate compliance with the adopted budget and appropriation ordinance.

## **GOVERNMENT-WIDE FINANCIAL ANALYSIS**

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the District, liabilities and deferred inflows of resources exceeded assets and deferred outflows of resources by \$8,634,761 as of May 31, 2025.

A portion of the District's net position (\$13,033,062) reflects its investment in capital assets (e.g., land, buildings, machinery and equipment, and vehicles); less any related debt used to acquire those assets that is still outstanding. The District uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the District's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

Tri-State Fire Protection District's Net Position at Year End:

	Governmental Activities	
	FY 2025	FY 2024
<b>ASSETS</b>		
Current and Other Assets	\$ 20,598,122	\$ 20,552,176
IMRF Net Pension Asset	337,035	181,003
Capital Assets	13,428,988	12,926,696
Total Assets	<u>\$ 34,364,145</u>	<u>\$ 33,659,875</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>		
Pension Expense	\$ 11,568,423	\$ 11,898,634
Total Deferred Outflow s of Resources	<u>\$ 11,568,423</u>	<u>\$ 11,898,634</u>
<b>LIABILITIES</b>		
Long-Term Liabilities Outstanding	\$ 1,551,740	\$ 1,259,886
Fire Pension Liability	18,925,939	19,730,927
Other Postemployment Benefits Liability	1,580,572	1,764,773
Other Liabilities	1,194,779	1,377,998
Total Liabilities	<u>\$ 23,253,030</u>	<u>\$ 24,133,584</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>		
Unavailable Property Taxes	\$ 15,221,844	\$ 15,270,466
Pension Revenue	16,092,455	19,448,255
Total Deferred Inflow s of Resources	<u>\$ 31,314,299</u>	<u>\$ 34,718,721</u>
<b>NET POSITION</b>		
Net Investment in Capital Assets	\$ 13,033,062	\$ 12,471,338
Restricted	532,140	283,887
Unrestricted	(22,199,963)	(26,049,021)
Total Net Position	<u>\$ (8,634,761)</u>	<u>\$ (13,293,796)</u>

The District's net position increased by \$5,515,024, from current year activity, during the year ended May 31, 2025.

Tri-State Fire Protection District's Change in Net Position:

	Governmental Activities	
	FY 2025	FY 2024
<b>Revenues</b>		
Program Revenues		
Charges for Services	\$ 3,245,306	\$ 4,408,717
General Revenues		
Property Taxes	15,181,053	14,053,175
Replacement Taxes	90,424	136,367
Intergovernmental Revenues	98,864	47,137
Interest Income	283,559	175,278
Grant Income	66,146	-
Miscellaneous Income	129,503	38,088
Total Revenues	<u>\$ 19,094,855</u>	<u>\$ 18,858,762</u>
<b>Expenses</b>		
Public Safety	\$ 13,569,685	\$ 15,306,222
Interest on Long-Term Debt	10,146	11,578
Total Expenses	<u>\$ 13,579,831</u>	<u>\$ 15,317,800</u>
Increase/(Decrease) in Net Position	\$ 5,515,024	\$ 3,540,962
Net Position - Beginning	(13,293,796)	(16,834,758)
Change in Accounting Principle	(165,844)	-
Error Correction	(690,145)	-
Net Position - Beginning of the Year (Restated)	<u>\$ (14,149,785)</u>	<u>\$ (16,834,758)</u>
Net Position - Ending	<u>\$ (8,634,761)</u>	<u>\$ (13,293,796)</u>

**Governmental Activities** – Governmental activities increased the District's net position by \$5,515,024. The key elements of this increase are as follows:

- Property taxes increased by roughly \$1,118,000 due to the District levying more for the 2023 tax year compared to the 2022 tax year.
- Public safety expenses decreased mainly due to recognizing Firefighter and IMRF pension income totaling roughly \$1,600,000 as opposed to recognizing roughly \$615,000 of related pension expenses in the previous year. These numbers are based on actuarial calculations discussed in Notes 8 and 9.

## **FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS**

As noted earlier, the District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

**Governmental Funds** – The focus of the District's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the District's financing requirements. In particular, unassigned fund balance may serve as a useful measure of the District's net resources available for spending at the end of the year.

At May 31, 2025 the District reported combined ending fund balances of \$4,287,251.

The Corporate Fund is the chief operating fund of the District. The focus of the Corporate Fund is to provide information on the revenues and expenditures of the funds that the District receives from its corporate property tax levy and from other unrestricted sources, such as personal property replacement taxes, foreign fire insurance taxes, and interest on bank deposits, and associated expenditures. As a measure of the Corporate Fund's liquidity, it may be useful to compare fund balance to total Corporate Fund expenditures. Total fund balance was positive \$588,088 and was mainly due an increase in property tax revenue of roughly \$750,000 from the previous year as well as an increase to interest income and miscellaneous income totaling roughly \$225,000. While the Corporate Fund expenditures increased roughly \$600,000 mainly due to an increase in compensation expenses as well as pension contributions. The Corporate Fund saw a \$1,071,074 increase from current year activities mainly due to an increase in property tax revenue and interest income, as discussed earlier.

The Ambulance Fund is a special revenue fund used to track revenues and expenditures related to ambulance services. At May 31, 2025, total fund balance of the Ambulance Fund was \$2,076,985, after accounting for a prior period adjustment related to the ambulance billing receivables. As a measure of the Ambulance Fund's liquidity, it may be useful to compare total fund balance to total Ambulance Fund expenditures. Total fund balance represents 23% of total Ambulance Fund expenditures.

The fund balance of the Ambulance Fund decreased by \$692,157, from current year activity, in comparison with the prior year, due primarily to a decrease in charges for services of roughly \$425,000 as well as an increase to compensation, medical, and EMS expenses totaling roughly \$850,000. An additional \$690,145 decreased the Ambulance Fund's fund balance due to a prior period adjustment to write off old outstanding billings pertaining to ambulance services provided.

The Capital Fund balance increased by \$35,397.

The District's non-major funds include the Audit Fund, the Tort Fund, and the Social Security and IMRF Fund. The Audit Fund's fund balance increased \$2,781; the Tort Fund's fund balance increased by \$24,932; and the Social Security and IMRF Fund's fund balance increased by \$44,180.

## **CORPORATE FUND BUDGETARY HIGHLIGHTS**

The District did not amend the budget during the year ended May 31, 2025.

Significant differences between the final budget and the actual revenues and expenditures are summarized as follows:

- The difference between the estimated revenues and the actual revenues was \$248,888 (favorable), primarily attributable to higher than anticipated interest income and miscellaneous income.
- The difference between the estimated expenditures and the actual expenditures was \$98,756 (unfavorable). More than expected compensation costs and pension contributions outweighed the lower than expected administrative expenditures, fire equipment expenditures, building and grounds expenditures.

**CAPITAL ASSETS AND DEBT ADMINISTRATION**

**Capital Assets** – The District’s investment in capital assets for its governmental activities as of May 31, 2025 amounts to \$13,428,988 (net of accumulated depreciation). This investment in capital assets includes land, buildings, machinery and equipment, and vehicles. The total increase in the District’s investment in capital assets for the year ended May 31, 2025 was \$502,292 and was primarily due to increase in capital additions for the year and completion of a few construction projects in the current year.

Major capital asset events during the year ended May 31, 2025 included the following:

- Completion of Station 124 apparatus bay renovations \$538,486
- Purchase of 2024 ambulance totaling \$308,692 and removal of an older 2013 ambulance totaling \$168,291
- Purchase of multiple vehicles (utility, fire engine, police vehicle) totaling \$243,455

Tri-State Fire Protection District’s Capital Assets (net of Depreciation):

	Governmental Activities	
	5/31/2025	1/0/1900
Land	\$ 1,112,755	\$ 1,112,755
Assets not in Service	74,960	330,697
Buildings and Improvements	7,931,076	7,354,477
Equipment	870,385	958,419
Apparatus and Vehicles	3,439,812	3,501,227
Total	<u>\$ 13,428,988</u>	<u>\$ 13,257,575</u>

Additional information on the District’s capital assets can be found in the Notes to the Financial Statements as listed in the table of contents.

**Long-Term Debt** – At May 31, 2025, the District had total long-term debt outstanding of \$395,926. This entire amount is comprised of one financed purchase.

Tri-State Fire Protection District’s Long-Term Debt:

	Governmental Activities	
	5/31/2025	1/0/1900
Pierce Pumper	\$ 395,926	\$ 455,358
Total	<u>\$ 395,926</u>	<u>\$ 455,358</u>

The District’s total debt decreased by \$59,432 during the year ended May 31, 2025 due to regularly scheduled payments.

Additional information on the District's long-term debt and District's debt limitation can be found in the Notes to the Financial Statements as listed in the table of contents.

## **ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES**

The property tax levy for the 2024 Tax Year (June 1, 2025 - May 31, 2026), which will be recognized as revenue in fiscal year 2026, listed \$15,031,346 in levied taxes, a decrease of \$239,120 from the previous year (\$15,270,466).

The following are capital projects and debt payments planned for fiscal year 2026:

- Lease payment on 2021 Pierce ladder truck of \$70,495
- Purchase/lease of a new ladder truck. The annual lease amount is unknown at this time.
- Purchase of a Ford Interceptor Utility with an approximate cost of \$48,000
- Purchase of a staff vehicle for Fire Prevention totaling \$33,000
- Refurbished/remount ambulance with an approximate cost of \$194,450
- Refurbishment of a 2015 Pierce engine with an approximate cost of \$500,000. Depending on completion date this may overlap into the FY 2027 budget.
- Bond referendum costs totaling \$65,000

The Trustees of the District considered these factors when preparing the budget and appropriation ordinance for the District which was adopted at the August 2025 Board of Trustee's meeting for the 2026 fiscal year.

## **REQUESTS FOR INFORMATION**

This financial report is designed to provide a general overview of the District's finances for all those with an interest in the District's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Board of Trustees, Tri-State Fire Protection District, 236 Sunrise Avenue, Willowbrook, IL 60527.

TRI-STATE FIRE PROTECTION DISTRICT  
GOVERNMENT-WIDE FINANCIAL STATEMENTS  
STATEMENT OF NET POSITION  
MAY 31, 2025

	<u>Governmental Activities</u>
<b>ASSETS</b>	
Cash and Cash Equivalents	\$ 5,891,214
Receivables	
Property Taxes, net of allowance of \$0	12,787,331
Ambulance Billing Receivable, net of allowance of \$707,865	1,840,803
Prepaid Items	78,774
IMRF Net Pension Asset	337,035
Capital Assets	
Land	1,112,755
Construction in Progress	74,960
Other Capital Assets, Net of Depreciation	12,241,273
Total Assets	<u>\$ 34,364,145</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>	
Pension Expense - IMRF	\$ 267,039
Pension Expense - Fire Pension	11,301,384
Total Deferred Outflows of Resources	<u>\$ 11,568,423</u>
<b>LIABILITIES</b>	
Accounts Payable and Accrued Liabilities	\$ 598,281
GEMT Payable	596,498
Non-Current Liabilities	
Due Within One Year	292,710
Due In More Than One Year	1,259,030
Fire Pension Liability	18,925,939
Other Postemployment Benefits Liability	1,580,572
Total Liabilities	<u>\$ 23,253,030</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>	
Unavailable Property Taxes	\$ 15,221,844
Pension Revenue - Fire Pension	16,092,455
Total Deferred Inflows of Resources	<u>\$ 31,314,299</u>
<b>NET POSITION</b>	
Net Investment in Capital Assets	\$ 13,033,062
Restricted for Audit	1,815
Restricted for IMRF	428,106
Restricted for Social Security	7,486
Restricted for Foreign Fire	94,733
Unrestricted/(Deficit)	(22,199,963)
Total Net Position	<u>\$ (8,634,761)</u>

The Notes to Financial Statements are an integral part of this statement.

TRI-STATE FIRE PROTECTION DISTRICT  
GOVERNMENT-WIDE FINANCIAL STATEMENTS  
STATEMENT OF ACTIVITIES  
YEAR ENDED MAY 31, 2025

	Expenses	Program Revenues <u>Charges for Services</u>	Net (Expense) Revenue and Changes in Net Position <u>Governmental Activities</u>
Functions/Programs			
Governmental Activities:			
Public Safety	\$ 13,569,685	\$ 3,245,306	\$ (10,324,379)
Interest and Fees on Long-Term Debt	10,146	-	(10,146)
Total Governmental Activities	\$ 13,579,831	\$ 3,245,306	\$ (10,334,525)
General Revenues			
Taxes			
Property Taxes			\$ 15,181,053
Replacement Taxes			90,424
Intergovernmental Revenues			98,864
Interest Income			283,559
Grant Income			66,146
Miscellaneous Income			129,503
Total General Revenues			\$ 15,849,549
Change in Net Position			\$ 5,515,024
Net Position - June 1, 2024, as previously presented			\$ (13,293,796)
Change in Accounting Principle			(165,844)
Error Correction			(690,145)
Net Position - June 1, 2024, restated			\$ (14,149,785)
Net Position - End of Year			\$ (8,634,761)

The Notes to Financial Statements are an integral part of this statement.

TRI-STATE FIRE PROTECTION DISTRICT  
 FUND FINANCIAL STATEMENTS  
 BALANCE SHEET  
 GOVERNMENTAL FUNDS  
 MAY 31, 2025

	Corporate Fund	Ambulance Fund	Capital Fund	Non-Major Funds	Total Fund
<b>ASSETS</b>					
Cash and Cash Equivalents	\$ 2,224,535	\$ 1,864,032	\$ 1,703,108	\$ 132,990	\$ 5,924,665
Receivables					
Property Taxes, net of allowance of \$0	7,698,482	4,338,321	-	750,528	12,787,331
Ambulance Billing Receivable, net of allowance of \$707,865	-	1,840,803	-	-	1,840,803
Prepaid Items	11,076	16,612	-	51,086	78,774
Total Assets	<u>\$ 9,934,093</u>	<u>\$ 8,059,768</u>	<u>\$ 1,703,108</u>	<u>\$ 934,604</u>	<u>\$ 20,631,573</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>					
GEMT Reimbursement	\$ -	\$ 99,638	\$ -	\$ -	\$ 99,638
Total Deferred Outflows of Resources	<u>\$ -</u>	<u>\$ 99,638</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 99,638</u>
Total Assets and Deferred Outflows of Resources	<u>\$ 9,934,093</u>	<u>\$ 8,159,406</u>	<u>\$ 1,703,108</u>	<u>\$ 934,604</u>	<u>\$ 20,731,211</u>
<b>LIABILITIES</b>					
Cash Overdraft	\$ -	\$ -	\$ -	\$ 33,451	\$ 33,451
Accounts Payable	38,783	69,935	54,787	17,165	180,670
Accrued Payroll Liabilities	163,654	241,212	-	6,631	411,497
GEMT Payable	-	596,498	-	-	596,498
Total Liabilities	<u>\$ 202,437</u>	<u>\$ 907,645</u>	<u>\$ 54,787</u>	<u>\$ 57,247</u>	<u>\$ 1,222,116</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Unavailable Property Taxes	\$ 9,143,568	\$ 5,174,776	\$ -	\$ 903,500	\$ 15,221,844
Total Deferred Inflows of Resources	<u>\$ 9,143,568</u>	<u>\$ 5,174,776</u>	<u>\$ -</u>	<u>\$ 903,500</u>	<u>\$ 15,221,844</u>
<b>FUND BALANCES</b>					
Nonspendable					
Prepaid Items	\$ 11,076	\$ 16,612	\$ -	\$ 51,086	\$ 78,774
Restricted					
Audit	-	-	-	1,815	1,815
IMRF	-	-	-	91,071	91,071
Social Security	-	-	-	7,486	7,486
Foreign Fire	94,733	-	-	-	94,733
Assigned					
Ambulance	-	2,060,373	-	-	2,060,373
Capital Projects	-	-	1,648,321	-	1,648,321
Unassigned	482,279	-	-	(177,601)	304,678
Total Fund Balances	<u>\$ 588,088</u>	<u>\$ 2,076,985</u>	<u>\$ 1,648,321</u>	<u>\$ (26,143)</u>	<u>\$ 4,287,251</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 9,934,093</u>	<u>\$ 8,159,406</u>	<u>\$ 1,703,108</u>	<u>\$ 934,604</u>	<u>\$ 20,731,211</u>

The Notes to Financial Statements are an integral part of this statement.

TRI-STATE FIRE PROTECTION DISTRICT  
 FUND FINANCIAL STATEMENTS  
 RECONCILIATION OF THE BALANCE SHEET TO THE STATEMENT OF NET POSITION  
 MAY 31, 2025

Total Fund Balances - Governmental Funds		\$ 4,287,251
<p>Amounts reported for governmental activities in the Statement of Net Position are different because:</p>		
<p>Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.</p>		
Capital Assets, net of accumulated depreciation		13,428,988
<p>Deferred pension costs in governmental activities are not financial resources and therefore are not reported in the funds.</p>		
Deferred Inflows/(Outflows) - IMRF	\$ 267,039	
Deferred Inflows/(Outflows) - Fire Pension	<u>(4,791,071)</u>	
		(4,524,032)
<p>Some expenditures are not considered spent within the current period and therefore are deferred outflows of resources in the funds.</p>		
GEMT Reimbursement		(99,638)
<p>Some liabilities are not due and payable in the current period and therefore are not reported in the funds.</p>		
Long-Term Debt	\$ (395,926)	
Compensated Absences	(1,054,449)	
Accrued Interest on Long-Term Debt	(6,114)	
Net Pension Asset/(Liability) - IMRF	337,035	
Net Pension Liability - Fire Pension	(18,925,939)	
Total OPEB Liability	<u>(1,681,937)</u>	
		<u>(21,727,330)</u>
Net Position of Governmental Activities		<u><u>\$ (8,634,761)</u></u>

The Notes to Financial Statements are an integral part of this statement.

TRI-STATE FIRE PROTECTION DISTRICT  
 FUND FINANCIAL STATEMENTS  
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
 GOVERNMENTAL FUNDS  
 YEAR ENDED MAY 31, 2025

	Corporate Fund	Ambulance Fund	Capital Fund	Non-Major Funds	Total Fund
<b>REVENUES</b>					
Property Taxes	\$ 8,943,997	\$ 5,156,548	\$ -	\$ 1,080,508	\$ 15,181,053
Replacement Taxes	90,424	-	-	-	90,424
Intergovernmental Income	98,864	-	-	-	98,864
Charges for Services	100,828	3,144,478	-	-	3,245,306
Grant Income	66,146	-	-	-	66,146
Interest Income	282,928	621	10	-	283,559
Miscellaneous Income	129,503	-	-	-	129,503
	<u>\$ 9,712,690</u>	<u>\$ 8,301,647</u>	<u>\$ 10</u>	<u>\$ 1,080,508</u>	<u>\$ 19,094,855</u>
<b>EXPENDITURES</b>					
Current					
Public Safety	\$ 7,493,609	\$ 8,783,658	\$ 77,978	\$ 1,008,615	\$ 17,363,860
Capital Outlay	17,693	58,184	1,130,778	-	1,206,655
Debt Service	35,248	35,248	-	-	70,496
	<u>\$ 7,546,550</u>	<u>\$ 8,877,090</u>	<u>\$ 1,208,756</u>	<u>\$ 1,008,615</u>	<u>\$ 18,641,011</u>
<b>EXCESS OR (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<u>\$ 2,166,140</u>	<u>\$ (575,443)</u>	<u>\$ (1,208,746)</u>	<u>\$ 71,893</u>	<u>\$ 453,844</u>
<b>OTHER FINANCING SOURCES/(USES)</b>					
Proceeds from Sale of Fixed Assets	\$ 32,363	\$ -	\$ -	\$ -	\$ 32,363
Transfers	(1,127,429)	(116,714)	1,244,143	-	-
	<u>\$ (1,095,066)</u>	<u>\$ (116,714)</u>	<u>\$ 1,244,143</u>	<u>\$ -</u>	<u>\$ 32,363</u>
<b>NET CHANGE IN FUND BALANCES</b>	<u>\$ 1,071,074</u>	<u>\$ (692,157)</u>	<u>\$ 35,397</u>	<u>\$ 71,893</u>	<u>\$ 486,207</u>
FUND BALANCES - JUNE 1, 2024, as previously presented	\$ (482,986)	\$ 3,459,287	\$ 1,612,924	\$ (98,036)	\$ 4,491,189
ERROR CORRECTION		(690,145)	-	-	(690,145)
FUND BALANCES - JUNE 1, 2024, as adjusted	<u>\$ (482,986)</u>	<u>\$ 2,769,142</u>	<u>\$ 1,612,924</u>	<u>\$ (98,036)</u>	<u>\$ 3,801,044</u>
FUND BALANCES - MAY 31, 2025	<u>\$ 588,088</u>	<u>\$ 2,076,985</u>	<u>\$ 1,648,321</u>	<u>\$ (26,143)</u>	<u>\$ 4,287,251</u>

The Notes to Financial Statements are an integral part of this statement.

TRI-STATE FIRE PROTECTION DISTRICT  
 FUND FINANCIAL STATEMENTS  
 RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND  
 CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS  
 TO THE STATEMENT OF ACTIVITIES  
 YEAR ENDED MAY 31, 2025

Net Change in Fund Balances - Total Governmental Funds \$ 486,207

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

Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlay exceeds depreciation expense in the current period.

Depreciation Expense	\$ (704,363)	
Capital Outlays	<u>1,206,655</u>	502,292

Some expenses reported in the Statement of Activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.

Pension Income/(Expense)	\$ 1,590,562	
OPEB Expense	(30)	
Change in Accrued Interest	918	
Compensated Absences	<u>(24,645)</u>	1,566,805

Some revenues/expenses reported in the Statement of Activities do not provide/use current financial resources and therefore are deferred in the governmental funds.

GEMT Payable Expense		421,375
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Employer pension and OPEB contributions are expensed in the fund financial statements but treated as a reduction in the Net Position Liability on the government-wide financial statements.

2,478,913

Repayment of long-term debt requires the use of current financial resources of governmental funds and is therefore shown as an expenditure in the Statement of Revenues, Expenditures, and Changes in Fund Balances, but the repayment reduces long-term liabilities in the Statement of Net Position and is therefore not reported in the Statement of Activities.

Repayment of Long-Term Debt		59,432
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In the Statement of Activities, only the gain or loss on the sale of capital assets is reported, whereas in the governmental funds, the proceeds from the sale increase financial resources. Thus, the change in net position differs from the change in fund balance by the undepreciated balance of the capital assets sold.

Proceeds from Sale of Capital Assets	\$ (32,363)	
Gain on Sale of Capital Assets	<u>32,363</u>	-

Change in Net Position of Governmental Activities		<u>\$ 5,515,024</u>
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The Notes to Financial Statements are an integral part of this statement.

TRI-STATE FIRE PROTECTION DISTRICT  
 FUND FINANCIAL STATEMENTS  
 STATEMENT OF FIDUCIARY NET POSITION  
 FIDUCIARY FUND - PENSION FUND  
 MARCH 31, 2025

<b>ASSETS</b>	
Cash and Cash Equivalents	\$ 21,776
Investments, at Fair Value	
Mutual Funds	304,779
Illinois Firefighter's Pension Consolidated Investment Fund	62,365,945
Prepays	619
Total Assets	<u>\$ 62,693,119</u>
 <b>LIABILITIES</b>	
Expenses Due/Unpaid	\$ 2,425
Due to Members	2,245
Total Liabilities	<u>\$ 4,670</u>
 NET POSITION RESTRICTED FOR PENSION BENEFITS	 <u><u>\$ 62,688,449</u></u>

The Notes to Financial Statements are an integral part of this statement.

TRI-STATE FIRE PROTECTION DISTRICT  
 FUND FINANCIAL STATEMENTS  
 STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
 FIDUCIARY FUND - PENSION FUND  
 MARCH 31, 2025

	Pension Fund
ADDITIONS	
Contributions	
Employer	\$ 2,385,234
Plan Members	609,750
Total Contributions	\$ 2,994,984
Investment and Other Income	
Net Appreciation/(Depreciation) in Fair Value of Investments	\$ 2,462,938
Interest and Dividends	1,210,565
	\$ 3,673,503
Less: Investment Management Fees	104,608
Net Investment and Other Income	\$ 3,568,895
 TOTAL ADDITIONS	 \$ 6,563,879
DEDUCTIONS	
Benefits	\$ 3,147,568
Administration	39,511
TOTAL DEDUCTIONS	\$ 3,187,079
 CHANGE IN NET POSITION	 \$ 3,376,800
NET POSITION - APRIL 1, 2024	59,311,649
NET POSITION - MARCH 31, 2025	\$ 62,688,449

The Notes to Financial Statements are an integral part of this statement.

TRI-STATE FIRE PROTECTION DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
MAY 31, 2025

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Tri-State Fire Protection District (District) was organized under the provisions of Chapter 70 of the Illinois Compiled Statutes. The District operates under the direction of a Board of Trustees and provides fire protection and emergency medical services in its district.

The District's financial statements are prepared in accordance with accounting principles generally accepted in the United States of America (GAAP) as applied to local governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The most significant accounting principles established in GAAP and used by the District are discussed below.

*A. Reporting Entity*

The accompanying financial statements comply with the provisions of GASB statements, in that the financial statements include all organizations, activities, and functions that comprise the District. Component units are legally separate entities for which the District (the primary entity) is financially accountable. Financial accountability is defined as the ability to appoint a voting majority of the organization's governing body and either (1) the District's ability to impose its will over the organization or (2) the potential that the organization will provide a financial benefit to, or impose a financial burden on, the District. The District has determined that the Tri-State Firefighter's Pension Fund meets the above criteria. The Tri-State Firefighter's Pension Fund is blended into the District's primary government financial statements as a Fiduciary Fund although it remains a separate legal entity. The Pension Fund's fiscal year ends March 31; therefore, the blended financial statements of the pension fund are as of March 31 within the primary government's current fiscal year. Reporting in this manner does not cause any inconsistencies between the primary government and its component units that would be required to be disclosed. In addition, the District is not included as a component unit in any other governmental reporting entity as defined by GASB pronouncements.

*B. Basic Financial Statements – Government-Wide Financial Statements*

The District's basic financial statements include both government-wide (reporting the District as a whole) and fund (reporting the District's major funds) financial statements. Both the government-wide and fund financial statements categorize all of the primary activities of the District as governmental activities. The District's general government and public safety functions are classified as governmental activities. The District does not have any business-type activities. In the process of aggregating data for the government-wide financial statements, some amounts reported as interfund activity and balances were eliminated or reclassified. Interfund services provided and used are not eliminated in the process of consolidation.

In the government-wide Statement of Net Position, the governmental activities column (a) is presented on a consolidated basis, and (b) is reported on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. The District's net position is reported in three parts – net investment in capital assets; restricted net position; and unrestricted net position. The District first utilizes restricted resources to finance qualifying activities.

The government-wide Statement of Activities reports both the gross and net cost of each of the District's functions. The functions are also supported by general government revenues (property taxes, replacement taxes, unrestricted investment earnings, etc.). The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, operating, and capital grants. Program revenues must be directly associated with the function (general government or public safety). Program

## NOTES TO FINANCIAL STATEMENTS (Continued)

revenues include charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function. Program revenues also include grants and contributions that are restricted to meeting the operational or capital requirements of a particular function.

Operating grants include operating-specific grants and discretionary (either operating or capital) grants while the capital grants column reflects capital-specific grants.

The net costs (by function) are normally covered by general revenues (property taxes, replacement taxes, unrestricted investment earnings, etc.).

The District does not allocate indirect costs.

The government-wide focus is more on the sustainability of the District as an entity and the change in the District's net position resulting from the current year's activities.

### C. *Basic Financial Statements – Fund Financial Statements*

The financial transactions of the District are reported in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures/expenses.

The emphasis in fund financial statements is on the major funds. Nonmajor funds by category are summarized into a single column. GASB No. 34 sets forth minimum criteria (percentage of the assets, liabilities, revenues or expenditures of all governmental funds) for the determination of major funds. The Corporate, Ambulance and Capital Funds are reported as the major funds of the District.

The following fund types are used by the District:

#### 1. *Governmental Funds*

The focus of the governmental funds' measurement (in the fund statements) is upon determination of financial position and changes in financial position (sources, uses, and balances of financial resources) rather than upon net income. In the fund financial statements, the "current financial resources" measurement focus or the "economic resources" measurement focus is used as appropriate. The following is a description of the governmental funds of the District:

General Fund - The Corporate Fund is the general operating fund of the District. It is used to account for all financial resources except those required to be accounted for in another fund.

Special Revenue Funds – Special Revenue Funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specific purposes. The Ambulance, Audit, Tort, and Social Security and IMRF Funds include revenues from property tax, ambulance billings (Ambulance Fund only), and miscellaneous income along with the related expenditures.

Capital Fund – The Capital Fund is used to account for district-wide capital outlay expenditures.

The activities reported in these funds are reported as governmental activities in the government-wide financial statements.

#### 2. *Fiduciary Funds*

Fiduciary funds are used to report assets held in a trustee or agency capacity for others and therefore are not available to support District programs. The reporting focus is on net position and changes in net position and is reported using generally accepted accounting principles.

## NOTES TO FINANCIAL STATEMENTS (Continued)

The District's Fiduciary Fund is presented in the Fiduciary Fund financial statements by type (pension). Since by definition these assets are being held for the benefit of a third party (pension participants) and cannot be used to address activities or obligations of the District, this fund is not incorporated into the government-wide financial statements.

### D. *Basis of Accounting*

Basis of accounting refers to the point at which revenues or expenditures/expenses are recognized in the accounts and reported in the financial statements. It relates to the timing of the measurements made regardless of the measurement focus applied.

#### 1. *Accrual*

The governmental activities in the government-wide financial statements are presented on the accrual basis of accounting. Property taxes are reported in the period for which levied. Other nonexchange revenues, including intergovernmental revenues and grants, are reported when all eligibility requirements have been met. Fees and charges and other exchange revenues are recognized when earned and expenses are recognized when incurred.

#### 2. *Modified Accrual*

The governmental fund financial statements are presented on the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual; i.e., both measurable and available. "Available" means collectible within the current period or within 60 days after year-end. Property tax revenues are recognized in the period for which levied provided they are available. Intergovernmental revenues and grants are recognized when all eligibility requirements are met and the revenues are available. Expenditures are recognized when the related liability is incurred. Exceptions to this general rule include principal and interest on general obligation long-term debt and employee vacation and sick leave, which are recognized when due and payable.

The District reports unavailable revenue on its governmental funds Balance Sheet. Unavailable revenues arise when potential revenue does not meet both the "measurable" and "available" criteria for recognition in the current period. As of May 31, 2025, the District has \$15,221,844 of unavailable revenue from property taxes.

### E. *Cash and Cash Equivalents and Investments*

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

Occasionally certain of the funds participating in the common bank account will incur overdrafts (deficits) in the account. Such overdrafts in effect constitute cash borrowed from other District funds and are, therefore, interfund loans that have not been authorized by District Board action. There was a cash overdraft of \$33,451 in the Tort Fund (non-major) at year-end.

Cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

Investments are stated at fair value. Fair value is determined by quoted market prices. Gains or losses on the sale of investments are recognized as they are incurred.

### F. *Receivables*

All receivables are reported net of estimated uncollectible amounts.

## NOTES TO FINANCIAL STATEMENTS (Continued)

### G. *Prepaid Items*

Certain payments to vendors that reflect costs applicable to future accounting periods are recorded as prepaid items in both the government-wide and fund financial statements.

### H. *Inventory*

No inventory accounts are maintained to reflect the values of resale or supply items on hand. Instead, the costs of such items are charged to expense when purchased. The value of the District's inventories is not deemed to be material.

### I. *Interfund Activity*

Interfund activity is reported either as loans, services provided, reimbursements, or transfers. Loans are reported as inter-fund receivables and payables as appropriate and are subject to elimination upon consolidation. Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures/expenses.

Reimbursements are when one fund incurs a cost, charges the appropriate benefiting fund, and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers. Transfers between governmental funds are netted as part of the reconciliation of the government-wide financial statements.

### J. *Capital Assets*

Capital assets purchased or acquired with an original cost of at least \$5,000 or a portion of a related group of assets with an original cost of at least \$5,000 are reported at historical cost or estimated historical cost. Donated capital assets, donated works of art and similar items, and capital assets received in a service concession arrangement are reported at acquisition value. Additions, improvements, and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. Depreciation on all assets is provided on the straight-line basis over the following estimated useful lives:

Buildings and Improvements	15 - 50 years
Equipment	10 - 25 years
Apparatus and Vehicles	5 - 25 years

### K. *Compensated Absences*

Sick leave is accumulated from year to year up to a specified maximum. Union employees and chiefs are eligible for payout of 25% of their hourly rate, up to 1,440 hours. Any hours over this limit are paid out at 25%, plus 1% for each year of creditable service. Non-union employees are only paid out for sick leave time earned before February 29, 2016. The total compensated absences liability for the employees who have met the minimum eligibility requirements is \$776,345. Sick time pay is also accrued in accordance with the provisions of GASB Statement No. 101, *Compensated Absences*, for time to be used in the future and is recorded based on historical usage estimates. This amount was \$278,104.

### L. *Long-Term Obligations*

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities Statement of Net Position.

### M. *Government-Wide Fund Net Position*

Governmental fund net position is divided into three components:

## NOTES TO FINANCIAL STATEMENTS (Continued)

- Net Investment in Capital Assets – consists of capital assets (net of accumulated depreciation) reduced by the outstanding balances of bonds, mortgage, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- Restricted Net Position – consists of net position that is restricted by the District's creditors (for example, through debt covenants), by the state enabling legislation (through restrictions on shared revenues), by grantors (both federal and state), and by other contributors.
- Unrestricted Net Position – the remaining net position is reported in this category.

### N. *Governmental Fund Balances*

Governmental fund balances are divided between nonspendable and spendable.

Nonspendable fund balances are balances that cannot be spent because they are not expected to be converted to cash or they are legally or contractually required to remain intact.

The spendable fund balances are arranged in a hierarchy based on spending constraints.

- Restricted – Restricted fund balances are restricted when constraints are placed on the use by either (a) external creditors, grantors, contributors, or laws or regulations of other governments or (b) law through constitutional provisions or enabling legislation.
- Committed – Committed fund balances are amounts that can only be used for specific purposes as a result of constraints of the Board of Trustees (through Board resolution). Committed amounts cannot be used for any other purpose unless the Board of Trustees removes those constraints by taking the same type of action. Committed fund balances differ from restricted balances because the constraints on their use do not come from outside parties, constitutional provisions, or enabling legislation.
- Assigned – Assigned fund balances are amounts that are constrained by the District's intent to be used for specific purposes but are neither restricted nor committed. Intent is expressed by an appointed body or official (Fire Chief) to which the Board of Trustees has delegated the authority to assign, modify or rescind amounts to be used for specific purpose (through Board resolution).

Assigned fund balances also include (a) all remaining amounts that are reported in governmental funds (other than the Corporate Fund) that are not classified as nonspendable, restricted or committed, and (b) amounts in the Corporate Fund that are intended to be used for a specific purpose. Specific amounts that are not restricted or committed in a special revenue, capital projects or debt service fund are assigned for purposes in accordance with the nature of their fund type. Assignment within the Corporate Fund conveys that the intended use of those amounts is for a specific purpose that is narrower than the general purpose of the District itself.

- Unassigned – Unassigned fund balance is the residual classification for the Corporate Fund. This classification represents the Corporate Fund balance that has not been assigned to other funds, and that has not been restricted, committed, or assigned to specific purposes within the Corporate Fund. This classification is also used to represent negative fund balances in special revenue funds, debt service funds, and capital projects funds.

The District permits funds to be expended in the following order: Restricted, Committed, Assigned and Unassigned.

### O. *Property Tax Calendar and Revenues*

Property taxes are levied each calendar year on all taxable real property located in the District on or before the last Tuesday in December. The 2024 tax levy was passed by the Board on November 19, 2024. Property taxes attach as an enforceable lien on property as of January 1 of the calendar year. DuPage County property taxes are payable in two installments early in June and early in

## NOTES TO FINANCIAL STATEMENTS (Continued)

September of the following calendar year. The District receives significant distributions of tax receipts within approximately 15 days of these dates. Cook County property taxes are payable in two installments early in March and early in September of the following calendar year. The District receives significant distributions of tax receipts on or about each due date and for about ninety days thereafter.

### P. *Lease and Subscription-Based Information Technology Agreements*

At the commencement of a lease or subscription-based IT agreement, the District initially measures the right-of-use liability at the present value of payments expected to be made during the agreement term. Subsequently, the right-to-use liability is reduced by the principal portion payments made. The right-of-use asset is initially measured as the initial amount of the right-of-use liability, adjusted for payments made at or before the commencement date, plus certain initial direct costs. Subsequently, the right-of-use asset is amortized on a straight-line basis over the term of the lease or subscription-based IT agreement. Key estimates and judgments related to leases or subscription-based IT agreements include how the District determines (1) the discount rate it uses to discount the expected payments to present value, (2) the term, and (3) payments.

The District uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the District uses its estimated incremental borrowing rate as the discount rate for leases or subscription-based IT agreements.

The term includes the noncancellable period of the lease or subscription-based IT agreement. Payments included in the measurement of the right-of-use liability are composed of fixed payments and purchase option prices that the District is reasonably certain to exercise.

The District monitors changes in circumstances that would require a remeasurement of its lease or subscription-based IT agreements and will remeasure the right-of-use asset and liability if certain changes occur that are expected to significantly affect the amount of the right-to-use liability. Right-of-use assets are reported with Capital Assets and right-of-use liabilities are reported with Long Term Liabilities on the Statement of Net Position.

The District does not current have any material agreements that fall under these types of arrangements.

### Q. *Estimates*

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

## NOTE 2 - DEPOSITS, INVESTMENTS AND FAIR VALUE MEASUREMENT

### A. *Deposits with Financial Institutions*

*Custodial Credit Risk.* Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned to it. The District has a policy that all deposits and investments in excess of any insurance shall be collateralized by pledged securities and the market value of the pledged securities shall equal or exceed the portion of deposit requiring collateralization. As of May 31, 2025, the District's bank balances were properly collateralized.

### B. *Investments*

The District is allowed to invest in securities as authorized by the Illinois Compiled Statutes, Chapter 30, Act 235/Articles 2 and 6. Investments of the Firefighters' Pension Fund are combined in an external investment pool and held by IFPIF. A schedule of investment expenses is included in IFPIF's annual report. For additional information on IFPIF's investments, please refer to their annual report as of

## NOTES TO FINANCIAL STATEMENTS (Continued)

June 30, 2022, which is the most recent report available. A copy of that report can be obtained from IFPIF at 1919 South Highland Avenue, Building A, Suite 237, Lombard, IL 60148 or at [www.ifpif.org](http://www.ifpif.org). IFPIF's current investment policy was adopted by the Board of Trustees on June 17, 2022. IFPIF is authorized to invest in all investments allowed by Illinois Compiled Statutes (ILCS). The IFPIF shall not be subject to any of the limitations applicable to investments of pension fund assets previously applicable to all the transferor pension funds under Sections 1-113.1 through 1-113.12 or Article 4 of the Illinois Pension Code.

As of May 31, 2025, the District and Firefighters' Pension Fund had the following investments, maturities, and fair value measurements (all investments below are held by the Pension Fund; therefore, all amounts are as of March 31, 2025):

Types of Investments	Credit Quality/Ratings	Segmented Time Distribution	Amount	Fair Value Measurements		Net Asset Value (NAV)
				Level 1	Level 2	
District Holdings:						
Illinois Funds - External Investment Pool	AAAm	less than 1 year	\$ 3,776,647	\$ -	\$ -	\$ 3,776,647
Pension Fund Holdings:						
Schwab Money Market Mutual Funds	N/A	less than 1 year	304,779	-	-	304,779
Consolidated Funds - IFPIF	N/A	less than 1 year	62,365,945	-	-	62,365,945
			<u>\$62,670,724</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$62,670,724</u>
Total Investments by fair value level			<u>\$66,447,371</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$66,447,371</u>

The District and Firefighters' Pension Fund categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; debt securities and certificates of deposit classified in Level 2 of the fair value hierarchy are valued using a matrix pricing technique. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices; Level 3 inputs are significant unobservable inputs.

Debt and equity securities classified in Level 1 of the fair value hierarchy are valued using prices quoted in active markets for those securities. Debt securities and certificates of deposit classified in Level 2 of the fair value hierarchy are valued using a matrix pricing technique. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices.

The District currently holds no investments subject to fair value measurement.

The District's investments in the External Investment Pools are measured at net asset value. The External Investment Pools are not registered with the Securities and Exchange Commission (SEC) but operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940.

The Firefighters' Pension Fund's pooled investment in IFPIF and Schwab Money Market Mutual Fund, as noted in the table above, are valued at Net Asset Value per share. The pooled investments in IFPIF consist of the investments as noted in the target allocation table available at [www.ifpif.org](http://www.ifpif.org) under Publications and Annual Reports and Disclosures. Investments in IFPIF are valued at IFPIF's share price, which is the price the investment could be sold.

**Interest Rate Risk.** The District has a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

**Credit Risk.** State law limits investments based on credit risk. The District has no investment policy that further limits its investment choices.

### NOTE 3 - CAPITAL ASSETS

Capital asset activity for the year ended May 31, 2025 was as follows:

## NOTES TO FINANCIAL STATEMENTS (Continued)

	Balance 1/0/1900	Increases	Decreases	Balance 5/31/2025
<b>Governmental Activities:</b>				
Capital Assets not being depreciated:				
Land	\$ 1,112,755	\$ -	\$ -	\$ 1,112,755
Assets not in Service	292,297	74,960	292,297	74,960
Total Capital Assets not being depreciated	<u>\$ 1,405,052</u>	<u>\$ 74,960</u>	<u>\$ 292,297</u>	<u>\$ 1,187,715</u>
Other Capital Assets:				
Buildings and Improvements	\$ 10,399,873	\$ 675,254	\$ -	\$ 11,075,127
Equipment	2,064,975	196,591	-	2,261,566
Apparatus and Vehicles	5,027,775	552,147	197,121	5,382,801
Total Other Capital Assets at Historical Cost	<u>\$ 17,492,623</u>	<u>\$ 1,423,992</u>	<u>\$ 197,121</u>	<u>\$ 18,719,494</u>
Less Accumulated Depreciation for:				
Buildings and Improvements	\$ 2,903,336	\$ 240,715	\$ -	\$ 3,144,051
Equipment	1,221,611	169,570	-	1,391,181
Apparatus and Vehicles	1,846,032	294,078	197,121	1,942,989
Total Accumulated Depreciation	<u>\$ 5,970,979</u>	<u>\$ 704,363</u>	<u>\$ 197,121</u>	<u>\$ 6,478,221</u>
Other Capital Assets, Net	<u>\$ 11,521,644</u>	<u>\$ 719,629</u>	<u>\$ -</u>	<u>\$ 12,241,273</u>
Governmental Activities Capital Assets, Net	<u>\$ 12,926,696</u>	<u>\$ 794,589</u>	<u>\$ 292,297</u>	<u>\$ 13,428,988</u>

Depreciation expense was charged to functions as follows:

Governmental Activities:	
Public Safety	<u>\$ 704,363</u>
Total Governmental Activities Depreciation Expense	<u>\$ 704,363</u>

### NOTE 4 - LONG-TERM LIABILITY ACTIVITY

Long-term liability activity for the year ended May 31, 2025 was as follows:

	Balance 1/0/1900	Additions	Retirement	Balance 5/31/2025	Amounts Due Within One Year
Governmental Activities:					
Long-Term Debt					
Pierce Pumper	\$ 455,358	\$ -	\$ (59,432)	\$ 395,926	\$ 60,876
Total Long-Term Debt	<u>\$ 455,358</u>	<u>\$ -</u>	<u>\$ (59,432)</u>	<u>\$ 395,926</u>	<u>\$ 60,876</u>
Other Long-Term Liabilities					
Compensated Absences *	\$ 1,029,804 **	\$ 24,645	\$ -	\$ 1,054,449	\$ 130,469
Total Other Long-Term Liabilities	<u>\$ 1,029,804</u>	<u>\$ 24,645</u>	<u>\$ -</u>	<u>\$ 1,054,449</u>	<u>\$ 130,469</u>
Total Long-Term Obligations	<u>\$ 1,485,162</u>	<u>\$ 24,645</u>	<u>\$ (59,432)</u>	<u>\$ 1,450,375</u>	<u>\$ 191,345</u>

\* The change in compensated absences liability is presented as a net change

\*\* The June 1, 2024 balance has been restated due to a change in accounting principle. See Notes 16 and 17 for further details.

Long-term debt consisted of the following at May 31, 2025:

	Date of Issuance	Maturity Date	Interest Rate	Face Amount	Carrying Amount
<b>Governmental Activities</b>					
Pierce Pumper	12/11/2020	1/1/2028	N/A	\$ 1,169,389	\$ 395,926

At May 31, 2025, the annual debt service requirements to service long-term debt are:

Year Ended May 31	Principal	Interest	Total
2026	\$ 60,876	\$ 9,620	\$ 70,496
2027	62,355	8,140	70,495
2028	272,695	7,062	279,757
	<u>\$ 395,926</u>	<u>\$ 24,822</u>	<u>\$ 420,748</u>

**NOTES TO FINANCIAL STATEMENTS (Continued)**

Long-term liabilities are being repaid from the following funds:

Obligation	Fund
Pierce Pumper	40% Corporate Fund; 60% Ambulance Fund

**NOTE 5 - NET INVESTMENT IN CAPITAL ASSET CALCULATION**

Net investment in capital asset calculation as of May 31, 2025 was as follows:

**Governmental Activities**

Capital Assets, Net of Accumulated Depreciation	\$ 13,428,988
Less:	
Capital Related Debt	(395,926)
Investment in Capital Assets	<u>\$ 13,033,062</u>

**NOTE 6 - PROPERTY TAXES**

Property taxes receivable and unavailable revenue recorded in the financial statements are from the 2024 tax levy. The unavailable revenue is 100% of the 2024 tax levy net of estimated uncollectible amounts. These taxes are unavailable as the District does not consider the amounts to be available and does not budget for their use in fiscal year 2024. The District has determined that 100% of the amount collected for the 2023 levy is allocable for use in fiscal year 2025. Therefore, 100% of the amounts collected for the 2023 levy (\$15,181,053) are recorded in these financial statements as property tax revenue. A summary of the assessed valuations and extensions for tax years 2024, 2023, 2022 is as follows:

Cook County Assessed Valuation	2024 \$290,326,822		2023 \$276,501,735		2022 \$189,789,838	
	Rate	Extension	Rate	Extension	Rate	Extension
Corporate	0.2981	\$ 865,464	0.2981	\$ 824,252	0.3088	\$ 586,071
Ambulance	0.2415	701,139	0.2415	667,752	0.2443	463,657
Fire Pension	0.0837	243,004	0.0837	231,432	0.0808	153,350
Tort Immunity	0.0377	109,453	0.0377	104,241	0.0323	61,302
Audit	0.0011	3,194	0.0011	3,042	0.0008	1,518
IMRF	0.0020	5,807	0.0020	5,530	0.0031	5,883
Social Security	0.0077	22,355	0.0077	21,291	0.0076	14,424
Fire Pension Exempt	0.0124	36,001	0.0124	34,286	0.0125	23,724
Revenue Recapture	0.0032	9,290	0.0032	8,848	0.0071	13,475
	<u>0.6874</u>	<u>\$ 1,995,707</u>	<u>0.6874</u>	<u>\$ 1,900,673</u>	<u>0.6973</u>	<u>\$ 1,323,405</u>

DuPage County Assessed Valuation	2024 \$2,050,245,958		2023 \$1,890,257,689		2022 \$1,835,227,134	
	Rate	Extension	Rate	Extension	Rate	Extension
Corporate	0.2929	\$ 6,005,170	0.3175	\$ 6,001,568	0.3105	\$ 5,698,380
Ambulance	0.2182	4,473,637	0.2391	4,519,606	0.2457	4,509,153
Fire Pension	0.0879	1,802,166	0.0864	1,633,183	0.0816	1,497,545
Tort Immunity	0.0276	565,868	0.0389	735,310	0.0325	596,449
Audit	0.0011	22,553	0.0012	22,683	0.0010	18,352
IMRF	0.0009	18,452	0.0021	39,696	0.0032	58,727
Social Security	0.0076	155,819	0.0082	155,001	0.0077	141,313
Fire Pension Exempt	0.0075	153,768	0.0126	238,173	0.0122	223,898
Revenue Recapture	0.0014	28,703	-	24,573	0.0009	16,517
	<u>0.6451</u>	<u>\$ 13,226,137</u>	<u>0.7060</u>	<u>\$ 13,369,793</u>	<u>0.6953</u>	<u>\$ 12,760,334</u>

**NOTE 7 - EXCESS OF EXPENDITURES OVER BUDGET**

For the year ended May 31, 2025, the following funds had expenditures that exceeded the budget:

**NOTES TO FINANCIAL STATEMENTS (Continued)**

Fund	Budget	Actual	Excess of Actual Over Budget
Corporate	\$ 7,447,794	\$ 7,546,550	\$ 98,756
Audit	19,100	22,800	3,700
Tort	765,712	809,745	44,033

Excess expenditures were covered with current excess revenues or remaining fund balance

**NOTE 8 - FIREFIGHTER’S PENSION PLAN**

*A. Plan Administration*

Full time firefighter sworn personnel are covered by the Firefighter Pension Plan (Plan). Although this is a single-employer pension plan, the defined benefits and employee and employer contribution levels are governed by Illinois Compiled Statues (40 IL CS 5/3-1) and may be amended only by the Illinois legislature. The City accounts for the Plan as a pension trust fund. The Pension Fund issues a separate report; however, all information from that report is contained within the District’s report.

The Pension Board administers the Plan and the Illinois Department of Insurance is the oversight agency. The Board consists of five elected or appointed members.

*B. Plan Membership*

At April 1, 2024, the date of the latest actuarial valuation, Plan participation consisted of:

Inactive plan members currently receiving benefits	39
Inactive plan members entitled to but not yet receiving benefits	11
Active Plan Members	57
Total	<u>107</u>

*C. Benefits Provided*

The Plan provides retirement benefits through two tiers of benefits as well as death and disability benefits. Tier 1 employees (those hired prior to January 1, 2011) attaining the age of 50 or older with 20 or more years of creditable service are entitled to receive an annual retirement benefit equal to one-half of the salary attached to the rank held on the last day of service, or for one year prior to the last day, whichever is greater. The annual benefit shall be increased by 2.50% of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75.00% of such salary. Employees with at least ten years but less than 20 years of credited service may retire at or after age 60 and receive a reduced benefit. The monthly benefit of a firefighter who retired with 20 or more years of service after January 1, 1986 shall be increased annually, following the first anniversary date of retirement and be paid upon reaching the age of at least 55 years, by 3.00% of the original pension and 3.00% compounded annually thereafter.

Tier 2 employees (those hired on or after January 1, 2011) attaining the age of 55 or older with ten or more years of creditable service are entitled to receive an annual retirement benefit equal to the average monthly salary obtained by dividing the total salary of the firefighter during the 96 consecutive months of service, within the last 120 months of service in which the total salary was the highest, by the number of months of service in that period. Firefighters’ salary for pension purposes is capped at \$106,800, plus the lesser of ½ of the annual change in the Consumer Price Index or 3.00% compounded. The annual benefit shall be increased by 2.50% of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75.00% of such salary. Employees with at least ten years may retire at or after age 50 and receive a reduced benefit (i.e., ½% for each month under 55). The monthly benefit of a Tier 2 firefighter shall be increased annually at age 60 on the January 1st after the firefighter retires, or the first anniversary of the pension starting date, whichever is later. Noncompounding increases occur annually, each January thereafter. The increase is the lesser of 3.00% or ½ of the Consumer Price Index for the prior September.

## NOTES TO FINANCIAL STATEMENTS (Continued)

### D. Contributions

Employees are required by Illinois Compiled Statutes (ILCS) to contribute 9.455% of their base salary to the Plan. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without accumulated interest. The City is required to contribute the remaining amounts necessary to finance the plan and the administrative costs as actuarially determined by an enrolled actuary. Effective January 1, 2011, the City has until the year 2040 to fund 90% of the past service cost for the Plan. For the year ended March 31, 2025, the District's contribution was 38.47% of covered payroll.

### E. Net Pension (Asset)/Liability

The components of the net pension liability of the Plan as of March 31, 2025, calculated in accordance with GASB Statement No. 68, were as follows:

Total Pension Liability	\$ 81,559,857
Plan Fiduciary Net Position	62,633,918
District's Net Pension (Asset)/Liability	<u>\$ 18,925,939</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	76.80%

See the Schedule of Changes in the Employer's Net Pension Liability and Related Ratios in the Required Supplementary Information for additional information related to the funded status of the Plan.

### F. Actuarial Assumptions

The total pension liability above was determined by an actuarial valuation performed as of March 31, 2025 using the following actuarial methods and assumptions.

Actuarial Valuation Date	April 1, 2024
Actuarial Cost Method	Entry Age Normal
Amortization Method	Straight Line
Remaining Amortization Period	
Actuarial Experience and Changes in Assumptions	7.46
Asset Experience	5 Years
Assumptions	
Inflation	2.25%
Salary Increases	2.25% - 14.00%
Interest Rate	6.75%
Payroll Growth	3.25%
Cost of Living Adjustments	2.25%
Asset Valuation Method	Market Value

Active Mortality follows the Sex Distinct Raw Rates as developed in the PubS-2010(A) Study. Mortality improvement uses MP-2019 Improvement Rates applied on a fully generational basis.

Retiree Mortality follows the L&A Assumption Study for Firefighters 2020. These rates are experience weighted with the Sex Distinct Raw Rates as developed in the PubS-2010(A) Study improved to 2017 using MP-2019 Improvement Rates. These rates are then improved fully generationally using MP-2019 Improvement Rates.

Disabled Mortality follows the L&A Assumption Study for Firefighters 2020. These rates are experience weighted with the Sex Distinct Raw Rates as developed in the PubS-2010 Study for disabled participants improved to 2017 using MP-2019 Improvement Rates. These rates are then improved fully generationally using MP-2019 Improvement Rates.

## NOTES TO FINANCIAL STATEMENTS (Continued)

Spouse Mortality follows the Sex Distinct Raw Rates as developed in the PubS-2010(A) Study for contingent survivors. For all rates not provided there (ages 45 and younger) the PubG-2010 Study for general employees was used. Mortality improvement uses MP-2019 Improvement Rates applied on a fully generational basis.

Other actuarial assumptions (demographic) rates are based on a review of the L&A Assumption Study for Firefighters 2020.

### G. Discount Rate

The discount rate used to measure the total pension liability was 6.75%. The discount rate used in the determination of the Total Pension Liability is based on a combination of the expected long-term rate of return on plan investments and the municipal bond rate.

Cash flow projections were used to determine the extent which the plan's future net position will be able to cover future benefit payments. To the extent future benefit payments are covered by the plan's projected net position, the expected rate of return on plan investments is used to determine the portion of the net pension liability associated with those payments. To the extent future benefit payments are not covered by the plan's projected net position, the municipal bond rate is used to determine the portion of the net pension liability associated with those payments.

The Plan's projected net position is expected to cover future benefit payments in full for the current employees.

Projected benefit payments are determined during the actuarial process based on the assumptions. More details on the assumptions are in the prior section. The expected contributions are based on the funding policy of the Plan.

### H. Changes in the Net Pension Liability

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability (A)-(B)
Balances at March 31, 2024	\$ 79,042,576	\$ 59,311,649	\$ 19,730,927
Changes for the year:			
Service Cost	\$ 1,687,216	\$ -	\$ 1,687,216
Interest on the Total Pension Liability	4,934,129	-	4,934,129
Differences Between Expected and Actual Experience of the Total Pension Liability	1,145,992	-	1,145,992
Changes of Assumptions	(2,102,489)	-	(2,102,489)
Contributions - Employer	-	2,385,234	(2,385,234)
Contributions - Employee	-	609,750	(609,750)
Net Investment Income	-	3,514,363	(3,514,363)
Benefit Payments, including Refunds of Employee Contributions	(3,147,567)	(3,147,567)	-
Administrative Expense	-	(39,511)	39,511
Net Changes	\$ 2,517,281	\$ 3,322,269	\$ (804,988)
Balances at March 31, 2025	\$ 81,559,857	\$ 62,633,918	\$ 18,925,939

### I. Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following presents the plan's net pension liability, calculated using a Single Discount Rate of 6.75%, as well as what the plan's net pension liability would be if it were calculated using a single Discount Rate that is 1% lower or 1% higher:

	1% Decrease 5.75%	Current Discount Rate 6.75%	1% Increase 7.75%
Net Pension Liability	\$ 30,536,555	\$ 18,925,939	\$ 9,432,833

**NOTES TO FINANCIAL STATEMENTS (Continued)**

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

For the year ended March 31, 2025, the District recognized pension income of \$1,365,409. At March 31, 2025, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

<b>Expense in Future Periods</b>	Outflow s of Resources	Inflow s of Resources	Net Outflow s of Resources
Differences between expected and actual experience	\$ 3,241,306	\$ 3,405,295	\$ (163,989)
Assumption changes	7,069,719	12,687,160	(5,617,441)
Net difference between projected and actual earnings on pension investments	990,359	-	990,359
	<u>\$ 11,301,384</u>	<u>\$ 16,092,455</u>	<u>\$ (4,791,071)</u>
Total deferred amounts to be recognized in pension expense in future periods	<u>\$ 11,301,384</u>	<u>\$ 16,092,455</u>	<u>\$ (4,791,071)</u>

Deferred outflows of resources and deferred inflows of resources related to pensions will be part of the pension expense in future years as follows:

Year Ending March 31	Net Deferred Outflow s of Resources
2026	\$ (636,856)
2027	(490,028)
2028	(1,653,438)
2029	(935,146)
2030	(1,206,399)
Thereafter	130,796
	<u>\$ (4,791,071)</u>

**NOTE 9 - ILLINOIS MUNICIPAL RETIREMENT FUND**

*A. Plan Description*

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

*B. Benefits Provided*

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

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

## NOTES TO FINANCIAL STATEMENTS (Continued)

Final rate of earnings is the highest total earnings during any consecutive 48 months within the last ten years of service, divided by 48. Under Tier 1, the pension is increased by 3% of the original amount on January 1 every year after retirement.

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

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

### C. Employees Covered by Benefit Terms

All appointed employees of a participating employer who are employed in a position normally requiring 600 hours (1,000 hours for certain employees hired after 1981) or more of work in a year are required to participate. As of December 31, 2024, the following employees were covered by the benefit terms:

Inactive plan members and beneficiaries currently receiving benefits	13
Inactive plan members entitled to but not yet receiving benefits	9
Active plan members	4
Total	<u>26</u>

### D. Contributions

As set by statute, the District's Regular Plan Members are required to contribute 4.5% of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The District's annual contribution rates for calendar years 2024 and 2025 were 2.14% and 2.93%, respectively. For the fiscal year ended May 31, 2025, the District contributed \$10,813 to the Plan. The District also contributes for disability benefits, death benefits, and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by IMRF's Board of Trustees, while the supplemental retirement benefits rate is set by statute.

### E. Net Pension (Asset)/Liability

The components of the net pension (asset)/liability of the IMRF actuarial valuation performed as of December 31, 2024, and a measurement date as of that date, calculated in accordance with GASB Statement No. 68, were as follows:

Total Pension Liability	\$ 4,538,280
IMRF Fiduciary Net Position	<u>4,875,315</u>
District's Net Pension (Asset)/Liability	\$ (337,035)
IMRF Fiduciary Net Position as a Percentage of the Total Pension (Asset)/Liability	107.43%

See the Schedule of Changes in the Employer's Net Pension Liability and Related Ratios in the Required Supplementary Information following the notes to the financial statements for additional information related to the funded status of the plan.

### F. Actuarial Assumptions

The total pension (asset)/liability above was determined by an actuarial valuation performed as of December 31, 2024 using the following actuarial methods and assumptions:

## NOTES TO FINANCIAL STATEMENTS (Continued)

### Assumptions

Inflation	2.25%
Salary Increases	2.85% - 13.75% including inflation
Interest Rate	7.25%
Actuarial Cost Method	Entry Age Normal
Asset Valuation Method	Market value of assets
Projected Retirement Age	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2023 valuation pursuant to an experience study for the period 2020-2022.

For non-disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Retiree, Male (adjusted 108%) and Female (adjusted 106.4%) tables, and future mortality improvements projected using scale MP-2021 were used. For disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Disabled Retiree, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2021 were used. 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 were used.

### G. Long-Term Expected Rate of Return

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

Asset Class	Target Allocation	Projected Return
Equities	33.50%	4.35%
International Equities	18.00%	5.40%
Fixed Income	24.50%	5.20%
Real Estate	10.50%	6.40%
Alternatives	12.50%	
Private Equity		6.25%
Hedge Funds		N/A
Commodities		4.85%
Cash Equivalents	1.00%	3.60%
	<u>100.00%</u>	

### H. Single Discount Rate

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

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

**NOTES TO FINANCIAL STATEMENTS (Continued)**

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

For the purpose of this valuation, the expected rate of return on pension plan investments is 7.25%; the municipal bond rate is 4.08%; and resulting single discount rate is 7.25%. The prior year single discount rate was 7.25% and increased 0.00% to the current year single discount rate.

**I. Changes in the Net Pension (Asset)/Liability**

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability (A)-(B)
Balances at December 31, 2023	\$ 3,848,199	\$ 4,029,202	\$ (181,003)
Changes for the year:			
Service Cost	\$ 51,359	\$ -	\$ 51,359
Interest on the Total Pension Liability	275,966	-	275,966
Differences Between Expected and Actual Experience of the Total Pension Liability	497,648	-	497,648
Contributions - Employer	-	10,089	(10,089)
Contributions - Employee	-	21,214	(21,214)
Net Investment Income	-	385,137	(385,137)
Benefit Payments, including Refunds of Employee Contributions	(134,892)	(134,892)	-
Other (Net Transfer)	-	564,565	(564,565)
Net Changes	\$ 690,081	\$ 846,113	\$ (156,032)
Balances at December 31, 2024	\$ 4,538,280	\$ 4,875,315	\$ (337,035)

**J. Sensitivity of the Net Pension (Asset)/Liability to Changes in the Discount Rate**

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

	1% Lower 6.25%	Current Discount Rate 7.25%	1% Higher 8.25%
Net Pension Liability/(Asset)	\$ 138,032	\$ (337,035)	\$ (722,396)

**K. Pension Expense/(Income) and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions**

For the year ended May 31, 2025, the District recognized pension expense/(income) of \$(225,153). At May 31, 2025, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Expense in Future Periods	Deferred Outflows of Resources	Deferred Inflows of Resources	Net Outflows of Resources
Differences between expected and actual experience	\$ 156,396	\$ -	\$ 156,396
Net difference between projected and actual earnings on pension plan investments	105,711	-	105,711
Total deferred amounts to be recognized in pension expense in future periods	\$ 262,107	\$ -	\$ 262,107
Pension contributions made subsequent to the measurement date	4,932	-	4,932
Total deferred amounts related to pensions	\$ 267,039	\$ -	\$ 267,039

\$4,932 reported as deferred outflows of resources related to pensions resulting from the District’s contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the reporting year ended May 31, 2026. Other amounts reported as deferred outflows of

**NOTES TO FINANCIAL STATEMENTS (Continued)**

resources and deferred inflows of resources related to pensions will be recognized in pension expense in future periods as follows:

Year Ending December 31	Net Deferred Outflows of Resources
2025	\$ 202,548
2026	116,272
2027	(41,452)
2028	(15,261)
2029	-
Thereafter	-
	\$ 262,107

**NOTE 10 - POST-EMPLOYMENT BENEFIT COMMITMENTS - RETIREE INSURANCE PLAN**

*A. Plan Overview*

In addition to providing the pension benefits described in Notes 8 and 9, the District provides post-employment benefits other than pensions (“OPEB”) for retired employees through a single-employer defined benefit plan. The benefits, benefit levels, employee contributions and employer contributions are governed by the District and can be amended by the District through its personnel manual and union contracts. The plan is not accounted for as a trust fund, as an irrevocable trust has not been established to account for the plan. The plan does not issue a separate report. The activity of the plan is reported in the District’s governmental activities.

*B. Benefits Provided*

Medical Coverage

PPO Coverage (which includes dental and vision coverage), only offered to full-time employees before the age of 65. Retiree pays the full cost of coverage, which continues until Medicare eligibility is reached. No post-65 coverage is offered to retirees and no dependent coverage is available at retirement.

The Plan does not issue a stand-alone financial report.

*C. Eligibility*

Employees of the District are eligible for retiree health benefits as listed below:

Full-Time Employees - IMRF

- Tier I Full-Time IMRF employees, at least 55 years old with at least 8 years of service
- Tier I Full-Time IMRF employees, at least 62 years old with at least 10 years of service

Full-Time Employees - Firefighters

- Tier I Full-Time Firefighters, at least 50 years old with at least 20 years of service
- Tier II Full-Time Firefighters, at least 55 years old with at least 10 years of service

*D. Membership*

Membership in the plan consisted of the following at June 1, 2025, the date of the latest actuarial valuation:

Active Employees	58
Inactive Employees Entitled to but not yet Receiving Benefits	4
Inactive Employees Currently Receiving Benefits	-
Total	62

**NOTES TO FINANCIAL STATEMENTS (Continued)**

**E. Total OPEB Liability**

The District’s total OPEB liability was measured as of May 31, 2025, and the total OPEB liability was determined by an actuarial valuation as of June 1, 2025.

**F. Actuarial Assumptions**

The total OPEB liability in the June 1, 2025 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Actuarial Method	Entry Age Normal														
Discount rate - Beginning of Year	4.13%														
Discount rate - End of Year	5.25%														
Salary Rate Increase	3.25%														
Expected long-term investment rate of return	N/A														
Health Care Trend	<table border="1"> <thead> <tr> <th colspan="2">Fiscal Year Trends</th> </tr> <tr> <th>Initial Trend</th> <th>Ultimate Trend</th> </tr> </thead> <tbody> <tr> <td>7.90%</td> <td>5.00%</td> </tr> </tbody> </table>	Fiscal Year Trends		Initial Trend	Ultimate Trend	7.90%	5.00%								
Fiscal Year Trends															
Initial Trend	Ultimate Trend														
7.90%	5.00%														
Retiree Contribution Trend	Same as Health Care Trend														
Mortality	<p>Active, Retiree, and Spousal IMRF Mortality follow s the Sex Distinct Raw Rates developed in the PubG-2010(B) Improved Generationally using MP-2021 Improvement Rates</p> <p>Active Firefighter Mortality follow s the Sex District Raw Rates developed in PubS-2010(A) Study</p> <p>Retiree Firefighter Mortality follow s the L&amp;A Assumption Study for Firefighters 2021</p> <p>Disabled Firefighter Mortality follow s the L&amp;A Assumption Study for Disabled Firefighters 2021.</p> <p>Spouse Firefighter Mortality follow s the Sex Distinct Raw Rates as developed in the PubS-2010(A) Study for contingent survivors</p>														
Disability Rates	IMRF 2020 for IMRF Employees; 2020 L&A Assumption Study for Firefighters														
Average Retirement Age	<p>IMRF Tier 1: Age 60</p> <p>IMRF Tier 2: Age 62</p> <p>Tier 1 Firefighters: Age 55</p> <p>Tier 2 Firefighters: Age 57</p>														
Termination/Turnover Rates	IMRF 2024 for IMRF Employees; 2024 L&A Assumption Study for Firefighters														
Starting Per Capita Costs	<table border="1"> <thead> <tr> <th rowspan="2"></th> <th colspan="2">Claims Age-Adjustment Factors</th> </tr> <tr> <th>Under Age 65</th> <th>Age 65 &amp; Over</th> </tr> </thead> <tbody> <tr> <td>IMRF</td> <td>2.245</td> <td>1.600</td> </tr> <tr> <td>Fire</td> <td>2.107</td> <td>1.675</td> </tr> </tbody> </table>		Claims Age-Adjustment Factors		Under Age 65	Age 65 & Over	IMRF	2.245	1.600	Fire	2.107	1.675			
	Claims Age-Adjustment Factors														
	Under Age 65	Age 65 & Over													
IMRF	2.245	1.600													
Fire	2.107	1.675													
Blended Premium Rates	<table border="1"> <thead> <tr> <th rowspan="2">PPO Plan</th> <th colspan="2">Retiree</th> <th colspan="2">Spouse</th> </tr> <tr> <th>\$</th> <th></th> <th>\$</th> <th></th> </tr> </thead> <tbody> <tr> <td></td> <td></td> <td>9,714</td> <td></td> <td>12,147</td> </tr> </tbody> </table>	PPO Plan	Retiree		Spouse		\$		\$				9,714		12,147
PPO Plan	Retiree		Spouse												
	\$		\$												
		9,714		12,147											
Election at Retirement	30% of active employees are assumed to elect coverage at retirement														
Marital Status	50% of active employees are assumed to be married and elect spousal coverage upon retirement. Males are assumed to be three years older than females.														

There is no long-term expected rate of return on OPEB plan investments because the District does not have a trust dedicated exclusively to the payment of OPEB benefits.

All assumptions were based on the Alternative Measurement Method for GASB 74/75.

**G. Discount Rate**

The District does not have a dedicated trust to pay retiree healthcare benefits. Per GASB 75, the discount rate should be a yield or index rate for 20-year, tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher (or equivalent quality on another rating scale).

A rate of 5.25 is used, which is the Bond Buyer 20-Bond GO Index as of May 31, 2025. This was increased from 4.13% used as of May 31, 2024.

**NOTES TO FINANCIAL STATEMENTS (Continued)**

**H. Changes in the Total OPEB Liability**

	Increase/(Decrease)		
	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability
	(a)	(b)	(a) - (b)
Balances at June 1, 2024	\$ 1,764,773	\$ -	\$ 1,764,773
Changes for the year:			
Service Cost	\$ 134,344	\$ -	\$ 134,344
Interest on Total OPEB Liability	71,174	-	71,174
Actuarial Experience	60,493	-	60,493
Assumption Changes	(265,981)	-	(265,981)
Contributions - Employer		82,866	(82,866)
Benefit Payments	(82,866)	(82,866)	-
Net Changes	\$ (82,836)	\$ -	\$ (82,836)
Balances at May 31, 2025	\$ 1,681,937	\$ -	\$ 1,681,937

**I. Sensitivity of the Total OPEB Liability to Changes in the Discount Rate**

The following presents the total OPEB liability of the District, as well as what the District's total OPEB liability would be if it were calculated using a discount rate that is 1 percentage-point lower or 1 percentage-point higher than the current discount rate:

Plan's Total OPEB Liability/(Asset)		
1% Decrease	Valuation Rate	1% Increase
4.25%	5.25%	6.25%
\$ 1,809,354	\$ 1,681,937	\$ 1,565,808

**J. Sensitivity of the Total OPEB Liability to Changes in the Health Care Cost Trend Rates**

The following presents the total OPEB liability of the District, as well as what the District's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1 percentage-point lower or 1 percentage-point higher than the current healthcare cost trend rates:

Plan's Total OPEB Liability/(Asset)		
Healthcare Cost		
1% Decrease	Valuation Rate	1% Increase
\$ 1,527,139	\$ 1,681,937	\$ 1,863,590

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

For the fiscal year ended May 31, 2025, the District recognized OPEB expense/(income) of \$30. At May 31, 2025, the District reported no deferred outflows of resources and deferred inflows of resources related to OPEB.

**NOTE 11 - INTERFUND BALANCES AND TRANSFERS**

The interfund transfers made for the year ended May 31, 2025 are listed below:

From	To	Amount
Corporate Fund	Capital Fund	\$ 1,127,429
Ambulance Fund	Capital Fund	116,714

The transfers from the Corporate and Ambulance Funds to the Capital Fund were to fund capital project expenditures for the fiscal year and future years.

## NOTES TO FINANCIAL STATEMENTS (Continued)

### NOTE 12 - RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The District purchases commercial insurance to handle these risks of loss. During fiscal year 2025 there was no significant reduction in insurance coverage for any category. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

The District is insured under a retrospectively-rated policy for workers' compensation coverage. Whereas the initial premium may be adjusted based on actual experience. Adjustments in premiums are recorded when paid or received. During the year ended May 31, 2025, there were no significant adjustments in premiums based on actual experience.

### NOTE 13 - CONTINGENCIES

The District is not aware of any pending litigation or potential non-disclosed liabilities that management believes would have a material effect on the financial statements.

### NOTE 14 - INTERGOVERNMENTAL AGREEMENT, VILLAGE OF ADDISON

The District has an intergovernmental agreement with the Village of Addison to provide dispatch services on a 24-hour basis seven days per week and certain non-emergency customer service for both Addison and the District during non-business hours. The original intergovernmental agreement between the District and the Village of Addison ended on April 30, 2024. For the period of May 1, 2023 through April 30, 2024, the District paid an annual service fee of \$338,735. The District extended this agreement during fiscal year 2023 through April 30, 2025. The District will pay \$338,735 annually from May 1, 2023 to April 30, 2025.

In February 2025, the District passed a resolution to extend the agreement with the Village of Addison once more, through the end of April 2028. This extension will begin immediately following the end of the previous extension, on May 1, 2025. The extension will end on April 30, 2028. The District's annual payments for the extended agreement are as follows:

<u>Period of Dispatch Services Provided</u>	<u>Annual Service Fee</u>
May 1, 2025 - April 30, 2026	\$ 306,202
May 1, 2026 - April 30, 2027	331,631
May 1, 2027 - April 30, 2028	359,879
	<u>\$ 997,712</u>

### NOTE 15 - DEFICIT FUND BALANCE

As of May 31, 2025, the following fund had a deficit fund balance:

<u>Fund</u>	<u>Fund Balance</u>
Tort	\$ (115,010)

### NOTE 16 - CHANGE IN ACCOUNTING PRINCIPLE

The District has implemented GASB Statement No. 101, *Compensated Absences* as well as GASB Statement No. 100, *Accounting Changes and Error Corrections*. The GASB No. 101 statement provides updated guidance for the recording and tracking of compensated absences. The implementation of GASB 101 resulted in restatements or retrospective adjustments as shown in the footnote below.

**NOTES TO FINANCIAL STATEMENTS (Continued)**

**NOTE 17 – CHANGE IN ACCOUNTING PRINCIPLE ADJUSTMENT/ ERROR CORRECTION**

*Change in Accounting Principle*

With the implementation of GASB Statement No. 101, *Compensated Absences*, in fiscal year 2025, the District was subject to change the way that the compensated absences liability was recorded for both the current fiscal year and the prior fiscal year. The new standard required the District to accrue for sick leave that is more likely than not to be used in future years. see the table below for the adjustment made to the beginning compensated absences liability to include accruable sick leave per the change in policy required by GASB Statement No. 101, *Compensated Absences*.

*Error Correction*

In the previous fiscal year, the District’s billing services were transferred from Andres to EMSMC. During the transition process, it was later determined that various contractual allowances were not appropriately accounted for, nor was the new company accounting for District write off polices correctly. See the table below for the adjustments made to account for these errors.

	Reporting Units Affected by Adjustments and Restatements of Beginning Balances	
	Government-Wide	Fund Financials
	Governmental Activities	Ambulance Fund
Net Position - June 1, 2024, as previously stated	\$ (13,293,796)	
Change in Accounting Principle	(165,844)	
Error Correction	(690,145)	
Net Position - June 1, 2024, as restated	\$ (14,149,785)	
Fund Balance - June 1, 2024, as previously stated		\$ 3,459,287
Error Correction		(690,145)
Fund Balance - June 1, 2024, as restated		\$ 2,769,142

**NOTE 18 - LEGAL DEBT LIMITATION**

The Illinois Complied Statutes limits the amount of the governmental activities indebtedness to 5.75% of the most recent available equalized assessed valuation (EAV) of the District. The District’s legal debt limitation is as follows:

2023 EAV	\$ 2,340,572,780
Rate	5.75%
Debt Margin	\$ 134,582,935
Current Applicable Debt	395,926
Remaining Debt Margin	\$ 134,187,009

REQUIRED SUPPLEMENTARY INFORMATION

TRI-STATE FIRE PROTECTION DISTRICT  
FIREFIGHTER'S PENSION PLAN  
SCHEDULE OF CHANGES IN THE EMPLOYER'S NET PENSION  
LIABILITY AND RELATED RATIOS  
MARCH 31, 2025

	3/31/2025	3/31/2024	3/31/2023	3/31/2022	3/31/2021	3/31/2020	3/31/2019	3/31/2018	3/31/2017	3/31/2016
<b>TOTAL PENSION LIABILITY</b>										
Service Cost	\$ 1,687,216	\$ 1,616,684	\$ 1,809,890	\$ 1,876,427	\$ 2,235,934	\$ 1,497,187	\$ 1,522,084	\$ 1,717,948	\$ 1,635,674	\$ 1,638,078
Interest	4,934,129	4,672,790	4,318,835	4,206,932	4,136,858	3,896,927	3,637,111	3,412,220	3,402,508	2,369,314
Changes in Benefit Terms	-	-	(158,100)	-	-	454,988	-	-	-	-
Differences Between Expected and Actual Experience	1,145,992	1,566,418	(1,981,663)	(3,962,031)	1,724,697	528,552	894,379	34,743	1,465,930	3,916,226
Changes in Assumptions	(2,102,489)	2,680,884	(6,497,728)	(3,087,638)	(9,625,213)	13,578,575	(4,353,112)	(5,873,411)	(4,767,457)	9,925,148
Benefit Payments, Including Refunds of Member Contributions	(3,147,567)	(2,962,823)	(2,690,380)	(2,528,598)	(2,393,792)	(2,076,094)	(1,824,149)	(1,602,251)	(1,484,939)	(1,270,143)
Net Change in Total Pension Liability	\$ 2,517,281	\$ 7,573,953	\$ (5,199,146)	\$ (3,494,908)	\$ (3,921,516)	\$ 17,880,135	\$ (123,687)	\$ (2,310,751)	\$ 251,716	\$ 16,578,623
Total Pension Liability - Beginning	79,042,576	71,468,623	76,667,769	80,162,677	84,084,193	66,204,058	66,327,745	68,638,496	68,386,780	51,808,157
Total Pension Liability - Ending	\$ 81,559,857	\$ 79,042,576	\$ 71,468,623	\$ 76,667,769	\$ 80,162,677	\$ 84,084,193	\$ 66,204,058	\$ 66,327,745	\$ 68,638,496	\$ 68,386,780
<b>PLAN FIDUCIARY NET POSITION</b>										
Contributions - Employer	\$ 2,385,234	\$ 1,709,511	\$ 2,267,213	\$ 2,343,221	\$ 2,150,156	\$ 1,891,016	\$ 2,389,618	\$ 1,204,855	\$ 944,958	\$ 691,849
Contributions - Member	609,750	572,759	536,361	539,483	509,748	473,525	412,306	384,865	372,178	368,810
Contributions - Other	-	2,148	4,537	-	-	-	9,454	177	2,517	-
Net Investment Income	3,514,363	7,749,665	(3,291,008)	1,939,579	13,828,379	(1,118,472)	1,785,176	3,095,561	3,025,118	(324,135)
Benefit Payments, Including Refunds of Member Contributions	(3,147,567)	(2,962,823)	(2,690,380)	(2,528,598)	(2,393,792)	(2,076,094)	(1,824,149)	(1,602,251)	(1,484,939)	(1,270,143)
Administrative Expenses	(39,511)	(63,100)	(76,704)	(52,238)	(56,944)	(53,922)	(48,293)	(37,417)	(43,196)	(37,347)
Net Change in Plan Fiduciary Net Position	\$ 3,322,269	\$ 7,008,160	\$ (3,249,981)	\$ 2,241,447	\$ 14,037,547	\$ (883,947)	\$ 2,724,112	\$ 3,045,790	\$ 2,816,636	\$ (570,966)
Plan Fiduciary Net Position - Beginning	59,311,649	52,303,489	55,553,470	53,312,023	39,274,476	40,158,423	37,434,311	34,388,521	31,571,885	32,142,851
Plan Fiduciary Net Position - Ending	\$ 62,633,918	\$ 59,311,649	\$ 52,303,489	\$ 55,553,470	\$ 53,312,023	\$ 39,274,476	\$ 40,158,423	\$ 37,434,311	\$ 34,388,521	\$ 31,571,885
District's Net Pension Liability	\$ 18,925,939	\$ 19,730,927	\$ 19,165,134	\$ 21,114,299	\$ 26,850,654	\$ 44,809,717	\$ 26,045,635	\$ 28,893,434	\$ 34,249,975	\$ 36,814,895
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	76.80%	75.04%	73.18%	72.46%	66.50%	46.71%	60.66%	56.44%	50.10%	46.17%
Covered-Employee Payroll	\$ 6,200,266	\$ 6,229,285	\$ 5,912,212	\$ 5,936,339	\$ 5,358,284	\$ 4,988,259	\$ 4,254,564	\$ 4,157,713	\$ 4,017,114	\$ 3,757,808
Employer's Net Pension Liability as a Percentage of Covered-Employee Payroll	305.24%	316.74%	324.16%	355.68%	501.11%	898.30%	612.18%	694.94%	852.60%	979.69%
Annual Money-Weighted Rate of Return, Net of Investment Expenses	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
	5.94%	15.13%	-6.27%	N/A*	35.77%	-2.76%	4.66%	8.88%	9.63%	-1.02%

See Accompanying Independent Auditor's Report

TRI-STATE FIRE PROTECTION DISTRICT  
FIREFIGHTER'S PENSION PLAN  
SCHEDULE OF EMPLOYER CONTRIBUTION  
LAST TEN FISCAL YEARS

	3/31/2025	3/31/2024	3/31/2023	3/31/2022	3/31/2021	3/31/2020	3/31/2019	3/31/2018	3/31/2017	3/31/2016
Actuarially-Determined Contribution	\$ 2,128,232	\$ 1,912,294	\$ 2,401,969	\$ 2,495,485	\$ 2,128,777	\$ 2,022,387	\$ 1,838,838	\$ 1,616,252	\$ 1,215,563	\$ 1,171,056
Contributions in Relation to Actuarially-Determined Contribution	2,385,234	1,709,511	2,267,213	2,343,221	2,150,156	1,891,016	2,389,618	1,204,855	944,958	691,849
Contribution Deficiency/(Excess)	\$ (257,002)	\$ 202,783	\$ 134,756	\$ 152,264	\$ (21,379)	\$ 131,371	\$ (550,780)	\$ 411,397	\$ 270,605	\$ 479,207
Covered-Employee Payroll	\$ 6,200,266	\$ 6,229,285	\$ 5,912,212	\$ 5,936,339	\$ 5,358,284	\$ 4,988,259	\$ 4,254,564	\$ 4,157,713	\$ 4,017,114	\$ 3,757,808
Contributions as a Percentage of Covered-Employee Payroll	38.47%	27.44%	38.35%	39.47%	40.13%	37.91%	56.17%	28.98%	23.52%	18.41%

**Notes to Schedule of Contributions:**

The Actuarially Determined Contribution shown above for the current year is the Recommended Contribution from the April 1, 2023 Actuarial Valuation completed by Lauterbach & Amen, LLP for the December 2023 tax levy, if applicable. The methods and assumptions shown below are based on the same Actuarial Valuation. For more detail on the age-based and service-based rates disclosed below, please see the Actuarial Valuation.

**Actuarial Cost Method:** Aggregate Entry Age Normal

**Amortization Method:** Level percentage of payroll, closed

**Remaining Amortization Period:** 100% Funded over 17 Years

**Asset Valuation Method:** 5-year smoothed market

**Inflation:** 2.25%

**Payroll Increase:** 3.25%

**Individual Pay Increases:** 2.25% to 14.00%, including inflation

**Investment Rate of Return:** 6.75%

**Mortality:** Pub-2010 Adjusted for Plan Status, Demographics, and Illinois Public Pension Data, as Described

**Retirement Rates:** L&A 2020 Illinois Firefighters Retirement Rates Capped at Age 65

**Termination Rate:** L&A 2020 Illinois Firefighters Termination Rates

**Disability Rates:** L&A 2020 Illinois Firefighters Disability Rates

See Accompanying Independent Auditor's Report

TRI-STATE FIRE PROTECTION DISTRICT  
ILLINOIS MUNICIPAL RETIREMENT FUND  
SCHEDULE OF CHANGES IN THE EMPLOYER'S NET PENSION  
LIABILITY AND RELATED RATIOS  
MAY 31, 2025

	5/31/2025*	5/31/2024*	5/31/2023*	5/31/2022*	5/31/2021*	5/31/2020*	5/31/2019*	5/31/2018*	5/31/2017*	5/31/2016*
<b>TOTAL PENSION LIABILITY</b>										
Service Cost	\$ 51,359	\$ 46,750	\$ 44,531	\$ 43,958	\$ 37,974	\$ 36,411	\$ 43,341	\$ 63,608	\$ 68,057	\$ 71,057
Interest on the Total Pension Liability	275,966	262,825	252,336	266,612	256,774	240,217	243,357	227,676	214,709	216,463
Differences Between Expected and Actual Experience	497,648	834	(13,206)	(366,862)	(1,043)	77,984	(186,199)	129,499	(15,032)	(225,107)
Changes in Assumptions	-	2,196	-	-	(29,663)	-	98,951	(87,598)	(8,254)	3,958
Benefit Payments, Including Refunds of Member Contributions	(134,892)	(132,417)	(147,760)	(134,061)	(128,614)	(125,417)	(129,408)	(98,527)	(85,498)	(83,424)
Net Change in Total Pension Liability	\$ 690,081	\$ 180,188	\$ 135,901	\$ (190,353)	\$ 135,428	\$ 229,195	\$ 70,042	\$ 234,658	\$ 173,982	\$ (17,053)
Total Pension Liability - Beginning	3,848,199	3,668,011	3,532,110	3,722,463	3,587,035	3,357,840	3,287,798	3,053,140	2,879,158	2,896,211
Total Pension Liability - Ending	\$ 4,538,280	\$ 3,848,199	\$ 3,668,011	\$ 3,532,110	\$ 3,722,463	\$ 3,587,035	\$ 3,357,840	\$ 3,287,798	\$ 3,053,140	\$ 2,879,158
<b>PLAN FIDUCIARY NET POSITION</b>										
Contributions - Employer	\$ 10,089	\$ 16,800	\$ 43,764	\$ 62,561	\$ 51,786	\$ 37,668	\$ 36,893	\$ 34,657	\$ 73,004	\$ 154,216
Contributions - Member	21,214	21,000	20,387	18,607	17,220	14,463	16,702	16,662	23,818	28,289
Net Investment Income	385,137	394,429	(486,575)	619,921	476,271	539,454	(162,725)	453,707	182,806	12,927
Benefit Payments, Including Refunds of Member Contributions	(134,892)	(132,417)	(147,760)	(134,061)	(128,614)	(125,417)	(129,408)	(98,527)	(85,498)	(83,424)
Other (Net Transfers)	564,565	95,985	(9,081)	(191,134)	13,699	(1,823)	(24,871)	(4,165)	9,151	(48,024)
Net Change in Plan Fiduciary Net Position	\$ 846,113	\$ 395,797	\$ (579,265)	\$ 375,894	\$ 430,362	\$ 464,345	\$ (263,409)	\$ 402,334	\$ 203,281	\$ 63,984
Plan Net Position - Beginning	4,029,202	3,633,405	4,212,670	3,836,776	3,406,414	2,942,069	3,205,478	2,803,144	2,599,863	2,535,879
Plan Net Position - Ending	\$ 4,875,315	\$ 4,029,202	\$ 3,633,405	\$ 4,212,670	\$ 3,836,776	\$ 3,406,414	\$ 2,942,069	\$ 3,205,478	\$ 2,803,144	\$ 2,599,863
District's Net Pension Liability/(Asset)	\$ (337,035)	\$ (181,003)	\$ 34,606	\$ (680,560)	\$ (114,313)	\$ 180,621	\$ 415,771	\$ 82,320	\$ 249,996	\$ 279,295
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	107.43%	104.70%	99.06%	119.27%	103.07%	94.96%	87.62%	97.50%	91.81%	90.30%
Covered Payroll	\$ 471,413	\$ 466,665	\$ 428,212	\$ 413,492	\$ 381,223	\$ 321,400	\$ 371,167	\$ 370,269	\$ 545,507	\$ 628,647
Employer's Net Pension Liability/(Asset) as a Percentage of Covered Payroll	-71.49%	-38.79%	8.08%	-164.59%	-29.99%	56.20%	112.02%	22.23%	45.83%	44.43%

\* This information presented is based on the actuarial valuation performed as of the December 31 year end prior to the fiscal year end listed above.

See Accompanying Independent Auditor's Report

TRI-STATE FIRE PROTECTION DISTRICT  
ILLINOIS MUNICIPAL RETIREMENT FUND  
SCHEDULE OF EMPLOYER CONTRIBUTION  
MAY 31, 2025

	5/31/2025*	5/31/2024*	5/31/2023*	5/31/2022*	5/31/2021*	5/31/2020*	5/31/2019*	5/31/2018*	5/31/2017*	5/31/2016*
Actuarially-Determined Contribution	\$ 10,088	\$ 16,800	\$ 43,763	\$ 62,561	\$ 51,786	\$ 37,668	\$ 36,894	\$ 34,657	\$ 74,789	\$ 69,214
Contributions in Relation to Actuarially-Determined Contribution	10,089	16,800	43,764	62,561	51,618	37,668	36,893	34,657	73,004	154,216
Contribution Deficiency/(Excess)	\$ (1)	\$ -	\$ (1)	\$ -	\$ 168	\$ -	\$ 1	\$ -	\$ 1,785	\$ (85,002)
Covered Payroll	\$ 426,677	\$ 478,772	\$ 435,726	\$ 416,386	\$ 407,583	\$ 331,129	\$ 337,664	\$ 370,269	\$ 545,507	\$ 628,647
Contributions as a Percentage of Covered Payroll	2.36%	3.51%	10.04%	15.02%	12.66%	11.38%	10.93%	9.36%	13.38%	24.53%

**Notes to Schedule:**

**Actuarial Method and Assumptions Used on the Calculation of the 2024 Contribution Rate \***

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

**Actuarial Cost Method:** Aggregate Entry Age Normal

**Amortization Method:** Level percentage of payroll, closed

**Remaining Amortization Period:** 19-year closed period

**Asset Valuation Method:** 5-year smoothed market; 20% corridor

**Wage Growth:** 2.75%

**Price Inflation:** 2.25%, approximate; No explicit price inflation assumption is used in this valuation.

**Salary Increases:** 2.75% to 13.75%, including inflation

**Investment Rate of Return:** 7.25%

**Retirement Age:** Experience-based table of rates that are specific to the type of eligibility condition; last updated for the 2023 valuation pursuant to an experience study of the period 2020 to 2022.

**Mortality:** For non-disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Retiree, Male (adjusted 106%) and Female (adjusted 105%) tables, and future mortality improvements projected using scale MP-2020. For disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Disabled Retiree, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020. For active members, the Pub-2010, Amount-Weighted, below-median income, General, Employee, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020.

\*Based on Valuation Assumptions used in the December 31, 2022 actuarial valuation; note two year lag between valuation and rate setting.

See Accompanying Independent Auditor's Report

TRI-STATE FIRE PROTECTION DISTRICT  
OTHER POST-EMPLOYMENT BENEFIT  
SCHEDULE OF CHANGES IN THE EMPLOYER'S TOTAL OPEB  
LIABILITY AND RELATED RATIOS  
MAY 31, 2025

	5/31/2025	5/31/2024	5/31/2023	5/31/2022	5/31/2021	5/31/2020	5/31/2019
TOTAL OPEB LIABILITY							
Service Cost	\$ 134,344	\$ 137,334	\$ 90,046	\$ 101,319	\$ 96,415	\$ 81,452	\$ 75,397
Interest	71,174	61,931	59,576	43,894	40,443	55,180	54,118
Differences Between Expected and Actual Experience	60,493	-	(273,399)	-	(55,101)	-	-
Benefit Payments	(265,981)	(55,696)	(68,684)	(57,330)	(39,312)	(29,675)	(23,413)
Changes in Assumptions	(82,866)	(69,380)	(36,630)	(192,022)	89,372	198,027	37,481
Net Change in Total OPEB Liability	\$ (82,836)	\$ 74,189	\$ (229,091)	\$ (104,139)	\$ 131,817	\$ 304,984	\$ 143,583
Total OPEB Liability - Beginning	1,764,773	1,690,584	1,919,675	2,023,814	1,891,997	1,587,013	1,443,430
Total OPEB Liability - Ending	\$ 1,681,937	\$ 1,764,773	\$ 1,690,584	\$ 1,919,675	\$ 2,023,814	\$ 1,891,997	\$ 1,587,013
District's Total OPEB Plan Liability	\$ 1,681,937	\$ 1,764,773	\$ 1,690,584	\$ 1,919,675	\$ 2,023,814	\$ 1,891,997	\$ 1,587,013
OPEB Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Covered-Employee Payroll	\$ 6,183,142	\$ 5,988,515	\$ 6,145,151	\$ 6,611,707	\$ 6,321,494	\$ 5,921,065	\$ 4,956,163
Employer's Total OPEB Liability as a Percentage of Covered-Valuation Payroll	27.20%	29.47%	27.51%	29.03%	32.01%	31.95%	32.02%

**Notes to Schedule:**

No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75.

There is no actuarially-determined contribution (ADC) or employer contribution in relation to the ADC as the total OPEB liabilities are currently an unfunded obligation.

*Changes of Assumptions.* Changes of assumptions and other inputs reflect the effects of changes in the discount rate of each period.

The following are the discount rates used in each period:	5.25%	4.13%	3.74%	3.16%	2.20%	2.16%	3.51%
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This schedule is presented to illustrate the requirement to show information for ten years. However, until a full ten-year trend is compiled, information is presented for those years for which information is available.

\* - Covered-Employee Payroll is the same as the prior year due to the valuation being a roll forward instead of a new valuation.

See Accompanying Independent Auditor's Report

TRI-STATE FIRE PROTECTION DISTRICT  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL  
GENERAL FUND - CORPORATE FUND  
YEAR ENDED MAY 31, 2025

	Budgeted Amounts	Actual Amounts
	Original and Final	
REVENUES		
Property Taxes	\$ 8,996,315	\$ 8,943,997
Replacement Taxes	136,000	90,424
Foreign Fire Tax	-	98,864
Charges for Services	117,000	100,828
Grant Income	49,487	66,146
Interest Income	100,000	282,928
Miscellaneous Income	65,000	129,503
TOTAL REVENUES	\$ 9,463,802	\$ 9,712,690
EXPENDITURES		
Current		
Public Safety		
Administrative Expenses	\$ 750,195	\$ 555,074
Compensation	3,355,952	3,686,423
Fire Equipment	254,808	186,088
Building and Grounds	163,184	94,815
Medical	786,581	762,556
Pension Contributions	2,137,074	2,208,653
Total Public Safety	\$ 7,447,794	\$ 7,493,609
Total Current	\$ 7,447,794	\$ 7,493,609
Capital Outlay		
Public Safety		
Fire Equipment	\$ -	\$ 12,704
Building and Grounds	-	4,989
Total Public Safety	\$ -	\$ 17,693
Total Capital Outlay	\$ -	\$ 17,693
Debt Service		
Principal	\$ -	\$ 29,716
Interest	-	5,532
Total Debt Service	\$ -	\$ 35,248
TOTAL EXPENDITURES	\$ 7,447,794	\$ 7,546,550
EXCESS OR (DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$ 2,016,008	\$ 2,166,140
OTHER FINANCING SOURCES/(USES)		
Proceeds from Sale of Fixed Assets	\$ 35,000	\$ 32,363
Transfers to Other Funds	(2,060,279)	(1,127,429)
Total Other Financing Sources/(Uses)	\$ (2,025,279)	\$ (1,095,066)
NET CHANGE IN FUND BALANCE	\$ (9,271)	\$ 1,071,074
FUND BALANCES - JUNE 1, 2024		(482,986)
FUND BALANCES - MAY 31, 2025		\$ 588,088

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TRI-STATE FIRE PROTECTION DISTRICT  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL  
SPECIAL REVENUE FUND - AMBULANCE FUND  
YEAR ENDED MAY 31, 2025

	Budgeted Amounts Original and Final	Actual Amounts
REVENUES		
Property Taxes	\$ 5,187,358	\$ 5,156,548
Charges for Services	3,000,000	3,144,478
Interest Income	1,000	621
Miscellaneous Income	2,400	-
TOTAL REVENUES	\$ 8,190,758	\$ 8,301,647
EXPENDITURES		
Current		
Public Safety		
Administrative Expenses	\$ 1,036,243	\$ 709,660
Compensation	5,033,930	5,435,121
Fire Equipment	812,212	267,610
Building and Grounds	228,576	121,703
Medical	1,179,871	1,075,920
EMS	825,100	1,173,644
Total Public Safety	\$ 9,115,932	\$ 8,783,658
Total Current	\$ 9,115,932	\$ 8,783,658
Capital Outlay		
Public Safety		
Fire Equipment	\$ -	\$ 50,728
Building and Grounds	-	7,456
Total Public Safety	\$ -	\$ 58,184
Total Capital Outlay	\$ -	\$ 58,184
Debt Service		
Principal	\$ -	\$ 29,716
Interest	-	5,532
Total Debt Service	\$ -	\$ 35,248
TOTAL EXPENDITURES	\$ 9,115,932	\$ 8,877,090
EXCESS OR (DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$ (925,174)	\$ (575,443)
OTHER FINANCING SOURCES/(USES)		
Transfers to/from Other Funds, Net	-	(116,714)
NET CHANGE IN FUND BALANCE	\$ (925,174)	\$ (692,157)
FUND BALANCES - JUNE 1, 2024		\$ 3,459,287
ERROR CORRECTION		(690,145)
FUND BALANCES - JUNE 1, 2024, as adjusted		\$ 2,769,142
FUND BALANCES - MAY 31, 2025		\$ 2,076,985

See Accompanying Independent Auditor's Report

TRI-STATE FIRE PROTECTION DISTRICT  
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION  
MAY 31, 2025

**NOTE 1 - BUDGET**

Annual budgets are legally adopted and separately reported for all funds of the District. The budget was passed on August 28, 2024 and was not amended.

The fire chief submits an annual budget request to the trustees of the District prior to the end of the fiscal year or as may be requested by the trustees. The trustees shall provide adequate funding in the annual appropriation ordinance, which in all cases is higher than the budget, for the operation of the District.

**NOTE 2 - EXCESS OF EXPENDITURES OVER BUDGET**

For the year ended May 31, 2025, the following fund presented as Required Supplementary Information had expenditures that exceeded the budget:

Fund	Budget	Actual	Excess of Actual Over Budget
Corporate	\$ 7,447,794	\$ 7,546,550	\$ 98,756

Excess expenditures were covered by excess revenues.

## SUPPLEMENTARY INFORMATION

TRI-STATE FIRE PROTECTION DISTRICT  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL  
SPECIAL REVENUE FUND - CAPITAL FUND  
YEAR ENDED MAY 31, 2025

	Budgeted Amounts	Actual Amounts
	Original and Final	Actual Amounts
REVENUES		
Interest Income	\$ -	\$ 10
TOTAL REVENUES	\$ -	\$ 10
EXPENDITURES		
Current		
Public Safety		
Fire Equipment	\$ -	\$ 33,595
Building and Grounds	-	44,383
Total Public Safety	\$ -	\$ 77,978
Total Current	\$ -	\$ 77,978
Capital Outlay		
Public Safety		
Fire Equipment	\$ 905,011	\$ 483,540
Building and Grounds	1,155,279	647,238
Total Public Safety	\$ 2,060,290	\$ 1,130,778
Total Capital Outlay	\$ 2,060,290	\$ 1,130,778
TOTAL EXPENDITURES	\$ 2,060,290	\$ 1,208,756
EXCESS OR (DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$ (2,060,290)	\$ (1,208,746)
OTHER FINANCING SOURCES/(USES)		
Transfers from Other Funds	2,060,279	1,244,143
NET CHANGE IN FUND BALANCE	\$ (11)	\$ 35,397
FUND BALANCES - JUNE 1, 2024		1,612,924
FUND BALANCES - MAY 31, 2025		\$ 1,648,321

See Accompanying Independent Auditor's Report

TRI-STATE FIRE PROTECTION DISTRICT  
 COMBINING BALANCE SHEET  
 NON-MAJOR GOVERNMENTAL FUNDS  
 MAY 31, 2025

	Audit Fund	Tort Fund	Social Security IMRF Fund	Total
<b>ASSETS</b>				
Cash and Cash Equivalents	\$ 5,865	\$ -	\$ 127,125	\$ 132,990
Property Taxes Receivable, net of allowance of \$0	21,696	559,397	169,435	750,528
Prepaid Expenses	-	51,086	-	51,086
<b>Total Assets</b>	<b><u>\$ 27,561</u></b>	<b><u>\$ 610,483</u></b>	<b><u>\$ 296,560</u></b>	<b><u>\$ 934,604</u></b>
<b>LIABILITIES</b>				
Accounts Payable	\$ -	\$ 16,721	\$ 444	\$ 17,165
Accrued Payroll Liabilities	-	-	6,631	6,631
Cash Overdraft	-	33,451	-	33,451
<b>Total Liabilities</b>	<b><u>\$ -</u></b>	<b><u>\$ 50,172</u></b>	<b><u>\$ 7,075</u></b>	<b><u>\$ 57,247</u></b>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Property Taxes - Subsequent Year	\$ 25,746	\$ 675,321	\$ 202,433	\$ 903,500
<b>Total Deferred Inflows of Resources</b>	<b><u>\$ 25,746</u></b>	<b><u>\$ 675,321</u></b>	<b><u>\$ 202,433</u></b>	<b><u>\$ 903,500</u></b>
<b>FUND BALANCE</b>				
Nonspendable				
Prepaid Expenses	\$ -	\$ 51,086	\$ -	\$ 51,086
Restricted				
Audit	1,815	-	-	1,815
IMRF	-	-	91,071	91,071
Social Security	-	-	7,486	7,486
Unassigned	-	(166,096)	(11,505)	(177,601)
<b>Total Fund Balance</b>	<b><u>\$ 1,815</u></b>	<b><u>\$ (115,010)</u></b>	<b><u>\$ 87,052</u></b>	<b><u>\$ (26,143)</u></b>
<b>Total Liabilities, Deferred Inflows of Resources, and Fund Balance</b>	<b><u>\$ 27,561</u></b>	<b><u>\$ 610,483</u></b>	<b><u>\$ 296,560</u></b>	<b><u>\$ 934,604</u></b>

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TRI-STATE FIRE PROTECTION DISTRICT  
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND  
 CHANGES IN FUND BALANCES  
 NON-MAJOR GOVERNMENTAL FUNDS  
 YEAR ENDED MAY 31, 2025

	Audit Fund	Tort Fund	Social Security IMRF Fund	Total
REVENUES				
Property Taxes	\$ 25,581	\$ 834,677	\$ 220,250	\$ 1,080,508
	<u>\$ 25,581</u>	<u>\$ 834,677</u>	<u>\$ 220,250</u>	<u>\$ 1,080,508</u>
EXPENDITURES				
Current				
Public Safety	\$ 22,800	\$ 809,745	\$ 176,070	\$ 1,008,615
	<u>\$ 22,800</u>	<u>\$ 809,745</u>	<u>\$ 176,070</u>	<u>\$ 1,008,615</u>
EXCESS OR (DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$ 2,781	\$ 24,932	\$ 44,180	\$ 71,893
OTHER FINANCING SOURCES (USES)	-	-	-	-
NET CHANGE IN FUND BALANCES	\$ 2,781	\$ 24,932	\$ 44,180	\$ 71,893
FUND BALANCES - JUNE 1, 2024	(966)	(139,942)	42,872	(98,036)
FUND BALANCES - MAY 31, 2025	<u>\$ 1,815</u>	<u>\$ (115,010)</u>	<u>\$ 87,052</u>	<u>\$ (26,143)</u>

See Accompanying Independent Auditor's Report

TRI-STATE FIRE PROTECTION DISTRICT  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
 IN FUND BALANCE - BUDGET AND ACTUAL  
 SPECIAL REVENUE FUND - AUDIT FUND  
 YEAR ENDED MAY 31, 2025

	Budgeted Amounts	Actual Amounts
	Original and Final	Actual Amounts
REVENUES		
Property Taxes	\$ 25,725	\$ 25,581
TOTAL REVENUES	\$ 25,725	\$ 25,581
EXPENDITURES		
Current		
Public Safety		
Professional Fees	\$ 19,100	\$ 22,800
Total Public Safety	\$ 19,100	\$ 22,800
Total Current	\$ 19,100	\$ 22,800
TOTAL EXPENDITURES	\$ 19,100	\$ 22,800
EXCESS OR (DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$ 6,625	\$ 2,781
OTHER FINANCING SOURCES (USES)	-	-
NET CHANGE IN FUND BALANCE	\$ 6,625	\$ 2,781
FUND BALANCES - JUNE 1, 2024		(966)
FUND BALANCES - MAY 31, 2025		\$ 1,815

See Accompanying Independent Auditor's Report

TRI-STATE FIRE PROTECTION DISTRICT  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
 IN FUND BALANCE - BUDGET AND ACTUAL  
 SPECIAL REVENUE FUND - TORT FUND  
 YEAR ENDED MAY 31, 2025

	Budgeted Amounts	Actual Amounts
	Original and Final	
REVENUES		
Property Taxes	\$ 839,551	\$ 834,677
TOTAL REVENUES	\$ 839,551	\$ 834,677
EXPENDITURES		
Current		
Public Safety		
Tort Expenses	\$ 16,632	\$ 16,632
Insurance	749,080	793,113
Total Public Safety	\$ 765,712	\$ 809,745
Total Current	\$ 765,712	\$ 809,745
TOTAL EXPENDITURES	\$ 765,712	\$ 809,745
EXCESS OR (DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$ 73,839	\$ 24,932
OTHER FINANCING SOURCES (USES)	-	-
NET CHANGE IN FUND BALANCE	\$ 73,839	\$ 24,932
FUND BALANCES - JUNE 1, 2024		(139,942)
FUND BALANCES - MAY 31, 2025		\$ (115,010)

See Accompanying Independent Auditor's Report

TRI-STATE FIRE PROTECTION DISTRICT  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
 IN FUND BALANCE - BUDGET AND ACTUAL  
 SPECIAL REVENUE FUND - SOCIAL SECURITY AND IMRF FUND  
 YEAR ENDED MAY 31, 2025

	Budgeted Amounts	Actual Amounts
	Original and Final	Actual Amounts
REVENUES		
Property Taxes	\$ 221,517	\$ 220,250
TOTAL REVENUES	\$ 221,517	\$ 220,250
EXPENDITURES		
Current		
Public Safety		
Payroll Benefits	\$ 195,000	\$ 176,070
Total Public Safety	\$ 195,000	\$ 176,070
Total Current	\$ 195,000	\$ 176,070
TOTAL EXPENDITURES	\$ 195,000	\$ 176,070
EXCESS OR (DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$ 26,517	\$ 44,180
OTHER FINANCING SOURCES (USES)	-	-
NET CHANGE IN FUND BALANCE	\$ 26,517	\$ 44,180
FUND BALANCES - JUNE 1, 2024		42,872
FUND BALANCES - MAY 31, 2025		\$ 87,052

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