BEACH PARK FIRE PROTECTION DISTRICT
LAKE COUNTY, ILLINOIS

ANNUAL FINANCIAL REPORT

APRIL 30, 2026

BEACH PARK FIRE PROTECTION DISTRICT
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INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees
Beach Park Fire Protection District
Beach Park, Illinois

Report on the Audit of the Financial Statements

Opinions

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

Beach Park Fire Protection District

as of and for the year ended April 30, 2026, and the related notes to the financial statements, which collectively comprise the Fire Protection 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 modified cash basis financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Beach Park Fire Protection District as of April 30, 2026, and the respective changes in financial position - modified cash basis thereof for the year then ended in accordance with the modified cash basis of accounting described in Note 1.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (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 Beach Park 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.

Emphasis of Matter - Basis of Accounting

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with 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 Beach Park 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 Beach Park 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.

Eccezion

Eccezion
Strategic Business Solutions

McHenry, Illinois
July 20, 2026

BASIC FINANCIAL STATEMENTS

BEACH PARK FIRE PROTECTION DISTRICT
GOVERNMENT-WIDE FINANCIAL STATEMENTS
STATEMENT OF NET POSITION - MODIFIED CASH BASIS
APRIL 30, 2026

	Governmental Activities
ASSETS	
Cash and Cash Equivalents	$ 893,130
Capital Assets	
Land	41,732
Depreciable Buildings, Equipment and Vehicles, Net of Depreciation	2,539,354
Total Assets	$ 3,474,216
LIABILITIES	
Payroll and Payroll Taxes	$ 14,418
NonCurrent Liabilities	
Due Within One Year	204,874
Due in More Than One Year	1,025,383
Total Liabilities	$ 1,244,675
NET POSITION	
Net Investment in Capital Assets	$ 2,062,861
Restricted for:	
Fire Pension	2,216
Foreign Fire Insurance	42,031
Illinois Municipal Retirement Fund	2,457
Medicare	15,718
Social Security	387
Tort and Liability Insurance	69,622
Unrestricted/(Deficit)	34,249
Total Net Position	$ 2,229,541

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

BEACH PARK FIRE PROTECTION DISTRICT
GOVERNMENT-WIDE FINANCIAL STATEMENTS
STATEMENT OF ACTIVITIES - MODIFIED CASH BASIS
YEAR ENDED APRIL 30, 2026

Functions/Programs	Expenses	Program Revenues: Charges For Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Position: Governmental Activities
Governmental Activities					
Public Safety	$ 2,595,018	$ 661,114	$ 3,015	$ -	$ (1,930,889)
Interest and Fees on Long-Term Debt	89,581	-	-	-	(89,581)
	$ 2,684,599	$ 661,114	$ 3,015	$ -	$ (2,020,470)

General Revenues	
Taxes	
Property Taxes	$ 2,028,416
Personal Property Replacement Tax	6,218
Fire Taxes	23,761
Unrestricted Investment Earnings	18,958
Gain on Sale of Capital Assets	47,950
Insurance Refund Claims	23,125
Other Income	28,420
Total General Revenues	$ 2,176,848
Change in Net Position	$ 156,378
Net Position - Beginning of Year	2,073,163
Net Position - End of Year	$ 2,229,541

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

BEACH PARK FIRE PROTECTION DISTRICT
FUND FINANCIAL STATEMENTS
STATEMENT OF ASSETS, LIABILITIES, AND CHANGES IN
FUND BALANCE - MODIFIED CASH BASIS
GOVERNMENTAL FUNDS
AS OF APRIL 30, 2026

	General Fund	Ambulance Fund	Total Governmental Funds
ASSETS			
Cash and Cash Equivalents	$ 507,957	$ 385,173	$ 893,130
Total Assets	$ 507,957	$ 385,173	$ 893,130
LIABILITIES AND FUND BALANCES			
Liabilities			
Payroll and Payroll Taxes	$ 5,654	$ 8,764	$ 14,418
Total Liabilities	$ 5,654	$ 8,764	$ 14,418
Fund Balances			
Restricted			
Foreign Fire Insurance	$ 42,031	$ -	$ 42,031
Fire Pension	2,216	-	2,216
Illinois Municipal Retirement Fund	2,457	-	2,457
Medicare	7,086	8,632	15,718
Social Security	387	-	387
Tort and Liability Insurance	36,988	32,634	69,622
Assigned			
GEMT	-	47,064	47,064
Unassigned	411,138	288,079	699,217
Total Fund Balances	$ 502,303	$ 376,409	$ 878,712
Total Liabilities and Fund Balances	$ 507,957	$ 385,173	$ 893,130

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

BEACH PARK FIRE PROTECTION DISTRICT
FUND FINANCIAL STATEMENTS
RECONCILIATION OF THE STATEMENT OF ASSETS, LIABILITIES, AND CHANGES IN FUND BALANCE - MODIFIED CASH BASIS - GOVERNMENTAL FUNDS TO THE STATEMENT OF NET POSITION - MODIFIED CASH BASIS
APRIL 30, 2026

Fund Balances - Total Governmental Funds		$ 878,712
Amounts reported for governmental activities in the Statement of Net Position - Modified Cash Basis are different because:		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.		
Capital Assets	$ 5,633,339	
Less: Accumulated Depreciation	(3,052,253)	
		2,581,086
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds.		
Long-Term Liabilities		(1,230,257)
Net Position of Governmental Activities		$ 2,229,541

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

BEACH PARK FIRE PROTECTION DISTRICT
FUND FINANCIAL STATEMENTS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - MODIFIED CASH BASIS- GOVERNMENTAL FUNDS
YEAR ENDED APRIL 30, 2026

	General Fund	Ambulance Fund	Total Governmental Funds
REVENUES			
Property Taxes	$ 1,014,579	$ 1,013,837	$ 2,028,416
Personal Property Replacement Tax	6,218	-	6,218
Foreign Fire Taxes	23,761	-	23,761
Grants	2,765	-	2,765
Ambulance Fees	-	661,114	661,114
Interest Income	18,958	-	18,958
Unrestricted Contributions	250	-	250
Insurance Refund Claims	9,250	13,875	23,125
Other Income	28,420	-	28,420
	$ 1,104,201	$ 1,688,826	$ 2,793,027
EXPENDITURES			
Current			
Public Safety	$ 988,529	$ 1,418,260	$ 2,406,789
Capital Outlay	9,761	513,245	523,006
Debt Service	137,584	255,444	393,028
	$ 1,135,874	$ 2,186,949	$ 3,322,823
EXCESS OR (DEFICIENCY) OF REVENUES OVER EXPENDITURES	$ (31,673)	$ (498,123)	$ (529,796)
OTHER FINANCING SOURCES/(USES)			
Proceeds from Sale of Capital Assets	22,950	-	22,950
NET CHANGE IN FUND BALANCES	$ (8,723)	$ (498,123)	$ (506,846)
FUND BALANCES - MAY 1, 2025	511,026	874,532	1,385,558
FUND BALANCES - APRIL 30, 2026	$ 502,303	$ 376,409	$ 878,712

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

BEACH PARK FIRE PROTECTION DISTRICT
FUND FINANCIAL STATEMENTS
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - MODIFIED CASH BASIS - GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES - MODIFIED CASH BASIS
APRIL 30, 2026

Net Change in Fund Balances - Total Governmental Funds		$ (506,846)
Amounts reported for governmental activities in the Statement of Activities - Modified Cash Basis are different because:		
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities - Modified Cash Basis, the cost of these assets is depreciated 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.		
Capital Outlay	$ 534,255	
Depreciation Expense	(199,478)	
		334,777
In the Statement of Activities - Modified Cash Basis 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 assets differs from the change in fund balance by the undepreciated balance of the capital assets sold.		
Proceeds from Sale of Capital Assets	$ (22,950)	
Gain/(Loss) on Sale of Capital Assets	47,950	
		25,000
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 - Modified Cash Basis, but the repayment reduces long-term liabilities in the Statement of Net Position - Modified Cash Basis and is therefore not reported in the Statement of Activities - Modified Cash Basis.		
Repayment of Long-Term Debt		303,447
Change in Net Position of Governmental Activities		$ 156,378

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

BEACH PARK FIRE PROTECTION DISTRICT
FUND FINANCIAL STATEMENTS
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
APRIL 30, 2026

	Pension Fund
ASSETS	
Cash and Cash Equivalents	$ 33,547
Investments, at Net Asset Value	
Consolidated Funds - IFPIF	4,679,247
Prepaids	753
Total Assets	$ 4,713,547
LIABILITIES	
Expenses Due/Unpaid	$ 1,225
Total Liabilities	$ 1,225
NET POSITION RESTRICTED FOR PENSION BENEFITS	$ 4,712,322
TOTAL NET POSITION	$ 4,712,322

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

BEACH PARK FIRE PROTECTION DISTRICT
FUND FINANCIAL STATEMENTS
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
YEAR ENDED APRIL 30, 2026

	Pension Fund
ADDITIONS	
Contributions	
Beach Park Fire Protection District	$ 147,179
Plan Members	48,493
Total Contributions	$ 195,672
Investment and Other Income	
Interest and Dividends Earned	$ 91,057
Net Appreciation/(Depreciation) in Fair Value of Investments	730,717
Total Investment and Other Income	$ 821,774
Less: Investment Expense	(15,778)
Net Investment and Other Income	$ 805,996
TOTAL ADDITIONS	$ 1,001,668
DEDUCTIONS	
Administrative	$ 19,064
Benefits	71,846
TOTAL DEDUCTIONS	$ 90,910
CHANGE IN NET POSITION	$ 910,758
NET POSITION - MAY 1, 2025	3,801,564
NET POSITION - APRIL 30, 2026	$ 4,712,322

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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Beach Park Fire Protection District (Fire Protection District) was incorporated on November 25, 1942, under the Provision of Chapter 70 of the Illinois Compiled Statutes. The Fire Protection District operates under a trustee form of government and provides fire protection, rescue, and ambulance services. Prior to the name change in November 2002, the name of the Fire Protection District was Bonnie Brook Fire Protection District.

The Fire Protection District's full time sworn firefighters participate in the Firefighters' Pension Fund (the Pension Fund). The Pension Fund functions for the benefit of these employees and is governed by a five-member pension board. The Fire Protection District and the Pension Fund participants are obligated to fund all pension costs based upon actuarial valuations. The State of Illinois is authorized to establish benefit levels and the Fire Protection District is authorized to approve the actuarial assumptions used in the determination of contribution levels.

The Fire Protection District's financial statements are prepared in accordance with the modified cash basis of accounting, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America (GAAP), except for the Pension Fund financial statements which are prepared on the accrual basis of accounting in conformity with generally accepted accounting principles. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The most significant accounting policies used by the Fire Protection 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 Fire Protection District. Component units are legally separate entities for which the Fire Protection 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 Fire Protection 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 Fire Protection District.

The Fire Protection District has determined that the Pension Fund met the above criteria. The Pension Fund is blended into the Fire Protection District's primary government financial statements as a Fiduciary Fund although it remains a separate legal entity. In addition, the Fire Protection 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 Fire Protection District's basic financial statements include both government-wide (reporting the Fire Protection District as a whole) and fund (reporting the Fire Protection District's major funds) financial statements. Both the government-wide and fund financial statements categorize primary activities as governmental activities. The Fire Protection District's public safety activities are classified as governmental activities.

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

The government-wide Statement of Activities – Modified Cash Basis reports both the gross and net cost of each of the Fire Protection District's functions. The functions are also supported by general government revenues (property taxes, personal property replacement taxes, unrestricted investment earnings, etc.). The Statement of Activities – Modified Cash Basis reduces gross expenses (including depreciation) by related program revenues, operating and capital grants (where applicable). Program revenues must be directly associated with the function (public safety). Program revenues include charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment. Program revenues also include grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Operating grants include operating-specific 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 revenue (property taxes, personal property replacement taxes, unrestricted investment earnings, etc.).

The Fire Protection District does not allocate indirect costs.

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

C. *Basic Financial Statements – Fund Financial Statements*

The financial transactions of the Fire Protection 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 balance, revenues, and expenditures/expenses. The various funds are reported by generic classification within the financial statements. In the fund financial statements, the "resources" measurement focus or the "economic resources" measurement focus is used as appropriate.

The emphasis in fund financial statements is on the major funds. GASB Statement No. 34 sets forth the minimum criteria (percentage of the assets, liabilities, revenues, or expenditures of all governmental funds) for the determination of major funds. The Fire Protection District electively made all governmental funds major funds.

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. The Fire Protection District reports these major governmental funds:

- The General Fund is the Fire Protection District's primary operating fund. It is used to account for all financial resources except those required to be accounted for in another fund.
- The Special Revenue Fund (Ambulance Fund) is used to account for the proceeds of specific revenue sources that are restricted, committed, or assigned to expenditures for specific purposes.

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

2. Fiduciary Fund

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

The Fire Protection District's Fiduciary Funds are presented in the Fiduciary Fund financial statements by type. Because by definition these assets are being held for the benefit of a third party and cannot be used to address activities or obligations of the government, these funds are not incorporated into the government-wide financial statements.

- Pension Fund – This fund is used to account for assets held in a trustee capacity for pension benefit payments. The Pension Fund accounts for money received and held by the Fire Protection District in the capacity of trustee for individuals.

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. Modified Cash

In the government-wide Statement of Net Position – Modified Cash Basis and Statement of Activities – Modified Cash Basis and the fund financial statements (except the Fiduciary Fund statements), governmental activities are presented using the modified cash basis of accounting. This basis recognizes assets, liabilities, net position/fund balance, revenues, and expenditures/expenses when they result from cash transactions, with a provision for depreciation in the government-wide financial statements. This basis is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

As a result of the use of the modified cash basis of accounting, certain assets and their related revenues (such as accounts receivable and revenue for billed or provided services not yet collected) and certain liabilities and their related expenses (such as accounts payable and expenses for goods or services received but not yet paid, and accrued expenses and liabilities) are not recorded in these financial statements.

If the Fire Protection District utilized accounting principles generally accepted in the United States of America, the fund financial statements for governmental funds would use the modified accrual basis of accounting. The government-wide financial statements would be presented on the accrual basis of accounting.

2. Accrual

The Fiduciary Fund financial statements are presented on the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred.

E. *Cash and Cash Equivalents and Investments*

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

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 Fire Protection District funds and are, therefore, considered interfund loans.

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 cost, except for investments in the Pension Fund, which are stated at market value. Market value is determined by quoted market prices. Gains or losses on the sale of investments are recognized upon realization, except in the Pension Fund where they are recognized as they are incurred.

F. *Inventories*

It is the Fire Protection District's policy to charge all purchases of items for resale or supplies to expenditures when purchased. No inventory accounts are maintained to reflect the value of resale or supply items on hand.

G. *Interfund Activity*

Interfund activity is reported either as loans, services provided, reimbursements or transfers. Loans are reported as interfund 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 to the government-wide financial statements.

H. *Capital Assets*

Capital assets purchased or acquired with an original cost of $5,000 or more 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 a straight-line basis over the following estimated useful lives:

Buildings	40 years	Equipment	7-15 years
Boat	10 years	Fire Fighting Equipment	7 years
Pumpers	20 years	Office Equipment	5-7 years
Cars and Trucks	5-20 years	Land Improvements	15-20 years
Ambulances	7 years		

I. *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 column of the Statement of Net Position – Modified Cash Basis. Bond premiums and discounts are deferred and amortized over the life of the bonds on a straight-line basis. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as debt services expenditures.

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

J. *Government-Wide Net Position*

Net position is divided into three components:

- Net Investment in Capital Assets – consists of capital assets (net of accumulated depreciation) reduced by the outstanding balances of bonds, mortgages, 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 Fire Protection 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 – all other net positions are reported in this category.

K. *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. Committed amounts cannot be used for any other purpose unless the Board of Trustees removes those constraints by taking the same type of action (e.g. legislation, resolution, ordinance). 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 Fire Protection District's intent to be used for specific purposes but are neither restricted nor committed. Intent is expressed by an appointed body (e.g. a budget or finance committee) or official to whom the Board of Trustees has delegated the authority to assign, modify or rescind amounts to be used for specific purposes. The Fire Protection District has not delegated this authority to an appointed body or official.

  Assigned fund balances also include (a) all remaining amounts that are reported in governmental funds (other than the General Fund) that are not classified as nonspendable, restricted or committed, and (b) amounts in the General Fund that are intended to be used for a specific purpose. Specific amounts that are not restricted or committed in a special revenue fund are assigned for purposes in accordance with the nature of their fund type. Assignment within the General Fund conveys that the intended use of those amounts is for a specific purpose that is narrower than the general purpose of the Fire Protection District itself. All assigned fund balances are the residual amounts of the fund.
- Unassigned – Unassigned fund balance is the residual classification for the General Fund. This classification represents the General Fund balance that has not been assigned to other funds, and that has not been restricted, committed, or assigned to specific purposes within the General Fund. This classification is also used to represent negative fund balances in other funds.

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

L. *Property Taxes Calendar and Revenues*

The Fire Protection District is responsible for levying property taxes, but the taxes are collected by the County. The Fire Protection District's property tax is levied each calendar year on all taxable real property located in the Fire Protection District on or before the last Tuesday in December. The 2025 levy was passed by the Board on December 9th, 2025. Property taxes attach as an enforceable lien on property as of January 1 of the calendar year they are for and are payable in two installments early in June and early in September of the following calendar year. The Fire Protection District receives significant distributions of tax receipts approximately one month after these dates.

M. *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.

N. *Lease and Subscription Based Information Technology Agreements*

At the commencement of a lease or subscription-based IT agreement, the Fire Protection District initially measures the right-to-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-to-use asset is initially measured as the initial amount of the right-to-use liability, adjusted for payments made at or before the commencement date, plus certain initial direct costs. Subsequently, the right-to-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 fire protection district determines (1) the discount rate it uses to discount the expected payments to present value, (2) the term, and (3) payments.

The Fire Protection 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 Fire Protection 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-to-use liability are composed of fixed payments and purchase option prices that the Fire Protection District is reasonably certain to exercise.

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

The Fire Protection District currently has no material agreements that fall under this type of arrangement.

NOTE 2 - DEPOSITS, INVESTMENTS, AND FAIR VALUE MEASURMENTS

A. *Deposits*

Custodial credit risk for deposits with financial institutions is the risk that in the event of a bank's failure, the Plan's deposits may not be returned to it. The Plan's investment policy requires all bank balances to be covered by federal depository insurance. Deposits with financial institutions are fully insured or collateralized by securities held in the Fire Protection District's name as of April 30, 2026.

The Fire Protection District maintains a cash and investment pool that is available for use by all funds, except the Fiduciary Funds. The deposits and investments of the Fiduciary Funds are held separately from those of the other funds.

B. *Investments*

The Fire Protection 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 June 30, 2025, 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. IFPIF's current investment policy was adopted by the Board of Trustees in 2021. 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.

For the year ended April 30, 2026, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 21.32%.

As of April 30, 2026, the Fire Protection District had the following investments, maturities, and fair value measurements:

Types of Investments	Credit Quality/ Ratings	Segmented Time Distribution	Amount	Fair Value Measurements Using: Level 1	Fair Value Measurements Using: Level 2	Net Asset Value (NAV)
Fire Protection District Holdings						
Illinois Funds	AAAm	Less than 1 Year	$ 465,577	$ -	$ -	$ 465,577
Pension Fund Holdings:						
Illinois Funds	AAAm	Less than 1 Year	853	-	-	853
Consolidated Funds - IFPIF	NR	Less than 1 Year	4,679,247	-	-	4,679,247
			$ 5,145,677	$ -	$ -	$ 5,145,677
Total Investments by fair value level			$ 5,145,677	$ -	$ -	$ 5,145,677

The Fire Protection District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; 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.

The Fire Protection District and Firefighters' Pension Fund held no investments subject to fair value measurements at April 30, 2026.

Illinois Funds is an investment pool managed by the State of Illinois, Office of the Treasurer, which allows governments within the State to pool their funds for investment purposes. Illinois Funds is not registered with the SEC as an investment company but does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in Illinois Funds are valued at Illinois Funds' share price, the price for which the investment could be sold.

The Firefighters' Pension Fund's pooled investment in IFPIF is 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 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 Fire Protection District does have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit Risk

State law limits investments based on credit risk. The Fire Protection District has an investment policy that would further limit its investment choices to ensure that capital loss, whether from credit or market risk, is avoided. It is the policy of the Fire Protection District to invest its funds in a manner which will provide the highest investment return with the maximum security while meeting the daily cash flow demands of the Fire Protection District and conforming to all state and local statutes governing the investment of public funds, using the "prudent person" standard for managing the overall portfolio. The primary objectives of the policy are, in order of priority, safety of principal, liquidity and rate of return.

NOTE 3 - CAPITAL ASSETS

Capital assets activity for the year ended April 30, 2026 was as follows:

	Balance May 1, 2025	Additions	Reductions	Balance April 30, 2026
Governmental Activities				
Capital Assets Not Being Depreciated				
Land	$ 41,732	$ -	$ -	$ 41,732
Total Capital Assets Not Being Depreciated	$ 41,732	$ -	$ -	$ 41,732
Other Capital Assets				
Buildings	$ 2,248,937	$ -	$ -	$ 2,248,937
Pumpers	1,361,578	-	-	1,361,578
Cars and Trucks	183,917	640	50,000	134,557
Ambulances	312,749	532,530	312,749	532,530
Equipment	728,072	14,527	33,489	709,110
Fire Fighting Equipment	294,436	-	-	294,436
Office Equipment	163,061	-	-	163,061
Land Improvements	135,840	11,558	-	147,398
Total Other Capital Assets at Historical Cost	$ 5,428,590	$ 559,255	$ 396,238	$ 5,591,607
Less Accumulated Depreciation for:				
Buildings	$ 1,112,727	$ 49,186	$ -	$ 1,161,913
Pumpers	969,276	45,606	-	1,014,882
Cars and Trucks	158,917	4,701	50,000	113,618
Ambulances	312,749	44,378	312,749	44,378
Equipment	163,470	43,717	33,489	173,698
Fire Fighting Equipment	292,403	2,033	-	294,436
Office Equipment	154,789	4,693	-	159,482
Land Improvements	84,682	5,164	-	89,846
Total Accumulated Depreciation	$ 3,249,013	$ 199,478	$ 396,238	$ 3,052,253
Other Capital Assets, Net	$ 2,179,577	$ 359,777	$ -	$ 2,539,354
Governmental Activities Capital Assets, Net	$ 2,221,309	$ 359,777	$ -	$ 2,581,086

Depreciation expense was charged to functions as follows:

Governmental Activities	
Public Safety	$ 199,478
Total Governmental Activities Depreciation Expense	$ 199,478

NOTE 4 - LONG-TERM LIABILITY ACTIVITY

Long-term liability activity for the year ended April 30, 2026 was as follows:

	Balance May 1, 2025	Additions	Reductions	Balance April 30, 2026	Amounts Due Within One Year
Governmental Activities					
Long-Term Debt					
GO Debt Certificates, Series 2013	$ 780,085	$ -	$ 68,053	$ 712,032	$ 72,096
Direct Borrowings and Placements					
Pumper	$ 64,298	$ -	$ 64,298	$ -	$ -
Ambulances	475,975	-	95,708	380,267	101,191
Motorola Radios	168,335	-	30,377	137,958	31,587
Power Cots	45,011	-	45,011	-	-
Total Direct Borrowings and Placements	$ 753,619	$ -	$ 235,394	$ 518,225	$ 132,778
Total Long-Term Debt	$ 1,533,704	$ -	$ 303,447	$ 1,230,257	$ 204,874
Total Governmental Activities Long-Term Obligations	$ 1,533,704	$ -	$ 303,447	$ 1,230,257	$ 204,874

Bonds and notes payable consisted of the following at April 30, 2026:

	Maturity Date	Interest Rate	Face Amount	Carrying Amount
GO Debt Certificates, Series 2013	7/12/2033	3.69%	$ 1,432,000	$ 712,032
Ambulances	6/26/2029	4.12%	507,529	380,267
Motorola Radios	12/1/2029	5.89%	168,335	137,958

At April 30, 2026 the annual debt service requirements to cover long-term debt attributable to governmental activities are:

Year Ending April 30	Principal	Interest	Total
2027	$ 204,874	$ 70,496	$ 275,370
2028	216,816	58,555	275,371
2029	229,453	45,918	275,371
2030	182,194	32,544	214,738
2031	90,813	23,577	114,390
2032	96,208	18,182	114,390
2033	101,922	12,468	114,390
2034	107,977	6,414	114,391
	$ 1,230,257	$ 268,154	$ 1,498,411

Long-term liabilities are being repaid from both the General and Ambulance Funds.

NOTE 5 - PROPERTY TAX REVENUES

Property taxes recorded in these financial statements are from the 2024 tax levy. A summary of rate setting assessed valuations, rates, and extensions for tax years 2024, 2023, and 2022 is as follows:

	2024		2023		2022	
Rate Setting EAV	$236,376,493		$211,042,630		$201,524,456	
	Rate	Extension	Rate	Extension	Rate	Extension
Ambulance Service	0.296%	$ 698,724	0.312%	$ 658,892	0.303%	$ 610,021
Corporate	0.341%	805,755	0.355%	748,853	0.353%	711,498
Firemen's Pension	0.054%	128,123	0.075%	158,900	0.069%	139,380
IMRF	0.000%	100	0.000%	101	0.000%	99
Medicare	0.008%	18,638	0.009%	18,825	0.009%	18,115
Social Security	0.000%	99	0.000%	101	0.005%	99
Tort Judgement and Liability Insurance	0.154%	364,873	0.176%	371,555	0.183%	369,711
Revenue Recapture	0.008%	19,600	0.005%	11,265	0.005%	10,387
	0.861%	$ 2,035,912	0.933%	$ 1,968,492	0.928%	$ 1,859,310

NOTE 6 - DEFINED BENEFIT PENSION PLANS

The Fire Protection District contributes to two defined benefit plans, the Illinois Municipal Retirement Fund, a defined benefit agent multiple-employer public employee retirement system, and the Beach Park Firefighters' Pension Fund, which is a single-employer pension plan.

A. *Illinois Municipal Retirement Fund*

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 an agent multiple-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. That report is available for download at www.imrf.org.

Benefits Provided

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

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

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, 2025, the following employees were covered by the benefit terms:

Inactive plan members and beneficiaries currently receiving benefits	-
Inactive plan members entitled to but not yet receiving benefits	1
Active plan members	1
Total	2

Contributions

As set by statute, the Fire Protection 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 Fire Protection District's annual contribution rates for calendar years 2025 and 2026 were 9.37% and 7.78%, respectively. For the fiscal year ended June 30, 2026, the Fire Protection District contributed $6,825 to the plan. The Fire Protection 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.

B. *Firefighters' Pension Fund*

Plan Administration

Firefighter sworn personnel are covered by the Firefighters' Pension Fund (Plan). Although this is a single-member pension plan, the defined benefits and employee and employer contribution levels are governed by Illinois Compiled Statues (40 ILCS 5/4-1) and may be amended only by the Illinois legislature. The Fire Protection District accounts for the Plan as a pension trust fund. The Plan is governed by a five-member Board of Trustees. Two members of the Board are appointed by the President, one member is elected by pension beneficiaries, and two members are elected by active firefighter employees.

Plan Membership

At April 30, 2025, Plan participation consisted of:

Retirees and beneficiaries receiving benefits	3
Terminated plan members entitled to but not yet receiving benefits	10
Active plan members	6
Total	19

Benefits Provided

The Fund provides retirement, disability, and death benefits to Fund members and their beneficiaries. Chapter 40-Pensions-Act 5/Article 4 of the Illinois Compiled Statutes assigns the authority to establish and amend the benefit provisions of the Fund to the Illinois legislature.

Covered employees hired before January 1, 2011, attaining the age of 50 or more 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 2.5% of such salary for each additional year of service over 20 years up to 30 years, and 1% of such salary for each additional year of service over 30 years, to a maximum of 75% of such salary.

Covered employees hired on or after January 1, 2011, attaining the age of 55 or more with 10 or more years of creditable service are entitled to receive an annual retirement benefit of 2.5% of final average salary for each year of service, with a maximum salary cap of $106,800 as of January 1, 2011. The maximum salary cap increases each year thereafter. The monthly benefit of a firefighter officer hired before January 1, 2011, who retired with 20 or more years of service after January 1, 1977, 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% of the original pension and 3% compounded annually thereafter. The monthly pension of a firefighter officer hired on or after January 1, 2011, shall be increased annually, following the later of the first anniversary date of retirement or the month following the attainment of age 60, but the lessor of 3% or ½ the consumer price index. Employees with at least 10 years but less than 20 years of creditable service my retire at or after age 60 and receive a reduced benefit.

Contributions

Employees are required by 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 Fire Protection District 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 Fire Protection District has until the year 2040 to fund 90% of the past service cost for the Plan. For the year ended April 30, 2025, the Fire Protection District's contribution was $147,179.

C. *Social Security/Medicare*

Fire service employees hired on or after April 1, 1986 must participate in Medicare for which the Fire Protection District contributes 1.45% of wages. Civilian and part-time fire service employees participate in both Social Security and Medicare and the Fire Protection District matches the required 7.65% contribution. The Fire Protection District paid the total required contribution for the current fiscal year.

NOTE 7 - OTHER POST-EMPLOYMENT BENEFIT COMMITMENTS – RETIREE INSURANCE PLAN

Plan Overview

In addition to the retirement plans described in Note 6, the Fire Protection District provides post-employment healthcare benefits other than pensions ("OPEB") for retired employees who meet certain criteria through a single-employer defined benefit plan (Plan).

Medical/Prescription Coverage

Retirees - Non-PSEBA (All Full-Time Employees) -

Pre-65 Coverage:
Employees may continue employer sponsored insurance in retirement. They are responsible for the full cost of coverage including coverage for any eligible spouse/dependent.

Eligible spouse/dependent coverage may continue should retiree coverage terminate under COBRA provisions when an applicable qualifying event occurs. The spouse/dependent would be responsible for the full cost of coverage.

Post-65 Coverage:
Retirees may continue employer sponsored insurance in retirement past Medicare eligibility. They are responsible for the full cost of coverage for any eligible spouse/dependent.

Medical/Prescription Coverage (Continued)
Eligible spouse/dependent coverage may continue should retiree coverage terminate under COBRA provisions when an applicable qualifying event occurs. The spouse/dependent would be responsible for the full cost of coverage.

Coverage is secondary to Medicare once eligible.

Retirees - PSEBA (Fire only) -

Pre-65 Coverage:

Employees may continue employer sponsored insurance in retirement. The employer pays for the full cost of coverage for whichever plan is elected, including the cost of coverage for any eligible spouse/dependent.

Eligible spouse/dependent coverage may continue should retiree coverage terminate under COBRA provisions when an applicable qualifying event occurs. The spouse/dependent would be responsible for the full cost of coverage.

Post-65 Coverage:
Retirees may continue employer sponsored insurance in retirement past Medicare eligibility. They are responsible for the full cost of coverage including coverage for any eligible spouse/dependent, with the employer no longer paying any cost of

Eligible spouse/dependent coverage may continue should retiree coverage terminate under COBRA provisions when an applicable qualifying event occurs. The spouse/dependent would be responsible for the full cost of coverage.

Coverage is secondary to Medicare once eligible.

Dental, Vision and Life Coverage
Types of Coverage:
- Dental
- Vision
- Life Insurance

Coverage Provisions:

Retirees - Non-PSEBA (All Full-Time Employees) -
Employees may continue dental or vision in retirement. The retiree is responsible for the full cost of the coverage. Coverage may continue past Medicare eligibility.

Employees may not continue employer life insurance in retirement. However, they may convert their life insurance policy to an individual one directly with the insurance provider. The retiree is responsible for the full cost of coverage.

Retirees - PSEBA (Fire only) -
Employees may continue dental or vision in retirement. The employer pays for the cost of coverage including the cost of coverage for any eligible spouse/dependent. Coverage may continue past Medicare eligibility, with the employer no longer paying any cost of coverage.

Employees may not continue employer life insurance in retirement. However, they may convert their life insurance policy to an individual one directly with the insurance provider. The retiree is responsible for the full cost of coverage.

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

Eligibility

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

Full-time Employees - IMRF

Tier 1 IMRF full-time employees

- Age 55 with at least 8 years of service (Reduced Pension)
- Age 55 with at least 30 years of service (Reduced Pension)
- Age 55 with at least 35 years of service (Full Pension)
- Age 60 with at least 8 years of service (Full Pension)

Full-time Employees - IMRF (Continued)

Tier 2 IMRF full-time employees:

- Age 62 with at least 10 years of service (Reduced Pension)
- Age 62 with at least 30 years of service (Reduced Pension)
- Age 62 with at least 35 years of service (Full Pension)
- Age 67 with at least 10 years of service (Full Pension)

Full-time Employees - Fire

Tier 1 Full-time firefighters:

- At least 50 years old with at least 20 years of service covered
- At least 60 years old with at least 10 years of service covered

Tier 2 Full-time firefighters:

- At least 55 years old with at least 10 years of service covered

Contribution

There are no cash contributions made by the Fire Protection District to report, as all liabilities under the plan are related to the insurance subsidy.

NOTE 8 - RISK MANAGEMENT

The Fire Protection 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 Fire Protection District purchases commercial insurance to handle these risks of loss.

During fiscal year 2026 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 Fire Protection 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 April 30, 2026, there were no significant adjustments in premiums based on actual experience.

NOTE 9 - 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 Fire Protection District. The Fire Protection District's legal debt limitation is as follows:

Total 2025 EAV	$	271,456,407
Rate		5.75%
Debt Margin	$	15,608,743
Current Debt		712,031
Remaining Debt Margin	$	14,896,712

NOTE 10 - NET INVESTMENT IN CAPITAL ASSETS CALCULATION

The net investment in capital assets calculation as of April 30, 2026, was as follows:

Governmental Activities	
Capital Assets, Net of Accumulated Depreciation	$ 2,581,086
Less:	
Capital Related Debt	(518,225)
Investment in Capital Assets	$ 2,062,861