

NEW ISSUE – BOOK-ENTRY ONLY

RATINGS⁺: AG Insured
S&P: “AA” (Stable Outlook)
Moody’s Underlying Rating: “Aa3”

Subject to compliance by the District with certain covenants, in the opinion of Chapman and Cutler LLP, Chicago, Illinois (“Bond Counsel”), under present law, interest on the Bonds is excludible from gross income of the owners thereof for federal income tax purposes and is not includible as an item of tax preference in computing the federal alternative minimum tax for individuals. Interest on the Bonds may affect the corporate alternative minimum tax for certain corporations. Interest on the Bonds is not exempt from present State of Illinois income taxes. See “TAX EXEMPTION” herein for a more complete discussion.

\$22,500,000*

COMMUNITY UNIT SCHOOL DISTRICT NUMBER 100
BOONE, MCHENRY AND DEKALB COUNTIES, ILLINOIS
(BELVIDERE)
GENERAL OBLIGATION SCHOOL BONDS, SERIES 2026

Dated: Date of Issuance**Due: January 1, as Shown on the Inside Cover Page**

The General Obligation School Bonds, Series 2026 (the “Bonds”), of Community Unit School District Number 100, Boone, McHenry and DeKalb Counties, Illinois (the “District”), are issuable as fully-registered bonds under the global book-entry system operated by The Depository Trust Company, New York, New York (“DTC”). Individual purchases will be made in book-entry system form only. Beneficial owners of the Bonds will not receive physical delivery of the Bonds. The Bonds are issued in fully-registered form in denominations of \$5,000 and integral multiples thereof, and will bear interest payable on January 1 and July 1 of each year, with July 1, 2027, as the first interest payment date. Zions Bancorporation, National Association, Chicago, Illinois, will act as registrar and paying agent for the Bonds. Details of payment of the Bonds are described herein. Interest is calculated based on a 360-day year consisting of twelve 30-day months.

Proceeds of the Bonds will be used to (i) conform the District's existing facilities that house students to the building code promulgated by the State Board of Education of the State of Illinois, by altering and reconstructing said facilities and having equipment purchased and installed therein, (ii) refund a portion of the District's General Obligation Refunding School Bonds, Series 2017, and (iii) pay costs associated with the issuance of the Bonds. See “USE OF PROCEEDS” herein.

The Bonds, in the opinion of Bond Counsel, are valid and legally binding upon the District and are payable from any funds of the District legally available for such purpose, and all taxable property in the District is subject to the levy of taxes to pay the same without limitation as to rate or amount, except that the rights of the owners of the Bonds and the enforceability of the Bonds may be limited by bankruptcy, insolvency, moratorium, reorganization and other similar laws affecting creditors' rights and by equitable principles, whether considered at law or in equity, including the exercise of judicial discretion. See “THE BONDS – Security and Payment” herein.

The Bonds are subject to optional redemption prior to maturity on the dates and at the redemption price described herein under “THE BONDS – Optional Redemption.”

The scheduled payment of principal of and interest on the Bonds when due will be guaranteed under an insurance policy to be issued concurrently with the delivery of the Bonds by **ASSURED GUARANTY INC. (“AG”).**

**ASSURED
GUARANTY**

The Bonds are offered when, as and if issued by the District and received by Stifel, Nicolaus & Company, Incorporated, St. Louis, Missouri (the “Underwriter”), subject to prior sale, to withdrawal or modification of the offer without notice, and to the approval of legality by Bond Counsel. Chapman and Cutler LLP, Chicago, Illinois, is also acting as Disclosure Counsel to the District. Gilmore & Bell, P.C., Edwardsville, Illinois, will pass on certain matters for the Underwriter. Delivery of the Bonds through the facilities of DTC will be on or about November 24, 2026.

STIFEL

AS UNDERWRITER



AS MUNICIPAL ADVISOR

The date of this Official Statement is November __, 2026.

*Preliminary, subject to change.

+See “BOND RATINGS” herein.

MATURITY SCHEDULE, AMOUNTS, INTEREST RATES, YIELDS AND CUSIP NUMBERS

\$22,500,000* General Obligation School Bonds, Series 2026

Maturity (January 1)	Principal Amount (\$)*	Rate (%)	Yield (%)	CUSIP ⁽¹⁾ (099032)
2041	2,730,000			
2042	2,030,000			
2043	2,140,000			
2044	2,260,000			
2045	2,380,000			
2046	2,515,000			
2047	2,660,000			
2048	2,810,000			
2049	2,975,000			

*Preliminary, subject to change.

(1) CUSIP data herein is provided by CUSIP Global Services (“CGS”). CGS is managed on behalf of the American Bankers Association by FactSet Research Systems Inc. No representations are made as to the correctness of the CUSIP numbers. These CUSIP numbers are subject to change after the issuance of the Bonds.

For purposes of compliance with Rule 15c2-12 of the Securities and Exchange Commission, this document, as the same may be supplemented or amended by the District from time to time (collectively, the “Official Statement”), may be treated as an Official Statement with respect to the Bonds described herein that is deemed final by the District as of the date hereof (or of any such supplement or amendment), except for the omission of certain information permitted to be omitted pursuant to such Rule.

No dealer, broker, salesman or other person has been authorized to give any information or to make any representations other than those contained in this Official Statement, and, if given or made, such other information or representations must not be relied upon as statements of the District or the Underwriter. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the Bonds by any person, in any jurisdiction in which it is unlawful to make such offer, solicitation or sale. Unless otherwise indicated, the District is the source of all tables and statistical and financial information contained in this Official Statement. The information set forth herein relating to governmental bodies other than the District has been obtained from such governmental bodies or from other sources believed to be reliable. The information and opinions expressed herein are subject to change without notice, and neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the District since the date of this Official Statement.

PMA Securities, LLC, Naperville, Illinois, is serving as municipal advisor (the “Municipal Advisor”) to the District in connection with the issuance of the Bonds. In preparing this Official Statement, the Municipal Advisor has relied upon the District, and other sources, having access to relevant data to provide accurate information for this Official Statement. To the best of the Municipal Advisor’s knowledge, the information contained in this Official Statement is true and accurate. However, the Municipal Advisor has not been engaged, nor has it undertaken, to independently verify the accuracy of such information.

Any statements made in this Official Statement, including the Appendices, involving matters of opinion or estimates, whether or not so expressly stated, are set forth as such and not as representations of fact, and no representation is made that any of such estimates will be realized. This Official Statement contains certain forward-looking statements and information that are based on the District’s beliefs as well as assumptions made by and information currently available to the District. Such statements are subject to certain risks, uncertainties and assumptions. Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those anticipated, estimated or expected.

The Underwriter has provided the following sentence for inclusion in this Official Statement. The Underwriter has reviewed the information in this Official Statement in accordance with, and as part of, its responsibilities to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriter does not guarantee the accuracy or completeness of such information.

This Official Statement should be considered in its entirety and no one factor considered less important than any other by reason of its position in this Official Statement. Where statutes, resolutions, reports or other documents are referred to herein, reference should be made to such statutes, resolutions, reports or other documents for more complete information regarding the rights and obligations of parties thereto, facts and opinions contained therein and the subject matter thereof.

Upon issuance, the Bonds will not be registered under the Securities Act of 1933, as amended, and will not be listed on any stock or other securities exchange and neither the Securities and Exchange Commission nor any other Federal, State, Municipal or other governmental entity, other than the District, shall have passed upon the accuracy or adequacy of this Official Statement.

Assured Guaranty Inc. (“AG”) makes no representation regarding the Bonds or the advisability of investing in the Bonds. In addition, AG has not independently verified, makes no representation regarding, and does not accept any responsibility for the accuracy or completeness of this Official Statement or any information or disclosure contained herein, or omitted herefrom, other than with respect to the accuracy of the information regarding AG, supplied by AG and presented under the heading “BOND INSURANCE” and “Appendix D - Specimen Municipal Bond Insurance Policy”.

**Community Unit School District Number 100
Boone, McHenry and DeKalb Counties, Illinois
(Belvidere)
1201 5th Avenue
Belvidere, Illinois 61008
(815) 544-0301**

* * * * *

Board of Education

Jorge Herrera, President
Jeff Diestelmeier, Vice President
Holly Houk, Secretary
Brian Hoemke
Scott Mueller
Jermaine Pigeo
Barbi Yunk

Superintendent

Dr. Cassandra Schug

Chief Financial Officer/School Treasurer

Jo Ann Armstrong

* * * * *

Paying Agent/Registrar/Escrow Agent

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Municipal Advisor

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Edwardsville, Illinois 62025

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- A. Form of Legal Opinion of Bond Counsel
- B. Annual Financial Report and Other Financial Information for Fiscal Year Ended June 30, 2026
- C. Form of Continuing Disclosure Undertaking
- D. Specimen Municipal Bond Insurance Policy

\$22,500,000*
Community Unit School District Number 100
Boone, McHenry and DeKalb Counties, Illinois
(Belvidere)
General Obligation School Bonds, Series 2026

INTRODUCTION

The purpose of this Official Statement is to set forth certain information concerning Community Unit School District Number 100, Boone, McHenry and DeKalb Counties, Illinois (the “District”), in connection with the offering and sale of its \$22,500,000* General Obligation School Bonds, Series 2026 (the “Bonds”). This Official Statement includes the cover page, the reverse thereof and the Appendices. Certain factors that may affect an investment decision concerning the Bonds are described throughout this Official Statement. Persons considering a purchase of the Bonds should read this Official Statement in its entirety.

THE BONDS

General Description

The Bonds will be issued in fully-registered form, without coupons, in denominations of \$5,000 each or authorized integral multiples thereof under a book-entry only system operated by The Depository Trust Company, New York, New York (“DTC”). Principal of and interest on the Bonds will be payable as described under the caption “BOOK-ENTRY SYSTEM” by Zions Bancorporation, National Association, Chicago, Illinois, as paying agent and registrar (the “Registrar”).

The Bonds will be dated as of the date of delivery and will mature as shown on the inside cover page of this Official Statement. Interest on the Bonds will be payable on each January 1 and July 1, beginning July 1, 2027. The Bonds will bear interest from their dated date, or from the most recent interest payment date to which interest has been paid or provided for, computed on the basis of a 360-day year consisting of twelve 30-day months. The principal of the Bonds will be payable in lawful money of the United States of America upon presentation and surrender thereof at the principal corporate trust office of the Registrar in Chicago, Illinois. Interest on each Bond will be paid by check or draft of the Registrar payable upon presentation in lawful money of the United States of America to the person in whose name such Bond is registered at the close of business on the record date, which is the 15th day of the month next preceding the interest payment date (the “Record Date”).

The Bonds are subject to optional redemption prior to maturity as discussed under “Optional Redemption” herein.

*Preliminary, subject to change.

Registration and Exchange

The Bonds may be transferred, registered and assigned only on the registration books of the Registrar (the “Register”), and such registration shall be at the expense of the District; provided, however, that the District or the Registrar may require payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in connection with any transfer or exchange of Bonds, except in the case of the issuance of a Bond or Bonds for the unredeemed portion of a Bond surrendered for redemption.

Upon surrender for transfer of any Bond at the principal corporate trust office of the Registrar, duly endorsed by, or accompanied by a written instrument or instruments of transfer in form satisfactory to the Registrar and duly executed by, the registered owner or his or her attorney duly authorized in writing, the District shall execute and the Registrar shall authenticate, date and deliver in the name of the transferee or transferees a new fully-registered Bond or Bonds of the same maturity of authorized denominations for a like aggregate principal amount. Any fully-registered Bond or Bonds may be exchanged at said office of the Registrar for a like aggregate principal amount of Bond or Bonds of the same maturity of other authorized denominations. The execution by the District of any fully-registered Bond shall constitute full and due authorization of such Bond and the Registrar shall thereby be authorized to authenticate, date and deliver such Bond, provided, however, the principal amount of outstanding Bonds of each maturity authenticated by the Registrar shall not exceed the authorized principal amount of Bonds for such maturity less previous retirements.

The Registrar shall not be required to transfer or exchange any Bond during the period beginning at the close of business on the Record Date with respect to any interest payment date on such Bond and ending at the opening of business on such interest payment date, nor to transfer or exchange any Bond after notice calling such Bond for redemption has been mailed, nor during a period of fifteen (15) days next preceding mailing of a notice of redemption of any Bonds.

Authority and Purpose

The Bonds are issued pursuant to the School Code of the State of Illinois (the “School Code”), the Local Government Debt Reform Act of the State of Illinois (the “Debt Reform Act”), and all laws amendatory thereof and supplementary thereto, and a bond resolution adopted by the Board of Education (the “Board”) of the District on October 19, 2026, as supplemented by a notification of sale (together, the “Bond Resolution”). Proceeds of the Bonds will be used to (i) conform the District's existing facilities that house students to the building code promulgated by the State Board of Education of the State of Illinois, by altering and reconstructing said facilities and having equipment purchased and installed therein (the “Project”), (ii) refund a portion of the District’s outstanding General Obligation Refunding School Bonds, Series 2017, dated November 15, 2017 (the “2017 Bonds” and the portion being refunded, the “Refunded Bonds”), and (iii) pay costs associated with the issuance of the Bonds. See “USE OF PROCEEDS” herein.

Security and Payment

The Bonds, in the opinion of Chapman and Cutler LLP, Chicago, Illinois (“Bond Counsel”), are valid and legally binding upon the District and are payable from any funds of the District legally available for such purpose, and all taxable property in the District is subject to the levy of taxes to pay the same without limitation as to rate or amount, except that the rights of the owners of the Bonds and the enforceability of the Bonds may be limited by bankruptcy, insolvency, moratorium, reorganization and other similar laws affecting creditors’ rights and by equitable principles, whether considered at law or in equity, including the exercise of judicial discretion.

Pursuant to Public Act 103-0591, effective July 1, 2024, levies to pay school fire prevention and safety bonds, such as the Bonds, are excepted from the Property Tax Extension Limitation Law of the State of Illinois, as amended (the “Limitation Law”). See “REAL PROPERTY ASSESSMENT, TAX LEVY AND COLLECTION PROCEDURES—Property Tax Extension Limitation Law” herein for more information. The Bond Resolution provides for the levy of ad valorem taxes, unlimited as to rate or amount, upon all taxable property within the District in amounts sufficient to pay, as and when due, all principal of and interest on the Bonds. The Bond Resolution will be filed with the County Clerks of The Counties of Boone, McHenry and DeKalb, Illinois (the “County Clerks”), and will serve as authorization to the County Clerks to extend and collect the property taxes as set forth in the Bond Resolution to pay the Bonds.

Reference is made to Appendix A for the proposed form of legal opinion of Bond Counsel.

Optional Redemption

The Bonds are subject to redemption prior to maturity, at the option of the District as a whole or in part in integral multiples of \$5,000 in any order of their maturity as determined by the District (less than all of the Bonds of a single maturity to be selected by the Registrar), on January 1, 2036*, and on any date thereafter, at a redemption price of par plus accrued interest to the redemption date.

Redemption Procedures

The District will, at least 45 days prior to any optional redemption date (unless a shorter time period shall be satisfactory to the Registrar), notify the Registrar of such redemption date and of the principal amount and maturity or maturities of Bonds to be redeemed. For purposes of any redemption of less than all of the outstanding Bonds of a single maturity, the particular Bonds or portions of Bonds to be redeemed shall be selected by lot by the Registrar from the Bonds of such maturity by such method of lottery as the Registrar shall deem fair and appropriate (except when the Bonds are held in a book-entry system, in which case the selection of Bonds to be redeemed will be made in accordance with procedures established by DTC or any other book-entry depository); *provided* that such lottery will provide for the selection for redemption of Bonds or portions thereof in principal amounts of \$5,000 and integral multiples thereof.

*Preliminary, subject to change.

Unless waived by any holder of Bonds to be redeemed, notice of the call for any redemption will be given by the Registrar on behalf of the District by mailing the redemption notice by first-class mail at least thirty (30) days and not more than sixty (60) days prior to the date fixed for redemption to the registered owner of the Bonds to be redeemed at the address shown on the Register or at such other address as is furnished in writing by such registered owner to the Registrar.

All notices of redemption will state (1) the redemption date, (2) the redemption price, (3) if less than all the outstanding Bonds are to be redeemed, the identification (and, in the case of partial redemption of Bonds, the respective principal amounts) of the Bonds to be redeemed, (4) that on the redemption date the redemption price will become due and payable upon each such Bond or portion thereof called for redemption and that interest thereon will cease to accrue from and after said date, (5) the place where such Bonds are to be surrendered for payment of the redemption price, which place of payment will be the principal corporate trust office of the Registrar and (6) such other information then required by custom, practice or industry standard.

Unless moneys sufficient to pay the redemption price of the Bonds to be redeemed at the option of the District are received by the Registrar prior to the giving of such notice of redemption, such notice may, at the option of the District, state that said redemption will be conditional upon the receipt of such moneys by the Registrar on or prior to the date fixed for redemption. If such moneys are not received, such notice will be of no force and effect, the District will not redeem such Bonds, and the Registrar will give notice, in the same manner in which the notice of redemption was given, that such moneys were not so received and that such Bonds will not be redeemed. Otherwise, prior to any redemption date, the District will deposit with the Registrar an amount of money sufficient to pay the redemption price of all the Bonds or portions of Bonds which are to be redeemed on that date.

Subject to the provisions for a conditional redemption described above, notice of redemption having been given as described above and in the Bond Resolution, and notwithstanding failure to receive such notice, the Bonds or portions of Bonds so to be redeemed will, on the redemption date, become due and payable at the redemption price therein specified, and from and after such date (unless the District shall default in the payment of the redemption price), such Bonds or portion of Bonds will cease to bear interest. Upon surrender of such Bonds for redemption in accordance with said notice, such Bonds will be paid by the Registrar at the redemption price.

USE OF PROCEEDS

The Project

In October 2023, the District finished a 10-year Facilities Master Plan (the “Master Plan”), which identified \$120 million of long-term projects across Phase 1 and Phase 2. Phase 1 is being funded in part by approximately \$7.5 million transferred from the Educational Fund to the Capital Projects Fund during the fiscal year ended June 30, 2025 (see “SUMMARY OF OPERATING RESULTS – Summary of Operating Funds and Debt Service Fund” herein).

The proceeds of the General Obligation School Bonds, Series 2025A (the “2025A Bonds”), together with the Bonds, will fund the Project described below, which is part of the Phase 1 projects identified in the Master Plan. The District has not yet determined the timing of the Phase 2 projects, which are estimated to total approximately \$70 million. See “THE DISTRICT – Educational Facilities” herein for more information.

Bond proceeds will be used to finance the Project, which includes mechanical HVAC improvements, security enhancements (including cameras and access control), lighting improvements, parking lot improvements, and playground improvements. Overall costs of the life safety projects and other projects from the Master Plan were more expensive (also many soft costs including sufficient architect, engineering and design fees were not included in the original estimates), which prompted the need for the Bonds. The Project is expected to be completed during the summer construction seasons in 2027 and 2028.

The Refunding

Proceeds of the Bonds, together with funds of the District on hand and legally available for such purpose (the “Available Funds”), will be also used to refund the Refunded Bonds. The purpose of the refunding is to restructure the 2017 Bonds to maintain the overall debt service levy. The Refunded Bonds are further described below.

2017 Bonds

(Dated Date: November 15, 2017)

CUSIP (099032) ⁽¹⁾	Maturities (January 1)	Original Outstanding Amount	Previously Refunded Bonds	Refunded by the Bonds*	Remaining Amount*	Redemption Price ⁽²⁾	Redemption Date
JH8	2028	\$ 2,940,000	\$ 1,040,000	\$ 1,160,000	\$ 740,000	100.00%	January 1, 2027
JJ4	2029	3,055,000	1,600,000	1,455,000	-	100.00%	January 1, 2027
JK1	2030	3,180,000	1,645,000	1,535,000	-	100.00%	January 1, 2027
		<u>\$ 9,175,000</u>	<u>\$ 4,285,000</u>	<u>\$ 4,150,000</u>	<u>\$ 740,000</u>		

*Preliminary, subject to change.

(1) Unrefunded CUSIP numbers.

(2) Expressed as a percentage of par.

Proceeds of the Bonds, together with the Available Funds, will be used to fund an irrevocable escrow account (the “Escrow Account”) consisting of cash and direct obligations of the United States of America (the “Government Obligations”). The Escrow Account will be held by Zions Bancorporation, National Association, Chicago, Illinois (the “Escrow Agent”), and will be used to pay the principal of and interest on the Refunded Bonds on the redemption date thereof. The Escrow Account will be held by the Escrow Agent pursuant to an escrow agreement between the District and the Escrow Agent which irrevocably directs the Escrow Agent to (i) make all payments of the principal of and interest on the Refunded Bonds on the redemption date, and (ii) take all steps necessary to call the Refunded Bonds on such date. The Escrow Account will be funded in such amounts so that the initial cash deposit and the principal and interest payments received on the Government Obligations will be sufficient, without reinvestment, to pay the principal of and interest on the Refunded Bonds on the redemption date.

SOURCES AND USES

Estimated Sources of Funds

Par Amount of the Bonds.....	
Available Funds.....	
[Net] Original Issue Premium/(Discount).....	
Total Sources	\$ -

Estimated Uses of Funds

Costs of the Project.....	
Deposit in the Escrow Account.....	
Costs of Issuance.. ⁽¹⁾	
Total Uses	\$ -

(1) Includes Underwriter’s discount, Bond, Disclosure and Underwriter’s Counsel fees, Municipal Advisor’s fee, Registrar’s fee, Escrow Agent fee, rating agency fee, bond insurance premium and other costs of issuance.

BOND INSURANCE

Bond Insurance Policy

Concurrently with the issuance of the Bonds, Assured Guaranty Inc. (“AG”) will issue its Municipal Bond Insurance Policy (the “Policy”) for the Bonds. The Policy guarantees the scheduled payment of principal of and interest on the Bonds when due as set forth in the form of the Policy included as an appendix to this Official Statement.

The Policy is not covered by any insurance security or guaranty fund established under New York, Maryland, California, Connecticut or Florida insurance law.

Assured Guaranty Inc.

AG is a Maryland domiciled financial guaranty insurance company and an indirect subsidiary of Assured Guaranty Ltd. (“AGL” and together with its subsidiaries, “Assured Guaranty”), a Bermuda-based holding company whose shares are publicly traded and are listed on the New York Stock Exchange under the symbol “AGO.” AGL, through its subsidiaries, provides credit enhancement products to the U.S. and non-U.S. public finance (including infrastructure) and structured finance markets, and participates in the asset management business through ownership interests in Sound Point Capital Management, LP and certain of its investment management affiliates, and in the annuity reinsurance business through Assured Life Reinsurance Ltd. Only AG is obligated to pay claims under the insurance policies AG has issued, and not AGL or any of its shareholders or other affiliates.

AG’s financial strength is rated “AA” (stable outlook) by S&P Global Ratings, a business unit of Standard & Poor’s Financial Services LLC (“S&P”), “AA+” (stable outlook) by Kroll Bond Rating Agency, Inc. (“KBRA”) and “A1” (stable outlook) by Moody’s Investors Service, Inc. (“Moody’s”). Each rating of AG should be evaluated independently. An explanation of the significance of the above ratings may be obtained from the applicable rating agency. The above ratings are not recommendations to buy, sell or hold any security, and such ratings are subject to revision or withdrawal at any time by the rating agencies, including withdrawal initiated at the request of AG in its sole discretion. In addition, the rating agencies may at any time change AG’s long-term rating outlooks or place such ratings on a watch list for possible downgrade in the near term. Any downward revision or withdrawal of any of the above ratings, the assignment of a negative outlook to such ratings or the placement of such ratings on a negative watch list may have an adverse effect on the market price of any security guaranteed by AG. AG only guarantees scheduled principal and scheduled interest payments payable by the issuer of bonds insured by AG on the date(s) when such amounts were initially scheduled to become due and payable (subject to and in accordance with the terms of the relevant insurance policy), and does not guarantee the market price or liquidity of the securities it insures, nor does it guarantee that the ratings on such securities will not be revised or withdrawn.

Current Financial Strength Ratings

On August 3, 2026, KBRA announced that it had affirmed AG’s insurance financial strength rating of “AA+” (stable outlook).

On July 27, 2026, Moody’s announced that it had affirmed AG’s insurance financial strength rating of “A1” (stable outlook).

On July 17, 2026, S&P announced that it had affirmed AG’s financial strength rating of “AA” (stable outlook).

AG can give no assurance as to any further ratings action that S&P, Moody’s and/or KBRA may take. For more information regarding AG’s financial strength ratings and the risks relating thereto, see AGL’s Annual Report on Form 10-K for the fiscal year ended December 31, 2025.

Capitalization of AG

At June 30, 2026:

- The policyholders' surplus of AG was approximately \$3,088 million.
- The contingency reserve of AG was approximately \$1,569 million.
- The net unearned premium reserves and net deferred ceding commission income of AG and its subsidiaries (as described below) were approximately \$2,411 million. Such amount includes (i) 100% of the net unearned premium reserve and net deferred ceding commission income of AG and (ii) the net unearned premium reserves and net deferred ceding commissions of AG's wholly owned subsidiary Assured Guaranty UK Limited ("AGUK"), and its 99.9999% owned subsidiary Assured Guaranty (Europe) SA ("AGE").

The policyholders' surplus, contingency reserve, and net unearned premium reserves and net deferred ceding commission income of AG were determined in accordance with statutory accounting principles. The net unearned premium reserves and net deferred ceding commissions of AGUK and AGE were determined in accordance with accounting principles generally accepted in the United States of America.

Incorporation of Certain Documents by Reference

Portions of the following documents filed by AGL with the Securities and Exchange Commission (the "SEC") that relate to AG are incorporated by reference into this Official Statement and shall be deemed to be a part hereof:

- (i) the Annual Report on Form 10-K for the fiscal year ended December 31, 2025 (filed by AGL with the SEC on February 27, 2026);
- (ii) the Quarterly Report on Form 10-Q for the quarterly period ended March 1, 2026 (filed by AGL with the SEC on May 8, 2026); and
- (iii) the Quarterly Report on Form 10-Q for the quarterly period ended June 30, 2026 (filed by AGL with the SEC on August 7, 2026).

All information relating to AG included in, or as exhibits to, documents filed by AGL with the SEC pursuant to Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended, excluding Current Reports or portions thereof "furnished" under Item 2.02 or Item 7.01 of Form 8-K, after the filing of the last document referred to above and before the termination of the offering of the Bonds shall be deemed incorporated by reference into this Official Statement and to be a part hereof from the respective dates of filing such documents. Copies of materials incorporated by reference are available over the internet at the SEC's website at <http://www.sec.gov>, at AGL's website at <http://www.assuredguaranty.com>, or will be provided

upon request to Assured Guaranty Inc.: 1633 Broadway, New York, New York 10019, Attention: Communications Department (telephone (212) 974-0100). Except for the information referred to above, no information available on or through AGL's website shall be deemed to be part of or incorporated in this Official Statement.

Any information regarding AG included herein under the caption "BOND INSURANCE – Assured Guaranty Inc." or included in a document incorporated by reference herein (collectively, the "AG Information") shall be modified or superseded to the extent that any subsequently included AG Information (either directly or through incorporation by reference) modifies or supersedes such previously included AG Information. Any AG Information so modified or superseded shall not constitute a part of this Official Statement, except as so modified or superseded.

Miscellaneous Matters

AG makes no representation regarding the Bonds or the advisability of investing in the Bonds. In addition, AG has not independently verified, makes no representation regarding, and does not accept any responsibility for the accuracy or completeness of this Official Statement or any information or disclosure contained herein, or omitted herefrom, other than with respect to the accuracy of the information regarding AG supplied by AG and presented under the heading "BOND INSURANCE".

BOOK-ENTRY SYSTEM

DTC will act as securities depository for the Bonds. The Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Bond certificate will be issued for each maturity of the Bonds, in the aggregate principal amount of such maturity, and will be deposited with DTC.

DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is

also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly (“Indirect Participants”). DTC has an S&P rating of “AA+”. The DTC Rules applicable to its Participants are on file with the SEC. More information about DTC can be found at www.dtcc.com.

Purchases of Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Bonds on DTC’s records. The ownership interest of each actual purchaser of each Bond (“Beneficial Owner”) is in turn to be recorded on the Direct and Indirect Participants’ records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Bonds, except in the event that use of the book-entry system for the Bonds is discontinued.

To facilitate subsequent transfers, all Bonds deposited by Direct Participants with DTC are registered in the name of DTC’s partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not affect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Bonds; DTC’s records reflect only the identity of the Direct Participants to whose accounts such Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Bonds may wish to take certain steps to augment transmission to them of notices of significant events with respect to the Bonds, such as redemptions, tenders, defaults, and proposed amendments to the Bond documents. For example, Beneficial Owners of Bonds may wish to ascertain that the nominee holding the Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the Registrar and request that copies of notices be provided directly to them.

Redemption notices shall be sent to DTC. If less than all of the Bonds within an issue are being redeemed, DTC’s practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the Bonds unless authorized by a Direct Participant in accordance with DTC’s MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the District as soon as

possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Redemption proceeds, distributions, and dividend payments on the Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detailed information from the District or Registrar, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Registrar, or the District, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the District or the Registrar, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as depository with respect to the Bonds at any time by giving reasonable notice to the District or the Registrar. Under such circumstances, in the event that a successor depository is not obtained, Bond certificates are required to be printed and delivered.

The District may decide to discontinue use of the system of book-entry transfers through DTC (or a successor securities depository). In that event, Bond certificates will be printed and delivered to DTC.

The information in this section concerning DTC and DTC's book-entry system has been obtained from DTC, and the District takes no responsibility for the accuracy thereof.

The District will have no responsibility or obligation to any Securities Depository, any Participants in the Book-Entry System or the Beneficial Owners with respect to (i) the accuracy of any records maintained by the Securities Depository or any Participant; (ii) the payment by the Securities Depository or by any Participant of any amount due to any Beneficial Owner in respect of the principal amount or redemption price of, or interest on, any Bonds; (iii) the delivery of any notice by the Securities Depository or any Participant; (iv) the selection of the Beneficial Owners to receive payment in the event of any partial redemption of the Bonds; or (v) any other action taken by the Securities Depository or any Participant.

REAL PROPERTY ASSESSMENT, TAX LEVY AND COLLECTION PROCEDURES

Summary of Property Assessment, Tax Levy and Collection Procedures

A separate tax to pay principal of and interest on the Bonds will be levied on all taxable real property within the District. The information under this caption describes the current procedures for real property assessments, tax levies and collections in Boone, McHenry and DeKalb Counties, Illinois. There can be no assurance that the procedures described herein will not change.

Tax Levy and Collection Procedures

Local Assessment Officers determine the assessed valuation of taxable real property and railroad property not held or used for railroad operations. The Illinois Department of Revenue (the "Department") assesses certain other types of taxable property, including railroad property held or used for railroad operations. Local Assessment Officers' valuation determinations are subject to review at the county level and then, in general, to equalization by the Department. Such equalization is achieved by applying to each county's assessments a multiplier determined by the Department. The purpose of equalization is to provide a common basis of assessments among counties by adjusting assessments toward the statutory standard of 33-1/3% of fair cash value. Farmland is assessed according to a statutory formula, which takes into account factors such as productivity and crop mix. Taxes are extended against the assessed values after equalization.

Property tax levies of each taxing body are filed in the office of the county clerk of each county in which territory of that taxing body is located. The county clerk computes the rates and amount of taxes applicable to taxable property subject to the tax levies of each taxing body and determines the dollar amount of taxes attributable to each respective parcel of taxable property. The county clerk then supplies to the appropriate collecting officials within the county the information needed to bill the taxes attributable to the various parcels therein. After the taxes have been collected, the collecting officials distribute to the various taxing bodies their respective shares of the taxes collected. Taxes levied in one calendar year are due and payable in two installments during the next calendar year.

Unpaid Taxes and Annual Tax Sales

Taxes that are not paid when due, or that are not paid by mail and postmarked on or before the due date, are deemed delinquent and bear interest at the rate of 1.5% per month (or portion thereof) until paid. Unpaid property taxes, together with penalties, interest and costs, constitute a lien against the property subject to the tax. If taxes go unpaid for 13 months, each county treasurer is required to sell the delinquent property taxes at the "Annual Tax Sale" — a sale of tax liens, not properties. A public sale is held, at which time successful tax buyers pay the unpaid taxes plus penalties. Taxpayers can redeem their property by paying the amount paid at the sale, plus interest penalties and fees. If no redemption is made within the applicable redemption period, then the tax buyer can secure a court-ordered deed to the home. If a tax buyer can prove the home has been abandoned, the period for seeking a deed can be shortened to two

years. Owners of vacant, commercial and industrial properties have six months to redeem their taxes before the tax buyer can seek ownership of the property.

If there is no sale of the tax lien on a parcel of property at the Annual Tax Sale, the taxes are forfeited and the property becomes eligible to be purchased at any time thereafter at an amount equal to all delinquent taxes and interest accrued to the date of purchase. Redemption periods and procedures are the same as applicable to the Annual Tax Sale.

When taxes go unpaid for more than 20 years, Illinois law states that the property is “forfeited to the state.” As a practical matter, this does not happen. Instead, the taxes are wiped out, as the property remains in its distressed condition barring a change in the owner’s circumstances or it being sold.

Recent federal court decisions have challenged the constitutionality of tax sale systems similar to the Illinois tax sale system in other states. In December 2025, a federal court determined that Cook County’s tax sale system is likewise unconstitutional based on those earlier rulings. In response to these rulings, Public Act 104-0553, which became law on July 10, 2026, makes significant amendments to the Property Tax Code (as hereinafter defined), including: (i) requiring that properties subject to tax deed proceedings be sold at a judicial tax deed auction to the highest bidder, rather than directly to the tax purchaser; (ii) entitling former property owners to receive any surplus proceeds from such auctions that exceed the amount of the tax deed judgment; (iii) establishing a surplus equity fund to compensate former owners who sustained losses from tax deeds recorded in the two years prior to the effective date of the legislation or from outstanding tax certificates issued prior to the effective date; (iv) enhancing notice requirements to property owners regarding tax sales, redemption rights, and tax deed auctions, including multilingual notice requirements in counties with 3,000,000 or more inhabitants; and (v) establishing a pilot program in Cook County under which the county may acquire tax certificates for up to 100 homestead properties with the lowest tax amounts. These provisions apply to tax certificates issued on or after July 10, 2026. The District makes no prediction as to the effect of such rulings or legislation on the State of Illinois’ (the “State”) tax sale process or on the District’s receipt of property tax revenues.

Exemptions

The Illinois Property Tax Code, as amended (the “Property Tax Code”), exempts certain property from taxation. Certain property is exempt from taxation on the basis of ownership and/or use, including, but not limited to, public parks, not-for-profit schools, public schools, churches, not-for-profit hospitals and public hospitals. In addition, the Property Tax Code provides a variety of homestead exemptions, which are discussed below.

An annual General Homestead Exemption provides that the Equalized Assessed Valuation (“EAV”) of certain property owned and used for residential purposes (“Residential Property”) may be reduced by the amount of any increase over the 1977 EAV, up to a maximum reduction of \$6,000. Beginning with tax year 2023, the maximum reduction in the five collar counties (DuPage, Kane, Lake, McHenry and Will) (the “Collar Counties”) is \$8,000.

The Homestead Improvement Exemption applies to Residential Property that has been improved or rebuilt in the two years following a catastrophic event, as defined in the Property Tax Code. The exemption is limited to an annual maximum amount of \$75,000 for up to four years to the extent the assessed value is attributable solely to such improvements or rebuilding.

The Senior Citizens Homestead Exemption annually reduces the EAV on residences owned and occupied by senior citizens. The maximum exemption is \$5,000. Beginning with tax year 2023, the maximum exemption in the Collar Counties is \$8,000.

The Senior Citizens Assessment Freeze Homestead Exemption freezes property tax assessments for homeowners who are 65 and older, reside in their property as their principal place of residence and receive a household income not in excess of the maximum income limitation. The maximum income limitation is \$65,000. This exemption grants to qualifying senior citizens an exemption equal to the difference between (a) the current EAV of the residence and (b) the EAV of a senior citizen's residence for the year prior to the year in which he or she first qualifies and applies for the exemption, plus the EAV of improvements since such year.

Purchasers of certain single family homes and residences of one to six units located in certain targeted areas (as defined in the Property Tax Code) can apply for the Community Stabilization Assessment Freeze Pilot Program. To be eligible the purchaser must meet certain requirements for rehabilitating the property, including expenditures of at least \$5 per square foot, adjusted by the Consumer Price Index ("CPI"). Upon meeting the requirements, the assessed value of the improvements is reduced by (a) 90% in the first seven years, (b) 65% in the eighth year and (c) 35% in the ninth year. The benefit ceases in the tenth year. The program will be phased out by June 30, 2029.

The Natural Disaster Homestead Exemption (the "Natural Disaster Exemption") applies to homestead properties containing a residential structure that has been rebuilt following a natural disaster. A natural disaster is an occurrence of widespread or severe damage or loss of property resulting from any catastrophic cause including but not limited to fire, flood, earthquake, wind, or storm. The Natural Disaster Exemption is equal to the EAV of the residence in the first taxable year for which the taxpayer applies for the exemption minus the base amount. To be eligible for the Natural Disaster Exemption, the residential structure must be rebuilt within two years after the date of the natural disaster, and the square footage of the rebuilt residential structure may not be more than 110% of the square footage of the original residential structure as it existed immediately prior to the natural disaster. The Natural Disaster Exemption remains at a constant amount until the taxable year in which the property is sold or transferred.

Several exemptions are available to veterans of the United States armed forces. The Veterans with Disabilities Exemption for Specially-Adapted Housing exempts up to \$100,000 of the Assessed Valuation of property owned and used exclusively by veterans with a disability, their spouses or unmarried surviving spouses. Qualification for this exemption requires the veteran's disability to be of such a nature that the federal government has authorized payment for purchase of specially adapted housing under the U.S. Code as certified to annually by the Illinois

Department of Veterans Affairs or for housing or adaptations donated by a charitable organization to such disabled veteran.

The Standard Homestead Exemption for Veterans with Disabilities provides an annual homestead exemption to veterans with a service-connected disability based on the percentage of such disability. If the veteran has a (a) service-connected disability of 30% or more but less than 50%, the annual exemption is \$2,500, (b) service-connected disability of 50% or more but less than 70%, the annual exemption is \$5,000, and (c) service-connected disability of 70% or more, the property is exempt from taxation.

The Returning Veterans' Homestead Exemption is available for property owned and occupied as the principal residence of a veteran in the assessment year, and the year following the assessment year, in which the veteran returns from an armed conflict while on active duty in the United States armed forces. This provision grants a one-time, two-year homestead exemption of \$5,000.

Finally, the Homestead Exemption for Persons with Disabilities provides an annual homestead exemption in the amount of \$2,000 for property that is owned and occupied by certain disabled persons who meet State-mandated guidelines.

Property Tax Extension Limitation Law

The Limitation Law limits the annual growth in the amount of property taxes to be extended for certain Illinois non-home rule units, including the District. In general, the annual growth permitted under the Limitation Law is the lesser of 5% or the percentage increase in the CPI during the calendar year preceding the levy year. Taxes can also be increased due to new construction, referendum approval of tax rate increases, mergers and consolidations.

The effect of the Limitation Law is to limit the amount of property taxes that can be extended for a taxing body. In addition, general obligation bonds, notes and installment contracts payable from ad valorem taxes unlimited as to rate and amount cannot be issued by the affected taxing bodies unless they are approved by referendum, are bonds issued after July 1, 2024, for school fire prevention and safety purposes (such as the portion of the Bonds used for the Project), are alternate bonds or are for certain refunding purposes (such as the portion of the Bonds used to refund the Refunded Bonds).

The District has the authority to levy taxes for many different purposes. See "FINANCIAL INFORMATION - Tax Rates" herein. The ceiling at any particular time on the rate at which these taxes may be extended for the District is either (a) unlimited (as provided by statute), (b) initially set by statute but permitted to be increased by referendum, (c) capped by statute, or (d) limited to the rate approved by referendum. The only ceiling on a particular tax rate is the ceiling set by statute, at which the rate is not permitted to be further increased by referendum or otherwise. Therefore, taxing districts (such as the District) have flexibility to levy taxes for the purposes for which they most need the money. The total aggregate tax rate for the various purposes subject to the Limitation Law, however, will not be allowed to exceed the District's limiting rate computed in accordance with the provisions of the Limitation Law.

If the District's Adequacy Target (as defined under "STATE AID" herein) exceeds 110% for the school year that begins during the calendar year immediately preceding the levy year for which a tax reduction is sought, a petition signed by at least 10% of the registered voters in the District may be filed requiring a proposition to be submitted to the District's voters at the next consolidated election in April of odd-numbered years asking the voters whether the District must reduce its extension for educational purposes for the levy year in which the election is held to an amount that is less than the extension for educational purposes for the immediately preceding levy year. The reduced extension, however, may not be more than 10% lower than the amount extended for educational purposes in the previous levy year and may not cause the District's Adequacy Target to fall below 110% for the levy year for which the reduction is sought. If the voters approve the proposition, the County Clerks will extend a rate for educational purposes that is no greater than the limiting rate for educational purposes computed in accordance with the Limitation Law. Furthermore, if the voters approve such proposition, separate limiting rates for educational purposes and for the aggregate of the District's other funds subject to the Limitation Law will be computed in accordance with the provisions of the Limitation Law. If the proposition is submitted to the voters, it may not be submitted again at any of the next two consolidated elections.

Local governments, including the District, can issue limited bonds in lieu of general obligation bonds that have otherwise been authorized by applicable law.

Beginning with levy year 2021, each tax-capped taxing district (such as the District) receives an automatic levy increase in the amount of any property tax refunds paid by such taxing district in the prior year as a result of the issuance of certificates of error, court orders issued in connection with valuation tax objection complaints and Illinois Property Tax Appeal Board decisions. For levy year 2025, the additional amount added to the District's tax levy as a result of this change was \$173,336.

Pursuant to Section 18-190.7 of the Property Tax Code, school districts that have a designation of "recognition" or "review" according to the Illinois State Board of Education's ("ISBE") School District Financial Profile System, park districts, library districts and community college districts and for which taxes were not extended at the maximum amount permitted under the Limitation Law in a given levy year may be able to recapture all or a portion of such unrealized levy amount in a subsequent levy year. Section 18-190.7 directs county clerks, in calculating the limiting rate for a given taxing district, to use the greater of the taxing district's last preceding aggregate extension or the district's last preceding aggregate extension if the taxing district had utilized the maximum limiting rate permitted without referendum for each of the three immediately preceding levy years. The aggregate extension of a taxing district that includes any recapture for a particular levy year cannot exceed the taxing district's aggregate extension for the immediately preceding levy year by more than 5%. If a taxing district cannot recapture the entire unrealized levy amount in a single levy year, the taxing district may increase its aggregate extension in each succeeding levy year until the entire levy amount is recaptured.

Illinois legislators have introduced several proposals to further modify the Limitation Law, including freezing property taxes and extending tax caps to all taxing bodies in the State. The District cannot predict whether, or in what form, any change to the Limitation Law may be

enacted into law, nor can the District predict the effect of any such change on the District's finances.

Truth in Taxation Law

Legislation known as the Truth in Taxation Law (the "Law") limits the aggregate amount of certain taxes which can be levied by, and extended for, a taxing district to 105% of the amount of taxes extended in the preceding year unless specified notice, hearing and certification requirements are met by the taxing body. The express purpose of the Law is to require published disclosure of, and hearing upon, an intention to adopt a levy in excess of the specified levels.

The provisions of the Law do not apply to levies made to pay principal of and interest on the Bonds. The District covenanted in the Bond Resolution that it will not take any action or fail to take any action which in any way would adversely affect the ability of the District to levy and collect the taxes levied by the District for payment of principal of and interest on the Bonds. The District also covenanted that it and its officers will comply with all present and future applicable laws to assure that such taxes will be levied, extended, collected and deposited as provided in the Bond Resolution.

RISK FACTORS

The purchase of the Bonds involves certain investment risks. Accordingly, each prospective purchaser of the Bonds should make an independent evaluation of the entirety of the information presented in this Official Statement and its appendices in order to make an informed investment decision. Certain of the investment risks are described below. The following statements, however, should not be considered a complete description of all risks to be considered in the decision to purchase the Bonds, nor should the order of the presentation of such risks be construed to reflect the relative importance of the various risks. There can be no assurance that other risk factors are not material or will not become material in the future.

Construction Risks

There are potential risks that could affect the ability of the District to timely complete the Project. While preliminary costs have been projected by the District's consulting architects, not all of the construction contracts have been let by the District. No assurance can be given that the cost of completing the Project will not exceed available funds.

Completion of the Project involves many risks common to construction projects such as shortages or delays in the availability of materials and labor, work stoppages, labor disputes, contractual disputes with contractors or suppliers, weather interferences, construction accidents, delays in obtaining legal approvals, unforeseen engineering, archeological or environmental problems and unanticipated cost increases, any of which could give rise to significant delays or cost overruns.

Finances of the State of Illinois

State funding sources constituted 40.14% of the District's combined Educational Fund and Operations and Maintenance Fund (the "General Fund") revenue sources for the fiscal year ended June 30, 2026. While the finances of the State have significantly improved in recent years, the State continues to deal with a severe underfunding of its pension systems, which, based on the comprehensive annual financial reports of the State's five retirement systems, have a combined unfunded pension liability of approximately \$140 billion and a combined funded ratio of approximately 45%.

Federal Revenues

Illinois school districts receive direct and indirect funding from various federal programs, such as Title I, the Individuals with Disabilities Education Act, and nutrition programs such as the National School Lunch and Breakfast Programs. These programs are subject to the priorities and policies of the federal government, which may change significantly from one administration to another, and such programs may be modified through executive action or through legislation enacted by the Congress of the United States ("Congress"). Under the current administration, the federal government has taken executive actions to reduce the size and scope of the U.S. Department of Education, to terminate or restrict certain programs and services for students with disabilities, low-income students, and students from diverse backgrounds, and to impose new conditions and requirements for federal funding. These actions may impact the availability and amount of federal revenues received by Illinois school districts, such as the District. A reduction or interruption in federal funding, or an increase in compliance costs, could adversely affect the District's financial condition and operations. The District makes no prediction as to the effect of these actions on the District's federal revenues, which constituted 9.68% of the District's General Fund revenue sources for the fiscal year ended June 30, 2026, or the District's ability to comply with federal laws and regulations in the future.

Local Economy

The financial health of the District is in part dependent on the strength of the local economy. Many factors impact the local economy, including rates of employment and economic growth and the level of residential and commercial development. It is not possible to predict to what extent any changes in economic conditions, demographic characteristics, population or commercial and industrial activity will occur and what impact such changes would have on the finances of the District.

Unemployment

Unemployment rates are not specifically compiled for the District. However, the City of Belvidere (the "City") located within the District has had higher unemployment rates as compared to the County and the State for the last 5 years. See "SOCIO-ECONOMIC CHARACTERISTICS – History of Unemployment Statistics" herein. Unemployed workers who reside within the District may lack the financial resources to pay taxes owed to the District in a timely manner or at all. The high number of unemployed workers residing within the District

could increase the likelihood that the District will not be able to collect the full amount of taxes levied, both to pay the Bonds and to fund the District's operations, which could adversely affect the District's ability to repay or the timing of repayment of the Bonds.

Loss or Change of Bond Ratings

The Bonds have received a credit rating from Moody's and are expected to receive an insured credit rating from S&P. The ratings can be changed or withdrawn at any time for reasons both under and outside the District's control. Any change, withdrawal or combination thereof could adversely affect the ability of investors to sell the Bonds or may affect the price at which they can be sold.

Cybersecurity

Computer networks and data transmission and collection are vital to the efficient operation of the District. Despite the implementation of network security measures by the District, its information technology and infrastructure may be vulnerable to deliberate attacks by hackers, malware, ransomware or computer viruses, or may otherwise be breached due to employee error, malfeasance or other disruptions. Any such breach could compromise networks and the information stored thereon could be disrupted, accessed, publicly disclosed, lost or stolen. Although the District does not believe that its information technology systems are at a materially greater risk of cybersecurity attacks than other similarly-situated governmental entities, any such disruption, access, disclosure or other loss of information could have an adverse effect on the District's operations and financial health. Further, as cybersecurity threats continue to evolve, the District may be required to expend significant additional resources to continue to modify and strengthen security measures, investigate and remediate any vulnerabilities, or invest in new technology designed to mitigate security risks.

Secondary Market for the Bonds

No assurance can be given that a secondary market will develop for the purchase and sale of the Bonds or, if a secondary market exists, that such Bonds can be sold for any particular price. The hereinafter-defined Underwriter is not obligated to engage in secondary market trading or to repurchase any of the Bonds at the request of the owners thereof.

Prices of the Bonds as traded in the secondary market are subject to adjustment upward and downward in response to changes in the credit markets and other prevailing circumstances. No guarantee exists as to the future market value of the Bonds. Such market value could be substantially different from the original purchase price.

Continuing Disclosure

A failure by the District to comply with the Undertaking (as defined herein) for continuing disclosure (see "CONTINUING DISCLOSURE" herein) will not constitute an event of default on the Bonds. Any such failure must be reported in accordance with Rule 15c2-12 (the

“Rule”) adopted by the Commission under the Exchange Act, and may adversely affect the transferability and liquidity of the Bonds and their market price.

Suitability of Investment

The interest rates borne by the Bonds are intended to compensate the investor for assuming the risk of investing in the Bonds. Furthermore, the tax-exempt feature of the Bonds is currently more valuable to high tax bracket investors than to investors that are in low tax brackets. As such, the value of the interest compensation to any particular investor will vary with individual tax rates and circumstances. Each prospective investor should carefully examine this Official Statement and its own financial condition to make a judgment as to its ability to bear the economic risk of such an investment, and whether or not the Bonds are an appropriate investment for such investor.

Future Changes in Laws

Various state and federal laws, regulations and constitutional provisions apply to the District and to the Bonds. The District can give no assurance that there will not be a change in, interpretation of, or addition to such applicable laws, provisions and regulations which would have a material effect, either directly or indirectly, on the District, or the taxing authority of the District. For example, many elements of local government finance, including the issuance of debt and the levy of property taxes, are controlled by State government. Future actions of the State may affect the overall financial conditions of the District, the taxable value of property within the District, and the ability of the District to levy property taxes or collect revenues for its ongoing operations.

Factors Relating to Tax Exemption

As discussed under “TAX EXEMPTION” herein, interest on the Bonds could become includible in gross income for purposes of federal income taxation, retroactive to the date the Bonds were issued, as a result of future acts or omissions of the District in violation of its covenants in the Bond Resolution. Should such an event of taxability occur, the Bonds are not subject to any special redemption.

There are or may be pending in Congress legislative proposals relating to the federal tax treatment of interest on the Bonds, including some that carry retroactive effective dates, that, if enacted, could affect the market value of the Bonds. It cannot be predicted whether or in what form any such proposal might be enacted or whether, if enacted, it would apply to bonds issued prior to enactment. Finally, reduction or elimination of the tax-exempt status of obligations such as the Bonds could have an adverse effect on the District’s ability to access the capital markets to finance future capital or operational needs by reducing market demand for such obligations or materially increasing borrowing costs of the District.

The tax-exempt bond office of the Internal Revenue Service (the “Service”) is conducting audits of tax-exempt bonds, both compliance checks and full audits, to determine whether, in the view of the Service, interest on such tax-exempt obligations is includible in the gross income of

the owners thereof for federal income tax purposes. It cannot be predicted whether the Service will commence any such audit. If an audit is commenced, under current procedures the Service may treat the District as a taxpayer and the Bondholders may have no right to participate in such proceeding. The commencement of an audit with respect to any tax-exempt obligations of the District could adversely affect the market value and liquidity of the Bonds, regardless of the ultimate outcome.

Bankruptcy

The rights and remedies of the Bondholders may be limited by and are subject to the provisions of federal bankruptcy laws, to other laws or equitable principles that may affect the enforcement of creditors' rights, to the exercise of judicial discretion in appropriate cases and to limitations on legal remedies against local governments. The various opinions of counsel to be delivered with respect to the Bonds will be similarly qualified.

THE DISTRICT

General Description

The District is located in north central Illinois approximately 75 miles northwest of downtown Chicago, 15 miles south of the Wisconsin state line and 12 miles east of the City of Rockford. The City of Rockford is the county seat of Winnebago County, Illinois, and is the third largest city in the State. The District's boundaries encompass approximately 159 square miles. Five elementary schools serve grades kindergarten through five, two middle schools serve grades six through eight, two high schools serve grades 9-12, and one alternative high school serves grades 9-12.

The City (42.49% of the District's 2025 EAV), the county seat for Boone County, Illinois (the "County"), accounts for most of the District's residential area. The District also serves portions of the municipalities of Caledonia (0.38% of the District's 2025 EAV), Cherry Valley (1.35% of the District's 2025 EAV), Timberlane (2.52% of the District's 2025 EAV) and Loves Park (5.06% of the District's 2025 EAV). The District serves small portions of unincorporated McHenry and DeKalb Counties representing 0.03% and 0.03% of the District's 2025 EAV, respectively.

The City provides police and fire services and maintains a building department and a public works department. The water department is owned and operated by the City as well as the City's sewage treatment plant. Cultural facilities include the Community Building Complex and the Baltic Mill, both of which host a wide variety of concerts and theatrical events. Recreational facilities include the YMCA which offers a Nautilus program, indoor swimming pool, gymnasium, banquet room and club room. There are approximately 110 acres in the Belvidere Park District including baseball diamonds, playgrounds, tennis courts, basketball courts, two gymnasiums and multiple competition soccer fields. The Ida Public Library maintains over 61,000 print materials, 13,000 audio/video materials, and 204,000 downloadable electronic materials and offers the use of computers, internet access, lending of video and audio media, large print books and hard and soft cover books.

District residents have access to the Northwest Tollway (I-90) which traverses the south border of the City and connects the City to Chicago, Rockford and other major routes. U.S. Highway 20 and State Highways 76 and 173 also serve as primary road transportation routes in the County. O'Hare International Airport is one hour away along the Northwest Tollway, and the Greater Rockford Airport is 15 miles west of the City. The Chicago and Union Pacific Railroad and several large motor carriers provide freight transportation.

Higher education for area residents is provided by Rock Valley Community College District No. 511 ("Rock Valley Community College") with an enrollment of over 6,000. Rock Valley Community College offers 60 certified programs and 30 associate degree programs. Additional area institutions of higher learning include Rockford University in Rockford, Northern Illinois University in both DeKalb and Rockford, and Kishwaukee Community College District No. 523 located in Malta, Illinois.

Educational Facilities

The District operates ten facilities.

Facility ⁽¹⁾	Grades	2026-2027	Capacity	Constructed	Years of
		Enrollment	Enrollment		Additions/Renovations
Caledonia Elementary School.....	K-5	369	795	1974	1994
Lincoln Elementary School.....	K-5	563	780	1999	2020
Meehan Elementary School.....	K-5	626	770	1996	2021
Seth Whitman Elementary School.....	K-5	711	810	2006	N/A
Washington Academy.....	K-5	711	1,040	1955	1964
Belvidere South Middle School.....	6-8	748	1,140	1989	1996
Belvidere Central Middle School.....	6-8	852	1,200	2002	N/A
Belvidere High School.....	9-12	1,032	1,875	1965	1986, 2000
Belvidere North High School.....	9-12	1,243	2,175	2007	N/A
Everest Alternative Education High School.....	9-12	<u>52</u>	<u>75</u>	1980	2017
		6,907	10,660		

(1) The Board voted to close Perry Elementary School in May 2026 as part of a planned multi-year deficit reduction plan (see "SUMMARY OF OPERATING RESULTS - Management Discussion" herein for more information). The District expects to finalize the sale of Perry Elementary School with the \$350,000 of sale proceeds to be deposited into the Operations and Maintenance Fund to offset expenses.

Source: The District

Based on the Master Plan, the Board has approved a roadmap for an additional \$70 million in potential bond-financed funding over the next three years. Specific amounts, projects and timing in “Phase 2” have not yet been approved by the Board. Additional projects may be financed thereafter, but it is too early to determine the scope and size of those projects and the financing needed to fund them.

Current Plan of Finance--Phase 1 Projects

District Contribution of Funds on Hand	\$ 12,000,000
Life Safety Proceeds (the 2025A Bonds)	20,820,313
Life Safety Proceeds (the Bonds)	<u>17,913,907</u>
Total Assigned Capital Funds for Phase 1 Projects	\$ 50,734,220

Enrollments

The table below includes historical enrollment utilizing the Fall Housing Count (Housed) which reflects students enrolled as of the last school day in September and the projected enrollment for the next five years. The projected enrollment figures are based on an enrollment study prepared by MGT (a demographer) on January 6, 2025.

<u>School Year</u>	<u>Enrollment</u>	<u>School Year</u>	<u>Projected Enrollment⁽¹⁾</u>
2022-2023	7,161	2027-2028	6,982
2023-2024	7,183	2028-2029	6,975
2024-2025	7,191	2029-2030	6,976
2025-2026	7,009	2030-2031	6,969
2026-2027	6,907 ⁽¹⁾	2031-2032	6,957

(1) Does not include 330 Pre-K students.

Source: The District

Information Related to Potential Community Reinvestment Act Credit

The National School Lunch Program (the “NSLP”) provides free or reduced-price school meals to eligible students who participate in certain federal assistance programs (including the Supplemental Nutrition Assistance Program), or whose median household incomes fall below certain federal poverty thresholds. The table below includes the participation of District students in the NSLP. The District makes no representation as to the status of any investment in the Bonds under the Community Reinvestment Act.

<u>Facility</u>	<u>Eligibility Percent</u> ⁽¹⁾
Everest Alternative Education High School.....	100.00%
Washington Academy.....	100.00%
Lincoln Elementary School.....	97.75%
Belvidere South Middle School.....	89.54%
Meehan Elementary School.....	88.43%
Belvidere High School.....	83.57%
Caledonia Elementary School.....	80.92%
Belvidere Central Middle School.....	75.43%
Seth Whitman Elementary School.....	68.70%
Belvidere North High School.....	63.48%

(1) Program Year 2026 Eligibility Data.
Source: ISBE

Board of Education

The District is governed by the Board, whose members are elected for staggered terms of office. The Board is a policy making body whose primary functions are to establish policies for the District, provide for the general operation and personnel of the District, and oversee the property and facilities of the District. The Board elects a President, Vice President and Secretary from its membership. The present members are as follows:

<u>Title</u>	<u>Name</u>	<u>Current Term Expires</u>
President.....	Jorge Herrera	2027
Vice President.....	Jeff Diestelmeier	2027
Secretary.....	Holly Houk	2027
Member.....	Brian Hoemke	2029
Member.....	Scott Mueller	2029
Member.....	Jermaine Pigeo	2029
Member.....	Barbi Yunk	2029
School Treasurer	Jo Ann Armstrong	Appointed

Administration

The District's Superintendent is Dr. Cassandra Schug, who has been with the District since 2022. Prior to joining the District, Dr. Schug served as the Superintendent of Schools in the Watertown Unified School District in Wisconsin. Jo Ann Armstrong joined the District in January 2022, as the Chief Financial Officer. Prior to assuming her current role, Ms. Armstrong served as the Executive Director of Business, Human Resources, and Operations at the School District of Beloit, Wisconsin.

Employees

The District has approximately 1,243 employees of whom 716 are certified employees and 527 are non-certified. Of the total number, the Belvidere Education Association represents 688 members (teachers), and the contract expires August 16, 2030. The Belvidere Education Support Staff Association represents 67 members (custodians), and the contract expires June 30, 2029. The Belvidere Education Support Team represents 218 members (paraprofessionals) and the contract expires June 30, 2029. The Belvidere Association of Support Staff represents 42 members (office professionals) and the contract expires June 30, 2027. The District considers its relationship with its employees to be productive and cooperative.

School Facilities Sales Tax

The County School Facility Occupation Tax Law, as amended (the "Sales Tax Law"), authorizes a countywide sales tax to be used exclusively for school facility purposes (the "Sales Tax") to be imposed in any county, other than Cook County, following a successful referendum therefor. "School facility purposes" is defined in the Sales Tax Law and includes (a) the acquisition, development, construction, reconstruction, rehabilitation, improvement, financing, architectural planning, and installation of capital facilities consisting of buildings, structures and durable equipment, the acquisition and improvement of real property required, or expected to be required, in connection with capital facilities and fire prevention, safety, energy conservation, disabled accessibility, school security and specified repair purposes set forth under Section 17-2.11 of the School Code and (b) payment of bonds or other obligations issued for school facility purposes or issued to refund such bonds or other obligations, provided that the taxes levied to pay such bonds are abated by the Sales Tax proceeds used to pay such bonds. The Sales Tax may be imposed only in 0.25% increments and may not exceed 1%.

Pursuant to the Sales Tax Law, a 1% Sales Tax was approved by a majority of the voters of the County at the consolidated election held on April 9, 2013. The District has used the Sales Tax to annually abate debt service on certain of its outstanding bonds. Since the passage of the Sales Tax, the District has utilized approximately \$39 million of Sales Tax to abate debt service. After levy year 2028, the District's commitment to use the Sales Tax to abate debt service will end, freeing up all of the Sales Tax for other facility purposes, including to pay debt service on possible future bonds (see "-Educational Facilities" herein for more information).

The following table shows the amount of Sales Tax received by the District in the following fiscal years:

<u>Fiscal Year</u>	<u>Amount</u>
2022	\$3,152,409
2023	4,034,559
2024	4,342,316
2025	4,105,198
2026	4,644,765

Source: The District's Annual Financial Report and Other Financial Information for the fiscal years June 30, 2022-2025 and the hereinafter defined Audit.

The Sales Tax is administered by the Department with respect to collection, enforcement and distribution.

SOCIO-ECONOMIC CHARACTERISTICS

Population Trend

Below are the population statistics for the District, the City, the County and the State.

	<u>2000</u>	<u>2010</u>	<u>2020</u>	<u>% Change</u> <u>2010-2020</u>
The District.....	N/A	45,236	44,415	-1.81
The City.....	20,820	25,585	25,339	-0.96
The County	41,786	54,165	53,448	-1.32
The State	12,419,293	12,830,632	12,812,508	-0.14

Source: U.S. Census Bureau, 2000 Census, 2010 Census and 2020 Census

Income and Housing

The following table sets forth the comparative income and home value levels for the District, the County, the State and the United States.

	<u>The</u> <u>District</u>	<u>The</u> <u>County</u>	<u>The</u> <u>State</u>	<u>United</u> <u>States</u>
Median Home Value.....	\$214,300	\$216,900	\$263,300	\$332,700
Median Household Income....	82,113	84,571	83,390	80,734
Median Family Income.....	96,174	98,901	106,018	99,999
Per Capita Income.....	40,045	39,818	46,406	44,673

Source: 2020-2024 American Community Survey 5-year Estimates, U.S. Census Bureau as released by the U.S. Census Bureau on January 29, 2026

Residential Housing Building Permits

The following table sets forth the reported number of residential building permits issued and relative construction costs in the City for each of the years listed.

<u>Year</u>	Reported Number of <u>Building Permits</u>	Construction <u>Cost</u>
2021.....	61	\$ 9,355,500
2022.....	103	16,549,500
2023.....	8	2,066,195
2024.....	28	4,190,500
2025.....	30	4,550,300
2026 ⁽¹⁾	19	3,927,000

(1) Through August.

Source: U.S. Census Bureau

Retail Sales

The following table demonstrates the estimated sales reported by retailers in the City for the last five calendar years and through the second quarter of 2026.

<u>Year</u>	<u>Calendar</u> <u>The City</u>
2021	\$ 464,762,973
2022	504,198,765
2023	556,777,611
2024	551,465,840
2025	640,851,278
2026 ⁽¹⁾	283,634,912

(1) Through the second quarter of 2026.

Source: The Department

Corporate Personal Property Replacement Taxes

Corporate Personal Property Replacement Taxes (“CPPRT”) are revenues received from a tax imposed on corporations, partnerships, trusts, S corporations and public utilities in the State. The purpose of the CPPRT is to replace revenues lost by units of local government (including the District) as a result of the abolishment of the corporate personal property tax (the “Personal Property Tax”) with the adoption of the Illinois Constitution of 1970. The State Revenue Sharing Act (the “Sharing Act”) was passed in 1979, implementing the CPPRT to replace the lost Personal Property Tax revenues and providing the mechanism for distributing collections of CPPRT to taxing districts (including the District) entitled to receive such tax revenues under the Sharing Act. The following table sets forth the amount of CPPRT received by the District during fiscal year ended June 30, 2022, through the most recently completed fiscal

year of June 30, 2026, and the estimated amount of CPPRT to be received in fiscal year ending June 30, 2027:

<u>Fiscal Year</u> <u>Ended June 30</u>	<u>CPPRT</u> <u>Receipts</u>
2022	\$ 7,897,906
2023	8,926,959
2024	5,879,961
2025	3,898,941
2026	3,813,725
2027 ⁽¹⁾	4,649,869

(1) Estimated.

Source: The District's Annual Financial Report and Other Financial Information for the fiscal years ended June 30, 2022-2025, the Audit and the Department for fiscal year 2027.

Largest Area Employers

The following table reflects the major employers in the area surrounding the District by the products manufactured or services performed and approximate number of employees.

<u>Company Name</u>	<u>Product or Service</u>	<u>Location</u>	<u>Approximate employees at location</u>
UW Health (formerly Swedish American Health).....	Hospital.....	Rockford	4,685
Mercy Health.....	Hospital.....	Rockford	3,000
OSF Saint Anthony Medical Center.....	Hospital.....	Rockford	2,200
Collins Aerospace Systems.....	Aerospace products & controlled speed motors.....	Rockford	2,000
PCI Pharma Services.....	Pharmaceutical development & manufacturing.....	Rockford	1,500
The District.....	Education.....	Belvidere	1,243
Woodward, Inc.....	Aircraft engine control systems & auxiliary components.....	Loves Park	1,200
Amazon.....	Online shopping retailer and marketplace.....	Rockford	1,100
Alorica.....	Telemarketing services.....	Rockford	1,000
General Mills, Inc.....	Cereal packaging, snack bars (granola bars) & fruit snacks.....	Belvidere	700
Perfetti Van Melle USA Manufacturing, LLC.....	Chewing gum.....	Loves Park	650
Bergstrom, Inc.....	Thermal climate systems for engine-on/engine-off	Rockford	450

Source: 2026 Manufacturers' News, Inc. Illinois Manufacturers and Illinois Services Directories and District employee information provided by the District

Historical Unemployment Statistics

Unemployment statistics are not compiled specifically for the District. The following table shows the trend in annual average unemployment rates as well as the monthly unemployment rates for August 2025 and August 2026 for the City compared with the County and the State.

	<u>The City</u>	<u>The County</u>	<u>The State</u>
Average, 2021 ⁽¹⁾	9.4%	8.1%	6.1%
Average, 2022.....	6.9	6.2	4.6
Average, 2023.....	7.3	6.6	4.5
Average, 2024.....	6.2	5.8	5.0
Average, 2025.....	5.9	5.5	4.6
August, 2025.....	5.5	5.2	4.6
August, 2026.....	4.3	4.2	4.9

(1) The District attributes the higher unemployment rates to the COVID-19 pandemic.

Source: Illinois Department of Employment Security

FINANCIAL INFORMATION

Trend of EAV

(Estimated 33-1/3% of Fair Market Value)

The following table reflects the EAV trend of the District by property type, growth rate and new property.

<u>Property Type</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
Residential	\$ 751,695,915	\$ 799,986,834	\$ 875,842,929	\$ 985,677,893	\$ 1,095,424,207
Farm	84,975,844	90,520,789	97,285,389	106,924,515	116,946,415
Commercial	82,391,197	83,402,940	87,948,373	93,074,324	101,069,559
Mineral.....	-	344,963	359,264	1,052,669	1,318,447
Industrial	72,878,230	74,304,870	77,057,570	90,689,332	107,630,324
Railroad	5,472,594	5,995,277	6,466,194	6,180,771	6,241,655
Total ⁽¹⁾	<u>\$ 997,413,780</u>	<u>\$ 1,054,555,673</u>	<u>\$ 1,144,959,719</u>	<u>\$ 1,283,599,504</u>	<u>\$ 1,428,630,607</u>
Percent of Change.....	+6.46% ⁽²⁾	+5.73%	+8.57%	+12.11%	+11.30% ⁽³⁾
New Property Amounts...	\$4,508,779	\$8,609,952	\$10,081,267	\$29,356,964	\$11,659,370

(1) Excludes tax increment financing (“TIF”) incremental EAV and abated enterprise zone EAV. See “Tax Increment Financing Districts Located within the District” and “Enterprise Zone Located within the District” herein.

(2) Based on the District’s 2020 EAV of \$936,930,363.

(3) The District estimates its 2026 EAV will be \$1,541,650,658 (an increase of about 7.9%) inclusive of new property totaling \$9.4 million.

Source: County Clerks’ Offices

EAV by County

<u>Tax Year</u>	<u>Boone County</u>	<u>McHenry County</u>	<u>DeKalb County</u>	<u>Total</u>
2021	\$ 996,833,953	\$ 275,517	\$ 304,310	\$ 997,413,780
2022	1,053,928,816	301,643	325,214	1,054,555,673
2023	1,144,279,054	327,856	352,809	1,144,959,719
2024	1,282,847,047	366,953	385,504	1,283,599,504
2025	1,427,809,818	401,078	419,711	1,428,630,607

Source: County Clerks' Offices

Tax Increment Financing Districts Located within the District

A portion of the District's EAV is contained in TIF districts, as detailed below. When a TIF district is created within the boundaries of a taxing body, such as the District, the EAV of the portion of real property designated as a TIF district is frozen at the level of the tax year in which it was designated (the "Base EAV"). Any incremental increases in property tax revenue produced by the increase in EAV derived from the redevelopment project area during the life of the TIF district are not provided to the District until the TIF district expires. The TIF districts are not expected to expire in the near future and the District is not aware of any new TIF districts planned in the immediate future.

<u>Location</u>	<u>Year Established</u>	<u>Adjusted Base EAV</u>	<u>2025 EAV</u>	<u>Incremental EAV</u>
Belvidere Kishwaukee.....	2003	\$ 2,478,418	\$ 2,758,355	\$ 279,937
Belvidere Kishwaukee 2....	2007	44,284	44,284	-
Total.....		<u>\$ 2,522,702</u>	<u>\$ 2,802,639</u>	<u>\$ 279,937</u>

Source: Boone County Clerk's Office

Enterprise Zone Located within the District

A portion of the District's EAV is contained in an enterprise zone ("EZ"), as detailed below. When an EZ is established, all or a portion of taxes on real property located within the EZ and upon which new improvements have been constructed or upon which existing improvements have been renovated or rehabilitated may be abated. The abatement applies only to taxes on the increase in assessed value attributable to the new construction, renovation or rehabilitation.

<u>Name</u>	<u>Abated EAV</u>
Belvidere.....	\$ 12,813,731
Total.....	<u>\$ 12,813,731</u>

Source: Boone County Clerk's Office

Tax Rates
(Per \$100 EAV)

	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>	Statutory <u>Maximum Rate</u> ⁽¹⁾
Education	\$ 3.316	\$ 3.331	\$ 3.245	\$ 3.057	\$ 2.908	N/A ⁽²⁾
O&M	0.597	0.612	0.575	0.590	0.552	\$0.750
Special Education.....	0.300	0.301	0.293	0.282	0.260	0.800
Transportation	0.300	0.302	0.331	0.308	0.285	N/A
IMRF	0.091	0.091	0.092	0.086	0.080	N/A
Tort.....	0.070	0.042	0.041	0.040	0.000	N/A
Bond & Interest.....	0.818	0.763	0.686	0.592	0.533	N/A
Social Security	0.164	0.163	0.150	0.141	0.130	N/A
Fire Prevention/Safety.....	0.081	0.081	0.084	0.002	0.001	0.100
Working Cash.....	0.000	0.009	0.004	0.004	0.000 ⁽⁴⁾	0.050
Revenue Recapture.. ⁽³⁾	<u>0.012</u>	<u>0.008</u>	<u>0.009</u>	<u>0.012</u>	<u>0.012</u>	N/A
Total.....	<u>\$ 5.749</u>	<u>\$ 5.703</u>	<u>\$ 5.510</u>	<u>\$ 5.114</u>	<u>\$ 4.761</u>	

(1) See “REAL PROPERTY ASSESSMENT, TAX LEVY AND COLLECTION PROCEDURES – Property Tax Extension Limitation Law” herein for information on the operation of such maximum rates under the Limitation Law.

(2) The District does not have a maximum tax rate for educational fund purposes. The aggregate tax rate for the various purposes subject to the Limitation Law, however, may not exceed the District’s limiting rate under the Limitation Law.

(3) See “REAL PROPERTY ASSESSMENT, TAX LEVY AND COLLECTION PROCEDURES – Property Tax Extension Limitation Law” herein for information on the property tax refund revenue recapture provisions of the Limitation Law.

(4) The tax rate is \$0.00004.

Source: Boone County Clerk’s Office

Representative Tax Rates for Property within the District
(Per \$100 EAV)

The following table of representative tax rates is for a resident of the District living in the City.

<u>Taxing Body</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
The District.....	\$ 5.749	\$ 5.703	\$ 5.510	\$ 5.114	\$ 4.761
The County.....	1.031	0.977	0.934	0.859	0.801
Boone County Conservation District.....	0.098	0.098	0.096	0.089	0.083
Belvidere Township.....	0.195	0.187	0.168	0.140	0.129
Belvidere Township Road.....	0.242	0.243	0.228	0.187	0.171
The City.....	1.264	1.251	1.227	1.111	0.953
Historical Museum.....	0.017	0.017	0.017	0.016	0.015
Belvidere Park District.....	0.532	0.544	0.529	0.492	0.459
Ida Public Library District.....	0.188	0.185	0.178	0.160	0.139
Rock Valley Community College.....	0.391	0.479	0.460	0.475	0.455
Total.....	<u>\$ 9.707</u>	<u>\$ 9.685</u>	<u>\$ 9.348</u>	<u>\$ 8.644</u>	<u>\$ 7.965</u>

Source: Boone County Clerk's Office

Tax Extensions and Collections

	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
Extensions	\$57,336,730	\$60,143,913	\$63,085,023	\$65,642,828	\$68,022,902
Collections	57,317,161	60,081,659	63,052,284	65,506,992	65,880,663 ⁽¹⁾
% Collected	99.97%	99.90%	99.95%	99.79%	96.85%

(1) In process of collection, as of October 26, 2026.

Source: Boone, McHenry and DeKalb County Treasurers' Offices

Largest Taxpayers

The taxpayers listed below represent 5.35% of the District's 2025 EAV which is \$1,428,630,607 (which excludes TIF incremental EAV and abated EZ EAV totaling \$13,093,668). Reasonable efforts have been made to determine and report the largest taxpayers and to include all taxable property of those taxpayers listed. Many of the taxpayers listed, however, may own multiple parcels, and it is possible that some parcels and their valuations may not be included.

<u>Taxpayer</u>	<u>Description</u>	<u>2025 EAV</u>	<u>% of EAV</u>
GMBEIL001LLC.....	Industrial.....	\$ 21,380,390	1.50%
FCA US LLC (Chrysler Assembly Plant).....	Industrial.....	20,371,258	1.43%
Woods MHP-017 LP & Four Seasons MHC Holdings LLC.....	Manufactured Homes.....	6,809,794	0.48%
Cascade View Holdings LLC & King Arthur West Valley LLC...	Manufactured Homes.....	5,109,366	0.36%
White Oak Rentals LLC.....	Rental housing.....	4,663,102	0.33%
675 Corporate Pkwy Owner LLC.....	Industrial.....	4,313,197	0.30%
Bel-Air Estates Ltd.....	Improved Commercial.....	3,788,052	0.27%
Wal-Mart Real Estate Business Trust.....	Improved Commercial.....	3,366,599	0.24%
Americold Real EstateLP.....	Homesite.....	3,325,490	0.23%
Logistics Dr Belvidere Industrial LLC.....	Industrial.....	3,252,861	0.23%
Total.....		<u>\$ 76,380,109</u>	<u>5.35%</u>

Source: Boone County Clerk's Office, other than the taxpayer descriptions, which are derived from publicly-available sources.

The Chrysler Assembly Plant in Belvidere (the "Plant") was sold to Stellantis (the parent company of Chrysler). As part of a series of cost-cutting moves by Stellantis, the Plant was indefinitely idled at the end of February 2023, with more than 1,000 people being laid off. In late October of the same year, an announcement was made that the Plant would reopen after the United Auto Workers and Stellantis came to an agreement. The agreement called for the Plant to reopen in 2027, however, it will now reopen in 2028, as it increases total investments to \$800 million. The Plant is expected to produce a new, midsize pickup truck and approximately 3,300 jobs will return. As part of the reopening plan, Enterprise Zone incentives have been put in place.

Summary of Outstanding Bonded Debt

Shown below is a summary of the outstanding bonded debt of the District as of the closing of the Bonds and the refunding of the Refunded Bonds.

Issue Description	Dated Date	Original Amount of Issue	Current Amount Outstanding	Final Maturity Date
The 2017 Bonds.....	11/15/17	\$ 9,175,000	\$ 740,000 *	01/01/28
Taxable G.O. Refunding School Bonds, Series 2020.....	06/23/20	26,180,000	24,650,000	01/01/30
Taxable G.O. Refunding School Bonds, Series 2021A.....	10/05/21	9,730,000	965,000	01/01/27
G.O. Refunding School Bonds, Series 2021B.....	10/05/21	9,125,000	9,125,000	01/01/28
The 2025A Bonds.....	04/15/25	20,970,000	20,970,000	01/01/40
Taxable G.O. Refunding School Bonds, Series 2025B.....	04/15/25	3,405,000	3,405,000	01/01/32
The Bonds.....	11/24/26	22,500,000 *	22,500,000 *	01/01/49
Total			<u>\$ 82,355,000 *</u>	

*Preliminary, subject to change.

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Debt Repayment Schedule

Shown below is the maturity schedule for the outstanding bonded debt of the District as of the closing of the Bonds and the refunding of the Refunded Bonds.

Fiscal Year	Principal Outstanding	Less: The Refunded Bonds*	The Bonds*	Total Principal*	Cumulative Amount*	Retirement Percent*
2027	\$ 10,175,000	\$ -	\$ -	\$ 10,175,000	\$ 10,175,000	12.36%
2028	9,505,000	(1,160,000)	-	8,345,000	18,520,000	22.49
2029	9,825,000	(1,455,000)	-	8,370,000	26,890,000	32.65
2030	10,125,000	(1,535,000)	-	8,590,000	35,480,000	43.08
2031	1,950,000	-	-	1,950,000	37,430,000	45.45
2032	2,040,000	-	-	2,040,000	39,470,000	47.93
2033	2,135,000	-	-	2,135,000	41,605,000	50.52
2034	2,240,000	-	-	2,240,000	43,845,000	53.24
2035	2,355,000	-	-	2,355,000	46,200,000	56.10
2036	2,470,000	-	-	2,470,000	48,670,000	59.10
2037	2,595,000	-	-	2,595,000	51,265,000	62.25
2038	2,725,000	-	-	2,725,000	53,990,000	65.56
2039	2,860,000	-	-	2,860,000	56,850,000	69.03
2040	3,005,000	-	-	3,005,000	59,855,000	72.68
2041	-	-	2,730,000	2,730,000	62,585,000	75.99
2042	-	-	2,030,000	2,030,000	64,615,000	78.46
2043	-	-	2,140,000	2,140,000	66,755,000	81.06
2044	-	-	2,260,000	2,260,000	69,015,000	83.80
2045	-	-	2,380,000	2,380,000	71,395,000	86.69
2046	-	-	2,515,000	2,515,000	73,910,000	89.75
2047	-	-	2,660,000	2,660,000	76,570,000	92.98
2048	-	-	2,810,000	2,810,000	79,380,000	96.39
2049	-	-	2,975,000	2,975,000	82,355,000	100.00
	<u>\$ 64,005,000</u>	<u>\$ (4,150,000)</u>	<u>\$ 22,500,000</u>	<u>\$ 82,355,000</u>		

*Preliminary, subject to change.

Overlapping General Obligation Bonded Debt

(As of September 30, 2026)

<u>Taxing Body</u>	<u>Bonded Debt</u> ⁽¹⁾	<u>Allocated to the District</u>	
		<u>Percent</u>	<u>Amount</u>
McHenry County Conservation District.....	\$ 13,470,000	0.00%	\$ 404
Belvidere Township Park District.....	1,335,000	99.99%	1,334,840
Cherry Valley Fire Protection District.....	1,185,000	3.43%	40,669
Rockford Park District.....	13,668,000	1.49%	204,200
Rock Valley Community College	82,935,000	14.92%	12,370,585
Total.....			<u>\$ 13,950,698</u>

(1) Does not include alternate revenue bonds. Under the Debt Reform Act, alternate revenue bonds are not included in the computation of indebtedness of the overlapping taxing bodies unless the taxes levied to pay the principal of and interest on the alternate revenue bonds are extended for collection. The District provides no assurance that any of the taxes so levied have not been extended, nor can the District predict whether any of such taxes will be extended in the future.

Source: With respect to the applicable taxing bodies and the percentage of overlapping EAV, the County Clerks' Offices. Information regarding the outstanding indebtedness of the overlapping taxing bodies was obtained from publicly-available sources.

Debt Statement

General Obligation Direct Bonded Debt.....	\$64,005,000
Less: Refunded Bonds.....	(\$4,150,000) *
The Bonds.....	\$22,500,000 *
Leases.....	\$0
Net Direct Debt	\$82,355,000 *
Overlapping Bonded Debt.....	\$13,950,698
Net Direct Debt and Overlapping Bonded Debt.....	\$96,305,698 *
EAV (2025) ⁽¹⁾	\$1,428,630,607
Statutory Debt Limit (13.8% of EAV).....	\$197,151,023
Statutory Debt Margin	\$114,796,023 *

(1) Excludes TIF incremental EAV and abated EZ EAV. See "Tax Increment Financing Districts Located within the District" and "Enterprise Zone Located within the District" herein.

*Preliminary, subject to change.

Debt Ratios

Estimated Market Valuation (2025).....	\$4,285,891,821
EAV (2025)..... ⁽¹⁾	\$1,428,630,607
2020-2024 American Community Survey Population Estimate.....	44,668
Net Direct Debt to EAV.....	5.76% *
Net Direct Debt to Estimated Market Valuation	1.92% *
Net Direct Debt and Overlapping Bonded Debt to EAV	6.74% *
Net Direct Debt and Overlapping Bonded Debt to Estimated Market Valuation	2.25% *
Net Direct Debt Per Capita	\$1,843.71 *
Net Direct Debt and Overlapping Bonded Debt Per Capita.....	\$2,156.03 *

(1) Excludes TIF incremental EAV and abated EZ EAV. See “Tax Increment Financing Districts Located within the District” and “Enterprise Zone Located within the District” herein.

*Preliminary, subject to change.

Short-Term Financing Record

In the last five years, the District has not issued any tax anticipation warrants or revenue anticipation notes and has no plans to issue tax anticipation warrants or revenue anticipation notes in the foreseeable future.

Future Financing

The District does not intend to issue any additional long-term debt in the next six months.

Default Record

The District has no record of default and has met its debt repayment obligations promptly.

SUMMARY OF OPERATING RESULTS

General Fund Revenue Sources

(Years Ended June 30)

Below is a summary of the General Fund revenue sources exclusive of “on-behalf” payments made by the State to TRS, as defined herein. This summary is provided since Moody’s combines these funds as the “General Fund” in its report.

	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>
Local Sources.....	50.39 %	53.20 %	47.92 %	47.28 %	50.18 %
State Sources.....	39.19	39.04	38.85	38.78	40.14
Federal Sources.....	<u>10.42</u> ⁽¹⁾	<u>7.76</u>	<u>13.24</u> ⁽¹⁾	<u>13.94</u> ⁽¹⁾	<u>9.68</u>
Total.....	<u>100.00</u> %	<u>100.00</u> %	<u>100.00</u> %	<u>100.00</u> %	<u>100.00</u> %

(1) Increase in Federal Sources due in large part to the District’s receipt of federal COVID-19 funds. See “STATE AID—Federal COVID-19 Funds Distributed to the District” herein.

Source: Compiled from the District’s Annual Financial Reports filed with ISBE for fiscal years ended June 30, 2022-2025 and the Audit.

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Summary of Operating Funds and Debt Service Fund (Years Ended June 30)

Below is a combined summary of the operating funds of the District (consisting of the Educational Fund, Operations and Maintenance Fund, Transportation Fund, Working Cash Fund, IMRF/Social Security Fund and Tort Fund) in addition to the Debt Service Fund exclusive of “on-behalf” payments made by the State to TRS.

	Educational Fund	Operations and Maintenance Fund	General Fund	Transportation Fund	Working Cash Fund ⁽¹⁾	IMRF/Social Security Fund	Tort Fund	Debt Service Fund	Combined Operating Funds and Debt Service Fund
2022									
Receipts.....	\$ 95,065,607	\$ 8,648,617	\$ 103,714,224	\$ 8,190,210	\$ 60,139	\$ 2,807,749	\$ 696,302	\$ 11,500,950	\$ 126,969,574
Disbursements.....	87,102,445	7,119,682	94,222,127	7,610,061	-	2,051,864	907,171	11,079,612	115,870,835
Net Surplus (Deficit).....	7,963,162	1,528,935	9,492,097	580,149	60,139	755,885	(210,869)	421,338	11,098,739
Other Sources (Uses).....	-	-	-	-	-	-	-	-	-
Beginning Fund Balance.....	49,346,939	9,460,713	58,807,652	6,565,646	5,938,645	400,884	1,307,938	9,307,955	82,328,720
Ending Fund Balance.....	<u>\$ 57,310,101</u>	<u>\$ 10,989,648</u>	<u>\$ 68,299,749</u>	<u>\$ 7,145,795</u>	<u>\$ 5,998,784</u>	<u>\$ 1,156,769</u>	<u>\$ 1,097,069</u>	<u>\$ 9,729,293</u>	<u>\$ 93,427,459</u>
2023									
Receipts.....	\$ 98,985,930	\$ 9,267,692	\$ 108,253,622	\$ 7,594,465	\$ 131,909	\$ 2,956,922	\$ 565,288	\$ 12,444,625	\$ 131,946,831
Disbursements.....	94,635,835	8,710,415	103,346,250	9,218,105	-	2,394,898	1,033,138	11,125,637	127,118,028
Net Surplus (Deficit).....	4,350,095	557,277	4,907,372	(1,623,640)	131,909	562,024	(467,850)	1,318,988	4,828,803
Other Sources (Uses).....	-	-	-	-	-	-	-	-	-
Beginning Fund Balance.....	57,401,450 ⁽²⁾	10,989,648	68,391,098	7,145,795	5,998,784	1,156,769	1,097,069	9,729,293	93,518,808
Ending Fund Balance.....	<u>\$ 61,751,545</u>	<u>\$ 11,546,925</u>	<u>\$ 73,298,470</u>	<u>\$ 5,522,155</u>	<u>\$ 6,130,693</u>	<u>\$ 1,718,793</u>	<u>\$ 629,219</u>	<u>\$ 11,048,281</u>	<u>\$ 98,347,611</u>
2024									
Receipts.....	\$ 109,141,378	\$ 9,251,418	\$ 118,392,796	\$ 11,473,046	\$ 219,015	\$ 3,045,170	\$ 512,796	\$ 12,173,692	\$ 145,816,515
Disbursements.....	105,092,652	11,335,867	116,428,519	8,820,109	-	2,778,057	1,057,279	11,417,012	140,500,976
Net Surplus (Deficit).....	4,048,726	(2,084,449) ⁽³⁾	1,964,277	2,652,937	219,015	267,113	(544,483)	756,680	5,315,539
Other Sources (Uses).....	-	151,321	151,321	-	(151,321)	-	-	-	-
Beginning Fund Balance.....	61,751,545	11,546,925	73,298,470	5,522,155	6,130,693	1,718,793	629,219	11,048,281	98,347,611
Ending Fund Balance.....	<u>\$ 65,800,271</u>	<u>\$ 9,613,797</u>	<u>\$ 75,414,068</u>	<u>\$ 8,175,092</u>	<u>\$ 6,198,387</u>	<u>\$ 1,985,906</u>	<u>\$ 84,736</u>	<u>\$ 11,804,961</u>	<u>\$ 103,663,150</u>
2025									
Receipts.....	\$ 112,680,325	\$ 12,797,017	\$ 125,477,342	\$ 10,287,370	\$ 207,525	\$ 3,300,443	\$ 986,797	\$ 11,881,222	\$ 152,140,699
Disbursements.....	120,887,557	13,722,498	134,610,055	9,121,327	-	3,043,042	1,071,533	12,595,932	160,441,889
Net Surplus (Deficit).....	(8,207,232) ⁽⁴⁾	(925,481)	(9,132,713)	1,166,043	207,525	257,401	(84,736)	(714,710)	(8,301,190)
Other Sources (Uses).....	(7,452,728) ⁽⁴⁾	-	(7,452,728)	-	-	-	-	1,744,265	(5,708,463)
Beginning Fund Balance.....	65,800,271	9,613,797	75,414,068	8,175,092	6,198,387	1,985,906	84,736	11,804,961	103,663,150
Ending Fund Balance.....	<u>\$ 50,140,311</u>	<u>\$ 8,688,316</u>	<u>\$ 58,828,627</u>	<u>\$ 9,341,135</u>	<u>\$ 6,405,912</u>	<u>\$ 2,243,307</u>	<u>\$ -</u>	<u>\$ 12,834,516</u>	<u>\$ 89,653,497</u>
2026									
Receipts.....	\$ 113,133,543	\$ 10,112,489	\$ 123,246,032	\$ 9,483,758	\$ 167,420	\$ 3,447,271	\$ 1,255,300	\$ 9,743,462	\$ 147,343,243
Disbursements.....	124,765,019	9,747,672	134,512,691	10,121,816	-	3,383,938	1,255,300	12,654,611	161,928,356
Net Surplus (Deficit).....	(11,631,476) ⁽⁴⁾	364,817	(11,266,659)	(638,058)	167,420	63,333	-	(2,911,149)	(14,585,113)
Other Sources (Uses).....	32,078	-	32,078	-	-	-	-	-	32,078
Beginning Fund Balance.....	50,140,311	8,688,316	58,828,627	9,341,135	6,405,912	2,243,307	-	12,834,516	89,653,497
Ending Fund Balance.....	<u>\$ 38,540,913</u>	<u>\$ 9,053,133</u>	<u>\$ 47,594,046</u>	<u>\$ 8,703,077</u>	<u>\$ 6,573,332</u>	<u>\$ 2,306,640</u>	<u>\$ -</u>	<u>\$ 9,923,367</u>	<u>\$ 75,100,462</u>
Fund Balance as % of Disbursements.....			35.38%						46.38%

(1) See “Working Cash Fund” herein for a description of the Working Cash Fund.

(2) Restated beginning balance.

(3) The deficit in the Operations and Maintenance Fund was due to unexpected one-time expenditures for HVAC equipment failures and a staffing shortage.

(4) See “- Management Discussion” herein for more information.

Source: Compiled from the District’s Annual Financial Report and Other Financial Information for fiscal years ended June 30, 2022-2026.

Management Discussion

The District has a structural operating deficit. As discussed below, the District is undertaking a multi-year plan to bring recurring revenues and expenditures back into balance.

The District adopted a balanced budget for fiscal year 2025 but ended with a \$15.8 million deficit in the Educational Fund due in large part to increased health plan costs, a planned transfer of \$7.5 million from the Educational Fund to the Capital Projects Fund for Phase 1 projects (see “USE OF PROCEEDS” herein) and the removal of \$2,833,554 in scholarship funds which were moved to the Boone County Community Foundation.

For fiscal year 2026, the District adopted a deficit budget (\$9.9 million deficit in the Educational Fund). The fiscal year ended with an \$11.6 million deficit in the Educational Fund, which the District attributed in large part, again, to high costs of health care.

For fiscal year 2027, the District is budgeting operating fund revenues of \$140.8 million against expenditures of \$151.7 million, an operating deficit of \$10.9 million. The deficit is due, in large part, to three factors. The first is growth in salaries and benefits, especially healthcare. The second is positions originally paid for with temporary ESSER (as herein defined) funds that were kept after those funds ran out. The third is limits on state and local revenue: the State prorates its reimbursements for mandated services, and the Limitation Law caps property tax growth. Declining enrollment, from 8,197 students in 2016 to 6,907 in 2026, a drop of about 15.7%, will allow the District to adjust salaries to better align with classroom needs.

For fiscal year 2027, the Education Fund budgets about \$82.6 million for salaries and \$25.7 million for benefits, a combined total of about \$108.3 million. Because the District's health plan is self-funded, healthcare costs are one of its biggest financial pressures. Management reviewed positions in every employee group. It eliminated 66.5 full time equivalent (“FTE”) positions and added or reallocated 43.0 FTE, a net reduction of 23.5 FTE that is expected to save about \$2.65 million a year. Other cost controls include tighter approval of additional pay and overtime, lower spending on professional development, conferences, and travel, more use of District transportation for athletics and activities, tighter controls on field trips, food, supplies, and printing, reductions in technology platforms, and energy conservation. Transportation expenditures are budgeted at about \$9.8 million, against about \$4.5 million in expected state reimbursements. Even with these cuts, the share of operational spending that goes to instruction stays at 72.42% in fiscal year 2027, compared with 72.83% in fiscal year 2026.

For fiscal year 2028, management aims to cut the operating deficit by about 75% rather than eliminate it in one year. To reach that goal, it will keep reviewing staffing, programs, class sizes and caseloads, benefit costs, purchased services and technology, facilities, and ways to raise revenue and improve efficiency. The key risks it identifies are healthcare claims under the self-funded plan, continued state proration, CPPRT volatility, changes in how EBF Tier funding is distributed, limits on property tax growth, and further enrollment decline. The Board expects to consider and approve layoffs (RIFs), attrition (combined to equal approximately 60 FTEs) and program reductions in January 2027, with the majority becoming effective June 30, 2027.

The District expects that the fiscal year 2029 budget will be balanced, so the remaining 25% of the deficit will be identified during fiscal year 2028 and implemented during fiscal year 2029. The District expects attrition of 21 positions at the end of school year 2029 and 25 positions at the end of school year 2030.

On-Behalf Payments Summary (Years Ended June 30)

Below is a history of “on-behalf payments” made by the State to TRS with respect to the pension costs associated with the pensions of current and former District employees. At present, the State maintains the primary responsibility for funding TRS with respect to the District’s employees, however, such payments by the State on-behalf of the District are treated in the District’s financial statements as flowing through the District to the State. As such, the District’s financial statements recognize revenues and expenditures each in an amount equal to the amount paid by the State to TRS on the District’s behalf. The amount of on-behalf payments may vary significantly from year to year as a result of factors entirely outside the District’s control, including, but not limited to, changes in the law governing the State’s contributions to TRS, investment returns on TRS assets and changes in actuarial assumptions and methods used in calculating TRS’s liability.

As noted in the paragraphs preceding the tables titled “General Fund Revenue Sources” (the “Revenue Sources Table”) and “Summary of Operating Funds and Debt Service Fund” (the “Fund Summary Table” and, together with the Revenue Sources Table, the “Financial Summary Tables”) above, the on-behalf payments have been excluded from the Financial Summary Tables for the purpose of isolating the revenues and expenditures derived from the District’s operations. However, as a result of this practice, the revenue and expenditure amounts used to make the calculations necessary to produce the Revenue Sources Table and the revenue and expenditure amounts set forth in the Fund Summary Table are inconsistent with the amount of revenues and expenditures set forth in the District’s respective audited financial statements for any fiscal year. For each fiscal year, the amount set forth in the table below constitutes the difference between the revenue and expenditure amounts in the financial statements and those used in, or used to produce, the Financial Summary Tables.

See the District’s Annual Financial Report and Other Financial Information for the fiscal year ended June 30, 2026 (the “Audit”), attached hereto as Appendix B, for additional information regarding the District’s on-behalf payments.

<u>Fiscal Year</u>	<u>On-Behalf Payments</u>
2022	\$ 27,493,769
2023	30,584,083
2024	34,729,950
2025	33,894,853
2026	33,957,810

Source: Compiled from the District’s Annual Financial Reports for fiscal years ended June 30, 2022-2026.

Working Cash Fund

The District is authorized to issue (subject to the provisions of the Limitation Law) general obligation bonds to create, re-create or increase a Working Cash Fund. Such fund can also be created, re-created or increased by the levy of an annual tax not to exceed \$0.05 per hundred dollars of EAV (the "Working Cash Fund Tax"). The purpose of the fund is to enable the District to have sufficient cash to meet demands for expenditures for corporate purposes. Moneys in the Working Cash Fund may be loaned, in whole or in part, as authorized and directed by the Board, to any fund or funds of the District in anticipation of ad valorem property taxes levied by the District for such fund or funds. The Working Cash Fund is reimbursed when the anticipated taxes or other moneys are received by the District.

Any time moneys are available in the Working Cash Fund, they must be transferred to such other funds of the District and used for any and all school purposes so as to avoid, whenever possible, the issuance of tax anticipation warrants or notes. Interest earned from the investment of the Working Cash Fund may be transferred from the Working Cash Fund to other funds of the District that are most in need of the interest. Moneys in the Working Cash Fund may not be appropriated by the Board in the annual budget.

The District also has the authority to abate amounts in the Working Cash Fund to any other fund of the District if the amount on deposit in such other fund after the abatement will not constitute an excess accumulation of money in that fund and as long as the District maintains an amount to the credit of the Working Cash Fund at least equal to 0.05% of the then current value, as equalized or assessed by the Department, of the taxable property in the District.

Finally, the District may abolish the Working Cash Fund and direct the transfer of any balance thereof to the Educational Fund at the close of the then current fiscal year. After such abolishment, all outstanding Working Cash Fund Taxes levied will be paid into the Educational Fund upon collection. Outstanding loans from the Working Cash Fund to other funds of the District at the time of abolishment will be paid or become payable to the Educational Fund at the close of the then current fiscal year. The outstanding balance in the Working Cash Fund at the time of abolishment, including all outstanding loans from the Working Cash Fund to other funds of the District and all outstanding Working Cash Fund Taxes levied, may be used and applied by the District for the purpose of reducing, by the balance in the Working Cash Fund at the close of the fiscal year, the amount of taxes that the Board otherwise would be authorized or required to levy for educational purposes for the fiscal year immediately succeeding the fiscal year in which the Working Cash Fund is abolished.

Budget Summary

Below is the District's budget summary for the fiscal year ending June 30, 2027.

<u>Fund</u>	<u>Fund Balances</u> <u>July 1, 2026</u> ⁽¹⁾	<u>FY27</u> <u>Revenue</u>	<u>FY27</u> <u>Expenditures</u>	<u>FY27</u> <u>Other Sources/</u> <u>(Uses)</u>	<u>Estimated</u> <u>Fund Balances</u> <u>June 30, 2027</u>
Educational.....	\$ 38,540,913	\$ 118,286,343	\$ 128,350,610	\$ -	\$ 28,476,646
Operations & Maintenance.....	9,053,133	9,727,295	9,727,295	-	9,053,133
Transportation.....	8,703,077	8,858,499	9,793,293	-	7,768,283
IMRF/Social Security.....	2,306,640	3,559,807	3,559,807	-	2,306,640
Working Cash.....	6,573,332	338,071	222,500	-	6,688,903
Total Operating Funds	<u>\$ 65,177,095</u>	<u>\$ 140,770,015</u>	<u>\$ 151,653,505</u>	<u>\$ -</u>	<u>\$ 54,293,605</u>
Debt Service.....	\$ 9,923,367	\$ 11,665,241	\$ 13,381,653	\$ -	\$ 8,206,955
Fire Prevention & Safety.....	19,662,170	820,859	10,000,000	-	10,483,029
Capital Projects.....	10,006,084	500,000	6,568,873	-	3,937,211
Tort.....	-	-	-	-	-
Total All Funds	<u>\$ 104,768,716</u>	<u>\$ 153,756,115</u>	<u>\$ 181,604,031</u>	<u>\$ -</u>	<u>\$ 76,920,800</u>

(1) The beginning fund balance was revised from the adopted budget to reflect the actual ending fund balance for the prior fiscal year. The budget is adopted before the audit for the prior fiscal year is available.

Source: The District

STATE AID

General

The State provides aid to local school districts on an annual basis as part of the State's appropriation process. Many school districts throughout the State rely on such State aid as a significant part of their budgets. For the fiscal year ended June 30, 2026, 40.14% of the District's General Fund revenue came from State funding sources. See "SUMMARY OF OPERATING RESULTS – General Fund Revenue Sources" herein for more information concerning the breakdown of the District's revenue sources.

General State Aid - Evidence-Based Funding Model

Beginning with fiscal year 2018, general State funds ("General State Aid") have, pursuant to Public Act 100-0465, been distributed to school districts under the "Evidence Based Funding Model". The Evidence-Based Funding Model sets forth a school funding formula that ties individual district funding to evidence-based best practices that certain research shows enhance student achievement in the classroom. Under the funding formula, ISBE will calculate an adequacy target (the "Adequacy Target") each year for each district based upon its unique student population, regional wage differences and best practices. Each district will be placed in one of four tiers depending on how close the sum of its local resources available to support

education (based on certain State resources and its expected property tax collections, its “Local Capacity Target”) and its Base Funding Minimum (as hereinafter defined) are to its Adequacy Target; Tier One and Tier Two for those districts that are the furthest away from their Adequacy Targets and Tier Three and Tier Four for those districts that are the closest to (or above) their Adequacy Targets. For each school year, all State funds appropriated for General State Aid in excess of the amount needed to fund the Base Funding Minimum for all school districts (“New State Funds”) will be distributed to districts based on tier placement. Of any New State Funds available, Tier One receives 50%, Tier Two receives 49%, Tier Three receives 0.9%, and Tier Four receives 0.1%. Tier Two includes all Tier One districts for the purpose of the allocation percentages for New State Funds.

On June 16, 2026, Governor Pritzker signed the State’s \$55.9 billion general funds budget (Public Act 104-0464) for the fiscal year ending June 30, 2027 (the “Fiscal Year 2027 Budget”). The Fiscal Year 2027 Budget increased mandated categorical state aid by approximately \$68 million. The Fiscal Year 2027 Budget also appropriated General State Aid in an amount \$350 million greater than the appropriation in the prior fiscal year budget. Such additional General State Aid will be distributed to districts pursuant to the Evidence-Based Funding Model.

The Evidence-Based Funding Model provides that each school district will be allocated at least as much in General State Aid in future years as it received in the most recently completed school year (such amount being that district’s “Base Funding Minimum”). The Base Funding Minimum for the District for school year 2017-2018 was \$30,454,695 (the “Initial Base Funding Minimum”). Mandated Categorical State Aid (as hereinafter defined) received by the District in fiscal year 2017, other than Mandated Categorical State Aid related to transportation and extraordinary special education, was included in the Initial Base Funding Minimum. Any New State Funds received by a district in a year become part of its Base Funding Minimum in the following year.

The following table sets forth the amounts received by the District pursuant to the Evidence-Based Funding Model in each of the last five fiscal years, and the amount expected to be received in fiscal year ending June 30, 2027.

<u>Fiscal Year</u>	<u>Base Funding Minimum</u>	<u>Tier Number</u>	<u>Amount of New State Funds</u>
2022	\$ 36,935,732	1	\$ 1,759,372
2023	38,695,104	1	2,227,506
2024	40,922,609	1	2,381,222
2025	43,303,832	1	2,841,080
2026 ⁽¹⁾	46,144,912	1	1,751,560
2027 ⁽²⁾	47,896,472	1	1,408,005

(1) Estimated

(2) Projected.

Source: ISBE

Property Tax Relief Pool Funds

For the purpose of encouraging high tax rate school districts to reduce property taxes, the Evidence-Based Funding Model also established a property tax relief grant program (the “Property Tax Relief Pool”). School districts must apply for the grant and indicate an amount of intended property tax relief, which relief may not be greater than 1% of EAV for a unit district, 0.69% of EAV for an elementary school district or 0.31% of EAV for a high school district, reduced, in each case, based on the Local Capacity Target of the applicant. Property Tax Relief Pool grants will be allocated to school districts based on each district’s percentage of the simple average operating tax rate of all school districts of the same type (unit, elementary or high), in order of priority from highest percentage to lowest, until the Property Tax Relief Pool is exhausted. A school district which receives a Property Tax Relief Pool grant is required to abate its property tax levy by the amount of intended property tax relief for the levy year in which the grant is to be received and for each of the two succeeding levy years. The difference between the amount of the grant and the amount of the abatement is based on a statutory calculation which takes into account relative Local Capacity Targets. Pursuant to such calculation, a school district with a low Local Capacity Target will be required to abate less than a school district with a high Local Capacity Target, assuming the amount of Property Tax Relief Pool grants received by the school districts are the same. Property Tax Relief Pool grants received by a school district are included in future calculations of that district’s Base Funding Minimum, unless that district does not abate its property tax levy by the amount of intended property tax relief as described above.

In the Fiscal Year 2027 Budget, \$50 million of General State Aid was allocated to the Property Tax Relief Pool.

Mandated Categorical State Aid

Illinois school districts are entitled to reimbursement from the State for expenditures incurred in providing programs and services legally required to be available to students under State law. Such reimbursements, referred to as “Mandated Categorical State Aid,” are made to the school district in the fiscal year following the expenditure, *provided* that the school district files the paperwork necessary to inform the State of such an entitlement. From time to time, Mandated Categorical State Aid payments from the State have been delayed and have been prorated as part of the appropriation process, as described below.

Prior to fiscal year 2018, the School Code provided for Mandated Categorical State Aid with respect to mandatory school programs relating to: (a) special education, (b) transportation, (c) free and reduced breakfast and lunch, and (d) orphanage tuition. Beginning with fiscal year 2018, Mandated Categorical State Aid is no longer the source of funding for mandatory school programs relating to special education, other than private facility tuition and transportation. Mandated Categorical State Aid received by a district in fiscal year 2017 for special education programming no longer available for Mandated Categorical State Aid in fiscal year 2018 is included in the Base Funding Minimum for that district.

In addition, although school districts are entitled to reimbursement for expenditures made under these programs, these reimbursements are subject to the State’s appropriation process. In

the event that the State does not appropriate an amount sufficient to fund fully the Mandated Categorical State Aid owed to each school district, the total Mandated Categorical State Aid is proportionally reduced such that each school district receives the same percentage of its Mandated Categorical State Aid request with respect to a specific category of such aid as every other school district.

In past years, the State has not fully funded all Mandated Categorical State Aid payments. Therefore, pursuant to the procedures discussed above, proportionate reductions in Mandated Categorical State Aid payments to school districts have occurred. However, because these programs are “mandatory” under the School Code, each school district must provide these programs regardless of whether such school district is reimbursed by the State for the related expenditures. No assurance can be given that the State will make appropriations in the future sufficient to fund fully the Mandated Categorical State Aid requirements. As such, the District’s revenues may be impacted in the future by increases or decreases in the level of funding appropriated by the State for Mandated Categorical State Aid.

Competitive Grant State Aid

The State also provides funds to school districts for expenditures incurred in providing additional programs that are allowed, but not mandated by, the School Code. In contrast to Mandated Categorical State Aid, such “Competitive Grant State Aid” is not guaranteed to a school district that provides these programs. Instead, a school district applying for Competitive Grant State Aid must compete with other school districts for the limited amount appropriated each year by the State for such program.

Competitive Grant State Aid is allocated, after appropriation by the State, among certain school districts selected by the State. The level of funding is annually determined separately for each category of aid based on the State’s budget. This process does not guarantee that any funding will be available for Competitive Grant State Aid programs, even if a school district received such funding in a prior year. Therefore, school districts may incur expenditures with respect to certain Competitive Grant State Aid programs without any guarantee that the State will appropriate the money necessary to reimburse such expenditures.

Payment for Mandated Categorical State Aid and Competitive Grant State Aid

The State makes payments to school districts for Mandated Categorical State Aid and Competitive Grant State Aid (together, “Categorical State Aid”) in accordance with a voucher system involving ISBE. ISBE vouchers payments to the State on a periodic basis. The time between vouchers varies depending on the type of Categorical State Aid in question. For example, with respect to the categories of Mandated Categorical State Aid related to extraordinary special education and transportation, ISBE vouchers the State for payments on a quarterly basis. With respect to Competitive Grant State Aid, a payment schedule is established as part of the application process, and ISBE vouchers the State for payment in accordance with this payment schedule.

Once ISBE has vouchered the State for payment, the State is required to make the Categorical State Aid payments to the school districts. As a general matter, the State is required to make such payments within 90 days after the end of the State's fiscal year.

See "SUMMARY OF OPERATING RESULTS – General Fund Revenue Sources" herein for a summary of the District's general fund revenue sources.

Federal COVID-19 Funds Distributed to the District

The COVID-19 pandemic, along with various governmental measures taken to protect public health in light of the pandemic, had an adverse impact on global economies, including economic conditions in the United States. In response to the pandemic, federal legislation, particularly the (i) Coronavirus Aid, Relief, and Economic Security Act (commonly known as ESSER I), (ii) Coronavirus Response and Relief Supplemental Appropriations Act of 2021 (commonly known as ESSER II), and (iii) American Rescue Plan of 2021 (commonly known as ESSER III), was enacted to provide funds to mitigate the economic downturn and health care crisis caused by COVID-19.

The District received \$1,065,380 pursuant to ESSER I, \$4,210,154 pursuant to ESSER II and \$11,228,118 pursuant to ESSER III. Most of the ESSER funds were spent on personal protective equipment, summer school for all, full-time subs, health services staff, recruitment and retention bonuses, physical education/playground projection system for all elementary and middle schools, HVAC & air quality work, hiring targeted support interventionists (SEL and academic), and early childhood program expansion. All ESSER funds have been spent. The District has transitioned about 13 permanent positions previously paid by ESSER funds into its operating budget (approximately \$1.29 million a year).

SCHOOL DISTRICT FINANCIAL PROFILE

ISBE utilizes a system for assessing a school district's financial health referred to as the "School District Financial Profile" which replaced the Financial Watch List and Financial Assurance and Accountability System (FAAS). This system identifies those school districts which are moving into financial distress.

The system uses five indicators which are individually scored, placed into a category of a four, three, two or one, with four being the best possible, and weighted in order to arrive at a composite district financial profile. The indicators and the weights assigned to those indicators are as follows: fund balance to revenue ratio (35%); expenditures to revenue ratio (35%); days cash on hand (10%); percent of short term borrowing ability remaining (10%); and percent of long-term debt margin remaining (10%).

The scores of the weighted indicators are totaled to obtain a district's overall score. The highest score is 4.0 and the lowest score is 1.0. A district is then placed in one of four categories as follows:

- **Financial Recognition.** A school district with a score of 3.54-4.00 is assigned to this category, which is the best category of financial strength. These districts require minimal or no active monitoring by ISBE unless requested by the district.
- **Financial Review.** A school district with a score of 3.08-3.53 is assigned to this category, the next highest financial strength category. These districts receive a limited review by ISBE, but are monitored for potential downward trends. ISBE staff also review the next year's school budget for further negative trends.
- **Financial Early Warning.** A school district with a score of 2.62-3.07 is placed in this category. ISBE monitors these districts closely and offers proactive technical assistance, such as financial projections and cash flow analysis. These districts also are reviewed to determine whether they meet the criteria set forth in Article 1A-8 of the School Code to be certified in financial difficulty and possibly qualify for a Financial Oversight Panel.
- **Financial Watch.** A school district with a score of 1.00-2.61 is in this category, the highest risk category. ISBE monitors these districts very closely and offers technical assistance with, but not limited to, financial projections, cash flow analysis, budgeting, personnel inventories and enrollment projections. These districts are also assessed to determine if they qualify for a Financial Oversight Panel.

For each school district, ISBE calculates an original financial profile score (the "Original Score") and an adjusted financial profile score (the "Adjusted Score"). The Original Score is calculated based solely on such school district's audited financial statements as of the close of the most recent fiscal year. The Adjusted Score is calculated based initially on a school district's audited financial statements for the most recent fiscal year, with adjustments made to reflect the impact on the Original Score of timing differences between such school district's actual and expected receipt of State payments, as required by Section 1A-8 of the School Code. ISBE has implemented this statutory requirement by adding in payments expected to be received during the calculation year but not actually received until the following fiscal year, as well as by subtracting certain State payments received during the current fiscal year but attributable to a prior fiscal year. Such adjustments may have a varying effect on a school district's Adjusted Score based on the amount of time by which such State payments are delayed and the accounting basis adopted by such school district. Due to the manner in which such requirement has been implemented by ISBE, a school district's Adjusted Score may be different than it otherwise would have been in certain years based on the scheduled receipt of State payments.

The following table sets forth the District’s Original Scores and Adjusted Scores, as well as the designation assigned to each score, for each of the last five fiscal years (as released by ISBE in the calendar year following the conclusion of each fiscal year):

Fiscal Year (June 30)	Original Score	Designation Based on Original Score	Adjusted Score	Designation Based on Adjusted Score
2021	3.90	Financial Recognition	3.90	Financial Recognition
2022	3.90	Financial Recognition	3.90	Financial Recognition
2023	3.90	Financial Recognition	3.90	Financial Recognition
2024	3.90	Financial Recognition	3.90	Financial Recognition
2025	3.55	Financial Recognition	3.55	Financial Recognition
2026 ⁽¹⁾	3.45	Financial Review	N/A	N/A

(1) A preliminary score reported in the District’s fiscal year 2026 Annual Financial Report.
Source: ISBE, except for the preliminary fiscal year 2026 score.

RETIREMENT PLANS

The District participates in two defined benefit pension plans: (i) the Teachers’ Retirement System of the State of Illinois (“TRS”), which provides retirement benefits to the District’s teaching employees, and (ii) the Illinois Municipal Retirement Fund (the “IMRF” and, together with TRS, the “Pension Plans”), which provides retirement benefits to the District’s non-teaching employees. The District makes certain contributions to the Pension Plans on behalf of its employees, as further described in this section. The operations of the Pension Plans, including the contributions to be made to the Pension Plans, the benefits provided by the Pension Plans, and the actuarial assumptions and methods employed in generating the liabilities and contributions of the Pension Plans, are governed by the Illinois Pension Code, as amended (the “Pension Code”).

The following summarizes certain provisions of the Pension Plans and the funded status of the Pension Plans, as more completely described in Note 6 to the Audit, attached hereto as Appendix B.

Background Regarding Pension Plans

The Actuarial Valuation

The disclosures in the Audit related to the Pension Plans are based in part on the actuarial valuations of the Pension Plans. In the actuarial valuations, the actuary for each of the Pension Plans measures the financial position of the Pension Plan, determines the amount to be contributed to a Pension Plan pursuant to statutory requirements, and produces information mandated by the financial reporting standards (the “GASB Standards”) issued by the Governmental Accounting Standards Board (“GASB”), as described below.

In producing an actuarial valuation, the actuary for a Pension Plan uses demographic data (including employee age, salary and service credits), economic assumptions (including estimated

future salary and interest rates), and decrement assumptions (including employee turnover, mortality and retirement rates) and employs various actuarial methods to generate the information required to be included in such valuation.

GASB Standards

The GASB Standards provide standards for financial reporting and accounting related to pension plans.

The GASB Standards require calculation and disclosure of a “Net Pension Liability” or “Net Pension Asset”, which is the difference between the actuarial present value of projected benefit payments that is attributed to past periods of employee service calculated pursuant to the methods and assumptions set forth in the GASB Standards (referred to in such statements as the “Total Pension Liability”) and the fair market value of the pension plan’s assets (referred to as the “Fiduciary Net Position”).

Furthermore, the GASB Standards employ a rate, referred to in such statements as the “Discount Rate,” which is used to discount projected benefit payments to their actuarial present values. The Discount Rate is a blended rate comprised of (1) a long-term expected rate of return on a pension plan’s investments (to the extent that such assets are projected to be sufficient to pay benefits), and (2) a tax-exempt municipal bond rate meeting certain specifications set forth in the GASB Standards.

Finally, the GASB Standards require that the Net Pension Liability be disclosed in the notes to the financial statements of the pension system and that a proportionate share of the Net Pension Liability be recognized on the balance sheet of the employer, and that an expense be recognized on the income statement of the employer.

Pension Plans Remain Governed by the Pension Code

As described above, the GASB Standards establish requirements for financial reporting purposes. However, the Pension Plans are ultimately governed by the provisions of the Pension Code in all respects, including, but not limited to, the amounts to be contributed by the District to the Pension Plans in each year.

Teachers’ Retirement System of the State of Illinois

The District participates in TRS, which is a cost-sharing multiple-employer defined benefit pension plan that was created by the General Assembly of the State (the “General Assembly”) for the benefit of Illinois public school teachers outside the City of Chicago. TRS members include all active non-annuitants who are employed by a TRS-covered employer, which includes all school districts located outside of the City of Chicago, to provide services for which teacher licensure is required.

The Pension Code sets the benefit provisions of TRS, which can only be amended by the General Assembly. The State maintains primary responsibility for the funding of the plan, but

contributions from participating employers and members are also required. The TRS Board of Trustees is responsible for the System's administration.

For information relating to the actuarial assumptions and methods used by TRS, including the Discount Rate and the sensitivity of the Net Pension Liability to changes in the Discount Rate, see Note 6 to the Audit.

Employer Funding of Teachers' Retirement System

Under the Pension Code, active members contribute 9.0% of creditable earnings to TRS. The State makes the balance of employer contributions to the State on behalf of the District, except for a small portion contributed by the teacher's employer, such as the District. For the fiscal years ended June 30, 2022 through June 30, 2026, all amounts contributed by the District to TRS were as follows:

<u>Fiscal Year</u> <u>Ended June 30</u>	<u>TRS</u> <u>Contribution</u>
2022	\$ 388,021
2023	631,907
2024	716,920
2025	644,704
2026	660,829

Source: The District's audited financial statements for the fiscal years ended June 30, 2022-2026.

For information regarding additional contributions the District may be required to make to TRS with respect to certain salary increases and other programs, see Note 6 to the Audit.

Illinois Municipal Retirement Fund

The District also participates in the IMRF, which is a defined-benefit, agent multiple employer pension plan that acts as a common investment and administrative agent for units of local government and school districts in the State. The IMRF is established and administered under statutes adopted by the General Assembly. The Pension Code sets the benefit provisions of the IMRF, which can only be amended by the General Assembly.

Each employer participating in the IMRF, including the District has an employer reserve account with the IMRF separate and distinct from all other participating employers (the "IMRF Account") along with a unique employer contribution rate determined by the IMRF Board of Trustees (the "IMRF Board"), as described below. The employees of a participating employer receive benefits solely from such employer's IMRF Account. Participating employers are not responsible for funding the deficits of other participating employers.

The IMRF issues a publicly available financial report that includes financial statements and required supplementary information which may be viewed at the IMRF's website.

See Note 6 to the Audit for information on the IMRF.

Contributions

Both employers and employees contribute to the IMRF. At present, employees contribute 4.50% of their salary to the IMRF, as established by statute. Employers are required to make all additional contributions necessary to fund the benefits provided by the IMRF to its employees. The annual rate at which an employer must contribute to the IMRF is established by the IMRF Board. The District's contribution rate for calendar year 2025 was 8.95% of covered payroll.

For the calendar years ended December 31, 2021 through December 31, 2025, the District contributed the following amounts to IMRF:

Calendar Year Ended December 31	IMRF Contribution
2021	\$ 879,320
2022	829,116
2023	830,028
2024	994,389
2025	1,260,949

Source: Actuarial GASB Disclosures Statement 68 prepared by Gabriel, Roeder, Smith & Company (GRS) as of December 31, 2021-2025.

Measures of Financial Position

The following table presents the measures of the IMRF Account's financial position as of December 31, 2021 through December 31, 2025, which are presented pursuant to the GASB Standards.

Calendar Year Ended December 31	Total Pension Liability	Fiduciary Net Position	Net Pension Liability/(Asset)	Fiduciary Net Position as a % of Total Pension	Discount Rate
2021	\$ 43,498,782	\$ 48,468,872	\$ (4,970,090)	111.43%	7.25%
2022	47,334,049	41,532,090	5,801,959	87.74%	7.25%
2023	51,200,689	46,079,072	5,121,617	90.00%	7.25%
2024	54,182,538	49,519,474	4,663,064	91.39%	7.25%
2025	56,413,917	55,279,954	1,133,963	97.99%	7.25%

Source: Actuarial GASB Disclosures Statement 68 prepared by Gabriel, Roeder, Smith & Company (GRS) as of December 31, 2021-2025.

See Note 6 to the Audit for information on the IMRF.

OPEB Summary

The District provides post-employment benefits (“OPEB”) for eligible retirees and their dependents. Retirees are eligible to continue their health coverage under the District’s self-funded health insurance plan. The District has established a separate self-insurance fund (“Trust Fund”) to account for the operation of this plan. In accordance with reporting standards established under GASB 75, the District had an actuarial valuation of the plan performed as of June 30, 2023. For the fiscal year ended June 30, 2025, the District’s covered payroll under the plan was not available. There were service costs of \$35,220 and a net OPEB expense of \$27,476. Benefit payments were -\$29,344.

Post-Employment Benefit Trust

The District participates in the Teacher Health Insurance Security (“THIS”) Fund, a cost-sharing, multiple-employer defined benefit post-employment healthcare plan that was established by the General Assembly for the benefit of the State’s retired public school teachers employed outside the City of Chicago. The THIS Fund provides medical, prescription, and behavioral health benefits, but it does not provide vision, dental, or life insurance benefits to annuitants of the TRS. Annuitants may participate in the State administered participating provider option plan or choose from several managed care options.

The District also makes contributions to the THIS Fund. The employer THIS Fund contribution was 0.67% during the year ended June 30, 2026, 0.67% during the year ended June 30, 2025 and 0.67% during the year ended June 30, 2024. For the year ended June 30, 2026, the District paid \$508,152 to the THIS fund. For the years ended June 30, 2025 and June 30, 2024, the District paid \$474,456 and \$438,544, respectively, to the THIS Fund, which was 100% of the required contribution.

TAX EXEMPTION

Federal tax law contains a number of requirements and restrictions which apply to the Bonds, including investment restrictions, periodic payments of arbitrage profits to the United States, requirements regarding the proper use of bond proceeds and the facilities financed therewith, and certain other matters. The District has covenanted to comply with all requirements that must be satisfied in order for the interest on the Bonds to be excludible from gross income for federal income tax purposes. Failure to comply with certain of such covenants could cause interest on the Bonds to become includible in gross income for federal income tax purposes retroactively to the date of issuance of the Bonds.

Subject to the District’s compliance with the above-referenced covenants, under present law, in the opinion of Bond Counsel, interest on the Bonds is excludible from the gross income of the owners thereof for federal income tax purposes and is not includible as an item of tax preference in computing the federal alternative minimum tax for individuals under the Internal Revenue Code of 1986, as amended (the “Code”). Interest on the Bonds may affect the corporate alternative minimum tax for certain corporations.

In rendering its opinion, Bond Counsel will rely upon certifications of the District with respect to certain material facts within the District's knowledge. Bond Counsel's opinion represents its legal judgment based upon its review of the law and the facts that it deems relevant to render such opinion and is not a guarantee of a result.

Ownership of the Bonds may result in collateral federal income tax consequences to certain taxpayers, including, without limitation, corporations subject to the branch profits tax, financial institutions, certain insurance companies, certain S corporations, individual recipients of Social Security or Railroad Retirement benefits and taxpayers who may be deemed to have incurred (or continued) indebtedness to purchase or carry tax-exempt obligations. Prospective purchasers of the Bonds should consult their tax advisors as to applicability of any such collateral consequences.

The issue price for original issue discount (as further discussed below) and market discount purposes (the "OID Issue Price") for each maturity of the Bonds is the price at which a substantial amount of such maturity of the Bonds is first sold to the public (excluding bond houses and brokers and similar persons or organizations acting in the capacity of underwriters, placement agents or wholesalers). The OID Issue Price of a maturity of the Bonds may be different from the price set forth, or the price corresponding to the yield set forth, on the inside cover page hereof.

If the OID Issue Price of a maturity of the Bonds is less than the principal amount payable at maturity, the difference between the OID Issue Price of each such maturity, if any, of the Bonds (the "OID Bonds") and the principal amount payable at maturity is original issue discount.

For an investor who purchases an OID Bond in the initial public offering at the OID Issue Price for such maturity and who holds such OID Bond to its stated maturity, subject to the condition that the District complies with the covenants discussed above, (a) the full amount of original issue discount with respect to such OID Bond constitutes interest which is excludible from the gross income of the owner thereof for federal income tax purposes; (b) such owner will not realize taxable capital gain or market discount upon payment of such OID Bond at its stated maturity; (c) such original issue discount is not includible as an item of tax preference in computing the alternative minimum tax for individuals under the Code; and (d) the accretion of original issue discount in each year may result in certain collateral federal income tax consequences in each year even though a corresponding cash payment may not be received until a later year. Based upon the stated position of the Department under State income tax law, accreted original issue discount on such OID Bonds is subject to taxation as it accretes, even though there may not be a corresponding cash payment until a later year. Owners of OID Bonds should consult their own tax advisors with respect to the state and local tax consequences of original issue discount on such OID Bonds.

Owners of Bonds who dispose of Bonds prior to the stated maturity (whether by sale, redemption or otherwise), purchase Bonds in the initial public offering, but at a price different from the OID Issue Price or purchase Bonds subsequent to the initial public offering should consult their own tax advisors.

If a Bond is purchased at any time for a price that is less than the Bond's stated redemption price at maturity or, in the case of an OID Bond, its OID Issue Price plus accreted original issue discount (the "Revised Issue Price"), the purchaser will be treated as having purchased a Bond with market discount subject to the market discount rules of the Code (unless a statutory de minimis rule applies). Accrued market discount is treated as taxable ordinary income and is recognized when a Bond is disposed of (to the extent such accrued discount does not exceed gain realized) or, at the purchaser's election, as it accrues. Such treatment would apply to any purchaser who purchases an OID Bond for a price that is less than its Revised Issue Price. The applicability of the market discount rules may adversely affect the liquidity or secondary market price of such Bond. Purchasers should consult their own tax advisors regarding the potential implications of market discount with respect to the Bonds.

An investor may purchase a Bond at a price in excess of its stated principal amount. Such excess is characterized for federal income tax purposes as "bond premium" and must be amortized by an investor on a constant yield basis over the remaining term of the Bond in a manner that takes into account potential call dates and call prices. An investor cannot deduct amortized bond premium relating to a tax-exempt bond. The amortized bond premium is treated as a reduction in the tax-exempt interest received. As bond premium is amortized, it reduces the investor's basis in the Bond. Investors who purchase a Bond at a premium should consult their own tax advisors regarding the amortization of bond premium and its effect on the Bond's basis for purposes of computing gain or loss in connection with the sale, exchange, redemption or early retirement of the Bond.

There are or may be pending in Congress legislative proposals, including some that carry retroactive effective dates, that, if enacted, could alter or amend the federal tax matters referred to above or affect the market value of the Bonds. It cannot be predicted whether or in what form any such proposal might be enacted or whether, if enacted, it would apply to bonds issued prior to enactment. Prospective purchasers of the Bonds should consult their own tax advisors regarding any pending or proposed federal tax legislation. Bond Counsel expresses no opinion regarding any pending or proposed federal tax legislation.

The Service has an ongoing program of auditing tax-exempt obligations to determine whether, in the view of the Service, interest on such tax-exempt obligations is includible in the gross income of the owners thereof for federal income tax purposes. It cannot be predicted whether or not the Service will commence an audit of the Bonds. If an audit is commenced, under current procedures the Service may treat the District as a taxpayer and the Bondholders may have no right to participate in such procedure. The commencement of an audit could adversely affect the market value and liquidity of the Bonds until the audit is concluded, regardless of the ultimate outcome.

Payments of interest on, and proceeds of the sale, redemption or maturity of, tax-exempt obligations, including the Bonds, are in certain cases required to be reported to the Service. Additionally, backup withholding may apply to any such payments to any Bond owner who fails to provide an accurate Form W-9 Request for Taxpayer Identification Number and Certification, or a substantially identical form, or to any Bond owner who is notified by the Service of a failure

to report any interest or dividends required to be shown on federal income tax returns. The reporting and backup withholding requirements do not affect the excludability of such interest from gross income for federal tax purposes.

Interest on the Bonds is not exempt from present State income taxes. Ownership of the Bonds may result in other state and local tax consequences to certain taxpayers. Bond Counsel expresses no opinion regarding any such collateral consequences arising with respect to the Bonds. Prospective purchasers of the Bonds should consult their tax advisors regarding the applicability of any such state and local taxes.

LITIGATION

There is no controversy or litigation of any nature now pending or threatened restraining or enjoining the issuance, sale, execution or delivery of the Bonds or in any way contesting or affecting the validity of the Bonds or any proceedings of the District taken with respect to the issuance or sale thereof.

BOND RATINGS

S&P is expected to assign its municipal bond insured rating of “AA” (Stable Outlook) to the Bonds with the understanding that upon issuance and delivery of the Bonds, the Policy will be issued by AG. See “BOND INSURANCE” above. Moody’s has assigned its municipal underlying rating of “Aa3” to the Bonds.

The ratings reflect only the views of S&P and Moody’s (together, the “Rating Agencies”) and any explanation of the significance of such ratings may only be obtained from the Rating Agencies. Certain information concerning the Bonds and the District not included in this Official Statement was furnished to Moody’s and AG by the District. There is no assurance that the ratings will be maintained for any given period of time or that such ratings may not be changed by the Rating Agencies, if, in the rating agency’s judgment, circumstances so warrant. Any downward change in or withdrawal of the ratings may have an adverse effect on the market price of the Bonds. Except as may be required by the Undertaking described below under the heading “CONTINUING DISCLOSURE,” neither the District nor the Underwriter undertakes responsibility to bring to the attention of the owners of the Bonds any proposed change in or withdrawal of such ratings or to oppose any such revision or withdrawal.

CONTINUING DISCLOSURE

The District will enter into a Continuing Disclosure Undertaking (the “Undertaking”) for the benefit of the beneficial owners of the Bonds to send certain information annually and to provide notice of certain events to the Municipal Securities Rulemaking Board (the “MSRB”) pursuant to the requirements of the Rule. No person, other than the District, has undertaken, or is otherwise expected, to provide continuing disclosure with respect to the Bonds. The information to be provided on an annual basis, the events which will be noticed on an occurrence basis and a statement of other terms of the Undertaking, including termination, amendment and remedies, are set forth in “Appendix C – Form of Continuing Disclosure Undertaking.”

The District has implemented the March, 2019 update (Issue 100) of the Illinois Association of School Boards' Policy Reference Education Subscription Service (PRESS) that includes disclosure policies and procedures as Section 4.40–AP, Preparing and Updating Disclosures. The policies specifically include additional procedures to be followed by the District in relation to the two new reportable events required by the Rule for undertakings entered into on and after February 27, 2019.

There have been no instances in the previous five years in which the District failed to comply, in all material respects, with any undertaking previously entered into by it pursuant to the Rule. The District has retained PMA Securities, LLC, Naperville, Illinois ("PMA"), to act as the District's Dissemination Agent for its continuing disclosure filings. A failure by the District to comply with the Undertaking will not constitute a default under the Bond Resolution and beneficial owners of the Bonds are limited to the remedies described in the Undertaking. The District must report any failure to comply with the Undertaking in accordance with the Rule. Any broker, dealer or municipal securities dealer must consider such report before recommending the purchase or sale of the Bonds in the secondary market. Consequently, such a failure may adversely affect the transferability and liquidity of the Bonds and their market price.

CERTAIN LEGAL MATTERS

Certain legal matters incident to the authorization, issuance and sale of the Bonds are subject to the approving legal opinion of Chapman and Cutler LLP, Chicago, Illinois ("Chapman and Cutler"), Bond Counsel, who has been retained by, and acts as, Bond Counsel to the District. Chapman and Cutler has also been retained by the District to serve as Disclosure Counsel to the District with respect to the Bonds. Although as Disclosure Counsel to the District, Chapman and Cutler has assisted the District with certain disclosure matters, Chapman and Cutler has not undertaken to independently verify the accuracy, completeness or fairness of any of the statements contained in this Official Statement or other offering material related to the Bonds and does not guarantee the accuracy, completeness or fairness of such information. Chapman and Cutler's engagement as Disclosure Counsel was undertaken solely at the request and for the benefit of the District, to assist it in discharging its responsibility with respect to this Official Statement, and not for the benefit of any other person (including any person purchasing Bonds from the Underwriter), and did not include any obligation to establish or confirm factual matters, forecasts, projections, estimates or any other financial or economic information in connection therewith. Further, Chapman and Cutler makes no representation as to the suitability of the Bonds for investment by any investor. Gilmore & Bell, P.C., Edwardsville, Illinois, will pass on certain matters for the Underwriter.

UNDERWRITING

Stifel, Nicolaus & Company, Incorporated, St. Louis, Missouri (the "Underwriter" or "Stifel"), has agreed, subject to the terms of a bond purchase agreement (the "Purchase Contract") to purchase the Bonds from the District at a price of \$ _____. The Purchase Contract provides, in part, that the obligation of the Underwriter is subject to certain conditions precedent and that the Underwriter will be obligated to purchase all of the Bonds if any of the

Bonds are purchased. The Underwriter has further agreed to offer the Bonds to the public at the approximate initial offering yields as set forth on the inside cover hereto. The Underwriter may offer and sell the Bonds to certain dealers and others at yields different than the offering yields stated on the inside cover hereto. The offering yields may be changed from time to time by the Underwriter. The aggregate underwriting fee for the Bonds equals ____ percent of the par amount of the Bonds.

Stifel and its affiliates comprise a full service financial institution engaged in activities which may include sales and trading, commercial and investment banking, advisory, investment management, investment research, principal investment, hedging, market making, brokerage and other financial and non-financial activities and services. Stifel and its affiliates may have provided, and may in the future provide, a variety of these services to the District and to persons and entities with relationships with the District, for which they received or will receive customary fees and expenses.

In the ordinary course of these business activities, Stifel and its affiliates may purchase, sell or hold a broad array of investments and actively traded securities, derivatives, loans and other financial instruments for their own account and for the accounts of their customers, and such investment and trading activities may involve or relate to assets, securities and/or instruments of the District (directly, as collateral securing other obligations or otherwise) and/or persons and entities with relationships with the District.

Stifel and its affiliates may also communicate independent investment recommendations, market color or trading ideas and/or publish or express independent research views in respect of such assets, securities or instruments and may at any time hold, or recommend to clients that they should acquire such assets, securities and instruments. Such investment and securities activities may involve securities and instruments of the District.

MUNICIPAL ADVISOR

PMA has been retained as municipal advisor (the “Municipal Advisor”) in connection with the issuance of the Bonds. In preparing this Official Statement, the Municipal Advisor has relied upon the District, and other sources, having access to relevant data to provide accurate information for this Official Statement. To the best of the Municipal Advisor’s knowledge, the information contained in this Official Statement is true and accurate. However, the Municipal Advisor has not been engaged, nor has it undertaken, to independently verify the accuracy of such information.

PMA is a broker-dealer and municipal advisor registered with the SEC and the MSRB and is a member of the Financial Industry Regulatory Authority and the Securities Investor Protection Corporation. In these roles, PMA generally provides fixed income brokerage services and public finance services to municipal entity clients, including municipal advisory services and advice with respect to the investment of proceeds of municipal securities. PMA is affiliated with PMA Financial Network, LLC, a financial services provider, and PMA Asset Management, LLC, and Public Trust Advisors, LLC, both investment advisers registered with the SEC. These entities operate under common ownership with PMA and are collectively referred to in this

disclosure as the “Affiliates.” Each of these Affiliates also provides services to municipal entity clients and PMA and Affiliates market the services of the other Affiliates. Unless otherwise stated, separate fees are charged for each of these products and services and referrals to its Affiliates result in an increase in revenue to the overall Affiliated companies.

The Municipal Advisor’s duties, responsibilities, and fees in connection with this issuance arise solely from the services for which it is engaged to perform as municipal advisor on the Bonds and also from the investment of Bond proceeds. PMA’s compensation for serving as municipal advisor on the Bonds is conditional on the final amount and successful closing of the Bonds. PMA receives additional fees for the services used by the District, if any, described in the paragraph above. The fees for these services arise from separate agreements with the District and with institutions of which the District may be a member.

THE OFFICIAL STATEMENT

This Official Statement includes the cover page, reverse thereof and the Appendices hereto.

All references to material not purporting to be quoted in full are only summaries of certain provisions thereof and do not purport to summarize or describe all the provisions thereof. Reference is hereby made to such instruments, documents and other materials for the complete provisions thereof, copies of which will be furnished upon request to the District.

Accuracy and Completeness of the Official Statement

This Official Statement has been approved by the District for distribution to the Underwriter.

The District’s officials will provide to the Underwriter at the time of delivery of the Bonds, a certificate confirming to the Underwriter that, to the best of their knowledge and belief, this Official Statement as of the date hereof and at the time of the sale and delivery of the Bonds, was true and correct in all material respects and did not at any time contain any untrue statement of a material fact or omit to state a material fact required to be stated where necessary to make the statements therein, in light of the circumstances under which they were made, not misleading.

/s/

Chief Financial Officer/School Treasurer
Community Unit School District Number 100
Boone, McHenry and DeKalb Counties, Illinois

November __, 2026

Appendix A

Form of Legal Opinion of Bond Counsel

PROPOSED FORM OF OPINION OF BOND COUNSEL

[LETTERHEAD OF CHAPMAN AND CUTLER LLP]

[TO BE DATED CLOSING DATE]

Community Unit School District Number 100
Boone, McHenry and DeKalb Counties, Illinois

We hereby certify that we have examined certified copy of the proceedings (the "*Proceedings*") of the Board of Education of Community Unit School District Number 100, Boone, McHenry and DeKalb Counties, Illinois (the "*District*"), passed preliminary to the issue by the District of its fully registered General Obligation School Bonds, Series 2026 (the "*Bonds*"), to the amount of \$_____, dated _____, 2026, due serially on January 1 of the years and in the amounts and bearing interest as follows:

2041	\$	%
2042		%
2043		%
2044		%
2045		%
2046		%
2047		%
2048		%
2049		%

the Bonds being subject to redemption prior to maturity at the option of the District as a whole or in part in any order of their maturity as determined by the District (less than all of the Bonds of a single maturity to be selected by the Bond Registrar), on January 1, 20__, or on any date thereafter, at the redemption price of par plus accrued interest to the redemption date, as provided in the Proceedings, and we are of the opinion that the Proceedings show lawful authority for said issue under the laws of the State of Illinois now in force.

We further certify that we have examined the form of bond prescribed for said issue and find the same in due form of law, and in our opinion said issue, to the amount named, is valid and legally binding upon the District and is payable from any funds of the District legally available for such purpose, and all taxable property in the District is subject to the levy of taxes to pay the same without limitation as to rate or amount, except that the rights of the owners of the Bonds and the enforceability of the Bonds may be limited by bankruptcy, insolvency, moratorium, reorganization and other similar laws affecting creditors' rights and by equitable principles, whether considered at law or in equity, including the exercise of judicial discretion.

It is our opinion that, subject to the District's compliance with certain covenants, under present law, interest on the Bonds is excludible from gross income of the owners thereof for federal income tax purposes and is not includible as an item of tax preference in computing the alternative minimum tax for individuals under the Internal Revenue Code of 1986, as amended. Interest on

the Bonds may affect the corporate alternative minimum tax for certain corporations. Failure to comply with certain of such District covenants could cause interest on the Bonds to be includible in gross income for federal income tax purposes retroactively to the date of issuance of the Bonds. Ownership of the Bonds may result in other federal tax consequences to certain taxpayers, and we express no opinion regarding any such collateral consequences arising with respect to the Bonds.

We express no opinion herein as to the accuracy, adequacy or completeness of any information furnished to any person in connection with any offer or sale of the Bonds.

In rendering this opinion, we have relied upon certifications of the District with respect to certain material facts within the District's knowledge. Our opinion represents our legal judgment based upon our review of the law and the facts that we deem relevant to render such opinion and is not a guarantee of a result. This opinion is given as of the date hereof and we assume no obligation to revise or supplement this opinion to reflect any facts or circumstances that may hereafter come to our attention or any changes in law that may hereafter occur.

**Annual Financial Report and Other Financial Information
for Fiscal Year Ended June 30, 2026**

The Annual Financial Report and Other Financial Information of the District contained in this Appendix B (the “Audit”), including the independent auditor’s report accompanying the Audit, has been prepared by Gorenz and Associates, Ltd., Peoria, Illinois (the “Auditor”), and is expected to be approved by formal action of the Board of Education of the District on November 11, 2026. The District has not requested the Auditor to update information contained in the Audit; nor has the District requested that the Auditor consent to the use of the Audit in this Official Statement. Other than as expressly set forth in this Official Statement, the financial information contained in the Audit has not been updated since the date of the Audit. The inclusion of the Audit in this Official Statement in and of itself is not intended to demonstrate the fiscal condition of the District since the date of the Audit.

Belvidere Community Unit School District No. 100

Belvidere, Illinois

***Annual Financial Report
and Other Financial Information***

June 30, 2026

BELVIDERE COMMUNITY UNIT SCHOOL DISTRICT NO. 100

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Gorenz and Associates, Ltd.

Certified Public Accountants

Russell J. Rumbold II, CPA
Cory S. Cowan, CPA

Jason A. Hobulin, CPA
Kyle P. Hendrickson, CPA

Independent Auditor's Report

To the Board of Education
Belvidere Community Unit School District No. 100
Belvidere, Illinois

Opinions

We have audited the accompanying financial statements of Belvidere Community Unit School District No. 100 (the District) which comprise the Statement of Assets and Liabilities Arising from Cash Transactions of each fund and account group as of June 30, 2026, and the related Statement of Revenues Received, Expenditures Disbursed, Other Sources (Uses) and Changes in Fund Balances (All Funds), the Statement of Revenues Received (All Funds), and the Statements of Expenditures Disbursed - Budget to Actual (All Funds) for the year then ended and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Unmodified Opinion on Regulatory Basis of Accounting

In our opinion, the financial statements referred to above present fairly, in all material respects, the assets and liabilities arising from cash transactions of each fund and account group of the District as of June 30, 2026, and each funds' respective revenues received, expenditures disbursed, other sources (uses) and changes in fund balances, revenues received, and expenditures disbursed -budget to actual, for the year then ended in accordance with the financial reporting provisions of the Illinois State Board of Education as described in Note #1.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the "Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles" section of our report, the financial statements referred to above do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the District as of June 30, 2026, or changes in net position or cash flows thereof for the year then ended.

Basis for Opinions

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

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

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibility for the Audit of the Financial Statements

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

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

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

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

Supplementary Information

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated October 12, 2026, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Gorenz and Associates, Ltd.

Peoria, Illinois
October 12, 2026

Gorenz and Associates, Ltd.

Certified Public Accountants

Russell J. Rumbold II, CPA
Cory S. Cowan, CPA

Jason A. Hobulin, CPA
Kyle P. Hendrickson, CPA

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

To the Board of Education
Belvidere Community Unit School District No. 100
Belvidere, Illinois

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the Statement of Assets and Liabilities Arising from Cash Transactions of each fund and each account group as of June 30, 2026, and the related Statement of Revenues Received, Expenditures Disbursed, Other Sources (Uses) and Changes in Fund Balances (All Funds), the Statement of Revenues Received (All Funds), and the Statements of Expenditures Disbursed - Budget to Actual for the year then ended and the related notes to the financial statements of Belvidere Community Unit School District No. 100 (the District) which collectively comprise the District's basic financial statements, and have issued our report thereon dated October 12, 2026. Our opinions were adverse due to the financial statements not being prepared in accordance with accounting principles generally accepted in the United States of America. However, the financial statements were found to be fairly stated on the regulatory basis of accounting, in accordance with financial reporting provisions of the Illinois State Board of Education as described in Note #1.

Report on Internal Control Over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that were not identified.

Report on Compliance and Other Matters

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

Purpose of this Report

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

Gorenz and Associates, Ltd.

Peoria, Illinois
October 12, 2026

BELVIDERE COMMUNITY UNIT SCHOOL DISTRICT NO. 100
STATEMENT OF ASSETS AND LIABILITIES
ARISING FROM CASH TRANSACTIONS
JUNE 30, 2026

											Account Groups		Total
	Educational	Operations and Maintenance	Debt Services	Transportation	Municipal Retirement/ Social Security	Capital Projects	Working Cash	Tort	Fire Prevention and Safety	Trust and Agency Funds	General Fixed Assets	General Long Term Debt	(Memorandum Only)
<u>Assets</u>													
<u>Current Assets</u>													
Cash and Cash Equivalents	14,637,368	289,707	8,229,082	4,753,595	2,306,650	5,881,917	2,412,117		18,417,237	1,188,990			58,116,663
Investments	23,062,908	8,763,426	1,694,285	3,949,482		4,124,167	4,161,215		1,244,933				47,000,416
<u>Capital Assets</u>													
Land											3,554,136		3,554,136
Buildings & Building Improvements											155,201,266		155,201,266
Site Improvements & Infrastructure											12,999,954		12,999,954
Capitalized Equipment											12,792,692		12,792,692
Construction in Progress											4,140,696		4,140,696
Amounts Available in Debt Service Funds												9,923,367	9,923,367
Amounts to be Provided for Payment of Debt												54,081,633	54,081,633
Total Assets	37,700,276	9,053,133	9,923,367	8,703,077	2,306,650	10,006,084	6,573,332	0	19,662,170	1,188,990	188,688,744	64,005,000	357,810,823
<u>Liabilities and Fund Balances</u>													
<u>Liabilities:</u>													
Long Term Debt Payable												64,005,000	64,005,000
Total Liabilities	0	0	0	0	0	0	0	0	0	0	0	64,005,000	64,005,000
<u>Fund Balances:</u>													
Reserved		111,354	2,927,216		1,251,684					1,188,990			5,479,244
Unreserved	37,700,276	8,941,779	6,996,151	8,703,077	1,054,966	10,006,084	6,573,332	0	19,662,170				99,637,835
Investments in General Fixed Assets											188,688,744		188,688,744
Total Fund Balances	37,700,276	9,053,133	9,923,367	8,703,077	2,306,650	10,006,084	6,573,332	0	19,662,170	1,188,990	188,688,744	0	293,805,823
Total Liabilities and Fund Balances	37,700,276	9,053,133	9,923,367	8,703,077	2,306,650	10,006,084	6,573,332	0	19,662,170	1,188,990	188,688,744	64,005,000	357,810,823

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

BELVIDERE COMMUNITY UNIT SCHOOL DISTRICT NO. 100
STATEMENT OF ASSETS AND LIABILITIES
ARISING FROM CASH TRANSACTIONS
JUNE 30, 2026

	Account Groups												
	Educational	Operations and Maintenance	Debt Services	Transportation	Municipal Retirement/ Social Security	Capital Projects	Working Cash	Tort	Fire Prevention and Safety	Trust and Agency Funds	General Fixed Assets	General Long Term Debt	Total (Memorandum Only)
<u>Assets/Liabilities for Student Activity Funds</u>													
<u>Current Assets</u>													
Student Activity Fund Cash and Investments	840,637												840,637
Total Current Assets for Student Activity Funds	840,637												840,637
<u>Current Liabilities</u>													
Fund Balance Reserved for Student Activity Funds	840,637												840,637
Total Liabilities and Fund Balance for Student Activity Funds	840,637												840,637
<u>Total Assets/Liabilities District and Student Activity Funds</u>													
Total Current Assets and Student Activity Funds	38,540,913	9,053,133	9,923,367	8,703,077	2,306,650	10,006,084	6,573,332	0	19,662,170	1,188,990			105,957,716
Total Capital Assets and Student Activity Funds											188,688,744	64,005,000	252,693,744
Total Assets with Student Activity Funds (Memorandum Only)													358,651,460
Long-Term Liabilities and Student Activity Funds												64,005,000	64,005,000
Reserved Fund Balance and Student Activity Funds	840,637	111,354	2,927,216		1,251,684					1,188,990			6,319,881
Unreserved Fund Balance and Student Activity Funds	37,700,276	8,941,779	6,996,151	8,703,077	1,054,966	10,006,084	6,573,332		19,662,170				99,637,835
Investments in General Fixed Assets											188,688,744		188,688,744
Total Liabilities and Fund Balance and Student Activity Funds	38,540,913	9,053,133	9,923,367	8,703,077	2,306,650	10,006,084	6,573,332	0	19,662,170	1,188,990	188,688,744	64,005,000	358,651,460

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

BELVIDERE COMMUNITY UNIT SCHOOL DISTRICT NO. 100
STATEMENT OF REVENUES RECEIVED, EXPENDITURES DISBURSED,
OTHER SOURCES (USES) AND CHANGES IN FUND BALANCES (ALL FUNDS)
FOR THE FISCAL YEAR ENDED JUNE 30, 2026

	Educational	Operations and Maintenance	Debt Services	Transportation	Municipal Retirement/ Social Security	Capital Projects	Working Cash	Tort	Fire Prevention and Safety	Total (Memorandum Only)
Receipts:										
Local Sources	50,861,166	9,962,489	9,743,462	4,317,024	3,372,008	2,963,331	167,420	433,456	872,215	82,692,571
State Sources	49,323,244	150,000		5,101,077	52,348			821,844		55,448,513
Federal Sources	11,925,006			65,657	22,925					12,013,588
Total Direct Receipts	112,109,416	10,112,489	9,743,462	9,483,758	3,447,281	2,963,331	167,420	1,255,300	872,215	150,154,672
Receipts for On-Behalf Payments	33,957,810									33,957,810
Total Receipts	146,067,226	10,112,489	9,743,462	9,483,758	3,447,281	2,963,331	167,420	1,255,300	872,215	184,112,482
Disbursements:										
Instruction	85,967,596				1,596,334					87,563,930
Support Services	35,852,140	9,747,672		10,121,816	1,787,484	3,442,348		1,020,355	3,282,164	65,253,979
Community Services	47,801				120					47,921
Payments to Other Governmental Units	1,920,056							234,945		2,155,001
Debt Services			12,654,611							12,654,611
Total Direct Disbursements	123,787,593	9,747,672	12,654,611	10,121,816	3,383,938	3,442,348	0	1,255,300	3,282,164	167,675,442
Disbursements for On-Behalf Payments	33,957,810									33,957,810
Total Disbursements	157,745,403	9,747,672	12,654,611	10,121,816	3,383,938	3,442,348	0	1,255,300	3,282,164	201,633,252
Excess of Direct Receipts Over (Under) Direct Disbursements	(11,678,177)	364,817	(2,911,149)	(638,058)	63,343	(479,017)	167,420	0	(2,409,949)	(17,520,770)
Other Sources of Funds:										
Sale of Fixed Assets	32,078									32,078
Other (Uses) of Funds:										0
Total Other Sources and (Uses) of Funds	32,078	0	0	0	0	0	0	0	0	32,078
Excess of Receipts and Other Sources of Funds Over (Under) Disbursements and Other Uses of Funds	(11,646,099)	364,817	(2,911,149)	(638,058)	63,343	(479,017)	167,420	0	(2,409,949)	(17,488,692)
Fund Balances without Student Activity Funds - July 1, 2025	49,346,375	8,688,316	12,834,516	9,341,135	2,243,307	10,485,101	6,405,912	0	22,072,119	121,416,781
Fund Balances without Student Activity Funds - June 30, 2026	37,700,276	9,053,133	9,923,367	8,703,077	2,306,650	10,006,084	6,573,332	0	19,662,170	103,928,089

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

BELVIDERE COMMUNITY UNIT SCHOOL DISTRICT NO. 100
STATEMENT OF REVENUES RECEIVED, EXPENDITURES DISBURSED,
OTHER SOURCES (USES) AND CHANGES IN FUND BALANCES (ALL FUNDS)
FOR THE FISCAL YEAR ENDED JUNE 30, 2026

	Educational	Operations and Maintenance	Debt Services	Transportation	Municipal Retirement/ Social Security	Capital Projects	Working Cash	Tort	Fire Prevention and Safety	Total (Memorandum Only)
Student Activity Fund Balance - July 1, 2025	793,936									793,936
Receipts - Student Activity Funds										
Total Student Activity Direct Receipts	1,024,127									1,024,127
Disbursements - Student Activity Funds										
Total Student Activity Fund Disbursements	<u>977,426</u>									<u>977,426</u>
Excess Direct Receipts Over(Under) Direct Disbursements	<u>46,701</u>									<u>46,701</u>
Student Activity Fund Balance - June 30, 2026	<u>840,637</u>									<u>840,637</u>
Receipts (with Student Activity Funds):										
Local Sources	51,885,293	9,962,489	9,743,462	4,317,024	3,372,008	2,963,331	167,420	433,456	872,215	83,716,698
State Sources	49,323,244	150,000		5,101,077	52,348			821,844		55,448,513
Federal Sources	11,925,006			65,657	22,925					12,013,588
Total Direct Receipts	<u>113,133,543</u>	<u>10,112,489</u>	<u>9,743,462</u>	<u>9,483,758</u>	<u>3,447,281</u>	<u>2,963,331</u>	<u>167,420</u>	<u>1,255,300</u>	<u>872,215</u>	<u>151,178,799</u>
Receipts for On-Behalf Payments	<u>33,957,810</u>									<u>33,957,810</u>
Total Receipts (with Student Activity Funds)	<u>147,091,353</u>	<u>10,112,489</u>	<u>9,743,462</u>	<u>9,483,758</u>	<u>3,447,281</u>	<u>2,963,331</u>	<u>167,420</u>	<u>1,255,300</u>	<u>872,215</u>	<u>185,136,609</u>
Disbursements (with Student Activity Funds):										
Instruction	86,945,022				1,596,334					88,541,356
Support Services	35,852,140	9,747,672		10,121,816	1,787,484	3,442,348		1,020,355	3,282,164	65,253,979
Community Services	47,801				120					47,921
Payments to Other Governmental Units	1,920,056							234,945		2,155,001
Debt Services			12,654,611							12,654,611
Total Direct Disbursements	<u>124,765,019</u>	<u>9,747,672</u>	<u>12,654,611</u>	<u>10,121,816</u>	<u>3,383,938</u>	<u>3,442,348</u>	<u>0</u>	<u>1,255,300</u>	<u>3,282,164</u>	<u>168,652,868</u>
Disbursements for On-Behalf Payments	<u>33,957,810</u>									<u>33,957,810</u>
Total Disbursements (with Student Activity Funds)	<u>158,722,829</u>	<u>9,747,672</u>	<u>12,654,611</u>	<u>10,121,816</u>	<u>3,383,938</u>	<u>3,442,348</u>	<u>0</u>	<u>1,255,300</u>	<u>3,282,164</u>	<u>202,610,678</u>
Excess of Direct Receipts Over (Under) Direct Disbursements	<u>(11,631,476)</u>	<u>364,817</u>	<u>(2,911,149)</u>	<u>(638,058)</u>	<u>63,343</u>	<u>(479,017)</u>	<u>167,420</u>	<u>0</u>	<u>(2,409,949)</u>	<u>(17,474,069)</u>

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

BELVIDERE COMMUNITY UNIT SCHOOL DISTRICT NO. 100
 STATEMENT OF REVENUES RECEIVED, EXPENDITURES DISBURSED,
 OTHER SOURCES (USES) AND CHANGES IN FUND BALANCES (ALL FUNDS)
 FOR THE FISCAL YEAR ENDED JUNE 30, 2026

	Educational	Operations and Maintenance	Debt Services	Transportation	Municipal Retirement/ Social Security	Capital Projects	Working Cash	Tort	Fire Prevention and Safety	Total (Memorandum Only)
Other Sources/Uses of Funds (with Student Activity Funds):										
Other Sources of Funds:										
Total Other Sources of Funds	32,078	0	0	0	0	0	0	0	0	32,078
Other (Uses) of Funds:										
Total Other Uses of Funds	0	0	0	0	0	0	0	0	0	0
Total Other Sources and (Uses) of Funds	32,078	0	0	0	0	0	0	0	0	32,078
Fund Balances (All sources) - June 30, 2026	38,540,913	9,053,133	9,923,367	8,703,077	2,306,650	10,006,084	6,573,332	0	19,662,170	104,768,726

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

BELVIDERE COMMUNITY UNIT SCHOOL DISTRICT NO. 100
 STATEMENT OF REVENUES RECEIVED (ALL FUNDS)
FOR THE FISCAL YEAR ENDED JUNE 30, 2026

	Educational	Operations and Maintenance	Debt Services	Transportation	Municipal Retirement/ Social Security	Capital Projects	Working Cash	Tort	Fire Prevention and Safety	Total (Memorandum Only)
Receipts From Local Sources:										
Ad Valorem Taxes Levied By Local Education Agency:										
Designated Purposes Levies	40,861,554	7,813,254	7,681,254	4,055,763	1,135,677		24,908	239,370	20,727	61,832,507
Special Education Levy	3,707,312									3,707,312
Social Security/Medicare Levy					1,854,313					1,854,313
Other Tax Levies	164,184									164,184
Payments in Lieu of Taxes:										
Mobile Home Privilege Tax	36,932	6,527	6,550	3,411	2,514		45	440	17	56,436
Corporate Personal Property										
Replacement Taxes	2,237,446	1,200,000			376,279					3,813,725
Interest on Investments	2,204,152	239,696	110,893	133,850	3,225	263,331	142,467	133,712	851,471	4,082,797
Food Services:										
Sales to Pupils - Ala Carte	78,488									78,488
Sales to Adults	2,055									2,055
Other Food Services	10,224									10,224
District/School Activity Income:										
Admissions - Athletic	102,345									102,345
Fees	809,799									809,799
Student Activity Fund Revenues	1,024,127									
Other Receipts from Local Sources:										
Rentals	17,491	445,075								462,566
Services Provided Other LEAs	175,811									175,811
Refund of Prior Years' Expenditures	222,275	198,352						59,934		480,561
Drivers' Education Fees	25,647									25,647
School Facility Occupation Tax Proceeds			1,944,765			2,700,000				4,644,765
Payments from Other LEAs	70,350			124,000						194,350
Other Local Revenue	135,101	59,585								194,686
Total Receipts from Local Sources (without Student Activity Funds)	50,861,166	9,962,489	9,743,462	4,317,024	3,372,008	2,963,331	167,420	433,456	872,215	82,692,571
Total Receipts from Local Sources (with Student Activity Funds)	51,885,293									

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

BELVIDERE COMMUNITY UNIT SCHOOL DISTRICT NO. 100
 STATEMENT OF REVENUES RECEIVED (ALL FUNDS)
FOR THE FISCAL YEAR ENDED JUNE 30, 2026

	Educational	Operations and Maintenance	Debt Services	Transportation	Municipal Retirement/ Social Security	Capital Projects	Working Cash	Tort	Fire Prevention and Safety	Total (Memorandum Only)
Receipts From State Sources:										
Unrestricted Grants-in-Aid:										
Evidence Based Funding Formula - Sec. 18-8.15	47,074,628							821,844		47,896,472
Restricted Grants-in-Aid:										
Special Education:										
Private Facilities Tuition	1,219,767									1,219,767
Orphanage - Individual	355,450									355,450
Orphanage - Summer	22,163									22,163
Career and Technical Education (CTE):										
CTE - Agriculture Education	33,133				237					33,370
State Free Lunch and Breakfast	51,867									51,867
Driver Education	33,423									33,423
Transportation:										
Transportation - Regular / Vocational				2,616,404						2,616,404
Transportation - Special Education				1,579,640						1,579,640
Early Childhood - Block Grant	509,253			901,246	52,001					1,462,500
School Infrastructure - Maintenance Projects		50,000								50,000
Other Restricted Revenues from State Funds	23,560	100,000		3,787	110					127,457
Total Receipts from State Sources	49,323,244	150,000	0	5,101,077	52,348	0	0	821,844	0	55,448,513

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

BELVIDERE COMMUNITY UNIT SCHOOL DISTRICT NO. 100
 STATEMENT OF REVENUES RECEIVED (ALL FUNDS)
 FOR THE FISCAL YEAR ENDED JUNE 30, 2026

	Educational	Operations and Maintenance	Debt Services	Transportation	Municipal Retirement/ Social Security	Capital Projects	Working Cash	Tort	Fire Prevention and Safety	Total (Memorandum Only)
Receipts From Federal Sources:										
Restricted Grants-in-Aid Received										
Directly from the Federal Govt.:										
Other Direct Federal Sources	17,981									17,981
Restricted Grants-in-Aid Received Directly from the Federal Government Through the State:										
Food Service										
Breakfast Start-Up	19,491									19,491
National School Lunch Program	3,294,260									3,294,260
School Breakfast Program	894,990									894,990
Fresh Fruit & Vegetables	124,325									124,325
Title 1:										
Low Income	1,803,847			56,819	14,267					1,874,933
Other	667,568			8,838	591					676,997
Title IV -										
Student Support & Academic Enrichment	206,019				350					206,369
Federal - Special Education:										
Pre-School Flow Through	52,324				245					52,569
I.D.E.A.-Flow Through	2,183,764				5,245					2,189,009
I.D.E.A.-Room & Board	237,614									237,614
Emergency Immigrant Assistance	33,723									33,723
Title III - English Language Acquisition	202,679				473					203,152
Title II - Teacher Quality	226,719				1,754					228,473
Medicaid Matching - Administrative Outreach	582,737									582,737
Medicaid Matching - Fee for Service Program	1,270,133									1,270,133
Other Federal	106,832									106,832
Total Receipts from Federal Sources	11,925,006	0	0	65,657	22,925	0	0	0	0	12,013,588
Total Direct Receipts (without Student Activity Funds)	112,109,416	10,112,489	9,743,462	9,483,758	3,447,281	2,963,331	167,420	1,255,300	872,215	150,154,672
Total Direct Receipts (with Student Activity Funds)	113,133,543									

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

BELVIDERE COMMUNITY UNIT SCHOOL DISTRICT NO. 100
STATEMENT OF EXPENDITURES DISBURSED
BUDGET TO ACTUAL
EDUCATIONAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2026

	<u>Actual</u>	<u>Budget</u>	<u>Variance with Budget</u>
Expenditures Disbursed:			
Instruction:			
Regular Programs:			
Salaries	31,195,224	31,317,637	122,413
Employee Benefits	13,096,098	8,120,855	(4,975,243)
Purchased Services	63,919	249,056	185,137
Supplies and Materials	210,279	820,654	610,375
Other Objects	0	2,650	2,650
Non-Capitalized Equipment	0	56,215	56,215
Total Regular Programs	<u>44,565,520</u>	<u>40,567,067</u>	<u>(3,998,453)</u>
Pre-K Programs:			
Salaries	1,116,749	1,131,203	14,454
Employee Benefits	328,237	310,159	(18,078)
Purchased Services	86,090	2,500	(83,590)
Supplies and Materials	477,774	35,074	(442,700)
Capital Outlay	2,496	3,000	504
Other Objects	2,452	0	(2,452)
Non-Capitalized Equipment	84,601	0	(84,601)
Total Pre-K Programs	<u>2,098,399</u>	<u>1,481,936</u>	<u>(616,463)</u>
Special Education Programs:			
Salaries	11,238,049	11,235,948	(2,101)
Employee Benefits	3,149,572	3,137,470	(12,102)
Purchased Services	77,409	101,081	23,672
Supplies and Materials	61,445	66,047	4,602
Total Special Education Programs	<u>14,526,475</u>	<u>14,540,546</u>	<u>14,071</u>
Special Education Programs Pre-K:			
Salaries	1,108,181	1,160,616	52,435
Employee Benefits	328,990	329,303	313
Purchased Services	0	3,000	3,000
Supplies and Materials	1,355	3,500	2,145
Total Special Education Programs Pre-K	<u>1,438,526</u>	<u>1,496,419</u>	<u>57,893</u>
Remedial and Supplemental Programs K-12:			
Salaries	2,366,475	2,669,651	303,176
Employee Benefits	665,569	810,344	144,775
Total Remedial and Supplemental Programs K-12	<u>3,032,044</u>	<u>3,479,995</u>	<u>447,951</u>

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

BELVIDERE COMMUNITY UNIT SCHOOL DISTRICT NO. 100
STATEMENT OF EXPENDITURES DISBURSED
BUDGET TO ACTUAL
EDUCATIONAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2026

	<u>Actual</u>	<u>Budget</u>	<u>Variance with Budget</u>
CTE Programs:			
Salaries	1,809,835	1,852,523	42,688
Employee Benefits	516,437	497,304	(19,133)
Purchased Services	991	10,500	9,509
Supplies and Materials	168,357	189,872	21,515
Capital Outlay	5,100	27,020	21,920
Non-Capitalized Equipment	41,068	86,019	44,951
Total CTE Programs	<u>2,541,788</u>	<u>2,663,238</u>	<u>121,450</u>
Interscholastic Programs:			
Salaries	1,710,135	1,764,053	53,918
Employee Benefits	120,846	176,036	55,190
Purchased Services	365,353	330,886	(34,467)
Supplies and Materials	298,039	295,314	(2,725)
Other Objects	83,159	79,418	(3,741)
Total Interscholastic Programs	<u>2,577,532</u>	<u>2,645,707</u>	<u>68,175</u>
Summer School Programs:			
Salaries	185,639	282,595	96,956
Employee Benefits	28,880	38,603	9,723
Purchased Services	5,954	0	(5,954)
Supplies and Materials	0	17,100	17,100
Total Summer School Programs	<u>220,473</u>	<u>338,298</u>	<u>117,825</u>
Gifted Programs:			
Salaries	161,230	168,078	6,848
Employee Benefits	51,779	53,303	1,524
Total Gifted Programs	<u>213,009</u>	<u>221,381</u>	<u>8,372</u>
Driver's Education Programs:			
Salaries	220,318	221,175	857
Employee Benefits	53,505	53,644	139
Purchased Services	12,900	12,112	(788)
Supplies and Materials	736	2,350	1,614
Total Drivers Education Programs	<u>287,459</u>	<u>289,281</u>	<u>1,822</u>
Bilingual Programs:			
Salaries	8,007,319	8,021,577	14,258
Employee Benefits	2,196,541	2,329,471	132,930
Purchased Services	33,328	127,679	94,351
Supplies and Materials	66,325	93,601	27,276
Total Bilingual	<u>10,303,513</u>	<u>10,572,328</u>	<u>268,815</u>

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

BELVIDERE COMMUNITY UNIT SCHOOL DISTRICT NO. 100
STATEMENT OF EXPENDITURES DISBURSED
BUDGET TO ACTUAL
EDUCATIONAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2026

	Actual	Budget	Variance with Budget
Regular K-12 Programs - Private Tuition	16,520	0	(16,520)
Special Education Programs K-12 - Private Tuition	4,146,338	4,112,200	(34,138)
Student Activity Fund Expenditures	977,426	0	(977,426)
Total Instruction (Without Student Activity Funds)	85,967,596	82,408,396	(3,559,200)
Total Instruction (With Student Activity Funds)	86,945,022	82,408,396	(4,536,626)
Supporting Services:			
Support Services - Pupils:			
Attendance and Social Work Services:			
Salaries	1,736,078	1,818,703	82,625
Employee Benefits	469,108	505,952	36,844
Purchased Services	150,000	150,000	0
Supplies and Materials	41,677	41,225	(452)
Total Attendance and Social Work Services	2,396,863	2,515,880	119,017
Guidance Services:			
Salaries	2,081,482	2,080,339	(1,143)
Employee Benefits	520,997	522,940	1,943
Purchased Services	134,620	136,407	1,787
Supplies and Materials	10,611	10,695	84
Total Guidance Services	2,747,710	2,750,381	2,671
Health Services:			
Salaries	904,628	1,100,983	196,355
Employee Benefits	261,388	312,892	51,504
Purchased Services	118,006	133,300	15,294
Supplies and Materials	18,951	86,111	67,160
Capital Outlay	0	21,000	21,000
Non-Capitalized Equipment	1,994	40,000	38,006
Total Health Services	1,304,967	1,694,286	389,319
Psychological Services:			
Salaries	1,073,126	1,122,149	49,023
Employee Benefits	273,310	280,676	7,366
Purchased Services	44,933	50,500	5,567
Supplies and Materials	2,997	12,000	9,003
Total Psychological Services	1,394,366	1,465,325	70,959
Speech Pathology and Audiology Services:			
Salaries	1,344,949	1,412,155	67,206
Employee Benefits	358,345	378,129	19,784
Purchased Services	119,811	122,100	2,289
Supplies and Materials	7,958	6,620	(1,338)
Total Speech Pathology and Audiology Services:	1,831,063	1,919,004	87,941

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

BELVIDERE COMMUNITY UNIT SCHOOL DISTRICT NO. 100
STATEMENT OF EXPENDITURES DISBURSED
BUDGET TO ACTUAL
EDUCATIONAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2026

	<u>Actual</u>	<u>Budget</u>	<u>Variance with Budget</u>
Other Support Services-Pupils:			
Salaries	85,590	84,365	(1,225)
Employee Benefits	10,221	10,372	151
Purchased Services	47,965	62,575	14,610
Supplies and Materials	117,775	124,950	7,175
Total Other Support Services-Pupils	<u>261,551</u>	<u>282,262</u>	<u>20,711</u>
Total Support Services-Pupils	<u>9,936,520</u>	<u>10,627,138</u>	<u>690,618</u>
Support Services-Instructional Staff:			
Improvement of Instruction Services:			
Salaries	3,842,036	4,024,801	182,765
Employee Benefits	957,967	1,018,032	60,065
Purchased Services	1,224,237	1,434,078	209,841
Supplies and Materials	1,744,228	1,787,789	43,561
Other Objects	11,693	13,878	2,185
Total Improvement of Instructional Services	<u>7,780,161</u>	<u>8,278,578</u>	<u>498,417</u>
Educational Media Services:			
Salaries	420,400	415,433	(4,967)
Employee Benefits	125,938	175,600	49,662
Purchased Services	4,800	5,758	958
Supplies and Materials	110,749	114,518	3,769
Other Objects	60	100	40
Total Educational Media Services	<u>661,947</u>	<u>711,409</u>	<u>49,462</u>
Assessment and Testing:			
Salaries	859	1,000	141
Employee Benefits	105	124	19
Purchased Services	240,978	351,500	110,522
Supplies and Materials	79,810	64,324	(15,486)
Total Assessment and Testing	<u>321,752</u>	<u>416,948</u>	<u>95,196</u>
Total Support Services-Instructional Staff	<u>8,763,860</u>	<u>9,406,935</u>	<u>643,075</u>
Support Services-General Administration:			
Board of Education Services:			
Purchased Services	198,044	214,575	16,531
Supplies and Materials	40,990	44,650	3,660
Other Objects	20,646	19,000	(1,646)
Total Board of Education Services	<u>259,680</u>	<u>278,225</u>	<u>18,545</u>

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

BELVIDERE COMMUNITY UNIT SCHOOL DISTRICT NO. 100
STATEMENT OF EXPENDITURES DISBURSED
BUDGET TO ACTUAL
EDUCATIONAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2026

	<u>Actual</u>	<u>Budget</u>	<u>Variance with Budget</u>
Executive Administration Services:			
Salaries	311,486	302,608	(8,878)
Employee Benefits	81,074	54,535	(26,539)
Purchased Services	49,499	43,265	(6,234)
Supplies and Materials	18,606	18,300	(306)
Other Objects	37,243	35,000	(2,243)
Total Executive Administration Services	<u>497,908</u>	<u>453,708</u>	<u>(44,200)</u>
Special Area Administration Services:			
Salaries	850,308	869,435	19,127
Employee Benefits	178,731	191,313	12,582
Purchased Services	34,692	33,800	(892)
Supplies and Materials	11,943	11,500	(443)
Other Objects	4,435	9,400	4,965
Non-Capitalized Equipment	790	1,000	210
Total Service Area Administrative Services	<u>1,080,899</u>	<u>1,116,448</u>	<u>35,549</u>
Tort Immunity Services:			
Purchased Services	26,856	22,000	(4,856)
Total Tort Immunity Services	<u>26,856</u>	<u>22,000</u>	<u>(4,856)</u>
Total Support Services-General Administration	<u>1,865,343</u>	<u>1,870,381</u>	<u>5,038</u>
Support Services-School Administration:			
Office of the Principal Services:			
Salaries	3,857,430	3,980,160	122,730
Employee Benefits	1,049,245	1,065,245	16,000
Purchased Services	360,790	314,563	(46,227)
Supplies and Materials	202,948	194,029	(8,919)
Other Objects	0	2,000	2,000
Non-Capitalized Equipment	1,030	5,100	4,070
Termination Benefits	3,718	0	(3,718)
Total Office of the Principal Service	<u>5,475,161</u>	<u>5,561,097</u>	<u>85,936</u>
Total Support Services-School Administration	<u>5,475,161</u>	<u>5,561,097</u>	<u>85,936</u>
Support Services-Business:			
Direction of Business Support Services:			
Salaries	225,252	224,953	(299)
Employee Benefits	14,406	14,636	230
Purchased Services	39,513	43,200	3,687
Supplies and Materials	7,809	4,648	(3,161)
Other Objects	3,433	4,500	1,067
Total Direction of Business Support Services	<u>290,413</u>	<u>291,937</u>	<u>1,524</u>

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

BELVIDERE COMMUNITY UNIT SCHOOL DISTRICT NO. 100
STATEMENT OF EXPENDITURES DISBURSED
BUDGET TO ACTUAL
EDUCATIONAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2026

	<u>Actual</u>	<u>Budget</u>	<u>Variance with Budget</u>
Fiscal Services:			
Salaries	459,577	465,978	6,401
Employee Benefits	99,998	99,764	(234)
Purchased Services	15,167	19,300	4,133
Supplies and Materials	10,799	14,800	4,001
Other Objects	4,373	38,000	33,627
Non-Capitalized Equipment	0	2,500	2,500
Total Fiscal Services	<u>589,914</u>	<u>640,342</u>	<u>50,428</u>
Operation and Maintenance of Plant Services:			
Non-Capitalized Equipment	9,847	7,000	(2,847)
Total Operation and Maintenance of Plant Services	<u>9,847</u>	<u>7,000</u>	<u>(2,847)</u>
Food Services:			
Salaries	296,144	329,852	33,708
Purchased Services	3,829,017	4,063,706	234,689
Supplies and Materials	93,779	119,917	26,138
Non-Capitalized Equipment	13,743	0	(13,743)
Total Food Services	<u>4,232,683</u>	<u>4,513,475</u>	<u>280,792</u>
Total Support Services-Business	<u>5,122,857</u>	<u>5,452,754</u>	<u>329,897</u>
Support Services-Central:			
Information Services:			
Salaries	49,998	49,598	(400)
Employee Benefits	3	16	13
Purchased Services	124,910	127,520	2,610
Supplies and Materials	815	18,830	18,015
Other Objects	250	250	0
Total Information Services	<u>175,976</u>	<u>196,214</u>	<u>20,238</u>
Staff Services:			
Salaries	704,663	557,107	(147,556)
Employee Benefits	138,146	115,601	(22,545)
Purchased Services	128,625	135,100	6,475
Supplies and Materials	28,856	34,500	5,644
Other Objects	1,500	4,000	2,500
Non-Capitalized Equipment	4,160	5,000	840
Total Staff Services	<u>1,005,950</u>	<u>851,308</u>	<u>(154,642)</u>

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

BELVIDERE COMMUNITY UNIT SCHOOL DISTRICT NO. 100
STATEMENT OF EXPENDITURES DISBURSED
BUDGET TO ACTUAL
EDUCATIONAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2026

	<u>Actual</u>	<u>Budget</u>	<u>Variance with Budget</u>
Data Processing Services:			
Salaries	913,373	897,784	(15,589)
Employee Benefits	169,477	127,304	(42,173)
Purchased Services	690,892	758,600	67,708
Supplies and Materials	862,284	938,300	76,016
Capital Outlay	469,323	552,000	82,677
Total Data Processing Services	<u>3,105,349</u>	<u>3,273,988</u>	<u>168,639</u>
Total Support Service-Central	<u>4,287,275</u>	<u>4,321,510</u>	<u>34,235</u>
Other Support Services:			
Salaries	56,643	56,243	(400)
Employee Benefits	22,007	22,536	529
Purchased Services	238,362	186,200	(52,162)
Supplies and Materials	84,112	90,000	5,888
Non-Capitalized Equipment	0	5,000	5,000
Total Other Supporting Services	<u>401,124</u>	<u>359,979</u>	<u>(41,145)</u>
Total Supporting Services	<u>35,852,140</u>	<u>37,599,794</u>	<u>1,747,654</u>
Community Services:			
Salaries	8,277	32,502	24,225
Employee Benefits	3,354	3,429	75
Purchased Services	15,568	36,395	20,827
Supplies and Materials	20,602	25,313	4,711
Total Community Services	<u>47,801</u>	<u>97,639</u>	<u>49,838</u>
Payments to Other Governmental Units (In-State):			
Payments for Regular Programs:			
Purchased Services	179,000	167,000	(12,000)
Other Objects	26,685	30,000	3,315
Total Payments for Regular Programs	<u>205,685</u>	<u>197,000</u>	<u>(8,685)</u>
Payments for Special Education Programs:			
Purchased Services	1,349,965	1,325,300	(24,665)
Total Payments for Spec. Ed. Programs	<u>1,349,965</u>	<u>1,325,300</u>	<u>(24,665)</u>
Payments for Community College Programs:			
Purchased Services	22,950	0	(22,950)
Other Objects	309,014	425,000	115,986
Total Payments for Community College Programs	<u>331,964</u>	<u>425,000</u>	<u>93,036</u>

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

BELVIDERE COMMUNITY UNIT SCHOOL DISTRICT NO. 100
STATEMENT OF EXPENDITURES DISBURSED
BUDGET TO ACTUAL
EDUCATIONAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2026

	<u>Actual</u>	<u>Budget</u>	<u>Variance with Budget</u>
Other Payments to Governmental Units:			
Purchased Services	14,602	5,000	(9,602)
Total Other Payments to Governmental Units	<u>14,602</u>	<u>5,000</u>	<u>(9,602)</u>
Total Payments to Other Governmental Units (In-State)	<u>1,902,216</u>	<u>1,952,300</u>	<u>50,084</u>
Payments to Other Governmental Units - Tuition (In-State):			
Adult/Continuing Education Programs - Tuition	17,840	20,000	2,160
Total Payments to Other Governmental Units - Tuition (In-State)	<u>17,840</u>	<u>20,000</u>	<u>2,160</u>
Total Payments to Other Governmental Units	<u>1,920,056</u>	<u>1,972,300</u>	<u>52,244</u>
Total Direct Disbursements (without Student Activity Funds)	<u>123,787,593</u>	<u>122,078,129</u>	<u>(1,709,464)</u>
Total Direct Disbursements (with Student Activity Funds)	<u>124,765,019</u>	<u>122,078,129</u>	<u>(2,686,890)</u>

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

BELVIDERE COMMUNITY UNIT SCHOOL DISTRICT NO. 100
STATEMENT OF EXPENDITURES DISBURSED
BUDGET TO ACTUAL
OPERATIONS AND MAINTENANCE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2026

	<u>Actual</u>	<u>Budget</u>	<u>Variance with Budget</u>
Expenditures Disbursed:			
Supporting Services:			
Support Services-Business:			
Operation and Maintenance of			
Plant Services:			
Salaries	4,287,948	4,212,446	(75,502)
Employee Benefits	812,310	710,000	(102,310)
Purchased Services	1,688,373	1,817,906	129,533
Supplies and Materials	2,365,733	2,524,384	158,651
Capital Outlay	444,770	515,711	70,941
Other Objects	34,772	29,485	(5,287)
Non-Capitalized Equipment	113,766	95,752	(18,014)
Total Support Services	<u>9,747,672</u>	<u>9,905,684</u>	<u>158,012</u>
Total Direct Disbursements	<u><u>9,747,672</u></u>	<u><u>9,905,684</u></u>	<u><u>158,012</u></u>

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

BELVIDERE COMMUNITY UNIT SCHOOL DISTRICT NO. 100
 STATEMENT OF EXPENDITURES DISBURSED
 BUDGET TO ACTUAL
 DEBT SERVICES FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2026

	<u>Actual</u>	<u>Budget</u>	<u>Variance with Budget</u>
Expenditures Disbursed:			
Interest on Long-Term Debt	2,637,693	839,263	(1,798,430)
Payments of Principal on Long-Term Debt	10,015,000	10,015,000	0
Debt Service-Other:			
Purchased Services	<u>1,918</u>	<u>2,000</u>	<u>82</u>
Total Debt Service	<u>12,654,611</u>	<u>10,856,263</u>	<u>(1,798,348)</u>
Total Direct Disbursements	<u><u>12,654,611</u></u>	<u><u>10,856,263</u></u>	<u><u>(1,798,348)</u></u>

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

BELVIDERE COMMUNITY UNIT SCHOOL DISTRICT NO. 100
 STATEMENT OF EXPENDITURES DISBURSED
 BUDGET TO ACTUAL
 TRANSPORTATION FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2026

	<u>Actual</u>	<u>Budget</u>	<u>Variance with Budget</u>
Expenditures Disbursed:			
Supporting Services:			
Support Services-Business:			
Pupil Transportation Services:			
Purchased Services	9,471,356	9,978,152	506,796
Supplies and Materials	650,460	600,500	(49,960)
Total Pupil Transportation Services	<u>10,121,816</u>	<u>10,578,652</u>	<u>456,836</u>
Total Direct Disbursements	<u><u>10,121,816</u></u>	<u><u>10,578,652</u></u>	<u><u>456,836</u></u>

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

BELVIDERE COMMUNITY UNIT SCHOOL DISTRICT NO. 100
STATEMENT OF EXPENDITURES DISBURSED
BUDGET TO ACTUAL
MUNICIPAL RETIREMENT/SOCIAL SECURITY FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2026

	<u>Actual</u>	<u>Budget</u>	<u>Variance with Budget</u>
Expenditures Disbursed:			
Instruction:			
Regular Programs:			
Employee Benefits	179,615	500,565	320,950
Pre-K Programs:			
Employee Benefits	359,276	78,453	(280,823)
Special Education Programs:			
Employee Benefits	603,548	622,034	18,486
Special Education Programs Pre-K:			
Employee Benefits	96,925	106,178	9,253
Remedial and Supplemental Programs K-12:			
Employee Benefits	32,835	42,341	9,506
CTE Programs:			
Employee Benefits	24,450	25,262	812
Interscholastic Programs:			
Employee Benefits	81,716	53,849	(27,867)
Summer School Programs:			
Employee Benefits	9,617	10,794	1,177
Gifted Programs:			
Employee Benefits	2,154	2,437	283
Driver's Education Programs:			
Employee Benefits	3,018	3,204	186
Bilingual Programs:			
Employee Benefits	203,180	214,114	10,934
Total Instruction	<u>1,596,334</u>	<u>1,659,231</u>	<u>62,897</u>
Supporting Services:			
Support Services-Pupils:			
Attendance and Social Work Services:			
Employee Benefits	67,742	70,600	2,858
Guidance Services:			
Employee Benefits	62,987	68,854	5,867
Health Services:			
Employee Benefits	61,795	73,834	12,039
Psychological Services:			
Employee Benefits	14,711	16,259	1,548
Speech Pathology and Audiology:			
Employee Benefits	18,430	20,441	2,011
Other Support Services-Pupils:			
Employee Benefits	13,732	13,656	(76)
Total Support Services-Pupils	<u>239,397</u>	<u>263,644</u>	<u>24,247</u>

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

BELVIDERE COMMUNITY UNIT SCHOOL DISTRICT NO. 100
STATEMENT OF EXPENDITURES DISBURSED
BUDGET TO ACTUAL
MUNICIPAL RETIREMENT/SOCIAL SECURITY FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2026

	<u>Actual</u>	<u>Budget</u>	<u>Variance with Budget</u>
Support Services-Instructional Staff:			
Improvement of Instruction Services:			
Employee Benefits	122,041	132,881	10,840
Educational Media Services:			
Employee Benefits	49,667	73,863	24,196
Assessment and Testing:			
Employee Benefits	12	15	3
Total Support Services-Instructional Staff	<u>171,720</u>	<u>206,759</u>	<u>35,039</u>
Support Services-General Administration:			
Executive Administration Services:			
Employee Benefits	16,377	17,094	717
Special Area Administrative Services:			
Employee Benefits	31,166	31,924	758
Total Support Services-General Administration	<u>47,543</u>	<u>49,018</u>	<u>1,475</u>
Support Services-School Administration:			
Office of the Principal Services:			
Employee Benefits	194,334	213,856	19,522
Total Support Services-School Administration	<u>194,334</u>	<u>213,856</u>	<u>19,522</u>
Support Services-Business:			
Direction of Business:			
Employee Benefits	44,555	45,108	553
Fiscal Services:			
Employee Benefits	69,447	58,678	(10,769)
Operation and Maintenance of Plant Services:			
Employee Benefits	667,879	700,779	32,900
Food Services:			
Employee Benefits	22,664	25,234	2,570
Total Support Services-Business	<u>804,545</u>	<u>829,799</u>	<u>25,254</u>
Support Services-Central:			
Information Services:			
Employee Benefits	7,913	7,916	3
Staff Services:			
Employee Benefits	166,592	53,640	(112,952)
Data Processing Services:			
Employee Benefits	147,201	127,036	(20,165)
Total Support Service-Central	<u>321,706</u>	<u>188,592</u>	<u>(133,114)</u>

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

BELVIDERE COMMUNITY UNIT SCHOOL DISTRICT NO. 100
STATEMENT OF EXPENDITURES DISBURSED
BUDGET TO ACTUAL
MUNICIPAL RETIREMENT/SOCIAL SECURITY FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2026

	<u>Actual</u>	<u>Budget</u>	<u>Variance with Budget</u>
Other Support Services:			
Employee Benefits	<u>8,239</u>	<u>8,287</u>	<u>48</u>
Total Support Services	<u>1,787,484</u>	<u>1,759,955</u>	<u>(27,529)</u>
Community Services:			
Employee Benefits	<u>120</u>	<u>162</u>	<u>42</u>
Total Direct Disbursements	<u><u>3,383,938</u></u>	<u><u>3,419,348</u></u>	<u><u>35,410</u></u>

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

BELVIDERE COMMUNITY UNIT SCHOOL DISTRICT NO. 100
 STATEMENT OF EXPENDITURES DISBURSED
 BUDGET TO ACTUAL
 CAPITAL PROJECTS FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2026

	<u>Actual</u>	<u>Budget</u>	<u>Variance with Budget</u>
Expenditures Disbursed:			
Support Services:			
Support Services-Business:			
Facilities Acquisition & Construction:			
Purchased Services	81,749	200,000	118,251
Capital Outlay	3,360,599	0	(3,360,599)
Other Objects	0	3,300,000	3,300,000
Total Facilities Acquisition & Construction	<u>3,442,348</u>	<u>3,500,000</u>	<u>57,652</u>
Total Direct Disbursements	<u><u>3,442,348</u></u>	<u><u>3,500,000</u></u>	<u><u>57,652</u></u>

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

BELVIDERE COMMUNITY UNIT SCHOOL DISTRICT NO. 100
STATEMENT OF EXPENDITURES DISBURSED
BUDGET TO ACTUAL
TORT FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2026

	<u>Actual</u>	<u>Budget</u>	<u>Variance with Budget</u>
Expenditures Disbursed:			
Support Services:			
Support Services-General Administration:			
Board of Education Services:			
Other Objects	0	15,000	15,000
Total Board of Education Services	<u>0</u>	<u>15,000</u>	<u>15,000</u>
Risk Management and Claims Services Payments:			
Purchased Services	1,020,355	1,274,128	253,773
Total Risk Management and Claims Payments	<u>1,020,355</u>	<u>1,274,128</u>	<u>253,773</u>
Total Support Services-General Administration	<u>1,020,355</u>	<u>1,289,128</u>	<u>268,773</u>
Total Supporting Services	<u>1,020,355</u>	<u>1,289,128</u>	<u>268,773</u>
Payments to Other Governmental Units			
(In-State):			
Other Payments to Governmental Units:			
Purchased Services	234,945	0	(234,945)
Total Other Payments to Governmental Units	<u>234,945</u>	<u>0</u>	<u>(234,945)</u>
Total Payments to Other Governmental			
Units (In-State)	<u>234,945</u>	<u>0</u>	<u>(234,945)</u>
Total Payments to Other Governmental Units	<u>234,945</u>	<u>0</u>	<u>(234,945)</u>
Total Direct Disbursements	<u><u>1,255,300</u></u>	<u><u>1,289,128</u></u>	<u><u>33,828</u></u>

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

BELVIDERE COMMUNITY UNIT SCHOOL DISTRICT NO. 100
 STATEMENT OF EXPENDITURES DISBURSED
 BUDGET TO ACTUAL
 FIRE PREVENTION AND SAFETY FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2026

	<u>Actual</u>	<u>Budget</u>	<u>Variance with Budget</u>
Expenditures Disbursed:			
Support Services:			
Support Services-Business:			
Operation and Maintenance of Plant Services:			
Capital Outlay	3,282,164	9,300,000	6,017,836
Total Direct Disbursements	<u>3,282,164</u>	<u>9,300,000</u>	<u>6,017,836</u>

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

BELVIDERE COMMUNITY UNIT SCHOOL DISTRICT NO. 100
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2026

Note #1 – Summary of Significant Accounting Policies

Belvidere Community Unit School District No. 100 (the District) is organized under the School Code of the State of Illinois, as amended, and operates as a local education agency under the direction of its locally elected seven-member Board of Education. The following is a summary of significant accounting policies:

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

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

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

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

B. Basis of Presentation - Fund Accounting

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

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

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

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

BELVIDERE COMMUNITY UNIT SCHOOL DISTRICT NO. 100
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2026

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

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

Governmental Funds (cont'd.)

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

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

The Tort Fund accounts for financial resources held by the District to be used for tort immunity and tort judgment purposes.

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

Fiduciary Funds - Fiduciary funds are used to account for assets held by the District in a trustee capacity or as an agent for individuals, private organizations, other governments, or other funds.

The Trust Fund (Self-Insurance Fund) is used to account for the District's self-insured employee health plan.

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

BELVIDERE COMMUNITY UNIT SCHOOL DISTRICT NO. 100
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2026

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

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

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

The District's formal capitalization policy states that a capital item must be at or above a threshold of \$5,000 and have an estimated useful life greater than one year.

Depreciation has been computed using the straight-line method over the following useful lives:

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

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

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

C. Basis of Accounting

Basis of accounting refers to when revenues received, and expenditures disbursed are recognized in the account and how they are reported in the financial statements. The District maintains its accounting records for all funds and account groups on the modified cash basis of accounting under guidelines prescribed by the Illinois State Board of Education within Title 23 Education and Cultural Resources of the Illinois Administrative Code. Accordingly, revenues are recognized and recorded in the accounts when cash is received. In the same manner, expenditures are recognized and recorded upon the disbursement of cash. Assets of a fund are only recorded when a right to receive cash exists which arises from a previous cash transaction. Liabilities of a fund, similarly, result from previous cash transactions.

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

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

BELVIDERE COMMUNITY UNIT SCHOOL DISTRICT NO. 100
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2026

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

D. Budgets and Budgetary Accounting

The budget for all Governmental Funds is prepared on the modified cash basis of accounting, which is the same basis that is used in financial reporting. This allows for comparability between budget and actual amounts. This is an acceptable method in accordance with Chapter 105, Section 5, Paragraph 17-1 of the Illinois Compiled Statutes. The original budget was passed on September 15, 2025, and was amended on June 15, 2026.

For each fund, total fund expenditures disbursed may not legally exceed the budgeted amounts. The budget lapses at the end of each fiscal year.

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

1. Prior to July 1, the Superintendent submits to the Board of Education a proposed operating budget for the fiscal year commencing on that date. The operating budget includes proposed expenditures disbursed and the means of financing them.
2. A public hearing is conducted to obtain taxpayer comments.
3. Prior to October 1, the budget is legally adopted through passage of a resolution.
4. Formal budgetary integration is employed as a management control device during the year.
5. The Board of Education may make transfers between the various items in any fund not exceeding in the aggregate 10% of the total of such fund as set forth in the budget.
6. The Board of Education may amend the budget (in other ways) by the same procedures required of its original adoption.

E. Cash and Cash Equivalents

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

F. Investments

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

G. Inventories

Inventory Supplies - Consists of expendable supplies held for consumption. The cost is recorded as an expenditure disbursed at the time the individual inventory items are purchased. The District does not maintain records of supply inventories.

BELVIDERE COMMUNITY UNIT SCHOOL DISTRICT NO. 100
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2026

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

H. Fund Balances

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

Nonspendable - The nonspendable fund balance classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact. The “not in spendable form” criterion includes items that are not expected to be converted to cash, for example, inventories and prepaid amounts. As of June 30, 2026, the District did not classify any amounts as nonspendable.

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

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

The School Board commits fund balance by making motions or passing resolutions to adopt policies or to approve contracts. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements. As of June 30, 2026, the District did not classify any amount of fund balance as committed.

Assigned - The assigned fund balance classification refers to amounts that are constrained by the government’s intent to be used for a specific purpose but are neither restricted nor committed. Intent may be expressed by the School Board itself by assigning amounts to be used for specific purposes. As of June 30, 2026, the District did not classify any amounts as assigned.

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

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

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

BELVIDERE COMMUNITY UNIT SCHOOL DISTRICT NO. 100
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2026

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

I. Leases

The District accounts for leases as follows:

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

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

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

J. Subscription-Based Information Technology Arrangements

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

K. Compensated Absences

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

L. Termination Benefits

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

M. Use of Estimates

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

N. Total Memorandum Only

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

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

BELVIDERE COMMUNITY UNIT SCHOOL DISTRICT NO. 100
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2026

Note #2 – Property Taxes

The District's property tax is levied each year on all taxable real property located in the District on or before the last Tuesday in December. Taxes are levied in Boone, DeKalb and McHenry Counties. The Board passed the 2025 levy on December 15, 2025. Property taxes attach as an enforceable lien on property as of January 1 and are payable in two installments on June 1 and September 1. The District receives significant distributions of tax receipts approximately one month after these due dates. The District received \$36,801,673 from the 2025 tax levy prior to June 30, 2026. The balance of the taxes shown in these financial statements are from the 2024 and prior tax levies.

The Property Tax Extension Limitation Law of the State of Illinois, as amended ("Limitation Law"), limits the amount of annual increase in property taxes to be extended for certain Illinois non-home rule units of government, including the District. In general, the Limitation Law restricts the amount of such increases to the lesser of 5% or the percentage increase in the Consumer Price Index during the calendar year proceeding the levy year. Taxes can also be increased due to assessed valuation increases from new construction, referendum approval of tax rate increases, and consolidations of local governmental units.

The effect of the Limitation Law is to limit the growth of the amount of property taxes that can be extended for a taxing body. In addition, general obligation bonds (other than alternate bonds, notes, and installment contracts) payable from ad valorem taxes unlimited as to rate and amount cannot be issued by the affected taxing bodies unless the obligations first are approved at a direct referendum or are for certain refunding purposes.

The Limitation Law is effective beginning with the 2001 levy, with the exception of the bonds approved by referendum and issued during the June 30, 2003, fiscal year.

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

	Maximum Rate	2025 Rate	2024 Rate	2023 Rate
Educational	4.00000	2.90792	3.05700	3.24483
Operations and Maintenance	0.75000	0.55175	0.59004	0.57505
Transportation	None	0.28479	0.30836	0.33058
Debt Services	None	0.53303	0.59215	0.68634
Municipal Retirement	None	0.07975	0.08634	0.09164
Social Security	None	0.13021	0.14098	0.14964
Tort Immunity	None	0.00000	0.03980	0.04083
Special Education	0.80000	0.26032	0.28187	0.29338
Fire Prevention and Safety	0.10000	0.00146	0.00157	0.08392
Working Cash	0.05000	0.00004	0.00409	0.00438
Revenue Recovery	None	0.01214	0.01169	0.00930
Total		<u>4.76141</u>	<u>5.11389</u>	<u>5.50989</u>

BELVIDERE COMMUNITY UNIT SCHOOL DISTRICT NO. 100
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2026

Note #3 - Regulatory Fund Balances

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

The District has the following categories of reserved fund balances:

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

Social Security Levy - Cash disbursed and the related cash receipts of this tax levy are accounted for in the Municipal Retirement/Social Security Fund. Revenue received exceeded expenditures disbursed for this purpose, resulting in a reserved fund balance of \$1,251,684.

School Facility Occupation Tax - Proceeds from the school facility occupation tax have been included in the Debt Services and Capital Projects Funds. Revenue received exceeded expenditures disbursed for this purpose, resulting in a reserved fund balance of \$2,927,216 in the Debt Services Fund.

Trust and Agency Funds - The District had various trust accounts for scholarships, memorials, self-funded insurance, and a flex benefit plan during the fiscal year totaling \$1,188,990. This balance is included in the financial statements as reserved in the Trust and Agency Fund.

Student Activity Funds - The District has Student Activity Funds that are included in the Educational Fund balance. As of June 30, 2026, net revenues received exceeded expenditures disbursed, resulting in a reserved fund balance of \$840,637.

State Grants - Proceeds from state grants and the related expenditures have been included in the Educational, Operations and Maintenance, IMRF, and Transportation Funds. As of June 30, 2026, net revenues received exceeded expenditures disbursed, resulting in a reserved fund balance of \$111,354 in the Operations and Maintenance Fund.

Federal Grants - Proceeds from federal grants and the related expenditures have been included in the Educational and Transportation Funds. As of June 30, 2026, expenditures disbursed exceeded revenue received for those specific purposes, resulting in no reserved fund balance.

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

BELVIDERE COMMUNITY UNIT SCHOOL DISTRICT NO. 100
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2026

Note #4 – Deposits and Investments

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

A. Custodial Credit Risk Related to Deposits with Financial Institutions

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

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

As of June 30, 2026, none of the District's deposits were uninsured or uncollateralized.

B. Custodial Credit Risk of Investments

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

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

C. Interest Rate Risk

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

BELVIDERE COMMUNITY UNIT SCHOOL DISTRICT NO. 100
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2026

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

D. Investments

As of June 30, 2026, the District had the following investments and maturities:

Investment Type	Book Value	Fair Value	Investment Maturities (in Years)			
			Less Than 1	1-5	6-10	More Than 10
ISDLAF –						
LIQ	\$ 2,365,432	\$ 2,365,432	\$ 2,365,432	\$ 0	\$ 0	\$ 0
MAX	17,506,236	17,506,236	17,506,236	0	0	0
Stifel Brokerage –						
Negotiable CDs	1,570,000	1,570,834	896,376	674,458	0	0
Municipal Bonds	35,303,704	35,983,294	13,416,015	22,567,279	0	0
Total	<u>\$ 56,745,372</u>	<u>\$ 57,425,796</u>	<u>\$ 34,184,059</u>	<u>\$ 23,241,737</u>	<u>\$ 0</u>	<u>\$ 0</u>

E. Credit Risk

The Public Funds Investment Act contained in the Illinois Compiled Statutes limits the types of investments a public agency may purchase. The investment policy of the District does not limit further its investment choices. As of June 30, 2026, the District's investment types are not rated.

F. Concentration of Credit Risk

Concentration of credit risk is the risk of loss attributed to the magnitude of an investment in a single issuer. Disclosures are required for any issuer that represents 5% or more of total investments, exclusive of mutual funds, external investment pools, and investments issued or guaranteed by the U.S. government. The District's investment policy places no limit on the amount the District may invest in any one issuer. As of June 30, 2026, the District had no concentration of credit risk.

ISDLAF+ (Investment Pool) - During the year ended June 30, 6 the District maintained an account with the Illinois School District Liquid Asset Fund Plus (also known as ISDLAF+). ISDLAF+ is an external investment pool created in cooperation by the Illinois Association of School Boards, the Illinois Association of School Business Officials, and the Illinois Association of School Administrators. Its primary purpose is to provide School Districts, Community College Districts, and Educational Service Regions with an alternative investment vehicle which will enable them to earn a competitive rate of return on fully collateralized investments, while maintaining immediate access to invested funds.

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

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

At June 30, 2026, the District had \$19,871,668 invested with the ISDLAF+ Multi-Class Series of investments. This account is classified as a cash equivalent in these financial statements.

BELVIDERE COMMUNITY UNIT SCHOOL DISTRICT NO. 100
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2026

Note #5 – General Fixed Asset Account Group

A summary of changes in general fixed assets follows:

	Balance <u>July 1, 2025</u>	Additions	Deletions	Balance <u>June 30, 2026</u>
General Fixed Assets not being depreciated				
Non-Depreciable Land	\$ 2,931,557	\$ 21,800	\$ 0	\$ 2,953,357
Construction in Progress	913,520	4,140,696	913,520	4,140,696
Total General Fixed Assets not being depreciated	<u>3,845,077</u>	<u>4,140,696</u>	<u>913,520</u>	<u>7,094,053</u>
General Fixed Assets being depreciated				
Depreciable Land	600,779	0	0	600,779
Permanent Buildings	153,129,286	1,395,151	0	154,524,437
Temporary Buildings	676,829	0	0	676,829
Improvements Other than Buildings	11,294,023	1,705,931	0	12,999,954
10-Year Equipment	12,137,752	1,214,394	746,046	12,606,100
5-Year Equipment	186,592	0	0	186,592
Total General Fixed Assets being depreciated	<u>178,025,261</u>	<u>4,315,476</u>	<u>746,046</u>	<u>181,594,691</u>
Total General Fixed Assets	<u><u>\$ 181,870,338</u></u>	<u><u>\$ 8,477,972</u></u>	<u><u>\$ 1,659,566</u></u>	<u><u>\$ 188,688,744</u></u>
Accumulated Depreciation	<u><u>\$ 83,846,091</u></u>	<u><u>\$ 4,857,728</u></u>	<u><u>\$ 746,046</u></u>	<u><u>\$ 87,957,773</u></u>

No depreciation has been provided on fixed assets in these financial statements. The Illinois State Board of Education's Annual Financial Report (ISBE Form SD50-35/JA50-60) includes depreciation of \$4,884,828, which has been utilized for the calculation of the per capita tuition charge.

BELVIDERE COMMUNITY UNIT SCHOOL DISTRICT NO. 100
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2026

Note #6 – Pension Disclosures

The District contributes to two defined benefit pension plans: the Teachers Retirement System (TRS), and the Illinois Municipal Retirement Fund (IMRF). TRS is administered by the TRS board of trustees and is a cost sharing multiple employer plan. IMRF is administered by IMRF board of trustees and is an agent multiple-employer public employee retirement system. The benefits, benefit levels, employee contributions and employer contributions for both plans are governed by Illinois Compiled Statutes and can only be amended by the Illinois General Assembly. The aggregate employer recognized pension expense on a modified cash basis for the year ended June 30, 2026, was \$1,951,923.

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

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

TRS issues a publicly available financial report that can be obtained at <https://www.trsil.org/financial/acfrs/fy2025>; by writing to TRS at 2815 W. Washington, PO Box 19253, Springfield, IL 62794; or by calling 888-678-3675, option 2.

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

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

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

Public Act 100-0023, enacted in 2017, creates an optional Tier 3 hybrid retirement plan, but it has not yet gone into effect. Public Act 100-0587, enacted in 2018 and amended by Public Act 101-0001 and Public Act 102-0718, requires TRS to offer two temporary benefit buyout programs that expire on June 30, 2026. One program allows retiring Tier 1 members to receive a partial lumpsum payment in exchange for accepting a lower, delayed annual increase. The other allows inactive vested Tier 1 and 2 members to receive a partial lump-sum payment in lieu of a retirement annuity. Both programs began in 2019 and are funded by bonds issued by the State of Illinois.

BELVIDERE COMMUNITY UNIT SCHOOL DISTRICT NO. 100
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2026

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

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

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

Contributions from active members and TRS contributing employers are also required by the Illinois Pension Code. The contribution rates are specified in the pension code. The active member contribution rate for the year June 30, 2025, was 9.0 percent of creditable earnings. The member contribution, which may be paid on behalf of employees by the employer, is submitted to TRS by the employer.

On behalf contributions to TRS - The State of Illinois makes employer pension contributions on behalf of the employer. For the year ended June 30, 2026, State of Illinois contributions recognized by the employer were based on the state's proportionate share of with the pension expense associated with the employer, and the employer recognized revenue and expenditures of \$33,483,306 in pension contributions from the State of Illinois.

2.2 formula contributions - Employers contribute 0.58 percent of total creditable earnings for the 2.2 formula change. The contribution rate is specified by statute. Contributions remitted for the year ended June 30, 2026, were \$440,000.

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

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

For the year ended June 30, 2026, the employer pension contribution was 10.34 percent of salaries paid from federal and special trust funds as determined in the June 30, 2025 actuarial valuation. For the year ended June 30, 2026, salaries totaling \$1,696,933 were paid from federal and special trust funds that required employer contributions of \$175,463. Contributions remitted for the year ended June 30, 2026, were \$175,463.

Employer retirement cost contributions - Under GASB Statement No. 68, contributions that an employer is required to pay because of a TRS member retiring are categorized as specific liability payments. The employer is required to make a one-time contribution to TRS for members granted salary increases over 6 percent if those salaries are used to calculate a retiree's final average salary. Additionally, beginning with the year ended June 30, 2019, employers will make a similar contribution for salary increases over 3% if members are not exempted by current collective bargaining agreements or contracts.

A one-time contribution is also required for members granted sick leave days in excess of the normal annual allotment if those days are used as TRS service credit. For the year ended June 30, 2026, the employer paid \$42,910 to TRS for employer contributions due on salary increases in excess of 6 percent, \$2,456 for salary increases in excess of 3 percent and \$-0- for sick leave days granted in excess of the normal annual allotment.

Pension expense - For the year ended June 30, 2026, the employer recognized TRS pension expense of \$660,829 on a modified cash basis under this plan.

BELVIDERE COMMUNITY UNIT SCHOOL DISTRICT NO. 100
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2026

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

B. Illinois Municipal Retirement Fund

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

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

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

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

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

Employees covered by benefit terms - At December 31, 2025, the following employees were covered by the benefit terms:

Retirees or Beneficiaries currently receiving benefits	300
Inactive employees entitled to but not yet receiving benefits	403
Active employees	380
Total members	<u>1,083</u>

BELVIDERE COMMUNITY UNIT SCHOOL DISTRICT NO. 100
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2026

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

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

Contributions - As set by statute, the District's Regular Plan Members are required to contribute 4.5% of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The District's annual contribution rates for the calendar years 2025 and 2026 were 8.31% and 8.04%, respectively. For the fiscal year ended June 30, 2026, the District contributed \$1,291,094 including the accelerated payments to the plan, which is the recognized pension expense on the basis of accounting described in Note #1. The District also contributes for disability benefits, death benefits, and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by IMRF's Board of Trustees, while the supplemental retirement benefits rate is set by statute.

Note #7 – Other Post-Employment Benefits

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

A. Teacher Health Insurance Security

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

The State Employees Group Insurance Act of 1971 (5 ILCS 375) outlines the benefit provisions of the THIS Fund and amendments to the plan can be made only by legislative action with the Governor's approval. The plan is administered by the Illinois Department of Central Management Services (CMS) with the cooperation of TRS. Section 6.6 of the State Employees Group Insurance Act of 1971 requires all active contributors to TRS who are not employees of the state to make a contribution to the THIS Fund.

All active members of the Teachers' Retirement System (TRS), including substitute and part-time noncontractual teachers who are not employees of a state agency covered by the state employees' health plan, are required to make contributions to the Teachers' Health Insurance Security (THIS) Fund. For the 2025-2026 school year, 0.90 percent member contributions are due.

On behalf contributions to THIS - The State of Illinois makes employer THIS contributions on behalf of the employer. For the year ended June 30, 2026, the State of Illinois contributions recognized by the employer were based on the state's proportionate share of the THIS expense associated with the employer. The employer recognized revenue and expenditures of \$474,504 in THIS contributions from the State of Illinois.

Employer contributions to the THIS Fund - The employer also makes contributions to the THIS Fund. The employer THIS Fund contribution was 0.67 percent during the year ended June 30, 2026. Contributions remitted for the year ended June 30, 2026, were \$508,152.

BELVIDERE COMMUNITY UNIT SCHOOL DISTRICT NO. 100
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2026

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

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

Further information on the THIS Fund - The publicly available financial report of the THIS Fund may be found on the website of the Illinois Auditor General (<http://www.auditor.illinois.gov/Audit-Reports/ABC-List.asp>). The current reports are listed under “Central Management Services” (<http://www.auditor.illinois.gov/Audit-Reports/CMS-THISE.asp>). Reports prior to June 30, 2013 are available under “Healthcare and Family Services” (<http://www.auditor.illinois.gov/Audit-Reports/HEALTHCARE-FAMILY-SERVICES-Teacher-Health-Ins-Sec-Fund.asp>).

B. Post-Retirement Health Care Plan

The District provides post-employment health care benefits for eligible retirees and their dependents. Retirees are eligible to continue their health coverage under the District’s self-funded health insurance plan. The District has established a separate Self-Insurance Fund (Trust Fund) to account for the operation of this plan (see Note #12).

Funding of the plan is determined annually by the District and claims are administered under agreement by Blue Cross/Blue Shield.

In accordance with reporting standards established under GASB 75, the District had an actuarial valuation of the plan performed as of June 30, 2025.

For the fiscal year ended June 30, 2025, the District’s covered payroll under the plan was not available. There were service costs of \$35,220 and a net OPEB expense of \$27,476. Benefit payments were -\$29,344.

Participants

Active Employees	272
Inactive Employees Entitled to But Not Yet Receiving Benefits	0
Inactive Employees Currently Receiving Benefits	1
Total	<u>273</u>

Significant Actuarial Assumptions:

Ultimate Health Care Cost Trend Rate – 4.50%
Actuarial Cost Method – Entry Age Normal
Discount Rate – 4.21%
Inflation Rate – 3.00%
Salary Rate Increase – 4.00%

BELVIDERE COMMUNITY UNIT SCHOOL DISTRICT NO. 100
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2026

Note #8 – General Long-Term Debt Account Group

Long-term debt at June 30, 2026, is comprised of the following:

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

The following is a summary of long-term debt activity of the District for the year ended June 30, 2026:

Description	Original Amount	Date of Issue	Date of Maturity	Interest Rate	Balance July 1, 2025	Additions	Reductions	Balance June 30, 2026	Due In Less Than One Year
<i>General Obligation Bonds</i>									
G.O. Refunding Bonds, 2017	9,175,000	11/15/17	1/1/30	4.00%	4,890,000	0	0	4,890,000	0
G.O. Refunding Bonds, 2020	26,180,000	06/23/20	1/1/30	2.402-2.642%	26,180,000	0	1,530,000	24,650,000	2,185,000
G.O. Refunding Bonds, 2021A	9,730,000	10/05/21	1/1/27	1.39%	9,450,000	0	8,485,000	965,000	965,000
G.O. Refunding Bonds, 2021B	9,125,000	10/05/21	1/1/28	4.00%	9,125,000	0	0	9,125,000	7,025,000
G.O. Refunding Bonds, 2025A	20,970,000	04/15/25	1/1/40	5.00%	20,970,000	0	0	20,970,000	0
G.O. Refunding Bonds, 2025B	3,405,000	04/15/25	1/1/32	4.68-4.73%	3,405,000	0	0	3,405,000	0
Total					<u>\$ 74,020,000</u>	<u>\$ 0</u>	<u>\$ 10,015,000</u>	<u>\$ 64,005,000</u>	<u>\$ 10,175,000</u>

The annual debt service requirements are as follows:

	Principal	Interest	Total
2027	10,175,000	1,304,350	11,479,350
2028	9,505,000	2,066,201	11,571,201
2029	9,825,000	1,769,568	11,594,568
2030	10,125,000	1,496,930	11,621,930
2031	1,950,000	1,208,582	3,158,582
2032-2036	11,240,000	4,532,322	15,772,322
2037-2040	11,185,000	1,432,250	12,617,250
Total	<u>\$ 64,005,000</u>	<u>\$ 13,810,203</u>	<u>\$ 77,815,203</u>

BELVIDERE COMMUNITY UNIT SCHOOL DISTRICT NO. 100
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2026

Note #8 – General Long-Term Debt Account Group (cont'd.)

At June 30, 2026, the excess of assets over liabilities of the Debt Services Fund was allocable to the following issues:

<u>Debt Issue</u>	<u>Amount</u>
GO Refunding Bonds, 2017	\$ 183,660
GO Refunding Bonds, 2020	2,562,375
GO Refunding Bonds, 2021A	972,499
GO Refunding Bonds, 2021B	4,555,229
GO Refunding Bonds, 2025A	543,865
GO Refunding Bonds, 2025B	8,287
Unallocated Funds	<u>1,097,452</u>
Total	<u>\$ 9,923,367</u>

Legal debt limit – The District is subject to the Illinois School Code, which limits the amount of certain indebtedness to 13.8% of its latest equalized assessed valuation, which was \$1,441,724,275.

Legal Debt Limit	\$ 198,957,950
Less Qualifying Debt	<u>(64,005,000)</u>
Legal Debt Margin	<u>\$ 134,952,950</u>

Note #9 – Tax Anticipation Warrants

There were no tax anticipation warrants issued, retired, or outstanding during the fiscal year ended June 30, 2026.

Note #10 – Interfund Loans and Transfers

During the fiscal year ended June 30, 2026, the District had no interfund loans.

During the fiscal year ended June 30, 2026, the District had no permanent transfers:

Note #11 – Common Bank Accounts

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

BELVIDERE COMMUNITY UNIT SCHOOL DISTRICT NO. 100
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2026

Note #12 - Contingencies

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

Risk management - Significant losses are covered by commercial insurance for most major programs: property and liability. During the year ended June 30, 2026, there were no significant reductions in insurance coverage. Also, there have been no settlement amounts which have exceeded insurance coverage during the past three years.

The District participates with other school districts in a risk pool for Workers Compensation coverage. Premiums are adjusted annually based on claims against the pool. The district is responsible for their share of future claims, but that amount is not determinable.

Self-insurance plan - The District is self-insured for medical coverage, which is provided to school personnel. A third-party administrator handles claims and provides other services as required under the agreement.

The District carries stop-loss insurance to cover individual annual medical claims in excess of \$225,000 from July of 2025 through June of 2026. Aggregate stop-loss insurance is also carried to cover medical benefits in the event that total payments by the District exceed specified policy limits.

For the fiscal year ended June 30, 2026, the District paid premiums of \$1,056,494 for this coverage and received a refund of \$2,270,120 for claims in excess of the specific stop loss amounts. The amount of unpaid claims applicable for the year ended June 30, 2026, was not determinable.

At the beginning of each fiscal year, the District determines the amount of funds needed to operate the plan. This estimated total cost is used to develop standard unit charges for employees and for dependents covered under the plan.

The District has established a separate Self-Insurance Fund (Trust Fund) to account for the operation of this self-insurance plan. District contributions to the fund are made on the basis of 100% of the charges for employee coverage. Through payroll deductions, the employees are responsible for payment of a portion of the charges related to coverage of their dependents.

Note #13 - Commitments

As of June 30, 2026, the District had the following commitments:

Unpaid teacher's contracts - Teacher's contracts for services rendered during the school year for teachers electing twelve-month pay schedules are recorded as disbursements in the fiscal year when such checks are drawn. At June 30, 2026, the total amount of unpaid teacher's contracts for services performed during the year ended June 30, 2026, amounted to \$8,705,738.

Construction commitments - As of June 30, 2026, the District had the following outstanding construction commitments:

Contractor	Project	Fund to be Paid Out of	Outstanding Contract Amount
Nexus Solutions	Comprehensive Facility Improvement Plan – Phase 1	Capital Projects and Fire Safety	\$ 6,177,869
Total Outstanding			<u>\$ 6,177,869</u>

BELVIDERE COMMUNITY UNIT SCHOOL DISTRICT NO. 100
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2026

Note #14 – Disbursements and Transfers in Excess of Budget

During the fiscal year ended June 30, 2026, the District had disbursements and/or transfers in excess of budgeted amounts in the following funds:

<u>Fund</u>	<u>Actual</u>	<u>Budget</u>
Educational	\$ 124,765,019	\$ 122,078,129
Debt Services	12,654,611	10,856,263

Note #15 – Intergovernmental Cooperation Agreements

The District has entered into an intergovernmental agreement with Belvidere Township Park District concerning the joint utilization of school grounds and facilities.

The School District agreed to plan and construct an elementary school at the Sixth Street (Belvidere) site. The Park District will contribute to the cost of such construction. All amenities and features to be included by virtue of the Park District's participation in the project shall become, and remain, part of the School District's building and grounds.

The intentions of the parties in this agreement are to continue for the useful life of the improvements and school building. However, if future events require an earlier termination, the parties agreed that the agreement should continue for twenty years, with additional five-year periods, until termination and proper notifications are made. If there is a unilateral termination prior to the end of the initial 20-year term, the School District then agrees to pay the Park District in accordance with a schedule contained in the agreement.

The agreement provides continuing usage of the facility. The School District shall provide and pay for all custodial care. The Park District will reimburse the School District annually for a portion of this expense. The amount shall be reviewed every two years to determine its reasonableness.

The Park District shall contribute on a mutually agreeable cost basis for the capital improvements, capital repairs, and similar expenses approved by the two parties. Each party shall maintain sufficient insurance coverage.

Note #16 – Implementation of New Accounting Policies

Governmental Accounting Standards Board Statement No. 103, *Financial Reporting Model Improvements* is effective for reported periods beginning after June 15, 2025. The objective of this Statement is to improve key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government's accountability. This pronouncement did not impact the preparation of these financial statements as the District utilizes the regulatory reporting model as prescribed by the Illinois State Board of Education within Title 23 Education and Cultural Resources of the Illinois Administrative Code.

Governmental Accounting Standards Board Statement No. 104, *Disclosure of Certain Capital Assets* is effective for reported periods beginning after June 15, 2025. The objective of this Statement is to provide users of governmental financial statements with essential information about certain types of capital assets. The implementation of this pronouncement did not have a material impact on the District's financial statements.

BELVIDERE COMMUNITY UNIT SCHOOL DISTRICT NO. 100
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2026

Note #17 – Subsequent Events

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

SUPPLEMENTARY INFORMATION

BELVIDERE COMMUNITY UNIT SCHOOL DISTRICT NO. 100
SCHEDULE OF REVENUE RECEIVED, EXPENDITURES DISBURSED, OTHER
SOURCES (USES) AND CHANGES IN FUND BALANCE BEFORE ADVANCE TAXES
FOR THE FISCAL YEAR ENDED JUNE 30, 2026

	Educational	Operations and Maintenance	Debt Services	Transportation	Municipal Retirement/ Social Security	Capital Projects	Working Cash	Tort	Fire Prevention and Safety	Total (Memorandum Only)
Revenue Received Before Advance Taxes:										
Local Sources										
Real Estate Taxes (1)	42,882,441	7,551,672	7,578,677	3,946,569	2,909,372		52,347	509,384	20,093	65,450,555
Other Local Revenue	6,128,116	2,149,235	2,062,208	261,261	382,018	2,963,331	142,512	194,086	851,488	15,134,255
Evidence Based Funding	47,074,628							821,844		47,896,472
Other State Sources	2,248,616	150,000		5,101,077	52,348					7,552,041
Federal Sources	11,925,006			65,657	22,925					12,013,588
Total Direct Receipts	110,258,807	9,850,907	9,640,885	9,374,564	3,366,663	2,963,331	194,859	1,525,314	871,581	148,046,911
Expenditures Disbursed:										
Instruction	85,967,596				1,596,334					87,563,930
Support Services	35,852,140	9,747,672		10,121,816	1,787,484	3,442,348		1,020,355	3,282,164	65,253,979
Community Services	47,801				120					47,921
Payments to Other Governmental Units	1,920,056							234,945		2,155,001
Debt Services			12,654,611							12,654,611
Total Direct Disbursements	123,787,593	9,747,672	12,654,611	10,121,816	3,383,938	3,442,348	0	1,255,300	3,282,164	167,675,442
Excess of Receipts Over (Under) Disbursements	(13,528,786)	103,235	(3,013,726)	(747,252)	(17,275)	(479,017)	194,859	270,014	(2,410,583)	(19,628,531)
Other Sources (Uses):										
Other Sources	32,078	0	0	0	0	0	0	0	0	32,078
Total Other Sources (Uses)	32,078	0	0	0	0	0	0	0	0	32,078
Excess of Receipts Over (Under) Disbursements and Other Sources (Uses)	(13,496,708)	103,235	(3,013,726)	(747,252)	(17,275)	(479,017)	194,859	270,014	(2,410,583)	(19,596,453)
Fund Balance Before Advanced Taxes, July 1, 2025	26,615,356	4,685,330	8,817,215	7,249,140	701,109	10,485,101	6,378,164	(270,014)	22,061,468	86,722,869
Fund Balance Before Advanced Taxes, June 30, 2026	13,118,648	4,788,565	5,803,489	6,501,888	683,834	10,006,084	6,573,023	0	19,650,885	67,126,416
Advanced Taxes Received Prior to July 1, 2026	24,581,628	4,264,568	4,119,878	2,201,189	1,622,816	0	309	0	11,285	36,801,673
Fund Balance After Advanced Taxes, June 30, 2026	37,700,276	9,053,133	9,923,367	8,703,077	2,306,650	10,006,084	6,573,332	0	19,662,170	103,928,089

(1) Real Estate Receipts have been reduced by the 2025 Levy received prior to July 1, 2026, and increased by the 2024 Levy received prior to July 1, 2025.

BELVIDERE COMMUNITY UNIT SCHOOL DISTRICT NO. 100
SCHEDULE OF LONG-TERM DEBT PAYABLE
JUNE 30, 2026

G.O. Refunding School Bonds, Series 2017

Dated: November 15, 2017

Original Issue: \$9,175,000

Principal and Interest Due: January 1

Payable at UMB Bank,
St. Louis, Missouri

<u>Due Date</u>	Interest	Principal	Interest Due		Total
	Rate		July 1	January 1	
2026-27		-	97,800	97,800	195,600
2027-28	4.0000%	1,900,000	97,800	97,800	2,095,600
2028-29	4.0000%	1,455,000	59,800	59,800	1,574,600
2029-30	4.0000%	1,535,000	30,700	30,700	1,596,400
Total		4,890,000	286,100	286,100	5,462,200

Taxable G.O. Refunding School Bonds, Series 2020

Dated: June 23, 2020

Original Issue: \$26,180,000

Principal Due: January 1

Interest Due: January 1 and July 1

Payable at Zion's Bancorporation, National Association,
Chicago, Illinois

<u>Due Date</u>	Interest	Principal	Interest Due		Total
	Rate		July 1	January 1	
2026-27	2.4020%	2,185,000	- *	315,253	2,500,253
2027-28	2.4820%	5,505,000	289,010	289,010	6,083,020
2028-29	2.5620%	8,370,000	220,693	220,694	8,811,387
2029-30	2.6420%	8,590,000	113,474	113,474	8,816,948
Total		24,650,000	623,177	938,431	26,211,608

* - District made interest payment prior to June 30, 2026 for \$315,253

Taxable G.O. Refunding School Bonds, Series 2021A

Dated: October 5, 2021

Original Issue: \$9,730,000

Principal Due: January 1

Interest Due: January 1 and July 1

Payable at Zion's Bancorporation, National Association,
Chicago, Illinois

<u>Due Date</u>	Interest	Principal	Interest Due		Total
	Rate		July 1	January 1	
2026-27	1.3900%	965,000	- *	6,707	971,707
Total		965,000	-	6,707	971,707

* - District made interest payment prior to June 30, 2026 for \$6,707

BELVIDERE COMMUNITY UNIT SCHOOL DISTRICT NO. 100
SCHEDULE OF LONG-TERM DEBT PAYABLE
JUNE 30, 2026

Taxable G.O. Refunding School Bonds, Series 2021B
Dated: October 5, 2021
Original Issue: \$9,125,000
Principal Due: January 1
Interest Due: January 1 and July 1
Payable at Zion's Bancorporation, National Association,
Chicago, Illinois

<u>Due Date</u>	Interest	Principal	Interest Due		Total
	Rate		July 1	January 1	
2026-27	4.0000%	7,025,000	- *	182,500	7,207,500
2027-28	4.0000%	2,100,000	42,000	42,000	2,184,000
Total		9,125,000	42,000	224,500	9,391,500

* - District made interest payment prior to June 30, 2026 for \$182,500

General Obligation School Bonds, Series 2025A
Dated: April 15, 2025
Original Issue: \$20,970,000
Principal Due: January 1
Interest Due: January 1 and July 1
Payable at Zions Bancorporation, National Association,
Chicago, Illinois

<u>Due Date</u>	Interest	Principal	Interest Due		Total
	Rate		July 1	January 1	
2026-27		-	- *	524,250	524,250
2027-28		-	524,250	524,250	1,048,500
2028-29		-	524,250	524,250	1,048,500
2029-30		-	524,250	524,250	1,048,500
2030-31		-	524,250	524,250	1,048,500
2031-32	5.0000%	585,000	524,250	524,250	1,633,500
2032-33	5.0000%	2,135,000	509,625	509,625	3,154,250
2033-34	5.0000%	2,240,000	456,250	456,250	3,152,500
2034-35	5.0000%	2,355,000	400,250	400,250	3,155,500
2035-36	5.0000%	2,470,000	341,375	341,375	3,152,750
2036-37	5.0000%	2,595,000	279,625	279,625	3,154,250
2037-38	5.0000%	2,725,000	214,750	214,750	3,154,500
2038-39	5.0000%	2,860,000	146,625	146,625	3,153,250
2039-40	5.0000%	3,005,000	75,125	75,125	3,155,250
Total		20,970,000	5,044,875	5,569,125	31,584,000

* - District made interest payment prior to June 30, 2026 for \$524,250

BELVIDERE COMMUNITY UNIT SCHOOL DISTRICT NO. 100
SCHEDULE OF LONG-TERM DEBT PAYABLE
JUNE 30, 2026

Taxable General Obligation Refunding School Bonds, Series 2025B

Dated: April 15, 2025

Original Issue: \$3,405,000

Principal Due: January 1

Interest Due: January 1 and July 1

Payable at Zions Bancorporation, National Association,
Chicago, Illinois

<u>Due Date</u>	Interest	<u>Principal</u>	<u>Interest Due</u>		<u>Total</u>
	<u>Rate</u>		<u>July 1</u>	<u>January 1</u>	
2026-27		-	- *	80,040	80,040
2027-28		-	80,041	80,040	160,081
2028-29		-	80,041	80,040	160,081
2029-30		-	80,041	80,041	160,082
2030-31	4.6800%	1,950,000	80,041	80,041	2,110,082
2031-32	4.7300%	1,455,000	34,411	34,411	1,523,822
Total		<u>3,405,000</u>	<u>354,575</u>	<u>434,613</u>	<u>4,194,188</u>

* - District made interest payment prior to June 30, 2026 for \$80,040

BELVIDERE COMMUNITY UNIT SCHOOL DISTRICT NO. 100
SCHEDULE OF TAXES EXTENDED AND COLLECTED
JUNE 30, 2026

		<u>Educational Levy</u>	<u>Special Education Levy</u>	<u>Operation & Maintenance Levy</u>	<u>Debt Services Levy</u>	<u>Trans- portation Levy</u>	<u>Municipal Retirement Levy</u>	<u>Social Security Levy</u>	<u>Working Cash Levy</u>	<u>Tort Immunity Levy</u>	<u>Fire Safety Levy</u>	<u>Sec. 18-233 Recovery Levy</u>	<u>Total All Levies</u>
<u>2023 Levy</u>													
Assessed Valuation *	1,144,959,719												
Tax Rate per \$100.00		<u>3.24483</u>	<u>0.29338</u>	<u>0.57505</u>	<u>0.68634</u>	<u>0.33058</u>	<u>0.09164</u>	<u>0.14964</u>	<u>0.00438</u>	<u>0.04083</u>	<u>0.08392</u>	<u>0.00930</u>	<u>5.50989</u>
Taxes Extended		<u>37,151,996</u>	<u>3,359,083</u>	<u>6,584,091</u>	<u>7,858,317</u>	<u>3,785,008</u>	<u>1,049,241</u>	<u>1,713,318</u>	<u>50,149</u>	<u>467,487</u>	<u>960,850</u>	<u>106,481</u>	<u>63,086,021</u>
Taxes Collected	99.72%	<u>37,049,020</u>	<u>3,349,772</u>	<u>6,565,840</u>	<u>7,836,534</u>	<u>3,774,516</u>	<u>1,046,333</u>	<u>1,708,568</u>	<u>50,010</u>	<u>466,191</u>	<u>958,187</u>	<u>106,262</u>	<u>62,911,233</u>
<u>2024 Levy</u>													
Assessed Valuation *	1,283,599,504												
Tax Rate per \$100.00		<u>3.05700</u>	<u>0.28187</u>	<u>0.59004</u>	<u>0.59215</u>	<u>0.30836</u>	<u>0.08634</u>	<u>0.14098</u>	<u>0.00409</u>	<u>0.03980</u>	<u>0.00157</u>	<u>0.01169</u>	<u>5.11389</u>
Taxes Extended		<u>39,239,637</u>	<u>3,618,082</u>	<u>7,573,751</u>	<u>7,600,834</u>	<u>3,958,107</u>	<u>1,108,260</u>	<u>1,809,619</u>	<u>52,499</u>	<u>510,873</u>	<u>20,153</u>	<u>150,053</u>	<u>65,641,868</u>
Advance Taxes Received Prior to July 1, 2025		20,739,492	1,912,280	4,002,986	4,017,301	2,091,995	585,753	956,445	27,748	270,014	10,651	79,247	34,693,912
Taxes received July 1, 2025 thru June 30, 2026		<u>18,385,755</u>	<u>1,695,255</u>	<u>3,548,686</u>	<u>3,561,376</u>	<u>1,854,574</u>	<u>519,276</u>	<u>847,898</u>	<u>24,599</u>	<u>239,370</u>	<u>9,442</u>	<u>70,412</u>	<u>30,756,643</u>
Taxes Collected	99.71%	<u>39,125,247</u>	<u>3,607,535</u>	<u>7,551,672</u>	<u>7,578,677</u>	<u>3,946,569</u>	<u>1,105,029</u>	<u>1,804,343</u>	<u>52,347</u>	<u>509,384</u>	<u>20,093</u>	<u>149,659</u>	<u>65,450,555</u>
<u>2025 Levy</u>													
Assessed Valuation *	1,428,630,607												
Tax Rate per \$100.00		<u>2.90792</u>	<u>0.26032</u>	<u>0.55175</u>	<u>0.53303</u>	<u>0.28479</u>	<u>0.07975</u>	<u>0.13021</u>	<u>0.00004</u>	<u>0.00000</u>	<u>0.00146</u>	<u>0.01214</u>	<u>4.76141</u>
Taxes Extended		<u>41,543,435</u>	<u>3,719,011</u>	<u>7,882,469</u>	<u>7,615,030</u>	<u>4,068,597</u>	<u>1,139,333</u>	<u>1,860,220</u>	<u>571</u>	<u>-</u>	<u>20,858</u>	<u>173,436</u>	<u>68,022,960</u>
Advance Taxes Received Prior to July 1, 2026		<u>22,475,799</u>	<u>2,012,057</u>	<u>4,264,568</u>	<u>4,119,878</u>	<u>2,201,189</u>	<u>616,401</u>	<u>1,006,415</u>	<u>309</u>	<u>-</u>	<u>11,285</u>	<u>93,772</u>	<u>36,801,673</u>
Taxes Receivable		<u>19,067,636</u>	<u>1,706,954</u>	<u>3,617,901</u>	<u>3,495,152</u>	<u>1,867,408</u>	<u>522,932</u>	<u>853,805</u>	<u>262</u>	<u>-</u>	<u>9,573</u>	<u>79,664</u>	<u>31,221,287</u>

Form of Continuing Disclosure Undertaking

**PROPOSED FORM OF
CONTINUING DISCLOSURE UNDERTAKING
FOR THE PURPOSE OF PROVIDING
CONTINUING DISCLOSURE INFORMATION
UNDER SECTION (b)(5) OF RULE 15c2-12**

This Continuing Disclosure Undertaking (this “*Agreement*”) is executed and delivered by Community Unit School District Number 100, Boone, McHenry and DeKalb Counties, Illinois (the “*District*”), in connection with the issuance of \$_____ General Obligation School Bonds, Series 2026 (the “*Bonds*”). The Bonds are being issued pursuant to a resolution adopted by the Board of Education of the District on the 19th day of October, 2026, as supplemented by a notification of sale (together, the “*Resolution*”).

In consideration of the issuance of the Bonds by the District and the purchase of such Bonds by the beneficial owners thereof, the District covenants and agrees as follows:

1. **PURPOSE OF THIS AGREEMENT.** This Agreement is executed and delivered by the District as of the date set forth below, for the benefit of the beneficial owners of the Bonds and in order to assist the Participating Underwriters in complying with the requirements of the Rule (as defined below). The District represents that it will be the only obligated person with respect to the Bonds at the time the Bonds are delivered to the Participating Underwriters and that no other person is expected to become so committed at any time after issuance of the Bonds.

2. **DEFINITIONS.** The terms set forth below shall have the following meanings in this Agreement, unless the context clearly otherwise requires.

Annual Financial Information means information of the type contained under the following headings and subheadings of, and in the following appendices and exhibits to, the Official Statement:

FINANCIAL INFORMATION

Trend of EAV

EAV by County

Tax Rates

Tax Extensions and Collections

Summary of Outstanding Bonded Debt

Debt Repayment Schedule

Debt Statement (with respect to the District’s debt only)

Debt Ratios (with respect to the District’s debt only)

SUMMARY OF OPERATING RESULTS

General Fund Revenue Sources

Summary of Operating Funds and Debt Service Fund

On-Behalf Payments Summary (table only)

Budget Summary

SCHOOL DISTRICT FINANCIAL PROFILE (LAST PARAGRAPH ONLY)

Annual Financial Information Disclosure means the dissemination of disclosure concerning Annual Financial Information and the dissemination of the Audited Financial Statements as set forth in Section 4.

Audited Financial Statements means the audited financial statements of the District prepared pursuant to the principles and as described in *Exhibit I*.

Commission means the Securities and Exchange Commission.

Dissemination Agent means any agent designated as such in writing by the District and which has filed with the District a written acceptance of such designation, and such agent's successors and assigns.

EMMA means the MSRB through its Electronic Municipal Market Access system for municipal securities disclosure or through any other electronic format or system prescribed by the MSRB for purposes of the Rule.

Exchange Act means the Securities Exchange Act of 1934, as amended.

Financial Obligation of the District means a (a) debt obligation; (b) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (c) guarantee of a debt obligation or any such derivative instrument; provided that "financial obligation" shall not include municipal securities as to which a final official statement (as defined in the Rule) has been provided to the MSRB consistent with the Rule.

MSRB means the Municipal Securities Rulemaking Board.

Official Statement means the final Official Statement, dated _____, 2026, and relating to the Bonds.

Participating Underwriter means each broker, dealer or municipal securities dealer acting as an underwriter in the primary offering of the Bonds.

Reportable Event means the occurrence of any of the Events with respect to the Bonds set forth in *Exhibit II*.

Reportable Events Disclosure means dissemination of a notice of a Reportable Event as set forth in Section 5.

Rule means Rule 15c2-12 adopted by the Commission under the Exchange Act, as the same may be amended from time to time.

State means the State of Illinois.

Undertaking means the obligations of the District pursuant to Sections 4 and 5.

3. CUSIP NUMBER. The CUSIP Number of the Bonds is set forth in *Exhibit III*. All filings required under this Agreement will be filed on EMMA under this CUSIP Number. If the Bonds are refunded after the date hereof, the District will also make all filings required under this Agreement under any new CUSIP Number assigned to the Bonds as a result of such refunding, to the extent the District remains legally liable for the payment of such Bonds. The District will include the CUSIP Number in all disclosure described in Sections 4 and 5 of this Agreement.

4. ANNUAL FINANCIAL INFORMATION DISCLOSURE. Subject to Section 8 of this Agreement, the District hereby covenants that it will disseminate its Annual Financial Information and its Audited Financial Statements (in the form and by the dates set forth in *Exhibit I*) to EMMA in such manner and format and accompanied by identifying information as is prescribed by the MSRB or the Commission at the time of delivery of such information and by such time so that such entities receive the information by the dates specified. MSRB Rule G-32 requires all EMMA filings to be in word-searchable PDF format. This requirement extends to all documents to be filed with EMMA, including financial statements and other externally prepared reports.

If any part of the Annual Financial Information can no longer be generated because the operations to which it is related have been materially changed or discontinued, the District will disseminate a statement to such effect as part of its Annual Financial Information for the year in which such event first occurs.

If any amendment or waiver is made to this Agreement, the Annual Financial Information for the year in which such amendment or waiver is made (or in any notice or supplement provided to EMMA) shall contain a narrative description of the reasons for such amendment or waiver and its impact on the type of information being provided.

5. REPORTABLE EVENTS DISCLOSURE. Subject to Section 8 of this Agreement, the District hereby covenants that it will disseminate in a timely manner (not in excess of ten business days after the occurrence of the Reportable Event) Reportable Events Disclosure to EMMA in such manner and format and accompanied by identifying information as is prescribed by the MSRB or the Commission at the time of delivery of such information. References to “material” in *Exhibit II* refer to materiality as it is interpreted under the Exchange Act. MSRB Rule G-32 requires all EMMA filings to be in word-searchable PDF format. This requirement extends to all documents to be filed with EMMA, including financial statements and other externally prepared reports. Notwithstanding the foregoing, notice of optional or unscheduled redemption of any Bonds or defeasance of any Bonds need not be given under this Agreement any earlier than the notice (if any) of such redemption or defeasance is given to the Bondholders pursuant to the Resolution.

6. CONSEQUENCES OF FAILURE OF THE DISTRICT TO PROVIDE INFORMATION. The District shall give notice in a timely manner to EMMA of any failure to provide Annual Financial Information Disclosure when the same is due hereunder.

In the event of a failure of the District to comply with any provision of this Agreement, the beneficial owner of any Bond may seek mandamus or specific performance by court order, to cause the District to comply with its obligations under this Agreement. A default under this

Agreement shall not be deemed a default under the Resolution, and the sole remedy under this Agreement in the event of any failure of the District to comply with this Agreement shall be an action to compel performance.

7. AMENDMENTS; WAIVER. Notwithstanding any other provision of this Agreement, the District by resolution authorizing such amendment or waiver, may amend this Agreement, and any provision of this Agreement may be waived, if:

(a) (i) The amendment or waiver is made in connection with a change in circumstances that arises from a change in legal requirements, including without limitation, pursuant to a “no-action” letter issued by the Commission, a change in law, or a change in the identity, nature, or status of the District, or type of business conducted; or

(ii) This Agreement, as amended, or the provision, as waived, would have complied with the requirements of the Rule at the time of the primary offering, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and

(b) The amendment or waiver does not materially impair the interests of the beneficial owners of the Bonds, as determined by parties unaffiliated with the District (such as Bond Counsel).

In the event that the Commission or the MSRB or other regulatory authority shall approve or require Annual Financial Information Disclosure or Reportable Events Disclosure to be made to a central post office, governmental agency or similar entity other than EMMA or in lieu of EMMA, the District shall, if required, make such dissemination to such central post office, governmental agency or similar entity without the necessity of amending this Agreement.

8. TERMINATION OF UNDERTAKING. The Undertaking of the District shall be terminated hereunder if the District shall no longer have any legal liability for any obligation on or relating to repayment of the Bonds under the Resolution.

9. FUTURE CHANGES TO THE RULE. As set forth in Section 1 of this Agreement, the District has executed and delivered this Agreement solely and only to assist the Participating Underwriters in complying with the requirements of the Rule. Therefore, notwithstanding anything in this Agreement to the contrary, in the event the Commission, the MSRB or other regulatory authority shall approve or require changes to the requirements of the Rule, the District shall be permitted, but shall not be required, to unilaterally modify the covenants in this Agreement, without complying with the requirements of Section 7 of this Agreement, in order to comply with, or conform to, such changes. In the event of any such modification of this Agreement, the District shall file a copy of this Agreement, as revised, on EMMA in a timely manner.

10. DISSEMINATION AGENT. The District may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Agreement, and may

discharge any such Dissemination Agent, with or without appointing a successor Dissemination Agent.

11. **ADDITIONAL INFORMATION.** Nothing in this Agreement shall be deemed to prevent the District from disseminating any other information, using the means of dissemination set forth in this Agreement or any other means of communication, or including any other information in any Annual Financial Information Disclosure or notice of occurrence of a Reportable Event, in addition to that which is required by this Agreement. If the District chooses to include any information from any document or notice of occurrence of a Reportable Event in addition to that which is specifically required by this Agreement, the District shall have no obligation under this Agreement to update such information or include it in any future disclosure or notice of occurrence of a Reportable Event.

12. **BENEFICIARIES.** This Agreement has been executed in order to assist the Participating Underwriters in complying with the Rule; however, this Agreement shall inure solely to the benefit of the District, the Dissemination Agent, if any, and the beneficial owners of the Bonds, and shall create no rights in any other person or entity.

13. **RECORDKEEPING.** The District shall maintain records of all Annual Financial Information Disclosure and Reportable Events Disclosure, including the content of such disclosure, the names of the entities with whom such disclosure was filed and the date of filing such disclosure.

14. **ASSIGNMENT.** The District shall not transfer its obligations under the Resolution unless the transferee agrees to assume all obligations of the District under this Agreement or to execute an Undertaking under the Rule.

15. GOVERNING LAW. This Agreement shall be governed by the laws of the State.

COMMUNITY UNIT SCHOOL DISTRICT
NUMBER 100, BOONE, MCHENRY AND
DEKALB COUNTIES, ILLINOIS

By _____
President, Board of Education

Date: _____, 2026

EXHIBIT I
ANNUAL FINANCIAL INFORMATION AND TIMING AND AUDITED
FINANCIAL STATEMENTS

All or a portion of the Annual Financial Information and the Audited Financial Statements as set forth below may be included by reference to other documents which have been submitted to EMMA or filed with the Commission. If the information included by reference is contained in a final Official Statement, the final Official Statement must be available on EMMA; the final Official Statement need not be available from the Commission. The District shall clearly identify each such item of information included by reference.

Annual Financial Information exclusive of Audited Financial Statements will be submitted to EMMA by 270 days after the last day of the District's fiscal year (currently June 30), beginning with the fiscal year ending June 30, 2027. Audited Financial Statements as described below should be filed at the same time as the Annual Financial Information. If Audited Financial Statements are not available when the Annual Financial Information is filed, Audited Financial Statements will be submitted to EMMA within 30 days after availability to the District.

Audited Financial Statements will be prepared in accordance with accounting principles mandated by the Illinois State Board of Education.

If any change is made to the Annual Financial Information as permitted by Section 4 of the Agreement, the District will disseminate a notice of such change as required by Section 4.

EXHIBIT II
EVENTS WITH RESPECT TO THE BONDS
FOR WHICH REPORTABLE EVENTS DISCLOSURE IS REQUIRED

1. Principal and interest payment delinquencies
2. Non-payment related defaults, if material
3. Unscheduled draws on debt service reserves reflecting financial difficulties
4. Unscheduled draws on credit enhancements reflecting financial difficulties
5. Substitution of credit or liquidity providers, or their failure to perform
6. Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the security, or other material events affecting the tax status of the security
7. Modifications to the rights of security holders, if material
8. Bond calls, if material, and tender offers
9. Defeasances
10. Release, substitution or sale of property securing repayment of the securities, if material
11. Rating changes
12. Bankruptcy, insolvency, receivership or similar event of the District*
13. The consummation of a merger, consolidation, or acquisition involving the District or the sale of all or substantially all of the assets of the District, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material
14. Appointment of a successor or additional trustee or the change of name of a trustee, if material
15. Incurrence of a Financial Obligation, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation, any of which affect security holders, if material
16. A default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation, any of which reflect financial difficulties

* This event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for the District in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the District, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the District.

EXHIBIT III
CUSIP NUMBER

YEAR OF
MATURITY
(JANUARY 1)

CUSIP
NUMBER
(099032)

Appendix D

Specimen Municipal Bond Insurance Policy



MUNICIPAL BOND INSURANCE POLICY

ISSUER:

Policy No.: -N

BONDS: \$ in aggregate principal amount of

Effective Date:

Premium: \$

ASSURED GUARANTY INC. ("AG"), for consideration received, hereby UNCONDITIONALLY AND IRREVOCABLY agrees to pay to the trustee (the "Trustee") or paying agent (the "Paying Agent") (as set forth in the documentation providing for the issuance of and securing the Bonds) for the Bonds, for the benefit of the Owners or, at the election of AG, directly to each Owner, subject only to the terms of this Policy (which includes each endorsement hereto), that portion of the principal of and interest on the Bonds that shall become Due for Payment but shall be unpaid by reason of Nonpayment by the Issuer.

On the later of the day on which such principal and interest becomes Due for Payment or the Business Day next following the Business Day on which AG shall have received Notice of Nonpayment, AG will disburse to or for the benefit of each Owner of a Bond the face amount of principal of and interest on the Bond that is then Due for Payment but is then unpaid by reason of Nonpayment by the Issuer, but only upon receipt by AG, in a form reasonably satisfactory to it, of (a) evidence of the Owner's right to receive payment of the principal or interest then Due for Payment and (b) evidence, including any appropriate instruments of assignment, that all of the Owner's rights with respect to payment of such principal or interest that is Due for Payment shall thereupon vest in AG. A Notice of Nonpayment will be deemed received on a given Business Day if it is received prior to 1:00 p.m. (New York time) on such Business Day; otherwise, it will be deemed received on the next Business Day. If any Notice of Nonpayment received by AG is incomplete, it shall be deemed not to have been received by AG for purposes of the preceding sentence and AG shall promptly so advise the Trustee, Paying Agent or Owner, as appropriate, who may submit an amended Notice of Nonpayment. Upon disbursement in respect of a Bond, AG shall become the owner of the Bond, any appurtenant coupon to the Bond or right to receipt of payment of principal of or interest on the Bond and shall be fully subrogated to the rights of the Owner, including the Owner's right to receive payments under the Bond, to the extent of any payment by AG hereunder. Payment by AG to the Trustee or Paying Agent for the benefit of the Owners shall, to the extent thereof, discharge the obligation of AG under this Policy.

Except to the extent expressly modified by an endorsement hereto, the following terms shall have the meanings specified for all purposes of this Policy. "Business Day" means any day other than (a) a Saturday or Sunday or (b) a day on which banking institutions in the State of New York or the Insurer's Fiscal Agent are authorized or required by law or executive order to remain closed. "Due for Payment" means (a) when referring to the principal of a Bond, payable on the stated maturity date thereof or the date on which the same shall have been duly called for mandatory sinking fund redemption and does not refer to any earlier date on which payment is due by reason of call for redemption (other than by mandatory sinking fund redemption), acceleration or other advancement of maturity unless AG shall elect, in its sole discretion, to pay such principal due upon such acceleration together with any accrued interest to the date of acceleration and (b) when referring to interest on a Bond, payable on the stated date for payment of interest. "Nonpayment" means, in respect of a Bond, the failure of the Issuer to have provided sufficient funds to the Trustee or, if there is no Trustee, to the Paying Agent for payment in full of all principal and interest that is Due for Payment on such Bond. "Nonpayment" shall also include, in respect of a Bond, any payment of principal or interest that is Due for Payment made to an Owner by or on behalf of the Issuer which has been recovered from such Owner pursuant to the United States Bankruptcy Code by a trustee in bankruptcy in accordance with a final, nonappealable order of a court having competent jurisdiction. "Notice" means telephonic or telecopied notice, subsequently confirmed in a signed writing, or written notice by registered or certified mail, from an Owner, the Trustee or the Paying Agent to AG which notice shall specify (a) the person or entity making the claim, (b) the Policy Number, (c) the claimed amount and (d) the date such claimed amount became Due for Payment. "Owner" means, in respect of a Bond, the person or entity who, at the time of Nonpayment, is entitled under the terms of such Bond to payment thereof, except that "Owner" shall not include the Issuer or any person or entity whose direct or indirect obligation constitutes the underlying security for the Bonds.

AG may appoint a fiscal agent (the "Insurer's Fiscal Agent") for purposes of this Policy by giving written notice to the Trustee and the Paying Agent specifying the name and notice address of the Insurer's Fiscal Agent. From and after the date of receipt of such notice by the Trustee and the Paying Agent, (a) copies of all notices required to be delivered to AG pursuant to this Policy shall be simultaneously delivered to the Insurer's Fiscal Agent and to AG and shall not be deemed received until received by both and (b) all payments required to be made by AG under this Policy may be made directly by AG or by the Insurer's Fiscal Agent on behalf of AG. The Insurer's Fiscal Agent is the agent of AG only and the Insurer's Fiscal Agent shall in no event be liable to any Owner for any act of the Insurer's Fiscal Agent or any failure of AG to deposit or cause to be deposited sufficient funds to make payments due under this Policy.

To the fullest extent permitted by applicable law, AG agrees not to assert, and hereby waives, only for the benefit of each Owner, all rights (whether by counterclaim, setoff or otherwise) and defenses (including, without limitation, the defense of fraud), whether acquired by subrogation, assignment or otherwise, to the extent that such rights and defenses may be available to AG to avoid payment of its obligations under this Policy in accordance with the express provisions of this Policy.

This Policy sets forth in full the undertaking of AG, and shall not be modified, altered or affected by any other agreement or instrument, including any modification or amendment thereto. Except to the extent expressly modified by an endorsement hereto, (a) any premium paid in respect of this Policy is nonrefundable for any reason whatsoever, including payment, or provision being made for payment, of the Bonds prior to maturity and (b) this Policy may not be canceled or revoked. THIS POLICY IS NOT COVERED BY THE PROPERTY/CASUALTY INSURANCE SECURITY FUND SPECIFIED IN ARTICLE 76 OF THE NEW YORK INSURANCE LAW.

In witness whereof, ASSURED GUARANTY INC. has caused this Policy to be executed on its behalf by its Authorized Officer.

ASSURED GUARANTY INC.

By _____
Authorized Officer

1633 Broadway, New York, N.Y. 10019

(212) 974-0100

Form 500 (8/24)