

## PRELIMINARY OFFICIAL STATEMENT, DATED AUGUST 8, 2025

NEW ISSUE  
BOOK-ENTRY ONLY  
BANK QUALIFIED

**Ratings:**  
**S&P: “AA” (Stable Outlook)**  
**AG INSURED**  
**S&P: “A+” (Stable Outlook) UNDERLYING**  
**See “BOND RATINGS” herein**

*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. The Bonds are “qualified tax-exempt obligations” under Section 265(b)(3) of the Internal Revenue Code of 1986, as amended. See “QUALIFIED TAX-EXEMPT OBLIGATIONS” herein.*

**Community Unit School District Number 7**  
**Vermilion County, Illinois**  
**(Rossville-Alvin)**  
**\$1,330,000\* General Obligation School Bonds, Series 2025**

**Dated: Date of Delivery**

**Due: December 1, as further described on the inside cover page**

The General Obligation School Bonds, Series 2025 (the “Bonds”), of Community Unit School District Number 7, Vermilion County, Illinois (the “District”), will be issued in fully registered form and will be registered initially only in the name of Cede & Co., as registered owner and nominee of The Depository Trust Company, New York, New York (“DTC”). DTC will act as securities depository for the Bonds. Purchasers of the Bonds will not receive certificates representing their interests in the Bonds purchased. Ownership by the beneficial owners of the Bonds will be evidenced by book-entry only. Payments of principal of and interest on the Bonds will be made by UMB Bank, National Association, Kansas City, Missouri, as bond registrar and paying agent, to DTC, which in turn will remit such payments to its participants for subsequent disbursement to the beneficial owners of the Bonds. As long as Cede & Co. is the registered owner as nominee of DTC, payments of principal of and interest on the Bonds will be made to such registered owner, and disbursement of such payments will be the responsibility of DTC and its participants. Individual purchases of the Bonds will be made in the principal amount of \$5,000 or any integral multiple thereof.

The Bonds will bear interest from their dated date at the rates per annum as shown on the inside cover page. Interest on the Bonds (computed on the basis of a 360-day year consisting of twelve 30-day months) will be payable semi-annually on each June 1 and December 1, commencing June 1, 2026.

Proceeds of the Bonds will be used to (a) increase the working cash fund of the District, (b) construct fire prevention and life safety improvements to the existing school building of the District, (c) pay certain interest on the Bonds and (d) pay costs associated with the issuance of the Bonds. See “USE OF PROCEEDS” herein.

The Bonds due on or after December 1, 2036,\* are subject to redemption prior to maturity at the option of the District, as a whole or in part, on any date on or after December 1, 2035,\* at the redemption price of par plus accrued interest to the redemption date. See “THE BONDS—Redemption” herein.

The scheduled payment of principal of and interest on the Bonds when due will be guaranteed under an insurance policy (the “Bond Insurance Policy”) to be issued concurrently with the delivery of the Bonds by Assured Guaranty Inc. (“AG”). See “BOND INSURANCE” and APPENDIX D herein.



In the opinion of Bond Counsel, the Bonds 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” herein.

*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, and certain other conditions. Chapman and Cutler LLP, Chicago, Illinois, will also act as Disclosure Counsel to the District. It is expected that beneficial interests in the Bonds will be available for delivery through the facilities of DTC on or about September 4, 2025.*

**STIFEL**

The date of this Official Statement is \_\_\_\_\_, 2025.

\* Preliminary, subject to change.

**Community Unit School District Number 7  
Vermilion County, Illinois  
(Rossville-Alvin)**

**\$1,330,000\* GENERAL OBLIGATION SCHOOL BONDS, SERIES 2025**

**MATURITIES, AMOUNTS, INTEREST RATES, YIELDS AND CUSIP NUMBERS\***

MATURITY (DECEMBER 1)	AMOUNT	INTEREST RATE	YIELD	CUSIP NUMBER** (923509)
2026	\$ 20,000	%	%	
2027	40,000	%	%	
2028	45,000	%	%	
2029	50,000	%	%	
2030	50,000	%	%	
2031	50,000	%	%	
2032	55,000	%	%	
2033	55,000	%	%	
2034	60,000	%	%	
2035	65,000	%	%	
2036	65,000	%	%	
2037	70,000	%	%	
2038	75,000	%	%	
2039	80,000	%	%	
2040	80,000	%	%	
2041	80,000	%	%	
2042	90,000	%	%	
2043	95,000	%	%	
2044	100,000	%	%	
2045	105,000	%	%	

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\* Preliminary, subject to change.

\*\* CUSIP data herein is provided by the 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.

No dealer, broker, salesman or other person has been authorized by the District or the Underwriter to give any information or to make any representations other than those contained in this Official Statement in connection with the offering described herein and if given or made, such other information or representations must not be relied upon as statements having been authorized by the District, the Underwriter or any other entity. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy any securities other than the Bonds, nor shall there be any offer to sell or solicitation of an offer to buy the Bonds by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale. This Official Statement is submitted in connection with the sale of the securities described in it and may not be reproduced or used, in whole or in part, for any other purposes.

Unless otherwise indicated, the District is the source of all tables and statistical and financial information contained in this Official Statement. The information contained in this Official Statement concerning AG and the Bond Insurance Policy has been obtained from AG. The information contained in this Official Statement concerning DTC has been obtained from DTC. The other information set forth herein has been furnished by the District 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.

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”.

This Official Statement should be considered in its entirety and no one factor considered more or less important than any other by reason of its position in this Official Statement. Where statutes, reports or other documents are referred to herein, reference should be made to such statutes, 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.

Any statements made in this Official Statement, including the Exhibits and 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.

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

**THESE SECURITIES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES COMMISSION NOR HAS THE SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES COMMISSION PASSED UPON THE ACCURACY OR ADEQUACY OF THIS OFFICIAL STATEMENT. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.**

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## **EXHIBITS**

- Exhibit A — Combined Statement of Revenues, Expenditures and Changes in Fund Balance, Fiscal Years Ended June 30, 2020-2024
- Exhibit B — Amended Budget, Fiscal Year Ended June 30, 2025
- Exhibit C — General Fund Revenue Sources, Fiscal Years Ended June 30, 2020-2024

## **APPENDICES**

- Appendix A — Audited Financial Statements of the District for the Fiscal Year Ended June 30, 2024
- Appendix B — Proposed Form of Opinion of Bond Counsel
- Appendix C — Proposed Form of Continuing Disclosure Undertaking
- Appendix D — Specimen Municipal Bond Insurance Policy

**COMMUNITY UNIT SCHOOL DISTRICT NUMBER 7  
VERMILION COUNTY, ILLINOIS  
(ROSSVILLE-ALVIN)**

350 North Chicago Street  
Rossville, Illinois 60963

**Board of Education**

John Petersen  
*President*

Benjamin Kinney

Jeremy Deck  
*Secretary*

Rebekah Linares

Thomas Sechriest

Robert Danner III  
*Vice President*

Christopher Quick

**Administration**

Dr. Crystal Johnson-Maden  
*Superintendent*

Elizabeth Braddock  
*School Treasurer*

**Professional Services**

*Underwriter*  
Stifel, Nicolaus & Company, Incorporated  
St. Louis, Missouri

*Bond Counsel and Disclosure Counsel*  
Chapman and Cutler LLP  
Chicago, Illinois

*Bond Registrar and Paying Agent*  
UMB Bank, National Association  
Kansas City, Missouri

*Auditor*  
Russell Leigh & Associates LLC  
Hoopeston, Illinois

## OFFICIAL STATEMENT

**Community Unit School District Number 7  
Vermilion County, Illinois  
(Rossville-Alvin)  
\$1,330,000\* General Obligation School Bonds, Series 2025**

### INTRODUCTION

The purpose of this Official Statement is to set forth certain information concerning Community Unit School District Number 7, Vermilion County, Illinois (the “*District*”), in connection with the offering and sale of its General Obligation School Bonds, Series 2025 (the “*Bonds*”).

This Official Statement contains “forward-looking statements” that are based upon the District’s current expectations and its projections about future events. When used in this Official Statement, the words “project,” “estimate,” “intend,” “expect,” “scheduled,” “pro-forma” and similar words identify forward-looking statements. Forward-looking statements are subject to known and unknown risks, uncertainties and factors that are outside of the control of the District. Actual results could differ materially from those contemplated by the forward-looking statements. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date hereof. Neither the District nor any other party plans to issue any updates or revisions to these forward-looking statements based on future events.

### THE BONDS

#### AUTHORITY AND PURPOSE

The Bonds are being 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 of the District (the “*Board*”) on the 11th day of August, 2025 (as supplemented by a notification of sale, the “*Bond Resolution*”).

Proceeds of the Bonds will be used to (a) increase the working cash fund of the District (the “*Working Cash Fund*”), (b) construct fire prevention and life safety improvements to the existing school building of the District, (c) pay certain interest on the Bonds and (d) pay costs associated with the issuance of the Bonds. See “USE OF PROCEEDS” herein.

#### GENERAL DESCRIPTION

The Bonds will be dated the date of issuance thereof, will be in fully registered form, without coupons, and will be in denominations of \$5,000 or any integral multiple thereof under a

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\* Preliminary, subject to change.



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 by UMB Bank, National Association, Kansas City, Missouri (the “Registrar”).

The Bonds will mature as shown on the inside cover page hereof. Interest on the Bonds will be payable each June 1 and December 1, commencing June 1, 2026.

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. 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”).

#### REGISTRATION AND TRANSFER

The Registrar will maintain books (the “Register”) for the registration of ownership and transfer of the Bonds. Subject to the provisions of the Bonds as they relate to book-entry form, any Bond may be transferred upon the surrender thereof at the principal corporate trust office of the Registrar, together with an assignment duly executed by the registered owner or his or her attorney in such form as will be satisfactory to the Registrar. No service charge shall be made for any transfer or exchange of Bonds, but 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.

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.

#### REDEMPTION

*Optional Redemption.* The Bonds due on or after December 1, 2036,\* 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 December 1, 2035,\* and on any date thereafter, at the redemption price of par plus accrued interest to the redemption date.

*Mandatory Sinking Fund Redemption.* The Bonds due on December 1 of the years 20\_\_ and 20\_\_ are subject to mandatory redemption, in integral multiples of \$5,000 selected by lot by

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\* Preliminary, subject to change.

the Registrar, at a redemption price of par plus accrued interest to the redemption date, on December 1 of the years and in the principal amounts as follows:

FOR THE BONDS DUE DECEMBER 1, 20\_\_

YEAR	PRINCIPAL AMOUNT
20__	\$
20__	(stated maturity)

FOR THE BONDS DUE DECEMBER 1, 20\_\_

YEAR	PRINCIPAL AMOUNT
20__	\$
20__	(stated maturity)

[The principal amounts of Bonds to be mandatorily redeemed in each year may be reduced through the earlier optional redemption thereof, with any partial optional redemptions of such Bonds credited against future mandatory redemption requirements in such order of the mandatory redemption dates as the District may determine. In addition, on or prior to the 60th day preceding any mandatory redemption date, the Registrar may, and if directed by the District shall, purchase Bonds required to be retired on such mandatory redemption date. Any such Bonds so purchased shall be cancelled and the principal amount thereof shall be credited against the mandatory redemption required on such next mandatory redemption date.

*General.* 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 shall provide for the selection for redemption of Bonds or portions thereof in principal amounts of \$5,000 and integral multiples thereof.

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 30 days and not more than 60 days prior to the date fixed for redemption to each 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.

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 has been 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 portions of Bonds shall 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.

#### SECURITY

The Bonds, in the opinion of Chapman and Cutler LLP, Chicago, Illinois, Bond Counsel (*"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.

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, except for the interest due on the Bonds up to and including June 1, 2026, which will be paid from proceeds of the Bonds. The Bond Resolution will be filed with the County Clerk of Vermilion County, Illinois (the *"County Clerk"*), and will serve as authorization to the County Clerk to extend and collect the property taxes as set forth in the Bond Resolution to pay the Bonds.

Reference is made to APPENDIX B for the proposed form of opinion of Bond Counsel.

#### USE OF PROCEEDS

A portion of the proceeds of the Bonds will be deposited into the Fire Prevention and Safety Fund of the District at closing and will be used to complete life safety projects at the Rossville-Alvin Grade School Building (the *"Life Safety Project"*). A portion of the proceeds of the Bonds will also be deposited into the Working Cash Fund at closing. After proper abatement and transfer from the Working Cash Fund, the proceeds of the Bonds deposited into the Working Cash Fund at closing will be used for the renovation and conversion of the library space to

classroom space for the special education department and the conversion of unused locker room/storage space to a library and media center space (together with the Life Safety Project, the “Project”). The District expects to complete the Project by December 1, 2025. Bond proceeds will also be used to pay interest due on the Bonds up to and including June 1, 2026.

## SOURCES AND USES

The sources and uses of funds resulting from the Bonds are shown below:

### SOURCES:

Principal Amount	\$
[Net] Original Issue Premium/(Discount)	_____
Total Sources	\$

### USES:

Costs of the Life Safety Project	\$
Deposit to Working Cash Fund	
Interest on the Bonds	
Costs of Issuance*	_____
Total Uses	\$

\* Includes underwriter’s discount, bond insurance premium and other issuance costs.

## 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 and exhibits 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 43.87% of the District's General Fund revenue sources for the fiscal year ended June 30, 2024. While the finances of the State of Illinois (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%. Also, despite nine credit rating upgrades since June 2021, the State's long-term general obligation bonds carry the lowest ratings of all states.

## 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 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 9.76% of the District's General Fund revenue sources for the fiscal year ended June 30, 2024, 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 affect 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.

## TAX INCREMENT FINANCING

Tax increment financing (“*TIF*”) in the State provides a means for municipalities, after the approval of a “Redevelopment Plan and Project,” to redevelop blighted and conservation areas by pledging the anticipated increase in property tax revenues resulting from the tax increment area and using the new incremental tax revenue generated by private redevelopment to pay for the public costs incurred. As it relates to the District, all incremental property tax revenues, which are the result of the increases in the equalized assessed valuation (“*EAV*”) within the TIF districts above the respective base year EAV for each TIF district, are not made available for general operations of the District for the life of each respective TIF district. Currently, there are two TIF districts within the District, which have produced a \$7,674,910 aggregate Incremental EAV (as defined herein) for tax year 2024. See “FINANCIAL INFORMATION AND ECONOMIC CHARACTERISTICS OF THE DISTRICT—Tax Increment Financing Districts Located within the District” herein for more information.

## EQUALIZED ASSESSED VALUATION

The Bonds will be paid from property taxes levied by the District against the EAV of property in the District. The amount of property taxes levied by the District is determined by applying the various tax rates levied by the District to the EAV. The assessed value used to calculate the District’s tax levy (the “*Rate-Setting EAV*”) does not include value attributable to TIF districts within the District. The District’s Rate-Setting EAV could decrease for a number of reasons including, but not limited to, a decline in property values, a large taxpayer relocating out of the District or ceasing operations, or the presence of TIF districts. A reduced Rate-Setting EAV could reduce the amount of taxes the District is able to receive based on the rates applied.

## CONCENTRATION OF TAXPAYERS

Based on the District’s 2024 EAV (which includes Incremental EAV), the District’s ten largest taxpayers own 14.74% of the total current EAV of taxable property in the District. See “FINANCIAL INFORMATION AND ECONOMIC CHARACTERISTICS OF THE DISTRICT—Ten Largest Taxpayers” herein for more information. If one or more of these taxpayers were to relocate from the District or cease operations, would be unable to pay its tax bills or was successful in challenging its assessed valuation, the timely receipt of tax dollars by the District could be affected. The District has the authority to levy deficiency taxes if debt service tax collections are inadequate. Notwithstanding, the value of the Bonds, the District’s ability to repay the Bonds or the timing of repayment could be adversely affected.

Furthermore, if any of the largest taxpayers were to relocate or cease operations, the District could experience a significant reduction in EAV. Any reduction in EAV could limit the amount of taxes that the District can extend for operating purposes.

## BOND RATINGS

The Bonds have received an underlying credit rating from S&P (as defined herein) 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.

## 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 "LIMITED 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 SEC (as defined herein) under the Securities Exchange Act of 1934, as amended (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 the Congress of the United States (“*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, with increasing frequency 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.

#### 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 virus, 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.

## 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.

## 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. 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.

#### *Merger of Assured Guaranty Municipal Corp. Into Assured Guaranty Inc.*

On August 1, 2024, Assured Guaranty Municipal Corp., a New York domiciled financial guaranty insurance company and an affiliate of AG (“AGM”), merged with and into AG, with AG as the surviving company (such transaction, the “Merger”). Upon the Merger, all liabilities of AGM, including insurance policies issued or assumed by AGM, became obligations of AG.

#### *Current Financial Strength Ratings*

On June 30, 2025, S&P announced it had affirmed AG’s financial strength rating of “AA” (stable outlook).

On October 18, 2024, KBRA announced it had affirmed AG’s insurance financial strength rating of “AA+” (stable outlook).

On July 10, 2024, Moody’s, following Assured Guaranty’s announcement of the Merger, announced that it had affirmed AG’s insurance financial strength rating of “A1” (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, 2024.

#### *Capitalization of AG*

At March 31, 2025:

- The policyholders’ surplus of AG was approximately \$3,522 million.
- The contingency reserve of AG was approximately \$1,421 million.
- The net unearned premium reserves and net deferred ceding commission income of AG and its subsidiaries (as described below) were approximately \$2,416 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, 2024 (filed by AGL with the SEC on February 28, 2025); and

(ii) the Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2025 (filed by AGL with the SEC on May 9, 2025).

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”.

## THE DISTRICT

### GENERAL DESCRIPTION

The District is located in eastern Illinois approximately 125 miles south of the City of Chicago and 15 miles north of the City of Danville (“*Danville*”), the county seat of Vermilion County, Illinois (the “*County*”). The District lies solely in the County and includes the Village of Rossville (the “*Village*”) (12.53% of the District’s 2024 EAV), the Village of Alvin (4.26% of the District’s 2024 EAV) and unincorporated areas in the County (83.21% of the District’s 2024 EAV).

The District currently houses students in grades Pre-K through 8th in one school building. The District deactivated its high school in 2005 and currently sends its high school students to Bismarck-Henning Rossville-Alvin Cooperative High School (the “*High School*”), which is approximately 10 miles from the District. The District is responsible for transporting the students to the High School and pays the High School a tuition rate for each student. Higher education is available at Danville Community College District No. 507 (“*Danville Community College*”) in Danville; Illinois State University in Normal, Illinois; Illinois Wesleyan University in Bloomington, Illinois; and University of Illinois Champaign-Urbana.

Transportation needs of the District are met by Interstate 74, U.S. Route 135 and State Routes 1 and 119. Air travel is available at Indianapolis International Airport, which is approximately 77 miles from the District.

The District is governed by an elected seven-member Board and a full-time administrative staff.

### DISTRICT ADMINISTRATION

The day-to-day affairs of the District are conducted by a full-time staff including the following central administrative positions.

OFFICIAL	TITLE	YEAR STARTED IN POSITION
Dr. Crystal Johnson-Maden	Superintendent	2009
Elizabeth Braddock	School Treasurer	1993

The Board appoints the administration. The staff is chosen by the administration with the approval of the Board. In general, policy decisions are made by the Board while specific program decisions are made by the administration.

## BOARD OF EDUCATION

OFFICIAL	POSITION	TERM EXPIRES
John Petersen	President	April 2029
Robert Danner III	Vice President	April 2027
Jeremy Deck	Secretary	April 2027
Benjamin Kinney	Member	April 2027
Rebekah Linares	Member	April 2027
Thomas Sechriest	Member	April 2027
Christopher Quick	Member	April 2027

## ENROLLMENT

HISTORICAL		PROJECTED	
2020/2021	259	2025/2026	303
2021/2022	261	2026/2027	307
2022/2023	258	2027/2028	307
2023/2024	283	2028/2029	307
2024/2025	300	2029/2030	307

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Source: The District.

## EMPLOYEE UNION MEMBERSHIP AND RELATIONS

At the start of the 2024-2025 school year, the District had 46 full-time employees and 2 part-time employees. Of the total number of employees, approximately 29 are represented by a union. Employee-union relations are considered to be good. District personnel are organized as follows:

EMPLOYEE GROUP	CONTRACT EXPIRES	UNION AFFILIATION	NUMBER OF MEMBERS
Teachers/Support Staff	June 2025 <sup>(1)</sup>	IEA/NEA	29

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(1) Negotiations for a new three-year contract are expected to be concluded in the near future.

## POPULATION DATA

According to the U.S. Census Bureau 2019-2023 American Community Survey, the District's current population is approximately 1,953. The estimated populations of the Village, the County and the State at the times of the last three U.S. Census surveys were as follows:

NAME OF ENTITY	2000	2010	2020	% CHANGE 2010/2020
The Village	1,217	1,331	1,221	-8.26%
The County	83,924	81,625	74,188	-9.11%
The State	12,419,647	12,830,632	12,812,508	-0.14%

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

# FINANCIAL INFORMATION AND ECONOMIC CHARACTERISTICS OF THE DISTRICT

## DIRECT GENERAL OBLIGATION BONDS (PRINCIPAL ONLY)

CALENDAR YEAR	SERIES 2020 BONDS <sup>(1)</sup> (DEC. 1)	SERIES 2022 BONDS <sup>(2)</sup> (DEC. 1)	PLUS: THE BONDS <sup>(3)</sup> (DEC. 1)	TOTAL OUTSTANDING BONDS <sup>(3)</sup>
2025	\$ 210,000	\$ 40,000 <sup>(4)</sup>		\$ 250,000
2026	220,000	40,000 <sup>(4)</sup>	\$ 20,000	280,000
2027	230,000	40,000 <sup>(4)</sup>	40,000	310,000
2028	240,000	45,000 <sup>(4)</sup>	45,000	330,000
2029	250,000	45,000 <sup>(4)</sup>	50,000	345,000
2030	260,000	45,000 <sup>(4)</sup>	50,000	355,000
2031	270,000	45,000 <sup>(4)</sup>	50,000	365,000
2032	280,000	50,000 <sup>(4)</sup>	55,000	385,000
2033	255,000	50,000 <sup>(4)</sup>	55,000	360,000
2034		50,000 <sup>(4)</sup>	60,000	110,000
2035		55,000 <sup>(4)</sup>	65,000	120,000
2036		55,000 <sup>(4)</sup>	65,000	120,000
2037		55,000	70,000	125,000
2038			75,000	75,000
2039			80,000	80,000
2040			80,000	80,000
2041			80,000	80,000
2042			90,000	90,000
2043			95,000	95,000
2044			100,000	100,000
2045			105,000	105,000
TOTAL	\$2,215,000	\$615,000	\$1,330,000	\$4,160,000

(1) General Obligation School Bonds, Series 2020, dated November 5, 2020.

(2) General Obligation School Bonds, Series 2022, dated May 25, 2022 (the "Series 2022 Bonds").

(3) Preliminary, subject to change.

(4) Mandatory sinking fund payment.

OVERLAPPING GENERAL OBLIGATION BONDS  
(As of July 8, 2025)

TAXING BODY	OUTSTANDING BONDS <sup>(1)</sup>	APPLICABLE TO THE DISTRICT	
		PERCENT	AMOUNT
The County	\$3,835,000 <sup>(2)</sup>	4.490%	\$172,189
Rankin Fire Protection District	120,000	0.113%	136
Rossville Fire Protection District	180,000	97.009%	174,616
Danville Community College	6,414,000	3.822%	245,128
TOTAL OVERLAPPING GENERAL OBLIGATION BONDS			<u>\$592,069</u>

Source: With respect to the applicable taxing bodies and the information used to calculate the percentage of overlapping EAV, the Champaign, Edgar, Ford, Iroquois and Vermilion County Clerks' Offices. Information regarding the outstanding bonds of the overlapping taxing bodies was obtained from publicly-available sources.

- (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.
- (2) Includes bonds issued by the Danville Public Building Commission that are supported by lease payments of the County for which the County levies taxes.



## SELECTED FINANCIAL INFORMATION

2024 Estimated Full Value of Taxable Property:	\$ 201,683,400
2024 EAV:	\$ 67,227,800 <sup>(1)</sup>
Population Estimate:	1,953
General Obligation Bonds:	\$ 4,160,000 <sup>(2)</sup>
Other Direct General Obligation Debt:	\$ 30,382
Total Direct General Obligation Debt:	\$ 4,190,382 <sup>(2)</sup>
Percentage to Full Value of Taxable Property:	2.08% <sup>(2)</sup>
Percentage to EAV:	6.23% <sup>(2)</sup>
Debt Limit (13.8% of EAV):	\$ 9,277,436 <sup>(3)</sup>
Percentage of Debt Limit:	45.17% <sup>(2)</sup>
Per Capita:	\$ 2,146 <sup>(2)</sup>
General Obligation Bonds:	\$ 4,160,000 <sup>(2)</sup>
Overlapping General Obligation Bonds:	\$ 592,069
General Obligation Bonds and Overlapping General Obligation Bonds:	\$ 4,752,069 <sup>(2)</sup>
Percentage to Full Value of Taxable Property:	2.36% <sup>(2)</sup>
Percentage to EAV:	7.07% <sup>(2)</sup>
Per Capita:	\$ 2,433 <sup>(2)</sup>

- (1) Includes Incremental EAV (as hereinafter defined) in the amount of \$7,674,910. See "Tax Increment Financing Districts Located within the District" herein.
- (2) Preliminary, subject to change.
- (3) Incremental EAV is included in the calculation of the District's statutory debt limit. The District receives property tax revenues from the property included in the tax increment financing ("TIF") district to the extent that the District has entered into an intergovernmental agreement regarding the TIF district. See "Tax Increment Financing Districts Located within the District" herein.

## COMPOSITION OF EAV

	2020	2021	2022	2023	2024
<b>Property Type</b>					
Residential	\$13,530,107	\$13,650,015	\$14,294,889	\$15,366,101	\$16,430,854
Farm	25,455,875	27,513,869	29,618,147	32,429,757	35,511,676
Commercial	1,491,255	1,559,328	1,275,104	1,340,769	1,337,741
Industrial	1,147,178	1,160,802	1,544,897	1,636,776	1,745,334
Mineral	3,171,746	3,058,868	3,100,052	3,118,760	3,035,157
Railroad	849,262	1,020,398	1,188,905	1,401,922	1,492,128
Total EAV <sup>(1)</sup>	\$45,645,423	\$47,963,280	\$51,021,994	\$55,294,085	\$59,552,890

Source: County Clerk's Office.

(1) Does not include Incremental EAV.

## TREND OF EAV

LEVY YEAR	EAV <sup>(1)</sup>	% CHANGE IN EAV FROM PREVIOUS YEAR
2020	\$45,645,423	+5.48% <sup>(2)</sup>
2021	47,963,280	+5.08%
2022	51,021,994	+6.38%
2023	55,294,085	+8.37%
2024	59,552,890	+7.70%

Source: County Clerk's Office.

(1) Does not include Incremental EAV.

(2) Based on the District's 2019 EAV of \$43,274,694.

## 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 as such (the "*Base EAV*"). Any incremental increases in property tax revenue produced by the increase in EAV (the "*Incremental 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 District is not aware of any new TIF districts planned in the immediate future.

LOCATION/ NAME OF TIF	YEAR ESTABLISHED	BASE EAV	2024 EAV	INCREMENTAL EAV
Rossville NSURP TIF	2004	\$3,260,735	\$6,976,350	\$ 3,715,615
Rossville Downtown Surplus TIF	2004	3,853,436	7,812,731	3,959,295
Total Incremental EAV				\$ 7,674,910
2024 EAV				59,552,890
Total EAV				\$67,227,800

Source: County Clerk's Office.

The District has entered into an intergovernmental agreement with respect to the TIF districts located within the District pursuant to which the District receives payment of certain TIF funds with respect to such TIF districts. Pursuant to such agreement, the District has annually received approximately \$100,000 and expects to receive a similar amount of new property taxes when the TIF districts expire, which is expected to be in 2027.

## TAXES EXTENDED AND COLLECTED

TAX LEVY YEAR/ COLLECTION YEAR	TAXES EXTENDED	TAXES COLLECTED AND DISTRIBUTED <sup>(1)</sup>	PERCENT COLLECTED
2019/20	\$2,372,507	\$2,371,340	99.95%
2020/21	2,418,033	2,414,578	99.86%
2021/22	2,544,058	2,541,426	99.90%
2022/23	2,683,249	2,680,807	99.91%
2023/24	2,897,653	2,894,838	99.90%
2024/25 <sup>(2)</sup>	3,117,994	1,650,466	52.93%

Source: Vermilion County Treasurer's Office.

(1) Excludes interest.

(2) Distributions are as of July 7, 2025.

# SCHOOL DISTRICT TAX RATES BY PURPOSE

(Per \$100 EAV)

PURPOSE	2020	2021	2022	2023	2024	MAXIMUM RATE
Educational	\$2.90000	\$2.90000	\$2.90000	\$2.90000	\$2.90000	\$2.90000
Bonds and Interest	0.57284	0.55475	0.64244	0.58698	0.55786	No Limit
Operations and Maintenance	0.50000	0.50000	0.50000	0.50000	0.50000	0.50000
IMRF	0.02629	0.02502	0.03332	0.04522	0.01680	No Limit
Transportation	0.20000	0.20000	0.20000	0.20000	0.20000	0.20000
Working Cash	0.05000	0.05000	0.05000	0.05000	0.05000	0.05000
Fire Prevention/Safety	0.05000	0.05000	0.05000	0.05000	0.05000	0.05000
Special Education	0.04000	0.04000	0.04000	0.04000	0.04000	0.04000
Liability Insurance	0.83251	0.83398	0.68598	0.72341	0.78082	No Limit
Social Security	0.08764	0.10425	0.10780	0.09947	0.09236	No Limit
Lease/Purchase/Rental	0.05000	0.05000	0.05000	0.05000	0.05000	0.05000
Total District Tax Rate	\$5.30928	\$5.30800	\$5.25954	\$5.24508	\$5.23784	

Source: County Clerk's Office.

## REPRESENTATIVE TOTAL TAX RATES

(Per \$100 EAV)

TAXING AUTHORITY	2020	2021	2022	2023	2024
The District	\$5.30928	\$5.30800	\$5.25954	\$5.24508	\$5.23784
Vermilion County Cons. District	0.12443	0.12272	0.11520	0.10808	0.10294
The County	1.48861	1.50410	1.45409	1.37455	1.26336
Rossville Fire Protection District	0.45402	0.42710	0.41013	0.37465	0.35665
Danville Community College	0.61362	0.61774	0.60314	0.57496	0.61273
Hoopeston Public Library District	0.16013	0.13619	0.13157	0.12579	0.12054
Rossville Park District	0.08683	0.08727	0.08722	0.08537	0.08437
North Fork Special Service 01	0.05773	0.05452	0.00000	0.00000	0.04255
Rossville Ambulance 02	0.00946	0.00892	0.00832	0.00762	0.00703
Ross Township	0.56543	0.54485	0.52340	0.49256	0.46785
Rossville Road and Bridge	0.18794	0.18888	0.18877	0.17597	0.16562
Total Representative Tax Rate <sup>(1)</sup>	\$9.05748	\$9.00029	\$8.78138	\$8.56463	\$8.46148

Source: County Clerk's Office.

(1) The total of such rates is the property tax rate paid by a typical resident living in the largest tax code in the District.

# TEN LARGEST TAXPAYERS

TAXPAYER	DESCRIPTION	2024 EAV	PERCENT OF DISTRICT'S TOTAL EAV
Apex Clean Energy/Hoopeston Wind, LLC <sup>(1)</sup>	Wind Turbines	\$3,614,546	5.38%
CSX Transportation, Inc.	Railroad	1,460,811	2.17%
Rossville Packing Co.	Farm/Food Processing	870,157	1.29%
Premier Cooperative, Inc.	Grain Elevator	836,897	1.24%
White Wheel Corp.	Farm	669,583	1.00%
Ameren Illinois Co.	Energy Utility	608,882	0.91%
Wamble Mountain Farms, LLC	Farm	584,896	0.87%
Rubisco US Farmland REIT, LLC	Farm	457,002	0.68%
Trust	Farm	416,267	0.62%
Gro-Tech, LLC	Manufacturing/Industrial	392,696	0.58%
TOTAL		\$9,911,737	14.74%

Source: County Clerk's Office, except for taxpayer descriptions which are based on publicly available information available to the District. Values shown include Incremental EAV (if any).

The above taxpayers represent 14.74% of the District's 2024 EAV of \$67,227,800 (includes Incremental EAV). Reasonable efforts have been made to seek out and report the largest taxpayers. However, many of the taxpayers listed may own multiple parcels and it is possible that some parcels and their valuations may not be included.

- (1) Apex Clean Energy develops, constructs and operates utility-scale wind and solar power facilities. The facility located within the District is the Hoopeston Wind Facility which covers thousands of acres of working farmland in the County. The Hoopeston Wind Facility is a 49-turbine farm that Apex Clean Energy developed and built in 2015 for IKEA, a Swedish furniture company. The Property Tax Code of the State, as amended (the "*Property Tax Code*"), has specific provisions applicable to the assessment of wind energy devices for tax assessment years through 2035. The Property Tax Code currently provides that the fair cash value of a wind energy device is equal to \$360,000 per megawatt of nameplate capacity multiplied by a number equal to the consumer price index (U.S. city average all items) published by the Bureau of Labor Statistics (the "*Bureau*"), for the December immediately preceding the assessment date, divided by the consumer price index (U.S. city average for all items) published by the Bureau for December 2006, less an allowance for physical depreciation. This index is commonly called the "CPI-U." This allowance is based on the actual age in years of the wind energy device in the assessment year. Each year in age reduces the fair cash value by 4% until the required statutory reduction reaches 70%. Functional obsolescence and external obsolescence may further reduce the fair cash value of the wind energy device, to the extent they are proved by the taxpayer by clear and convincing evidence. The General Assembly of the State (the "*General Assembly*") could amend or repeal the Property Tax Code provisions concerning wind energy devices before or after assessment year 2035. The District is unable to predict what action, if any, the General Assembly will take.

## RETAILERS' OCCUPATION TAX AND SERVICE OCCUPATION TAX

The following table shows the distribution of the municipal portion of the Retailers' Occupation Tax and Service Occupation Tax collected by the Illinois Department of Revenue (the "*Department*") from retailers within the Village. The table indicates the level of retail activity in the Village.

CALENDAR YEAR	STATE SALES TAX DISTRIBUTION <sup>(1)</sup>
2020	\$ 63,368
2021	88,748
2022	95,447
2023	93,009
2024	100,754
2025 <sup>(2)</sup>	26,731

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Source: The Department.

- (1) Tax distributions are based on records of the Department relating to the 1% municipal portion of the Retailers' Occupation Tax and Service Occupation Tax, collected on behalf of the Village, less a State administration fee. The municipal 1% sales tax includes tax receipts from the sale of food and drugs which are not taxed by the State.
- (2) Through the first quarter of 2025.

## 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, 2021, through the most recently completed fiscal year of June 30, 2024, and the estimated amount of CPPRT to be received in fiscal year ended June 30, 2025.

FISCAL YEAR ENDED JUNE 30	CPPRT RECEIPTS
2021	\$137,733
2022	300,221
2023	339,338
2024	223,513
2025 (Estimated)	150,598

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Source: The audited financial statements of the District for the fiscal years ended June 30, 2021-June 30, 2024, and the Department for the fiscal year ended June 30, 2025.

Going forward, the District expects CPPRT revenues will continue to be in amounts similar to pre-fiscal year 2022 levels.

## LARGEST EMPLOYERS—DANVILLE

Below are listings of large employers in Danville, Illinois (which is approximately 25 miles from the District) and large employers within or near the District.

EMPLOYER	PRODUCT OR SERVICE	APPROXIMATE NUMBER OF EMPLOYEES
McLane Midwest	Distributor of groceries	900
Veteran's Affairs Illiana Health Care System	Medical center	830
Danville CCSD 118	K-12 education	655
Blue Cross Blue Shield	Health insurance and related services	632
AutoZone	Distributor of automotive supplies	596
Vermilion County	County government	586
Genpact	Healthcare accounts receivable and billing, accounts payable, help desk/customer service, call center and mailroom operations	525
thyssenkrupp Crankshaft	Crankshafts	422
Carle Physician Group	Healthcare	413
Watchfire	Indoor and outdoor LED displays, including fixed digit and video scoreboards, gas price signs and digital billboards	408
Danville Metal Stamping Co., Inc.	Sheet metal components for the gas turbine and aerospace industries	380
Danville Correctional Center	Medium security correctional center	338
OSF Sacred Heart Medical Center	Medical center	338
thyssenkrupp Dynamic Components Danville, LLC	Assembled and ground precision camshafts	338
Viscofan USA, Inc.	Meat packaging and cellulose casings for the processed food industry	245
The SYGMA Network	Wholesaler of prepackaged and frozen foods	215

Source: Vermilion Advantage, 2025 Illinois Services and 2025 Illinois Manufacturers Directories, the Department of Corrections, and the Illinois State Board of Education.



LARGEST EMPLOYERS (within 15-mile radius of the District)

EMPLOYER	PRODUCT OR SERVICE	LOCATION	APPROXIMATE NUMBER OF EMPLOYEES
Conagra Foods	Aerosol non-stick cooking spray	Henning	185
Teasdale Foods, Inc.	Canned beans	Hoopeston	160
Carle Hoopeston Regional Health Center	Hospital	Hoopeston	125
Silgan Containers Manufacturing Corp.	Metal can lid ends for the food packaging industry	Hoopeston	120
Heritage Nursing Home	Nursing home	Hoopeston	100
The District	Education	Rossville	48
Greene Galvanized Stairs	Galvanized steel stairs, platforms, manwalks, walkarounds and related accessories for grain bins and grain and seed storage systems	East Lynn	40
Aquality Solutions, LLC	Water conditioning equipment sales and service and bottled water distribution	Hoopeston	20
Arends Hogan Walker, LLC	Distributor of new and used agricultural equipment, including tractors, combines, lawnmowers and compact construction equipment	Hoopeston	20

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Source: 2025 Illinois Services and 2025 Illinois Manufacturers Directories, City of Hoopeston, Illinois Department of Commerce and Economic Opportunity and District employee information provided by the District.

## UNEMPLOYMENT RATES

Unemployment statistics are not compiled specifically for the District. The following table shows the trend in annual average unemployment rates, as well as the average unemployment rates for the five-month period ending May 31, 2025, for the Village, the County and the State.

	THE VILLAGE	THE COUNTY	THE STATE
2020 – Average <sup>(1)</sup>	8.2%	9.1%	9.3%
2021 – Average	5.1%	6.6%	6.1%
2022 – Average	5.0%	5.2%	4.6%
2023 – Average	6.9%	5.9%	4.5%
2024 – Average	5.6%	6.0%	5.0%
2025 – Average <sup>(2)</sup>	N/A	5.2%	4.8%

Source: State of Illinois Department of Employment Security.

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

(2) Five-month average unemployment rate.

## HOUSING VALUE AND INCOME STATISTICS

The following table sets forth information regarding median home values and various income related statistics for the Village, the County and the State.

	THE VILLAGE	THE COUNTY	THE STATE
Median Home Value	\$97,800	\$92,900	\$250,500
Median Household Income	62,708	54,537	81,702
Median Family Income	75,250	75,464	103,504
Per Capita Income	28,661	30,447	45,104

Source: U.S. Census Bureau 2019-2023 American Community Survey 5-Year Estimates released by the U.S. Census Bureau December 12, 2024.

## SHORT-TERM BORROWING

The District has not issued tax anticipation warrants or revenue anticipation notes during the last five years to meet its short-term current year cash flow requirements.

## FUTURE DEBT

Except for the Bonds, the District does not currently anticipate issuing any debt in the next six months.

## DEFAULT RECORD

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

## WORKING CASH FUND

The District is authorized to issue 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 \$.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.

## WORKING CASH FUND SUMMARY

FISCAL YEAR	END OF YEAR FUND BALANCE
2020	\$ 258,170
2021	786,796 <sup>(1)</sup>
2022	1,016,581 <sup>(1)</sup>
2023	544,163 <sup>(2)</sup>
2024	581,856

Source: Compiled from the District's audited financial statements for the fiscal years ended June 30, 2020-2024.

- (1) Increase in fund balance is due to the issuance of Working Cash Fund Bonds, the proceeds of which were deposited into the Working Cash Fund. See *Exhibit A* to this Official Statement.
- (2) Decrease in fund balance is due to a \$500,000 abatement of the Working Cash Fund to the Operations and Maintenance Fund to pay for a portion of a new multi-purpose building. See "STATE AID-Federal COVID-19 Funds Distributed to the District" and *Exhibit A* to this Official Statement for more information.

## 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 the County. 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 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 1.50% 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.

## EXEMPTIONS

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 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 Property Tax Extension Limitation Law, as amended (the "*Limitation Law*"), limits the amount of the annual increase in property taxes to be extended for certain Illinois non-home rule units of government. In general, the Limitation Law restricts the amount of such increases to the lesser of 5% or the percentage increase in the CPI during the calendar year preceding the levy year. Currently, the Limitation Law applies only to and is a limitation upon all non-home rule taxing bodies (including school districts) in Cook County, the Collar Counties and numerous other counties.

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 the obligations first are approved at a direct referendum, are alternate bonds or are for certain refunding purposes.

Public Act 89-510 permits the county boards of all counties not currently subject to the Limitation Law to initiate binding referenda to extend the provisions of the Limitation Law to all non-home rule taxing bodies in the county.

Under the legislation, the county board of any such county can initiate a binding tax cap referendum at any regularly scheduled election other than the consolidated primary, which is the February election in odd-numbered years. If the referendum is successful, then the Limitation Law will become applicable to those non-home rule taxing bodies having all of their equalized assessed valuation in the county beginning January 1 of the year following the date of the referendum. With respect to multi-county taxing bodies, the Limitation Law becomes applicable only after (a) each county in which the taxing body is located has held a referendum and (b) the proposition is passed in a county or counties containing a majority of the equalized assessed valuation of the taxing body.

As of the date of the referendum causing tax caps to be applicable to a taxing body, referendum approval would be required in order for the taxing body to issue unlimited tax general

obligation bonds. A referendum on the applicability of the Limitation Law has yet to be initiated in the County. No guarantee exists, however that such a referendum will not be held in the future.

If the Limitation Law were to apply in the future to the District, the limitations set forth therein will not apply to the taxes levied by the District to pay the principal of and interest on the Bonds.

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. If the voters approve the proposition, the amount extended by the County Clerk for educational purposes will be reduced as provided in the proposition. 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 such proposition is submitted to the voters, it may not be submitted again at any of the next two consolidated elections.

Illinois legislators have introduced several proposals to 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 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.

#### SCHOOL DISTRICT FINANCIAL PROFILE

The Illinois State Board of Education ("*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
2019	3.80	Recognition	3.80	Recognition
2020	3.90	Recognition	3.90	Recognition
2021	3.90	Recognition	3.90	Recognition
2022	3.80	Recognition	3.80	Recognition
2023	3.90	Recognition	3.90	Recognition

#### 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, 2024, 43.87% of the District’s General Fund revenue came from State funding sources. See *Exhibit C* to this Official Statement 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, 2025, Governor Pritzker signed the State’s \$55.2 billion general funds budget (Public Act 104-0003) for the fiscal year ending June 30, 2026 (the “*Fiscal Year 2026 Budget*”). The Fiscal Year 2026 Budget increased funding for K-12 education by approximately \$275 million. The Fiscal Year 2026 Budget appropriated General State Aid in an amount \$300 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 the district’s “*Base Funding Minimum*”). The Base Funding Minimum for the District for school year 2017-2018 was \$1,622,251 (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 Evidenced-Based Funding Model in each of the last five fiscal years, and the amount expected to be received in fiscal year ending June 30, 2026.

FISCAL YEAR	EVIDENCE-BASED FUNDING
2021	\$1,863,691
2022	1,906,585
2023	1,918,350
2024	1,933,848
2025	1,980,997
2026 (projected)	2,079,315

Source: The audited financial statements of the District for the fiscal years ended June 30, 2021, through June 30, 2024, for historical amounts and ISBE for the amount for the fiscal year ended June 30, 2025, and the projected amount for fiscal year ending June 30, 2026. The projected amount of Evidenced-Based Funding for fiscal year ending June 30, 2026, consists of the Base Funding Minimum plus anticipated New State Funds for fiscal year ending June 30, 2026.

The District was placed in Tier One for fiscal year ended June 30, 2025. For fiscal year ending June 30, 2026, the District has been placed in Tier One.

## 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 the succeeding levy year. 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.

For each of the last three fiscal years, \$50 million of General State Aid was allocated to the Property Tax Relief Pool. In the Fiscal Year 2026 Budget, no funds were 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 Mandatory 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 *Exhibit C* 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 \$84,554 pursuant to ESSER I, \$391,576 pursuant to ESSER II and \$826,594 pursuant to ESSER III. The District used a significant amount of its ESSER funds to pay for a portion of a new multi-purpose building (see *Exhibit A* to this Official Statement). All ESSER funds have been received and spent.

#### 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, as hereinafter defined, attached hereto as APPENDIX A.

#### 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 the 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 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, 2020, through June 30, 2024, all amounts contributed by the District to TRS were as follows:

FISCAL YEAR ENDED JUNE 30	TRS CONTRIBUTION
2020	\$11,686
2021	11,735
2022	7,698
2023	7,985
2024	9,580

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Source: The audited financial statements of the District for the fiscal years ended June 30, 2020, through June 30, 2024.

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 additional information on the IMRF's actuarial methods and assumptions, including information regarding the Discount Rate and the sensitivity of the Net Pension Liability to changes in the Discount Rate.

### *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 2024 was 1.67% of covered payroll.

For the calendar years ended December 31, 2020, through December 31, 2024, the District contributed the following amounts to IMRF:

CALENDAR YEAR	IMRF CONTRIBUTION
2020	\$23,732
2021	32,989
2022	22,402
2023	10,585
2024	8,963

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Source: Actuarial GASB Disclosures Statement 68 prepared by Gabriel, Roeder, Smith & Company as of December 31, 2024.

### *Measures of Financial Position*

The following table presents the measures of the IMRF Account's financial position as of December 31 of the years 2020 through 2024, which are presented pursuant to the GASB Standards.

CALENDAR YEAR ENDED DECEMBER 31	TOTAL PENSION LIABILITY	FIDUCIARY NET POSITION	NET PENSION (ASSET)/LIABILITY	FIDUCIARY NET POSITION AS A % OF	DISCOUNT RATE
				TOTAL PENSION LIABILITY	
2020	\$2,910,039	\$3,278,439	(\$368,400)	112.66%	7.25%
2021	3,047,058	3,754,348	( 707,290)	123.21%	7.25%
2022	3,176,007	3,204,832	( 28,825)	100.91%	7.25%
2023	3,080,630	3,278,962	( 198,332)	106.44%	7.25%
2024	3,118,981	3,313,073	( 194,092)	106.22%	7.25%

Source: The audited financial statements of the District for the fiscal years ended June 30, 2021, through June 30, 2024, and Actuarial GASB Disclosures Statement 68 prepared by Gabriel, Roeder, Smith & Company as of December 31, 2024.

See Note 6 to the Audit, and the related required supplementary information disclosures, for a description of the IMRF, the IMRF Account, the District's funding policy, information on the assumptions and methods used by the actuary, and the financial reporting information required by the GASB Standards.

#### TEACHER HEALTH INSURANCE SECURITY FUND

The District participates in the Teacher Health Insurance Security Fund (the "*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 TRS.

The State maintains primary responsibility for funding, but contributions from participating employers and members are also required. For the fiscal year ended June 30, 2024, the District paid \$11,067 to the THIS Fund, which was 100% of the required contribution.

#### BOND RATINGS

S&P is expected to assign the Bonds a rating of "AA" (Stable Outlook) based on the Policy to be issued by AG at the time of delivery of the Bonds. S&P has also assigned the Bonds an underlying rating of "A+" (Stable Outlook). These ratings reflect only the views of S&P. An explanation of the methodology for such ratings may be obtained from S&P. Certain information concerning the Bonds and the District not included in this Official Statement was furnished to S&P 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 will not be changed by S&P if, in such 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 “LIMITED CONTINUING DISCLOSURE”, the form of which is attached hereto as APPENDIX C, 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 the ratings or to oppose any such revision or withdrawal.

## 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 included 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.

### **QUALIFIED TAX-EXEMPT OBLIGATIONS**

Subject to the District's compliance with certain covenants, in the opinion of Bond Counsel, the Bonds are "qualified tax-exempt obligations" under the small issuer exception provided under Section 265(b)(3) of the Code, which affords banks and certain other financial institutions more favorable treatment of their deduction for interest expense than would otherwise be allowed under Section 265(b)(2) of the Code.

### **LIMITED CONTINUING DISCLOSURE**

Because at the time of the delivery of the Bonds the District will be an "obligated person" (as such term is defined in the Rule) with respect to less than \$10,000,000 in aggregate amount of outstanding municipal securities, including the Bonds, the District is required to provide to the Municipal Securities Rulemaking Board (the "MSRB"), as specified in the Rule, annual financial information or operating data regarding the District which annual financial information and operating data shall include, at a minimum, that annual financial information and operating data which is customarily prepared by the District and is publicly available. Consequently, pursuant to

the Rule, the District will enter into a Continuing Disclosure Undertaking (the “*Undertaking*”) for the benefit of the beneficial owners of the Bonds to send the financial information to the MSRB for purposes of the Rule and to provide notice of certain events to 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 financial 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 the form of the Undertaking, attached hereto as APPENDIX C.

The District expects to implement 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 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.

The District failed to timely file on the MSRB’s Electronic Municipal Market Access system the incurrence of a financial obligation, namely, the Series 2022 Bonds. 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.

#### **AUDITED FINANCIAL STATEMENTS**

The audited financial statements of the District for the fiscal year ended June 30, 2024 (the “*Audit*”), contained in APPENDIX A, including the independent auditor’s report accompanying the Audit, have been prepared by Russell Leigh & Associates LLC, Hoopeston, Illinois (the “*Auditor*”), and approved by formal action of the Board. 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.

#### **BOOK-ENTRY ONLY 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 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 Commission. More information about DTC can be found at [www.dtcc.com](http://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 effect 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 (a) the accuracy of any records maintained by the Securities Depository or any Participant; (b) 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; (c) the delivery of any notice by the Securities Depository or any Participant; (d) the selection of the Beneficial Owners to receive payment in the event of any partial redemption of the Bonds; or (e) any other action taken by the Securities Depository or any Participant.

#### **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.

#### **NO LITIGATION**

No litigation is now pending or threatened restraining the issuance, sale, execution or delivery of the Bonds, or in any way contesting or affecting the validity or enforceability of the Bonds or any proceedings of the District taken with respect to the issuance or sale thereof. A certificate to this effect will be delivered by the District with the other customary closing papers when the Bonds are delivered.

## UNDERWRITING

Pursuant to the terms of a Bond Purchase Agreement (the “*Agreement*”) between the District and Stifel, Nicolaus & Company, Incorporated, St. Louis, Missouri (the “*Underwriter*” or “*Stifel*”), the Underwriter has agreed to purchase the Bonds at an aggregate purchase price of \$ \_\_\_\_\_. The purchase price will produce an underwriting spread of \_\_\_\_\_% of the principal amount of the Bonds. The Agreement provides 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 Bonds may be offered and sold to certain dealers (including dealers depositing such Bonds into investment trusts, accounts or funds) and others at prices different than the initial public offering price. After the initial public offering, the public offering price of the Bonds may be changed from time to time by the Underwriter.

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.

### AUTHORIZATION

This Official Statement has been approved by the District for distribution to prospective purchasers of the Bonds. The Board, acting through authorized officers, will provide to the Underwriter at the time of delivery of the Bonds, a certificate confirming that, to the best of its knowledge and belief, this Official Statement, together with any supplements thereto, as of the date hereof, and at the time of delivery of the Bonds, was true and correct in all material respects and did not at any time contain an 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/

---

Superintendent  
Community Unit School District Number 7,  
Vermilion County, Illinois

\_\_\_\_\_, 2025

## EXHIBITS

Exhibit A shows the District's recent financial history. Exhibit B provides information on the District's 2025 amended budget. Exhibit C provides information on the general fund revenue sources of the District.

### EXHIBIT A — COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE, FISCAL YEARS ENDED JUNE 30, 2020-2024

	Ed <sup>(1)</sup>	O&M	DEBT SERVICE	TRANS	IMRF	CAP PROJECTS	WORKING CASH	TORT	FIRE	TOTAL
Beginning Balance	\$2,343,480	\$ 363,597	\$ 36,733	\$170,207	\$ 34,464	\$7,558	\$ 234,449	\$ 6,406	\$24,589	\$3,221,483
Revenues	4,032,206	272,922	261,161	182,638	103,314	108	23,721	350,826	20,624	5,247,520
Expenditures	3,633,090	160,044	260,918	257,424	62,304	0	0	288,738	17,799	4,680,317
Other Sources (Uses)	0	0	0	64,000	0	0	0	0	0	64,000
Ending Balance, 6/30/20	\$2,742,596	\$ 476,475	\$ 36,976	\$159,421	\$ 75,474	\$7,666	\$ 258,170	\$ 68,494	\$27,414	\$3,852,686
Beginning Balance	\$2,742,596	\$ 476,475	\$ 36,976	\$159,421	\$ 75,474	\$7,666	\$ 258,170	\$68,494	\$27,414	\$3,852,686
Revenues	4,107,383	282,326	262,679	240,688	120,941	33	24,165	360,111	21,769	5,420,095
Expenditures	3,320,782	360,260	261,153	268,810	84,076	0	0	382,791	10,032	4,687,904
Other Sources (Uses)	0	0	0	95,101	0	0	504,461 <sup>(4)</sup>	0	0	599,562
Ending Balance, 6/30/21	\$3,529,197	\$ 398,541	\$ 38,502	\$226,400	\$112,339	\$7,699	\$ 786,796	\$ 45,814	\$39,151	\$5,184,439
Beginning Balance	\$3,529,197	\$ 398,541	\$ 38,502	\$226,400	\$112,339	\$7,699	\$ 786,796	\$ 45,814	\$39,151	\$5,184,439
Revenues	4,493,539	668,289 <sup>(2)</sup>	260,974	222,413	85,421	28	24,934	379,364	22,929	6,157,891
Expenditures	3,727,827	1,127,797 <sup>(3)</sup>	262,111	198,715	82,709	0	0	336,848	9,917	5,745,924
Net Transfers	0	447,999	0	0	0	0	(447,999)	0	0	0
Other Sources (Uses)	0	0	0	0	0	0	652,850 <sup>(4)</sup>	0	0	652,850
Ending Balance, 6/30/22	\$4,294,909	\$ 387,032	\$ 37,365	\$250,098	\$115,051	\$7,727	\$1,016,581	\$ 88,330	\$52,163	\$6,249,256
Beginning Balance	\$4,294,909	\$ 387,032	\$ 37,365	\$250,098	\$115,051	\$7,727	\$1,016,581	\$ 88,330	\$52,163	\$6,249,256
Revenues	4,704,015	908,306 <sup>(2)</sup>	266,229	209,573	102,589	47	27,582	400,431	24,347	6,643,119
Expenditures	3,775,281	1,639,899 <sup>(3)</sup>	266,711	261,029	87,865	0	0	414,093	11,444	6,456,322
Net Transfers	0	500,000	0	0	0	0	(500,000) <sup>(5)</sup>	0	0	0
Other Sources (Uses)	0	0	0	0	0	0	0	0	0	0
Ending Balance, 6/30/23	\$5,223,643	\$ 155,439	\$ 36,883	\$198,642	\$129,775	\$7,774	\$ 544,163	\$ 74,668	\$65,066	\$6,436,053
Beginning Balance	\$5,223,643	\$ 155,439	\$ 36,883	\$198,642	\$129,775	\$7,774	\$ 544,163	\$ 74,668	\$65,066	\$6,436,053
Revenues	4,740,598	361,176	329,795	248,395	97,821	167	37,693	353,065	27,178	6,195,888
Expenditures	3,926,591	406,317	328,506	195,580	76,939	0	0	389,827	17,947	5,341,707
Other Sources (Uses)	0	0	0	0	0	0	0	0	0	0
Ending Balance, 6/30/24	\$6,037,650	\$ 110,298	\$ 38,172	\$251,457	\$150,657	\$7,941	\$ 581,856	\$ 37,906	\$74,297	\$7,290,234

Source: The audited financial statements of the District for the fiscal years ended June 30, 2020 - June 30, 2024.

- (1) Excludes payments made by the State to TRS with respect to District employees, commonly referred to as "on-behalf" payments.
- (2) Increase in revenues in these fiscal years is due in large part to the District's receipt of ESSER funds. See "STATE AID—Federal COVID-19 Funds Distributed to the District" herein.
- (3) Larger expenditures in these fiscal years are in large part related to the expenditure of ESSER funds to pay for a portion of the new multi-purpose building.
- (4) Represents proceeds of a bond issue.
- (5) Abatement of amounts from the Working Cash Fund to the Operations and Maintenance Fund to pay for a portion of the new multi-purpose building.

**EXHIBIT B — AMENDED BUDGET, FISCAL YEAR ENDED JUNE 30, 2025**

	ED <sup>(1)</sup>	O&M	DEBT SERVICE	TRANS	IMRF	CAP PROJECTS	WORKING CASH	TORT	FIRE	TOTAL
EST. BEGINNING BALANCE, 7/1/24	\$6,016,010	\$110,298	\$ 38,172	\$251,457	\$150,657	\$7,941	\$581,856	\$ 37,906	\$74,297	\$7,268,594
REVENUES	4,786,064	277,470	325,565	217,558	82,004	0	28,647	402,002	28,647	6,147,957
EXPENDITURES	4,726,135	426,762	325,264	225,360	146,038	0	0	396,724	20,000	6,266,283
EST. ENDING BALANCE, 6/30/25	\$6,075,939	(\$ 38,994)	\$ 38,473	\$243,655	\$ 86,623	\$7,941	\$610,503	\$ 43,184	\$82,944	\$7,150,268

Source: Amended budget for the District for the fiscal year ended June 30, 2025. The beginning fund balances were estimated by the District at the time the budget was adopted. Consequently, such balances may not match the ending fund balances set forth in the District's audited financial statements for the fiscal year ended June 30, 2024.

(1) Excludes payments made by the State to TRS with respect to District employees, commonly referred to as "on-behalf" payments.

**EXHIBIT C — GENERAL FUND REVENUE SOURCES,  
FISCAL YEARS ENDED JUNE 30, 2020-2024**

	YEAR ENDED JUNE 30, 2020	YEAR ENDED JUNE 30, 2021	YEAR ENDED JUNE 30, 2022	YEAR ENDED JUNE 30, 2023	YEAR ENDED JUNE 30, 2024
Local Sources	41.11%	42.98%	40.11%	39.22%	46.37%
State Sources	50.71%	49.36%	43.70%	39.10%	43.87%
Federal Sources	8.18%	7.66%	16.19% <sup>(1)</sup>	21.68% <sup>(1)</sup>	9.76%
	<hr/>				
TOTAL	100.00%	100.00%	100.00%	100.00%	100.00%

Source: The audited financial statements of the District for the fiscal years ended June 30, 2020-June 30, 2024. For purposes of this Exhibit, the General Fund includes the Educational Fund and the Operations and Maintenance Fund.

- (1) Increase in Federal Sources is due in large part to the District's receipt of ESSER funds. See "STATE AID—Federal COVID-19 Funds Distributed to the District" herein.

**APPENDIX A**

**AUDITED FINANCIAL STATEMENTS OF THE  
DISTRICT FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

Rossville-Alvin Community Unit  
Rossville, Illinois

District No. 7

Annual Report

June 30, 2024

Russell Leigh & Associates LLC  
Certified Public Accountants  
228 E. Main Street  
Hoopeston, Illinois 60942



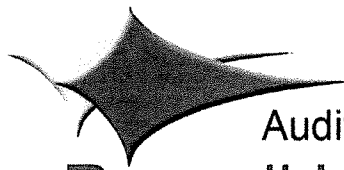
Rossville-Alvin Community Unit  
District No. 7

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District No. 7  
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Audit / Tax / Consult  
**Russell Leigh**  
& Associates LLC • Certified Public Accountants

Independent Auditor's Report

Board of Education  
Rossville-Alvin Community Unit School District No. 7  
Rossville, Illinois

**Opinions**

We have audited the accompanying financial statements of the Rossville-Alvin Community Unit School District No. 7 as of and for the fiscal years ended June 30, 2024 and June 30, 2023, 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, liabilities, and fund balances arising from cash transactions of Rossville-Alvin Community Unit School District No. 7 as of June 30, 2024 and June 30, 2023, and its revenues received and expenditures disbursed during the fiscal year then ended, in accordance with the financial reporting provisions prescribed and permitted by the Illinois State Board of Education as described in Note 1C.

**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 the report, the financial statements referred to in the first paragraph do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of each fund of Rossville-Alvin Community Unit School District No. 7, as of June 30, 2024 and June 30, 2023, or the changes in its financial position for the fiscal years 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 Rossville-Alvin Community Unit School District No. 7, 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 1C of the financial statements, the financial statements are prepared by Rossville-Alvin Community Unit School District No. 7 on the basis of the financial reporting provisions prescribed and permitted 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 comply with 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 1C and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material and pervasive.

**Emphasis of Matter - Basis of Accounting**

We draw attention to Note 1C of the financial statements, which describes the basis of accounting. The financial statements are prepared on the modified cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America but permitted by the Illinois State Board of Education. Our opinion is not modified with respect to that matter.

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

The School District administration is responsible for the preparation and fair presentation of these financial statements in accordance with the financial reporting provisions prescribed and permitted by the Illinois State Board of Education as described in Note 1C. 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 Rossville-Alvin Community Unit School District No. 7 ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

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

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards 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 Rossville-Alvin Community Unit School District No. 7'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 judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Rossville-Alvin Community Unit School District No. 7's ability to continue as a going concern for a reasonable period of time.

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

#### **Other Matters**

##### *Supplementary Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Rossville-Alvin Community Unit School District No. 7's basic financial statements. The information provided on pages 43-47 supplementary schedule is presented for the purposes of additional analysis and is not a required part of the financial statements of Rossville-Alvin Community Unit School District No. 7. Such information has been subjected to auditing procedures applied in the audit of financial statements and certain additional procedures. In our opinion, the information is fairly stated in all material respects in relation to the financial statements taken as a whole.

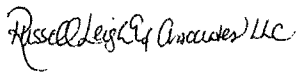
*Other Information*

Management is responsible for the other information included in the annual report. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

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

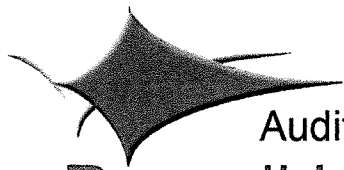
**Other Reporting Required By Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued a report dated October 2, 2024 on our consideration of Rossville-Alvin Community Unit School District No. 7'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 to describe the scope of 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 Rossville-Alvin Community Unit School District No. 7'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 Rossville-Alvin Community Unit School District No. 7's internal control over financial reporting and compliance.



Russell Leigh & Associates LLC

Hoopeston, Illinois  
October 2, 2024



Audit / Tax / Consult

**Russell Leigh**

& Associates LLC • Certified Public Accountants

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

Board of Education  
Rossville-Alvin Community Unit School District No. 7  
Rossville, Illinois 60963

We have audited, 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, the accompanying financial statements of Rossville-Alvin Community Unit School District No. 7 as of and for the fiscal years ended June 30, 2024 and June 30, 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents and have issued our report thereon dated October 2, 2024. Our opinion was adverse because the financial statements are not prepared in accordance with accounting principles generally accepted in the United States of America. However, the financial statements were found to be fairly stated, except for the effects of the omitted disclosures required by Governmental Accounting Standards Board Statement 45, *Accounting and Financial Reporting for Post-Employment Benefits Other Than Pensions*, on the regulatory basis of accounting, in accordance with regulatory reporting requirements established by the Illinois State Board of Education, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

**Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered Rossville-Alvin Community Unit School District No. 7'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 opinion on the financial statements and not for the purpose of expressing an opinion on the effectiveness of Rossville-Alvin Community Unit School District No. 7's internal control. Accordingly, we do not express an opinion on the effectiveness of Rossville-Alvin Community Unit School District No. 7'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 misstatements on a timely basis. A *material weakness* is a deficiency, or combination of significant deficiencies in internal control, such that there is a reasonable possibility that a material misstatement of the District's financial statements will not be prevented or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

-2-

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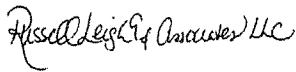
Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be significant deficiencies or material weaknesses, as defined above. Given these 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 have not been identified.

**Compliance and Other Matters**

As part of obtaining reasonable assurance about whether Rossville-Alvin Community Unit School District No. 7's financial statements are free of material misstatements, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. 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 testing, and not to provide an opinion on the effectiveness of the District's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Russell Leigh & Associates LLC

Hoopeston, Illinois  
October 2, 2024

Rossville-Alvin Community Unit District No. 7  
Statement of Assets, Liabilities and Fund Balance  
Arising from Cash Transactions (Regulatory Basis)  
As of June 30, 2024

	Educa- tion	Oper. & Maint.	Debt Services	Transpor- tation	Municipal Retire.	Capital Projects	Working Cash	Tort	Fire Prev & Safety	General Fixed Assets	General Long-Term Debt	Total Memorandum Only
<u>ASSETS</u>												
Cash in Bank	6037650	110298	38172	251457	150657	7941	581856	37906	74297	-0-	-0-	7290234
Investments	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Student Activity Funds	21640	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	21640
Fixed Assets	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	9011582	-0-	9011582
Amount to be Provided for Retirement of General Long-Term Debt	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	3095382	3095382
<b>TOTAL ASSETS</b>	<u>6059290</u>	<u>110298</u>	<u>38172</u>	<u>251457</u>	<u>150657</u>	<u>7941</u>	<u>581856</u>	<u>37906</u>	<u>74297</u>	<u>9011582</u>	<u>3095382</u>	<u>19418838</u>
<u>LIABILITIES &amp; FUND BALANCE</u>												
<u>Current Liabilities</u>												
Payroll Deductions and Withholdings	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Due to Student Groups	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
<b>Total Current Liabilities</b>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
<u>Long-Term Liabilities</u>												
Bonds Payable	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	3095382	3095382
<b>Total Long-Term Liabilities</b>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>3095382</u>	<u>3095382</u>
<b>TOTAL LIABILITIES</b>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>3095382</u>	<u>3095382</u>
<u>Fund Balance</u>												
Investment in General Fixed Assets	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	9011582	-0-	9011582
Reserved for Student Activity Funds	21640	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	21640
Reserved	-0-	24690	-0-	-0-	150657	-0-	-0-	-0-	-0-	-0-	-0-	175347
Unreserved	6037650	85608	38172	251457	-0-	7941	581856	37906	74297	-0-	-0-	7114887
<b>TOTAL FUND BALANCE</b>	<u>6059290</u>	<u>110298</u>	<u>38172</u>	<u>251457</u>	<u>150657</u>	<u>7941</u>	<u>581856</u>	<u>37906</u>	<u>74297</u>	<u>9011582</u>	<u>-0-</u>	<u>16323456</u>
<b>TOTAL LIABILITIES &amp; FUND BALANCE</b>	<u>6059290</u>	<u>110298</u>	<u>38172</u>	<u>251457</u>	<u>150657</u>	<u>7941</u>	<u>581856</u>	<u>37906</u>	<u>74297</u>	<u>9011582</u>	<u>3095382</u>	<u>19418838</u>

The accompanying notes are an integral part of this report.



Rossville-Alvin Community Unit District No. 7  
Statement of Revenue Received, Expenditures Disbursed,  
Other Financing Sources (Uses) & Changes in Fund Balance from Cash Transactions  
For Year Ended June 30, 2024

	<u>Education</u>	<u>Oper. &amp; Maint.</u>	<u>Debt Services</u>	<u>Transportation</u>	<u>Municipal Retirement</u>	<u>Capital Projects</u>	<u>Working Cash</u>	<u>Tort</u>	<u>Fire Prev &amp; Safety</u>	<u>Total Memo Only</u>
<u>REVENUE RECEIVED</u>										
Local Revenue	2130324	276220	329795	107406	97821	167	37693	353065	27178	3359669
State Revenue	2188289	50000	-0-	140989	-0-	-0-	-0-	-0-	-0-	2379278
Federal Revenue	462914	34956	-0-	-0-	-0-	-0-	-0-	-0-	-0-	497870
Flow Through	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Total Direct Revenue	4781527	361176	329795	248395	97821	167	37693	353065	27178	6236817
Revenue for On-Behalf Payments	805852	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	805852
 TOTAL REVENUE RECEIVED	 5587379	 361176	 329795	 248395	 97821	 167	 37693	 353065	 27178	 7042669
<u>EXPENDITURES DISBURSED</u>										
Instruction	1994542	-0-	-0-	-0-	40603	-0-	-0-	27659	-0-	2062804
Support Services	635210	406317	-0-	150234	36336	-0-	-0-	315298	17947	1561342
Community Services	1091	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	1091
Payments to Other Districts & Government Units	1336661	-0-	-0-	-0-	-0-	-0-	-0-	46870	-0-	1383531
Debt Service	-0-	-0-	328506	45346	-0-	-0-	-0-	-0-	-0-	373852
Total Direct Expenditures	3967504	406317	328506	195580	76939	-0-	-0-	389827	17947	5382620
Expenditures for On-Behalf Payments	805852	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	805852
 TOTAL EXPENDITURES DISBURSED	 4773356	 406317	 328506	 195580	 76939	 -0-	 -0-	 389827	 17947	 6188472
 Excess (Deficiency) of Revenue Received over Expenditures Disbursed	 814023	 (45141)	 1289	 52815	 20882	 167	 37693	 (36762)	 9231	 854197
<u>OTHER FINANCING SOURCES (USES)</u>										
Other Financing Sources	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Other Financing (Uses)	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
 Total Other Financing Sources (Uses)	 -0-	 -0-	 -0-	 -0-	 -0-	 -0-	 -0-	 -0-	 -0-	 -0-
 Excess (Deficiency) of Revenue Received & Other Financing Sources over Expenditures Disbursed & Other Financing Sources (Uses)	 814023	 (45141)	 1289	 52815	 20882	 167	 37693	 (36762)	 9231	 854197
 Beginning Fund Balance	 5245267	 155439	 36883	 198642	 129775	 7774	 544163	 74668	 65066	 6457677
 Ending Fund Balance	 6059290	 110298	 38172	 251457	 150657	 7941	 581856	 37906	 74297	 7311874

The accompanying notes are an integral part of this report.

Rossville-Alvin Community Unit District No. 7  
Statement of Revenue Received, Expenditures Disbursed  
Other Financing Sources (Uses) & Changes in Fund Balance - Budget and Actual  
For Year Ended June 30, 2024

	<u>Education</u>		<u>Oper. &amp; Maintenance</u>		<u>Debt Services</u>		<u>Transportation</u>		<u>Municipal Retire.</u>	
	<u>Budget</u>	<u>Actual</u>	<u>Budget</u>	<u>Actual</u>	<u>Budget</u>	<u>Actual</u>	<u>Budget</u>	<u>Actual</u>	<u>Budget</u>	<u>Actual</u>
<u>REVENUE RECEIVED</u>										
Local Revenue	1904296	2130324	256109	276220	328085	329795	102543	107406	72400	97821
State Revenue	2134847	2188289	-0-	50000	-0-	-0-	120000	140989	-0-	-0-
Federal Revenue	272220	462914	-0-	34956	-0-	-0-	-0-	-0-	-0-	-0-
On-Behalf Revenue	500000	805852	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Flow-Through	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
<b>TOTAL REVENUE RECEIVED</b>	<b>4811363</b>	<b>5587379</b>	<b>256109</b>	<b>361176</b>	<b>328085</b>	<b>329795</b>	<b>222543</b>	<b>248395</b>	<b>72400</b>	<b>97821</b>
<u>EXPENDITURES DISBURSED</u>										
Instruction	2080956	1994542	-0-	-0-	-0-	-0-	-0-	-0-	54621	40603
Support Services	659179	635210	429170	406317	-0-	-0-	222260	150234	54594	36336
Community Services	2500	1091	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Payments to Other Districts & Government Units	1437048	1336661	-0-	-0-	-0-	-0-	-0-	-0-	13952	-0-
On-Behalf Payments	500000	805852	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Debt Services	-0-	-0-	-0-	-0-	328419	328506	-0-	45346	-0-	-0-
Provision for Contingencies	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
<b>TOTAL EXPENDITURES DISBURSED</b>	<b>4679683</b>	<b>4773356</b>	<b>429170</b>	<b>406317</b>	<b>328419</b>	<b>328506</b>	<b>222260</b>	<b>195580</b>	<b>123167</b>	<b>76939</b>
Excess (Deficiency) of Revenue Received over Expenditures Disbursed	<u>131680</u>	<u>814023</u>	<u>(173061)</u>	<u>(45141)</u>	<u>(334)</u>	<u>1289</u>	<u>283</u>	<u>52815</u>	<u>(50767)</u>	<u>20882</u>
<u>OTHER FINANCING SOURCES (USES)</u>										
Other Financing Sources	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Other Financing (Uses)	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
<b>Total Other Financing Sources (Uses)</b>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
Excess (Deficiency) of Revenue Received & Other Financing Sources over Expenditures Disbursed & Other Financing Sources (Uses)	131680	814023	(173061)	(45141)	(334)	1289	283	52815	(50767)	20882
<b>Beginning Fund Balance</b>	<b>5245267</b>	<b>5245267</b>	<b>155439</b>	<b>155439</b>	<b>36883</b>	<b>36883</b>	<b>198642</b>	<b>198642</b>	<b>129775</b>	<b>129775</b>
<b>Ending Fund Balance</b>	<b>5376947</b>	<b>6059290</b>	<b>(17622)</b>	<b>110298</b>	<b>36549</b>	<b>38172</b>	<b>198925</b>	<b>251457</b>	<b>79008</b>	<b>150657</b>

The accompanying notes are an integral part of this report.

Rossville-Alvin Community Unit District No. 7  
Statement of Revenue Received, Expenditures Disbursed  
Other Financing Sources (Uses) & Changes in Fund Balance - Budget and Actual  
For Year Ended June 30, 2024

	<u>Capital Projects</u>		<u>Working Cash</u>		<u>Tort</u>		<u>Fire Prevention &amp; Safety</u>	
<u>REVENUE RECEIVED</u>	<u>Budget</u>	<u>Actual</u>	<u>Budget</u>	<u>Actual</u>	<u>Budget</u>	<u>Actual</u>	<u>Budget</u>	<u>Actual</u>
Local Revenue	-0-	167	26511	37693	350700	353065	25611	27178
State Revenue	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Federal Revenue	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
On-Behalf Revenue	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Flow-Through	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
<b>TOTAL REVENUE RECEIVED</b>	<b>-0-</b>	<b>167</b>	<b>26511</b>	<b>37693</b>	<b>350700</b>	<b>353065</b>	<b>25611</b>	<b>27178</b>
<u>EXPENDITURES DISBURSED</u>								
Instruction	-0-	-0-	-0-	-0-	23605	27659	-0-	-0-
Support Services	-0-	-0-	-0-	-0-	313484	315298	12000	17947
Community Services	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Payments to Other Districts & Government Units	-0-	-0-	-0-	-0-	80868	46870	-0-	-0-
On-Behalf Payments	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Debt Service	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Provision for Contingencies	-0-	-0-	-0-	-0-	5000	-0-	-0-	-0-
<b>TOTAL EXPENDITURES DISBURSED</b>	<b>-0-</b>	<b>-0-</b>	<b>-0-</b>	<b>-0-</b>	<b>422957</b>	<b>389827</b>	<b>12000</b>	<b>17947</b>
Excess (Deficiency) of Revenue Received over Expenditures Disbursed	-0-	167	26511	37693	(72257)	(36762)	13611	9231
<u>OTHER FINANCING SOURCES (USES)</u>								
Other Financing Sources	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Other Financing Uses	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
<b>Total Other Financing Sources Uses</b>	<b>-0-</b>	<b>-0-</b>	<b>-0-</b>	<b>-0-</b>	<b>-0-</b>	<b>-0-</b>	<b>-0-</b>	<b>-0-</b>
Excess (Deficiency) of Revenue Received & Other Financing Sources over Expenditures Disbursed & Other Financing Sources (Uses)	-0-	167	26511	37693	(72257)	(36762)	13611	9231
<b>Beginning Fund Balance</b>	<b>7774</b>	<b>7774</b>	<b>544163</b>	<b>544163</b>	<b>74668</b>	<b>74668</b>	<b>65066</b>	<b>65066</b>
<b>Ending Fund Balance</b>	<b>7774</b>	<b>7941</b>	<b>570674</b>	<b>581856</b>	<b>2411</b>	<b>37906</b>	<b>78677</b>	<b>74297</b>

The accompanying notes are an integral part of this report.

Rossville-Alvin Community Unit School District No. 7  
Statement of Revenue Received  
For the Fiscal Year Ended June 30, 2024

<u>REVENUE RECEIVED</u>	<u>Education</u>	<u>Oper. &amp; Maint.</u>	<u>Debt Services</u>	<u>Transportation</u>	<u>Municipal Retirement</u>	<u>Capital Projects</u>	<u>Working Cash</u>	<u>Tort Immunity</u>	<u>Fire Prev &amp; Safety</u>	<u>Total Memo Only</u>
From Local Sources:										
Ad Valorem Taxes Levied										
General Levy	1478138	254851	327455	101940	16983	-0-	25487	349647	25487	2579988
Leasing Purposes Levy	25486	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	25486
Special Education Levy	20388	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	20388
Social Security/Medicare Levy	-0-	-0-	-0-	-0-	54946	-0-	-0-	-0-	-0-	54946
Payments in Lieu of Taxes:										
Corporate Personal Property Replacement Taxes	206312	-0-	-0-	-0-	17201	-0-	-0-	-0-	-0-	223513
Other Payments in Lieu of Taxes	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Interest on Investments	135063	5371	2340	5244	3369	167	12206	3418	1691	168869
Food Services:										
Sales to Pupils - Lunch	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Sales to Pupils - Breakfast	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Sales to Pupils - A La Carte	964	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	964
Sales to Adults	582	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	582
Pupil Activities:										
Admissions - Athletic	5923	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	5923
Fees	160	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	160
Other District Revenue	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Student Activity Fund Revenue	40929	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	40929
Textbooks:										
Rentals-Regular Textbooks	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Rentals	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Contributions/Donations from Private Sources	-0-	15000	-0-	-0-	-0-	-0-	-0-	-0-	-0-	15000
Refund of Prior Year Expenditures	-0-	-0-	-0-	-0-	5322	-0-	-0-	-0-	-0-	5322
Payments of Surplus Moneys from TIF District	173422	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	173422
Other Local Revenue	<u>42957</u>	<u>998</u>	<u>-0-</u>	<u>222</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>44177</u>
Total Revenue from Local Sources	<u>2130324</u>	<u>276220</u>	<u>329795</u>	<u>107406</u>	<u>97821</u>	<u>167</u>	<u>37693</u>	<u>353065</u>	<u>27178</u>	<u>3359669</u>

The accompanying notes are an integral part of this report.

Rossville-Alvin Community Unit School District No. 7  
Statement of Revenue Received  
For the Fiscal Year Ended June 30, 2024

	<u>Education</u>	<u>Oper. &amp; Maint.</u>	<u>Debt Services</u>	<u>Transportation</u>	<u>Municipal Retirement</u>	<u>Capital Projects</u>	<u>Working Cash</u>	<u>Tort Immunity</u>	<u>Fire Prev &amp; Safety</u>	<u>Total Memo Only</u>
From State Sources:										
Unrestricted Grants-in-Aid:										
Evidence Based Funding Formula	1933848	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	1933848
Restricted Grants-in-Aid:										
Special Education:										
Private Facility Tuition	157453	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	157453
Orphanage - Individual	21479	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	21479
State Free Lunch/Breakfast	3007	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	3007
Transportation Aid:										
Regular	-0-	-0-	-0-	126294	-0-	-0-	-0-	-0-	-0-	126294
Special Education	-0-	-0-	-0-	14695	-0-	-0-	-0-	-0-	-0-	14695
Early Childhood - Block Grant	72502	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	72502
School Infrastructure - Maintenance Projects	-0-	50000	-0-	-0-	-0-	-0-	-0-	-0-	-0-	50000
Other Restricted Revenue from State Sources	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
Total Revenue from State Sources	<u>2188289</u>	<u>50000</u>	<u>-0-</u>	<u>140989</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>2379278</u>
From Federal Sources:										
Restricted Grants-in-Aid Received Directly from the Federal Government through the State:										
Title V - Rural Education Initiative	31714	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	31714
National School Lunch Program	138022	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	138022
School Breakfast Program	53704	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	53704
Title I: Low Income	115445	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	115445
Title IV - Student Support and Academic Enrichment Grant	12383	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	12383
Federal Special Education: Preschool Flow Through	986	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	986
IDEA Flow Through	70395	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	70395
Title II: Teacher Quality	19900	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	19900
Other Restricted Revenue from Federal Sources	<u>20365</u>	<u>34956</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>55321</u>
Total Revenue from Federal Sources	<u>462914</u>	<u>34956</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>497870</u>
Total Direct Revenue Received	<u>4781527</u>	<u>361176</u>	<u>329795</u>	<u>248395</u>	<u>97821</u>	<u>167</u>	<u>37693</u>	<u>353065</u>	<u>27178</u>	<u>6236817</u>

The accompanying notes are an integral part of this report.

Rossville-Alvin Community Unit School  
District No. 7  
Comparative Statement of Expenditures Disbursed  
(And Comparison with Budget)  
Education Fund  
For the Fiscal Year Ended June 30, 2024 and 2023

	<u>2024</u> <u>Budget</u>	<u>2024</u> <u>Actual</u>	<u>(Over) Under</u> <u>Budget</u>	<u>2023</u> <u>Actual</u>
Expenditures Disbursed:				
Instruction:				
Regular Programs:				
Salaries	1105811	1042959	62852	982229
Employee Benefits	216798	174904	41894	170078
Purchased Services	39700	17680	22020	14575
Supplies and Materials	113501	95128	18373	91446
Capital Outlay	3000	11062	(8062)	2243
Other Objects	1200	298	902	956
Total Regular Programs	<u>1480010</u>	<u>1342031</u>	<u>137979</u>	<u>1261527</u>
Pre-K Programs:				
Salaries	70268	67109	3159	46333
Employee Benefits	19500	5591	13909	13142
Supplies and Materials	17000	17118	(118)	9765
Total Pre-K Programs	<u>106768</u>	<u>89818</u>	<u>16950</u>	<u>69240</u>
Special Education Programs:				
Salaries	324654	301070	23584	289290
Employee Benefits	45241	44625	616	33979
Supplies and Materials	3000	1303	1697	2774
Total Special Education Programs	<u>372895</u>	<u>346998</u>	<u>25897</u>	<u>326043</u>
Remedial and Supplemental Programs K-12:				
Salaries	57322	54933	2389	46652
Employee Benefits	21850	12030	9820	11823
Purchased Services	-0-	37965	(37965)	10003
Supplies and Materials	-0-	30823	(30823)	594
Capital Outlay	-0-	-0-	-0-	-0-
Total Remedial and Supplemental Programs K-12	<u>79172</u>	<u>135751</u>	<u>(56579)</u>	<u>69072</u>
Interscholastic Programs:				
Salaries	20516	21141	(625)	20562
Employee Benefits	1795	2420	(625)	1571
Purchased Services	7000	6511	489	5692
Supplies and Materials	5000	1700	3300	3821
Capital Outlay	5000	4308	692	4200
Other Objects	2800	2951	(151)	2229
Total Interscholastic Programs	<u>42111</u>	<u>39031</u>	<u>3080</u>	<u>38075</u>
Student Activity Fund Expenditures:				
Other Objects	-0-	40913	(40913)	37698
Total Student Activity Fund Expenditures	<u>-0-</u>	<u>40913</u>	<u>(40913)</u>	<u>37698</u>
TOTAL INSTRUCTION	<u>2080956</u>	<u>1994542</u>	<u>86414</u>	<u>1801655</u>

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Rossville-Alvin Community Unit School  
District No. 7  
Comparative Statement of Expenditures Disbursed  
(And Comparison with Budget)  
Education Fund  
For the Fiscal Year Ended June 30, 2024 and 2023

	<u>2024</u> <u>Budget</u>	<u>2024</u> <u>Actual</u>	<u>(Over) Under</u> <u>Budget</u>	<u>2023</u> <u>Actual</u>
Support Services:				
Support Services - Pupils:				
Health Services:				
Salaries	2000	-0-	2000	-0-
Supplies and Materials	-0-	954	(954)	319
Total Health Services	<u>2000</u>	<u>954</u>	<u>1046</u>	<u>319</u>
Other Support Services - Pupils:				
Salaries	6400	6910	(510)	4351
Employee Benefits	350	1218	(868)	328
Purchased Services	3000	3078	(78)	2472
Supplies and Materials	1500	1212	288	611
Other Objects	-0-	-0-	-0-	-0-
Total Other Support Services - Pupils	<u>11250</u>	<u>12418</u>	<u>(1168)</u>	<u>7762</u>
TOTAL SUPPORT SERVICES - PUPILS	<u>13250</u>	<u>13372</u>	<u>(122)</u>	<u>8081</u>
Support Services - Instructional Staff:				
Improvement of Instruction Services:				
Purchased Services	13458	31758	(18300)	18062
Supplies and Materials	-0-	-0-	-0-	-0-
Capital Outlay	-0-	-0-	-0-	-0-
Total Improvement of Instruction Services	<u>13458</u>	<u>31758</u>	<u>(18300)</u>	<u>18062</u>
Educational Media Services:				
Purchased Services	-0-	15807	(15807)	60089
Supplies and Materials	1617	1273	344	3738
Capital Outlay	1000	-0-	1000	-0-
Total Educational Media Services	<u>2617</u>	<u>17080</u>	<u>(14463)</u>	<u>63827</u>
Assessment and Testing:				
Supplies and Materials	-0-	-0-	-0-	-0-
Total Assessment and Testing	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
TOTAL SUPPORT SERVICES - INSTRUCTIONAL STAFF	<u>16075</u>	<u>48838</u>	<u>(32763)</u>	<u>81889</u>
Support Services - General Administration:				
Board of Education Services:				
Salaries	3000	3000	-0-	3000
Employee Benefits	-0-	-0-	-0-	-0-
Purchased Services	66000	60333	5667	59306
Supplies and Materials	3500	798	2702	993
Other Objects	3500	5960	(2460)	2538
Total Board of Education Services	<u>76000</u>	<u>70091</u>	<u>5909</u>	<u>65837</u>

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Rossville-Alvin Community Unit School  
District No. 7  
Comparative Statement of Expenditures Disbursed  
(And Comparison with Budget)  
Education Fund  
For the Fiscal Year Ended June 30, 2024 and 2023

	<u>2024</u> <u>Budget</u>	<u>2024</u> <u>Actual</u>	<u>(Over) Under</u> <u>Budget</u>	<u>2023</u> <u>Actual</u>
Executive Administration Services:				
Salaries	33500	33835	(335)	33500
Employees Benefits	7327	5905	1422	5788
Purchased Services	-0-	-0-	-0-	-0-
Supplies and Materials	-0-	-0-	-0-	-0-
Capital Outlay	-0-	-0-	-0-	-0-
Other Objects	<u>1700</u>	<u>1886</u>	<u>(186)</u>	<u>1612</u>
Total Executive Administration Services	<u>42527</u>	<u>41626</u>	<u>901</u>	<u>40900</u>
Special Area Administration Services:				
Salaries	54010	54006	4	52433
Employee Benefits	9167	10176	(1009)	9729
Purchased Services	-0-	-0-	-0-	-0-
Supplies	-0-	-0-	-0-	-0-
Other Objects	<u>11000</u>	<u>10537</u>	<u>463</u>	<u>7720</u>
Total Special Area Administration Services	<u>74177</u>	<u>74719</u>	<u>(542)</u>	<u>69882</u>
TOTAL SUPPORT SERVICES - GENERAL ADMINISTRATION	<u>192704</u>	<u>186436</u>	<u>6268</u>	<u>176619</u>
Support Services - School Administration:				
Office of the Principal Services:				
Salaries	92415	91446	969	87107
Employee Benefits	12710	11343	1367	12328
Purchased Services	1500	980	520	-0-
Supplies and Materials	38000	37528	472	32610
Capital Outlay	-0-	-0-	-0-	-0-
Other Objects	<u>775</u>	<u>742</u>	<u>33</u>	<u>709</u>
Total Office of the Principal Services	<u>145400</u>	<u>142039</u>	<u>3361</u>	<u>132754</u>
TOTAL SUPPORT SERVICES - SCHOOL ADMINISTRATION	<u>145400</u>	<u>142039</u>	<u>3361</u>	<u>132754</u>
Support Services - Business Fiscal Services:				
Salaries	46705	47205	(500)	45344
Employee Benefits	7250	3555	3695	43
Purchased Services	-0-	-0-	-0-	-0-
Supplies and Materials	7200	6007	1193	6784
Capital Outlay	<u>1000</u>	<u>-0-</u>	<u>1000</u>	<u>-0-</u>
Total Fiscal Services	<u>62155</u>	<u>56767</u>	<u>5388</u>	<u>52171</u>

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Rossville-Alvin Community Unit School  
District No. 7  
Comparative Statement of Expenditures Disbursed  
(And Comparison with Budget)  
Education Fund  
For the Fiscal Year Ended June 30, 2024 and 2023

	<u>2024</u> <u>Budget</u>	<u>2024</u> <u>Actual</u>	<u>(Over) Under</u> <u>Budget</u>	<u>2023</u> <u>Actual</u>
Operations and Maintenance of Plant Services:				
Salaries	-0-	-0-	-0-	-0-
Employee Benefits	-0-	-0-	-0-	-0-
Purchased Services	<u>15000</u>	<u>5026</u>	<u>9974</u>	<u>21009</u>
Total Operations and Maintenance of Plant Services	<u>15000</u>	<u>5026</u>	<u>9974</u>	<u>21009</u>
Food Services:				
Salaries	50245	39279	10966	48247
Employee Benefits	14550	3461	11089	2979
Purchased Services	5300	5544	(244)	1999
Supplies and Materials	136000	133182	2818	117903
Capital Outlay	7000	-0-	7000	-0-
Other Objects	<u>1500</u>	<u>1266</u>	<u>234</u>	<u>1003</u>
Total Food Services	<u>214595</u>	<u>182732</u>	<u>31863</u>	<u>172131</u>
TOTAL SUPPORT SERVICES - BUSINESS	<u>291750</u>	<u>244525</u>	<u>47225</u>	<u>245311</u>
Total Support Services	<u>659179</u>	<u>635210</u>	<u>23969</u>	<u>644654</u>
Community Services:				
Salaries	500	-0-	500	-0-
Employee Benefits	-0-	-0-	-0-	-0-
Purchased Services	2000	1091	909	36
Capital Outlay	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
Total Community Services	<u>2500</u>	<u>1091</u>	<u>1409</u>	<u>36</u>
Payments to Other Districts and Governmental Units:				
Payments to Other Districts and Governmental Units (In-State):				
Payments to Regular Programs:				
Other Objects	<u>952548</u>	<u>918358</u>	<u>34190</u>	<u>932520</u>
Total Payments to Regular Programs	<u>952548</u>	<u>918358</u>	<u>34190</u>	<u>932520</u>
Payments for Special Education Programs:				
Other Objects	<u>257000</u>	<u>208337</u>	<u>48663</u>	<u>241895</u>
Total Payments for Special Education	<u>257000</u>	<u>208337</u>	<u>48663</u>	<u>241895</u>
Payments for CTE Programs:				
Other Objects	<u>1300</u>	<u>633</u>	<u>667</u>	<u>478</u>
Total Payments for CTE Programs	<u>1300</u>	<u>633</u>	<u>667</u>	<u>478</u>

The accompanying notes are an integral part of this report.

Rossville-Alvin Community Unit School  
District No. 7  
Comparative Statement of Expenditures Disbursed  
(And Comparison with Budget)  
Education Fund  
For the Fiscal Year Ended June 30, 2024 and 2023

	<u>2024</u> <u>Budget</u>	<u>2024</u> <u>Actual</u>	<u>(Over) Under</u> <u>Budget</u>	<u>2023</u> <u>Actual</u>
Other Payments to In-State Governmental Units:				
Purchased Services	<u>1200</u>	<u>-0-</u>	<u>1200</u>	<u>-0-</u>
Total Other Payments to In-State Governmental Units	<u>1200</u>	<u>-0-</u>	<u>1200</u>	<u>-0-</u>
Total Payments to Other Governmental Units (In-State)	<u>1212048</u>	<u>1127328</u>	<u>84720</u>	<u>1174893</u>
Payments for Special Education Programs - Tuition:				
Other Objects	<u>225000</u>	<u>209333</u>	<u>15667</u>	<u>191741</u>
Total Payments for Special Education Programs - Tuition	<u>225000</u>	<u>209333</u>	<u>15667</u>	<u>191741</u>
TOTAL PAYMENTS TO OTHER DISTRICTS AND GOVERNMENTAL UNITS	<u>1437048</u>	<u>1336661</u>	<u>100387</u>	<u>1366634</u>
Provision for Contingencies	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
Total Expenditures Disbursed	<u>4179683</u>	<u>3967504</u>	<u>212179</u>	<u>3812979</u>

The accompanying notes are an integral part of this report.

Rossville-Alvin Community Unit School  
District No. 7  
Comparative Statement of Expenditures Disbursed  
(And Comparison with Budget)  
Operations and Maintenance Fund  
For the Fiscal Year Ended June 30, 2024 and 2023

	<u>2024</u> <u>Budget</u>	<u>2024</u> <u>Actual</u>	<u>(Over) Under</u> <u>Budget</u>	<u>2023</u> <u>Actual</u>
Expenditures Disbursed:				
Support Services:				
Operations and Maintenance of Plant				
Services:				
Salaries	79020	62498	16522	77763
Employee Benefits	10050	2180	7870	8508
Purchased Services	105100	69594	35506	72453
Supplies and Materials	35000	37022	(2022)	39534
Capital Outlay	-0-	235023	(235023)	941641
Other Objects	<u>200000</u>	<u>-0-</u>	<u>200000</u>	<u>-0-</u>
TOTAL OPERATIONS AND MAINTENANCE OF				
PLANT SERVICES	<u>429170</u>	<u>406317</u>	<u>22853</u>	<u>1139899</u>
TOTAL SUPPORT SERVICES	<u>429170</u>	<u>406317</u>	<u>22853</u>	<u>1139899</u>
Payments to Other Districts and				
Governmental Units:				
Payments to Other Districts and				
Governmental Units (In-State):				
Payments for Regular Programs:				
Other Objects	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>500000</u>
TOTAL PAYMENTS TO OTHER DISTRICTS AND				
GOVERNMENTAL UNITS (IN-STATE)	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>500000</u>
TOTAL PAYMENTS TO OTHER DISTRICTS AND				
GOVERNMENTAL UNITS	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>500000</u>
Total Expenditures Disbursed	<u>429170</u>	<u>406317</u>	<u>22853</u>	<u>1639899</u>

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Rossville-Alvin Community Unit School  
District No. 7  
Comparative Statement of Expenditures Disbursed  
(And Comparison with Budget)  
Debt Services Fund  
For the Fiscal Year Ended June 30, 2024 and 2023

	<u>2024</u> <u>Budget</u>	<u>2024</u> <u>Actual</u>	(Over) Under <u>Budget</u>	<u>2023</u> <u>Actual</u>
Expenditures Disbursed:				
Debt Service - Interest on				
Long-Term Debt	117783	117813	(30)	81075
Debt Service - Bond Principal	210636	210000	636	185000
Debt Service - Other Objects	<u>-0-</u>	<u>693</u>	<u>(693)</u>	<u>636</u>
Total Expenditures Disbursed	<u>328419</u>	<u>328506</u>	<u>(87)</u>	<u>266711</u>

The accompanying notes are an integral part of this report.

Rossville-Alvin Community Unit School  
District No. 7  
Comparative Statement of Expenditures Disbursed  
(And Comparison with Budget)  
Transportation Fund  
For the Fiscal Year Ended June 30, 2024 and 2023

	<u>2024</u> <u>Budget</u>	<u>2024</u> <u>Actual</u>	(Over) Under <u>Budget</u>	<u>2023</u> <u>Actual</u>
Expenditures Disbursed:				
Support Services:				
Pupil Transportation Services:				
Salaries	90024	87614	2410	83102
Employee Benefits	7990	2020	5970	3231
Purchased Services	42700	35359	7341	40836
Supplies and Materials	35000	25099	9901	28545
Capital Outlay	45346	-0-	45346	59900
Other Objects	<u>1200</u>	<u>142</u>	<u>1058</u>	<u>70</u>
TOTAL PUPIL TRANSPORTATION SERVICES	<u>222260</u>	<u>150234</u>	<u>72026</u>	<u>215684</u>
TOTAL SUPPORT SERVICES	<u>222260</u>	<u>150234</u>	<u>72026</u>	<u>215684</u>
Payments to Other Districts and Governmental Units:				
Payments to Other Districts and Governmental Units (In-State):				
Payments for Regular Programs:				
Other Objects	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
TOTAL PAYMENTS TO OTHER DISTRICTS AND GOVERNMENTAL UNITS (IN-STATE)	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
TOTAL PAYMENTS TO OTHER DISTRICTS AND GOVERNMENTAL UNITS	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
Debt Services:				
Debt Service - Interest on Long- Term Debt	-0-	2452	(2452)	3933
Debt Service - Payments on Principal on Long-Term Debt	<u>-0-</u>	<u>42894</u>	<u>(42894)</u>	<u>41412</u>
TOTAL DEBT SERVICE	<u>-0-</u>	<u>45346</u>	<u>(45346)</u>	<u>45345</u>
Total Expenditures Disbursed	<u>222260</u>	<u>195580</u>	<u>26680</u>	<u>261029</u>

The accompanying notes are an integral part of this report.

Rossville-Alvin Community Unit School  
District No. 7  
Comparative Statement of Expenditures Disbursed  
(And Comparison with Budget)  
Municipal Retirement/Social Security Fund  
For the Fiscal Year Ended June 30, 2024 and 2023

	<u>2024</u> <u>Budget</u>	<u>2024</u> <u>Actual</u>	<u>(Over) Under</u> <u>Budget</u>	<u>2023</u> <u>Actual</u>
Expenditures Disbursed:				
Instruction:				
Regular Programs:				
Employee Benefits	21985	20533	1452	21160
Pre-K Programs:				
Employee Benefits	3762	1581	2181	967
Special Education Programs:				
Employee Benefits	26577	17008	9569	20547
Remedial and Supplemental Programs -				
K-12:				
Employee Benefits	832	772	60	646
Interscholastic Programs:				
Employee Benefits	<u>1465</u>	<u>709</u>	<u>756</u>	<u>696</u>
TOTAL INSTRUCTION	<u>54621</u>	<u>40603</u>	<u>14018</u>	<u>44016</u>
Support Services:				
Support Services - Pupils				
Other Support Services:				
Employee Benefits	<u>75</u>	<u>111</u>	<u>(36)</u>	<u>70</u>
TOTAL SUPPORT SERVICES - PUPILS	<u>75</u>	<u>111</u>	<u>(36)</u>	<u>70</u>
Support Services - General Administration				
Board of Education Services:				
Employee Benefits	350	436	(86)	274
Executive Administration Services:				
Employee Benefits	900	474	426	478
Special Area Administrative Services:				
Employee Benefits	621	777	(156)	747
Educational Inspectional Supervisory				
Services Related to Loss Prevention				
or Reduction:				
Employee Benefits	-0-	-0-	-0-	-0-
Risk Management and Claims Services				
Payments:				
Employee Benefits	<u>13212</u>	<u>9582</u>	<u>3630</u>	<u>11913</u>
TOTAL SUPPORT SERVICES - GENERAL				
ADMINISTRATION	<u>15083</u>	<u>11269</u>	<u>3814</u>	<u>13412</u>
Support Services - School Administration:				
Office of the Principal Services:				
Employee Benefits	<u>4529</u>	<u>3417</u>	<u>1112</u>	<u>3603</u>
TOTAL SUPPORT SERVICES - SCHOOL				
ADMINISTRATION	<u>4529</u>	<u>3417</u>	<u>1112</u>	<u>3603</u>

The accompanying notes are an integral part of this report.

Rossville-Alvin Community Unit School  
District No. 7  
Comparative Statement of Expenditures Disbursed  
(And Comparison with Budget)  
Municipal Retirement/Social Security Fund  
For the Fiscal Year Ended June 30, 2024 and 2023

	<u>2024</u> <u>Budget</u>	<u>2024</u> <u>Actual</u>	<u>(Over) Under</u> <u>Budget</u>	<u>2023</u> <u>Actual</u>
Support Services - Business:				
Direction of Business				
Support Services:				
Employee Benefits	-0-	-0-	-0-	-0-
Fiscal Services:				
Employee Benefits	6175	4471	1704	4949
Operations and Maintenance of				
Plant Services:				
Employee Benefits	9891	5215	4676	7905
Pupil Transportation Services:				
Employee Benefits	12197	7997	4200	8722
Food Services:				
Employee Benefits	<u>6644</u>	<u>3856</u>	<u>2788</u>	<u>5188</u>
TOTAL SUPPORT SERVICES - BUSINESS	<u>34907</u>	<u>21539</u>	<u>13368</u>	<u>26764</u>
Total Support Services	<u>54594</u>	<u>36336</u>	<u>18258</u>	<u>43849</u>
Community Services:				
Purchased Services	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
TOTAL COMMUNITY SERVICES	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
Payments to Other Districts and				
Other Governmental Units:				
Payments for Regular Programs:				
Employee Benefits	<u>13952</u>	<u>-0-</u>	<u>13952</u>	<u>-0-</u>
TOTAL PAYMENTS TO OTHER DISTRICTS	<u>13952</u>	<u>-0-</u>	<u>13952</u>	<u>-0-</u>
AND GOVERNMENTAL UNITS				
Total Expenditures Disbursed	<u>123167</u>	<u>76939</u>	<u>46228</u>	<u>87865</u>

The accompanying notes are an integral part of this report.

Rossville-Alvin Community Unit School  
District No. 7  
Comparative Statement of Expenditures Disbursed  
(And Comparison with Budget)  
Capital Projects Fund  
For the Fiscal Year Ended June 30, 2024 and 2023

	<u>2024</u> <u>Budget</u>	<u>2024</u> <u>Actual</u>	<u>(Over) Under</u> <u>Budget</u>	<u>2023</u> <u>Actual</u>
Expenditures Disbursed:				
Support Services:				
Facilities Acquisition and				
Construction Services:				
Purchased Services	-0-	-0-	-0-	-0-
Capital Outlay	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
TOTAL FACILITIES ACQUISITION AND				
CONSTRUCTION SERVICES	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
TOTAL SUPPORT SERVICES	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
Total Expenditures Disbursed	<u><u>-0-</u></u>	<u><u>-0-</u></u>	<u><u>-0-</u></u>	<u><u>-0-</u></u>

The accompanying notes are an integral part of this report.



Rossville-Alvin Community Unit School  
District No. 7  
Comparative Statement of Expenditures Disbursed  
(And Comparison with Budget)  
Tort Immunity Fund  
For the Fiscal Year Ended June 30, 2024 and 2023

	<u>2024</u> <u>Budget</u>	<u>2024</u> <u>Actual</u>	<u>(Over) Under</u> <u>Budget</u>	<u>2023</u> <u>Actual</u>
Expenditures Disbursed:				
Instruction:				
Regular Payments:				
Salaries	20000	23520	(3520)	19800
Employee Benefits	605	4139	(3534)	2116
Purchased Services	-0-	-0-	-0-	-0-
Interscholastic Programs:				
Employee Benefits	<u>3000</u>	<u>-0-</u>	<u>3000</u>	<u>-0-</u>
TOTAL INSTRUCTION	<u>23605</u>	<u>27659</u>	<u>(4054)</u>	<u>21916</u>
Support Services:				
Other Support Services - Pupils:				
Salaries	676	651	25	588
Employee Benefits	105	83	22	74
Board of Education Services:				
Purchased Services	3000	934	2066	728
Executive Administration Services:				
Salaries	-0-	-0-	-0-	-0-
Claims Paid from Self-Insurance Fund:				
Purchased Services	-0-	-0-	-0-	49688
Risk Management and Claims Service Payments:				
Salaries	172056	174014	(1958)	179501
Employee Benefits	12401	23246	(10845)	23095
Purchased Services	118046	116370	1676	88283
Operations and Maintenance of Plant Services:				
Employee Benefits	<u>7200</u>	<u>-0-</u>	<u>7200</u>	<u>-0-</u>
TOTAL SUPPORT SERVICES	<u>313484</u>	<u>315298</u>	<u>(1814)</u>	<u>341957</u>
Payments to Other Districts and Governmental Units:				
Payments for Regular Programs:				
Other Objects	50868	46870	3998	50220
Other Payments to In-State Government Units:				
Purchased Services	<u>30000</u>	<u>-0-</u>	<u>30000</u>	<u>-0-</u>
TOTAL PAYMENTS TO OTHER DISTRICTS AND GOVERNMENTAL UNITS	<u>80868</u>	<u>46870</u>	<u>33998</u>	<u>50220</u>
Provision for Contingencies	<u>5000</u>	<u>-0-</u>	<u>5000</u>	<u>-0-</u>
Total Expenditures Disbursed	<u>422957</u>	<u>389827</u>	<u>33130</u>	<u>414093</u>

The accompanying notes are an integral part of this report.

Rossville-Alvin Community Unit School  
District No. 7  
Comparative Statement of Expenditures Disbursed  
(And Comparison with Budget)  
Fire Prevention and Safety Fund  
For the Fiscal Year Ended June 30, 2024 and 2023

	<u>2024</u> <u>Budget</u>	<u>2024</u> <u>Actual</u>	<u>(Over) Under</u> <u>Budget</u>	<u>2023</u> <u>Actual</u>
Expenditures Disbursed:				
Support Services:				
Facilities Acquisition and				
Construction Services:				
Purchased Services	-0-	-0-	-0-	-0-
Supplies and Materials	-0-	-0-	-0-	-0-
Capital Outlay	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
Total Facilities Acquisition &				
Construction Services	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
Operations and Maintenance of				
Plant Services:				
Purchased Services	12000	17947	(5947)	11444
Capital Outlay	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
Total Operations and Maintenance of				
Plant Services	<u>12000</u>	<u>17947</u>	<u>(5947)</u>	<u>11444</u>
TOTAL SUPPORT SERVICES	<u>12000</u>	<u>17947</u>	<u>(5947)</u>	<u>11444</u>
Payments to Other Districts &				
Government Units:				
Other Payments to In-State				
Government Units:				
Other Objects	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
Total Payments to Other Districts &				
Government Units	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
Total Expenditures Disbursed	<u>12000</u>	<u>17947</u>	<u>(5947)</u>	<u>11444</u>

The accompanying notes are an integral part of this report.

Rossville-Alvin Community Unit No. 7  
Notes to the Financial Statements  
Year Ended June 30, 2024

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The district's accounting policies conform to the cash basis of accounting as defined by the Illinois State Board of Education Audit Guide.

In June 1999, the Government Accounting Standards Board (GASB) issued *Statement 34 Basic Financial Statements and Management Discussion and Analysis for State and Local Governments*. The Statement establishes new financial reporting requirements for state and local governments throughout the United States. Implementation was required for fiscal year ending June 30, 2004. The district elected not to implement GASB 34. Instead, the district adopted a regulatory basis of accounting as prescribed by the Illinois State Board of Education.

(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.

The district has developed criteria to determine whether outside agencies with activities which benefit the citizens of the district, including joint agreements which serve pupils from numerous districts, should be included within its financial reporting entity. The criteria include, but are 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.

The 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 which 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 following fund types and account groups are used by the district:

GOVERNMENTAL FUND TYPES

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 General Fund, which consists of the Education Fund and the Operations and Maintenance Fund, is the general operating fund of the district. It is used to account for all financial resources except those required to be accounted for in another fund. Special Education is included in the Education Fund.

Special Revenue Funds, which includes the Transportation Fund, the Illinois Municipal Retirement/Social Security Fund and the Tort Fund, are used to account for cash received from specified sources (other than those accounted for in the Debt Service Fund, Capital Project Funds or Fiduciary Funds) that are legally restricted to cash disbursements for specified purposes.

The Expendable Trust Fund (Working Cash Fund) accounts for financial resources held by the district to be used for temporary interfund loans to other funds.

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

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

#### **FIDUCIARY FUND TYPES**

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 Agency Funds include the Student Activity Funds, which account for assets held by the district as an agent for the students, teachers and other entities. These funds are custodial in nature and do not involve the measurement of the results of operations. The amount due to the activity fund organizations are equal to the assets.

#### **GOVERNMENTAL AND EXPENDABLE TRUST FUNDS - MEASUREMENT FOCUS**

The financial statements of all Governmental Funds and Expendable Trust 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.

#### **GENERAL FIXED ASSETS AND GENERAL LONG-TERM DEBT ACCOUNT GROUP**

No depreciation has been provided on fixed assets. Accumulated depreciation totaling \$4,947,471 has been reported on the Illinois Local Education Agency annual financial report. The depreciation methods used are straight-line over the lives that were set by the Illinois State Board of Education are as follows:

Land	N/A
Buildings & Improvements	50
Improvements other than buildings	20
Equipment	3 - 10

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 capitalizes all assets over \$5000. The district uses the estimate useful lives that is set up by the Illinois State Board of Education in the annual report.

The district records purchases of property and equipment as expenditures of various funds when paid.

Long-Term Liabilities expected to be financed from Debt Service 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 accounts and how they are reported in the financial statements. The district maintains its accounting records for all funds and account groups on the cash basis of accounting under guidelines prescribed by the Illinois State Board of Education. 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 sale of bonds are included as Other Financing Sources in the appropriate fund on the date received. Related bond principal payable in the future is recorded at the same time in the General Long-Term Debt Account Group.

(D) Budgets and Budgetary Accounting

The budget for all Governmental Fund Types and for the Expendable Trust Fund is prepared on the 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 Revised Statutes. The budget was passed on September 18, 2023.

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 in the financial statements.

1. Prior to August 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) Investments

Investments are stated at the lower of cost or market. The district has adopted a formal written investment and cash management policy. The institutions in which investments are made must be approved by the Board of Education.

(F) Inventory

Inventory consists of expendable supplies held for consumption. The amount of inventory was not considered material and therefore, no value was placed on it.

(G) 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 consolidating 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.

(H) Prior Year Financial Information

Prior year financial information is presented on the Combined and Combining Financial Statements for financial analysis only. Prior year statements were audited by our firm with the opinion dated October 5, 2023.

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. The levy was passed by the Board on December 11, 2023. Property taxes attach as an enforceable lien on property as of June 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. Taxes recorded in these financial statements are from 2022 and prior year levies.

The following are the tax rate limits permitted by the School Code and by local referendum and the actual rates levied per \$100.00 of assessed valuation:

	<u>Limit</u>	<u>Actual 2023 Levy</u>	<u>Actual 2022 Levy</u>
Education	2.90	2.90000	2.90000
Tort Immunity	As Needed	.72341	.68598
Special Education	.0400	.04000	.04000
Building	.5000	.50000	.50000
Transportation	.2000	.20000	.20000
Municipal Retirement	As Needed	.04522	.03332
Bond & Interest	As Needed	.58698	.64244
Working Cash	.0500	.05000	.05000
Fire Prevention & Safety	.0500	.05000	.05000
Leasing	.0500	.05000	.05000
Social Security	As Needed	.09947	.10780
		<u>5.24508</u>	<u>5.25954</u>

3. SPECIAL TAX LEVIES AND RESTRICTED EQUITY

(A) Leasing/Tech Levy

Cash receipts and the related cash disbursements of this restricted tax levy are accounted for in the Education Fund. None of this fund's equity represents the excess of cumulative receipts over cumulative disbursements, which is restricted for future leasing/tech levy disbursements in accordance with Chapter 85, Paragraph 9-101 to 9-107 of the Illinois Revised Statutes.

(B) Special Education

Cash receipts and the related cash disbursements of this restricted tax levy are accounted for in the Education Fund.

(C) Municipal Retirement

Cash receipts and the related cash disbursements of this restricted tax levy are accounted for in the Municipal Retirement/Social Security Fund. A portion, \$93,613, of this fund's equity represents the excess of cumulative receipts over cumulative disbursements, which is restricted for Municipal Retirement levy disbursements in accordance with Chapter 85, Paragraph 9-101 to 9-107 of the Illinois Revised Statutes.

(D) Social Security

Cash receipts and the related cash disbursements of this restricted tax levy are accounted for in the Municipal Retirement/Social Security Fund. A portion, \$57,044, of this fund's equity represents the excess of cumulative receipts over cumulative disbursements, which is restricted for Municipal Retirement levy disbursements in accordance with Chapter 85, Paragraph 9-101 to 9-107 of the Illinois Revised Statutes.

4. CASH AND INVESTMENTS

As of June 30, 2024, the district had the following cash deposits and investments:

Cash deposits with local financial institutions	<u>\$ 7,311,874</u>
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Total Cash and Investments	<u>\$ 7,311,874</u>
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Investments Authorized by *Illinois Compiled Statutes* and the District's Investment Policy:

The district is allowed to invest in securities as authorized by Chapter 30 Section ILCS 235/2, 235/5 and 105 ILCS 5/8-7 of the *Illinois Compiled Statutes*. The district's investment policy is consistent with the *Illinois Compiled Statutes*.

Disclosures Relating to Interest Rate Risk:

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the investment maturity, the greater the sensitivity of its fair value to changes in market interest rates. One of the ways the district manages its exposure to interest rate risk is by limiting its purchases of long term investments. At June 30, 2024, the district's investments were deposits in financial institutions. All deposits are demand or term deposits or government security investments with maturities less than thirteen months.

Disclosures Relating to Credit Risk:

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. The district's deposits with financial institutions are not subject to credit risk rating.

**Concentration of Credit Risk:**

The investment policy of the district contains no limitations on the amount that can be invested in any one issuer. Deposits with financial institutions are exempt from the 5% investment in any one issuer disclosure.

**Custodial Credit Risk:**

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. *Illinois Compiled Statutes* do not contain requirements that would limit the exposure to custodial credit risk for deposits. However, the district's investment policy requires that all amounts deposited or invested with financial institutions in excess of any insurance limit be collateralized by securities held by the district in the district's name.

The district's deposits with financial institutions were fully collateralized during the year ended June 30, 2024.

**Foreign Currency Risk:**

Foreign currency risk is the risk that changes in foreign exchange rates will adversely affect the fair values of an investment or deposit. None of the district's investments are directly subject to foreign currency risk.

5. **CHANGES IN GENERAL FIXED ASSETS**

	Balance 7/01/23	Additions	Deletions	Balance 6/30/24	Accum. Depr.	Book Value
Land	\$ 15,000	\$ -0-	\$ -0-	\$ 15,000	\$ -0-	\$ 15,000
Buildings	1,914,797	-0-	-0-	1,914,797	878,621	1,036,176
Other Improvements	4,931,441	235,023	-0-	5,166,464	2,480,199	2,686,265
Other Equipment	1,022,269	15,370	-0-	1,037,639	881,341	156,298
Transportation	<u>877,682</u>	<u>-0-</u>	<u>-0-</u>	<u>877,682</u>	<u>707,310</u>	<u>170,372</u>
Total General Fixed Assets	<u>\$ 8,761,189</u>	<u>\$ 250,393</u>	<u>\$ -0-</u>	<u>\$ 9,011,582</u>	<u>\$ 4,947,471</u>	<u>\$ 4,064,111</u>

The total depreciation expense for the year ended June 30, 2024 was \$359,412.

6. **RETIREMENT PLANS**

The aggregate pension expense recognized by the district during the year ended June 30, 2024 for all pension plans was \$(9,847).

(A) **Illinois Teachers Retirement System**  
**General Information about the Pension Plan**

**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/cafrs/fy2023>; 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 I 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 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 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 last four. Disability provisions for Tier 2 are identical to those of Tier 1. Death benefits are payable under a formula that is different from Tier 1.

Essentially all Tier 1 retirees receive an annual 3 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, 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 lump-sum 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.

**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 ended June 30, 2023, 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, 2024, state of Illinois contributions recognized by the employer were based on the state's proportionate share of the collective net pension liability associated with the employer, and the employer recognized revenue and expenditures of \$805,852 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 for the year ended June 30, 2024, were \$9,580, and are deferred because they were paid after the June 30, 2023 measurement date.

**Federal and special trust fund contributions.** When TRS members are paid from federal and special trust funds administered by the employer, there is a statutory requirement for the 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, 2024, the employer pension contribution was 10.60 percent of salaries paid from federal and special trust funds. For the year ended June 30, 2024, salaries totaling \$-0- were paid from federal and special trust funds that required employer contributions of \$-0-. These contributions are deferred because they were paid after the June 30, 2023 measurement date.

**Employer retirement cost contributions.** Under GASB Statement No. 68, contributions that an employer is required to pay because of a TRS member retiring are categorized as specific liability payments. The employer is required to make a one-time contribution to TRS for members granted salary increases over 6 percent if those salaries are used to calculate a retiree's final average salary.

A one-time contribution is also required for members granted sick leave days in excess of the normal annual allotment if those days are used as TRS service credit. For the year ended June 30, 2024, the employer paid \$-0- to TRS for employer contributions dues on salary increases in excess of 6 percent and \$-0- for sick leave days granted in excess of the normal annual allotment.

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

At June 30, 2023, the employer reported a liability for its proportionate share of the net pension liability (first amount shown below) that reflected a reduction for state pension support provided to the employer. The state's support and total are for disclosure purposes only. The amount recognized by the employer as its proportionate share of the net pension liability, the related state support, and the total portion of the net pension liability that was associated with the employer follows below:

Employer's proportionate share of the net pension liability	\$ 110,821
State's proportionate share of the net pension liability associated with the employer	<u>9,563,930</u>
<b>Total</b>	<b><u>\$ 9,674,751</u></b>

The net pension liability was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2023 and rolled forward to June 30, 2023. The employer's proportion of the net pension liability was based on the employer's share of contributions to TRS for the measurement year ended June 30, 2023, relative to the projected contributions of all participating TRS employers and the state during that period. At June 30, 2023, the employer's proportion was 0.0001304077 percent, which was an increase of .0000003141 from its proportion measured as of June 30, 2022.

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Global Equity	37.0%	5.35%
Private Equity	15.0%	8.03%
Income	26.0%	4.32%
Real Assets	18.0%	4.60%
Diversifying Strategies	4.0%	3.40%
<b>Total</b>	<u>100.0%</u>	

#### **Discount Rate**

At June 30, 2023, the discount rate used to measure the total pension liability was 7.00 percent, which was the same as the June 30, 2022 rate. The projection of cash flows used to determine the discount rate assumed that employee contributions, employer contributions, and state contributions will be made at the current statutorily-required rates.

Based on those assumptions, TRS's fiduciary net position at June 30, 2023 was projected to be available to make all projected future benefit payments of current active and inactive members and all benefit recipients. Tier 1's liability is partially-funded by Tier 2 members, as the Tier 2 member contribution is higher than the cost of Tier 2 benefits. Due to this subsidy, contributions from future members in excess of the service cost are also included in the determination of the discount rate. All projected future payments were covered, so the long-term expected rate of return on TRS investments was applied to all periods of projected benefit payments to determine the total pension liability.

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

The following presents the employer's proportionate share of the net pension liability calculated using the discount rate of 7.00 percent, as well as what the employer's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.00 percent) or 1 percentage point higher (8.00 percent) than the current rate.

	<u>1% Decrease (6.00%)</u>	<u>Current Discount Rate (7.00%)</u>	<u>1% Increase (8.00%)</u>
Employer's proportionate share of the net pension liability	\$ 136,405	\$ 110,821	\$ 89,589

#### **TRS Fiduciary Net Position**

Detailed information about the TRS's fiduciary net position as of June 30, 2023 is available in the separately issued TRS *Comprehensive Annual Financial Report*.

(C) Illinois Municipal Retirement Fund

**IMRF Plan Description**

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

**Benefits Provided**

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

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

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

- 3% of the original pension amount, or
- ½ of the increase in the Consumer Price Index of the original pension amount.

**Employees Covered by Benefit Terms**

As of December 31, 2023, the following employees were covered by the benefit terms:

	IMRF
Retirees and Beneficiaries currently receiving benefits	29
Inactive Plan Members entitled to but not yet receiving benefits	18
Active Plan Members	<u>17</u>
<b>Total</b>	<b>64</b>

### **Contributions**

As set by statute, the Employer'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 financial the retirement coverage of its own employees. The Employer's annual contribution rate for calendar year 2023 was 2.00%. For the fiscal year ended June 30, 2024, the Employer contributed \$9,397 to the plan. The Employer 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.

### **Net Pension Asset/ Liability**

The Employer's net pension (asset)/ liability was measured as of December 31, 2023. The total pension liability used to calculate the net pension (asset)/ liability was determined by an actuarial valuation as of that date. The amount is included in the Prepaids/Accrued Expense on the Statement of Fiduciary Net Position.

### **Actuarial Assumptions**

The following are the methods and assumptions used to determine total pension liability at December 31, 2023:

- The **Actuarial Cost Method** used was Entry Age Normal.
- The **Asset Valuation Method** used was Market Value of Assets.
- The **Inflation Rate** was 2.25%.
- **Salary Increases** were 2.85% to 13.75%.
- The **Investment Rate of Return** was 7.25%.
- **Projected Retirement Age** was from the Experience-based Table of Rates, specific to the type of eligibility condition, last updated for the 2023 valuation according to an experience study from years 2020 to 2022.
- For non-disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General Retiree, Male (adjusted 108%) and Female (adjusted 106.4%) tables, and future mortality improvements projected using scale MP-2021.
- For **Disabled Retirees**, the Pub-2010, Amount-Weighted, below-median income, General, Disabled Retiree, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2021.
- For **Active Members**, the Pub-2010, Amount Weighted, below-median income, General, Employee Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2021.
- The **long-term expected rate of return** on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense, and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return to the target asset allocation percentage and adding expected inflation. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table as of December 31, 2023:

<u>Asset Class</u>	<u>Portfolio Target Percentage</u>	<u>Long-Term Expected Real Rate of Return</u>
Equities	34.5%	5.00%
International Equities	18.0%	6.35%
Fixed Income	24.5%	4.75%
Real Estate	10.5%	6.30%
Alternative Investments	11.5%	6.05-8.65%
Cash Equivalents	<u>1.0%</u>	3.80%
Total	100.0%	

#### Single Discount Rate

A Single Discount Rate of 7.25% was used to measure the total pension liability as of December 31, 2023. The projection of cash flow used to determine this Single Discount Rate assumed that the plan member's contributions will be made at the current contribution rate, and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability. The Single Discount Rate reflects:

1. The long-term expected rate of return on pension plan investments (during the period in which the fiduciary net position is projected to be sufficient to pay benefits), and
2. The tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating (which is published by the Federal Reserve) as of the measurement date (to the extent that the contributions for use with the long-term expected rate of return are not met).

For the purpose of the most recent valuation, the expected rate of return on plan investments is 7.25%, the municipal bond rate is 3.77%, and the resulting single discount rate is 7.25%.

#### Changes in the Net Pension Liability

	<u>Total Pension Liability (A)</u>	<u>Plan Fiduciary Net Position (B)</u>	<u>Net Pension Liability (A) - (B)</u>
<b>Balances at December 31, 2022</b>	<b><u>\$ 3,176,007</u></b>	<b><u>\$ 3,204,832</u></b>	<b><u>\$ (28,825)</u></b>
<b>Changes for the year:</b>			
Service Cost	50,929	0	50,929
Interest on the Total Pension Liability	226,011	0	226,011
Changes of Benefit Terms	0	0	0
Differences Between Expected and Actual Experience of the Total Pension Liability	(202,193)	0	(202,193)
Changes of Assumptions	(1,977)	0	(1,977)
Contributions - Employer	0	10,585	(10,585)
Contributions - Employees	0	23,519	(23,519)
Net Investment Income	0	346,948	(346,948)
Benefit Payments, including Refunds of Employee Contributions	(168,147)	(168,147)	0
Other (Net Transfer)	<u>0</u>	<u>(138,775)</u>	<u>138,775</u>
Net Changes	<u>(95,377)</u>	<u>74,130</u>	<u>(169,507)</u>
<b>Balances at December 31, 2023</b>	<b><u>\$ 3,080,630</u></b>	<b><u>\$ 3,278,962</u></b>	<b><u>\$ (198,332)</u></b>

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

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

	Current Discount		
	1% Lower	Rate	1% Higher
	<u>(6.25%)</u>	<u>(7.25%)</u>	<u>(8.25%)</u>
<b>Net Pension Liability/(Asset)</b>	\$ 105,678	\$ (198,332)	\$ (436,079)

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

For the year ended June 30, 2024, the Employer recognized pension expense of \$57,657. At June 30, 2024, the Employer reported deferred outflows or resources and deferred inflows or resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Deferred Amounts Related to Pensions		
<b>Deferred Amounts to be Recognized in Pension Expense in Future Periods</b>		
Differences between expected and actual experience	\$ 1,820	\$ 125,284
Changes of assumptions	-0-	1,225
Net Difference between projected and actual earnings on pension plan investments	<u>439,919</u>	<u>271,244</u>
Total Deferred Amounts to be recognized in pension expense in future periods.	441,739	397,753
<b>Pension Contributions made subsequent to the Measurement Date</b>	<u>-0-</u>	<u>-0-</u>
<b>Total Deferred Amounts Related to Pensions</b>	<u><b>\$ 441,739</b></u>	<u><b>\$ 397,753</b></u>

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

Year Ending <u>December 31</u>	Net Deferred Outflows of Resources
2024	\$ (61,063)
2025	8,204
2026	121,744
2027	(24,899)
2028	-0-
Thereafter	-0-
<b>Total</b>	<u><b>\$ 43,986</b></u>

**Multiyear Schedule of Contributions  
Last 10 Calendar Years**

<u>Calendar Year Ending December 31</u>	<u>Actuarially Determined Contribution</u>	<u>Actual Contribution</u>	<u>Contribution Deficiency (Excess)</u>	<u>Covered Valuation Payroll</u>	<u>Actual Contribution as a % of Covered Valuation Payroll</u>
2014	\$ 22,892	\$ 23,158	\$ (266)	\$ 331,762	6.98%
2015	21,143	21,143	0	336,131	6.29%
2016	22,971	22,971	0	342,851	6.70%
2017	19,840	19,839	1	297,448	6.67%
2018	23,055	23,054	1	388,780	5.93%
2019	3,959	3,959	0	435,021	0.91%
2020	23,732	23,732	0	465,332	5.10%
2021	32,989	32,989	0	481,598	6.85%
2022	22,403	22,402	1	512,644	4.37%
2023	10,828 *	10,585	243	528,205	2.00%

\* Estimated based on contribution rate of 2.05% and covered valuation payroll of \$528,205.

Note to Schedule:

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10 year trend is compiled, information is presented for those years for which information is available.

(C) Social Security

Employees not qualifying for coverage under the Illinois Downstate Teachers' Retirement System or the Illinois Municipal Retirement Fund are considered "non-participating employees". These employees and those not qualifying for coverage under the Illinois Municipal Retirement Fund are covered under social security.

7. CHANGES IN GENERAL LONG TERM DEBT

At June 30, 2024, the district's general long-term debt consisted of a bond issue and a capital lease. Changes in long-term debt for the year ended June 30, 2024 are as follows:

	<u>Balance 7/01/23</u>	<u>Additional Obligations</u>	<u>Retirements</u>	<u>Balance 6/30/24</u>
A) 2020 Working Cash and Refunding Bonds	\$ 2,610,000	\$ -0-	\$ 195,000	\$ 2,415,000
B) 2022 Working Cash Bonds	665,000	-0-	15,000	650,000
C) Capital Lease - Buses	73,276	-0-	42,894	30,382
Total	<u>\$ 3,348,276</u>	<u>\$ -0-</u>	<u>\$ 252,894</u>	<u>\$ 3,095,382</u>

The total payments to maturity for all long-term debt are as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 265,382	\$ 90,477	\$ 355,859
2026	250,000	82,221	332,221
2027	260,000	74,499	334,499
2028	270,000	66,477	336,477
2029	285,000	58,076	343,076
2030 - 2034	1,550,000	152,871	1,702,871
2035 - 2038	215,000	13,913	228,913
	<u>\$ 3,095,382</u>	<u>\$ 538,534</u>	<u>\$ 3,633,916</u>



A. 2020 Working Cash and Refunding Bonds

Balance 7/01/23	Additional Obligations	Retirements	Balance 6/30/24
<u>\$ 2,610,000</u>	<u>\$ -0-</u>	<u>\$ 195,000</u>	<u>\$ 2,415,000</u>

Original issue \$2,970,000 made during November 2020 provides for serial retirement of principal on December 1 and interest payable June 1 and December 1 of each year at an interest rate of 3.00%.

The annual debt service requirements are as follows:

<u>Year Ending June 30</u>	<u>Int. Rate</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Amount</u>
2025	3.0	\$ 200,000	\$ 69,450	\$ 269,450
2026	3.0	210,000	63,300	273,300
2027	3.0	220,000	56,850	276,850
2028	3.0	230,000	50,100	280,100
2029	3.0	240,000	43,050	283,050
2030	3.0	250,000	35,700	285,700
2031	3.0	260,000	28,050	288,050
2032	3.0	270,000	20,100	290,100
2033	3.0	280,000	11,850	291,850
2034	3.0	255,000	3,825	258,825
		<u>\$ 2,415,000</u>	<u>\$ 382,275</u>	<u>\$ 2,797,275</u>

B. 2022 Working Cash Bonds

Balance 7/01/23	Additional Obligations	Retirements	Balance 6/30/24
<u>\$ 665,000</u>	<u>\$ -0-</u>	<u>\$ 15,000</u>	<u>\$ 650,000</u>

Original issue \$665,000 made during May 2022 provides for serial retirement of principal on December 1 and interest payable June 1 and December 1 of each year at an interest rate of 3.18%.

The annual debt service requirements are as follows:

<u>Year Ending June 30</u>	<u>Int. Rate</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Amount</u>
2025	3.18	\$ 35,000	\$ 20,114	\$ 55,114
2026	3.18	40,000	18,921	58,921
2027	3.18	40,000	17,649	57,649
2028	3.18	40,000	16,377	56,377
2029	3.18	45,000	15,026	60,026
2030	3.18	45,000	13,595	58,595
2031	3.18	45,000	12,164	57,164
2032	3.18	45,000	10,733	55,733
2033	3.18	50,000	9,222	59,222
2034	3.18	50,000	7,632	57,632
2035	3.18	50,000	6,042	56,042
2036	3.18	55,000	4,373	59,373
2037	3.18	55,000	2,624	57,624
2038	3.18	55,000	874	55,874
		<u>\$ 650,000</u>	<u>\$ 155,346</u>	<u>\$ 805,346</u>

C. Capital Lease

The district has entered into various lease agreements as lessee for financing the acquisition of buses. The lease agreements qualify as capital leases and, therefore the assets and obligations have been recorded at the present value of the future minimum lease payments as of the inception date. The future minimum lease obligations as of June 30, 2024 are as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 30,382	\$ 913	\$ 31,295
	<u>\$ 30,382</u>	<u>\$ 913</u>	<u>\$ 31,295</u>

8. OVER-EXPENDITURE OF BUDGET

The district operated within the legal confines of the budget during fiscal year 2024 except for the Education Fund, which was over-expended by \$93,673, the Debt Service Fund which was over-expended by \$87, and the Fire Prevention and Safety Fund which was over-expended by \$5,947.

9. ACCUMULATED UNPAID VACATION AND SICK PAY

The liability of the district for accumulated vacation has not been recorded in the General Long-Term Account Group.

No liability is recorded in governmental funds since the current portion of the liability is not considered significant.

10. INTERFUND LOAN

As of June 30, 2024, the district had no interfund loans

11. CONTINGENCIES

The district receives federal and state grant funds which are subject to audit by the granting agencies. The district receives these funds based on expenditure reports submitted by the district. The School Board believes any adjustments that may arise from these audits will be insignificant to the district.

12. RISK MANAGEMENT

The district's risk management are recorded in the Tort Fund and the automobile coverage in the Transportation Fund. Significant losses are covered by commercial insurance (i.e., property, liability, workmen's comp.) for all major programs. Settlement amounts have not exceeded insurance coverage for the current year or the three prior years.

13. BENEFITS

A. Employee Benefits

The district maintains a health insurance policy for the district's employees. The district maintains insurance with Blue Cross Blue Shield. The district pays the premium for all full-time employees. The district is obligated for monthly premiums and can withdraw with proper notice. Coverages are provided for all medical issues.

B. Post-Employment Benefits

Retired employees can receive insurance benefits through the system they receive retirement from. The district also offers Cobra Insurance coverage to employees that need health insurance after retirement. The retiree pays the full cost of the insurance.

14. USE OF ESTIMATES

The preparation of financial statements in conformity with generally accepted accounting principles is required to make estimates and assumptions that affect the reported amounts of assets and liabilities and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

15. LEGAL DEBT MARGIN

The Illinois School Code limits the amount of indebtedness to 13.8% of \$55,294,085, the most recent available equalized assessed valuation of the district. The district has not exceeded its legal debt margin.

Assessed Valuation	\$ 55,294,085
Legal Debt Limitation	
13.8% of Assessed Valuation	<u>x 13.8%</u>
Legal Debt Limit	7,630,584
Bonded Debt 6/30/24	<u>3,095,382</u>
Legal Debt Margin	<u>\$ 4,535,202</u>

16. INTERFUND TRANSFERS

The district made no interfund transfers during the year ended June 30, 2024.

17. RELATED PARTY/JOINT AGREEMENTS

The district participates in the Vermilion Association for Special Education. The district participates in the Association with other districts for special education services. The district pays fees to the Association for services rendered. The Association is governed by member district superintendents. The Association has its own director, who oversees all operations. A separate financial report is available from the Vermilion Association for Special Education.

18. FUND BALANCE REPORTING

According to Government Accounting Standards, fund balances are to be classified into five major classifications; Non-spendable Fund Balance, Restricted Fund Balance, Committed Fund Balance, Assigned Fund Balance, and Unassigned Fund Balance. The Regulatory Mode, followed by the District, only reports Reserved and Unreserved Fund Balances. Below are definitions of the differences and a reconciliation of how these balances are reported.

- A. Non-spendable Fund Balance - the non-spendable 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. Due to the cash basis nature of the district, all such items are expensed at the time of purchase, so there is nothing to report for this classification.
- B. Restricted Fund Balance - the restricted fund balance classification refers to amounts that are subject to outside restrictions, not controlled by the entity. Things such as restrictions imposed by creditors, grantors, contributors, or laws and regulations of other governments, or imposed by law through constitutional provisions or enabling legislation. Special Revenue Funds are by definition restricted for those specified purposes. The district has several revenue sources received within different funds that also fall into these categories:
1. Special Education - cash receipts and the related cash disbursements of this restricted tax levy are accounted for in the Education Fund. Expenditures disbursed exceeded revenue received for this purpose, resulting in no restricted fund balance.
  2. Leasing Levy - cash disbursed and the related cash receipts of this restricted tax levy are accounted for in the Education Fund. Expenditures disbursed exceeded revenue received for this purpose, resulting in no restricted fund balance.
  3. Municipal Retirement - cash disbursed and the related cash receipts of this restricted tax levy are accounted for in the Municipal Retirement/Social Security Fund. Revenue received exceeded expenditures disbursed for this purpose, resulting in a restricted fund balance of \$93,613.
  4. State Grants - proceeds from state grants and the related expenditures have been included in the Education and Operations and Maintenance Funds. At June 30, 2024, revenues received from state grants exceeded expenditures disbursed for those specific purposes in the Operations and Maintenance Fund, resulting in a restricted balance of \$24,690.
  5. Federal Grants - proceeds from federal grants and the related expenditures have been included in the Education Fund. At June 30, 2024, expenditures disbursed from federal grants exceeded the revenues received for those specific purposes in the Education Fund, resulting in no restricted balances.
  6. Social Security - cash disbursed and the related cash receipts of this restricted tax levy are accounted for in the Municipal Retirement/Social Security Fund. Revenue received exceeded expenditures disbursed for this purpose, resulting in a restricted fund balance of \$57,044.
  7. Student Activity Funds - cash receipts and disbursements of the district’s student activity funds are restricted to be spent on various student groups. These funds are accounted for in the Education Fund. At June 30, 2024, the balance of these funds was \$21,640, which is shown as reserved in the Education Fund.
- C. Committed Fund Balance - 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 policy 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. The School Board made no commitments.

- D. Assigned Fund Balance - 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 or committed. Intent may be expressed by (a) the School Board itself, or (b) the finance committee or by the Superintendent when the School Board has delegated the authority to assign amounts to be used for specific purposes.
- E. Unassigned Fund Balance - the unassigned fund balance classification is the residual classification for amounts in the General Operating Funds for amounts that have not been restricted, committed, or assigned to specific purposes with the General Funds. Unassigned Fund Balance amounts are shown in the financial statements are Unreserved Fund Balances in the Education, Operations and Maintenance, and Working Cash Funds.
- F. Regulatory - Fund Balance Definitions - Reserved Fund Balances are those balances that are reserved for a specified purpose, other than the regular purpose of any given fund. Unreserved Fund Balances are all balances that are not reserved for a specific purpose other than the specified purpose of a fund.
- G. Reconciliation of Fund Balance Reporting - the first five columns of the first table represent Fund Balance Reporting according to generally accepted accounting principles. The two columns of the second table represent Fund Balance Reporting under the regulatory basis of accounting utilized in preparations of the financial statements.

Generally Accepted Accounting Principles

Fund	Non-spendable	Restricted	Committed	Assigned	Unassigned
Education	0	21,640	0	0	6,037,650
Operations & Maintenance	0	24,690	0	0	85,608
Debt Service	0	38,172	0	0	0
Transportation	0	0	0	0	251,457
Municipal Retirement	0	150,657	0	0	0
Capital Projects	0	7,941	0	0	0
Working Cash	0	0	0	0	581,856
Tort Liability	0	37,906	0	0	0
Fire Prevention and Safety	0	74,297	0	0	0

Regulatory Basis		
Fund	Financial Statements-Reserved	Financial Statements-Unreserved
Education	21,640	6,037,650
Operations & Maintenance	24,690	85,608
Debt Service	0	38,172
Transportation	0	251,457
Municipal Retirement	150,657	0
Capital Projects	0	7,941
Working Cash	0	581,856
Tort Liability	0	37,906
Fire Prevention and Safety	0	74,297

H. Expenditures of Fund Balance - unless specifically identified, expenditures act to reduce restricted balances first, then committed balances, next assigned balances, and finally act to reduce unassigned balances. Expenditures for s specifically identified purpose will act to reduce the specific classification of fund balance that is identified.

19. FAIR VALUE OF INVESTMENTS

The district did not hold any investments during the year where fair value disclosure is required.

## SUPPLEMENTAL INFORMATION



Audit / Tax / Consult

**Russell Leigh**

& Associates LLC • Certified Public Accountants

Independent Auditor's Report on Supplemental Information

To the Board of Education  
Rossville-Alvin Community Unit District No. 7  
Rossville, Illinois 60963

We have audited the regulatory basis financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Rossville-Alvin Community Unit District No. 7, as of and for the year ended June 30, 2024, and the related notes to the financial statement, which collectively comprise Rossville-Alvin Community Unit District No. 7's basic regulatory basis financial statements. We issued our report thereon dated October 2, 2024, which contained an unmodified opinion on those financial statements.

Our audit was performed for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The Consolidated Year-End Financial Report is presented for purposes of additional analysis and is 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 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 Consolidated Year-End Financial Report is fairly stated in all material respects in relation to the basic financial statements as a whole.

*Russell Leigh & Associates LLC*

Russell Leigh & Associates LLC

Hoopeston, Illinois  
October 2, 2024

-43-

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Rossville-Alvin Community Unit No. 7  
Summary of Balances for Activity Fund  
As of June 30, 2024

	<u>Balance</u> <u>7/01/23</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>Balance</u> <u>6/30/24</u>
<u>Grade School</u>				
PBIS	3354.89	15408.41	14269.19	4494.11
8 <sup>TH</sup> Grade	201.12	-0-	324.00	(122.88)
GS Fund	1837.56	2165.13	2471.96	1530.73
HS/SC	1666.55	3439.50	3795.55	1310.50
Music	1344.91	695.65	857.60	1182.96
Cheer	4669.43	5099.80	6724.72	3044.51
Drama	1343.67	2448.44	3123.12	668.99
Athletic	1857.72	170.00	468.63	1559.09
Volleyball	118.78	-0-	-0-	118.78
Scholastic Bowl	.55	-0-	-0-	.55
Track	2693.91	256.26	607.32	2342.85
Baseball	169.06	-0-	104.00	65.06
Yearbook	176.68	443.00	563.04	56.64
Girls Basketball	86.04	-0-	-0-	86.04
Class of 2019	1824.94	10802.76	7604.20	5023.50
Cross Country	<u>278.49</u>	<u>-0-</u>	<u>-0-</u>	<u>278.49</u>
	<u>21624.30</u>	<u>40928.95</u>	<u>40913.33</u>	<u>21639.92</u>

**SCHEDULE OF THE EMPLOYER'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY**  
**Teachers' Retirement System of the State of Illinois**  
(Dollar amounts in thousands)

	FY23*	FY22*	FY21*	FY20*	FY19*	FY18*	FY17*	FY16*	FY15*	FY14*
Employer's proportion of the net pension liability	.0001304077	.0001300936	.0001399281	.0001456479	.0001469776	.0002839654	.0008623978	.0008010663	.0006963317	.0008393386
Employer's proportionate share of the net pension liability	\$ 110,821	\$ 109,071	\$ 109,160	\$ 125,571	\$ 119,211	\$ 221,336	\$ 658,856	\$ 632,330	\$ 456,167	\$ 510,807
State's proportionate share of the net pension liability associated with the Employer	<u>9,563,930</u>	<u>9,461,181</u>	<u>9,148,747</u>	<u>9,835,352</u>	<u>8,484,102</u>	<u>15,162,467</u>	<u>5,106,263</u>	<u>3,991,696</u>	<u>11,074,204</u>	<u>9,490,409</u>
<b>Total</b>	<b>\$ 9,674,751</b>	<b>\$ 9,570,252</b>	<b>\$ 9,257,907</b>	<b>\$ 9,960,923</b>	<b>\$ 8,603,313</b>	<b>\$ 15,383,803</b>	<b>\$ 5,765,119</b>	<b>\$ 4,624,299</b>	<b>\$ 11,530,371</b>	<b>\$ 10,001,216</b>
Employer's covered-employee payroll	\$ 1,651,744	\$ 1,376,646	\$ 1,327,314	\$ 1,301,083	\$ 1,223,836	\$ 1,220,807	\$ 1,245,661	\$ 1,158,307	\$ 1,218,157	\$ 1,240,129
Employer's proportionate share of the net pension liability as a percentage of its covered-employee payroll	6.71%	7.92%	8.22%	9.65%	9.74%	18.13%	52.89%	54.59%	37.44%	41.18%
Plan fiduciary net position as a percentage of the total pension liability	42.8%	42.8%	45.1%	37.8%	39.6%	40.0%	39.3%	36.4%	41.50%	43.0%

\*The amounts presented were determined as of the prior fiscal year end.

**SCHEDULE OF EMPLOYER CONTRIBUTIONS**  
**Teachers' Retirement System of the State of Illinois**  
(Dollar amounts in thousands)

	FY23	FY22	FY21	FY20	FY19	FY18	FY17	FY16	FY15	FY14
Statutorily-required contribution	\$ 158,237	\$ 131,883	\$ 127,157	\$ 128,833	\$ 121,832	\$ 123,271	\$ 112,110	\$ 104,248	\$ 114,507	\$ 142,420
Contributions in relation to the statutorily required contribution	<u>146,127</u>	<u>126,583</u>	<u>127,917</u>	<u>125,525</u>	<u>123,091</u>	<u>123,040</u>	<u>100,750</u>	<u>150,802</u>	<u>107,489</u>	<u>134,330</u>
Contribution deficiency (excess)	\$ 12,110	\$ 5,300	\$ (760)	\$ 3,308	\$ (1,259)	\$ 231	\$ 11,360	\$ (46,554)	\$ 7,018	\$ 8,090
Employer's covered-employee payroll	\$ 1,651,744	\$ 1,376,646	\$ 1,327,314	\$ 1,301,083	\$ 1,223,836	\$ 1,220,807	\$ 1,245,661	\$ 1,158,307	\$ 1,218,157	\$ 1,240,129
Contributions as a percentage of covered-employee payroll	9.58%	9.58%	9.58%	9.90%	9.95%	10.10%	9.00%	9.00%	9.40%	11.40%

**Notes to Required Supplementary Information**  
**Changes of assumptions**

For the 2023 measurement year, the assumed investment rate of return was 7.0 percent, including an inflation rate of 2.50 percent and a real return of 4.50 percent. Salary increases were assumed to vary by service credit. These actuarial assumptions were based on an experience study dated September 30, 2021.

For the 2022-2018 measurement years, the assumed investment rate of return was 7.0 percent, including an inflation rate of 2.25 percent and a real return of 4.75 percent. Salary increases were assumed to vary by service credit. The assumptions used for the 2020-2018 and 2017-2016 measurement years were based on an experience study dated September 18, 2018 and August 13, 2015, respectively.

For the 2015 measurement year, the assumed investment rate of return was 7.5 percent, including an inflation rate of 3.0 percent and a real return of 4.5 percent. Salary increases were assumed to vary by service credit. Various other changes in assumptions were adopted based on the experience analysis for the three year period ending June 30, 2014.

**Schedules of Required Supplementary Information**  
**Multiyear Schedule of Changes in Net Pension Liability and Related Ratios**

**Last 10 Calendar Years**  
(Schedule to be built prospectively from 2014)

Calendar Year Ending December 31,	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
<b>Total Pension Liability</b>										
Service Cost	\$ 50,929	\$ 46,334	\$ 44,150	\$ 47,947	\$ 41,397	\$ 34,335	\$ 35,818	\$ 39,364	\$ 37,926	\$ 38,040
Interest on the Total Pension Liability	226,011	217,295	207,408	201,473	184,035	172,714	174,872	168,630	159,890	141,721
Benefit Changes	0	0	0	0	0	0	0	0	0	0
Differences between Expected and Actual Experience	(202,193)	11,417	28,078	(4,632)	161,176	89,186	(68,206)	(22,828)	10,878	68,004
Assumption Changes	(1,977)	0	0	(11,375)	0	64,457	(59,804)	0	0	77,143
Benefit Payments and Refunds	<u>(168,147)</u>	<u>(146,098)</u>	<u>(142,617)</u>	<u>(156,678)</u>	<u>(142,048)</u>	<u>(115,274)</u>	<u>(106,147)</u>	<u>(94,191)</u>	<u>(91,572)</u>	<u>(73,621)</u>
<b>Net Change in Total Pension Liability</b>	(95,377)	128,949	137,019	76,735	244,560	245,418	(23,467)	90,975	117,122	251,287
<b>Total Pension Liability - Beginning</b>	<u>3,176,007</u>	<u>3,047,058</u>	<u>2,910,039</u>	<u>2,833,304</u>	<u>2,588,744</u>	<u>2,343,326</u>	<u>2,366,793</u>	<u>2,275,818</u>	<u>2,158,696</u>	<u>1,907,409</u>
<b>Total Pension Liability - Ending (a)</b>	<u>\$ 3,080,630</u>	<u>\$ 3,176,007</u>	<u>\$ 3,047,058</u>	<u>\$ 2,910,039</u>	<u>\$ 2,833,304</u>	<u>\$ 2,588,744</u>	<u>\$ 2,343,326</u>	<u>\$ 2,366,793</u>	<u>\$ 2,275,818</u>	<u>\$ 2,158,696</u>
<b>Plan Fiduciary Net Position</b>										
Employer Contributions	\$ 10,585	\$ 22,402	\$ 32,989	\$ 23,732	\$ 3,959	\$ 23,054	\$ 19,839	\$ 22,971	\$ 21,143	\$ 23,158
Employee Contributions	23,519	23,069	21,672	20,939	19,576	17,495	13,385	15,428	15,126	15,103
Pension Plan Net Investment Income	346,948	(464,103)	558,152	422,081	471,670	(145,194)	420,997	159,905	11,649	135,292
Benefit Payments and Refunds	(168,147)	(146,098)	(142,617)	(156,678)	(142,048)	(115,274)	(106,147)	(94,191)	(91,572)	(73,621)
Other	<u>(138,775)</u>	<u>15,214</u>	<u>5,713</u>	<u>12,030</u>	<u>43,956</u>	<u>37,075</u>	<u>(18,931)</u>	<u>19,169</u>	<u>(24,084)</u>	<u>21,872</u>
<b>Net Change in Plan Fiduciary Net Position</b>	74,130	(549,516)	475,909	322,104	397,113	(182,844)	329,143	123,282	(67,738)	121,804
<b>Plan Fiduciary Net Position - Beginning</b>	<u>3,204,832</u>	<u>3,754,348</u>	<u>3,278,439</u>	<u>2,956,335</u>	<u>2,559,222</u>	<u>2,742,066</u>	<u>2,412,923</u>	<u>2,289,641</u>	<u>2,357,379</u>	<u>2,235,575</u>
<b>Plan Fiduciary Net Position - Ending (b)</b>	<u>\$ 3,278,962</u>	<u>\$ 3,204,832</u>	<u>\$ 3,754,348</u>	<u>\$ 3,278,439</u>	<u>\$ 2,956,335</u>	<u>\$ 2,559,222</u>	<u>\$ 2,742,066</u>	<u>\$ 2,412,923</u>	<u>\$ 2,289,641</u>	<u>\$ 2,357,379</u>
<b>Net Pension Liability/(Asset) - Ending (a) - (b)</b>	(198,332)	(28,825)	(707,290)	(368,400)	(123,031)	29,522	(398,740)	(46,130)	(13,823)	(198,683)
<b>Plan Fiduciary Net Position as a Percentage of</b>										
<b>Total Pension Liability</b>	106.44%	100.91%	123.21%	112.66%	104.34%	98.86%	117.02%	101.95%	100.61%	109.20%
<b>Covered Valuation Payroll</b>	\$ 528,205	\$ 512,644	\$ 481,598	\$ 465,332	\$ 435,021	\$ 388,780	\$ 297,448	\$ 342,851	\$ 336,131	\$ 331,762
<b>Net Pension Liability as a Percentage of Covered Valuation Payroll</b>	(37.55)%	(5.62)%	(146.86)%	(79.17)%	(28.28)%	7.59%	(134.05)%	(13.45)%	(4.11)%	(59.89)%

Note to Schedule:

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10 year trend is compiled, information is presented for those years for which information is available.

## Notes to Schedule of Contributions

### Summary of Actuarial Methods and Assumptions Used in the Calculation of the 2023 Contribution Rate\* Valuation Date:

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

#### Methods and Assumptions Used to Determine 2023 Contribution Rates:

<i>Actuarial Cost Method:</i>	Aggregate entry age normal
<i>Amortization Method:</i>	Level percentage of payroll, closed
<i>Remaining Amortization Period:</i>	Non-Taxing bodies: 10 year rolling period. Taxing bodies (Regular, SLEP, and ECO groups): 20 year closed period Early Retirement Incentive Plan liabilities; a period up to 10 years selected by the Employer upon adoption of ERI. SLEP supplemental liabilities attributable to Public Act 94-712 were financed over 15 years for most employers (five employers were financed over 16 years; one employer was financed over 17 years; two employers were financed over 18 years; one employer was financed over 21 years; three employers were financed over 24 years; four employers were financed over 25 years; and one employer was financed over 26 years).
<i>Asset Valuation Method:</i>	5 year smoothed market; 20% corridor
<i>Wage Growth:</i>	2.75%
<i>Price Inflation:</i>	2.25%
<i>Salary Increases:</i>	2.75% to 13.75%, including inflation
<i>Investment Rate of Return:</i>	7.25%
<i>Retirement Age:</i>	Experience-based table of rates that are specific to the type of eligibility condition; last updated for the 2020 valuation pursuant to an experience study of the period 2017 to 2019.
<i>Mortality:</i>	For non-disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Retiree, Male (adjusted 106%) and Female (adjusted 105%) tables, and future mortality improvements projected using scale MP-2020. For disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Disabled Retiree, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020. For active members, the Pub-2010, Amount-Weighted, below-median income, General, Employee, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020.

#### Other Information:

Notes: There were no benefit changes during the year.

\* Based on Valuation Assumptions used in the December 31, 2021, actuarial valuation.

## APPENDIX B

### PROPOSED FORM OF OPINION OF BOND COUNSEL

[LETTERHEAD OF CHAPMAN AND CUTLER LLP]

[TO BE DATED CLOSING DATE]

Community Unit School District Number 7,  
Vermilion County, 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 7, Vermilion County, Illinois (the “*District*”), passed preliminary to the issue by the District of its fully registered General Obligation School Bonds, Series 2025 (the “*Bonds*”), to the amount of \$\_\_\_\_\_, dated \_\_\_\_\_, 2025, due serially on December 1 of the years and in the amounts and bearing interest as follows:

2026	\$	%
2027		%
2028		%
2029		%
2030		%
2031		%
2032		%
2033		%
2034		%
2035		%
2036		%
2037		%
2038		%
2039		%
2040		%
2041		%
2042		%
2043		%
2044		%
2045		%

the Bonds due on or after December 1, 20\_\_, 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 December 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 (the "*Code*"). 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.

It is also our opinion that the Bonds are "qualified tax-exempt obligations" pursuant to Section 265(b)(3) of the Code.

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.

## APPENDIX C

### 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 7, Vermilion County, Illinois (the “*District*”), in connection with the issuance of \$ \_\_\_\_\_ General Obligation School Bonds, Series 2025 (the “*Bonds*”). The Bonds are being issued pursuant to a resolution adopted by the Board of Education of the District on the 11th day of August, 2025 (as supplemented by a notification of sale, 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; CERTIFICATIONS. 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). This Agreement is prepared in compliance with paragraph (d)(2) of the Rule.

The District represents that:

(a) 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; and

(b) at the time of the delivery of the Bonds to the Participating Underwriters, the District will be an “obligated person” (as such term is defined in the Rule) with respect to less than \$10,000,000 in aggregate amount of outstanding municipal securities, including the Bonds and excluding municipal securities that were offered in a transaction exempt from the Rule pursuant to paragraph (d)(1) of the Rule.

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

*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 Information* means the financial information and operating data described in *Exhibit I*.

*Financial Information Disclosure* means the dissemination of disclosure concerning Financial Information as set forth in Section 4.

*Financial Obligation* 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 Official Statement, dated \_\_\_\_\_, 2025, 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 NUMBERS. The CUSIP Numbers of the Bonds are set forth in *Exhibit III*. All filings required under this Agreement will be filed on EMMA under these CUSIP Numbers. If the Bonds are refunded after the date hereof, the District will also make all filings required under this Agreement under any new CUSIP Numbers 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 not make any filings pursuant to this Agreement under new CUSIP Numbers assigned to any of the Bonds after the date hereof as a result of a holder of the Bonds obtaining a bond insurance



policy or other credit enhancement with respect to some or all of the outstanding Bonds in the secondary market.

4. FINANCIAL INFORMATION DISCLOSURE. Subject to Section 8 of this Agreement, the District hereby covenants that it will disseminate its Financial Information at least annually 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. 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.

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. 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) 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;

(b) 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

(c) 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 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 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 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. CONTACT INFORMATION. Specific questions or inquiries relating to Financial Information Disclosure and Reportable Events Disclosure should be directed to:

Dr. Crystal Johnson-Maden  
Superintendent  
Community Unit School District Number 7  
350 North Chicago Street  
Rossville, Illinois 60963  
(217) 748-6666

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

COMMUNITY UNIT SCHOOL DISTRICT NUMBER 7,  
VERMILION COUNTY, ILLINOIS

By \_\_\_\_\_  
President, Board of Education

Date: \_\_\_\_\_, 2025

**EXHIBIT I**  
**FINANCIAL INFORMATION**

*“Financial Information”* means the District’s annual audited financial statements prepared in accordance with accounting principles mandated by the Illinois State Board of Education. The Financial Information 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 ended June 30, 2025. If audited financial statements are not available when the Financial Information is required to be filed, the District will submit the Financial Information to EMMA within 30 days after availability to the District. There shall be specified the date as of which such information was prepared. All or a portion of the Financial Information 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 an Official Statement, the Official Statement must be available on EMMA; the Official Statement need not be available from the Commission. The District shall clearly identify each such item of information included by reference.

**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 of the District, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the District, any of which affect security holders, if material
16. Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the District, any of which reflect financial difficulties

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\* 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 NUMBERS**

MATURITY (DECEMBER 1)	CUSIP NUMBER (923509)
2026	
2027	
2028	
2029	
2030	
2031	
2032	
2033	
2034	
2035	
2036	
2037	
2038	
2039	
2040	
2041	
2042	
2043	
2044	
2045	

## 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)