This Preliminary Official Statement and the information contained herein are subject to completion and amendment. Under no circumstances shall this Preliminary Official Statement constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the Certificates, in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction.

NEW ISSUE – BOOK-ENTRY ONLY

RATINGS+: AG INSURED
S&P: "AA" (STABLE OUTLOOK)
S&P UNDERLYING RATING: "A" (STABLE OUTLOOK)

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 Certificates 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 Certificates may affect the corporate alternative minimum tax for certain corporations. Interest on the Certificates is not exempt from present State of Illinois income taxes. See "TAX EXEMPTION" herein for a more complete discussion.

$10,685,000*
SCHOOL DISTRICT NUMBER 81
WILL COUNTY, ILLINOIS
(UNION)
GENERAL OBLIGATION DEBT CERTIFICATES (LIMITED TAX), SERIES 2026

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

The General Obligation Debt Certificates (Limited Tax), Series 2026 (the "Certificates"), of School District Number 81, Will County, Illinois (the "District"), are issuable as fully-registered certificates under the global book-entry system operated by The Depository Trust Company, New York, New York ("DTC"). Individual purchases will be made in book-entry system form only. Beneficial owners of the Certificates will not receive physical delivery of the Certificates. The Certificates are issued in fully-registered form in denominations of $5,000 and integral multiples thereof, and will bear interest payable on June 1 and December 1 of each year, beginning June 1, 2027. Amalgamated Bank of Chicago, Chicago, Illinois, will act as registrar and paying agent for the Certificates. Details of payment of the Certificates are described herein. Interest is calculated based on a 360-day year consisting of twelve 30-day months.

Proceeds of the Certificates will be used to (i) pay for construction of a new school building, including site acquisition and improvements, and (ii) pay costs associated with the issuance of the Certificates. See "USE OF PROCEEDS" herein.

The Certificates, in the opinion of Bond Counsel, are valid and legally binding upon the District, and are payable from any funds of the District legally available for such purpose, except that the rights of the owners of the Certificates and the enforceability of the Certificates 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. **There is no statutory authority for the levy of a separate tax in addition to other District taxes or the levy of a special tax unlimited as to rate or amount to pay the principal and interest due on the Certificates.** See "THE CERTIFICATES – Security and Payment" herein.

The scheduled payment of principal of and interest on the Certificates when due will be guaranteed under an insurance policy to be issued concurrently with the delivery of the Certificates by **Assured Guaranty Inc. ("AG")**.

ASSURED GUARANTY

The Certificates are subject to optional redemption prior to maturity on the dates and at the redemption price described herein under "THE CERTIFICATES – Optional Redemption."

The Certificates are offered when, as and if issued by the District and received by Stifel, Nicolaus & Company, Incorporated, Chicago, Illinois (the "Underwriter"), subject to prior sale, to withdrawal or modification of the offer without notice, and to the approval of legality by Bond Counsel. Chapman and Cutler LLP, Chicago, Illinois, is also acting as Disclosure Counsel to the District. Delivery of the Certificates through the facilities of DTC will be on or about December 1, 2026.

STIFEL

AS UNDERWRITER

PMA Part of PFMA Financial Solutions

AS MUNICIPAL ADVISOR

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

*Preliminary, subject to change.
+See "BOND RATINGS" herein.

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

$10,685,000* General Obligation Debt Certificates (Limited Tax), Series 2026

Maturity (December 1)	Amount ($)*	Rate (%)	Yield (%)	CUSIP[(1)] (968759)
2027	220,000			
2028	230,000			
2029	240,000			
2030	255,000			
2031	270,000			
2032	280,000			
2033	295,000			
2034	310,000			
2035	325,000			
2036	345,000			
2037	360,000			
2038	380,000			
2039	400,000			
2040	420,000			
2041	440,000			
2042	465,000			
2043	490,000			
2044	515,000			
2045	540,000			
2046	570,000			
2047	600,000			
2048	630,000			
2049	665,000			
2050	700,000			
2051	740,000			

*Preliminary, subject to change.

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

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

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

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

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

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

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

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

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

School District Number 81
Will County, Illinois
(Union)
1661 Cherry Hill Road
Joliet, Illinois 60433
(815) 726-5218

* * * * * * * * * * * * * * * * * * * *

Board of Education
Patrick Sweeney, President
Christopher Gustafson, Vice President
Colleen Grigg, Secretary
Linda Brunner, Treasurer
Anna Homolka
Nathan Majchrzak
Shelly Sinclair

Superintendent
Dr. Nicole Borck

Business Manager
Kristen Baldermann

* * * * * * * * * * * * * * * * * * * *

Paying Agent/Registrar
Amalgamated Bank of Chicago
101 North Wacker Drive, 20th Floor
Chicago, Illinois 60606

Independent Auditors
Wermer, Rogers, Doran & Ruzon, LLC
755 Essington Road
Joliet, Illinois 60435

Bond and Disclosure Counsel
Chapman and Cutler LLP
320 South Canal Street
Chicago, Illinois 60606

Municipal Advisor
PMA Securities, LLC
2135 CityGate Lane, 7th Floor
Naperville, Illinois 60563

Underwriter
Stifel, Nicolaus & Company, Incorporated
1 North Wacker Drive, Suite 3400
Chicago, Illinois 60606

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C. Form of Continuing Disclosure Undertaking
D. Specimen Municipal Bond Insurance Policy

$10,685,000*
School District Number 81
Will County, Illinois
(Union)
General Obligation Debt Certificates (Limited Tax), Series 2026

INTRODUCTION

The purpose of this Official Statement is to set forth certain information concerning School District Number 81, Will County, Illinois (the "District"), in connection with the offering and sale of its $10,685,000* General Obligation Debt Certificates (Limited Tax), Series 2026 (the "Certificates"). This Official Statement includes the cover page, the reverse thereof and the Appendices. Certain factors that may affect an investment decision concerning the Certificates are described throughout this Official Statement. Persons considering a purchase of the Certificates should read this Official Statement in its entirety.

THE CERTIFICATES

General Description

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

The Certificates will be dated as of the date of delivery and will mature as shown on the inside cover page of this Official Statement. Interest on the Certificates will be payable on each June 1 and December 1, beginning June 1, 2027. The Certificates 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 Certificates will be payable in lawful money of the United States of America upon presentation and surrender thereof at the principal corporate trust office of the Registrar in Chicago, Illinois. Interest on each Certificate 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 Certificate is registered at the close of business on the record date, which is the 15th day of the month next preceding the interest payment date (the "Record Date").

The Certificates are subject to optional redemption prior to maturity as discussed under "Optional Redemption" herein.

*Preliminary, subject to change.

Registration and Exchange

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

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

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

Authority and Purpose

The Certificates are issued pursuant to the School Code of the State of Illinois (the "School Code"), the Local Government Debt Reform Act of the State of Illinois (the "Debt Reform Act"), and all laws amendatory thereof and supplementary thereto, and a certificate resolution adopted by the Board of Education (the "Board") of the District on October 21, 2026, as supplemented by a notification of sale (together, the "Certificate Resolution"). Proceeds of the Certificates will be used to (i) pay for construction of a new school building, including site acquisition and improvements (the "Project") and (ii) pay costs associated with the issuance of the Certificates. See "USE OF PROCEEDS" herein.

Security and Payment

The Certificates, in the opinion of Chapman and Cutler LLP, Chicago, Illinois ("Bond Counsel"), are valid and legally binding obligations of the District and are payable from any funds of the District legally available for such purpose, except that the rights of the owners of the Certificates and the enforceability of the Certificates 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 District agrees in the Certificate Resolution to budget funds of the District annually and in a timely manner so as to provide for the making of all payments of principal and interest on the Certificates. **There is no statutory authority for the levy of a separate tax in addition to other District taxes or the levy of a special tax unlimited as to rate or amount to pay the principal and interest due on the Certificates.**

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

Optional Redemption

The Certificates 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 Certificates of a single maturity to be selected by the Registrar), on December 1, 2035*, and on any date thereafter, at a redemption price of par plus accrued interest to the redemption date.

Redemption Procedures

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

Unless waived by any holder of Certificates to be redeemed, notice of the call for any redemption will be given by the Registrar on behalf of the District by mailing the redemption notice by first-class mail at least thirty (30) days and not more than sixty (60) days prior to the date fixed for redemption to the registered owner of the Certificates 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.

*Preliminary, subject to change.

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

Unless moneys sufficient to pay the redemption price of the Certificates 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 Certificates, and the Registrar will give notice, in the same manner in which the notice of redemption was given, that such moneys were not so received and that such Certificates 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 Certificates or portions of Certificates 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 Certificate Resolution, and notwithstanding failure to receive such notice, the Certificates or portions of Certificates 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 Certificates or portion of Certificates will cease to bear interest. Upon surrender of such Certificates for redemption in accordance with said notice, such Certificates will be paid by the Registrar at the redemption price.

USE OF PROCEEDS

Proceeds of the Certificates will be used to pay for the Project. The Project includes constructing a new 51,000 square foot PreK-8 building on six acres of property that is adjacent to its existing site. The purchase price for the land is $800,000 and was paid from the Operations and Maintenance Fund. The new building will accommodate 300 students, but no new employees will need to be hired to staff the new building.

The total Project cost is estimated to be $25 million. First bids for the Project are expected in January, with bids for the steel in April. Construction (demolition and site preparations) will begin in January 2027, and the construction is expected to be completed by July 2028. The Project will be funded by the Certificates and the planned sale of approximately $14.2 million General Obligation Bonds (Alternate Revenue Source), Series 2027 (the "2027 Bonds"). The District plans to issue the 2027 Bonds in the summer of 2027.

The following is expected to support debt service payments for the Certificates and the 2027 Alternate Bonds:

- $786,000 in existing capacity within the general fund (combined Educational and Operations and Maintenance funds), reflecting management's expected fiscal 2027 result (12% of operating revenue), which could expand given that the District will likely see maintenance cost savings after its new building opens;

- $750,000 in property tax revenue starting in calendar 2027 or 2028 from a recently constructed 800,000-square-foot facility that a grocery store distributor is leasing and that is expanding to 1.2 million square feet in 2027 (See the new Cherry Hill 21 project described in "FINANCIAL INFORMATION – Largest Taxpayers" herein;

- $150,000 in property tax revenue starting in calendar 2027 from a recently constructed 250,000-square-foot facility occupied by a truck parts supplier (see the Automann facility described in "Financial Information – Largest Taxpayers" herein; and

- $370,000 in annual rental income from a finalized extendable five-year lease with the Southern Will County Cooperative for Special Education (SOWIC), which will occupy the District's old school building once the new building is completed (see "The District-Educational Facilities" herein.)

The District also has the ability to discontinue the annual approximate $900,000 property tax abatement for residential homeowners, if needed (see "THE DISTRICT - Rebate Program" herein).

SOURCES AND USES

Estimated Sources of Funds

Par Amount of the Certificates.....	
[Net] Original Issue Premium/(Discount).....	
Total Sources	$ -

Estimated Uses of Funds

Costs of the Project.....	
Costs of Issuance...[(1)].....	
Total Uses	$ -

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

BOND INSURANCE

Bond Insurance Policy

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

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

Assured Guaranty Inc.

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

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

Current Financial Strength Ratings

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

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

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

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

Capitalization of AG

At June 30, 2026:

- The policyholders' surplus of AG was approximately $3,088 million.

- The contingency reserve of AG was approximately $1,569 million.

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

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

Incorporation of Certain Documents by Reference

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

(i) the Annual Report on Form 10-K for the fiscal year ended December 31, 2025 (filed by AGL with the SEC on February 27, 2026);

(ii) the Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2026 (filed by AGL with the SEC on May 8, 2026); and

(iii) the Quarterly Report on Form 10-Q for the quarterly period ended June 30, 2026 (filed by AGL with the SEC on August 7, 2026).

All information relating to AG included in, or as exhibits to, documents filed by AGL with the SEC pursuant to Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended, excluding Current Reports or portions thereof "furnished" under Item 2.02 or Item 7.01 of Form 8-K, after the filing of the last document referred to above and before the termination of the offering of the Bonds shall be deemed incorporated by reference into this Official Statement and to be a part hereof from the respective dates of filing such documents. Copies of materials incorporated by reference are available over the internet at the SEC's website at http://www.sec.gov, at AGL's website at http://www.assuredguaranty.com, or will be provided upon request to Assured Guaranty Inc.: 1633 Broadway, New York, New York 10019, Attention: Communications Department (telephone (212) 974-0100). Except for the information referred to above, no information available on or through AGL's website shall be deemed to be part of or incorporated in this Official Statement.

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

Miscellaneous Matters

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

BOOK-ENTRY SYSTEM

DTC will act as securities depository for the Certificates. The Certificates 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 certificate will be issued for each maturity of the Certificates, in the aggregate principal amount of such maturity, and will be deposited with DTC.

DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). DTC holds and provides asset servicing for over 3.5 million

issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has an S&P Global Ratings ("S&P") rating of "AA+". The DTC Rules applicable to its Participants are on file with the SEC. More information about DTC can be found at www.dtcc.com.

Purchases of Certificates under the DTC system must be made by or through Direct Participants, which will receive a credit for the Certificates on DTC's records. The ownership interest of each actual purchaser of each Certificate ("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 Certificates 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 Certificates, except in the event that use of the book-entry system for the Certificates is discontinued.

To facilitate subsequent transfers, all Certificates 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 Certificates with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not affect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Certificates; DTC's records reflect only the identity of the Direct Participants to whose accounts such Certificates 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 Certificates may wish to take certain steps to augment transmission to them of notices of significant events with respect to the Certificates, such as redemptions, tenders, defaults, and proposed

amendments to the Certificate documents. For example, Beneficial Owners of Certificates may wish to ascertain that the nominee holding the Certificates 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 Certificates 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 Certificates 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 Certificates are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Redemption proceeds, distributions, and dividend payments on the Certificates 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 Certificates 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, Certificate 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, Certificate certificates will be printed and delivered to DTC.

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

The District will have no responsibility or obligation to any Securities Depository, any Participants in the Book-Entry System or the Beneficial Owners with respect to (i) the accuracy

of any records maintained by the Securities Depository or any Participant; (ii) the payment by the Securities Depository or by any Participant of any amount due to any Beneficial Owner in respect of the principal amount or redemption price of, or interest on, any Certificates; (iii) the delivery of any notice by the Securities Depository or any Participant; (iv) the selection of the Beneficial Owners to receive payment in the event of any partial redemption of the Certificates; or (v) any other action taken by the Securities Depository or any Participant.

REAL PROPERTY ASSESSMENT, TAX LEVY AND COLLECTION PROCEDURES

Summary of Property Assessment, Tax Levy and Collection Procedures

A separate tax to pay principal of and interest on the Certificates will not be levied on taxable real property within the District. The District levies property taxes for general operating purposes and to pay its outstanding general obligation bonds, if any. The information under this caption describes the current procedures for real property assessments, tax levies and collections in Will County, Illinois (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 Illinois Department of Revenue (the "Department") assesses certain other types of taxable property, including railroad property held or used for railroad operations. Local Assessment Officers' valuation determinations are subject to review at the county level and then, in general, to equalization by the Department. Such equalization is achieved by applying to each county's assessments a multiplier determined by the Department. The purpose of equalization is to provide a common basis of assessments among counties by adjusting assessments toward the statutory standard of 33-1/3% of fair cash value. Farmland is assessed according to a statutory formula, which takes into account factors such as productivity and crop mix. Taxes are extended against the assessed values after equalization.

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

Unpaid Taxes and Annual Tax Sales

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

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

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

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

Exemptions

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

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

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

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

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

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

The Natural Disaster Homestead Exemption (the "Natural Disaster Exemption") applies to homestead properties containing a residential structure that has been rebuilt following a natural disaster. A natural disaster is an occurrence of widespread or severe damage or loss of property resulting from any catastrophic cause including but not limited to fire, flood,

earthquake, wind, or storm. The Natural Disaster Exemption is equal to the EAV of the residence in the first taxable year for which the taxpayer applies for the exemption minus the base amount. To be eligible for the Natural Disaster Exemption, the residential structure must be rebuilt within two years after the date of the natural disaster, and the square footage of the rebuilt residential structure may not be more than 110% of the square footage of the original residential structure as it existed immediately prior to the natural disaster. The Natural Disaster Exemption remains at a constant amount until the taxable year in which the property is sold or transferred.

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

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

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

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

Property Tax Extension Limitation Law

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

The effect of the Limitation Law is to limit the amount of property taxes that can be extended for a taxing body. In addition, general obligation bonds, notes and installment contracts payable from ad valorem taxes unlimited as to rate and amount cannot be issued by the affected

taxing bodies unless they are approved by referendum, are bonds issued after July 1, 2024, for school fire prevention and safety purposes, are alternate bonds (such as the 2027 Bonds) or are for certain refunding purposes.

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

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

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

Beginning with levy year 2021, each tax-capped taxing district (such as the District) receives an automatic levy increase in the amount of any property tax refunds paid by such taxing district in the prior year as a result of the issuance of certificates of error, court orders issued in connection with valuation tax objection complaints and Illinois Property Tax Appeal Board decisions. For levy year 2025, the additional amount added to the District's tax levy as a result of this change was $11,194.

Pursuant to Section 18-190.7 of the Property Tax Code, school districts that have a designation of "recognition" or "review" according to the Illinois State Board of Education's ("ISBE") School District Financial Profile System, park districts, library districts and community

college districts and for which taxes were not extended at the maximum amount permitted under the Limitation Law in a given levy year may be able to recapture all or a portion of such unrealized levy amount in a subsequent levy year. Section 18-190.7 directs county clerks, in calculating the limiting rate for a given taxing district, to use the greater of the taxing district's last preceding aggregate extension or the district's last preceding aggregate extension if the taxing district had utilized the maximum limiting rate permitted without referendum for each of the three immediately preceding levy years. The aggregate extension of a taxing district that includes any recapture for a particular levy year cannot exceed the taxing district's aggregate extension for the immediately preceding levy year by more than 5%. If a taxing district cannot recapture the entire unrealized levy amount in a single levy year, the taxing district may increase its aggregate extension in each succeeding levy year until the entire levy amount is recaptured.

Illinois legislators have introduced several proposals to further modify the Limitation Law, including freezing property taxes and extending tax caps to all taxing bodies in the State. The District cannot predict whether, or in what form, any change to the Limitation Law may be enacted into law, nor can the District predict the effect of any such change on the District's finances.

Truth in Taxation Law

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

RISK FACTORS

The purchase of the Certificates involves certain investment risks. Accordingly, each prospective purchaser of the Certificates should make an independent evaluation of the entirety of the information presented in this Official Statement and its appendices in order to make an informed investment decision. Certain of the investment risks are described below. The following statements, however, should not be considered a complete description of all risks to be considered in the decision to purchase the Certificates, 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 2.40% of the District's combined Educational Fund and Operations and Maintenance Fund (the "General Fund") revenue sources for the fiscal year ended June 30, 2025. While the finances of the State have significantly improved in recent years, the State continues to deal with a severe underfunding of its pension systems, which, based on the comprehensive annual financial reports of the State's five retirement systems, have a combined unfunded pension liability of approximately $140 billion and a combined funded ratio of approximately 45%. Also, despite 12 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 the Congress of the United States ("Congress"). Under the current administration, the federal government has taken executive actions to reduce the size and scope of the U.S. Department of Education, to terminate or restrict certain programs and services for students with disabilities, low-income students, and students from diverse backgrounds, and to impose new conditions and requirements for federal funding. These actions may impact the availability and amount of federal revenues received by Illinois school districts, such as the District. A reduction or interruption in federal funding, or an increase in compliance costs, could adversely affect the District's financial condition and operations. The District makes no prediction as to the effect of these actions on the District's federal revenues, which constituted 4.80% of the District's General Fund revenue sources for the fiscal year ended June 30, 2025, or the District's ability to comply with federal laws and regulations in the future.

Local Economy

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

Concentration of Taxpayers

Based on the District's 2025 EAV, the District's ten largest taxpayers own 62.22% of the total current EAV of taxable property in the District. See "FINANCIAL INFORMATION – Largest Taxpayers" herein. 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. Furthermore, the District could experience a significant reduction in EAV which could limit the amount of taxes that the District can extend for operating purposes. The District has the authority to levy deficiency taxes if debt service tax collections are inadequate. Notwithstanding, the value of the Certificates, the District's ability to repay the Certificates or the timing of repayment could be adversely affected.

Loss or Change of Bond Ratings

The Certificates have received an underlying credit rating from S&P 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 Certificates or may affect the price at which they can be sold.

Cybersecurity

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

Secondary Market for the Certificates

No assurance can be given that a secondary market will develop for the purchase and sale of the Certificates or, if a secondary market exists, that such Certificates 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 Certificates at the request of the owners thereof.

Prices of the Certificates 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 Certificates. Such market value could be substantially different from the original purchase price.

Continuing Disclosure

A failure by the District to comply with the Undertaking (as defined herein) for continuing disclosure (see "CONTINUING DISCLOSURE" herein) will not constitute an event of default on the Certificates. Any such failure must be reported in accordance with Rule 15c2-12 (the "Rule") adopted by the SEC under the Exchange Act, and may adversely affect the transferability and liquidity of the Certificates and their market price.

Suitability of Investment

The interest rates borne by the Certificates are intended to compensate the investor for assuming the risk of investing in the Certificates. Furthermore, the tax-exempt feature of the Certificates 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 Certificates 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 Certificates. 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 Certificates could become includible in gross income for purposes of federal income taxation, retroactive to the date the Certificates were issued, as a result of future acts or omissions of the District in violation of its covenants in the Certificate Resolution. Should such an event of taxability occur, the Certificates are not subject to any special redemption.

There are or may be pending in Congress legislative proposals relating to the federal tax treatment of interest on the Certificates, including some that carry retroactive effective dates,

that, if enacted, could affect the market value of the Certificates. It cannot be predicted whether or in what form any such proposal might be enacted or whether, if enacted, it would apply to obligations issued prior to enactment. Finally, reduction or elimination of the tax-exempt status of obligations such as the Certificates 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 Certificateholders 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 Certificates, regardless of the ultimate outcome.

Bankruptcy

The rights and remedies of the Certificateholders 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 Certificates will be similarly qualified.

THE DISTRICT

General Description

The District was founded in 1962 and serves grades PreK through 8. The District is located in the City of Joliet (the "City") (53.96% of the District's 2025 EAV) and encompasses approximately six square miles. The District is approximately 42 miles southwest of downtown Chicago, 41 miles from O'Hare International Airport and 31 miles from Chicago Midway Airport. The District serves the primary education needs of a portion of the southeast side of the City. The City is situated on the Des Plaines River at a crossroads of I-55 and I-80, with I-355 less than five minutes from the center of the District.

District students attend Joliet Township High School District Number 204 and Lincoln-Way Community High School District Number 210. Higher education is available at Joliet Community College District Number 525, as well as the numerous colleges and universities located throughout the Chicagoland area.

Educational Facilities

The District operates one educational facility.

Facility	Grades	Current Enrollment	Capacity Enrollment	Constructed	Years of Additions/Renovations
Union School.....	PreK-8	130	150	1966	2009

Source: The District

Within the last ten years, the District has spent approximately $3 million on its facility. Such expenditures were for a STEM trailer, music trailer, greenhouse, 27 rooftop units (HVAC), outdoor fields and new floors, bathrooms and painting.

SOWIC, established in 1969, is a special education cooperative based in Joliet that provides specialized programs, resources, and services to approximately 2,240 students with disabilities across 10 public school districts (including the District). SOWIC currently provides services in Channahon and Joliet. In 2028, SOWIC will lease the District's current building pursuant to a five-year lease that can be extended annually. The lease provides $370,000 in annual rent from SOWIC beginning in July 2028 and will increase annually by 3% starting in 2031. Under the lease, SOWIC will be responsible for the costs of maintenance and repairs of the building. While not anticipated, the lease can be broken if the District ever needs the building for its own needs (i.e., an increased student population that does not all fit in the new building).

Enrollments

The table below includes historical enrollment utilizing the Fall Housing Count (Housed) which reflects students enrolled as of the last school day in September and the projected enrollment for the next five years. The projected enrollment figures are based on historical Fall Housing Count enrollment, recent District enrollment trends, and anticipated residential development within and immediately adjacent to the District.

School Year	Enrollment	School Year	Projected Enrollment
2022-2023	115	2027-2028	135
2023-2024	128	2028-2029	142
2024-2025	143	2029-2030	150
2025-2026	140	2030-2031	160
2026-2027 (1)	130	2031-2032	170

(1) As of September 9, 2026.
The District anticipates additional gradual enrollment growth as new single-family residential development occurs within the District's service area. The surrounding area includes both residential and industrial development; therefore, projections reflect moderate rather than accelerated enrollment growth.
Source: The District

Information Related to Potential Community Reinvestment Act Credit

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

	Eligibility Percent [1]
Union School District Number 81.....	90.62%

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

Board of Education

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

Title	Name	Current Term Expires
President.....	Patrick Sweeney	April 2029
Vice President.....	Christopher Gustafson	April 2027
Secretary.....	Colleen Grigg	April 2029
Treasurer.....	Linda Brunner	April 2027
Member.....	Anna Homolka	April 2027
Member.....	Shelly Sinclair	April 2027
Member.....	Nathan Majchrzak	April 2029

Administration

On July 1, 2026, Dr. Nicole Borck became the Superintendent of the District. Previously, Dr. Borck was the Curriculum Director at the District. Ms. Kristen Baldermann became the Business Manager on July 1, 2026. Ms. Baldermann was the Director of Special Education at the District prior to becoming the Business Manager.

Employees

The District has approximately 28 employees of whom 21 are certified employees, which includes 3 administrators, and 7 are non-certified. Of the total number, the Union Council AFT

Local 604 represents 17 members. The contract expires in 2027. The District considers its relationship with its employees to be in good standing.

Rebate Program

The District is unique in the State because it currently abates 100% of its residential taxes. The District homeowner rebate application process functions as a direct reimbursement program managed by the District itself, bypassing the Will County Clerk's office. Because this is a localized Board-approved program governed by an annual resolution, the mechanics require active submission rather than automatic reduction of the property tax bills.

The process follows a specific lifecycle each year:

• Eligibility Window: A taxpayer must be a primary residential homeowner within the District boundaries (parts of New Lenox and Joliet). The taxpayer must have fully paid its current year's Will County property taxes before applying.

• Resolution and Form Release: The Board votes on the rebate parameters annually, releasing the updated application form on the District's website usually around September or October.

• Documentation Required: Applicants must submit the finalized District application form along with a copy of their paid Will County property tax bill to verify the exact amount paid out to the District's specific line item.

• Verification & Payout: The District's business office reviews the submitted tax pins and payment proofs. Once approved, the District issues a direct check sent to the homeowner. Historically, these checks reflect a set percentage of the school tax portion—ranging anywhere from 50% to roughly 100% depending on the fiscal year surplus.

Rebate amounts over the last few fiscal years are as follows:

Fiscal Year		Total
2022	$	399,642
2023		517,131
2024		625,203
2025		867,395
2026 (1)		900,000
2027 (1)		930,000

(1) Estimate.

SOCIO-ECONOMIC CHARACTERISTICS

Population Trend

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

	2000	2010	2020	% Change 2010-2020
The District.....	N/A	1,480	1,423	-3.85
The City.....	106,221	147,433	150,362	+ 1.99
The County	502,266	677,560	696,355	+ 2.77
The State	12,419,293	12,830,632	12,812,508	-0.14

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

Income and Housing

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

	The District	The County	The State	United States
Median Home Value.....	$215,000	$319,600	$263,300	$332,700
Median Household Income....	108,125	109,984	83,390	80,734
Median Family Income.....	126,250	127,796	106,018	99,999
Per Capita Income.....	32,691	47,516	46,406	44,673

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

Residential Housing Building Permits

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

Year	Reported Number of Building Permits	Construction Cost
2021.....	247	$63,634,600
2022.....	217	58,320,000
2023.....	191	58,127,430
2024.....	150	84,175,638
2025.....	279	118,835,307
2026.....[(1)]	212	66,345,993

(1) Through August 2026.
Source: U.S. Census Bureau

Retail Sales

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

Calendar Year	Retail Sales
2021	$ 2,765,835,042
2022	2,798,813,181
2023	2,979,854,346
2024	3,186,095,892
2025 [(1)]	3,699,763,518
2026 [(2)]	1,921,816,318

(1) Significant increase is due to a change in State Law. Effective January 1, 2025, Public Act 103-0983 changed the tax treatment of certain retail sales. Retail sales originating outside the State but made by retailers with a physical presence in the State, are now subject to destination-based Retailers' Occupation Tax (ROT) rather than Use Tax (UT). ROT collections and allocations are based on the jurisdiction where the item is shipped, delivered or received by the purchaser. As a result, each unit of local government may be affected differently and may experience fluctuations in allocations.
(2) Through the second quarter of 2026.
Source: The Department

Corporate Personal Property Replacement Taxes

Corporate Personal Property Replacement Taxes ("CPPRT") are revenues received from a tax imposed on corporations, partnerships, trusts, S corporations and public utilities in the State. The purpose of the CPPRT is to replace revenues lost by units of local government (including the District) as a result of the abolishment of the corporate personal property tax (the "Personal Property Tax") with the adoption of the Illinois Constitution of 1970. The State Revenue Sharing Act (the "Sharing Act") was passed in 1979, implementing the CPPRT to replace the lost Personal Property Tax revenues and providing the mechanism for distributing collections of CPPRT to taxing districts (including the District) entitled to receive such tax revenues under the Sharing Act. The following table sets forth the amount of CPPRT received by the District during fiscal year ended June 30, 2022, through the most recently completed fiscal year of June 30, 2026, and the estimated amount of CPPRT to be received in fiscal year ending June 30, 2027:

Fiscal Year Ended June 30	CPPRT Receipts
2022	$ 159,251
2023	180,001
2024	118,562
2025	78,618
2026	78,617
2027 (1)	80,237

(1) Estimated
Source: The District's Annual Financial Report for the fiscal years ended June 30, 2022-2025, and the Department for fiscal years 2026 and 2027.

Largest Area Employers

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

Company Name	Product or Service	Location	Approximate employees at location
Amazon.com Services, LLC	Warehouse fulfillment & logistics services	Joliet	3,500
The Lion Electric Co. USA, Inc	Electric school buses	Channahon	1,400
ExxonMobil Corp	Gasoline, heating oil & propane gas	Channahon	600
Ecolab, Inc	Cleaning compounds	Joliet	450
Diageo North America, Inc	Gin & vodka distilling	Plainfield	400
Rich Products Corp	Frozen pizza dough	Crest Hill	350
Dayton Freight Lines, Inc	Local & long-distance trucking & freight logistics services	Crest Hill	280
CB&I	Structural steel fabrication, including engineering	Plainfield	259
Crane Composites, Inc	Corporate headquarters & fiberglass reinforced panels	Channahon	255
Bunge Loders Croklaan USA, LLC	Food ingredients, including non-trans, non-hydrogenated fats, oils, shortenings, coatings & emulsifiers	Channahon	250
CommScope, Inc	Research & development for infrastructure & communications networks	Joliet	250
Crown Lift Trucks Corp	Forklift sales	Joliet	250
Professional Medical, Inc	Distributor of medical supplies	New Lenox	250

Source: 2026 Manufacturers' News, Inc. Illinois Manufacturers and Illinois Services Directories

Historical Unemployment Statistics

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

	The City	The County	The State
Average, 2021.[(1)]	7.0%	5.7%	6.1%
Average, 2022	5.4	4.5	4.6
Average, 2023	5.0	4.2	4.5
Average, 2024	5.9	5.1	5.0
Average, 2025	5.4	4.6	4.6
September, 2025	4.2	3.9	4.3
September, 2026	4.4	4.2	4.2

(1) The District attributes the higher unemployment rates to the COVID-19 pandemic.
Source: Illinois Department of Employment Security

FINANCIAL INFORMATION

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

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

Property Type	2021	2022	2023	2024	2025
Residential	$ 23,791,942	$ 25,441,476	$ 27,264,729	$ 30,697,766	$ 33,519,914
Farm	2,478,470	3,736,299	2,721,866	3,030,540	3,124,176
Commercial	6,575,544	7,634,830	26,947,009[2]	7,211,333	7,246,139
Industrial	85,237,210	87,641,109	88,151,269	108,418,531 [2]	113,089,229
Railroad	614,840	628,247	631,559	753,608	684,765
Total	$ 118,698,006	$ 125,081,961	$ 145,716,432	$ 150,111,778	$ 157,664,223
Percent of Change	-2.93%[1]	+ 5.38%	+16.50%	+ 3.02%	+5.03% [3]
New Property Amounts	$253,433	$1,590,199	$21,637,132	$1,073,842	$2,240,968

(1) Based on the District's 2020 EAV of $122,282,726.
(2) The significant increase in commercial property is due in large part to the expansion of Unilever @ Cherry Hill 20, which property was reclassified in 2024 from commercial to industrial. See "-Largest Taxpayers" herein.
(3) For levy year 2026, the District is expecting $18.6 million of new property (with almost all of the growth in industrial properties).
Source: Will County Clerk's Office

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Tax Rates
(Per $100 EAV)

	2021	2022	2023	2024	2025	Statutory Maximum Rate[1]
Education	$ 2.424	$ 2.757	$ 2.367	$ 2.393	$ 2.447	N/A[2]
O&M[3]	0.366	0.079	0.548	0.533	0.504	$0.550
Special Education	0.202	0.198	0.206	0.209	0.207	0.400
Transportation	0.067	0.095	0.149	0.163	0.126	N/A
IMRF	0.006	0.000	0.003	0.003	0.003	N/A
Tort	0.027	0.038	0.046	0.046	0.038	N/A
Working Cash	0.042	0.043	0.050	0.050	0.050	0.050
Lease/Purchase	0.009	0.009	0.010	0.010	0.010	0.100
Bond & Interest (Building Bonds)	0.570	0.542	0.477	0.000	0.000	N/A
Social Security	0.047	0.000	0.031	0.039	0.039	N/A
Limited Bonds	0.000	0.000	0.000	0.000	0.000	N/A
Adjustment[4]	0.003	0.001	0.049	0.002	0.007	N/A
Total	$ 3.763	$ 3.763	$ 3.934	$ 3.447	$ 3.431	

(1) See "REAL PROPERTY ASSESSMENT, TAX LEVY AND COLLECTION PROCEDURES – Property Tax Extension Limitation Law" herein for information on the operation of such maximum rates under the Limitation Law.
(2) The District does not have a maximum tax rate for educational fund purposes. The aggregate tax rate for the various purposes subject to the Limitation Law, however, may not exceed the District's limiting rate under the Limitation Law.
(3) The District has maintained a higher O&M Fund tax rate over the last several years which has enabled it to fund capital projects. Beginning in levy year 2026, the District will lower its O&M Fund tax rate and increase the Education Fund tax rate.
(4) See "REAL PROPERTY ASSESSMENT, TAX LEVY AND COLLECTION PROCEDURES – Property Tax Extension Limitation Law" herein for information on the property tax refund revenue recapture provisions of the Limitation Law.
Source: Will County Clerk's Office

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

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

Taxing Body	2021	2022	2023	2024	2025
The County	$ 0.576	$ 0.562	$ 0.550	$ 0.515	$ 0.483
Will County Forest Preserve	0.134	0.126	0.116	0.087	0.082
Community Mental Health Board	0.000	0.000	0.036	0.026	0.030
Joliet Township	0.178	0.174	0.171	0.157	0.149
Joliet Township Road and Bridge	0.062	0.062	0.061	0.054	0.051
The District	3.763	3.763	3.934	3.447	3.431
High School District Number 204	2.485	2.511	2.423	2.385	2.322
Community College District No. 525	0.285	0.288	0.282	0.269	0.263
City of Joliet Fire	0.111	0.153	0.153	0.461	0.456
The City	1.074	0.998	0.998	0.630	0.605
City of Joliet Road and Bridge	0.062	0.061	0.060	0.054	0.051
Joliet Park District	0.400	0.387	0.379	0.352	0.340
City of Joliet Public Library	0.165	0.156	0.149	0.143	0.139
Total	$ 9.295	$ 9.238	$ 9.310	$ 8.580	$ 8.403

Source: Will County Clerk's Office

Tax Extensions and Collections

	2021	2022	2023	2024	2025
Extensions	$4,466,012	$4,706,209	$5,732,630	$5,174,653	$5,409,617
Collections	4,536,023	4,699,897	5,730,198	5,180,283	5,313,911[(1)]
% Collected	101.57%	99.87%	99.96%	100.11%	98.23%

(1) Collections are as of September 15, 2026.
Source: Will County Treasurer's Office

Largest Taxpayers

The taxpayers listed below represent 62.22% of the District's 2025 EAV which is $157,664,223. Reasonable efforts have been made to determine and report the largest taxpayers and to include all taxable property of those taxpayers listed. Many of the taxpayers listed, however, may own multiple parcels, and it is possible that some parcels and their valuations may not be included.

Taxpayer	Description	2025 EAV	% of EAV
Cherry Hill Joliet LLC	Cold storage	$ 20,401,231	12.94%
Cherry Hill 20 LLC	Logistics and distribution facility	19,034,920	12.07%
Park 2700 W. Haven Ave Owner LLC	Industrial facility complex	15,704,388	9.96%
SV Distribution Joliet IL LLC	Wholesale distributor	13,609,737	8.63%
G&I XI 2700 Ellis LLC	Industrial warehouse	6,896,000	4.37%
Park 2251 Berens Dr Owner LLC	Commercial real estate, warehouse	4,790,000	3.04%
CIVF-IL1B02 LLC	Commercial logistics and industrial property	4,599,018	2.92%
Syracuse 2510 W Haven Owner	Commercial logistics and industrial property	4,502,400	2.86%
Commonwealth Edison Co	Utility	4,300,000	2.73%
Commerce Road Terminals LLC	Logistics and distribution facility	4,251,313	2.70%
Total		$ 98,089,007	62.22%

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

The District contains the Cherry Hill Business Park (the "Business Park"), a master-planned industrial park straddling New Lenox and Joliet that was started over 30 years ago. Developed by Northern Builders, the park spans a strategic logistical corridor in the southwest Chicagoland area. It features world-class infrastructure designed for high-volume distribution, manufacturing, data centers, and advanced cold storage. Several global logistics clients and state-of-the-art facilities occupy major plots in the Business Park, including:

• Unilever @ Cherry Hill 20: A massive, high-performance 1,159,200 square foot industrial facility that features 160 dock doors, 3 drive-in doors, and 444 trailer stalls tailored for massive supply chain demands. This facility was finished in 2025 and fully hit the tax rolls in levy year 2025 (first property tax revenue was received in the spring of 2026).

• Agile Cold Storage @ Cherry Hill 22: A specialized 202,813 square foot build-to-suit cold chain facility. It rises 70 feet tall with a 63-foot clear height, utilizing insulated metal panels, a high-capacity main freezer and interior cold docks.

• Cherry Hill 21: An 802,440 square foot development (expandable up to 1.2 million square feet) sitting on over 47 acres, equipped with 100 dock doors and 178 trailer spaces.

• Maintenance & Yard Facilities: Includes specialized builds like Cherry Hill 23, a 30,080 square foot truck maintenance facility spanning 11.55 acres with 14 drive-in doors, 7 maintenance bays and 185 trailer stalls.

Northern Builders and Affinius Capital closed in July 2026 on a lease agreement for a 1.2 million square foot facility in the Business Park (Cherry Hill 21). It will include 400,000 square feet of convertible freezer-cooler space. The facility is expected to generate at least $750,000 (probably closer to $900,000) of new property tax revenue per year (likely to begin in the 2027 levy year). Automann, a distribution center that is located in the Business Park, has finished a new 250,000 square foot facility, which will be added to the 2026 property tax rolls. It is expected to generate $150,000 of new revenue for the District.

Summary of Outstanding Debt

Shown below is a summary of the outstanding debt of the District as of the closing of the Certificates.

Issue Description	Dated Date	Original Amount of Issue		Current Amount Outstanding		Final Maturity Date
The Certificates	12/01/26	$ 10,685,000	*	$ 10,685,000	*	12/01/51
Total				$ 10,685,000	*	

*Preliminary, subject to change.

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Debt Repayment Schedule

Shown below is the maturity schedule for the outstanding debt of the District as of the closing of the Certificates.

Fiscal Year	The Certificates*	Total Principal*	Cumulative Amount*	Retirement Percent*
2028	$ 220,000	$ 220,000	$ 220,000	2.06%
2029	230,000	230,000	450,000	4.21
2030	240,000	240,000	690,000	6.46
2031	255,000	255,000	945,000	8.84
2032	270,000	270,000	1,215,000	11.37
2033	280,000	280,000	1,495,000	13.99
2034	295,000	295,000	1,790,000	16.75
2035	310,000	310,000	2,100,000	19.65
2036	325,000	325,000	2,425,000	22.70
2037	345,000	345,000	2,770,000	25.92
2038	360,000	360,000	3,130,000	29.29
2039	380,000	380,000	3,510,000	32.85
2040	400,000	400,000	3,910,000	36.59
2041	420,000	420,000	4,330,000	40.52
2042	440,000	440,000	4,770,000	44.64
2043	465,000	465,000	5,235,000	48.99
2044	490,000	490,000	5,725,000	53.58
2045	515,000	515,000	6,240,000	58.40
2046	540,000	540,000	6,780,000	63.45
2047	570,000	570,000	7,350,000	68.79
2048	600,000	600,000	7,950,000	74.40
2049	630,000	630,000	8,580,000	80.30
2050	665,000	665,000	9,245,000	86.52
2051	700,000	700,000	9,945,000	93.07
2052	740,000	740,000	10,685,000	100.00
	$ 10,685,000	$ 10,685,000		

*Preliminary, subject to change.

Overlapping General Obligation Bonded Debt
(As of October 16, 2026)

		Allocated to the District	
Taxing Body	Bonded Debt (1)	Percent	Amount
Forest Preserve of Will County	$85,720,000	0.48%	$409,742
The City	95,575,000	1.65%	1,576,032
Village of New Lenox	89,660,000	2.50%	2,239,707
East Joliet Fire Protection District	2,215,000	10.86%	240,527
Joliet Park District	20,804,685	1.43%	296,675
New Lenox Community Park District	717,590	4.49%	32,213
Joliet Township High School District Number 204	56,770,000	3.05%	1,731,485
Lincoln-Way Community High School District Number 210	210,398,843	0.20%	414,486
Joliet Community College District No. 525	24,425,000	0.49%	120,415
Total			$ 7,061,280

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

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

Debt Statement

General Obligation Direct Bonded Debt	$0	
The Certificates	$10,685,000	*
Leases	$0	
Net Direct Debt	$10,685,000	*
Overlapping Bonded Debt	$7,061,280	
Net Direct Debt and Overlapping Bonded Debt	$17,746,280	*
EAV (2025)	$157,664,223	
Statutory Debt Limit (6.9% of EAV)	$10,878,831	
Statutory Debt Margin	$193,831	*

*Preliminary, subject to change.

Debt Ratios

Estimated Market Valuation (2025)	$472,992,669	
EAV (2025)	$157,664,223	
2020-2024 American Community Survey Population Estimate	2,020	
Net Direct Debt to EAV	6.78%	*
Net Direct Debt to Estimated Market Valuation	2.26%	*
Net Direct Debt and Overlapping Bonded Debt to EAV	11.26%	*
Net Direct Debt and Overlapping Bonded Debt to Estimated Market Valuation	3.75%	*
Net Direct Debt Per Capita	$5,289.60	*
Net Direct Debt and Overlapping Bonded Debt Per Capita	$8,785.29	*

*Preliminary, subject to change.

Short-Term Financing Record

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

Future Financing

Other than the 2027 Bonds, the District does not intend to issue any additional long-term debt in the next twelve months.

Default Record

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

SUMMARY OF OPERATING RESULTS

General Fund Revenue Sources
(Years Ended June 30)

Below is a summary of the General Fund revenue sources exclusive of "on-behalf" payments made by the State to TRS, as defined herein. This summary is provided since S&P combines these funds as the "General Fund" in its report.

	2022	2023	2024	2025	Preliminary 2026
Local Sources.....	90.09 %	93.25 %	90.23 %	92.80 %	92.64 %
State Sources.....	2.03	2.39	2.10	2.40	3.18
Federal Sources.....	7.87	4.36	7.67	4.80	4.18
Total.....	100.00 %	100.00 %	100.00 %	100.00 %	100.00 %

Source: Compiled from the District's Annual Financial Reports filed with ISBE for fiscal years ended June 30, 2022-2025 and preliminary, unaudited fiscal year 2026 results provided by the District.

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

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

	Educational Fund	Operations and Maintenance Fund	General Fund	Transportation Fund	Working Cash Fund [1]	IMRF/Social Security Fund	Tort Fund	Debt Service Fund	Combined Operating Funds and Debt Service Fund
2022									
Receipts	$ 5,617,959	$ 467,198	$ 6,085,157	$ 108,318	$ 52,689	$ 70,808	$ 54,366	$ 735,289	$ 7,106,627
Disbursements	4,454,330	142,200	4,596,530	176,132	-	36,134	40,530	825,875	5,675,201
Net Surplus (Deficit)	1,163,629	324,998	1,488,627	(67,814)	52,689	34,674	13,836	(90,586)	1,431,426
Other Sources (Uses)	-	(143,150)	(143,150)	-	-	-	-	143,150	-
Beginning Fund Balance	2,928,440	159,128	3,087,568	175,559	365,241	49,725	942	150,742	3,829,777
Ending Fund Balance	$ 4,092,069	$ 340,976	$ 4,433,045	$ 107,745	$ 417,930	$ 84,399	$ 14,778	$ 203,306	$ 5,261,203
2023									
Receipts	$ 5,237,078	$ 264,142	$ 5,501,220	$ 143,308	$ 51,790	$ 34,782	$ 39,886	$ 678,978	$ 6,449,964
Disbursements	4,210,465	414,498	4,624,963	227,254	-	84,592	36,437	676,956	5,650,202
Net Surplus (Deficit)	1,026,613	(150,356)	876,257	(83,946)	51,790	(49,810)	3,449	2,022	799,762
Other Sources (Uses)	-	-	-	-	-	-	-	-	-
Beginning Fund Balance	4,092,069	340,976	4,433,045	107,745	417,930	84,399	14,778	203,306	5,261,203
Ending Fund Balance	$ 5,118,682	$ 190,620	$ 5,309,302	$ 23,799	$ 469,720	$ 34,589	$ 18,227	$ 205,328	$ 6,060,965
2024									
Receipts	$ 5,891,280	$ 462,386	$ 6,353,666	$ 242,853	$ 64,181	$ 29,191	$ 57,788	$ 729,962	$ 7,477,641
Disbursements	4,753,141	576,210	5,329,351	173,670	-	61,459	38,572	678,225	6,281,277
Net Surplus (Deficit)	1,138,139	(113,824)	1,024,315	69,183	64,181	(32,268)	19,216	51,737	1,196,364
Other Sources (Uses)	-	-	-	-	-	-	-	-	-
Beginning Fund Balance	5,118,682	190,620	5,309,302	23,799	469,720	34,589	18,227	205,328	6,060,965
Ending Fund Balance	$ 6,256,821	$ 76,796	$ 6,333,617	$ 92,982	$ 533,901	$ 2,321	$ 37,443	$ 257,065	$ 7,257,329
2025									
Receipts	$ 4,458,150	$ 1,069,106	$ 5,527,256	$ 284,228	$ 73,624	$ 82,961	$ 67,569	$ 437,935	$ 6,473,573
Disbursements	4,350,072	1,699,430 [2]	6,049,502	236,604	-	74,712	46,926	695,000	7,102,744
Net Surplus (Deficit)	108,078	(630,324)	(522,246)	47,624	73,624	8,249	20,643	(257,065)	(629,171)
Other Sources (Uses)	(650,000)	650,000	-	-	-	-	-	-	-
Beginning Fund Balance	6,256,821	76,796	6,333,617	92,982	533,901	2,321	37,443	257,065	7,257,329
Ending Fund Balance	$ 5,714,899	$ 96,472	$ 5,811,371	$ 140,606	$ 607,525	$ 10,570	$ 58,086	$ -	$ 6,628,158
Preliminary 2026									
Receipts	$ 4,699,642	$ 756,445	$ 5,456,087	$ 263,161	$ 72,702	$ 65,117	$ 61,046	$ 6,628	$ 5,924,741
Disbursements	4,492,601	1,337,560	5,830,161	276,139	-	75,406	52,058	600	6,234,364
Net Surplus (Deficit)	207,041	(581,115)	(374,074) [3]	(12,977)	72,702	(10,288)	8,988	6,028	(309,622)
Other Sources (Uses)	-	-	-	-	-	-	-	-	-
Beginning Fund Balance	5,714,899	96,472	5,811,371	140,606	607,525	10,570	58,086	-	6,628,158
Ending Fund Balance	$ 5,921,940	$ (484,643)	$ 5,437,297	$ 127,629	$ 680,227	$ 282	$ 67,074	$ 6,028	$ 6,318,536
Fund Balance as % of Disbursements			93.26%						101.35%

(1) See "Working Cash Fund" herein for a description of the Working Cash Fund.
(2) The larger increase in revenues and expenditures in the Operations and Maintenance Fund were for one-time capital projects.
(3) The fiscal year 2026 deficit is due primarily to $1 million of capital expenditures for a music trailer and outdoor courts/fields.
Source: Compiled from the District's Annual Financial Reports for fiscal years ended June 30, 2022-2025 and preliminary, unaudited fiscal year 2026 results provided by the District.

On-Behalf Payments Summary
(Years Ended June 30)

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

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

See the District's Annual Financial Report for the fiscal year ended June 30, 2025 (the "Audit"), attached hereto as Appendix B, for additional information regarding the District's on-behalf payments.

Fiscal Year	On-Behalf Payments
2021	$ 1,085,952
2022	637,134
2023	925,355
2024	1,050,586
2025	965,578

Source: Compiled from the District's Annual Financial Reports for fiscal years ended June 30, 2021-2025.

Working Cash Fund

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

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

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

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

Budget Summary

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

Fund	Estimated Fund Balances July 1, 2026	FY27 Revenue	FY27 Expenditures	FY27 Other Sources/ (Uses)	Estimated Fund Balances June 30, 2027
Educational	$ 5,921,940	$ 4,963,583	$ 5,215,931	$ (500,000)	$ 5,169,592
Operations & Maintenance	(484,643)	887,313	468,903	500,000	433,767
Transportation	127,629	240,716	262,700	-	105,645
IMRF/Social Security	282	70,283	69,643	-	922
Working Cash	680,227	78,281	-	-	758,508
Total Operating Funds	$ 6,245,435	$ 6,240,176	$ 6,017,177	$ -	$ 6,468,434
Debt Service	$ 6,028	$ -	$ -	$ -	$ 6,028
Fire Prevention & Safety	-	-	-	-	-
Capital Projects	-	-	6,200,000	10,000,000 (1)	3,800,000
Tort	67,074	59,695	83,800	-	42,969
Total All Funds	$ 6,318,537	$ 6,299,871	$ 12,300,977	$ 10,000,000	$ 10,317,431

(1) Estimated Certificate proceeds.
Source: The District

STATE AID

General

The State provides aid to local school districts on an annual basis as part of the State's appropriation process. Many school districts throughout the State rely on such State aid as a significant part of their budgets. For the fiscal year ended June 30, 2025, 2.40% of the District's General Fund revenue came from State funding sources. See "SUMMARY OF OPERATING RESULTS – General Fund Revenue Sources" herein for more information concerning the breakdown of the District's revenue sources.

General State Aid - Evidence-Based Funding Model

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

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

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

The Evidence-Based Funding Model provides that each school district will be allocated at least as much in General State Aid in future years as it received in the most recently completed school year (such amount being that district's "Base Funding Minimum"). The Base Funding Minimum for the District for school year 2017-2018 was $130,166 (the "Initial Base Funding Minimum"). Mandated Categorical State Aid (as hereinafter defined) received by the District in fiscal year 2017, other than Mandated Categorical State Aid related to transportation and extraordinary special education, was included in the Initial Base Funding Minimum. Any New State Funds received by a district in a year become part of its Base Funding Minimum in the following year.

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

Fiscal Year	Base Funding Minimum	Tier Number	Amount of New State Funds	Total Evidence-Based Funding
2022	$ 130,579	4	$ 123	$ 130,702
2023	130,702	4	127	130,830
2024	130,830	4	107	130,937
2025	130,937	4	121	131,059
2026 (1)	131,059	4	141	131,200
2027 (2)	131,200	4	144	131,344

(1) Estimated
(2) Projected.
Source: ISBE

Property Tax Relief Pool Funds

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

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

Mandated Categorical State Aid

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

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

In addition, although school districts are entitled to reimbursement for expenditures made under these programs, these reimbursements are subject to the State's appropriation process. In the event that the State does not appropriate an amount sufficient to fund fully the Mandated Categorical State Aid owed to each school district, the total Mandated Categorical State Aid is proportionally reduced such that each school district receives the same percentage of its Mandated Categorical State Aid request with respect to a specific category of such aid as every other school district.

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

Competitive Grant State Aid

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

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

Payment for Mandated Categorical State Aid and Competitive Grant State Aid

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

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

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

Federal COVID-19 Funds Distributed to the District

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

The District received $27,633 pursuant to ESSER I, $108,202 pursuant to ESSER II and $243,157 pursuant to ESSER III. All ESSER funds were fully expended.

SCHOOL DISTRICT FINANCIAL PROFILE

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

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

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

- Financial Recognition. A school district with a score of 3.54-4.00 is assigned to this category, which is the best category of financial strength. These districts require minimal or no active monitoring by ISBE unless requested by the district.

- Financial Review. A school district with a score of 3.08-3.53 is assigned to this category, the next highest financial strength category. These districts receive a

limited review by ISBE, but are monitored for potential downward trends. ISBE staff also review the next year's school budget for further negative trends.

- Financial Early Warning. A school district with a score of 2.62-3.07 is placed in this category. ISBE monitors these districts closely and offers proactive technical assistance, such as financial projections and cash flow analysis. These districts also are reviewed to determine whether they meet the criteria set forth in Article 1A-8 of the School Code to be certified in financial difficulty and possibly qualify for a Financial Oversight Panel.

- Financial Watch. A school district with a score of 1.00-2.61 is in this category, the highest risk category. ISBE monitors these districts very closely and offers technical assistance with, but not limited to, financial projections, cash flow analysis, budgeting, personnel inventories and enrollment projections. These districts are also assessed to determine if they qualify for a Financial Oversight Panel.

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

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

Fiscal Year (June 30)	Original Score	Designation Based on Original Score	Adjusted Score	Designation Based on Adjusted Score
2021	3.90	Financial Recognition	3.90	Financial Recognition
2022	4.00	Financial Recognition	4.00	Financial Recognition
2023	4.00	Financial Recognition	4.00	Financial Recognition
2024	4.00	Financial Recognition	4.00	Financial Recognition
2025	3.65	Financial Recognition	3.65	Financial Recognition

Source: ISBE.

RETIREMENT PLANS

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

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

Background Regarding Pension Plans

The Actuarial Valuation

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

In producing an actuarial valuation, the actuary for a Pension Plan uses demographic data (including employee age, salary and service credits), economic assumptions (including estimated future salary and interest rates), and decrement assumptions (including employee turnover, mortality and retirement rates) and employs various actuarial methods to generate the information required to be included in such valuation.

GASB Standards

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

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

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

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

Pension Plans Remain Governed by the Pension Code

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

Teachers' Retirement System of the State of Illinois

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

The Pension Code sets the benefit provisions of TRS, which can only be amended by the General Assembly. The State maintains primary responsibility for the funding of the plan, but contributions from participating employers and members are also required. The TRS Board of Trustees is responsible for the System's administration.

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

Employer Funding of Teachers' Retirement System

Under the Pension Code, active members contribute 9.0% of creditable earnings to TRS. The State makes the balance of employer contributions to TRS 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, 2021 through June 30, 2025, all amounts contributed by the District to TRS were as follows:

Fiscal Year Ended June 30	TRS Contribution
2021	$ 7,764
2022	9,661
2023	8,279
2024	8,953
2025	9,747

Source: The District's audited financial statements for the fiscal years ended June 30, 2021-2025.

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 2025 was 0.80% of covered payroll.

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

Calendar Year Ended December 31	IMRF Contribution
2021	$ 1,875
2022	1,769
2023	2,762
2024	2,742
2025	2,850

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

Measures of Financial Position

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

Calendar Year Ended December 31	Total Pension Liability	Fiduciary Net Position	Net Pension Liability/(Asset)	Fiduciary Net Position as a % of Total Pension Liability	Discount Rate
2021	$ 810,755	$ 1,324,772	$ (514,017)	163.40%	7.25%
2022	867,701	1,088,121	(220,420)	125.40%	7.25%
2023	905,588	1,198,207	(292,619)	132.31%	7.25%
2024	951,584	1,254,596	(303,012)	131.84%	7.25%
2025	964,233	1,372,094	(407,861)	142.30%	7.25%

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

See Note 6 to the Audit, 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.

Post-Employment Benefit Trust

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

The District also makes contributions to the THIS Fund. The employer THIS Fund contribution was 0.67% during the year ended June 30, 2025, 0.67% during the year ended June 30, 2024 and 0.67% during the year ended June 30, 2023. For the year ended June 30, 2025, the District paid $11,260 to the THIS fund. For the years ended June 30, 2024 and June 30, 2023, the District paid $10,342 and $9,564, respectively, to the THIS Fund, which was 100% of the required contribution.

TAX EXEMPTION

Federal tax law contains a number of requirements and restrictions which apply to the Certificates, 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 Certificates to be excludible from gross income for federal income tax purposes. Failure to comply with certain of such covenants could cause interest on the Certificates to become includible in gross income for federal income tax purposes retroactively to the date of issuance of the Certificates.

Subject to the District's compliance with the above-referenced covenants, under present law, in the opinion of Bond Counsel, interest on the Certificates 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 Certificates 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 Certificates 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 Certificates 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 Certificates is the price at which a substantial amount of such maturity of the Certificates 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 Certificates 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 Certificates is less than the principal amount payable at maturity, the difference between the OID Issue Price of each such maturity, if any, of the Certificates (the "OID Bonds") and the principal amount payable at maturity is original issue discount.

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

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

If a Certificate is purchased at any time for a price that is less than the Certificate'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 Certificate 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 Certificate 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 Certificate. Purchasers should consult their own tax advisors regarding the potential implications of market discount with respect to the Certificates.

An investor may purchase a Certificate 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 Certificate 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 Certificate. Investors who purchase a Certificate at a premium should consult their own tax advisors regarding the amortization of bond premium and its effect on the Certificate's basis for purposes of computing gain or loss in connection with the sale, exchange, redemption or early retirement of the Certificate.

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 Certificates. 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 Certificates 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 Certificates. If an audit is commenced, under current procedures the Service may treat the District as a taxpayer and the Certificateholders may have no right to participate in such procedure. The commencement of an audit could adversely affect the market value and liquidity of the Certificates 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 Certificates, are in certain cases required to be reported to the Service. Additionally, backup withholding may apply to any such payments to any Certificate 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 Certificate 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 Certificates is not exempt from present State income taxes. Ownership of the Certificates 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 Certificates. Prospective purchasers of the Certificates should consult their tax advisors regarding the applicability of any such state and local taxes.

LITIGATION

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

BOND RATINGS

S&P is expected to assign its municipal bond insured rating of "AA" (Stable Outlook) to the Certificates with the understanding that upon issuance and delivery of the Certificates the Policy will be issued by AG. See "BOND INSURANCE" above. S&P has assigned its municipal underlying rating of "A" (Stable Outlook) to the Certificates.

The ratings reflect only the views of S&P and any explanation of the significance of such ratings may only be obtained from S&P. Certain information concerning the Certificates 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 may not be changed by S&P, if, in the rating agency's judgment, circumstances so warrant. Any downward change in or withdrawal of the ratings may have an adverse effect on the market price of the Certificates. Except as may be required by the Undertaking described below under the heading "CONTINUING DISCLOSURE," neither the District nor the Underwriter undertakes responsibility to bring to the attention of the owners of the Certificates any proposed change in or withdrawal of such ratings or to oppose any such revision or withdrawal.

CONTINUING DISCLOSURE

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

The District will 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 Section 4.40–AP, Preparing and Updating Disclosures. The policies specifically include additional procedures to be followed by the District in relation to the two new reportable events required by the Rule for undertakings entered into on and after February 27, 2019.

There have been no instances in the previous five years in which the District failed to comply, in all material respects, with any undertaking previously entered into by it pursuant to the Rule. Except to the extent the preceding is deemed to be material, to the best of the District's knowledge, it has not failed to comply in the previous five years in any material respect with undertakings previously entered into by it pursuant to the Rule. The District has established procedures to ensure timely filings in the future. The District has retained PMA Securities, LLC, Naperville, Illinois ("PMA"), to act as the District's Dissemination Agent for its continuing disclosure filings. A failure by the District to comply with the Undertaking will not constitute a default under the Certificate Resolution and beneficial owners of the Certificates 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 Certificates in the secondary market. Consequently, such a failure may adversely affect the transferability and liquidity of the Certificates and their market price.

CERTAIN LEGAL MATTERS

Certain legal matters incident to the authorization, issuance and sale of the Certificates 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 Certificates. 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 Certificates 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 Certificates 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 Certificates for investment by any investor.

UNDERWRITING

Stifel, Nicolaus & Company, Incorporated, Chicago, Illinois (the "Underwriter" or "Stifel"), has agreed, subject to the terms of a purchase contract (the "Purchase Contract") to purchase the Certificates from the District at a price of $_____. The Purchase Contract provides, in part, that the obligation of the Underwriter is subject to certain conditions precedent and that the Underwriter will be obligated to purchase all of the Certificates if any of the Certificates are purchased. The Underwriter has further agreed to offer the Certificates to the public at the approximate initial offering yields as set forth on the inside cover hereto. The Underwriter may offer and sell the Certificates to certain dealers and others at yields different than the offering yields stated on the inside cover hereto. The offering yields may be changed

from time to time by the Underwriter. The aggregate underwriting fee for the Certificates equals ____ percent of the par amount of the Certificates.

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

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

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

MUNICIPAL ADVISOR

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

PMA is a broker-dealer and municipal advisor registered with the SEC and the MSRB and is a member of the Financial Industry Regulatory Authority and the Securities Investor Protection Corporation. In these roles, PMA generally provides fixed income brokerage services and public finance services to municipal entity clients, including municipal advisory services and advice with respect to the investment of proceeds of municipal securities. PMA is affiliated with PMA Financial Network, LLC, a financial services provider, and PMA Asset Management, LLC, and Public Trust Advisors, LLC, both investment advisers registered with the SEC. These entities operate under common ownership with PMA and are collectively referred to in this disclosure as the "Affiliates." Each of these Affiliates also provides services to municipal entity clients and PMA and Affiliates market the services of the other Affiliates. Unless otherwise stated, separate fees are charged for each of these products and services and referrals to its Affiliates result in an increase in revenue to the overall Affiliated companies.

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

THE OFFICIAL STATEMENT

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

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

Accuracy and Completeness of the Official Statement

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

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

/s/_____
Business Manager
School District Number 81
Will County, Illinois

November ___, 2026

Appendix A

Form of Legal Opinion of Bond Counsel

PROPOSED FORM OF OPINION OF BOND COUNSEL

[LETTERHEAD OF CHAPMAN AND CUTLER LLP]

[TO BE DATED CLOSING DATE]

School District Number 81
Will County, Illinois

We hereby certify that we have examined certified copy of the proceedings (the *"Proceedings"*) of the Board of Education of School District Number 81, Will County, Illinois (the *"District"*), passed preliminary to the issue by the District of its fully registered General Obligation Debt Certificates (Limited Tax), Series 2026 (the *"Certificates"*), to the amount of $_____, dated _____, 2026, due serially on December 1 of the years and in the amounts and bearing interest as follows:

the Certificates 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 Certificates of a single maturity to be selected by the Certificate Registrar), on December 1, 20__, and 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 certificate 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 the Certificates are payable from any funds of the District legally available for such purpose, except that the rights of the owners of the Certificates and the enforceability of the Certificates 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. There is no statutory authority for the levy of a separate tax in addition to other District taxes or the levy of a special tax unlimited as to rate or amount to pay the principal and interest due on the Certificates. We express no opinion as to (a) the ability or the likelihood of the District to make such payments when due or (b) the validity or feasibility of any future financings that the District may undertake in order to provide funds to make such payments.

It is our opinion that, subject to the District's compliance with certain covenants, under present law, interest on the Certificates is excludible from gross income of the owners thereof for

federal income tax purposes and is not includible as an item of tax preference in computing the alternative minimum tax for individuals under the Internal Revenue Code of 1986, as amended. Interest on the Certificates may affect the corporate alternative minimum tax for certain corporations. Failure to comply with certain of such District covenants could cause interest on the Certificates to be includible in gross income for federal income tax purposes retroactively to the date of issuance of the Certificates. Ownership of the Certificates 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 Certificates.

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 Certificates.

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 B

Annual Financial Report for Fiscal Year Ended June 30, 2025

The Annual Financial Report of the District contained in this Appendix B (the "Audit"), including the independent auditor's report accompanying the Audit, has been prepared by Wermer, Rogers, Doran & Ruzon, LLC, Joliet, Illinois (the "Auditor"), and approved by formal action of the Board of Education of the District. 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.

UNION SCHOOL DISTRICT 81
JOLIET, ILLINOIS

ANNUAL FINANCIAL REPORT
JUNE 30, 2025

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WRDR
WERMER • ROGERS •DORAN• RUZON
certified public accountants

To the Board of Education
Union School District 81
Joliet, Illinois

Independent Auditor's Report

Opinions

We have audited the statement of assets and other debits, liabilities, and fund equity and other credits - arising from cash transactions - all funds and account groups, statement of cash receipts, disbursements and changes in fund balance - all governmental funds, statement of revenues received - governmental funds, and statement of expenditures disbursed budget to actual - governmental funds of Union School District 81, (the District), as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Qualified Opinion on Regulatory Basis of Accounting

In our opinion, except for the effects, of the matters described in the "Basis for Qualified Opinion on Regulatory Basis of Accounting" section, the accompanying financial statements present fairly, in all material respects, the assets and other debits, liabilities, and fund equity and other credits, arising from cash transactions of the District as of June 30, 2025, and its revenue received and expenditures disbursed for the fiscal year then ended, in accordance with the basis of the financial reporting provisions of Illinois State Board of Education as described in Note 1.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the "Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles" section of our report, the accompanying financial statements do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of each fund of the District as of June 30, 2025, or the changes in financial position for the year then ended.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified and adverse audit opinions.

Wermer, Rogers, Doran & Ruzon, LLC • 755 Essington Rd. Joliet, IL 60435 • Tel: 815/730-6250 • www.wrdr.com

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Basis for Qualified Opinion on Regulatory Basis of Accounting

The District's accounting records reflect only the aggregate cost of its general fixed assets; it was not practicable for us to satisfy ourselves as to the detail of the related aggregate amounts at June 30, 2025. Consequently, the scope of our work was not sufficient to enable us to express an opinion on the accompanying financial statements of the General Fixed Assets Account Group. The District has omitted disclosures required by Governmental Accounting Standards Board Statement 75 *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. The amount by which the scope limitation and disclosure would affect the basic financial statements has not been determined.

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

As described in Note 1 of the financial statements, the financial statements are prepared by the District on the basis of accounting practices prescribed or permitted by the Illinois State Board of Education to demonstrate compliance with the requirements of the Illinois State Board of Education's regulatory basis of accounting and budget laws, which is a basis of accounting other than accounting principles generally accepted in the United States of America. The effects on the financial statements of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material and pervasive.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting practices prescribed or permitted by the Illinois State Board of Education to demonstrate compliance with the Illinois State Board of Education's regulatory basis of accounting and budget laws. 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.

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS, we:

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

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

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

Other Matters

Other Information, Other Supplementary Information, and Other Supplemental Schedule

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the District's basic financial statements. The Other Information, Other Supplementary Information and Other Supplemental Schedule are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The Other Supplementary Information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Other Supplementary Information is fairly stated in all material respects in relation to the basic financial statements as a whole.

Management is responsible for the other information and other supplemental schedule. The other information and other supplemental schedule comprise the TRS and IMRF schedules and schedule of assessed valuations, rates, extensions, collections and legal debt margin, but does not include the financial statements and our auditor's report thereon. Our opinions on the financial statements do not cover the other information and other supplemental schedule, and we do not express an opinion or any form of assurance thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and other supplemental schedule and consider whether a material inconsistency exists between the other information and other supplemental schedule and the financial statements, or the other information and other supplemental schedule otherwise appear to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information or other supplemental schedule exists, we are required to describe it in our report.

Wehmer, Rogers, Doran & Ruzon, LLC

September 26, 2025

UNION SCHOOL DISTRICT 81

All Funds and Account Groups
Statement of Assets and Other Debits, Liabilities, and Fund Equity and Other Credits
Arising from Cash Transactions
June 30, 2025

	Governmental Funds				
	Educational Fund	**Operations and Maintenance Fund**	**Debt Service Fund**	**Transportation Fund**	**Municipal Retirement/ Social Security Fund**
ASSETS AND OTHER DEBITS					
Assets					
Cash	$ 2,645,636	$ 96,472	$ -	$ 140,606	$ 10,570
Investments	3,247,956	-	-	-	-
Capital Assets					
Land	-	-	-	-	-
Buildings	-	-	-	-	-
Improvements Other Than Buildings	-	-	-	-	-
Capitalized Equipment	-	-	-	-	-
Total Assets and Other Debits	$ 5,893,592	$ 96,472	$ -	$ 140,606	$ 10,570
LIABILITIES AND FUND EQUITY AND OTHER CREDITS					
Liabilities					
Accrued Liabilities	$ 178,693	$ -	$ -	$ -	$ -
Total Liabilities	178,693	-	-	-	-
Fund Equity and Other Credits					
Fund Equity:					
Fund Balances:					
Reserved	2,581	-	-	-	-
Unreserved	5,712,318	96,472	-	140,606	10,570
Other Credits:					
Investment in General Fixed Assets	-	-	-	-	-
Total Fund Equity and Other Credits	5,714,899	96,472	-	140,606	10,570
Total Liabilities, Fund Equity and Other Credits	$ 5,893,592	$ 96,472	$ -	$ 140,606	$ 10,570

The Accompanying Notes are an Integral Part of These Statements.

		Account Groups		
Working Cash Fund	Tort Fund	General Fixed Assets	General Long-Term Debt	Total (Memorandum Only)
$ 607,525	$ 58,086	$ -	$ -	$ 3,558,895
-	-	-	-	3,247,956
-	-	20,000	-	20,000
-	-	7,732,772	-	7,732,772
-	-	1,506,337	-	1,506,337
-	-	3,010,501	-	3,010,501
$ 607,525	$ 58,086	$ 12,269,610	$ -	$ 19,076,461
$ -	$ -	$ -	$ -	$ 178,693
-	-	-	-	178,693
-	-	-	-	2,581
607,525	58,086	-	-	6,625,577
-	-	12,269,610	-	12,269,610
607,525	58,086	12,269,610	-	18,897,768
$ 607,525	$ 58,086	$ 12,269,610	$ -	$ 19,076,461

UNION SCHOOL DISTRICT 81

All Governmental Funds
Statement of Cash Receipts, Disbursements and Changes in Fund Balance
For the Year Ended June 30, 2025

	Educational Fund	Operations and Maintenance Fund	Debt Service Fund
RECEIPTS			
Local Sources	$ 4,191,374	$ 938,187	$ 437,935
State Sources	1,683	130,919	-
Federal Sources	265,093	-	-
State On-Behalf of Payments	965,578	-	-
Total Receipts	5,423,728	1,069,106	437,935
DISBURSEMENTS			
Current:			
Instruction	1,740,488	-	-
Support Services	1,399,010	1,668,230	-
Community Services	906,152	-	-
Payments to Other Governments	304,423	31,200	-
Debt Service:			
Interest and Fees	-	-	530,917
Principal	-	-	164,083
Intergovernmental:			
State On-Behalf of Payments	965,578	-	-
Total Disbursements	5,315,651	1,699,430	695,000
Excess (Deficiency) of Receipts Over Disbursements	108,077	(630,324)	(257,065)
OTHER FINANCING SOURCES (USES)			
Transfers In	-	650,000	-
Transfers Out	(650,000)	-	-
Total Other Financing Sources (Uses)	(650,000)	650,000	-
Excess (Deficiency) of Receipts and Other Financing Sources Over Disbursements and Other Financing Uses	(541,923)	19,676	(257,065)
Fund Balance, Beginning of Year	6,256,822	76,796	257,065
Fund Balance, End of Year	$ 5,714,899	$ 96,472	$ -

The Accompanying Notes are an Integral Part of These Statements.

Transportation Fund	Municipal Retirement/ Social Security Fund	Working Cash Fund	Tort Fund	Total (Memorandum Only)
$ 230,507	$ 82,961	$ 73,624	$ 67,569	$ 6,022,157
53,721	-	-	-	186,323
-	-	-	-	265,093
-	-	-	-	965,578
284,228	82,961	73,624	67,569	7,439,151
-	29,662	-	-	1,770,150
12,450	45,050	-	46,926	3,171,666
-	-	-	-	906,152
224,154	-	-	-	559,777
-	-	-	-	530,917
-	-	-	-	164,083
-	-	-	-	965,578
236,604	74,712	-	46,926	8,068,323
47,624	8,249	73,624	20,643	(629,172)
-	-	-	-	650,000
-	-	-	-	(650,000)
-	-	-	-	-
47,624	8,249	73,624	20,643	(629,172)
92,982	2,321	533,901	37,443	7,257,330
$ 140,606	$ 10,570	$ 607,525	$ 58,086	$ 6,628,158

UNION SCHOOL DISTRICT 81

Governmental Funds
Statement of Revenues Received
For the Year Ended June 30, 2025

	Educational Fund	Operations and Maintenance Fund	Debt Service Fund
Receipts from Local Sources			
Ad Valorem Taxes Levied by Local Education Agency			
General Levy	$ 3,512,025	$ 796,667	$ 371,622
Leasing Levy	14,163	-	-
Special Education Levy	305,715	-	-
Social Security/Medicare Only Levy	-	-	-
Payments in Lieu of Taxes			
Corporate Personal Property Replacement Taxes	51,859	-	-
Earnings on Investments			
Interest on Investments	46,528	140,224	66,313
Food Service			
Other Food Service	34,615	-	-
District/School Activity Income			
Student Activity Revenues	1,660	-	-
Other Revenue from Local Sources			
Contributions and Donations from Private Sources	102,585	1,296	-
Other Local Revenues	122,224	-	-
Total Receipts from Local Sources	4,191,374	938,187	437,935
Receipts from State Sources			
Unrestricted Grants-In-Aid			
Evidence Based Funding Formula (Section 18-8.15)	140	130,919	-
Restricted Grants-In-Aid			
State Free Lunch and Breakfast	1,543	-	-
Transportation - Regular/Vocational	-	-	-
Transportation - Special Education	-	-	-
Total Receipts from State Sources	1,683	130,919	-

The Accompanying Notes are an Integral Part of These Statements.

Trans-portation Fund	Municipal Retirement/ Social Security Fund	Working Cash Fund	Tort Fund
$ 230,507	$ 4,594	$ 73,624	$ 67,569
-	-	-	-
-	-	-	-
-	51,608	-	-
-	26,759	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
230,507	82,961	73,624	67,569
-	-	-	-
-	-	-	-
36,010	-	-	-
17,711	-	-	-
53,721	-	-	-

UNION SCHOOL DISTRICT 81

Governmental Funds
Statement of Revenues Received
For the Year Ended June 30, 2025

	Educational Fund	Operations and Maintenance Fund	Debt Service Fund
Receipts from Federal Sources			
Restricted Grants-In-Aid Received from Federal Government Thru the State			
National School Lunch Program	$ 84,879	$ -	$ -
School Breakfast Program	51,236	-	-
Title I - Low Income	42,390	-	-
Title IV - Safe And Drug Free Schools - Formula	4,036	-	-
Federal - Special Education - Preschool Flow - Through	557	-	-
Federal - Special Education - IDEA - Flow Through / Low Incidence	41,694	-	-
Title II - Teacher Quality	2,456	-	-
Medicaid Matching Funds - Administrative Outreach	10,083	-	-
Rural Education Achievement Program	15,434	-	-
Other Restricted Revenue From Federal Sources	12,328	-	-
Total Receipts from Federal Sources	265,093	-	-
Total Direct Receipts	$ 4,458,150	$ 1,069,106	$ 437,935

The Accompanying Notes are an Integral Part of These Statements.

Trans-portation Fund	Municipal Retirement/ Social Security Fund	Working Cash Fund	Tort Fund
$ -	$ -	$ -	$ -
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
$ 284,228	$ 82,961	$ 73,624	$ 67,569

UNION SCHOOL DISTRICT 81

Governmental Funds
Statement of Expenditures Disbursed Budget to Actual
For the Year Ended June 30, 2025

	Salaries	Employee Benefits	Purchased Services	Supplies and Materials
Educational Fund				
Instruction				
Regular Programs	$ 1,057,601	$ 115,295	$ 123,620	$ 171,475
Special Education Programs	63,855	23,964	-	-
Remedial and Supplemental Programs K - 12	132,485	17,244	-	-
Interscholastic Programs	-	-	4,080	6,917
Student Activity Expenses	-	-	-	-
Total Instruction	1,253,941	156,503	127,700	178,392
Support Services				
Support Services - Pupil				
Attendance and Social Work Services	57,469	7,168	-	-
Health Services	-	-	1,359	129
Psychological Services	13,644	7,221	-	-
Total Support Services - Pupil	71,113	14,389	1,359	129
Support Services - Instructional Staff				
Improvement of Instruction Services	231,791	43,444	22,250	-
Educational Media Services	25,213	3,828	-	6,047
Assessment and Testing	-	-	-	482
Total Support Services - Instructional Staff	257,004	47,272	22,250	6,529
Support Services - General Administration				
Board of Education Services	-	-	28,624	-
Executive Administration Services	304,756	44,875	1,616	-
Special Area Administration Services	38,888	16,939	-	-
Total Support Services - General Administration	343,644	61,814	30,240	-
Support Services - School Administration				
Office of the Principal Services	48,623	141	-	-
Total Support Services - School Administration	48,623	141	-	-
Support Services - Business				
Fiscal Services	67,431	60	48,143	1,695
Operation and Maintenance of Plant Services	-	-	25,475	-
Food Services	35,143	5,020	141,731	-
Total Support Services - Business	102,574	5,080	215,349	1,695
Support Services - Central				
Data Processing Services	-	-	99,008	17,785
Total Support Services - Central	-	-	99,008	17,785
Total Support Services	822,958	128,696	368,206	26,138
Community Services	-	-	33,632	5,125
Payments to Other Districts and Governmental Units				
Payments to Other Governmental Units (In-State)				
Payments for Special Education Programs	-	-	-	-
Total Payments To Other Districts and Governmental Units	-	-	-	-
Debt Services				
Debt Services - Interest On Short-Term Debt				
Provision for Contingencies	-	-	-	-
Total Direct Disbursements	$ 2,076,899	$ 285,199	$ 529,538	$ 209,655
Excess of Receipts Over Disbursements				

The Accompanying Notes are an Integral Part of These Statements.

Capital Outlay	Other Objects	Total	Budget
$ -	$ 4,433	$ 1,489,724	$ 1,639,458
-	-	87,819	133,922
-	-	149,729	167,963
-	640	11,637	15,650
-	1,579	1,579	-
-	6,652	1,740,488	1,956,993
-	-	64,637	64,944
1,560	-	3,048	25,750
-	-	20,865	27,812
1,560	-	88,550	118,506
-	-	297,485	324,561
-	-	35,088	37,856
-	-	482	3,500
-	-	333,055	365,917
-	46,619	75,243	201,000
-	-	351,247	391,073
-	-	55,827	47,470
-	46,619	482,317	639,543
-	-	48,764	48,831
-	-	48,764	48,831
-	569	117,898	125,660
-	-	25,475	35,000
-	-	181,894	238,741
-	569	325,267	399,401
4,264	-	121,057	186,000
4,264	-	121,057	186,000
5,824	47,188	1,399,010	1,758,198
-	867,395	906,152	974,000
-	304,423	304,423	411,000
-	304,423	304,423	411,000
-	-	-	30,000
$ 5,824	$ 1,225,658	4,350,073	$ 5,130,191
		$ 108,077	

(Continued)

UNION SCHOOL DISTRICT 81

Governmental Funds
Statement of Expenditures Disbursed Budget to Actual
For the Year Ended June 30, 2025

	Salaries	Employee Benefits	Purchased Services	Supplies and Materials
Operations and Maintenance Fund				
Support Services				
Support Services - Business				
Operation and Maintenance of Plant Services	$ 53,687	$ 5,416	$ 99,771	$ 73,013
Payments To Other Districts And Governmental Units				
Payments To Other Governmental Units (In-State)				
Payments For Special Education Programs	-	-	-	-
Debt Services				
Provision for Contingencies	-	-	-	-
Total Direct Disbursements	$ 53,687	$ 5,416	$ 99,771	$ 73,013
(Deficiency) of Receipts Over Disbursements				
Debt Service Fund				
Debt Services				
Debt Services - Interest on Long-Term Debt	$ -	$ -	$ -	$ -
Debt Service - Payments of Principal on Long-Term Debt	-	-	-	-
Total Direct Disbursements	$ -	$ -	$ -	$ -
(Deficiency) of Receipts Over Disbursements				
Transportation Fund				
Support Services				
Support Services - Business				
Pupil Transportation Services	$ 12,450	$ -	$ -	$ -
Payments to Other Districts and Governmental Units				
Payments to Other Governmental Units (In-State)				
Payments for Regular Programs	-	-	150,299	-
Payments for Special Education Programs	-	-	73,497	-
Total Payments to Other Districts and Governmental Units	-	-	223,796	-
Debt Services				
Total Direct Disbursements	$ 12,450	$ -	$ 223,796	$ -
Excess of Receipts Over Disbursements				
Municipal Retirement / Social Security Fund				
Instruction				
Regular Programs	$ -	$ 20,690	$ -	$ -
Special Education Programs	-	1,743	-	-
Remedial and Supplemental Programs K - 12	-	7,229	-	-
Total Instruction	-	29,662	-	-
Support Services				
Support Services - Pupil				
Attendance and Social Work Services	-	4,878	-	-
Psychological Services	-	198	-	-
Total Support Services - Pupil	-	5,076	-	-
Support Services - Instructional Staff				
Improvement of Instruction Services	-	12,724	-	-
Educational Media Services	-	366	-	-
Total Support Services - Instructional Staff	-	13,090	-	-
Support Services - General Administration				
Executive Administration Services	-	9,263	-	-
Special Area Administrative Services	-	1,128	-	-
Total Support Services - General Administration	-	10,391	-	-

The Accompanying Notes are an Integral Part of These Statements.

Capital Outlay	Other Objects	Total	Budget
$ 1,399,794	$ -	$ 1,668,230	$ 2,014,767
-	31,200	31,200	-
-	-	-	20,000
$ 1,399,794	$ 31,200	1,699,430	$ 2,034,767
		($ 630,324)	
$ -	$ 530,917	$ 530,917	$ 530,917
-	164,083	164,083	164,083
$ -	$ 695,000	695,000	$ 695,000
		($ 257,065)	
$ -	$ -	$ 12,450	$ 21,300
-	-	150,299	197,000
-	358	73,855	106,200
-	358	224,154	303,200
$ -	$ 358	236,604	$ 324,500
		$ 47,624	
$ -	$ -	$ 20,690	$ 18,967
-	-	1,743	2,530
-	-	7,229	9,375
-	-	29,662	30,872
-	-	4,878	5,058
-	-	198	320
-	-	5,076	5,378
-	-	12,724	14,018
-	-	366	2,137
-	-	13,090	16,155
-	-	9,263	8,604
-	-	1,128	1,160
-	-	10,391	9,764

(Continued)

UNION SCHOOL DISTRICT 81

Governmental Funds
Statement of Expenditures Disbursed Budget to Actual
For the Year Ended June 30, 2025

	Salaries	Employee Benefits	Purchased Services	Supplies and Materials
Support Services - School Administration				
Office of the Principal Services	$ -	$ 1,920	$ -	$ -
Total Support Services - School Administration	-	1,920	-	-
Support Services - Business				
Fiscal Services	-	5,122	-	-
Operation and Maintenance of Plant Service	-	5,422	-	-
Pupil Transportation Services	-	953	-	-
Food Services	-	3,076	-	-
Total Support Services - Business	-	14,573	-	-
Total Support Services	-	45,050	-	-
Total Direct Disbursements	$ -	$ 74,712	$ -	$ -
Excess of Receipts Over Disbursements				
Tort Fund				
Support Services				
Support Services - General Administration				
Workers' Compensation or Workers' Occupation				
Disease Acts Payments	$ -	$ -	$ 13,025	$ -
Educational, Inspectional, Supervisory Services				
Related to Loss Prevention or Reduction	-	-	8,964	-
Property Insurance	-	-	24,937	-
Vehicle Insurance (Transportation)	-	-	-	-
Total Support Services - General Administration	-	-	46,926	-
Total Direct Disbursements	$ -	$ -	$ 46,926	$ -
Excess of Receipts Over Disbursements				

The Accompanying Notes are an Integral Part of These Statements.

Capital Outlay	Other Objects	Total	Budget
$ -	$ -	$ 1,920	$ 1,980
-	-	1,920	1,980
-	-	5,122	7,245
-	-	5,422	5,246
-	-	953	1,628
-	-	3,076	4,931
-	-	14,573	19,050
-	-	45,050	52,327
$ -	$ -	74,712	$ 83,199
		$ 8,249	
$ -	$ -	$ 13,025	$ 15,750
-	-	8,964	18,000
-	-	24,937	26,000
-	-	-	2,150
-	-	46,926	61,900
$ -	$ -	46,926	$ 61,900
		$ 20,643	

UNION SCHOOL DISTRICT 81

Notes to Financial Statements
For the Year Ended June 30, 2025

1. Summary of Significant Accounting Policies

The District's accounting policies conform to the modified cash basis of accounting as defined by *23 Illinois Administrative Code Part 100*. The following is a summary of the more significant accounting policies of the District.

Principles Used to Determine Scope of the Reporting Entity

As defined by accounting principles generally accepted in the United States of America established by the Governmental Accounting Standards Board, the financial reporting entity consists of all funds and functions of the primary government, the District as well as its component units, which are legally separate organizations for which the elected officials of the primary government are financially accountable. Financial accountability is defined as:

1) Appointment of a voting majority of the component unit's board, and either (a) the ability to impose will by the primary government, or (b) the possibility that the component unit will provide a financial benefit to or impose a financial burden on the primary government; or

2) Fiscal dependency on the primary government.

The District does not currently have any external component units that meet the above requirements for inclusion in this report. Also, the District is not included as a component unit in any other governmental reporting entity, as defined by GASB pronouncements.

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, fund balance, cash receipts and cash disbursements. The District maintains individual funds required by the State of Illinois. The various funds are presented individually in the financial statements. 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 are accounted for through Governmental Funds.

The General Fund, which consists of the Educational Fund, the Operations and Maintenance Fund, the Working Cash Fund, and the Tort Fund, is the general operating fund of the District. It is used to account for and report all financial resources not accounted for and reported in another fund.

1. Summary of Significant Accounting Policies

The Working Cash Fund accounts for financial resources held by the District to be used for temporary interfund loans to other funds. Money loaned by the Working Cash Fund to other funds must be repaid upon the collection of property taxes. As allowed by the School Code of Illinois, the Board of Education may permanently abolish this fund and transfer its balances to the Educational Fund.

Special Revenue Funds, which include the Transportation Fund and the Municipal Retirement / Social Security Fund are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specific purposes other than debt service or capital projects.

The Debt Service Fund is used to account for and report financial resources that are restricted, committed, or assigned to expenditure for principal and interest on general long-term debt.

Government Funds - Measurement Focus

The financial statements of all 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 Groups

The accounting and reporting treatment applied to the capital assets and long-term liabilities associated with a fund are determined by its measurement focus. Capital assets used in governmental fund type operations are accounted for in the General Fixed Assets Account Group, rather than in governmental funds. Long-term liabilities expected to be financed from governmental funds are accounted for in the General Long-Term Debt Account Group, not in governmental funds. These two account groups are not “funds.” They are concerned only with the measurement of financial position. They are not involved with the measurement of results of operations.

UNION SCHOOL DISTRICT 81

Notes to Financial Statements
For the Year Ended June 30, 2025

1. Summary of Significant Accounting Policies

Basis of Accounting

Basis of accounting refers to when revenues received and expenditures disbursed are recognized in the accounts and how they are reported on the financial statements. The District maintains its accounting records for all funds and account groups on the modified cash basis of accounting under guidelines prescribed by the Illinois State Board of Education. 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 result from previous cash transactions.

Modified cash basis financial statements omit recognition of receivables and payables and other accrued and deferred items that do not arise from previous cash transactions. As such, this practice differs from accounting principles generally accepted in the United States of America.

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

Budgets and Budgetary Accounting

The budget for all Governmental Funds was prepared on the modified cash basis of accounting, which is the same basis that is used in financial reporting. This allows for comparability between budget and actual amounts. This is an acceptable method in accordance with 105 ILCS 5/17-1 of the Illinois Compiled Statutes. The budget for the year ended June 30, 2025 was passed on August 21, 2024 and amended on May 28, 2025.

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 July 1, the Superintendent submits to the Board of Education a proposed operating budget for the fiscal year commencing on that date. The operating budget includes proposed disbursements 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 by the Board of Education 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 funds as set forth in the budget.

1. Summary of Significant Accounting Policies

6. The Board of Education may amend the budget (in other ways) by the same procedures required of its original adoption.

Investments

Investments are stated at cost. Gains or losses on the sale of investments are recognized upon realization. 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.

General Fixed Assets

Capital assets have been acquired for general governmental purposes. At the time of payment, assets are recorded as disbursements in the governmental funds and capitalized at cost in the General Fixed Assets Account Group. Depreciation accounting is not considered applicable (except to determine the per capita tuition charge).

Fund Balance Reporting

Governmental Accounting Standards Board Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions,* (GASB 54) requires fund balances of governmental funds to be reported using the following five separate classifications as applicable: nonspendable, restricted, committed, assigned, and unassigned. The District, however, has prepared these financial statements using the regulatory accounting practices prescribed by the Illinois State Board of Education (ISBE), which practices differ from accounting principles generally accepted in the United States of America. The regulatory accounting practices prescribed by the ISBE require the District to report only “reserved” and “unreserved” fund balances. Therefore, the District has not incorporated the reporting requirements of the GASB 54 fund balance classifications. The District has implemented other requirements of GASB 54 as applicable.

Interfund Transactions

Quasi-external transactions between funds are accounted for as revenues or expenditures. Transactions that constitute reimbursements to a fund for expenditures initially made from it that are properly applicable to another fund, are recorded as expenditures in the reimbursing fund and as reductions of expenditures in the fund that is reimbursed. All other interfund transactions are reported as transfers. Temporary interfund loans that exist at year end are reported as “loans to / from other funds”.

UNION SCHOOL DISTRICT 81

Notes to Financial Statements
For the Year Ended June 30, 2025

1. Summary of Significant Accounting Policies

Restricted Resources Policy

When expenditure is incurred for purposes for which both restricted and unrestricted resources are available, it is the District's policy to apply restricted resources first, then unrestricted resources as needed.

Use of Estimates

The preparation of financial statements requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Actual results could differ from those estimates.

Total Memorandum Only

The "Total Memorandum Only" column represents the aggregation (by addition) of the line item amounts reported for each fund and account group. No consolidations or other eliminations were made in arriving at the total; 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.

2. Property Taxes

The District must file its tax levy ordinance by the last Tuesday in December of each year. The District's 2024 levy ordinance was approved during the December 11, 2024 board meeting. The District's property tax is levied each year on all taxable real property located in the District and it becomes a lien on the property on January 1 of that year. The owner of real property on January 1 in any year is liable for taxes of that year.

The District has statutory tax rate limit in various operating funds subject to change only by approval of the voters of the District. Also, the District is subject to the Property Tax Extension Limitation Act, which, in general, limits the amount of taxes to be extended to the lesser of 5% or the percentage increase in the consumer price index for the year preceding the levy. Certain bond issue levies and referendum increases are exempt from this limitation.

Property taxes are collected by the Will County Collector/Treasurer, who remits to the District its share of collections. Taxes levied in one year become due and payable in two installments: the first due on June 1 and the second due on September 1. Property taxes are normally collected by the District within 60 days of the respective installment date.

2. Property Taxes

The following are the tax rate limits permitted by the School Code and by local referendum and the actual rates levied per $100 of assessed valuation:

	Limit	2024 Levy	2023 Levy
Educational	None	2.3928	2.3671
Operations and Maintenance	0.5500	0.5329	0.5478
Transportation	None	0.1633	0.1485
Special Education	0.4000	0.2087	0.2056
Tort Immunity	None	0.0458	0.0458
Municipal Retirement	None	0.0034	0.0028
Social Security	None	0.0387	0.0309
Working Cash	0.0500	0.0500	0.0498
Leasing	0.1000	0.0096	0.0096
Bond and Interest	None	-	0.4770
Prior Year Adjustment	None	0.0020	0.0492
		3.4472	3.9341

3. Special Tax Levies

Tort Immunity

Cash receipts and related cash disbursements of this restricted tax levy are accounted for in the Tort Fund. The current year cash receipts were $67,569 and $46,926 was expended in accordance with 105 ILCS 5/17-2.5 of the Illinois Compiled Statutes. The balance of unexpended Tort Fund taxes as of June 30, 2025 was $58,086.

Special Education

Cash receipts and related cash disbursements of this restricted tax levy are accounted for in the Educational Fund. The current year cash receipts of $305,715 were expended in accordance with 105 ILCS 5/17-2.2a of the Illinois Compiled Statutes.

Leasing Levy

Cash receipts and related cash disbursements of this restricted tax levy are accounted for in the Educational Fund. The current year cash receipts of $14,163 were expended in accordance with 105 ILCS 5/17-2.2c of the Illinois Compiled Statutes.

4. Cash and Investments

Common Bank Account

Separate bank accounts are not maintained for all District funds; instead, the individual funds maintain their cash balances in the common checking account, with accounting records being maintained to show the portion of the common account balance attributable to each participating fund. Occasionally certain funds participating in the common bank accounts will incur overdrafts (deficits) in the account. The overdrafts result from expenditures that have been approved by the Board of Education.

Deposits

Cash deposits consisted of checking accounts which were carried at cost. At June 30, 2025, the carrying amount of the District's deposits was $3,558,695 and the bank balance was $3,707,212. Additionally, the District had cash on hand of $200.

Custodial Credit Risk – this is the risk that in the event of a bank failure, the District's deposits may not be returned to it. The District's investment policy requires that all deposits be fully collateralized. As of June 30, 2025, all account balances at banks were either insured by the Federal Deposit Insurance Corporation (FDIC), or collateralized with securities of the U.S. Government held in the District's name by financial institutions acting as the District's agent.

Investments

Concentration of Credit Risk - The District places no limit on the amount it may invest in any one issuer.

Interest Rate Risk - The District does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit Risk - The District's investment policy does not further limit its investment choices beyond the School Code. The District's investments consist of $3,247,956 invested in the Illinois School District Liquid Asset Fund Plus (ISDLAF+). The ISDLAF+ is rated AAAm by Standard & Poor's rating agency.

The ISDLAF+ is an external investment pool created by the Illinois General Assembly. The fund invests in U.S. Treasury bills and notes, in fully collateralized time deposits in Illinois financial institutions, in collateralized repurchase agreements, and in treasury mutual funds that invest in U.S. Treasury obligations and collateralized repurchase agreements, all of which mature within one year.

The fair value of the position in the ISDLAF+ is the same as the value of the pool shares. The Illinois State Treasurer's Investment Advisory Board has oversight responsibility over the ISDLAF+.

4. Cash and Investments

A reconciliation of the District's cash and investment balances as reported on the Statement of Assets and Other Debits, Liabilities, and Fund Equity and Other Credits - Arising From Cash Transactions - All Funds and Account Groups and the deposits and investments presented in this note is as follows:

Carrying Amount of Cash Per Note Above	$ 3,558,695
Cash on Hand Per Note Above	200
Investments Per Note Above	3,247,956
Total	$ 6,806,851
Cash Per Financial Statements	$ 3,558,895
Investments Per Financial Statements	3,247,956
Total	$ 6,806,851

5. Changes in General Fixed Assets

Activity in the General Fixed Asset Account Group for the District for the year ended June 30, 2025 was as follows:

	Balance July 1, 2024	Additions	Deletions	Balance June 30, 2025
Land	$ 20,000	$ -	$ -	$ 20,000
Buildings	7,732,772	-	-	7,732,772
Improvements Other Than Buildings	288,097	1,218,240	-	1,506,337
Equipment	2,693,901	316,600	-	3,010,501
Construction in Progress	93,601	-	93,601	-
	$ 10,828,371	$ 1,534,840	$ 93,601	$ 12,269,610

6. Employee Retirement Systems and Plans

Teachers' Retirement System of the State of Illinois

Plan Description

The District 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 nonannuitants 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/fy2020; by writing to TRS at 2815 W. Washington, PO Box 19253, Springfield, IL 62794; or by calling 888-678-3675, option 2.

6. Employee Retirement Systems and Plans

Benefits Provided

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

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

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

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

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, 2024, 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.

6. Employee Retirement Systems and Plans

On Behalf Contributions to TRS

The state of Illinois makes employer pension contributions on behalf of the District. For the year ended June 30, 2025, state of Illinois contributions recognized by the District were based on the state's proportionate share of the pension expense associated with the District, and the District recognized revenue and expenditures of $787,019 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, 2025, were $9,747 and are deferred because they were paid after the June 30, 2024 measurement date.

Federal and special trust fund contributions.

When TRS members are paid from federal and special trust funds administered by the employer, there is a statutory requirement for the 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, 2025, the employer pension contribution was 10.34 percent of salaries paid from federal and special trust funds. For the year ended June 30, 2025, no salaries were paid from federal and special trust.

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, 2025, the District was not required to make any payments to TRS for employer contributions due on salary increases in excess of 6 percent or for sick leave days granted in excess of the normal annual allotment.

6. Employee Retirement Systems and Plans

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

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

District's Proportionate Share of the Net Pension Liability	$ 117,913
State's Proportionate Share of the Net Pension Liability Associated With the District	9,831,400
Total	$ 9,949,313

The net pension liability was measured as of June 30, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2024. The employer's proportion of the net pension liability was based on the District's share of contributions to TRS for the measurement year ended June 30, 2024, relative to the contributions of all participating TRS employers and the state during that period. At June 30, 2024, the District's proportion was .000137 percent, which was an increase of .000001 from its proportion measured as of June 30, 2023.

For the year ended June 30, 2025, the District recognized pension expense of $787,019 and revenue of $787,019 for support provided by the state. At June 30, 2025, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Deferred Amounts Related to Pensions	Deferred Outflows of Resources	Deferred Inflows of Resources
Deferred Amounts to be Recognized in Pension Expense in Future Periods		
Differences Between Expected and Actual Experience	$ 443	$ 306
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	-	1,012
Changes of Assumptions	1,625	63
Changes in Proportion and Differences Between District Contributions and Proportionate Share of Contributions	5,766	4,350
Total Deferred Amounts to be Recognized in Pension Expense in Future Periods	7,834	5,731
Pension Contributions Made Subsequent to the Measurement Date	9,747	-
Total Deferred Amounts Related to Pensions	$ 17,581	$ 5,731

6. Employee Retirement Systems and Plans

$9,747 reported as deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the reporting year ending June 30, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows in these reporting years:

Year Ending June 30	Net Deferred Outflows of Resources
2026	($ 1,607)
2027	1,259
2028	1,253
2029	977
2030	221
Total	$ 2,103

Actuarial Assumptions

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

Inflation	2.50 Percent
Salary Increases	Varies by Amount of Service Credit
Investment Rate of Return	7.00 Percent, Net of Pension Plan Investment Expense, Including Inflation

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

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

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Global Equity	37.00%	7.55%
Private Equity	15.00%	10.28%
Public Income	18.00%	5.81%
Private Credit	8.00%	9.20%
Real Assets	18.00%	7.01%
Diversifying Strategies	4.00%	5.18%
Total	100.00%	

6. Employee Retirement Systems and Plans

Discount Rate

At June 30, 2024, the discount rate used to measure the total pension liability was 7.0 percent, which was the same as the June 30, 2023 rate. The projection of cash flows used to determine the discount rate assumed that employee contributions, 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, 2024 was projected to be available to make all projected future benefit payments to 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 District's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

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

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
District's Proportionate Share of the Net Pension Liability	$ 145,626	$ 117,913	$ 94,940

6. Employee Retirement Systems and Plans

TRS Fiduciary Net Position

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

Illinois Municipal Retirement Fund

Plan Description

The District's defined benefit pension plan for regular employees provides retirement and disability benefits, post retirement increases, and death benefits to plan members and beneficiaries. The District's plan is managed by the Illinois Municipal Retirement Fund (IMRF), the administrator of an agent multiple-employer plan. 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. The report is available for download at www.imrf.org.

Benefits Provided

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

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.

6. Employee Retirement Systems and Plans

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
- 1/2 of the increase in the Consumer Price Index of the original pension amount.

Employees Covered by Benefit Terms

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

Inactive Plan Members and Beneficiaries Currently Receiving Benefits	20
Inactive Plan Members Entitled to but Not Yet Receiving Benefits	19
Active Plan Members	8
Total	47

Contributions

As set by statute, the District's Regular Plan Members are required to contribute 4.5 percent of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The District's annual contribution rate for calendar year 2024 was 0.88 percent. For the fiscal year ended June 30, 2025, the District contributed $2,643 to the plan. The District also contributes for disability benefits, death benefits and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by the IMRF Board of Trustees, while the supplemental retirement benefits rate is set by statute.

Net Pension Liability (Asset)

The District's net pension liability (asset) was measured as of December 31, 2024. The total pension liability used to calculate the net pension liability (asset) was determined by an actuarial valuation as of that date.

Actuarial Assumptions

The following are the methods and assumptions used to determine total pension liability at December 31, 2024:

- The Actuarial Cost Method used was Entry Age Normal.
- The Asset Valuation Method used was Market Value of Assets.
- The Inflation Rate was assumed to be 2.25%.
- Salary Increases were expected to be 2.85% to 13.75%, including inflation.
- The Investment Rate of Return was assumed to be 7.25%.

6. Employee Retirement Systems and Plans

- 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.
- There were no benefit changes during the year.

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

Asset Class	Target Percentage	Long-Term Expected Real Rate of Return
Domestic Equity	33.50%	4.35%
International Equity	18.00%	5.40%
Fixed Income	24.50%	5.20%
Real Estate	10.50%	6.40%
Alternative Investments	12.50%	4.85-6.25%
Cash Equivalents	1.00%	3.60%
Total	100.00%	

Discount Rate

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

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

6. Employee Retirement Systems and Plans

For the purpose of the most recent valuation, the expected rate of return on plan investments is 7.25%, the municipal bond rate is 4.08%, and the resulting single discount rate was 7.25%.

Changes in the Net Pension Liability (Asset)

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability/(Asset) (A)-(B)
Balances at December 31, 2023	$ 905,588	$ 1,198,207	($ 292,619)
Changes for the Year:			
Service Cost	24,536	-	24,536
Interest on the Total Pension Liability	64,311	-	64,311
Differences Between Expected and Actual Experience of the Total Pension Liability	18,753	-	18,753
Contributions - Employer	-	2,742	(2,742)
Contributions - Employees	-	14,022	(14,022)
Net Investment Income	-	122,008	(122,008)
Benefit Payments, Including Refunds of Employee Contributions	(61,604)	(61,604)	-
Other (Net Transfer)	-	(20,779)	20,779
Net Changes	45,996	56,389	(10,393)
Balances at December 31, 2024	$ 951,584	$ 1,254,596	($ 303,012)

Sensitivity of the Net Pension Liability (Asset) to Changes in the Discount Rate

The following presents the plan's net pension liability/(asset), calculated using a Single Discount Rate of 7.25%, as well as what the plan's net pension liability/ (asset) would be if it were calculated using a Single Discount Rate that is one percent lower or one percent higher:

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
District's Net Pension Liability/(Asset)	($ 209,081)	($ 303,012)	($ 377,958)

Pension Expense (Income) and Deferred Outflows of Related to Pensions

For the year ended June 30, 2025, the District's pension expense was $27,137. At June 30, 2025, the District had deferred outflows of resources related to pensions from the following sources:

6. Employee Retirement Systems and Plans

Deferred Amounts Related to Pensions	Deferred Outflows of Resources	Deferred Inflows of Resources
Deferred Amounts to be Recognized in Pension Expense in Future Periods		
Differences Between Expected and Actual Experience	$ 6,251	$ -
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	29,205	-
Total Deferred Amounts to be Recognized in Pension Expense in Future Periods	35,456	-
Pension Contributions Made Subsequent to the Measurement Date	1,339	-
Total Deferred Amounts Related to Pensions	$ 36,795	$ -

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

Year Ending December 31	Net Deferred Outflows of Resources
2025	$ 20,441
2026	39,300
2027	(16,780)
2028	(7,505)
Total	$ 35,456

7. General Long-Term Debt

On July 8, 2008, the District issued General Obligation School Bonds (Alternate Revenue Source), Series 2008A and 2008B in the amounts of $5,335,000 and $164,083, respectively. The Series 2008A bonds are due serially commencing on December 1, 2010 through 2023. Interest on the Series 2008A bonds is payable semi-annually on June 1 and December 1 commencing December 1, 2009. Interest rates vary from 4.50 percent to 5.25 percent. The Series 2008B bonds were due in one installment of $695,000 on December 1, 2024. Payments are made from the Debt Service Fund.

7. General Long-Term Debt

Changes in general long-term debt during the year are as follows:

	Balance July 1, 2024	Debt Issued	Debt Retired	Balance June 30, 2025	Amount Due Within One Year
General Obligation Bonds					
Series 2008B	$ 164,083	$ -	$ 164,083	$ -	$ -

Legal Debt Margin

As of June 30, 2025, the legal debt limit of the District was $10,357,713, based upon 6.9 percent of its 2024 equalized assessed valuation of $150,111,778. The District has no bonded debt subject to the debt limit as of June 30, 2025, resulting in a legal debt margin of $10,357,713.

8. Other Postemployment Benefits

The District is legally required to offer postemployment healthcare benefits to former employees and retirees. Former employees, who are not retirees, are provided healthcare benefits mandated by the Consolidated Omnibus Budget Reconciliation Act (COBRA). Former employees, who are qualified under COBRA, may apply for coverage by the District's health plan. The cost is 100% funded on a monthly pay-as-you-go basis by the former employee based upon the actual cost of the health plan for the chosen level of coverage.

Illinois statutes mandate that a municipal government must offer its retirees a health insurance plan equivalent to that offered to active employees. Illinois statutes enable a government to make the health plan benefits supplemental to Medicare and to offer these supplemental benefits at a different retiree contribution rate than regular benefits provided by the group plan. State statutes do not presently require the government to pay any portion of the cost of the plan for retired employees. Retired employees covered under the District's plan are required to pay 100% of the cost of their insurance based on the rates paid by the District. Retired employees must be covered under the District's health insurance plan at the time of retirement to receive this benefit and must continue coverage with the District's plan to maintain this benefit.

Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions (GASB 75) became applicable for the District's year ended June 30, 2018. That Statement requires the District to disclose the obligation for other postemployment benefits (OPEB) and actuarial accrued liabilities associated with OPEB and whether and to what extent progress is being made in funding the plan. The District did not implement the provisions of GASB 75 and therefore the amount by which this disclosure would affect the financial statements is not reasonably determinable.

8. Other Postemployment Benefits

Teacher Health Insurance Security

Plan Description

The District participates in the Teacher Health Insurance Security (THIS) Fund of the state of Illinois (also known as the Teachers Retirement Insurance Program "TRIP"), 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. Detailed information about the OPEB plan's fiduciary net position is available in the separately issued publicly available financial report that can be obtained at https://www.auditor.illinois.gov/Audit-Reports/Compliance-Agency-List/CMS/THISF/FY20-CMS-THISF-Fin-Full.pdf.

Benefits Provided

The THIS Fund provides medical, prescription, and behavioral health benefits, but it does not provide vision, dental, or life insurance benefits to annuitants of the TRS. Annuitants not enrolled in Medicare may participate in the state-administered participating provider option plan or choose from several managed care options. Annuitants who are enrolled in Medicare Parts A and B may be eligible to enroll in a Medicare Advantage plan.

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

Contributions

Active members were required to contribute 0.9 percent of pay during the year ended June 30, 2025 to the THIS Fund. The District also makes contributions to the THIS Fund. The employer THIS Fund contribution was 0.67 percent during the year ended June 30, 2025. For the year ended June 30, 2025, the District paid $11,260 to the THIS Fund, which was 100 percent of the required contribution.

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

On Behalf Contributions to the THIS Fund

The state of Illinois makes employer retiree health insurance contributions on behalf of the District. The District recognized $178,559 of revenue and expenditures during the year.

9. Individual Fund Disclosures

Expenditures in Excess of Budget

For the year ended June 30, 2025, disbursements of the educational fund exceeded amounts budgeted by $185,460. The entire educational fund overage is the result of the District's policy of not budgeting for state on-behalf payments. Without state on-behalf payments of $965,578, the educational fund expenditures would be $780,118 under budget.

10. Commitments and Contingencies

Litigation

From time to time, the District is involved in legal and administrative proceedings with respect to employment, civil rights, property tax protests and other matters. Although the District is unable to predict the outcome of these matters, the District believes that the final outcome of any actions will not have a material adverse effect on the results of operations or the financial position of the District.

Grant Programs

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

11. Tax Abatements

As of June 30, 2025, the District provided tax abatements of a portion of property taxes collected as allowed by the Illinois Compiled Statutes. The rebates were calculated based on percentages of property taxes collected. Rebates paid under the property taxes rebate program totaled $867,395 during the year ended June 30, 2025.

12. Risk Management

The District is exposed to various risks of loss related to torts; professional liability; workers' compensation claims; theft of, damage to, and destruction of assets; and natural disasters. To protect the District from such risks, the District has purchased insurance coverage through the Illinois Counties Risk Management Trust. The District pays annual premiums to the Agency for insurance coverage.

To cover itself against worker's compensation risks, the District is a member of a joint venture, the Illinois Association of School Boards Worker's Compensation Self-Insurance Trust (Trust). The Trust is an insurance risk pool comprised of several Illinois school districts. Each participating government has an ongoing financial responsibility for the liabilities of the pool.

There were no reductions in insurance coverage during the year. Settled claims have not exceeded the insurance coverage in the last three years.

12. Risk Management

Coverage limits and self-insured retention (deductible) amounts are as follows:

	Amount	Deductible
Commercial Property		
Blanket Building and Contents (All Risk-Replacement Cost)		
Coinsurance: 100%	$ 12,303,920	$ 1,000
Mobile Equipment	100,000	1,000
Violent Event Response	500,000	-
Educators' Legal Liability	1,000,000	2,500
Sexual Abuse	1,000,000	2,500
General Liability		
General Aggregate	3,000,000	-
Each Occurrence	1,000,000	-
Business Auto		
Each Occurrence	1,000,000	-
Uninsured / Underinsured Motorist	1,000,000	-
Worker's Compensation	2,000,000	-
Crime		
Blanket Employee Dishonesty	500,000	1,000
Cyber Liability	2,000,000	5,000

OTHER INFORMATION

UNION SCHOOL DISTRICT 81

Other Information
Teachers' Retirement System of the State of Illinois
Schedule of the District's Proportionate Share of the Net Pension Liability
Last Ten Fiscal Years

	2025*	2024*	2023*
District's Proportion of the TRS Net Pension Liability	0.000137%	0.000136%	0.000128%
District's Proportionate Share of the Net Pension Liability	$ 117,913	$ 115,721	$ 107,392
State's Proportionate Share of the Net Pension Liability Associated With the District	9,831,400	9,986,761	9,315,507
Total	$ 9,949,313	$ 10,102,482	$ 9,422,899
District's Covered-Employee Payroll	1,543,611	1,427,455	1,316,284
District's Proportionate Share of the Net Pension Liability as a Percentage of Its Covered-Employee Payroll	7.64%	8.11%	8.16%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	45.40%	43.90%	42.80%

Notes to Schedule:

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

2022*	2021*	2020*	2019*	2018*	2017*	2016*
0.000132%	0.000144%	0.000134%	0.000154%	0.000072%	0.000191%	0.000153%
$ 102,854	$ 124,523	$ 109,042	$ 120,357	$ 54,912	$ 150,784	$ 99,979
8,620,224	9,753,278	7,760,409	8,244,940	3,780,230	10,123,904	5,970,042
$ 8,723,078	$ 9,877,801	$ 7,869,451	$ 8,365,297	$ 3,835,142	$ 10,274,688	$ 6,070,021
1,163,576	1,188,926	1,082,964	1,049,676	868,166	975,716	922,013
8.84%	10.47%	10.07%	11.47%	6.33%	15.45%	10.84%
45.10%	37.80%	39.64%	40.00%	39.26%	36.44%	41.47%

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UNION SCHOOL DISTRICT 81

Other Information
Teachers' Retirement System of the State of Illinois
Schedule of Employer Contributions
Last Ten Fiscal Years

Fiscal Year Ended June 30,*	Statutorily Required Contribution	Actual Contribution	Contribution Deficiency (Excess)	District's Covered Employee Payroll	Contribution as a Percentage of Covered Employee Payroll
2025	$ 8,943	$ 8,943	$ -	$ 1,543,611	0.58%
2024	8,278	8,278	-	1,427,455	0.58%
2023	8,065	8,065	-	1,316,284	0.61%
2022	6,859	6,859	-	1,163,576	0.59%
2021	6,896	6,896	-	1,188,926	0.58%
2020	6,281	6,121	160	1,082,964	0.57%
2019	6,088	6,055	33	1,049,676	0.58%
2018	5,035	4,708	327	868,166	0.54%
2017	5,659	7,398	(1,739)	975,716	0.76%
2016	5,348	4,510	838	922,013	0.49%

Notes to Schedule:

Changes of Assumptions

For the 2024 measurement year, the assumed investment rate of return was of 7.0%, including an inflation rate of 2.50% and a real return of 4.50%. Salary increases were assumed to vary by service credit. These actuarial assumptions were based on an experience study dated August 16, 2024.

For the 2023-2022 and 2020-2016 measurement years, the assumed investment rate of return was of 7.0%, including an inflation rate of 2.50% and a real return of 4.50%. For the 2021 measurement year, the assumed investment rate of return was 7.0%, including an inflation rate of 2.25% and a real return of 4.75%. 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 ended June 30, 2014.

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

UNION SCHOOL DISTRICT 81

Other Information
Illinois Municipal Retirement Fund
Schedule of Changes in the Net Pension Liability and Related Ratios
Last Ten Calendar Years

Calendar Year Ended December 31,	2024	2023	2022	2021
Total Pension Liability				
Service Cost	$ 24,536	$ 24,084	$ 15,293	$ 24,336
Interest on the Total Pension Liability	64,311	61,460	57,070	60,164
Differences Between Expected and Actual Experience of the Total Pension Liability	18,753	25,060	47,054	(58,117)
Changes of Assumptions	-	(8,672)	-	-
Benefit Payments, Including Refunds of Employee Contributions	(61,604)	(64,045)	(62,471)	(66,610)
Net Change in Total Pension Liability	45,996	37,887	56,946	(40,227)
Total Pension Liability - Beginning	905,588	867,701	810,755	850,982
Total Pension Liability - Ending (A)	$ 951,584	$ 905,588	$ 867,701	$ 810,755
Plan Fiduciary Net Position				
Contributions - Employer	$ 2,742	$ 2,762	$ 1,769	$ 1,875
Contributions - Employees	14,022	13,081	9,367	10,045
Net Investment Income	122,008	124,750	(186,201)	208,553
Benefit Payments, Including Refunds of Employee Contributions	(61,604)	(64,045)	(62,471)	(66,610)
Other (Net Transfer)	(20,779)	33,538	885	(2,114)
Net Change in Plan Fiduciary Net Position	56,389	110,086	(236,651)	151,749
Plan Fiduciary Net Position - Beginning	1,198,207	1,088,121	1,324,772	1,173,023
Plan Fiduciary Net Position - Ending (B)	$ 1,254,596	$ 1,198,207	$ 1,088,121	$ 1,324,772
Net Pension Liability/(Asset)- Ending (A) - (B)	($ 303,012)	($ 292,619)	($ 220,420)	($ 514,017)
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	131.84%	132.31%	125.40%	163.40%
Covered Valuation Payroll	311,606	290,690	208,166	223,217
Net Pension Liability/(Asset) as a Percentage of Covered Valuation Payroll	-97.24%	-100.66%	-105.89%	-230.28%

2020	2019	2018	2017	2016	2015
$ 24,311	$ 22,779	$ 10,504	$ 13,287	$ 11,856	$ 13,014
56,696	54,020	50,757	52,054	46,711	40,648
41,768	15,986	39,863	(3,258)	57,521	68,692
(12,600)	-	17,644	(24,594)	-	-
(58,105)	(55,163)	(57,966)	(48,821)	(42,301)	(39,569)
52,070	37,622	60,802	(11,332)	73,787	82,785
798,912	761,290	700,488	711,820	638,033	555,248
$ 850,982	$ 798,912	$ 761,290	$ 700,488	$ 711,820	$ 638,033
$ 1,989	$ 1,811	$ 1,431	$ 1,086	$ 945	$ 1,082
11,189	10,581	13,084	5,888	6,115	11,891
159,833	184,136	(68,683)	168,814	52,941	4,298
(58,105)	(55,163)	(57,966)	(48,821)	(42,301)	(39,569)
5,251	5,138	22,860	(20,962)	45,741	(24,340)
120,157	146,503	(89,274)	106,005	63,441	(46,638)
1,052,866	906,363	995,637	889,632	826,191	872,829
$ 1,173,023	$ 1,052,866	$ 906,363	$ 995,637	$ 889,632	$ 826,191
($ 322,041)	($ 253,954)	($ 145,073)	($ 295,149)	($ 177,812)	($ 188,158)
137.84%	131.79%	119.06%	142.13%	124.98%	129.49%
248,631	235,125	181,109	130,841	113,848	133,536
-129.53%	-108.01%	-80.10%	-225.58%	-156.18%	-140.90%

UNION SCHOOL DISTRICT 81

Other Information
Illinois Municipal Retirement Fund
Schedule of Employer Contributions
Last Ten Calendar Years

Calendar Year Ended December 31,	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Valuation Payroll	Actual Contribution as a Percentage of Covered Valuation Payroll
2024	$ 2,742	$ 2,742	$ -	$ 311,606	0.88%
2023	2,762	2,762	-	290,690	0.95%
2022	1,769	1,769	-	208,166	0.85%
2021	1,875	1,875	-	223,217	0.84%
2020	1,989	1,989	-	248,631	0.80%
2019	1,811	1,811	-	235,125	0.77%
2018	1,431	1,431	-	181,109	1.09%
2017	1,086	1,086	-	130,841	0.83%
2016	945	945	-	113,848	0.83%
2015	1,082	1,082	-	133,536	0.81%

Notes to Schedule:
Summary of Actuarial Methods and Assumptions Used in the Calculation of the 2024 Contribution Rate
Valuation Date:

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

Methods and Assumptions Used to Determine 2024 Contribution Rates

Actuarial Cost Method:	Aggregate Entry Age Normal
Amortization Method:	Level Percentage of Payroll, Closed
Remaining Amortization Period	19-year closed period.
Asset Valuation Method:	5-Year smoothed market; 20% corridor
Wage Growth:	2.75%
Price Inflation:	2.25%
Salary Increases:	2.75% to 13.75% including inflation
Investment Rate of Return:	7.25%
Retirement Age:	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2020 valuation pursuant to an experience study of the period 2017-2019.
Mortality:	For non-disabled retirees, 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, the 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, 2022 actuarial valuation

District Funds

Governmental Funds

Educational Fund – to account for most of the instructional and administrative aspects of the District's operations.

Operations and Maintenance Fund – to account for operations, repairs, and maintenance of District property.

Debt Service Fund – to account for the accumulation of resources for, and the payment of, general long-term debt, principal, interest, and related costs.

Transportation Fund – to account for activity relating to student transportation to and from school.

Municipal Retirement / Social Security Fund – to account for the District's portion of pension contributions to the Illinois Municipal Retirement Fund as well as FICA and Medicare for noncertified employees.

Working Cash Fund – to account for financial resources held by the District that may be temporarily loaned to other funds.

Tort Fund – to account for the District's risk financing activities

UNION SCHOOL DISTRICT 81

Educational Fund
Schedule of Receipts, Disbursements and
Changes in Fund Balance - Budget and Actual
For the Year Ended June 30, 2025

	Budget	Actual	Variance With Budget Positive (Negative)
RECEIPTS			
Local Sources			
Ad Valorem Taxes			
General Levy	$ 3,515,319	$ 3,512,025	($ 3,294)
Facility Leasing Levy	14,178	14,163	(15)
Special Education Levy	305,982	305,715	(267)
Payments in Lieu of Taxes			
Corporate Personal Property Replacement Tax	79,884	51,859	(28,025)
Earnings on Investments	-	46,528	46,528
Food Service			
Other	-	34,615	34,615
Pupil Activities			
Other	200	-	(200)
Textbooks			
Rentals - Regular Textbook	50	-	(50)
Student Activity Fund Revenue	-	1,660	1,660
Other Local Sources			
Donations from Private Sources	60,000	102,585	42,585
Other Revenue	15,000	122,224	107,224
Total Local Sources	3,990,613	4,191,374	200,761
State Sources			
Evidence Based Funding	-	140	140
State Free Lunch and Breakfast	1,500	1,543	43
Total State Sources	1,500	1,683	183
Federal Sources			
National School Lunch Program	67,000	84,879	17,879
School Breakfast Program	30,000	51,236	21,236
Title I - Low Income	41,740	42,390	650
Title IV - Safe And Drug Free Schools - Formula	2,360	4,036	1,676
Special Education - IDEA - Flow Through/Low Incidence	43,000	41,694	(1,306)
Special Education - IDEA Preschool	600	557	(43)
Title II Teacher Quality	2,406	2,456	50
Medicaid Matching - Administrative Outreach	5,700	10,083	4,383
Other Revenue From Federal Sources	35,434	27,762	(7,672)
Total Federal Sources	228,240	265,093	36,853
Intergovernmental: State On-Behalf of Payments	-	965,578	965,578
Total Receipts	4,220,353	5,423,728	1,203,375

(Continued)

UNION SCHOOL DISTRICT 81

Educational Fund
Schedule of Receipts, Disbursements and
Changes in Fund Balance - Budget and Actual
For the Year Ended June 30, 2025

	Budget	Actual	Variance With Budget Positive (Negative)
DISBURSEMENTS			
Instruction			
Regular Programs			
Salaries	$ 1,027,174	$ 1,057,601	($ 30,427)
Employee Benefits	144,034	115,295	28,739
Purchased Services	172,250	123,620	48,630
Supplies and Materials	203,000	171,475	31,525
Capital Outlay	55,000	-	55,000
Other Objects	8,000	4,433	3,567
Noncapitalized Equipment	30,000	17,300	12,700
Total Regular Programs	1,639,458	1,489,724	149,734
Special Education Programs			
Salaries	120,312	63,855	56,457
Employee Benefits	13,610	23,964	(10,354)
Total Special Education Programs	133,922	87,819	46,103
Remedial and Supplemental Programs K-12			
Salaries	133,719	132,485	1,234
Employee Benefits	15,994	17,244	(1,250)
Purchased Services	18,000	-	18,000
Supplies and Materials	250	-	250
Total Remedial and Supplemental Programs	167,963	149,729	18,234
Interscholastic Programs			
Salaries	150	-	150
Purchased Services	6,000	4,080	1,920
Supplies and Materials	7,500	6,917	583
Other Objects	2,000	640	1,360
Total Interscholastic Programs	15,650	11,637	4,013
Student Activity			
Other Objects	-	1,579	(1,579)
Total Student Activity	-	1,579	(1,579)
Total Instruction	1,956,993	1,740,488	216,505
Support Services			
Support Services - Pupil			
Attendance and Social Work Services			
Salaries	57,943	57,469	474
Employee Benefits	7,001	7,168	(167)
Total Social Work Services	64,944	64,637	307
Health Services			
Purchased Services	3,000	1,359	(1,641)
Supplies and Materials	18,750	129	18,621
Capital Outlay	4,000	1,560	2,440
Total Health Services	25,750	3,048	22,702
Psychological Services			
Salaries	21,351	13,644	7,707
Employee Benefits	6,461	7,221	(760)
Total Psychological Services	27,812	20,865	6,947

(Continued)

UNION SCHOOL DISTRICT 81

Educational Fund
Schedule of Receipts, Disbursements and
Changes in Fund Balance - Budget and Actual
For the Year Ended June 30, 2025

	Budget	Actual	Variance With Budget Positive (Negative)
Total Support Services - Pupil	$ 118,506	$ 88,550	$ 29,956
Support Services - Instructional Staff			
Improvement of Instruction Services			
Salaries	231,791	231,791	-
Employee Benefits	54,770	43,444	11,326
Purchased Services	38,000	22,250	15,750
Total Improvement of Instruction Services	324,561	297,485	27,076
Educational Media Services			
Salaries	24,479	25,213	(734)
Employee Benefits	3,977	3,828	149
Purchased Services	2,400	-	2,400
Supplies and Materials	7,000	6,047	953
Total Educational Media Services	37,856	35,088	2,768
Assessment and Testing			
Supplies and Materials	3,500	482	3,018
Total Assessment And Testing	3,500	482	3,018
Total Support Services - Instructional Staff	365,917	333,055	32,862
Support Services - General Administration			
Board of Education Services			
Purchased Services	151,000	28,624	122,376
Other Objects	50,000	46,619	3,381
Total Board of Education Services	201,000	75,243	125,757
Executive Administration Services			
Salaries	307,308	304,756	2,552
Employee Benefits	60,665	44,875	15,790
Purchased Services	20,000	1,616	18,384
Other Objects	3,100	-	3,100
Total Executive Administration Services	391,073	351,247	39,826
Special Area Administrative			
Salaries	38,678	38,888	(210
Employee Benefits	8,792	16,939	(8,147
Total Special Area Administrative	47,470	55,827	(8,357
Total Support Services - General Administration	639,543	482,317	157,226
Support Services - School Administration			
Office of the Principal Services			
Salaries	48,623	48,623	-
Employee Benefits	208	141	67
Total Support Services - School Administration	48,831	48,764	67

(Continued)

UNION SCHOOL DISTRICT 81

Educational Fund
Schedule of Receipts, Disbursements and
Changes in Fund Balance - Budget and Actual
For the Year Ended June 30, 2025

	Budget	Actual	Variance With Budget Positive (Negative)
Support Services - Business			
Fiscal Services			
Salaries	$ 69,600	$ 67,431	$ 2,169
Employee Benefits	110	60	50
Purchased Services	47,850	48,143	(293)
Supplies and Materials	3,350	1,695	1,655
Capital Outlay	500	-	500
Other Objects	4,250	569	3,681
Total Fiscal Services	125,660	117,898	7,762
Operation and Maintenance of Plant Services			
Purchased Services	35,000	25,475	9,525
Total Operation and Maintenance of Plant Services	35,000	25,475	9,525
Food Services			
Salaries	52,928	35,143	17,785
Employee Benefits	9,313	5,020	4,293
Purchased Services	175,000	141,731	33,269
Supplies and Materials	1,500	-	1,500
Total Food Services	238,741	181,894	56,847
Total Support Services - Business	399,401	325,267	74,134
Support Services - Central			
Data Processing Services			
Purchased Services	127,000	99,008	27,992
Supplies and Materials	21,000	17,785	3,215
Capital Outlay	37,000	4,264	32,736
Other Objects	1,000	-	1,000
Total Data Processing Services	186,000	121,057	64,943
Total Support Services - Central	186,000	121,057	64,943
Total Support Services	1,758,198	1,399,010	359,188
C mmunity Services			
Purchased Services	90,000	33,632	56,368
Supplies and Materials	10,000	5,125	4,875
Other Objects	874,000	867,395	6,605
Total Community Services	974,000	906,152	67,848
Payments to Other Governments			
Payments for Special Education Programs			
Other Objects	411,000	304,423	106,577

(Continued)

UNION SCHOOL DISTRICT 81

Educational Fund
Schedule of Receipts, Disbursements and
Changes in Fund Balance - Budget and Actual
For the Year Ended June 30, 2025

	Budget	Actual	Variance With Budget Positive (Negative)
Total Payments To Other Governments	$ 411,000	$ 304,423	$ 106,577
Intergovernmental: State On-Behalf Payments	-	965,578	(965,578)
Provision for Contingencies	30,000	-	30,000
Total Disbursements	5,130,191	5,315,651	(185,460)
Excess (Deficiency) of Receipts Over Disbursements	(909,838)	108,077	1,017,915
OTHER FINANCING (USES)			
Transfer to Other Funds	(1,518,293)	(650,000)	868,293
Net Change in Fund Balance	($ 2,428,131)	(541,923)	$ 1,886,208
Fund Balance, Beginning of Year		6,256,822	
Fund Balance, End of Year		$ 5,714,899	

UNION SCHOOL DISTRICT 81

Operations and Maintenance Fund
Schedule of Receipts, Disbursements and
Changes in Fund Balance - Budget and Actual
For the Year Ended June 30, 2025

	Budget	Actual	Variance With Budget Positive (Negative)
RECEIPTS			
Local Sources			
Ad Valorem Taxes			
General Levy	$ 797,892	$ 796,667	($ 1,225)
Earnings on Investments	140,000	140,224	224
Other Local Sources			
Contributions	169,000	1,296	(167,704)
Total Local Sources	1,106,892	938,187	(168,705)
State Sources			
General State Aid	130,829	130,919	90
Total State Sources	130,829	130,919	90
Total Receipts	1,237,721	1,069,106	(168,615)
DISBURSEMENTS			
Support Services			
Operation and Maintenance of Plant Services			
Salaries	41,073	53,687	(12,614)
Employee Benefits	5,694	5,416	278
Purchased Services	158,000	99,771	58,229
Supplies and Materials	105,000	73,013	31,987
Capital Outlay	1,666,000	1,399,794	266,206
Non-Capitalized Equipment	39,000	36,549	2,451
Total Support Services	2,014,767	1,668,230	346,537
Payments to Other Governments			
Special Ed Programs	-	31,200	(31,200)
Provision for Contingencies	20,000	-	20,000
Total Disbursements	2,034,767	1,699,430	335,337
Excess (Deficiency) of Receipts Over Disbursements	(797,046)	(630,324)	166,722
OTHER FINANCING SOURCES (USES)			
Transfer from Other Funds	1,462,971	650,000	(812,971)
Total Other Financing Sources (Uses)	1,462,971	650,000	812,971
Net Change in Fund Balance	$ 665,925	19,676	($ 646,249)
Fund Balance, Beginning of Year		76,796	
Fund Balance, End of Year		$ 96,472	

UNION SCHOOL DISTRICT 81

Debt Service Fund
Schedule of Receipts, Disbursements and
Changes in Fund Balance - Budget and Actual
For the Year Ended June 30, 2025

	Budget	Actual	Variance With Budget Positive (Negative)
RECEIPTS			
Local Sources			
Ad Valorem Taxes - General Levy	$ 382,613	$ 371,622	($ 10,991)
Earnings on Investments	-	66,313	66,313
Total Receipts	382,613	437,935	55,322
DISBURSEMENTS			
Debt Service			
Interest on Bonds and Debt Certificates	530,917	530,917	-
Principal on Bonds and Debt Certificates	164,083	164,083	-
Total Disbursements	695,000	695,000	-
Excess (Deficiency) of Receipts Over Disbursements	(312,387)	(257,065)	55,322
OTHER FINANCING SOURCES			
Transfer to Pay Principal on Debt Certificates	55,322	-	55,322
Total Other Financing Sources	55,322	-	55,322
Net Change in Fund Balance	($ 257,065)	(257,065)	$ -
Fund Balance, Beginning of Year		257,065	
Fund Balance, End of Year		$ -	

UNION SCHOOL DISTRICT 81

Transportation Fund
Schedule of Receipts, Disbursements and
Changes in Fund Balance - Budget and Actual
For the Year Ended June 30, 2025

	Budget	Actual	Variance With Budget Positive (Negative)
RECEIPTS			
Local Sources			
Ad Valorem Taxes - General Levy	$ 230,422	$ 230,507	$ 85
State Sources			
Transportation - Regular	20,000	36,010	16,010
Transportation - Special Education	15,000	17,711	2,711
Total State Sources	35,000	53,721	18,721
Total Receipts	265,422	284,228	18,806
DISBURSEMENTS			
Support Services			
Pupil Transportation Services			
Salaries	21,000	12,450	8,550
Purchased Services	300	-	300
Total Support Services	21,300	12,450	8,850
Payments to Other Districts and Governmental Units			
Regular Programs			
Purchased Services	197,000	150,299	46,701
Special Education Programs			
Purchased Services	106,200	73,497	32,703
Other Objects	-	358	(358)
Total Payments to Other Districts and Governmental Units	303,200	224,154	79,046
Total Disbursements	324,500	236,604	87,896
Excess (Deficiency) of Receipts Over Disbursements	(59,078)	47,624	106,702
Net Change in Fund Balance	($ 59,078)	47,624	$ 106,702
Fund Balance, Beginning of Year		92,982	
Fund Balance, End of Year		$ 140,606	

UNION SCHOOL DISTRICT 81

Municipal Retirement / Social Security Fund
Schedule of Receipts, Disbursements and
Changes in Fund Balance - Budget and Actual
For the Year Ended June 30, 2025

	Budget	Actual	Variance With Budget Positive (Negative)
RECEIPTS			
Local Sources			
Ad Valorem Taxes			
General Levy	$ 4,585	$ 4,594	$ 9
Social Security Levy	51,486	51,608	122
Payments in Lieu of Taxes			
Corporate Personal Property Replacement Tax	21,500	26,759	5,259
Total Receipts	77,571	82,961	5,390
DISBURSEMENTS			
Instruction - Employee Benefits			
Regular Programs	18,967	20,690	(1,723)
Special Education Programs	2,530	1,743	787
Remedial and Supplemental Programs K-12	9,375	7,229	2,146
Total Instruction	30,872	29,662	1,210
Support Services- Employee Benefits			
Attendance and Social Work Services	5,058	4,878	180
Psychological Services	320	198	122
Improvement of Instruction Services	14,018	12,724	1,294
Educational Media Services	2,137	366	1,771
Executive Administration Services	8,604	9,263	(659)
Special Area Administrative Services	1,160	1,128	32
Office of the Principal Services	1,980	1,920	60
Fiscal Services	7,245	5,122	2,123
Operation and Maintenance of Plant Services	5,246	5,422	(176)
Pupil Transportation Services	1,628	953	675
Food Services	4,931	3,076	1,855
Total Support Services	52,327	45,050	7,277
Total Disbursements	83,199	74,712	8,487
Excess (Deficiency) of Receipts Over Disbursements	(5,628)	8,249	(3,097)
Net Change in Fund Balance	($ 5,628)	8,249	($ 3,097)
Fund Balance, Beginning of Year		2,321	
Fund Balance, End of Year		$ 10,570	

UNION SCHOOL DISTRICT 81

Working Cash Fund
Schedule of Receipts and
Changes in Fund Balance - Budget and Actual
For the Year Ended June 30, 2025

	Budget	Actual	Variance With Budget Positive (Negative)
RECEIPTS			
Local Sources			
Ad Valorem Taxes			
General Levy	$ 73,701	$ 73,624	($ 77)
Total Receipts	73,701	73,624	(77)
OTHER FINANCING (USES)			
Total Other Financing (Uses)	$ -	$ -	-
Net Change in Fund Balance	$ 73,701	73,624	($ 77)
Fund Balance, Beginning of Year		533,901	
Fund Balance, End of Year		$ 607,525	

UNION SCHOOL DISTRICT 81

Tort Fund
Schedule of Receipts, Disbursements and
Changes in Fund Balance - Budget and Actual
For the Year Ended June 30, 2025

	Budget	Actual	Variance With Budget Positive (Negative)
RECEIPTS			
Local Sources			
Ad Valorem Taxes			
Tort Immunity Levy	$ 67,644	$ 67,569	($ 75)
Total Receipts	67,644	67,569	(75)
DISBURSEMENTS			
Support Services			
Workers Compensation Insurance Payments			
Purchased Services	15,750	13,025	2,725
Unemployment Insurance Payments			
Purchased Services	3,400	-	3,400
Educational, Inspectional, Supervisory Services Related to Loss Prevention or Reduction			
Purchased Services	18,000	8,964	9,036
Property Insurance			
Purchased Services	26,000	24,937	1,063
Vehicle Insurance			
Purchased Services	2,150	-	2,150
Total Disbursements	65,300	46,926	18,374
Excess (Deficiency) of Receipts Over Disbursements	2,344	20,643	(18,449)
Net Change in Fund Balance	$ 2,344	20,643	$ 18,299
Fund Balance, Beginning of Year		37,443	
Fund Balance, End of Year		$ 58,086	

UNION SCHOOL DISTRICT 81

Schedule of Assessed Valuations, Rates, Extensions, Collections and
Legal Debt Margin
Last Four Levy Years

	2024	2023	2022	2021
Assessed Valuation	$ 150,111,778	$ 145,716,432	$ 125,081,961	$ 118,698,006
Tax Rates Per $100 Of Assessed Valuation				
Educational	2.3928	2.3671	2.7570	2.4242
Operations and Maintenance	0.5329	0.5478	0.0789	0.3664
Transportation	0.1633	0.1485	0.0947	0.0674
Municipal Retirement	0.0034	0.0028	0.0001	0.0057
Social Security	0.0387	0.0309	0.0004	0.0473
Working Cash	0.0500	0.0498	0.0434	0.0415
Special Education	0.2087	0.2056	0.1980	0.2020
Tort Immunity	0.0458	0.0458	0.0379	0.0271
Leasing	0.0096	0.0096	0.0092	0.0085
Bond and Interest	-	0.4770	0.5416	0.5724
Prior Year Adjustment	0.0020	0.0492	0.0013	-
	3.4472	3.9341	3.7625	3.7625
Tax Extensions				
Educational	$ 3,591,875	$ 3,449,254	$ 3,448,510	$ 2,877,477
Operations and Maintenance	799,946	798,235	98,690	434,909
Transportation	245,133	216,389	118,453	80,002
Municipal Retirement	5,104	4,080	125	6,766
Social Security	58,093	45,026	500	56,144
Working Cash	75,056	72,567	54,286	49,260
Special Education	313,283	299,593	247,662	239,770
Tort Immunity	68,751	66,738	47,406	32,167
Leasing	14,411	13,989	11,507	10,089
Bond and Interest	-	695,067	677,444	679,428
Prior Year Adjustment	3,002	71,692	1,626	-
	$ 5,174,654	$ 5,732,630	$ 4,706,209	$ 4,466,012
Total Collections Through June 30, 2025	$ 2,661,233	$ 5,730,199	$ 4,699,897	$ 4,536,022
Percentage of Extensions Collected	51.43%	99.96%	99.87%	101.57%
Legal Debt Margin				
Debt Limit 6.9% of Assessed Valuation	$ 10,357,713	$ 10,054,434	$ 8,630,655	$ 8,190,162
Less Bonded Indebtedness	-	164,083	824,083	1,449,083
Legal Debt Margin	$ 10,357,713	$ 9,890,351	$ 7,806,572	$ 6,741,079

* Collections may exceed 100% due to penalties and interest

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Appendix C

Form of Continuing Disclosure Undertaking

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 School District Number 81, Will County, Illinois (the *"District"*), in connection with the issuance of $_____ General Obligation Debt Certificates (Limited Tax), Series 2026 (the *"Certificates"*). The Certificates are being issued pursuant to a resolution adopted by the Board of Education of the District on the 21st day of October, 2026, as supplemented by a notification of sale (together, the *"Resolution"*).

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

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

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

Annual Financial Information means information of the type contained under the following headings and subheadings of the Official Statement:

THE DISTRICT
    Enrollments
FINANCIAL INFORMATION
    Trend of EAV
    Tax Rates
    Tax Extensions and Collections
    Summary of Outstanding Debt
    Debt Repayment Schedule
    Debt Statement (with respect to the District's debt only)
    Debt Ratios (with respect to the District's debt only)
SUMMARY OF OPERATING RESULTS
    General Fund Revenue Sources
    Summary of Operating Funds and Debt Service Fund
    On-Behalf Payments Summary (table only)
    Budget Summary
SCHOOL DISTRICT FINANCIAL PROFILE (last paragraph only)

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

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

Commission means the Securities and Exchange Commission.

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

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

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

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

MSRB means the Municipal Securities Rulemaking Board.

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

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

Reportable Event means the occurrence of any of the Events with respect to the Certificates 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 Certificates are set forth in *Exhibit III*. All filings required under this Agreement will be filed on EMMA under these CUSIP Numbers. If the Certificates 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 Certificates as a result of such refunding, to the extent the District remains legally liable for the payment of such Certificates. The District will not make any filings pursuant to this Agreement under new CUSIP Numbers assigned to any of the Certificates after the date hereof for any reason other than a refunding, as described in the previous sentence, including, but not limited to, new CUSIP Numbers assigned to the Certificates as a result of a holder of the Certificates obtaining a bond insurance policy or other credit enhancement with respect to some or all of the outstanding Certificates in the secondary market.

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

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

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

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

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

In the event of a failure of the District to comply with any provision of this Agreement, the beneficial owner of any Certificate may seek mandamus or specific performance by court order, to cause the District to comply with its obligations under this Agreement. A default under this Agreement shall not be deemed a default under the Resolution, and the sole remedy under this Agreement in the event of any failure of the District to comply with this Agreement shall be an action to compel performance.

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

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

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

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

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

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

9. FUTURE CHANGES TO THE RULE. As set forth in Section 1 of this Agreement, the District has executed and delivered this Agreement solely and only to assist the Participating Underwriters in complying with the requirements of the Rule. Therefore, notwithstanding anything in this Agreement to the contrary, in the event the Commission, the MSRB or other regulatory authority shall approve or require changes to the requirements of the Rule, the District shall be permitted, but shall not be required, to unilaterally modify the covenants in this Agreement, without complying with the requirements of Section 7 of this Agreement, in order to

comply with, or conform to, such changes. In the event of any such modification of this Agreement, the District shall file a copy of this Agreement, as revised, on EMMA in a timely manner.

10. DISSEMINATION AGENT. The District may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Agreement, and may discharge any such Dissemination Agent, with or without appointing a successor Dissemination Agent.

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

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

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

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

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

SCHOOL DISTRICT NUMBER 81,
WILL COUNTY, ILLINOIS

By _____
President, Board of Education

Date: _____, 2026

EXHIBIT I
ANNUAL FINANCIAL INFORMATION AND TIMING AND AUDITED FINANCIAL STATEMENTS

All or a portion of the Annual Financial Information and the Audited Financial Statements as set forth below may be included by reference to other documents which have been submitted to EMMA or filed with the Commission. If the information included by reference is contained in 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.

Annual Financial Information exclusive of Audited Financial Statements will be submitted to EMMA by 270 days after the last day of the District's fiscal year (currently June 30), beginning with the fiscal year ended June 30, 2026. Audited Financial Statements as described below should be filed at the same time as the Annual Financial Information. If Audited Financial Statements are not available when the Annual Financial Information is filed, Audited Financial Statements will be submitted to EMMA within 30 days after availability to the District.

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

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

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

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

YEAR OF MATURITY	CUSIP NUMBER (968759)

Appendix D

Specimen Municipal Bond Insurance Policy

ASSURED GUARANTY®

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.

SPECIMEN

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

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