PRELIMINARY OFFICIAL STATEMENT DATED JULY 24, 2026

NEW ISSUE
BOOK-ENTRY ONLY

S&P Rating: "AA+" (Stable Outlook)
See "BOND RATING" herein.

*In the opinion of Gilmore & Bell, P.C., Bond Counsel to the City, under existing law and assuming continued compliance with certain requirements of the Internal Revenue Code of 1986, as amended (the **"Code"**), the interest on the Bonds (including any original issue discount properly allocable to an owner thereof) is excludable from gross income for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax. The interest on the Bonds is not exempt from present State of Illinois income taxes. The Bonds have not been designated as "qualified tax-exempt obligations" within the meaning of Section 265(b)(3) of the Code. Bond Counsel notes that interest on the Bonds may be included in adjusted financial statement income of applicable corporations for purposes of determining the applicability and amount of the federal corporate alternative minimum tax. See "**TAX MATTERS**" in this Official Statement.*

$16,940,000*
CITY OF COLUMBIA, MONROE AND ST. CLAIR COUNTIES, ILLINOIS
GENERAL OBLIGATION BONDS (ALTERNATE REVENUE SOURCE) SERIES 2026

Dated: Date of Delivery **Due: December 1, as shown on the inside cover**

The General Obligation Bonds (Alternate Revenue Source), Series 2026 (the **"Bonds"**) will be issued by the City of Columbia, Monroe and St. Clair Counties, Illinois (the **"City"**) for the purposes of providing funds to pay costs of (1) the Project (as defined herein) and (2) issuing the Bonds. The Bonds will be issued as fully-registered bonds in the denomination of $5,000 or any integral multiple thereof.

Principal will be payable annually on December 1 as shown on the inside cover, and semiannual interest will be payable on June 1 and December 1, beginning on December 1, 2026.

The Bonds are subject to redemption prior to maturity as described herein.

The Bonds are valid and legally binding upon the City and are payable from any funds of the City legally available for such purpose, and all taxable property in the City is subject to the levy of taxes to pay the same without limitation as to rate or amount.

The Bonds are offered when, as and if issued by the City and accepted by the Underwriter, subject to the approval of validity by Gilmore & Bell, P.C., Edwardsville, Illinois, Bond Counsel to the City, and subject to certain other conditions. Bond Counsel will also pass on certain matters relating to this Official Statement. It is expected that the Bonds will be available for delivery through the facilities of The Depository Trust Company in New York, New York on or about August 17, 2026.

STIFEL

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

* Preliminary; subject to change.

$16,940,000*
CITY OF COLUMBIA,
MONROE AND ST. CLAIR COUNTIES, ILLINOIS
GENERAL OBLIGATION BONDS
(ALTERNATE REVENUE SOURCE)
SERIES 2026

MATURITY SCHEDULE*
Base CUSIP: _______

SERIAL BONDS

Due (December 1)	Principal Amount	Interest Rate	Price	CUSIP
2027	$ 120,000	%	%	
2028	295,000			
2029	310,000			
2030	605,000			
2031	635,000			
2032	670,000			
2033	705,000			
2034	740,000			
2035	780,000			
2036	820,000			
2037	860,000			
2038	905,000			
2039	955,000			
2040	1,050,000			
2041	1,100,000			
2042	1,155,000			
2043	1,215,000			
2044	1,275,000			
2045	1,340,000			
2046	1,405,000			

* Preliminary; subject to change.

CITY OF COLUMBIA,
MONROE AND ST. CLAIR COUNTIES, ILLINOIS

208 S. Rapp Avenue
Columbia, Illinois 62236
(618) 281-7144

ELECTED OFFICIALS

Bob Hill, *Mayor*
Derek Reichert, *City Clerk*
Paul Khoury, *Alderman*
Steve Holtkamp, *Alderman*
Jeff Huch, *Alderman*
Jason Mayer, *Alderman*
Jay Riddle, *Alderman*
Michael Lawlor, *Alderman*
Lauren Nobbe, *Alderman*
Andrew Hitzemann, *Alderman*

CITY ADMINISTRATION

Douglas Brimm, *City Administrator*
Linda Sharp, *City Treasurer*
Kelly Mathews, *Deputy City Clerk*
Kristen Schaefer*, Accounting Manager*

CITY'S COUNSEL

Bruckert, Behme & Long, P.C.
O'Fallon, Illinois

BOND AND DISCLOSURE COUNSEL

Gilmore & Bell, P.C.
Edwardsville, Illinois

UNDERWRITER

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

REGARDING USE OF THIS OFFICIAL STATEMENT

The information set forth herein has been obtained from the City and other sources which are deemed to be reliable, but is not guaranteed as to accuracy or completeness by, and is not to be construed as a representation by, the City. 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.

No dealer, broker, salesman or other person has been authorized by the City or the Underwriter to give any information or to make any representations with respect to the Bonds offered hereby other than those contained in this Official Statement, and, if given or made, such other information or representations must not be relied upon as having been authorized by any of the foregoing. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the Bonds offered hereby by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale. The information set forth herein has been furnished by the City and other sources which are believed to be reliable, but such information is not guaranteed as to accuracy or completeness and is not to be construed as a representation by the Underwriter. The information and expressions of opinion 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 City since the date hereof.

The Bonds have not been registered with the Securities and Exchange Commission under the Securities Act of 1933, as amended, or under any state securities or "Blue Sky" laws. The Bonds are offered pursuant to an exemption from registration with the Securities and Exchange Commission.

CAUTIONARY STATEMENTS REGARDING FORWARD-LOOKING STATEMENTS IN THIS OFFICIAL STATEMENT

Certain statements included in or incorporated by reference in this Official Statement that are not purely historical are "forward-looking statements" within the meaning of the United States Private Securities Litigation Reform Act of 1995, Section 21E of the United States Securities Exchange Act of 1934, as amended, and Section 27A of the United States Securities Act of 1933, as amended, and reflect the City's current expectations, hopes, intentions, or strategies regarding the future. Such statements may be identifiable by the terminology used such as "plan," "expect," "estimate," "budget," "intend" or other similar words.

THE ACHIEVEMENT OF CERTAIN RESULTS OR OTHER EXPECTATIONS CONTAINED IN SUCH FORWARD-LOOKING STATEMENTS INVOLVE KNOWN AND UNKNOWN RISKS, UNCERTAINTIES AND OTHER FACTORS WHICH MAY CAUSE ACTUAL RESULTS, PERFORMANCE OR ACHIEVEMENTS DESCRIBED TO BE MATERIALLY DIFFERENT FROM ANY FUTURE RESULTS, PERFORMANCE OR ACHIEVEMENTS EXPRESSED OR IMPLIED BY SUCH FORWARD-LOOKING STATEMENTS. INCLUDED IN SUCH RISKS AND UNCERTAINTIES ARE (i) THOSE RELATING TO THE POSSIBLE INVALIDITY OF THE UNDERLYING ASSUMPTIONS AND ESTIMATES, (ii) POSSIBLE CHANGES OR DEVELOPMENTS IN SOCIAL, ECONOMIC, BUSINESS, INDUSTRY, MARKET, LEGAL AND REGULATORY CIRCUMSTANCES, AND (iii) CONDITIONS AND ACTIONS TAKEN OR OMITTED TO BE TAKEN BY THIRD PARTIES, INCLUDING CUSTOMERS, SUPPLIERS, BUSINESS PARTNERS AND COMPETITORS, AND LEGISLATIVE, JUDICIAL AND OTHER GOVERNMENTAL AUTHORITIES AND OFFICIALS. ASSUMPTIONS RELATED TO THE FOREGOING INVOLVE JUDGMENTS WITH RESPECT TO, AMONG OTHER THINGS, FUTURE ECONOMIC, COMPETITIVE, AND MARKET CONDITIONS AND FUTURE BUSINESS DECISIONS, ALL OF WHICH ARE DIFFICULT OR IMPOSSIBLE TO PREDICT ACCURATELY. FOR THESE REASONS, THERE CAN BE NO ASSURANCE THAT THE FORWARD-LOOKING STATEMENTS INCLUDED IN THIS OFFICIAL STATEMENT WILL PROVE TO BE ACCURATE.

UNDUE RELIANCE SHOULD NOT BE PLACED ON FORWARD-LOOKING STATEMENTS. ALL FORWARD-LOOKING STATEMENTS INCLUDED IN THIS OFFICIAL STATEMENT ARE BASED ON INFORMATION AVAILABLE TO THE CITY ON THE DATE HEREOF, AND THE CITY ASSUMES NO OBLIGATION TO UPDATE ANY SUCH FORWARD-LOOKING STATEMENTS IF OR WHEN ITS EXPECTATIONS OR EVENTS, CONDITIONS OR CIRCUMSTANCES ON WHICH SUCH STATEMENTS ARE BASED OCCUR OR FAIL TO OCCUR, OTHER THAN AS DESCRIBED IN APPENDIX C TO THIS OFFICIAL STATEMENT "FORM OF CONTINUING DISCLOSURE UNDERTAKING."

TABLE OF CONTENTS

OFFICIAL STATEMENT

**$16,940,000*
CITY OF COLUMBIA,
MONROE AND ST. CLAIR COUNTIES, ILLINOIS
GENERAL OBLIGATION BONDS
(ALTERNATE REVENUE SOURCE)
SERIES 2026**

INTRODUCTION

This introduction is only a brief description and summary of certain information contained in this Official Statement and is qualified in its entirety by reference to the more complete and detailed information contained in the entire Official Statement, including the appendices hereto, and the documents summarized or described herein. Capitalized words and terms not defined in this Official Statement shall have the meanings as defined in the Bond Ordinance. A full review should be made of the entire Official Statement.

Purpose of the Official Statement

The purpose of this Official Statement is to furnish information relating to the City of Columbia, Monroe and St. Clair Counties, Illinois (the **"City"**) and the City's General Obligation Bonds (Alternate Revenue Source), Series 2026 (the **"Bonds"**), to be issued in the aggregate principal amount of $16,940,000*.

The City

The City is a municipality organized and existing under the laws of the State of Illinois (the **"State"**), including the Illinois Municipal Code (the **"Municipal Code"**). The City, which is located in Monroe and St. Clair Counties, Illinois (the **"Counties"**), covers approximately 10.6 square miles and is approximately 12 miles southeast of St. Louis, Missouri. See **"*Appendix A*: GENERAL, ECONOMIC AND FINANCIAL INFORMATION REGARDING THE CITY."**

Authorization of the Bonds

The Bonds are being issued pursuant to and in full compliance with the Constitution and laws of the State of Illinois (the **"State"**), including the Municipal Code and the Local Government Debt Reform Act of the State (the **"Debt Reform Act"**). The issuance and sale of the Bonds are authorized by an ordinance expected to be adopted by the City Council of the City on August 3, 2026 (the **"Bond Ordinance"**).

Purpose of the Bonds

The proceeds of the Bonds will be used to (1) acquire, construct, equip and furnish a new municipal complex and construct roadway and park improvements (the **"Project"**), including refinancing a Promissory Note dated February 6, 2026 from the City to the Bank of Belleville issued in the original principal amount of $6,900,000 to pay certain costs of the Project (the **"Refunded Note"**) and (2) pay costs of issuing the Bonds. See the section herein captioned **"PLAN OF FINANCING."**

Security and Source of Payment

The Bonds will constitute "alternate bonds" under the Debt Reform Act, being general obligation bonds of the City payable from (a) all collections distributed to the City from those taxes imposed by the State of

* Preliminary; subject to change.

Illinois pursuant to the Use Tax Act, the Service Use Tax Act, the Service Occupation Tax Act, and the Retailers' Occupation Tax Act, each as supplemented and amended from time to time, or substitute taxes therefor as provided by the State of Illinois in the future (the **"Sales Taxes"** or **"Pledged Revenues"**). To the extent the Pledged Revenues are insufficient or not timely received, the Bonds will be paid from ad valorem property taxes levied upon all taxable property in the City without limitation as to rate or amount (the **"Pledged Taxes"**), except that the rights of the owners of the Bonds and the enforceability of the Bonds may be limited by bankruptcy, insolvency, moratorium and other similar laws affecting creditors' rights and by equitable principles, whether considered at law or in equity, including the exercise of judicial discretion. See the caption **"THE BONDS – Security for the Bonds"** herein.

Financial Statements

The audited financial statements of the City for the fiscal year ended April 30, 2025, are included in ***Appendix B*** to this Official Statement. These financial statements have been audited by Schmersahl Treloar & Co., independent certified public accountants, to the extent and for the periods indicated in the independent auditor's report which is also included in ***Appendix B*** hereto.

Continuing Disclosure Information

The City will enter into a Continuing Disclosure Undertaking dated as of August 1, 2026 (the **"Continuing Disclosure Undertaking"**) to provide certain financial information and operating data relating to the City and to provide notices of the occurrence of certain enumerated events. The financial information, operating data and notice of events will be filed in compliance with Rule 15c2-12 promulgated by the Securities and Exchange Commission. See the section herein captioned **"CONTINUING DISCLOSURE UNDERTAKING."**

THE BONDS

The following is a summary of certain terms and provisions of the Bonds. Reference is hereby made to the Bonds and the Bond Ordinance for the detailed terms and provisions thereof.

General Description

The Bonds will be issued in the principal amount of $16,940,000*, will be dated the date of original issue and delivery, and will consist of fully-registered bonds in the denomination of $5,000 or any integral multiple thereof. The Bonds will mature on December 1 in the years and in the principal amounts set forth on the inside cover page of this Official Statement. Interest on the Bonds will be payable semiannually on June 1 and December 1 in each year, beginning on December 1, 2026 (each an **"Interest Payment Date"**).

The principal or Redemption Price (defined herein) of each Bond shall be paid at maturity by check, electronic transfer or draft to the Person in whose name such Bond is registered (the **"Registered Owner"**) on the books for the registration, transfer and exchange of Bonds (the **"Bond Register"**) kept at the office of BOKF, N.A., St. Louis, Missouri (the **"Paying Agent"**) at the maturity thereof, upon presentation and surrender of such Bond at the principal payment office designated by Paying Agent.

The interest payable on each Bond on any Interest Payment Date shall be paid to the Registered Owner of such Bond as shown on the Bond Register at the close of business on the 15th day (whether or not a Business Day) of the calendar month next preceding such Interest Payment Date (the **"Record Date"**) for such interest by (1) check or draft mailed by the Paying Agent to the address of such Registered Owner shown on the Bond Register or such other address furnished to the Paying Agent in writing by such Registered Owner or

* Preliminary; subject to change.

(2) electronic transfer to such Registered Owner upon written notice given to the Paying Agent not less than 15 days prior to the Record Date for such interest and signed by such Registered Owner, containing the electronic transfer instructions including the bank, the bank's ABA routing number and account number to which such Registered Owner wishes to have such transfer directed.

Book-Entry Only System

General. The Bonds are available in book-entry only form. Purchasers of the Bonds will not receive certificates representing their interests in the Bonds. Ownership interests in the Bonds will be available to purchasers only through a book-entry system (the **"Book-Entry System"**) maintained by The Depository Trust Company (**"DTC"**), New York, New York.

The following information concerning DTC and DTC's book-entry system has been obtained from DTC. The City takes no responsibility for the accuracy or completeness thereof and neither the Indirect Participants nor the Beneficial Owners should rely on the following information with respect to such matters, but should instead confirm the same with DTC or the Direct Participants, as the case may be. There can be no assurance that DTC will abide by its procedures or that such procedures will not be changed from time to time.

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

DTC and its Participants. 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. 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 a Standard & Poor's rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

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

Owners. Beneficial Owners will not receive certificates representing their ownership interests in the Bonds, except in the event that use of the book-entry system for the Bonds is discontinued.

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

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

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

Voting. Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Bonds unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the City 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 Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Payments of Principal, Redemption Price and Interest. Payment of principal or Redemption Price of and interest on the Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the City or the Paying Agent, on the payment 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 Paying Agent or City, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal or Redemption Price of and interest on the Bonds to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the City or Paying Agent, 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.

Discontinuation of Book-Entry System. DTC may discontinue providing its services as securities depository with respect to the Bonds at any time by giving reasonable notice to the City or the Paying Agent. Under such circumstances, in the event that a successor depository is not obtained, Bond certificates are required to be printed and delivered.

Redemption Provisions

At the option of the City, the Bonds or portions thereof maturing on December 1, 20__ and thereafter may be called for redemption and payment prior to their Stated Maturity on December 1, 20__ and thereafter, as a whole or in part at any time at the Redemption Price of 100% of the principal amount thereof plus accrued interest thereon to the Redemption Date (as defined herein).

Selection of Bonds to be Redeemed

Bonds shall be redeemed only in the principal amount of $5,000 or any integral multiple thereof. When less than all of the Outstanding Bonds are to be redeemed, such Bonds shall be redeemed in such order of their Stated Maturities as shall be determined by the City, and Bonds of less than a full Stated Maturity shall be selected by the Paying Agent in $5,000 units of principal amount by lot or in such other equitable manner as the Paying Agent may determine.

In the case of a partial redemption of Bonds, when Bonds of denominations greater than $5,000 are then Outstanding, then for all purposes in connection with such redemption, each $5,000 of face value shall be treated as though it were a separate Bond of the denomination of $5,000. If it is determined that one or more, but not all, of the $5,000 units of face value represented by any Bond are selected for redemption, then upon notice of intention to redeem such $5,000 unit or units, the Registered Owner of such Bond or the Registered Owner's duly authorized agent shall present and surrender such Bond to the Paying Agent (a) for payment of the price which such Bonds are to be redeemed (the **"Redemption Price"**) and interest to the date fixed for redemption (the **"Redemption Date"**) of such $5,000 unit or units of face value called for redemption, and (b) for exchange, without charge to the Registered Owner thereof, for a new Bond or Bonds of the aggregate principal amount of the unredeemed portion of the principal amount of such Bond. If the Registered Owner of any such Bond fails to present such Bond to the Paying Agent for payment and exchange as aforesaid, such Bond shall, nevertheless, become due and payable on the Redemption Date to the extent of the $5,000 unit or units of face value called for redemption (and to that extent only).

Notice of Redemption

Unless waived by any Registered Owner of Bonds to be redeemed, official notice of any redemption shall be given by the Paying Agent on the City's behalf by mailing a copy of an official redemption notice by first class mail at least 30 days but not more than 60 days prior to the Redemption Date to each Registered Owner of the Bond or Bonds to be redeemed at the address shown on the Bond Register.

With respect to optional redemptions, such notice may be conditioned upon moneys being on deposit with the Paying Agent on or prior to the Redemption Date in an amount sufficient to pay the Redemption Price on the Redemption Date. If such notice is conditional and either the Paying Agent receives written notice from the City that moneys sufficient to pay the Redemption Price will not be on deposit on the Redemption Date, or such moneys are not received on the Redemption Date, then such notice shall be of no force and effect, the Paying Agent shall not redeem such Bonds and the Paying Agent shall give notice, in the same manner in which the notice of redemption was given, that such moneys were not or will not be so received and that such Bonds will not be redeemed.

So long as DTC is effecting book-entry transfers of the Bonds, the Paying Agent shall provide the notices specified in the Bond Ordinance to DTC. It is expected that DTC will, in turn, notify its Participants and that the Participants, in turn, will notify or cause to be notified the Beneficial Owners. Any failure on the part of DTC or a Participant, or failure on the part of a nominee of a Beneficial Owner of a Bond (having been mailed notice from the Paying Agent, a Participant or otherwise) to notify the Beneficial Owner of the Bond so affected, will not affect the validity of the redemption of such Bond.

Effect of Call for Redemption

Official notice of redemption having been given as aforesaid, the Bonds or portions of Bonds to be redeemed shall become due and payable on the Redemption Date, at the Redemption Price therein specified, and from and after the Redemption Date (unless the City defaults in the payment of the Redemption Price) such Bonds or portion of Bonds shall cease to bear interest. Upon surrender of such Bonds for redemption in accordance with such notice, the Redemption Price of such Bonds shall be paid by the Paying Agent. Installments of interest due on or prior to the Redemption Date shall be payable as provided in the Bond Ordinance for payment of interest. Upon surrender for any partial redemption of any Bond, the Paying Agent shall prepare for the Registered Owner a new Bond or Bonds of the same Stated Maturity in the amount of the unpaid principal as provided in the Bond Ordinance. All Bonds that have been surrendered for redemption shall be canceled and destroyed by the Paying Agent as provided in the Bond Ordinance and shall not be reissued.

The failure of any Registered Owner to receive the foregoing notice or any defect therein shall not invalidate the effectiveness of the call for redemption.

Registration, Transfer and Exchange of Bonds

The City will cause the Bond Register to be kept at the principal corporate trust office of the Paying Agent or such other office designated by the Paying Agent for the registration, transfer and exchange of the Bonds as provided in the Bond Ordinance. Upon surrender of any Bond at the principal corporate trust office of the Paying Agent or such other office designated by the Paying Agent, the Paying Agent shall transfer or exchange such Bond for a new Bond or Bonds in any authorized denomination of the same Stated Maturity and in the same aggregate principal amount as the Bond that was presented for transfer or exchange. Bonds presented for transfer or exchange shall be accompanied by a written instrument or instruments of transfer or authorization for exchange, in a form and with guarantee of signature satisfactory to the Paying Agent, duly executed by the Registered Owner thereof or by the Registered Owner's duly authorized agent.

In all cases in which the privilege of transferring or exchanging Bonds is exercised, the Paying Agent shall authenticate and deliver Bonds in accordance with the provisions of the Bond Ordinance. The City shall pay the fees and expenses of the Paying Agent for the registration, transfer and exchange of Bonds provided for by the Bond Ordinance and the cost of printing a reasonable supply of registered bond blanks. Any additional costs or fees that might be incurred in the secondary market, other than fees of the Paying Agent, are the responsibility of the Registered Owners of the Bonds. If any Registered Owner fails to provide a correct taxpayer identification number to the Paying Agent, the Paying Agent may make a charge against such Registered Owner sufficient to pay any governmental charge required to be paid as a result of such failure.

The City and the Paying Agent shall not be required to (i) register the transfer or exchange of any Bond that has been called for redemption after notice of such redemption has been mailed by the Paying Agent in accordance with the Bond Ordinance and during the period of 15 days next preceding the date of mailing of such notice of redemption, or (ii) register the transfer or exchange of any Bond during a period beginning at the opening of business on the day after receiving written notice from the City of its intent to pay Defaulted Interest and ending at the close of business on the date fixed for the payment of Defaulted Interest pursuant to the Bond Ordinance.

Security for the Bonds

The Bonds will constitute "alternate bonds" under the Debt Reform Act, being general obligation bonds of the City payable from (a) all collections distributed to the City from those taxes imposed by the State of Illinois pursuant to the Use Tax Act, the Service Use Tax Act, the Service Occupation Tax Act, and the Retailers' Occupation Tax Act, each as supplemented and amended from time to time, or substitute taxes therefor as provided by the State of Illinois in the future (the **"Sales Taxes"** or **"Pledged Revenues"**). To the extent the Pledged Revenues are insufficient or not timely received, the Bonds will be paid from ad valorem property taxes levied upon all taxable property in the City without limitation as to rate or amount (the **"Pledged Taxes"**), except that the rights of the owners of the Bonds and the enforceability of the Bonds may be limited by bankruptcy, insolvency, moratorium and other similar laws affecting creditors' rights and by equitable principles, whether considered at law or in equity, including the exercise of judicial discretion. No Pledged Taxes will be levied for interest due on the Bonds on December 1, 2026 and June 1, 2027, and such interest is expected to be paid from the Pledged Revenues.

General Provisions Regarding the Bonds

For the purpose of providing funds required to pay the interest on the Bonds promptly when and as the same falls due, and to pay and discharge the principal thereof at maturity, the City covenants and agrees with the Registered Owners of the Bonds that the City will deposit the Pledged Revenues into the Pledged Revenues Account of the Debt Service Fund, in the manner set forth in the Bond Ordinance. The Pledged Revenues are pledged to the payment of the Bonds and the City Council covenants and agrees to provide for, budget, collect and apply the Pledged Revenues to the payment of the Bonds and the provision of not less than an additional .25 times debt service.

The City covenants and agrees with the Registered Owners of the Bonds that so long as any of the Bonds remain outstanding, the City will take no action or fail to take any action which in any way would adversely affect the ability of the City to collect the Pledged Revenues or to levy and collect the Pledged Taxes, other than as described under the section herein captioned ***"—Abatement of Pledged Taxes"*** below. The City and its officers will comply with all present and future applicable laws in order to assure that the Pledged Revenues will be available and that the Pledged Taxes will be levied, extended and collected as provided in the Bond Ordinance and deposited in the Debt Service Fund, other than as described under ***"—Abatement of Pledged Taxes"*** below.

Debt Service Fund. The Bond Ordinance establishes the Debt Service Fund, consisting of a Pledged Revenues Account and a Pledged Taxes Account. All Pledged Revenues to be applied to the payment of the Bonds will be deposited to the credit of the Pledged Revenues Account of the Debt Service Fund. All Pledged Taxes will be deposited to the credit of the Pledged Taxes Account. The Pledged Taxes on deposit to the credit of the Pledged Taxes Account will be fully spent to pay the principal of and interest on the Bonds prior to use of any moneys on deposit in the Pledged Revenues Account.

Filing with County Clerks. The Bond Ordinance provides for the levy of Pledged Taxes in amounts sufficient to pay, as and when due, all principal of and interest on the Bonds, beginning with the December 1, 2027 payment. The Bond Ordinance will be filed with the County Clerks of the Counties and will serve as authorization to such County Clerks to extend and collect the Pledged Taxes as set forth in the Bond Ordinance to pay Bonds (however, see ***"—Abatement of Pledged Taxes"*** herein). No Pledged Taxes will be levied for interest due on the Bonds on December 1, 2026 and June 1, 2027, and such interest is expected to be paid from the Pledged Revenues.

Abatement of Pledged Taxes. Whenever Pledged Revenues or other lawfully available funds are available to pay principal of and interest on the Bonds when due so as to enable the abatement of the Pledged Taxes levied for the same, the City shall direct the deposit of such Pledged Revenues and/or such other funds into the Pledged Revenues Account of the Debt Service Fund, and the City shall direct the abatement of such Pledged Taxes by the amount of such deposit, and proper notification of such abatement shall be filed with the County Clerks in a timely manner to effect such abatement.

Additional Bonds. The City is authorized to issue from time to time additional bonds payable from the Pledged Revenues as permitted by law and such additional bonds may share ratably and equally in the Pledged Revenues with the Bonds; *provided, however,* that no such additional bonds shall be issued except in accordance with the provisions of the Debt Reform Act.

Treatment of Bonds as Debt. The Bonds will be payable from the Pledged Taxes and will not constitute an indebtedness of the City within the meaning of any constitutional or statutory limitation, unless the Pledged Taxes will have been extended pursuant to the general obligation, full faith and credit promise supporting the Bonds, in which case the amount of the outstanding Bonds will be included in the computation of indebtedness of the City for purposes of all statutory provisions or limitations until such time as an audit of the City shows that the Bonds have been paid from the Pledged Revenues for a complete fiscal year, in accordance with the Debt Reform Act.

Highlights of Alternate Bonds. Section 15 of the Debt Reform Act provides that whenever there exists for a governmental unit (such as the City) a revenue source, the governmental unit may issue its general obligation bonds payable from any revenue source, and such general obligation bonds may be referred to as "alternate bonds." Such bonds are general obligation debt payable from the pledged revenues with the general obligation of the governmental unit as back-up security.

The Debt Reform Act prescribes several conditions that must be met before alternate bonds payable from a revenue source may be issued:

> First, alternate bonds must be issued for a lawful corporate purpose. If issued payable from a revenue source, which revenue source is limited in its purposes or applications, then the alternate bonds can only be issued for such limited purposes or applications.
>
> Second, the question of issuance must be submitted to referendum if, within the time provided by law following publication of an authorizing resolution and notice of intent to issue alternate bonds, a petition signed by the requisite number of registered voters in the governmental unit is filed.
>
> Third, an issuer must demonstrate that the pledged revenues are sufficient in each year to provide an amount not less than 1.25 times debt service on the alternate bonds payable from such revenue source previously issued and outstanding and the alternate bonds proposed to be issued. The sufficiency of the revenue source must be supported by the most recent audit of the governmental unit. The audit must be for a fiscal year ending not earlier than 18 months prior to the issuance of the alternate bonds. If the audit does not adequately show such revenue source or if such source of revenue is shown to be insufficient, then the determination of sufficiency must be supported by the report of an independent accountant or feasibility analyst, the latter having a national reputation for expertise in such matters. Such report must demonstrate the sufficiency of the revenues and explain how the revenues will be greater than those shown in the audit. Whenever such sufficiency is demonstrated by reference to a schedule of higher rates or charges for enterprise revenues or a higher tax imposition for a revenue source, such higher rates, charges or taxes must be imposed by a resolution adopted prior to the delivery of the alternate bonds.
>
> Fourth, the revenue source must be pledged to the payment of the alternate bonds.
>
> Last, the governmental unit must covenant to provide for, collect and apply the revenue source to the payment of the alternate bonds and to provide for an amount equal to not less than an additional .25 times debt service.

The City will comply with all of the aforementioned conditions prior to the issuance of the Bonds.

As provided in the Debt Reform Act, the City's determination of the sufficiency of the Pledged Revenues will be based on the audited financial statements of the City for the fiscal year ended April 30, 2025 and included as ***Appendix B*** to this Official Statement.

PLAN OF FINANCING

The Project

Proceeds of the Bonds will be used to finance and refinance costs to acquire, construct, equip and furnish a new municipal complex, including refinancing the Refunded Note. In 2025, the City purchased an approximately 35,000 square foot facility to serve as the City's new municipal complex for approximately $6.9 million. After renovating the existing facility, the new municipal complex will serve as a centralized hub for essential government operations, bringing together functions currently housed at separate locations. The Project will include a purpose-built addition to house the Columbia Police Department, replacing the Department's current station, which no longer meets modern standards for law enforcement. In addition, the City will construct a new building on-site to serve as the permanent home of Columbia Emergency Medical Services (CEMS), replacing severely outdated quarters. When completed, the new municipal complex will allow the City to house all major administrative, public safety, and emergency services in one location, improving coordination, efficiency, and service delivery to residents.

Any proceeds of the Bonds remaining after completion of the municipal complex will be used to construct roadway and park improvements.

Sources and Uses of Funds

The following table summarizes the estimated sources of funds, including the proceeds from the sale of the Bonds and the expected uses of such funds, in connection with the plan of financing:

Sources of Funds:	
Par Amount of Bonds	$
Plus [Net] Original Issue Premium	
Total	$
Uses of Funds:	
Costs of the Project, including refinancing the Refunded Note	$
Costs of Issuance (including Underwriter's Discount)	
Total	$

RISK FACTORS

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

Uncertainty of Sales Taxes

The amount of Sales Taxes to be distributed to the City is dependent on a number of factors beyond the control of either the City, the Counties or the State, including, but not limited to, the state of the U.S. economy and the economy of the State and the Counties. Any one or more of these factors could result in the City receiving less Sales Taxes than anticipated. During periods in which economic activity declines, Sales Taxes are likely to decline. In addition, Sales Taxes are dependent on the volume of the transactions subject to the Sales Tax. From time to time, proposals have been made by the State legislature to add or remove certain types of purchases from sales tax. In addition, State governmental entities (like those of many other states) have seen a reduction in sales tax as a result of purchases made through the internet and other non-traditional means. The City cannot predict what impact these items may have on the Sales Taxes it receives. There can be no assurance that laws reducing or eliminating the Sales Tax will not be enacted in the future. Enactment of such a law would have a material adverse effect on the Sales Taxes received by the City.

The ability of the City to pay the Bonds from the Pledged Revenues may be limited by circumstances beyond the control of the City. There is no guarantee that the Pledged Revenues will continue to be available at current levels. Nevertheless, if the Pledged Revenues are insufficient to pay debt service on the Bonds, the City is obligated to extend and collect the Pledged Taxes.

To the extent that Pledged Revenues are insufficient to pay the Bonds, the Bonds are to be paid from the Pledged Taxes. If the Pledged Taxes are ever extended for the payment of the Bonds, the amount of the Bonds then outstanding will be included in the computation of indebtedness of the City for purposes of all statutory provisions or limitations until such time as an audit of the City shows that the Bonds have been paid from the Pledged Revenues for a complete fiscal year. See **"THE BONDS—General Provisions Regarding the Bonds—*Treatment of Bonds as Debt*"** above.

Finances of the State of Illinois

The State of Illinois (the **"State"**) continues to experience adverse fiscal conditions. The severe underfunding of the State's pension systems, which, based on the comprehensive annual financial reports of the State's five retirement systems, have a combined unfunded pension liability in excess of $140 billion and a combined funded ratio of approximately 40% contribute to the State's poor financial health.

Under current law, the State shares a portion of sales tax, income tax and motor fuel tax revenue with municipalities, including the City. The State's general fiscal condition and the underfunding of the State's pension systems have materially adversely affected the State's financial condition and may result in decreased or delayed revenues allocated to the City in future years. Over time, the State has reduced the share of certain of these revenue sources, particularly income tax revenues, that are distributed to local governments, such as the City, through the Local Government Distributive Fund.

Legislation passed by the Illinois General Assembly (House Bill 3144) and signed by the Governor, as of January 1, 2026, exempts from sales tax any food for human consumption that is to be consumed off the premises where it is sold (other than alcoholic beverages, food consisting of or infused with adult use cannabis, soft drinks, candy, and food that has been prepared for immediate consumption) (the **"Grocery Tax Legislation"**). Under House Bill 3144, the corporate authorities of any municipality may, by ordinance or resolution that takes effect on or after January 1, 2026, impose a tax upon all persons engaged in the business of selling groceries at retail in the municipality on the gross receipts from those sales made in the course of that business. The City has adopted an ordinance approving a local grocery sales tax at the rate of 1% of the gross receipts from these sales. The City can give no assurance that there will not be additional changes in applicable law modifying the manner in which local revenue sharing is allocated by the State, nor can the City predict the effect the State's financial problems may have on the City's future finances.

Local Economy

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

No Credit Enhancement or Reserve Fund

No bond insurance policy, letter of credit, reserve fund or other credit enhancement will be issued to insure payment of the principal of or interest on the Bonds. Accordingly, any potential purchaser of the Bonds should consider the financial ability of the City to make the payments of principal of and interest on the Bonds.

Future Pension Plan Funding Requirements

The City participates in the Police Pension Plan and the Fire Pension Plan, both as hereinafter defined. Under the Illinois Pension Code, as amended (the **"Pension Code"**), the City is required to contribute to each plan in order to achieve a Funded Ratio of 90% by 2040. In order to achieve the 90% Funded Ratio for both plans by 2040, it is expected that the annual employer contributions required by the City will increase over time. The City also participates in the Illinois Municipal Retirement Plan (the **"IMRF Plan"**), which is a defined benefit pension plan administered by the Illinois Municipal Retirement Fund (**"IMRF"**); employer contributions are projected by the IMRF to increase over time. Increasing annual required employer contributions for the City could have a material adverse effect on the finances of the City.

The Pension Code allows the State Comptroller, after proper procedures have taken place, to divert State payments intended for the City to the Police Pension Plan and the Fire Pension Plan to satisfy contribution shortfalls by the City. If the City does not make 100% of its annual required contributions to the Police Pension Plan and Fire Pension Plan, the City may have revenues withheld by the State Comptroller. Such withholdings by the State Comptroller could adversely affect the City's financial health and operations. See **"RETIREMENT PLANS"** in ***Appendix A*** for a more information on the Retirement Plans.

Loss or Change of Bond Rating

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

Secondary Market for the Bonds

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

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

Suitability of Investment

The interest rate borne by the Bonds is intended to compensate the investor for assuming the risk of investing in the Bonds. Each prospective investor should carefully examine this Official Statement and its own financial condition to make a judgment as to its ability to bear the economic risk of such an investment, and whether or not the Bonds are an appropriate investment for such investor.

Future Changes in Laws

Various state and federal laws, regulations and constitutional provisions apply to the City and to the Bonds. The City 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 City, or the taxing authority of the City. 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 City, the taxable value of property within the City, and the ability of the City to levy property taxes or collect revenues for its ongoing operations.

Cybersecurity

Computer networks and data transmission and collection are vital to the efficient operation of the City. Despite the implementation of network security measures by the City, its information technology and infrastructure may be vulnerable to deliberate attacks by hackers, malware, ransomware or computer virus, or may otherwise be breached due to employee error, malfeasance or other disruptions. Any such breach could compromise networks and the information stored thereon could be disrupted, accessed, publicly disclosed, lost or stolen. Although the City 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 City's operations and financial health. Further, as cybersecurity threats continue to evolve, the City may be required to expend significant additional resources to continue to modify and strengthen security measures, investigate and remediate any vulnerabilities, or invest in new technology designed to mitigate security risks.

Bankruptcy

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

Tax-Exempt Status and Risk of Audit

The failure of the City to comply with certain covenants set forth in the Bond Ordinance could cause the interest on the Bonds to become included in gross income for federal income tax purposes retroactive to the date of issuance of the Bonds. The Bond Ordinance does not provide for the payment of any additional interest, redemption premium or penalty if the interest on the Bonds becomes included in gross income for federal income tax purposes. See **"TAX MATTERS"** in this Official Statement.

The Internal Revenue Service (the **"IRS"**) has established an ongoing program to audit tax-exempt obligations to determine whether interest on such obligations should be included in gross income for federal income tax purposes. Owners of the Bonds are advised that, if an audit of the Bonds were commenced, the IRS, in accordance with its current published procedures, is likely to treat the City as the taxpayer, and the Registered Owners of the Bonds may not have a right to participate in such audit. Public awareness of any audit could adversely affect the market value and liquidity of the Bonds during the pendency of the audit, regardless of the ultimate outcome of the audit.

Potential Impact of Pandemics

Regional, national or global public health emergencies, such as the outbreak of the novel coronavirus in December 2019 (**"COVID-19"**), could have materially adverse regional, national or global economic and social impacts causing, among other things, the promulgation of local or state orders limiting certain activities, extreme fluctuations in financial markets and contraction in available liquidity, prohibitions of gatherings and public meetings in such places as entertainment venues, extensive job losses and declines in business activity across important sectors of the economy, impacts on supply chain and availability of resources, declines in business and consumer confidence that negatively impact economic conditions or cause an economic recession. The City cannot predict the extent to which its operations or financial condition may decline nor the amount of increased costs, if any, that may be incurred by the City associated with operating during any public health emergencies including, but not limited to, the amount of (1) increases in required services of the City, (2) costs to clean, sanitize and maintain its facilities, (3) costs to hire employees, (4) costs to acquire supporting goods and services, or (5) costs to operate remotely. Accordingly, the City cannot predict the effect any public health emergencies will have on the finances or operations of the City or whether any such effects will have a material adverse effect on the ability to pay principal of and interest on the Bonds.

BOND RATING

S&P has assigned a rating of "AA+" to the Bonds based on the credit of the City. The City has furnished S&P with certain information and materials relating to the Bonds and the City that have not been included in this Official Statement. Generally, rating agencies base their ratings on the information and materials so furnished and on investigations, studies and assumptions made by the rating agencies. Such rating reflects only the views of S&P, and an explanation of the significance of the rating may be obtained therefrom. There is no assurance that the rating will remain in effect for any given period of time or that it will not be revised, either downward or upward, or withdrawn entirely, by the rating agency assigning such rating if, in its judgment, circumstances warrant. The Underwriter has not undertaken any responsibility to bring to the attention of the holders of the Bonds any proposed revision or withdrawal of the rating of the Bonds or to oppose any such proposed revision or withdrawal. Pursuant to the Continuing Disclosure Undertaking, the City is required to bring to the attention of the holders of the Bonds any change to the rating of the Bonds but has not undertaken any responsibility to oppose any such change. See the section herein captioned **"CONTINUING DISCLOSURE UNDERTAKING."** Any revision or withdrawal of the rating could have an adverse effect on the market price and marketability of the Bonds.

LEGAL MATTERS

Legal matters with respect to the authorization, execution and delivery of the Bonds are subject to the approval of Gilmore & Bell, P.C., Edwardsville, Illinois, Bond Counsel to the City, whose approving opinion will be available at the time of delivery of the Bonds. Gilmore & Bell, P.C. will also pass upon certain legal matters relating to this Official Statement.

The various legal opinions to be delivered concurrently with the delivery of the Bonds express the professional judgment of the attorneys rendering the opinions as to the legal issues explicitly addressed therein. By rendering a legal opinion, the opinion giver does not become an insurer or guarantor of that expression of professional judgment, of the transactions opined upon, or of the future performance of parties to such transaction, nor does the rendering of an opinion guarantee the outcome of any legal dispute that may arise out of the transaction.

ABSENCE OF LITIGATION

As of the date hereof, there is no controversy, suit or other proceeding of any kind pending or, to the City's knowledge, threatened wherein or whereby any question is raised or may be raised, questioning, disputing or affecting in any way the legal organization of the City or its boundaries, or the right or title of any of its officers to their respective offices, or the legality of any official act in connection with the authorization, issuance and sale of the Bonds, or the constitutionality or validity of the Bonds or any of the proceedings had in relation to the authorization, issuance or sale thereof, or the levy and collection of a tax to pay the principal and interest thereof, or which might affect the City's ability to meet its obligations to pay the Bonds.

TAX MATTERS

The following is a summary of the material federal and State income tax consequences of holding and disposing of the Bonds. This summary is based upon laws, regulations, rulings and judicial decisions now in effect, all of which are subject to change (possibly on a retroactive basis). This summary does not discuss all aspects of federal income taxation that may be relevant to investors in light of their personal investment circumstances or describe the tax consequences to certain types of owners subject to special treatment under the federal income tax laws (for example, dealers in securities or other persons who do not hold the Bonds as a capital asset, tax-exempt organizations, individual retirement accounts and other tax deferred accounts, and foreign taxpayers), and, except for the income tax laws of the State, does not discuss the consequences to an owner under any state, local or foreign tax laws. The summary does not address the tax treatment of persons who purchase the Bonds in the secondary market. Prospective investors are advised to consult their own tax advisors regarding federal, state, local and other tax considerations of holding and disposing of the Bonds.

Opinion of Bond Counsel

In the opinion of Gilmore & Bell, P.C., Bond Counsel to the City, under the law existing as of the issue date of the Bonds:

Federal Tax Exemption. The interest on the Bonds (including any original issue discount properly allocable to an owner thereof) is excludable from gross income for federal income tax purposes.

Alternative Minimum Tax. Interest on the Bonds is not an item of tax preference for purposes of computing the federal alternative minimum tax.

Bank Qualification. The Bonds have not been designated as "qualified tax-exempt obligations" for purposes of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended (the **"Code"**).

Bond Counsel's opinions are provided as of the date of the original issue of the Bonds, subject to the condition that the City complies with all requirements of the Code that must be satisfied subsequent to the issuance of the Bonds in order that interest thereon be, or continue to be, excludable from gross income for federal income tax purposes. The City has covenanted to comply with all such requirements. Failure to comply with certain of such requirements may cause the inclusion of interest on the Bonds in gross income for federal income tax purposes retroactive to the date of issuance of the Bonds. Bond Counsel is expressing no opinion regarding other federal, state or local tax consequences arising with respect to the Bonds but has reviewed the discussion under the heading **"TAX MATTERS."**

Other Tax Consequences

Illinois Tax Exemption. The interest on the Bonds is not exempt from income taxation by the State of Illinois.

Original Issue Discount. For federal income tax purposes, original issue discount is the excess of the stated redemption price at maturity of a Bond over its issue price. The stated redemption price at maturity of a Bond is the sum of all payments on the Bond other than "qualified stated interest" (*i.e.*, interest unconditionally payable at least annually at a single fixed rate). The issue price of a Bond is generally the first price at which a substantial amount of the Bonds of that maturity have been sold to the public. Under Section 1288 of the Code, original issue discount on tax-exempt bonds accrues on a compound basis. The amount of original issue discount that accrues to an owner of a Bond during any accrual period generally equals (1) the issue price of that Bond, plus the amount of original issue discount accrued in all prior accrual periods, multiplied by (2) the yield to maturity on that Bond (determined on the basis of compounding at the close of each accrual period and properly adjusted for the length of the accrual period), minus (3) any interest payable on that Bond during that accrual period. The amount of original issue discount accrued in a particular accrual period will be considered to be received ratably on each day of the accrual period, will be excludable from gross income for federal income tax purposes and will increase the owner's tax basis in that Bond. Prospective investors should consult their own tax advisors concerning the calculation and accrual of original issue discount, if any.

Original Issue Premium. For federal income tax purposes, premium is the excess of the issue price of a Bond over its stated redemption price at maturity. The stated redemption price at maturity of a Bond is the sum of all payments on the Bond other than "qualified stated interest" (*i.e.*, interest unconditionally payable at least annually at a single fixed rate). The issue price of a Bond is generally the first price at which a substantial amount of the Bonds of that maturity have been sold to the public. Under Section 171 of the Code, premium on tax-exempt bonds amortizes over the term of the Bond using constant yield principles, based on the purchaser's yield to maturity. As premium is amortized, the owner's basis in the Bond and the amount of tax-exempt interest received will be reduced by the amount of amortizable premium properly allocable to the owner, which will result in an increase in the gain (or decrease in the loss) to be recognized for federal income tax purposes on sale or disposition of the Bond prior to its maturity. Even though the owner's basis is reduced, no federal income tax deduction is allowed. Prospective investors should consult their own tax advisors concerning the calculation and accrual of bond premium, if any.

Sale, Exchange or Retirement of Bonds. Upon the sale, exchange or retirement (including redemption) of a Bond, an owner of the Bond generally will recognize gain or loss in an amount equal to the difference between the amount of cash and the fair market value of any property actually or constructively received on the sale, exchange or retirement of the Bond (other than in respect of accrued and unpaid interest) and such owner's adjusted tax basis in the Bond. To the extent a Bond is held as a capital asset, such gain or loss will be capital gain or loss and will be long-term capital gain or loss if the Bond has been held for more than 12 months at the time of sale, exchange or retirement.

Reporting Requirements. In general, information reporting requirements will apply to certain payments of principal, interest and premium paid on the Bonds, and to the proceeds paid on the sale of the Bonds, other than certain exempt recipients (such as corporations and foreign entities). A backup withholding tax will apply to such payments if the owner fails to provide a taxpayer identification number or certification of foreign or other exempt status or fails to report in full dividend and interest income. The amount of any backup withholding from a payment to an owner will be allowed as a credit against the owner's federal income tax liability.

Collateral Federal Income Tax Consequences. Prospective purchasers of the Bonds should be aware that ownership of the Bonds may result in collateral federal income tax consequences to certain taxpayers, including, without limitation, certain applicable corporations subject to the corporate alternative minimum tax, financial institutions, property and casualty insurance companies, individual recipients of Social Security or Railroad Retirement benefits, certain S corporations with "excess net passive income," foreign corporations subject to the branch profits tax, life insurance companies, and taxpayers who may be deemed to have incurred or continued indebtedness to purchase or carry or have paid or incurred certain expenses allocable to the Bonds. Bond Counsel expresses no opinion regarding these tax consequences. Purchasers of Bonds should consult their tax advisors as to the applicability of these tax consequences and other federal income tax consequences of the purchase, ownership and disposition of the Bonds, including the possible application of state, local, foreign and other tax laws.

Bond Counsel notes that interest on the Bonds may be included in adjusted financial statement income of applicable corporations for purposes of determining the applicability and amount of the federal corporate alternative minimum tax.

CONTINUING DISCLOSURE UNDERTAKING

The City will enter into the Continuing Disclosure Undertaking to assist the Underwriter in complying with Rule 15c2-12 of the Securities and Exchange Commission (the **"Rule"**) and to provide certain financial information and operating data relating to the City and to provide notices of the occurrence of certain enumerated events relating to the Bonds. The financial information, operating data and notice of events will be filed in compliance with the Rule. The City is the only "obligated person" with responsibility for continuing disclosure. Included in ***Appendix C*** of this Official Statement is the proposed form of the Continuing Disclosure Undertaking. The City has not been subject to an undertaking under the Rule in the past five years.

UNDERWRITING

Stifel, Nicolaus & Company, Incorporated, St. Louis, Missouri (the **"Underwriter"**), has agreed to purchase the Bonds at a price of $_______ (which is equal to the aggregate principal amount of the Bonds less an underwriting discount of $___________, plus an original issue premium of $______). The Underwriter is purchasing the Bonds for resale in the normal course of the Underwriter's business activities. The Underwriter reserves the right to offer any of the Bonds to one or more purchasers on such terms and conditions and at such price or prices as the Underwriter, in its discretion, shall determine.

The Underwriter 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. The Underwriter and its affiliates may have provided, and may in the future provide, a variety of these services to the City and to persons and entities with relationships with the City, for which they received or will receive customary fees and expenses.

In the ordinary course of these business activities, the Underwriter 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 City (directly, as collateral securing other obligations or otherwise) and/or persons and entities with relationships with the City.

The Underwriter 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 City.

CERTAIN RELATIONSHIPS

Gilmore & Bell, P.C., Bond Counsel to the City, has represented the Underwriter in transactions unrelated to the issuance of the Bonds, but is not representing the Underwriter in connection with the issuance of the Bonds.

MISCELLANEOUS

Information set forth in this Official Statement has been furnished or reviewed by certain officials of the City, certified public accountants, and other sources, as referred to herein, which are believed to be reliable. Any statements made in this Official Statement involving matters of opinion, estimates or projections, 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 the estimates or projections will be realized. The descriptions contained in this Official Statement of the Bonds and the Bond Ordinance do not purport to be complete and are qualified in their entirety by reference thereto.

Simultaneously with the delivery of the Bonds, the Mayor, acting on behalf of the City, will furnish to the Underwriter a certificate which will state, among other things, that to the best knowledge and belief of such officer, this Official Statement (and any amendment or supplement hereto) as of the date of sale and as of the date of delivery of the Bonds does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements herein, in light of the circumstances under which they were made, not misleading in any material respect.

The form of this Official Statement, and its distribution and use by the Underwriter, has been approved by the City. Neither the City nor any of its officers or employees, in either their official or personal capacities, has made any warranties, representations or guarantees regarding the financial condition of the City or the City's ability to make payments required of it; and further, neither the City nor its officers or employees assumes any duties, responsibilities or obligations in relation to the issuance of the Bonds other than those imposed on the City by the Bond Ordinance.

CITY OF COLUMBIA,
MONROE AND ST. CLAIR COUNTIES, ILLINOIS

By: ______________________________
Mayor

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APPENDIX A

GENERAL, ECONOMIC AND FINANCIAL INFORMATION REGARDING THE CITY

GENERAL, ECONOMIC AND FINANCIAL INFORMATION REGARDING THE CITY

Table of Contents

GENERAL INFORMATION

Location

The City of Columbia, Monroe and St. Clair Counties, Illinois (the **"City"**) is located in southwestern Illinois, approximately 12 miles southeast of the City of St. Louis, Missouri. The City covers approximately 10.6 square miles in The County of Monroe, Illinois (**"Monroe County"**) and The County of St. Clair, Illinois (**"St. Clair County"** and, together with Monroe County, the **"Counties"**). Approximately 98% of the City's 2025 equalized assessed valuation (**"EAV"**) is in Monroe County with the remainder in St. Clair County. The City is bounded on the west by the Mississippi River, and the Village of Dupo lies to the north, the Village of Millstadt lies to the east, and the City of Waterloo lies to the south.

Officials

The City is a non-home rule municipality and operates under the aldermanic form of government. The legislative body of the City is the City Council comprised of the Mayor and eight aldermen (the **"Council"**). Each member of the Council is elected by ward to serve a four-year term, with two members elected every two years. The Mayor, elected at large to serve a four-year term, is the presiding officer of the Council. Other officials of the City include the City Clerk, who is elected, and the City Administrator and City Treasurer, which are appointed by the Mayor with the approval of the Council.

Following is a list of the City's officials:

Name	Office	Term Expires
Bob Hill	Mayor	2029
Paul Khoury	Alderman	2029
Steven R. Holtkamp	Alderman	2027
Jeffrey D. Huch	Alderman	2027
Jason Mayer	Alderman	2029
Jack "Jay" A. Riddle	Alderman	2027
Michael S. Lawlor	Alderman	2029
Lauren C. Nobbe	Alderman	2027
Andrew Hitzemann	Alderman	2029
Derek Reichert	City Clerk	2029
Douglas R. Brimm	City Administrator	Appointed
Linda Sharp	City Treasurer	Appointed

The City Administrator is the chief administrative officer of the City and is responsible for overseeing and coordinating the operations of all the City's departments, with the exception of the City Clerk's office. The City Administrator manages the operations of Human Resources for the City and serves as the City's Budget Officer and Health Officer.

Employee Relations

The City employs 77 full-time employees and 58 part-time employees. The Police Department is staffed by 24 full-time police officers and support personnel. Of the total number of employees, 78 are represented by a union. Employee-union relations are considered to be good.

The table below shows membership of City employees in various labor unions:

Labor Union	Number of Participants	Current Contract Expiration Date
American Federation of State, County and Municipal Employees, Council 31, AFL-CIO, Local 2817-2	34	April 30, 2029
Illinois Fraternal Order of Police Labor Council, Monroe County Lodge #145 (Patrol Officers)	19	April 30, 2028
Illinois Fraternal Order of Police Labor Council, Monroe County Lodge #145 (Telecommunicator Unit)	6	April 30, 2028
United Steel, Paper and Forestry, Rubber, Manufacturing, Energy, Allied Industrial and Service Workers International (USW)	19	April 30, 2027

Educational Facilities

The City is served primarily by Columbia Community Unit School District Number 4. The school district is comprised of two elementary schools (grades pre-K-4), one middle school (grades 5-8), and one high school (grades 9-12). Immaculate Conception School, a private Roman Catholic grade school (pre-K-8), is also located in the City.

Higher education is provided by Southwestern Illinois College, a community college with locations in the Cities of Belleville, Granite City, East St. Louis and Scott Air Force Base, and Southern Illinois University Edwardsville (**"SIUE"**), a fully accredited university offering bachelor and graduate degrees. SIUE is located approximately 30 miles from the City. Additionally, there are numerous private and public colleges and universities located in the St. Louis area.

Healthcare Facilities

There are many general practitioners and specialists who provide medical care in the City and surrounding area. In addition, Mercy Hospital South is a full-service healthcare facility and trauma center located in the City of St. Louis, Missouri, a 15-minute drive from the City. Mercy Hospital South contains 448 staffed beds and serves the surrounding area with a range of healthcare services including emergency care, acute inpatient and outpatient care, scheduled surgeries, diagnostic testing, and more.

Memorial Hospital Belleville is an acute-care healthcare facility located in the City of Belleville, Illinois, a 20-minute drive from the City. Memorial Hospital Belleville contains 212 beds and serves the area with a range of healthcare services including a full range of medical, surgical, and diagnostic treatment services. Memorial Hospital in East Shiloh, also nearby, contains 94 beds, features a 24-hour adult emergency department and a specialized pediatric emergency unit, and provides a range of community-oriented services.

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SELECTED DEMOGRAPHIC AND ECONOMIC INFORMATION

Population, Housing, and Income Data

Population Trends. The following table shows the population for the City, Monroe County, St. Clair County and the State of Illinois (the **"State"**):

	2000 Population	2010 Population	2020 Population	Estimated Population as of July 1, 2025
City	8,012	9,707	10,999	11,127
Monroe County	27,619	32,957	34,962	34,840
St. Clair County	256,082	270,056	257,400	250,708
State	12,419,293	12,830,632	12,812,508	12,719,141

Source: United States Census Bureau, Decennial Census.

Population by Age. The following table shows population by age categories for the City, Monroe County, St. Clair County and the State:

	City	Monroe County	St. Clair County	State
0-4 years	612	1,807	14,421	691,211
5-14 years	1,626	4,466	33,546	1,571,043
15-19 years	585	2,021	16,535	839,956
20-24 years	353	1,683	14,547	825,584
25-44 years	2,851	8,454	66,079	3,414,259
45-64 years	3,261	9,692	64,559	3,196,531
65 years and over	1,839	6,913	44,007	2,156,214

Source: United States Census Bureau, 2020-2024 American Community Survey 5-year estimates.

Median Age of the Population. The following table shows the median age of the populations of the City, Monroe County, St. Clair County and the State:

	Median Age
City	42.4
Monroe County	43.2
St. Clair County	39.9
State	39.0

Source: United States Census Bureau, 2020-2024 American Community Survey 5-year estimates.

Home Value and Household Income. The following table shows the median home value and median household income for the City, Monroe County, St. Clair County and the State:

	Median Home Value	Median Household Income
City	$293,000	$107,606
Monroe County	282,100	102,880
St. Clair County	180,300	73,854
State	263,300	83,211

Source: United States Census Bureau, 2020-2024 American Community Survey 5-year estimates.

Specified Owner-Occupied Housing Value. The following table shows the value of specified owner-occupied housing units of the City, Monroe County, St. Clair County and the State:

	City		Monroe County		St. Clair County		State	
Value	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Under $50,000	78	2.1%	300	2.6%	8,328	12.1%	182,108	5.4%
$50,000 to $99,999	83	2.3	327	2.8	10,370	15.0	281,025	8.3
$100,000 to $149,999	205	5.6	825	7.0	9,115	13.2	327,262	9.7
$150,000 to $199,999	499	13.6	1802	15.4	10,437	15.1	397,649	11.8
$200,000 to $299,999	1,032	28.2	3,073	26.2	15,366	22.3	754,046	22.3
$300,000 or more	1,768	48.2	5,399	46.0	15,407	22.3	1,436,820	42.5
Total	3,665	100.0%	11,726	100.0%	69,023	100.0%	3,378,910	100.0%

Source: United States Census Bureau, 2020-2024 American Community Survey 5-year estimates.

Median Family Income. The median family income for the City, Monroe County, St. Clair County and the State are as follows:

	Median Family Income
City	$134,688
Monroe County	128,097
St. Clair County	97,289
State	106,800

Source: United States Census Bureau, 2020-2024 American Community Survey 5-year estimates.

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Per Capita Personal Income. The following table sets forth per capita personal income[(1)] for Monroe County for 2020 through 2024 the most recent years for which figures are available:

Year	Income	Percent Change
2020	$61,137	N/A
2021	68,035	+11.3%
2022	69,659	+2.4
2023	74,332	+6.7
2024	77,807	+4.7

(1) Per Capita Personal Income is the annual total Personal Income of residents divided by resident population as of July 1. "Personal Income" is the sum of Net Earnings by place of residence, rental income of persons, personal dividend income, personal interest income, and transfer payments. "Net Earnings" is earnings by place of work - the sum of wage and salary disbursements (payrolls), other labor income, and proprietors' income - less personal contributions for social insurance, plus an adjustment to convert earnings by place of work to a place-of-residence basis. Personal income is measured before the deduction of personal income taxes and other personal taxes and is reported in current dollars (no adjustment is made for price changes).

Source: Bureau of Economic Analysis.

Employment

Major Employers. The top ten employers in the City and surrounding area are as follows:

Name	Product or Service	Approximate Number of Employees
1. Scott Air Force Base	Military	3,000
2. Columbia CUSD No. 4	Education	248
3. MAC Medical, Inc.	Manufacturing	175
4. Hoya Vision Care	Manufacturing	163
5. First National Bank of Waterloo	Banking Services	140
6. Budnick Construction Inc.	Industrial	101
7. Mozel Chemical Blending & Packaging	Manufacturing	96
8. Columbia Quarry Co.	Mining	60
9. Weber Chevrolet	Automobile Dealership/Sales	50
10. Baxmeyer Construction Inc.	Construction	30

Source: Monroe County, Illinois Economic Development Corp.

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Employment by Industry. The following table represents employees by industry in Monroe County, St. Clair County and the State:

	Monroe County		St. Clair County		State	
Classification	Number	Percent	Number	Percent	Number	Percent
Agriculture, forestry, fishing, hunting and mining	583	3.09%	1,190	1.02%	65,758	1.05%
Construction	1,418	7.52	5,568	4.77	335,593	5.36
Manufacturing	2,051	10.88	10,319	8.84	719,899	11.49
Wholesale trade	397	2.11	1,899	1.63	163,639	2.61
Retail trade	2,310	12.25	11,877	10.17	648,265	10.35
Transportation and warehousing and utilities	1,134	6.01	9,006	7.72	439,507	7.02
Information	275	1.46	1,674	1.43	104,876	1.67
Finance and insurance, real estate, and rental and leasing	1,697	9.00	6,914	5.92	465,899	7.44
Professional, scientific, and management, and administrative and waste management services	1,625	8.62	14,441	12.37	805,057	12.85
Educational services, and health care and social assistance	4,307	22.84	28,969	24.82	1,475,900	23.56
Arts, entertainment, and recreation, and accommodation and food services	1,446	7.67	11,508	9.86	512,046	8.17
Other services (except public administration)	783	4.15	5,015	4.30	286,574	4.58
Public administration	828	4.39	8,348	7.15	240,751	3.84
Total	18,854	100.00%	116,728	100.00%	6,263,764	100.00%

Source: United States Census Bureau, 2020-2024 American Community Survey 5-year estimates.

Employment by Occupation. The following table represents workforce by occupation in Monroe County, St. Clair County and the State:

	Monroe County		St. Clair County		State	
Classification	Number	Percent	Number	Percent	Number	Percent
Management, business, science and arts occupations	8,703	46.16%	46,898	40.18%	2,709,096	43.25%
Service occupations	2,284	12.11	20,731	17.76	985,143	15.73
Sales and office occupations	4,224	22.40	23,612	20.23	1,221,853	19.51
Natural resources, construction and maintenance occupations	1,914	10.15	8,339	7.14	436,545	6.97
Production, transportation and material moving occupations	1,729	9.17	17,148	14.69	911,127	14.55
Total	18,854	100.00%	116,728	100.00%	6,263,764	100.00%

Source: United States Census Bureau, 2020-2024 American Community Survey 5-year estimates.

Unemployment Rates. The following table represents the unemployment rates for Monroe County, St. Clair County and the State:

	2021	2022	2023	2024	2025[2]
Monroe County[1]					
Total Labor Force	19,049	19,287	19,571	19,558	19,162
Employed	18,451	18,737	18,979	18,959	18,596
Unemployed	598	550	592	599	566
Unemployment Rate	3.1%	2.9%	3.0%	3.1%	3.0%
St. Clair County[1]					
Total Labor Force	122,981	121,168	122,231	122,325	120,008
Employed	115,354	115,683	116,448	116,579	114,663
Unemployed	7,627	5,485	5,783	5,746	5,345
Unemployment Rate	6.2%	4.5%	4.7%	4.7%	4.5%
State[3]					
Total Labor Force	6,370,654	6,480,808	6,525,710	6,638,412	6,587,613
Employed	5,983,262	6,182,803	6,232,866	6,307,121	6,282,512
Unemployed	387,392	298,005	292,844	331,291	305,101
Unemployment Rate	6.1%	4.6%	4.5%	5.0%	4.6%

(1) County data is provisional and was subject to revision on May 19, 2026; not an annualized figure.
(2) Annual estimates for 2025 are 11-month averages excluding October, data not available due to government shutdown.
(3) Data is provisional and was subject to revision on April 8, 2026; not an annualized figure.
Source: U.S. Department of Labor; Bureau of Labor Statistics.

Major Taxpayers

The top ten taxpayers within the City in 2025 are listed below. These taxpayers represent 5.10% of the City's 2025 EAV.

Name[1]	2025 EAV	Percentage of Total EAV
Budnick Converting Inc.	$ 3,740,840	0.80%
Columbia Bluffs LLC	3,633,401	0.78
Brems Realty LLC	2,999,192	0.64
Columbia Centre Market Place Inc.	2,721,854	0.58
Columbia Lakes Gamma LLLP	2,702,634	0.58
Luhr Bros Inc.	1,947,168	0.42
GAHC4 Columbia IL SH LLC	1,675,586	0.36
RG Holdco LLC	1,524,866	0.33
11 South Building One LLC	1,489,898	0.32
253 Bradington Drive LLC	1,487,592	0.32
TOTAL	$23,923,031	5.10%

(1) Reasonable efforts have been made to seek out and report the largest taxpayers. However, many of the taxpayers listed may own multiple parcels and it is possible that some parcels and their valuations may not be included.
Source: Monroe County Clerk.

PROPERTY TAX INFORMATION

Tax Levy and Collection Procedure

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 1.50% per month (or portion thereof) until paid. Unpaid property taxes, together with penalties, interest and costs, constitute a lien against the property subject to the tax. If taxes go unpaid for 13 months, each county treasurer is required to sell the delinquent property taxes at the "Annual Tax Sale" — a sale of tax liens, not properties. A public sale is held, at which time successful tax buyers pay the unpaid taxes plus penalties. Taxpayers can redeem their property by paying the amount paid at the sale, plus interest penalties and fees. If no redemption is made within the applicable redemption period, then the tax buyer can secure a court-ordered deed to the home. If a tax buyer can prove the home has been abandoned, the period for seeking a deed can be shortened to two years. Owners of vacant, commercial and industrial properties have six months to redeem their taxes before the tax buyer can seek ownership of the property.

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

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

Homestead Exemptions

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

An annual General Homestead Exemption provides that the EAV of certain property owned and used for residential purposes (**"Residential Property"**) may be reduced by the amount of any increase over the 1977 EAV, up to a maximum reduction of $6,000.

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.

The Senior Citizens Assessment Freeze Homestead Exemption is available for persons who (a) are at least 65 years old, (b) have a total household income of (1) $75,000 or less for taxable year 2026, (2) $77,000 or less for taxable year 2027, and (3) $79,000 or less for taxable year 2028 and thereafter, and (c) meet certain other qualifications. This exemption allows senior citizens who meet the qualifications to elect to maintain the EAV of their homes at the base year EAV and prevent any increase in that value due to inflation.

Purchasers of certain single-family homes and residences of one to six units located in certain targeted areas (as defined in the applicable section of 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.

Three 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 up to a maximum of $250,000.

The Returning Veterans' Homestead Exemption provides a $5,000 reduction in EAV on the principal residence of a veteran upon returning from active duty in an armed conflict involving the armed forces of the United States. The exemption is for two consecutive tax years, the tax year that the veteran returns from active duty in an armed conflict involving the armed forces of the United States and the following year.

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.

Truth in Taxation

Legislation known as the Truth in Taxation 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 Truth in Taxation Law is to require published disclosure of, and hearing upon, an intention to adopt a levy in excess of the specified levels. The provisions of the Truth in Taxation Law do not apply to levies made to pay principal of and interest on the Bonds. The City covenanted in the Bond Ordinance that it will not take any action or fail to take any action which would adversely affect the ability of the City to levy and collect the taxes levied by the City for payment of principal of and interest on the Bonds, other than in accordance with the abatement provisions described in **"THE BONDS – General Provisions Regarding the Bonds – *Abatement of Pledged Taxes*"** herein. The City also covenanted that it will comply with all present and future applicable laws to assure that such taxes will be levied, extended, collected and deposited as provided in the Bond Ordinance, other than in accordance with the abatement provisions described in **"THE BONDS – General Provisions Regarding the Bonds – *Abatement of Pledged Taxes*"** herein.

Composition of EAV

The following table shows the EAV for all property located in the City for which tax levies are extended:

	2021	2022	2023	2024	2025
Monroe County:					
Residential	$271,268,835	$293,707,084	$323,637,024	$354,000,983	$391,832,085
Farm	899,991	1,020,362	1,094,464	1,137,464	1,275,990
Commercial	49,664,092	52,974,232	56,712,805	57,475,458	58,323,168
Industrial	6,535,330	6,636,440	6,988,994	7,682,270	7,580,005
Railroad	361,322	396,439	428,646	406,502	408,752
St. Clair County	6,896,029	7,385,151	8,062,950	8,552,080	9,356,576
Total EAV(1)	$335,625,599	$362,119,708	$396,924,883	$429,254,757	$468,776,576
Change	N/A	7.89%	9.61%	8.15%	9.21%

(1) Excludes the incremental EAV of property located in tax increment financing districts.
Source: Monroe County Clerk and St. Clair County Clerk.

Tax Rate Trend

The following table shows the property tax rates levied by the City and the total property tax rate paid by a typical resident living in the City for the following years:

	2021	2022	2023	2024	2025
Corporate	$0.30622	$0.29456	$0.28262	$0.27493	$0.26477
Bonds and Interest	0.02280	0.00000	0.00000	0.00000	0.00000
IMRF	0.03911	0.03763	0.03611	0.03513	0.03384
Police Pension	0.15386	0.14800	0.14200	0.13814	0.13304
Library	0.12159	0.11696	0.11222	0.10917	0.10514
Refuse Collection	0.02947	0.02835	0.02721	0.02647	0.02550
Tort and Immunity	0.03907	0.03759	0.03607	0.03509	0.03380
Library / Special	0.01490	0.01434	0.01376	0.01339	0.01290
Road	0.08545	0.08169	0.07792	0.07537	0.07219
Social Security	0.06295	0.06056	0.05811	0.05653	0.05444
Medicare	0.01486	0.01430	0.01373	0.01336	0.01287
Prior Year Adjustments	-0.02968	0.00000	0.00000	0.00000	0.00000
Total City Rate	$0.86060	$0.83398	$0.79975	$0.77758	$0.74849
Monroe County	0.73752	0.73512	0.69983	0.63978	0.59105
Columbia Fire District	0.26360	0.25928	0.24957	0.24507	0.23721
S.W. Illinois College #522	0.43576	0.41655	0.39650	0.37479	0.38490
Columbia School District 4	3.87048	3.97585	3.79570	3.67814	3.60593
Total Rate	$6.16796	$6.22078	$5.94135	$5.71536	$5.56758

Source: Monroe County Clerk.

Tax Collection Record

The following table sets forth property tax levies extended and collected for the City for the tax levy years indicated. Taxes levied in one year are collected in the following year.

Tax Levy Year	Total Tax Levy Extended	Collections	Percent of Levy Collected
2020	$2,815,899.30	$2,809,953.25	99.79%
2021	2,829,047.06	2,913,095.37	102.97
2022	2,958,415.15	2,951,502.95	99.77
2023	3,109,923.28	3,096,712.75	99.58
2024	3,271,299.94	3,267,512.52	99.88

Source: Monroe County Treasurer.

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. 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 alternate bonds or are for certain refunding purposes.

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

As of the date of the referendum causing tax caps to be applicable to a taxing body, referendum approval would be required in order for the taxing body to issue unlimited tax general obligation bonds. Monroe County held a successful referendum on the applicability of the Limitation Law on November 5, 1996. A referendum on the applicability of the Limitation Law has yet to be initiated in St. Clair County. No guarantee exists, however that such a referendum will not be held in the future.

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

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

SELECTED FINANCIAL INFORMATION

Accounting and Auditing Procedures

Note 1 to the City's audited financial statements included in the Annual Financial Report for the fiscal year ended April 30, 2025 attached hereto as ***Appendix B*** (the **"Audit"**) summarizes the City's accounting policies.

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Comparative Financial Statements

The table below sets forth a summary of the results of operations for the City's General Fund for the last three fiscal years.

GENERAL CORPORATE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

	Fiscal Years Ended April 30,			
	2023	2024	2025	2026[(1)]
Revenues				
Taxes – Property	$1,826,761	$1,903,905	$1,993,407	$2,106,227
Taxes – Mobile Home Privilege	60	90	-	-
Taxes – Replacement	154,661	100,506	65,297	65,027
Taxes – Sales	2,446,828	2,486,077	2,624,615	3,304,172
Taxes – Income	1,714,158	1,832,545	1,954,734	2,016,749
Taxes – Other Intergovernmental	703,485	748,190	696,673	367,762
Taxes – Hotel – Motel	117,495	105,033	148,481	151,499
Licenses and Permits	201,573	218,411	245,595	324,598
Fines and Forfeitures	272,967	208,997	379,651	284,431
Miscellaneous	252,054	229,205	325,617	74,324
Reimbursements	283,706	375,998	459,986	155,264
Franchise Fees	135,665	137,317	88,644	66,510
Tower Rental	28,427	-	-	-
Grants - State of Illinois	7,247	6,101	1,407	21,600
Charges for Services	62,276	62,763	67,283	92,549
Interest	155,120	359,893	374,252	352,049
Total Revenues	$8,362,483	$8,775,031	$9,425,642	$9,382,761
Expenditures				
Current				
General government	$1,606,410	$1,291,585	$1,686,762	$1,560,255
Public safety	4,070,455	4,353,391	4,487,054	4,568,818
Highway and Streets	1,323,080	1,293,005	1,465,103	1,986,157
Culture and Recreation	211,701	320,000	255,661	607,648
Total Expenditures	$7,211,646	$7,257,981	$7,894,580	$8,722,878
Excess (Deficiency) Of Revenues Over Expenditures	$1,150,837	$1,517,050	$1,531,062	$659,883
Other Financing Sources (Uses):	(119,337)	(267,449)	(833,740)	(528,277)
Changes in Fund Balance	1,031,500	1,249,601	697,322	131,606
Fund Balance – Beginning	6,777,323	7,808,823	9,058,424	9,755,746
Fund Balance – Ending	$7,808,823	$9,058,424	$9,755,746	$9,887,352

Source: City's Annual Financial Reports for fiscal years ended April 30, 2023-2025 and the City for the fiscal year ended April 30, 2026.

(1) Unaudited.

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Sources of Revenues

The City's revenue sources for its General Fund for the fiscal year ended April 30, 2026 are shown in the table below.

Revenue Source	% of Revenue
Sales Taxes	35.22%
Property Taxes	22.45
Income Taxes	21.49
Other Taxes	6.23
Reimbursements	1.65
Fine and Forfeitures	3.03
Investment Earnings	3.75
Miscellaneous	0.79
Licenses and Permits	3.46
Franchise Fees	0.71
Charges for Services	0.99
Grants - State of Illinois	0.23
Total	100.00%

Source: City.

Sales Tax Receipts

The following table sets forth the Sales Taxes received by the City for the last five years:

Fiscal Year Ending April 30	Sales Tax Receipts	Annual Percent Change
2022	$2,366,336	N/A
2023	2,446,828	3.40%
2024	2,486,077	1.60
2025	2,624,615	5.57
2026	3,304,172	25.89

Source: City's Annual Financial Reports for fiscal years ended April 30, 2022-2025; the City for the fiscal year ended April 30, 2026.

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Debt Service Coverage

Fiscal Year	Sales Tax Revenues(1)	Debt Service on the Bonds*	Debt Service Coverage*
2027	$3,304,172	$ 967,000	3.42x
2028	3,304,172	1,136,000	2.91x
2029	3,304,172	1,136,250	2.91x
2030	3,304,172	1,415,750	2.33x
2031	3,304,172	1,415,500	2.33x
2032	3,304,172	1,418,750	2.33x
2033	3,304,172	1,420,250	2.33x
2034	3,304,172	1,420,000	2.33x
2035	3,304,172	1,423,000	2.32x
2036	3,304,172	1,424,000	2.32x
2037	3,304,172	1,423,000	2.32x
2038	3,304,172	1,425,000	2.32x
2039	3,304,172	1,429,750	2.31x
2040	3,304,172	1,477,000	2.24x
2041	3,304,172	1,474,500	2.24x
2042	3,304,172	1,474,500	2.24x
2043	3,304,172	1,476,750	2.24x
2044	3,304,172	1,476,000	2.24x
2045	3,304,172	1,477,250	2.24x
2046	3,304,172	1,475,250	2.24x

(1) Reflects Sales Taxes received by the City in the fiscal year ended April 30, 2026.

Other Alternative Revenue Bonds

In addition to the Bonds, the City will have outstanding the following alternate revenue source bonds:

Issue Name	Revenue Source
General Obligation Bonds (Public Utility Taxes Alternate Revenue Source), Series 2015 (the **"Series 2015 Bonds"**)	Public Utility Taxes
General Obligation Bonds (Alternate Revenue Source), Series 2020 (the **"Series 2020 Bonds"**)	Video Gaming Receipts

*Preliminary; subject to change.

Alternative Revenue Bonds (Principal Only)

The following table shows the City's outstanding alternative revenue source bonds (principal only):

Calendar Year	Series 2015 Bonds	Series 2020 Bonds	The Bonds*	Total*
2026	$ 405,000	$ 45,000		$ 450,000
2027	420,000	45,000	$ 120,000	585,000
2028	265,000	45,000	295,000	605,000
2029	270,000	45,000	310,000	625,000
2030		45,000	605,000	650,000
2031		45,000	635,000	680,000
2032		45,000	670,000	715,000
2033		45,000	705,000	750,000
2034		45,000	740,000	785,000
2035		45,000	780,000	825,000
2036		45,000	820,000	865,000
2037		45,000	860,000	905,000
2038		45,000	905,000	950,000
2039		45,000	955,000	1,000,000
2040		45,000	1,050,000	1,095,000
2041			1,100,000	1,100,000
2042			1,155,000	1,155,000
2043			1,215,000	1,215,000
2044			1,275,000	1,275,000
2045			1,340,000	1,340,000
2046			1,405,000	1,405,000
Total	$1,360,000	$675,000	$16,940,000	$18,975,000

Overlapping General Obligation Bonds (as of June 1, 2026)

	General Obligation Debt(1)	Percentage of Debt Applicable to City(2)	Amount Applicable to the City
Community Unit School District Number 4	$51,185,000	80.45%	$41,178,333
St. Clair County(3)	33,175,000	0.16	53,080
Prairie Du Pont Levee & Sanitary District	437,000	4.11	17,961
Southwestern Community College	74,110,000	4.56	3,379,416
TOTAL			$44,628,790

(1) Does not include general obligation alternate revenue source bonds.
(2) Overlapping debt percentages based on 2024 EAV, the most current available.
(3) Includes bonds issued by the Public Building Commission of St. Clair County, which are supported by lease payments of St. Clair County for which St. Clair County levies taxes.
Source: Monroe County Clerk and St. Clair County Clerks.

*Preliminary; subject to change.

To the best knowledge of the City, there are no political subdivisions with boundaries overlapping the City or lying wholly within the City that have any general obligation bonds outstanding, other than those set forth above. However, political subdivisions may have ongoing programs requiring the issuance of bonds, the amounts of which cannot be determined at this time.

Debt Ratios

2025 Estimated City Population	11,127
2025 EAV	$468,776,576
2025 Estimated Full Value of Taxable Property (**"Full Value"**)	$1,406,329,728
General Obligation Bonds	$0[1]
Other General Obligation Debt	$4,767
Total Direct General Obligation Debt	$4,767
Per Capita Direct General Obligation Debt	$0.43
Ratio of Direct General Obligation Debt to EAV	0%
Ratio of Direct General Obligation Debt to Full Value	0%
General Obligation Bonds	$0
Overlapping General Obligation Bonds	$44,628,790
Total Direct and Overlapping General Obligation Bonds	$44,628,790
Per Capita Direct and Overlapping General Obligation Bonds	$4,011
Ratio of Direct and Overlapping General Obligation Bonds to EAV	9.52%
Ratio of Direct and Overlapping General Obligation Bonds to Full Value	3.17%

(1) Does not include alternate revenue bonds, such as the Bonds, which, under the Debt Reform Act, are not included in the computation of indebtedness of the City unless the taxes levied to pay the principal of and interest on the alternate revenue bonds are extended for collection by the County Clerks.

Debt Limitation

Section 8-5-1 of the Illinois Municipal Code provides, "… no municipality having a population of less than 500,000 shall become indebted in any manner of or for any purpose, to an amount, including existing indebtedness in the aggregate exceeding 8.625% on the value of the taxable property therein, to be ascertained by the last assessment for state and county purposes, previous to the incurring of indebtedness or until January 1, 1983, if greater, the sum that is produced by multiplying the municipality's 1978 equalized assessed valuation by the debt limitation percentage in effect on January 1, 1979."

Alternate bonds do not constitute an indebtedness of the City within the meaning of any constitutional or statutory provision or limitation, unless ad valorem taxes shall have been extended pursuant to the general obligation, full faith and credit promise supporting the bonds, in which case the amount of the alternate bonds then outstanding will be included in the computation of indebtedness of the City for purposes of all statutory provisions or limitations until such time as an audit of the City shows that the alternate bonds have been paid from the pledged revenues supporting them for a complete fiscal year.

Below is a calculation of the City's debt limit and remaining debt margin:

EAV (2025 Tax Year)[1]	$469,378,599
Legal Debt Limit - 8.625% of Assessed Valuation	$ 40,483,904
Amount of Debt Applicable to Debt Limit[2]	(4,767)
Legal Debt Margin	$ 40,479,137

(1) Includes the incremental EAV of property located in tax increment financing districts.
(2) Under the Debt Reform Act, alternate revenue bonds are not included in the computation of indebtedness so long as the debt service levy for such bonds is abated annually and not extended.

No Default

The City has not defaulted on any of its obligations.

Future Plans

The City does not anticipate any other borrowings within the next six months.

Tax Increment Financing

Tax increment financing is a procedure whereby cities and counties encourage the redevelopment of designated areas. The theory of tax increment financing is that, by encouraging redevelopment projects, the value of real property in a redevelopment area should increase. When tax increment financing is adopted for a redevelopment area, the assessed value of real property in the redevelopment area is frozen for tax purposes at the current base level prior to the construction of improvements. The owners of the property continue to pay property taxes at the base level. As the property is improved, the assessed value of real property in the redevelopment area should increase above the base level. By applying the tax rate of all taxing districts having taxing power within the redevelopment area to the increase in assessed valuation of the improved property over the base level, a "tax increment" is produced. The tax increment, referred to as "incremental property taxes," are paid by the owners of property in the same manner as regular property taxes. The incremental property taxes are transferred by the collecting agency to the treasurer of the city and deposited in a "Special Tax Allocation Fund." All or a portion of the moneys in the fund are used to pay directly for redevelopment project costs or to retire bonds or other obligations issued to pay such costs.

The City currently has 1 tax increment financing district with an aggregate incremental EAV of $602,023.

RETIREMENT PLANS

The City provides post-retirement pension benefits to certain employees. Certain of the provisions related to these plans are described below. See Note 5 and the required supplementary information disclosures to the Audit, which is attached hereto as ***Appendix B***, for additional information on the pension plans, including plan descriptions, information on the City's contributions and employee contributions, the funded status and funding progress of the pension plans, and information on the assumptions made and the methods employed by the actuary employed by the pension plan, all as of the most recent actuarial valuation date.

Illinois Municipal Retirement Fund (IMRF)

The City participates in the Illinois Municipal Retirement Fund (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 in Illinois. The IMRF is established and administered under statutes adopted by the Illinois General Assembly. The Illinois Pension Code, as amended (the **"Pension Code"**) sets the benefit provisions of the IMRF, which can only be amended by the Illinois General Assembly.

Each employer participating in the IMRF, including the City, 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 5 to the Audit for additional information on the IMRF's actuarial methods and assumptions, including information regarding the rate used to discount projected benefit payments to their actuarial present values (the **"Discount Rate"**) and the sensitivity of the Net Pension Liability, which is the difference between the actuarial present value of projected benefit payments that is attributed to past periods of employee service and the fair market value of the pension plan's assets, 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 City's contribution rate for calendar year 2024 was 3.92% of covered payroll.

For the calendar years ended 2022 through 2024, the City contributed the following amounts to IMRF:

Calendar Year Ended December 31	IMRF Contributions
2022	$197,489
2023	134,262
2024	152,460

Source: Annual Financial Reports of the City for fiscal years ended April 30, 2023-2025.

Measures of Financial Position. The following table presents the measures of the IMRF Account's financial position at the end of the following years:

Calendar Year Ended December 31	Total Pension Liability	Fiduciary Net Position	Net Pension Liability	Fiduciary Net Position as a % of Total Pension Liability
2022	$16,504,531	$15,898,181	$ 606,350	96.33%
2023	16,959,557	17,191,867	(232,310)	101.37
2024	18,145,552	17,845,165	300,387	98.34

Source: Annual Financial Reports of the City for fiscal years ended April 30, 2023-2025.

Police Pension Plan

The City provides pension benefits to its sworn police personnel through a single-employer, defined benefit pension plan (the **"Police Pension Plan"**). The defined benefit levels and the employee and employer contribution levels are governed by the Pension Code and may only be amended by the Illinois General Assembly.

The City administers and accounts for the Police Pension Plan as a pension trust fund. The City's payroll for employees covered by the Police Pension Plan for the fiscal year ended April 30, 2025, was $1,834,931. The City's contribution rate for calendar year 2024 was 30.66% of covered payroll. As of April 30, 2025, the Police Pension Plan consisted of 40 retirees and current employees. There were no unfunded commitments at year-end 2024.

The following table presents the measures of the Police Pension Plan's financial position at the end of the following years:

Calendar Year Ended December 31	2024	2023	2022	2021	2020
Accrued Pension Liability	$14,880,944	$13,883,411	$12,408,005	$12,550,646	$11,206,754
Actuarial Value of Assets	10,764,353	9,765,376	9,254,504	8,327,340	7,594,512
Net Pension Liability	4,116,591	4,118,035	3,153,501	4,223,306	3,612,242
Funded Ratio	72%	70%	75%	66%	68%

Source: Annual Financial Reports of the City for fiscal years ended April 30, 2023-2025.

Downstate Police and Fire Pension Consolidation Law

Public Act 101-0610 (**"PA 101-610"**) authorizes the consolidation of more than 650 police and firefighter pension funds that provide benefits to police and firefighters located outside the boundaries of Chicago into two statewide funds: The Police Officers' Pension Investment Fund (the **"Consolidated Police Pension Fund"**) and The Firefighters' Pension Investment Fund (the **"Consolidated Firefighters' Pension Fund"** and, together with the Consolidated Police Pension Fund, the **"Consolidated Pension Funds"**). Upon consolidation, the Consolidated Police Pension Fund and the Consolidated Firefighters' Pension Fund will have in excess of $8 billion and $6 billion in assets, respectively. The purpose of consolidating local pension funds into the Consolidated Pension Funds is to invest assets more efficiently and to reduce administrative costs in order to generate higher investment returns.

The Consolidated Pension Funds will be governed by their respective 9-member board of trustees and managed by their respective executive directors. The Consolidated Pension Funds are authorized to manage the reserves, funds, assets, securities, properties and moneys of the underlying police and fire pension funds which will make up the Consolidated Pension Funds.

Under PA 101-610, each underlying police and fire pension fund (such as the Police Pension Plan) will maintain an individual and separate account within the newly established Consolidated Pension Funds. Therefore, no assets or liabilities of any individual police or fire pension fund can be shifted from one pension fund to another. Further, investment returns earned by the Consolidated Pension Funds will be allocated and distributed pro rata among each underlying pension fund account in accordance with the value of the pension fund assets attributable to each fund.

The City cannot determine at this time the financial impact PA 101-610 will have on its Police Pension Plan. The effectiveness of PA 101-610 in reducing costs and generating additional investment returns may not be determinable for several years.

*   *   *

APPENDIX B

INDEPENDENT AUDITOR'S REPORT AND AUDITED FINANCIAL STATEMENTS OF THE CITY FOR THE FISCAL YEAR ENDED APRIL 30, 2025

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CITY OF COLUMBIA, ILLINOIS

ANNUAL FINANCIAL REPORT

YEAR ENDED APRIL 30, 2025

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TABLE OF CONTENTS

TABLE OF CONTENTS - *Continued*

Page
Number

REQUIRED SUPPLEMENTARY INFORMATION

OTHER INFORMATION

SCHMERSAHL TRELOAR & CO.
Certified Public Accountants

Independent Auditors' Report

To the Honorable Mayor and
City Council of the City of Columbia, Illinois

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Columbia, Illinois (the "City"), as of and for the year ended April 30, 2025, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Columbia, Illinois, as of April 30, 2025, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City of Columbia, Illinois'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 City of Columbia, Illinois's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 4-11 and 55–59 be presented to supplement the basic financial statements. Additionally, trend information related to the funding progression of the Police Pension Fund is available on page 60. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the combining and individual non-major fund financial statements and the schedule of assessed valuation, tax rates, taxes extended and collected but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

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

Other Reporting Required by *Government Auditing Standards*

In accordance with Government Auditing Standards, we have also issued our report dated October 20, 2025, on our consideration of the City of Columbia, Illinois's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City of Columbia, Illinois's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering City of Columbia, Illinois's internal control over financial reporting and compliance.

Schmersahl Treloar & Co.

Columbia, Illinois
October 20, 2025

CITY OF COLUMBIA, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED APRIL 30, 2025

The City of Columbia's Management's Discussion and Analysis (MD&A) offers readers of the City's financial statements a narrative overview and analysis of the financial activities of the City for the fiscal year ended April 30, 2025. This MD&A is designed to (1) assist the reader in focusing on significant financial issues, (2) provide an overview of the City's financial activity, (3) identify changes in the City's financial position, (4) identify any material deviations from the financial plan (the approved budget), and (5) identify individual fund issues or concerns. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in the City's basic financial statements (beginning on page 12).

Financial Highlights

- The assets of City of Columbia exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by $51,691,107 *(net position)*. Of this amount $21,223,509 *(unrestricted net position, consisting of $9,739,357 in governmental activities and $11,484,152 in proprietary activities)* may be used to meet the government's ongoing obligations to citizens and creditors.

- The government's total net position increased by $1,238,923.

- At the close of the current fiscal year, the City's governmental funds reported combined ending fund balances of $16,989,272, which is an increase of $395,360 in comparison with the prior year.

- At the end of the current fiscal year, unassigned fund balance for the general fund was $9,755,746 or 91% of total governmental fund expenditures.

- The City's bonded debt decreased by $440,000.

Overview of the Financial Statements

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

Government-Wide Financial Statements

The *government-wide financial statements* are designed to provide the reader with a broad overview of the City's finances, in a manner similar to a private sector business.

The *statement of net position* presents information on all of the City's assets, liabilities, and deferred inflows and outflows of resources with the difference reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

The *statement of activities* presents information showing how the City's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*).

The government-wide financial statements can be found on pages 12 - 13 of this report.

Government-Wide Financial Statements – Continued

In the Statement of Net Position and the Statement of Activities, the City is divided into two kinds of activities:

Governmental Activities - Most of the City's basic services are considered governmental activities, general city administration, public safety, and highways and streets. Property taxes, other local taxes, and state grants finance most of these activities.

Business-type Activities - The City's ambulance, garbage, and water and sewer service are reported here as the City charges a fee to customers to help it cover all the costs of the services provided.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City of Columbia, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into three categories: governmental, proprietary, and fiduciary funds.

Governmental Funds – *Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The City maintains eleven governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balance for the general, library, and capital development; each of which is considered to be a major fund. Data from the other eight governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report.

The basic governmental fund financial statements can be found on pages 14 - 17 of this report.

Proprietary Funds - Services for which the City charges customers a fee are generally reported as proprietary funds. Proprietary funds, like the government-wide statements, provide both long and short-term financial information.

The City's Enterprise fund (one type of proprietary fund) is the same as its business-type activities, but the fund financial statements provide more detail and additional information, such as cash flow. The City reports three enterprise funds: the water and sewer fund, the garbage fund, and the ambulance fund. The City has chosen to report all proprietary funds as major as this provides the most meaningful presentation for them.

The basic proprietary fund financial statements can be found on pages 18 - 20 of this report.

Fiduciary Funds - Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are *not* reflected in the government-wide financial statements because the resources of those funds are *not* available to support the City's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

The basic fiduciary fund financial statements can be found on pages 21 - 24 of this report.

Notes to the Financial Statements

The notes provide additional information that is essential to the full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 25 - 54 of this report.

Statement of Net Position

The City's net position for the year ended April 30, 2025 was $51,691,107 which is an increase of $1,238,923 from the prior year's net position of $50,452,184. The following table reflects a comparative Statement of Net Position for the City for the two years ended April 30, 2025 and 2024:

	Governmental Activities		Business Type Activities		Total	
	2025	2024	2025	2024	2025	2024
Assets:						
Currents Assets	$ 20,132,134	$20,063,004	$10,698,085	$ 9,512,645	$ 30,830,219	$ 29,575,649
Noncurrent Assets	22,565,619	22,430,944	9,960,604	10,039,546	32,526,223	32,470,490
Total	$ 42,697,753	$42,493,948	$20,658,689	$ 19,552,191	$ 63,356,442	$ 62,046,139
Deferred Outflows of Resources:						
Deferred Outflows - Pension Related	$ 916,574	$ 1,051,576	$ 974,466	$ 1,220,272	$ 1,891,040	$ 2,271,848
Liabilities:						
Current Liabilities	$ 2,379,853	$ 2,177,519	$ 392,424	$ 413,563	$ 2,772,277	$ 2,591,082
Noncurrent Liabilities	6,683,562	6,945,069	157,406	237,345	6,840,968	7,182,414
Total	$ 9,063,415	$ 9,122,588	$ 549,830	$ 650,908	$ 9,613,245	$ 9,773,496
Deferred Inflows of Resources:						
Unavailable Revenue - Property Taxes	$ 2,666,413	$ 2,538,624	$ 113,623	$ 107,968	$ 2,780,036	$ 2,646,592
Deferred Inflows - Pension Related	721,225	821,418	441,869	624,297	1,163,094	1,445,715
Total	$ 3,387,638	$ 3,360,042	$ 555,492	$ 732,265	$ 3,943,130	$ 4,092,307
Net Position:						
Investment in Capital Assets, Net of Related Debt	$ 20,964,530	$19,712,151	$ 9,043,681	$ 8,991,354	$ 30,008,211	$ 28,703,505
Restricted for Debt Service	459,387	441,324	-	-	459,387	441,324
Unrestricted	9,739,357	10,909,419	11,484,152	10,397,936	21,223,509	21,307,355
Total	$ 31,163,274	$31,062,894	$20,527,833	$ 19,389,290	$ 51,691,107	$ 50,452,184

As noted earlier, net assets may serve over time as a useful indicator of the City's financial position. In the fiscal year ended April 30, 2025, the City's assets and deferred outflows exceeded liabilities and deferred inflows of resources by $51,691,107.

Approximately 58% of the City's net position is reflected in capital assets (e.g., land, buildings, and infrastructure), less any related debt used to acquire those assets that are still outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

Approximately 0.9% of the City's net position represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position, $21,223,509, may be used to meet the City's ongoing obligations to citizens and creditors.

Changes in Net Position

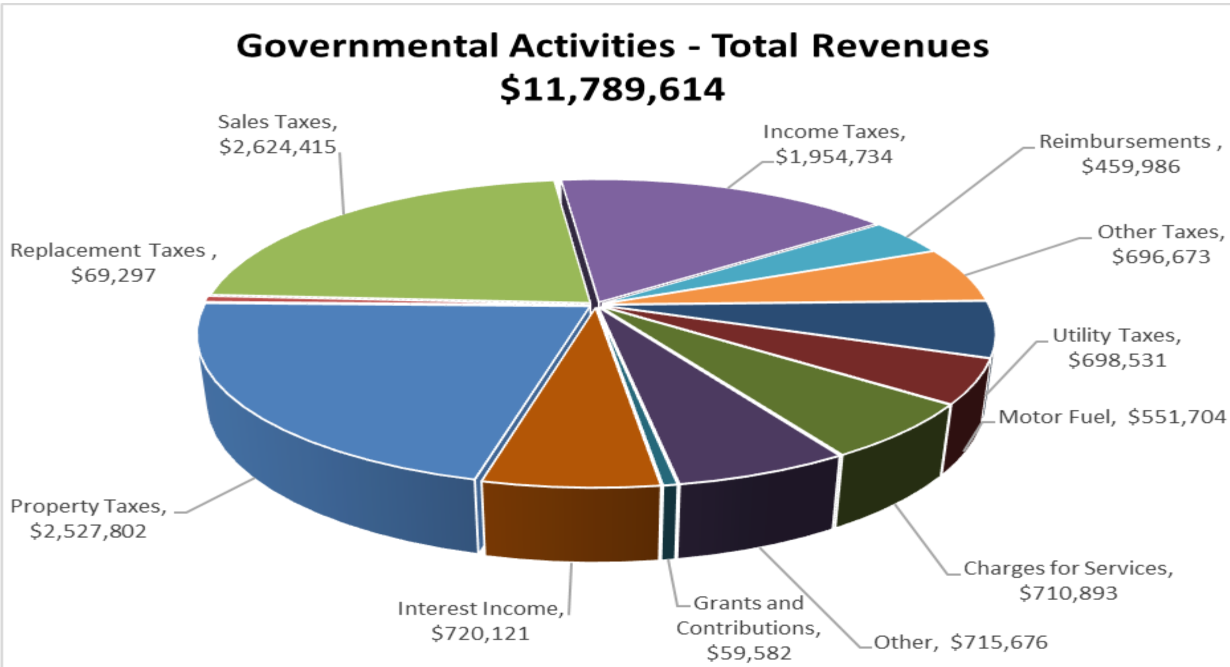
The following table reflects a comparative condensed Statement of Activities for the two years ended April 30, 2025 and 2024:

	Governmental Activities		Business-Type Activities		Total	
	2025	**2024**	**2025**	**2024**	**2025**	**2024**
Revenues:						
Program Revenues						
Charges for Services	$ 710,893	$ 508,028	$ 6,802,630	$ 6,270,015	$ 7,513,523	$ 6,778,043
Operating Grants and Contributions	59,582	241,495	-	-	59,582	241,495
General Revenues						
Property Taxes	2,527,802	2,414,984	107,792	102,069	2,635,594	2,517,053
Mobile Home Privilege Taxes	-	90	-	5	-	95
Replacement Taxes	69,297	104,506	-	-	69,297	104,506
Sales Taxes	2,624,615	2,486,077	-	-	2,624,615	2,486,077
Income Taxes	1,954,734	1,832,545	-	-	1,954,734	1,832,545
Other Intergovernmental Taxes	696,673	748,190	-	-	696,673	748,190
Utility Taxes	698,531	696,004	-	-	698,531	696,004
Motor Fuel Taxes	551,704	522,601	-	-	551,704	522,601
Hotel - Motel Taxes	148,481	105,033	-	-	148,481	105,033
Franchise Fees	88,644	137,317	-	-	88,644	137,317
Intergovernmental Agreement	-	-	228,175	226,044	228,175	226,044
Gain on Sale of Capital Assets	-	-	-	-	-	-
Miscellaneous	329,056	229,536	-	-	329,056	229,536
Ameren Electric Buyout	149,495	164,887	-	-	149,495	164,887
Reimbursements	459,986	375,998	-	-	459,986	375,998
Tower Rental	-	-	-	-	-	-
Sale of Tower Rental Interest - (Note 10)	-	-	-	-	-	-
Interest Income	720,121	752,641	328,545	637,821	1,048,666	1,390,462
Total Revenues	11,789,614	11,319,932	7,467,142	7,235,954	19,256,756	18,555,886
Expenses:						
General Government	2,210,898	1,790,050	-	-	2,210,898	1,790,050
Public Safety	4,419,612	5,231,524	-	-	4,419,612	5,231,524
Highways and Streets	3,315,418	1,709,059	-	-	3,315,418	1,709,059
Culture and Recreation	935,795	847,011	-	-	935,795	847,011
Interest and Fiscal Charges	81,207	93,854	-	-	81,207	93,854
Water and Sewer	-	-	4,270,891	3,860,473	4,270,891	3,860,473
Garbage	-	-	917,628	862,354	917,628	862,354
Ambulance	-	-	1,866,384	1,485,605	1,866,384	1,485,605
Total Expenses	10,962,930	9,671,498	7,054,903	6,208,432	18,017,833	15,879,930
Excess of Revenue over Expenditures before Transfers	826,684	1,648,434	412,239	1,027,522	1,238,923	2,675,956
Transfers	(726,304)	(49,994)	726,304	49,994	-	-
Change in Net Position	$ 100,380	$ 1,598,440	$ 1,138,543	$ 1,077,516	$ 1,238,923	$ 2,675,956

The City's net position increased by $1,238,923 during the fiscal year ended April 30, 2025.

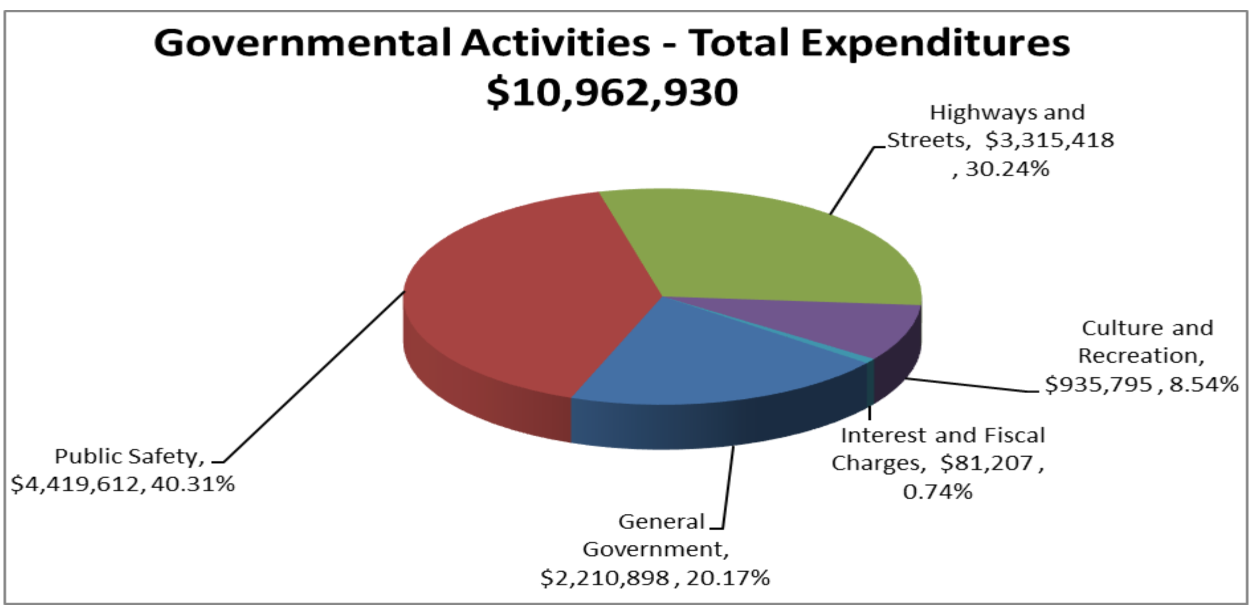
Revenues by Source - Governmental Activities

Revenues earned of $11,789,614 for conducting government activities are from various sources as depicted in the following pie chart:



Expenses by Function - Governmental Activities

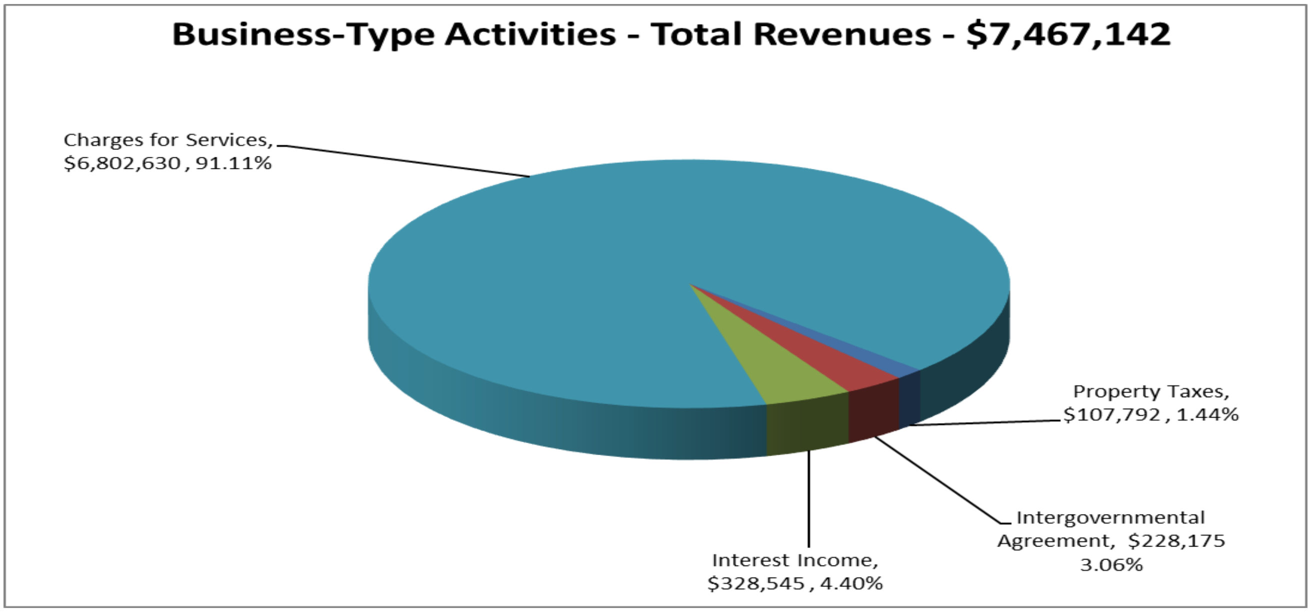
The following pie chart depicts total expenses of $10,962,930 by function:



Excess of revenue over expenditures before special items, the difference between revenues and expenditures, totaled $826,684 for the year ended April 30, 2025. In the governmental activities, there were also transfers out of $726,304, resulting in a total change in net position of $100,380.

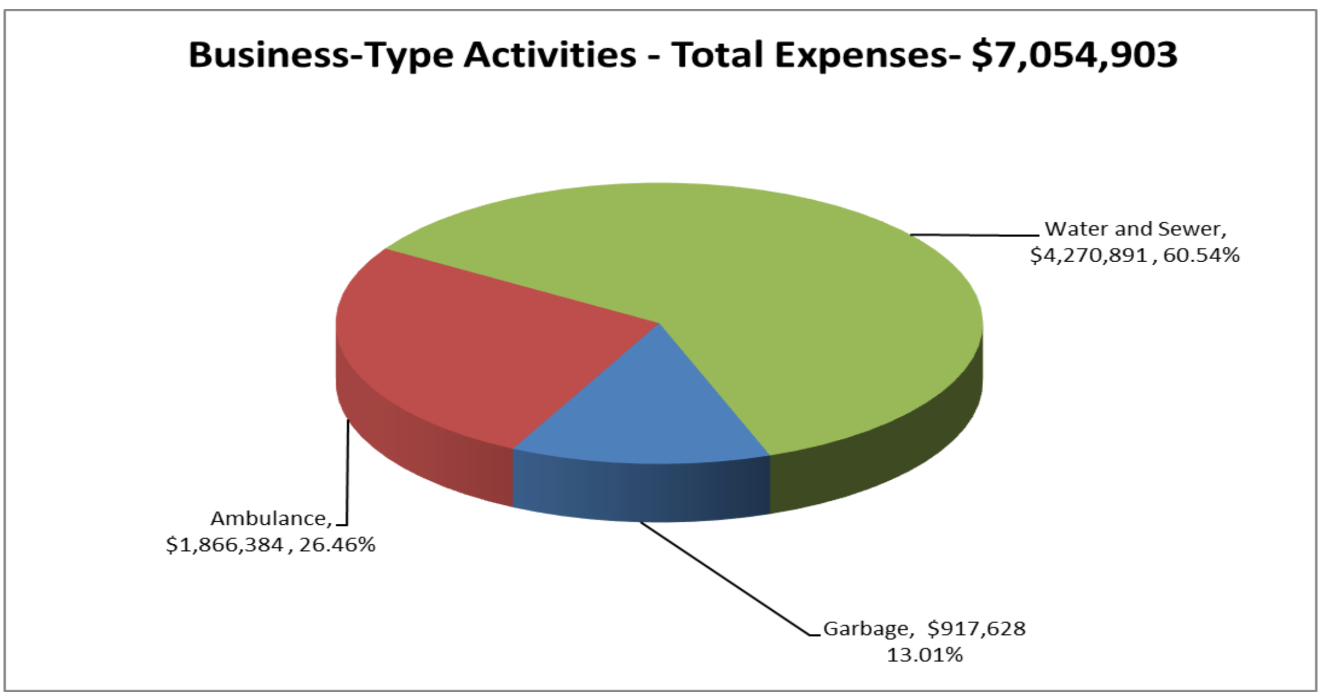
Revenues by Source - Business-Type Activities

Revenues earned of $7,467,142 for conducting business-type activities are from various sources as depicted in the following pie chart:



Expenses by Function - Business-Type Activities

The following pie chart depicts total expenses of $7,054,903 by function:



Revenue over expenses before special items, totaled $412,239 for the year ended April 30, 2025. In the business type activities, there was also a transfer in the amount of $726,304, resulting in a total change in net position of $1,138,543.

General Fund Budget

The City of Columbia presents budget information for its general fund on page 55 of this Annual Financial Report. The City of Columbia operated within the confines of their budget for their fiscal year ended April 30, 2025.

Revenues for the year were higher than budgeted by $589,769. Expenditures were approximately 5.80% or $485,874 under budget. The amount required to supplement the ambulance fund was $572,823 higher than projected.

Capital Assets

At the end of the fiscal year 2025, the City had $22,556,353 net governmental-type assets. This amount was invested in a variety of capital assets as reflected in the following schedule, which represents a net increase of $355,569 from the prior fiscal year.

	04/30/24	Additions	Retirements	04/30/25
Governmental activities:				
Land	$ 1,001,588	$ 452,273	$ -	$ 1,453,861
Construction in Progress	363,515	474,932	(278,220)	560,227
Buildings and Infrastructure	29,993,603	311,355	-	30,304,958
Park Improvements and Equipment	2,137,830	28,292	-	2,166,122
Equipment	6,933,217	439,924	-	7,373,141
Land Improvements	36,894	52,970	-	89,864
Total	40,466,647	1,759,746	(278,220)	41,948,173
Accumulated Depreciation	18,265,863	1,125,957	-	19,391,820
Total Capital Assets, Net	$ 22,200,784	$ 633,789	$ (278,220)	$ 22,556,353

The City also held $9,166,546 in net business-type assets. This amount was invested in a variety of capital assets as reflected in the following schedule, which represents a net decrease of $121,169 from the prior fiscal year.

	04/30/24	Additions	Retirements	04/30/25
Business-type activities:				
Land	$ 2,724	$ -	$ -	$ 2,724
Water and Sewer Plant & Equipment	17,797,036	317,981	-	18,115,017
Equipment - Ambulance	906,870	355,704	-	1,262,574
Equipment - Garbage	53,500	80,000	-	133,500
Total	18,760,130	753,685	-	19,513,815
Accumulated Depreciation	9,714,753	632,516	-	10,347,269
Total Capital Assets, Net	$ 9,045,377	$ 121,169	$ -	$ 9,166,546

More detailed information about the City's capital outlay may be found in the Notes to the Financial Statements on pages 35 and 36.

Long-Term Debt

At April 30, 2025, the City had $2,485,000 in outstanding bonds.

A summary of the City's long-term debt for the governmental-type activities for the years ended April 30, 2025 and 2024 is as follows:

	2025	2024
Governmental activities:		
2015 General Obligation and Refunding Bonds	$ 1,765,000	$ 2,160,000
2020 General Obligation Bonds	720,000	765,000
Capital Leases Payable	-	7,051
GRAND TOTAL	$ 2,485,000	$ 2,932,051

Business-type activities debt totaled $60,917 at April 30, 2025.

A detailed analysis of the bonds, notes payable, and capital leases payable outstanding may be found in the notes to the basic financial statements on pages 37 – 40.

Contact Information

This financial report is designed to provide a general overview of the City's finances, comply with the finance-related laws and regulations, and demonstrate the City's commitment to public accountability. If you have questions about this report or would like additional information, please contact the City Administrator.

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Basic Financial Statements

CITY OF COLUMBIA, ILLINOIS
STATEMENT OF NET POSITION
APRIL 30, 2025

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Current Assets:			
Cash, Cash Equivalents, and Investments	$ 15,950,944	$ 10,003,738	$ 25,954,682
Inventories	126,260	3,826	130,086
Receivables, Net of Allowances:			
Accounts Receivable	191,867	576,898	768,765
Taxes - Property	2,666,413	113,623	2,780,036
Taxes - Sales	536,926	-	536,926
Taxes - Income	463,557	-	463,557
Taxes - Other Intergovernmental	57,546	-	57,546
Taxes - Utility	60,133	-	60,133
Taxes - Motor Fuel	39,754	-	39,754
Taxes - Replacement	15,346	-	15,346
Taxes - Hotel - Motel	16,045	-	16,045
Loans and Accrued Interest	7,343	-	7,343
Total Current Assets	20,132,134	10,698,085	30,830,219
Noncurrent Assets:			
Bond Discount, Net of Amortization	9,266	-	9,266
Equity in MEMJAWA	-	736,506	736,506
Right of Use Leased Assets, net of amortization	-	57,552	57,552
Capital Assets, Net of Accumulated Depreciation:			
Land	1,453,861	2,724	1,456,585
Construction in Progress	560,227	-	560,227
Buildings and Infrastructure	18,800,434	-	18,800,434
Water and Sewer Plant Equipment	-	8,642,976	8,642,976
Park Improvements and Equipment	673,407	-	673,407
Equipment	1,018,985	520,846	1,539,831
Land Improvements	49,439	-	49,439
Total Noncurrent Assets	22,565,619	9,960,604	32,526,223
TOTAL ASSETS	$ 42,697,753	$ 20,658,689	$ 63,356,442
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Outflows - Pension Related (IMRF)	$ 916,574	$ 974,466	$ 1,891,040
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION			
LIABILITIES			
Current Liabilities:			
Accounts Payable	$ 298,124	$ 221,463	$ 519,587
Accrued Payroll	178,325	110,044	288,369
Motor Fuel Tax Projects	1,453,404	-	1,453,404
Current Portion of Capital Lease Payable	-	60,917	60,917
Bonds Payable	450,000	-	450,000
Total Current Liabilities	2,379,853	392,424	2,772,277
Noncurrent Liabilities:			
Consumer Deposits	-	36,615	36,615
Accrued Compensated Absences	257,672	94,703	352,375
Net Pension Liability	274,299	26,088	300,387
Bonds Payable	2,035,000	-	2,035,000
Net Pension Liability (Police Pension Fund)	4,116,591	-	4,116,591
Total Noncurrent Liabilities	6,683,562	157,406	6,840,968
TOTAL LIABILITIES	9,063,415	549,830	9,613,245
DEFERRED INFLOWS OF RESOURCES			
Unavailable Revenue - Property Taxes	2,666,413	113,623	2,780,036
Deferred Inflows - Pension Related (IMRF)	721,225	441,869	1,163,094
TOTAL DEFERRED INFLOWS OF RESOURCES	3,387,638	555,492	3,943,130
NET POSITION			
Investment in Capital Assets, Net of Related Debt	20,964,530	9,043,681	30,008,211
Restricted for Debt Service	459,387	-	459,387
Unrestricted	9,739,357	11,484,152	21,223,509
TOTAL NET POSITION	$ 31,163,274	$ 20,527,833	$ 51,691,107

See notes to the financial statements

CITY OF COLUMBIA, ILLINOIS
STATEMENT OF ACTIVITIES
YEAR ENDED APRIL 30, 2025

		Program Revenues			Net (Expenses) Revenue and Changes in Net Position		
					Primary Government		
Function/Program	Expenses	Fees, Fines and Charges for Service	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Governmental Activities:							
General Government	$ 2,210,898	$ 312,878	$ 1,407	$ -	$ (1,896,613)	$ -	$ (1,896,613)
Public Safety	4,419,612	379,651	-	-	(4,039,961)	-	(4,039,961)
Highways and Streets	3,315,418	-	41,841	-	(3,273,577)	-	(3,273,577)
Culture and Recreation	935,795	18,364	16,334	-	(901,097)	-	(901,097)
Interest and Fiscal Charges	81,207	-	-	-	(81,207)	-	(81,207)
Total Governmental Activities	10,962,930	710,893	59,582	-	(10,192,455)	-	(10,192,455)
Business-Type Activities:							
Water and Sewer	4,270,891	4,969,580	-	-	-	698,689	698,689
Garbage	917,628	997,016	-	-	-	79,388	79,388
Ambulance	1,866,384	836,034	-	-	-	(1,030,350)	(1,030,350)
Total Business-Type Activities	7,054,903	6,802,630	-	-	-	(252,273)	(252,273)
TOTAL	$ 18,017,833	$ 7,513,523	$ 59,582	$ -	(10,192,455)	(252,273)	(10,444,728)
General Revenues and Other Sources:							
Taxes - Property					2,527,802	107,792	2,635,594
Taxes - Mobile Home Privilege					-	-	-
Taxes - Replacement					69,297	-	69,297
Taxes - Sales					2,624,615	-	2,624,615
Taxes - Income					1,954,734	-	1,954,734
Taxes - Other Intergovernmental					696,673	-	696,673
Taxes - Utility					698,531	-	698,531
Taxes - Motor Fuel					551,704	-	551,704
Taxes - Hotel - Motel					148,481	-	148,481
Miscellaneous					329,056	-	329,056
Ameren Electric Buyout					149,495	-	149,495
Reimbursements					459,986	-	459,986
Franchise Fees					88,644	-	88,644
Interest					720,121	328,545	1,048,666
Intergovernmental Agreement					-	228,175	228,175
Total General Revenues and Other Sources					11,019,139	664,512	11,683,651
Transfers Between Funds					(726,304)	726,304	-
Change in Net Position					100,380	1,138,543	1,238,923
Net Position - Beginning of Year					31,062,894	19,389,290	50,452,184
Net Position - End of Year					$ 31,163,274	$ 20,527,833	$ 51,691,107

CITY OF COLUMBIA, ILLINOIS
BALANCE SHEET
GOVERNMENTAL FUNDS
APRIL 30, 2025

	General	Library	Capital Development	Other Non-Major Governmental Funds	Total Governmental Funds
ASSETS:					
Cash, Cash Equivalents, and Investments	$ 8,846,806	$ 600,156	$ 3,496,350	$ 3,007,632	$ 15,950,944
Inventories	-	-	-	126,260	126,260
Receivables, Net of Allowance					
Taxes - Property	2,105,023	468,596	-	92,794	2,666,413
Taxes - Sales	536,926	-	-	-	536,926
Taxes - Income	463,557	-	-	-	463,557
Taxes - Other Intergovernmental	57,546	-	-	-	57,546
Taxes - Utility	-	-	60,133	-	60,133
Taxes - Motor Fuel	-	-	-	39,754	39,754
Taxes - Replacement	15,346	-	-	-	15,346
Taxes - Hotel - Motel	16,045	-	-	-	16,045
Accounts Receivable	191,867	-	-	-	191,867
Loans and Accrued Interest	7,343	-	-	-	7,343
TOTAL ASSETS	$ 12,240,459	$ 1,068,752	$ 3,556,483	$ 3,266,440	$ 20,132,134
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES					
LIABILITIES:					
Accounts Payable	$ 217,803	$ 6,732	$ 48,101	$ 25,488	$ 298,124
Accrued Payroll	161,887	16,438	-	-	178,325
TOTAL LIABILITIES	379,690	23,170	48,101	25,488	476,449
DEFERRED INFLOWS OF RESOURCES:					
Unavailable revenue - property taxes	2,105,023	468,596	-	92,794	2,666,413
FUND BALANCES:					
Nonspendable	-	-	-	126,260	126,260
Restricted	-	-	-	2,594,398	2,594,398
Assigned	-	576,986	3,508,382	427,500	4,512,868
Unassigned	9,755,746	-	-	-	9,755,746
TOTAL FUND BALANCES	9,755,746	576,986	3,508,382	3,148,158	16,989,272
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	$ 12,240,459	$ 1,068,752	$ 3,556,483	$ 3,266,440	$ 20,132,134

See notes to the financial statements

CITY OF COLUMBIA, ILLINOIS
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
FOR THE YEAR ENDED APRIL 30, 2025

Fund Balances - Total Governmental Funds		$ 16,989,272
Amounts reported for governmental activities in the Statement of Net Position are different because:		
Capital assets, net of accumulated depreciation and amortization used in governmental activities are not financial resources and therefore are not reported in the governmental funds balance sheet. Those assets consist of the following:		
Land	1,453,861	
Construction in progress	560,227	
Buildings and Infrastructure	18,800,434	
Park Improvements and Equipment	673,407	
Equipment	1,018,985	
Land Improvements	49,439	
		22,556,353
Certain amounts are not a use of financial resources and, therefore, are not reported in governmental funds. These items consist of:		
Deferred Outflows - Pension Related (IMRF)		916,574
Deferred Inflows - Pension Related (IMRF)		(721,225)
Net Pension Asset/(Liability) (IMRF)		(274,299)
Net Pension Asset/(Liability) (Police Pension Fund)		(4,116,591)
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the governmental funds balance sheet. All liabilities, both current and long-term, are reported in the Statement of Net Position.		
Motor Fuel Tax Projects		(1,453,404)
Bonds Payable		(2,485,000)
Bond Discount, Net of Amortization		9,266
Accrued Compensated Absences		(257,672)
Net Position of Governmental Activities		$ 31,163,274

See notes to the financial statements

CITY OF COLUMBIA, ILLINOIS
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
FOR THE YEAR ENDED APRIL 30, 2025

	General	Library	Capital Development	Other Non-Major Governmental Funds	Total Governmental Funds
REVENUES:					
Taxes - Property	$ 1,993,407	$ 444,550	$ -	$ 89,845	$ 2,527,802
Taxes - Replacement	65,297	4,000	-	-	69,297
Taxes - Sales	2,624,615	-	-	-	2,624,615
Taxes - Income	1,954,734	-	-	-	1,954,734
Taxes - Other Intergovernmental	696,673	-	-	-	696,673
Taxes - Utility	-	-	698,531	-	698,531
Taxes - Motor Fuel	-	-	-	551,704	551,704
Taxes - Hotel - Motel	148,481	-	-	-	148,481
Licenses and Permits	245,595	-	-	-	245,595
Fines and Forfeitures	379,651	-	-	-	379,651
Miscellaneous	325,617	3,439	-	-	329,056
Ameren Electric Buyout	-	-	149,495	-	149,495
Reimbursements	459,986	-	-	-	459,986
Franchise Fees	88,644	-	-	-	88,644
Grants - State of Illinois	1,407	16,334	41,841	-	59,582
Charges for Services	67,283	18,364	-	-	85,647
Interest	374,252	20,581	185,706	139,582	720,121
TOTAL REVENUES	9,425,642	507,268	1,075,573	781,131	11,789,614
EXPENDITURES:					
General Government	1,686,762	-	3,043	466,011	2,155,816
Public Safety	4,487,054	-	-	-	4,487,054
Highways and Streets	1,465,103	-	944,458	308,630	2,718,191
Culture and Recreation	255,661	477,409	-	54,437	787,507
Principal and Interest	-	-	-	519,382	519,382
TOTAL EXPENDITURES	7,894,580	477,409	947,501	1,348,460	10,667,950
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	1,531,062	29,859	128,072	(567,329)	1,121,664
OTHER FINANCING SOURCES (USES):					
Transfers Between Funds	(833,740)	-	(300,000)	407,436	(726,304)
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER SOURCES (USES)	697,322	29,859	(171,928)	(159,893)	395,360
FUND BALANCES: BEGINNING OF YEAR	9,058,424	547,127	3,680,310	3,308,051	16,593,912
FUND BALANCES: END OF YEAR	$ 9,755,746	$ 576,986	$ 3,508,382	$ 3,148,158	$ 16,989,272

See notes to the financial statements

CITY OF COLUMBIA, ILLINOIS
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED APRIL 30, 2025

Net Change in Fund Balances - Total Governmental Funds		$ 395,360
Amounts reported for governmental activities in the Statement of Activities are different because:		
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is depreciated over their useful lives:		
Capital outlay	1,481,526	
Less: Current year depreciation and amortization	(1,125,957)	
		355,569
Right of Use Asset Amortization		(6,933)
Under the modified accrual basis of accounting used in the governmental funds, expenditures are not recognized for transactions that are not normally paid with expendable available financial resources. In the Statement of Activities however, which is presented on the accrual basis, expenses and liabilities are reported regardless of when financial resources are available. Such expenditures are as follows:		
Change in net pension asset/liability (IMRF)	(486,435)	
Change in deferred outflows - pension related (IMRF)	(135,001)	
Change in deferred inflows - pension related (IMRF)	100,192	
Change in net pension liability (Police Pension Fund)	1,444	
Change in accrued compensated absences	84,362	
Change in motor fuel tax projects payable	(653,404)	
		(1,088,842)
The issuance of long-term debt (e.g. bonds) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Also, governmental funds report the effect of issuance costs, premiums, discounts and similar items when debt is issued, whereas these amounts are deferred and amortized in the statement of activities. Issuance of bonds is revenue of the governmental funds and the repayment of bond principal is an expenditure of the governmental funds, but the issuance increases long-term liabilities and the repayment reduces long-term liabilities in the Statement of Net Position.		
Bond payments	440,000	
Lease related payments	7,051	
Bond discount amortization	(1,825)	
		445,226
Change in Net Position of Governmental Activities		$ 100,380

See notes to the financial statements

CITY OF COLUMBIA, ILLINOIS
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
APRIL 30, 2025

	Water and Sewer	Garbage	Ambulance	Total
ASSETS				
Current Assets:				
Cash, Cash Equivalents, and Investments	$ 9,193,304	$ 810,434	$ -	$ 10,003,738
Inventories	3,826	-	-	3,826
Receivables, Net of Allowance				
Accounts	418,599	92,654	65,645	576,898
Taxes - Property	-	113,623	-	113,623
Total Current Assets	9,615,729	1,016,711	65,645	10,698,085
Noncurrent Assets:				
Equity in MEMJAWA	736,506	-	-	736,506
Right of Use Leased Assets, Net of Amortization	-	-	57,552	57,552
Capital Assets, Net of Accumulated Depreciation				
Land	2,724	-	-	2,724
Equipment	-	119,500	401,346	520,846
Water and Sewer Plant and Equipment	8,642,976	-	-	8,642,976
Total Noncurrent Assets	9,382,206	119,500	458,898	9,960,604
TOTAL ASSETS	$ 18,997,935	$ 1,136,211	$ 524,543	$ 20,658,689
DEFERRED OUTFLOWS OF RESOURCES				
Deferred Outflows - Pension Related (IMRF)	$ 637,549	$ 6,289	$ 330,628	$ 974,466
LIABILITIES				
Current Liabilities:				
Accounts Payable	$ 137,976	$ 64,978	$ 18,509	$ 221,463
Accrued Payroll	59,494	3,835	46,715	110,044
Current Portion of Capital Lease Payable	-	-	60,917	60,917
Total Current Liabilities	197,470	68,813	126,141	392,424
Noncurrent Liabilities:				
Consumer Deposits	36,615	-	-	36,615
Net Pension Liability (IMRF)	15,553	3,308	7,227	26,088
Accrued Compensated Absences	62,672	-	32,031	94,703
Total Noncurrent Liabilities	114,840	3,308	39,258	157,406
TOTAL LIABILITIES	312,310	72,121	165,399	549,830
DEFERRED INFLOWS OF RESOURCES				
Unavailable Revenue - Property Taxes	-	113,623	-	113,623
Deferred Inflows - Pension Related (IMRF)	354,125	-	87,744	441,869
TOTAL DEFERRED INFLOWS OF RESOURCES	354,125	113,623	87,744	555,492
NET POSITION				
Investment in Capital Assets, Net of Related Debt	8,645,700	-	397,981	9,043,681
Unrestricted	10,323,349	956,756	204,047	11,484,152
TOTAL NET POSITION	$ 18,969,049	$ 956,756	$ 602,028	$ 20,527,833

CITY OF COLUMBIA, ILLINOIS
STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION - PROPRIETARY FUNDS
FOR THE YEAR ENDED APRIL 30, 2025

	Water and Sewer	Garbage	Ambulance	Total
OPERATING REVENUES:				
Charges for Services:				
Water	$ 3,094,738	$ -	$ -	$ 3,094,738
Sewer	1,851,408	-	-	1,851,408
Garbage	-	997,016	-	997,016
Ambulance	-	-	833,562	833,562
Miscellaneous	23,434	-	2,472	25,906
TOTAL OPERATING REVENUES	4,969,580	997,016	836,034	6,802,630
OPERATING EXPENSES:				
Personal Services	1,861,895	133,044	1,346,916	3,341,855
Supplies and Materials	180,441	-	67,940	248,381
Water Purchases	621,799	-	-	621,799
Contractual Services	738,463	763,897	64,793	1,567,153
Heat, Light and Power	247,027	-	-	247,027
Equipment	26,387	-	-	26,387
Bad Debt	-	-	207,021	207,021
Depreciation	533,659	9,750	89,107	632,516
Amortization right of use asset	-	-	53,124	53,124
TOTAL OPERATING EXPENSES	4,209,671	906,691	1,828,901	6,945,263
OPERATING INCOME (LOSS)	759,909	90,325	(992,867)	(142,633)
NON-OPERATING REVENUES (EXPENSES):				
Interest Income	294,192	34,353	-	328,545
IMRF Pension Expense	(61,220)	(10,937)	(37,483)	(109,640)
Taxes - Property	-	107,792	-	107,792
Intergovernmental Agreement	-	-	228,175	228,175
TOTAL NON-OPERATING REVENUES	232,972	131,208	190,692	554,872
INCOME (LOSS) BEFORE TRANSFERS	992,881	221,533	(802,175)	412,239
OTHER FINANCING SOURCES (USES):				
Transfers Between Funds	(150,000)	(50,000)	926,304	726,304
CHANGE IN NET POSITION	842,881	171,533	124,129	1,138,543
TOTAL NET POSITION - BEGINNING	18,126,168	785,223	477,899	19,389,290
TOTAL NET POSITION - ENDING	$ 18,969,049	$ 956,756	$ 602,028	$ 20,527,833

See notes to the financial statements

CITY OF COLUMBIA, ILLINOIS
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED APRIL 30, 2025

	Water and Sewer	Garbage	Ambulance	Total
CASH FLOWS FROM OPERATING ACTIVITIES:				
Cash Received From Customers	$ 4,969,580	$ 997,016	$ 728,758	$ 6,695,354
Payments to Suppliers	(1,860,345)	(761,437)	(162,310)	(2,784,092)
Payments to Employees	(1,874,347)	(122,040)	(1,273,208)	(3,269,595)
TOTAL OPERATING ACTIVITIES	1,234,888	113,539	(706,760)	641,667
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:				
Net Purchase of Capital Assets	(317,981)	(80,000)	(355,704)	(753,685)
Principal and Interest Payments on Debt	-	-	(54,532)	(54,532)
Interfund Transfers	(150,000)	(50,000)	926,304	726,304
Equity in MEMJAWA	126,813	-	-	126,813
IMRF Pension Expense	(61,220)	(10,937)	(37,483)	(109,640)
Property Taxes	-	107,792	-	107,792
Payments From Monroe County	-	-	228,175	228,175
TOTAL CAPITAL AND RELATED FINANCING ACTIVITIES	(402,388)	(33,145)	706,760	271,227
CASH FLOWS FROM INVESTING ACTIVITIES:				
Interest Income	294,192	34,353	-	328,545
TOTAL INVESTING ACTIVITIES	294,192	34,353	-	328,545
NET CHANGE IN CASH AND CASH EQUIVALENTS	1,126,692	114,747	-	1,241,439
CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR	8,066,612	695,687	-	8,762,299
CASH AND CASH EQUIVALENTS - ENDING OF YEAR	$ 9,193,304	$ 810,434	$ -	$ 10,003,738
RECONCILIATION OF OPERATING INCOME TO NET CHANGE IN CASH FROM OPERATING ACTIVITIES:				
Income (Loss) From Operations	$ 759,909	$ 90,325	$ (992,867)	$ (142,633)
ADJUSTMENTS TO RECONCILE INCOME FROM OPERATIONS TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES:				
Depreciation and amortization	533,659	9,750	142,231	685,640
(Increase) Decrease in Assets:				
Accounts Receivable	(38,951)	860	99,745	61,654
Taxes - Property	-	(5,655)	-	(5,655)
Deferred Outflows - Pension Related (IMRF)	130,472	5,071	110,263	245,806
Net Pension Asset (IMRF)	27,580	5,866	12,816	46,262
Increase (Decrease) in Liabilities:				
Accounts Payable	(7,607)	1,600	(29,577)	(35,584)
Accrued Payroll	3,798	67	4,194	8,059
Accrued Compensated Absences	(77,470)	-	32,031	(45,439)
Consumer Deposits	330	-	-	330
Deferred Inflows - Pension Related (IMRF)	(96,832)	-	(85,596)	(182,428)
Deferred Revenue	-	5,655	-	5,655
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	$ 1,234,888	$ 113,539	$ (706,760)	$ 641,667

See notes to the financial statements

CITY OF COLUMBIA, ILLINOIS
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS - COLUMBIA POLICE PENSION
APRIL 30, 2025

	Columbia Police Pension
ASSETS:	
Cash and Cash Equivalents	$ 73,995
Receivables:	
Taxes - Property	593,306
Investments:	
Illinois Police Officer Pension Investment fund	10,683,453
TOTAL ASSETS	$ 11,350,754
NET POSITION:	
Held in Trust for Pension Benefits and Other Purposes	$ 11,350,754

See notes to the financial statements

CITY OF COLUMBIA, ILLINOIS
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION - FIDUCIARY FUNDS - COLUMBIA POLICE PENSION
FOR THE YEAR ENDED APRIL 30, 2025

	Columbia Police Pension
ADDITIONS:	
Employer Contributions:	
Taxes - Property	$ 591,845
Plan Member Contributions	179,680
Total Contributions	771,525
Net Investment Gain:	
Investment Income	58,685
Net Appreciation in Fair Value of Investments	884,878
Total Investment Gain	943,563
TOTAL ADDITIONS	1,715,088
DEDUCTIONS:	
Benefits	697,023
Administrative Expense	15,629
TOTAL DEDUCTIONS	712,652
CHANGE IN NET POSITION	1,002,436
NET POSITION, BEGINNING OF YEAR	10,348,318
NET POSITION, END OF YEAR	$ 11,350,754

See notes to the financial statements

CITY OF COLUMBIA, ILLINOIS
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS - CHARLES TODD JR. - WARDERMAN CEMETERY MEMORIAL ESCROW/TRUST
APRIL 30, 2025

	Warderman Cemetery Escrow/Trust
ASSETS:	
Cash and Cash Equivalents	$ 25,606
NET POSITION:	
Held in Trust for Cemetery and Other Purposes	$ 25,606

See notes to the financial statements

CITY OF COLUMBIA, ILLINOIS
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION -
FIDUCIARY FUNDS - CHARLES TODD JR. - WARDERMAN CEMETERY MEMORIAL ESCROW/TRUST
FOR THE YEAR ENDED APRIL 30, 2025

	Warderman Cemetery Escrow/Trust
ADDITIONS:	
Interest Income	$ 128
NET POSITION, BEGINNING OF YEAR	25,478
NET POSITION, END OF YEAR	$ 25,606

See notes to the financial statements

NOTE 1 - Summary of Significant Accounting Policies

The City's accounting policies conform to generally accepted accounting principles which are appropriate to local governmental units of this type.

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

The City's reporting entity includes the City's governing Board and all related organizations for which the City exercises oversight responsibility. The City has developed criteria to determine whether outside agencies with activities which benefit the citizens of the City, should be included within its financial reporting entity. The criteria includes, but is not limited to, whether the City exercises responsibility (which includes financial interdependency, selection of governing authority, designation of management, ability to significantly influence operations, and accountability for fiscal matters), scope of public service, and special financing relationships.

B. Basis of Presentation and Basis of Accounting

Basis of Presentation

Government-Wide Financial Statements:

The Statement of Net Position and the Statement of Activities display information about the primary government as a whole. These statements include the financial activities of the overall government, except for fiduciary activities. Eliminations have been made to minimize the double-counting of internal activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange transactions. Business-type activities are financed in whole or in part by fees charged to external parties.

The Statement of Activities presents a comparison between direct expenses and program revenues for the different business-type activities of the City and each function of the City's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include (a) fees, fines, and charges paid by the recipients of goods or services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

Fund Financial Statements:

The fund financial statements provide information about the City's funds. Separate statements for each fund category - governmental and proprietary are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as non-major funds.

Proprietary fund operating revenues, such as charges for services, result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. Non-operating revenues, such as subsidies and investment earnings, result from non-exchange transactions or ancillary activities.

NOTE 1 - Summary of Significant Accounting Policies - Continued

B. Basis of Presentation and Basis of Accounting - Continued

Governmental Funds

The City has presented the following major governmental funds:

General Fund:

The General Fund is the main general operating fund of the City. It is used to account for all financial resources except those required to be accounted for in another fund. All general tax revenues and other receipts that are not restricted by law or contractual agreement to some other funds are accounted for in this fund. General operating expenditures, including public safety, street maintenance, and parks expenditures, which are not paid through other funds, are paid from the General Fund.

Library Fund:

The Library Fund is used to account for the funds received from real estate taxes levied for the support and maintenance of the City's public library. The proceeds of this specific revenue source are legally restricted to expenditures for the support and maintenance of the library.

Capital Development Fund:

The Capital Development Fund is used to account for the receipt of utility taxes and expenditures for various construction and renovation projects within the City.

The non-major funds are aggregated and consist of the following:

Special Revenue Funds:

These funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.

Capital Projects Funds:

The Capital Projects Funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds).

Debt Service Funds:

The Debt Service Funds are used to account for the accumulation of resources for the payment of principal, interest, and related costs on general long-term debt.

NOTE 1 - Summary of Significant Accounting Policies - Continued

B. Basis of Presentation and Basis of Accounting – Continued

Proprietary Funds

Proprietary Funds are accounted for using the economic resources measurement focus and the accrual basis of accounting. The accounting objectives are determinations of net income, financial position, and cash flow. All assets and liabilities are included in the Statement of Net Position. Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. Operating expenses for the proprietary funds include the cost of personal and contractual services, supplies, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses. The City has chosen to report all proprietary funds as major as this provides the most meaningful presentation for them.

The proprietary funds of the City are described as follows:

Water and Sewer Fund:

The Water and Sewer Fund is used to account for the providing of water and sewer services to the residents of the City. Activities of the fund include administration, operations and maintenance of the water and sewer system and billing and collection activities. The fund also accounts for the accumulation of resources for, and the payment of, long-term debt principal and interest for water and sewer debt. All costs are financed through charges to utility customers with rates reviewed regularly and adjusted if necessary to ensure integrity of the funds.

Garbage Fund:

The Garbage Fund is used to account for the operations of solid waste collection and disposal services. A majority of the costs are financed through charges to the residents of the City of Columbia.

Ambulance Fund:

The Ambulance Fund is used to account for the operations of ambulance services to the residents of the City. A majority of the costs are financed through charges to the patients serviced by the City's ambulance service and sharing of real estate taxes levied by Monroe County.

NOTE 1 - Summary of Significant Accounting Policies - Continued

B. Basis of Presentation and Basis of Accounting – Continued

Fiduciary Funds (Not included in Government-Wide Financial Statements)

The Pension and Other Employee Benefit Trust Funds report resources that are required to be held in trust for the members and beneficiaries of defined benefit plans, defined contribution plans, other post-employment benefit plans, or other employee benefit plans. The City has one fund that falls into this category: Police Pension. The City of Columbia also has one private-purpose trust fund which accounts for the trust agreement of the Charles Todd Jr. – Warderman Cemetery Memorial Escrow/Trust. Principal and income of the trust may be used according to the specific purposes of the agreement.

Agency Funds are used to report resources held in a purely custodial capacity for individuals or organizations outside the reporting government. The City does not have any agency funds to report.

Measurement Focus, Basis of Accounting

Measurement focus refers to what is being measured; basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurement made, regardless of the measurement focus applied.

The governmental and proprietary fund financial statements are reported using the economic resources measurement focus. The proprietary fund financial statements are reported using the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Non-exchange transactions, in which the City gives (or receives) value without directly receiving (or giving) equal value in exchange, include property taxes, grants, entitlements, and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

Governmental Fund Financial Statements

Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. The City considers all revenues reported in the governmental funds to be available if the revenues are collected within sixty days after year-end. Property taxes, sales taxes, franchise taxes, licenses, and interest are considered to be susceptible to accrual. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

Under the terms of grant agreements, the City funds certain programs by a combination of specific cost-reimbursement grants, categorical block grants, and general revenues. Thus, when program expenses are incurred, there are both restricted and unrestricted net positions available to finance the program. It is the City's policy to first apply cost-reimbursement grant resources to such programs, followed by categorical block grants, and then by general revenues.

NOTE 1 - Summary of Significant Accounting Policies - Continued

B. Basis of Presentation and Basis of Accounting – Continued

Governmental Fund Financial Statements *(Continued)*

When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, then unrestricted resources as needed.

All governmental and business-type activities and enterprise funds of the City follow Statements and Interpretations issued on or before November 30, 1989, Accounting Principles Board Opinions, and Accounting Research Bulletins, unless those pronouncements conflict with GASB pronouncements.

Fund Balance Classification

The governmental fund financial statements present fund balances based on classifications that comprise a hierarchy that is based primarily on the extent to which the City is bound to honor constraints on the specific purposes for which amounts in respective governmental funds can be spent. The classifications used in the governmental fund financial statements are as follows:

Nonspendable – This classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) are legally or contractually required to be maintained intact.

Restricted – This classification includes amounts for which constraints have been placed on the use of the resources either (a) externally imposed by creditors (such as through a debt covenant), grantors, contributors, or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation.

Committed – This classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by formal action of the Board of Aldermen. These amounts cannot be used for any other purpose unless the Board of Aldermen removes or changes the specified use by taking the same type of action (ordinance or resolution) that was employed when the funds were initially committed.

Assigned – This classification includes amounts that are constrained by the City’s intent to be used for a specific purpose but are neither restricted nor committed.

Unassigned – This classification includes residual fund balance for the General Fund as well as negative residual fund balance of any other governmental fund that cannot be eliminated by offsetting of Assigned fund balance amounts.

The City would typically use restricted fund balances first, followed by committed resources, and then assigned resources, as appropriate opportunities arise, but reserves the right to selectively spend unassigned resources first to defer the use of these other classified funds.

NOTE 1 - **Summary of Significant Accounting Policies - Continued**

B. **Basis of Presentation and Basis of Accounting – Continued**

Subsequent Events

In preparing these financial statements, the City has evaluated events and transactions for potential recognition or disclosure through October 20, 2025 the date the financial statements were available to be issued.

C. **Assets, Liabilities and Net Position**

Deposits and Investments

Investment balances, which consist of money market accounts, certificates of deposits, government securities, municipal bonds, corporate notes, mutual funds, and savings accounts are stated at fair market value.

Cash and Cash Equivalents

The City considers cash and cash equivalents in governmental and proprietary funds to be cash on hand and demand deposits.

Receivables

All trade and property tax receivables are shown net of an allowance for uncollectible accounts.

Property Taxes

The City's 2024 property tax levy was passed by the City on December 4, 2023. Property taxes attach as an enforceable lien on property as of January 1. Taxes were payable by two counties and all distributions were received in by April 30, 2025 for taxes payable in 2024.

The City's 2025 property tax levy was passed by the City on December 2, 2024.

Inventories and Prepaid Items

Inventories consist of expendable supplies held for consumption and are stated on a first-in, first-out basis. Certain payments to vendors reflect costs applicable to future reporting periods and are recorded as prepaid items.

Capitalized Interest

The City capitalizes net interest costs and interest earned as part of the cost of constructing various projects when material in amount.

Right to Use Leased Assets

The City has recorded right to use lease assets as a result of implementing GASB 87. The right to use assets are initially measured at an amount equal to the initial measurement of the related lease liability plus any lease payments made prior to the lease term, less lease incentives, and plus ancillary charges necessary to place the lease into service. The right to use assets are amortized on a straight-line basis over the life of the related lease.

NOTE 1 - Summary of Significant Accounting Policies - Continued

C. Assets, Liabilities and Net Position – Continued

Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets, are reported in the applicable columns in the government-wide financial statements and in the fund financial statements for proprietary funds. Purchased or constructed capital assets are reported at cost or estimated historical cost. Donated fixed assets are recorded at their estimated fair value at the date of donation. The City records infrastructure accounting within the guidelines promulgated by GASB 34 for governments of this size. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized.

Capital assets are depreciated using the straight-line method over the following estimated useful lives:

Asset Class	Estimated Useful Lives
Infrastructure	30, 40 & 50
Buildings	25
Equipment	7, 10 & 15

When assets are disposed, the cost and applicable accumulated depreciation are removed from the respective accounts, and the resulting gain or loss is recorded in operations.

Deferred Outflows/Inflows of Resources

In addition to assets, the Statement of Net Position will periodically report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense) until then. The City has one item which qualifies as a deferred outflow of resources which are pension related.

In addition to liabilities, the Statement of Net Position will periodically report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. Unavailable revenues in governmental funds include receivables not "available" to finance the current period. The City has two items which qualify as a deferred inflow of resources which are property taxes levied but not collected and pension related items.

Accrued Compensated Absences

Personnel policies of the City provide for vacation and sick pay. A liability for compensated absences reported in the government-wide financial statements consists of unpaid accumulated vacation and sick time balances.

NOTE 1 - Summary of Significant Accounting Policies - Continued

C. Assets, Liabilities and Net Position – Continued

Budget

City ordinance requires that a legally adopted annual budget be prepared for all funds. The City Administrator compiles a budget of estimated revenues and expenditures for the City and submits the budget to the City Council prior to May 1 each year. Copies of the proposed budget are made available for public inspection for at least 10 days prior to passage of the budget. A public hearing is held on the budget by the City Council. Notice of the hearing is given by publication in a newspaper with general circulation in the City.

The legal level of budgetary control is defined as the budgeted appropriation amount at the program level of expenditures within a department.

NOTE 2 - Cash, Cash Equivalents, and Investments

The City has adopted a formal written investment and cash management policy. The City is restricted to investments outlined in the Public Funds Investment Act of the State of Illinois.

Deposits

At April 30, 2025, the carrying amount of the City's deposits was $26,054,283 including fiduciary funds of $99,601. The bank balance was $26,931,956. The deposits are categorized in accordance with risk factors created by governmental reporting standards. At April 30, 2025, the City held no amounts in uncollateralized funds.

All deposits were covered by federal depository insurance or collateral held by the financial institution pledged in the City's name. In addition, monies are invested 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.

Investments

The City has adopted a formal written investment and cash management policy. The City is restricted to investments outlined in the Public Funds Investment Act of the State of Illinois.

The City maintains a cash and investment pool that is available for use by all funds. Each fund's portion of this pool is displayed in the basic financial statements as "cash, cash equivalents, and investments."

NOTE 2 - Cash, Cash Equivalents, and Investments - Continued

Investments - Continued

As of April 30, 2025, the City had the following deposits and investments:

City Funds Balances:	Fair Value	Level 1	Level 2
The Illinois Funds (pooled investment)	$ 23,483,095	$ -	$ 23,483,095
Cash Deposits held in Local Banks	2,471,587	2,471,587	-
Total Deposits and Investments as reported in the Statement of Net Position: Cash, Cash Equivalents, and Investments	$ 25,954,682	$ 2,471,587	$ 23,483,095
Fiduciary Funds Balances:			
IPOPIF Investments	$ 10,683,453	$ -	$ 10,683,453
Cash Deposits held in Local Banks	99,601	99,601	-
Total Deposits and Investments as reported in the Fiduciary Funds: Cash, Cash Equivalents, and Investments	$ 10,783,054	$ 99,601	$ 10,683,453

The Illinois Public Treasurers' Investment Pool, known as The Illinois Funds, operates as a qualified external investment pool in accordance with the criteria established in GASB Statement No. 79, Certain External Investment Pools and Pool Participants, and thus, reports all investments at amortized cost rather than fair value. The investment in The Illinois Funds by participants is also reported at amortized cost. The Illinois Funds does not have any limitations or restrictions on participant withdrawals. The Illinois Treasurer's Office issues a separate financial report for The Illinois Funds which may be obtained by contacting the Administrative Office at Illinois Business Center, 400 West Monroe Street, Suite 401, Springfield, Illinois 62704.

The Illinois Police Officers' Pension Investment Fund (IPOPIF) is an investment trust fund responsible for the consolidation and fiduciary management of the pension assets of Illinois suburban and downstate police pension funds. IPOPIF was created by Public Act 101-0610 and codified within the Illinois Pension Code, becoming effective January 1, 2020, to streamline investments and eliminate unnecessary and redundant administrative costs, thereby ensuring assets are available to fund pension benefits for the beneficiaries of the participating pension funds as defined in 40 ILCS 5/ 22B-105. Participation in IPOPIF by Illinois suburban and downstate police pension funds is mandatory.

Deposits with Financial Institutions:

Custodial Credit Risk - Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to the investment, the City will not be able to recover the value of its investments that are in possession of an outside party. To limit its exposure, the City investment policy requires all security transactions that are exposed to custodial credit risk to be processed on a delivery versus payment (DVP) basis with the underlying investments held by a third party acting as the City's agent separate from where the investment was purchased.

NOTE 2 - Cash, Cash Equivalents, and Investments – Continued

Investments – Continued

The City's investment policies require all uninsured deposits with financial institutions, unless FDIC coverage is available, to be covered by collateral by up to 100%, with the collateral held by an independent third party acting as the City's agent and held in the name of the City, respectively.

The Police Pension Fund retains all of their available cash with one financial institution. Available cash is determined to be the amount which is required for the current expenditures of the fund. The excess of available cash is required to be transferred to IPOPIF or IFPIF for purposes of the long-term investment for the fund.

Investments of the Police Pension Fund are combined in a commingled external investment pool and held by IPOPIF. A schedule of investment expenses is included in IPOPIF's annual report. For additional information on IPOPIF's investments, please refer to their annual report as of June 30, 2022. A copy of that report can be obtained from IPOPIF at 456 Fulton Street, Suite 402, Peoria, IL 61602 or at www.ipopif.org.

IPOPIF's investment policy was originally adopted by the Board of Trustees on July 12, 2022. IPOPIF has the authority to invest trust fund assets in any type of security subject to the requirements and restrictions set forth in the Illinois Pension Code and is not restricted by the Pension Code sections that pertain exclusively to the Article 3 participating police pension funds. IPOPIF shall be subject to the provisions of the Illinois Pension Code including, but not limited to, utilization of emerging investment managers and utilization of businesses owned by minorities, women, and persons with disabilities.

The custodial credit risk for deposits is the risk that in the event of bank failure, the City's deposits may not be covered. The City has an investment policy that addresses custodial credit risk. All certificates of deposit are covered by federal depository insurance or collateral held by the financial institution pledged in the City's name.

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The City has a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from changing interest rates.

Concentration of credit risk is the risk of loss attributed to the magnitude of an entity's investment in a single issuer. The City places no limit on the amount the City may invest in any one issuer.

As of April 30, 2025, the City's investments and cash deposits are all classified as Level 1 and Level 2.

Net Asset Value - The Net Asset Value (MVA) of the Police Pension Fund's pooled investment in IPOPIF was $10,683,453, at May 1, 2024. Investments in IPOPIF are valued at IPOPIF's share price, which is the price the investment could be sold. There are no unfunded commitments at May 1, 2024. The fund may redeem shares with a seven-calendar day notice. IPOPIF may, at its sole discretion and based on circumstances, process redemption requests with fewer than a seven-calendar day notice. Regular redemptions of the same amount on a particular day of the month may be arranged with IPOPIF.

NOTE 3 - Capital Assets

The following provides a summary of the changes in capital assets for the governmental activities during the year ended April 30, 2025:

	Beginning Balances	Increases	Decreases	Ending Balances
Governmental Activities:				
Capital Assets Not Being Depreciated:				
Land	$ 1,001,588	$ 452,273	$ -	$ 1,453,861
Construction in Progress	363,515	474,932	(278,220)	560,227
Total Capital Assets Not Being Depreciated	1,365,103	927,205	(278,220)	2,014,088
Capital Assets Being Depreciated:				
Buildings and Infrastructure	29,993,603	311,355	-	30,304,958
Park Improvements & Equipment	2,137,830	28,292	-	2,166,122
Equipment	6,933,217	439,924	-	7,373,141
Land Improvements	36,894	52,970	-	89,864
Total Capital Assets Being Depreciated	39,101,544	832,541	-	39,934,085
Less Accumulated Depreciation for:				
Buildings and Infrastructure	10,773,338	731,186	-	11,504,524
Park Improvements & Equipment	1,425,037	67,678	-	1,492,715
Equipment	6,030,594	323,562	-	6,354,156
Land Improvements	36,894	3,531	-	40,425
Total Accumulated Depreciation	18,265,863	1,125,957	-	19,391,820
Total Capital Assets Being Depreciated, Net	20,835,681	(293,416)	-	20,542,265
Governmental Activities Capital Assets, Net	$ 22,200,784	$ 633,789	$ (278,220)	$ 22,556,353

Depreciation and amortization expense was charged to functions as follows:

General Government	$ 431,188
Public Safety	208,793
Highways and Streets	414,767
Culture and Recreation	71,209
	$ 1,125,957

NOTE 3 - Capital Assets - Continued

The following provides a summary of the changes in capital assets for the business-type activities during the year ended April 30, 2025:

	Beginning Balances Restated	Increases	Decreases	Ending Balances
Business-Type Activities:				
Capital Assets Not Being Depreciated:				
Land	$ 2,724	$ -	$ -	$ 2,724
Capital Assets Being Depreciated:				
Water and Sewer Plant & Equipment	17,797,036	317,981	-	18,115,017
Equipment - Ambulance	906,870	355,704	-	1,262,574
Equipment - Garbage	53,500	80,000	-	133,500
Total Capital Assets Being Depreciated	18,757,406	753,685	-	19,511,091
Less Accumulated Depreciation for:				
Water and Sewer Plant & Equipment	8,938,382	533,659	-	9,472,041
Equipment - Ambulance	772,121	89,107	-	861,228
Equipment - Garbage	4,250	9,750	-	14,000
Total Accumulated Depreciation	9,714,753	632,516	-	10,347,269
Total Capital Assets Being Depreciated, Net	9,042,653	121,169	-	9,163,822
Business-Type Activities Capital Assets, Net	$ 9,045,377	$ 121,169	$ -	$ 9,166,546

Depreciation expense was charged to functions as follows:

Water and Sewer	$ 533,659
Ambulance	89,107
Garbage	9,750
	$ 632,516

NOTE 4 - Long-Term Debt

A. The following is a summary of the changes in long-term debt for the governmental and business-type activities for the year ended April 30, 2025:

	Beginning Balance	Additions	Retirement	Ending Balance	Due Within One Year
Governmental Activities:					
2015 General Obligation Capital Projects and Refunding Bonds	$ 2,160,000	$ -	$ 395,000	$ 1,765,000	$ 405,000
2020 General Obligation Bonds	765,000	-	45,000	720,000	45,000
Capital Leases Payable	7,051	-	7,051	-	-
Total Governmental Activities:	$ 2,932,051	$ -	$ 447,051	$ 2,485,000	$ 450,000
Business Activities:					
Capital Leases Payable	$ 115,449	$ -	$ 54,532	$ 60,917	$ 60,917

B. 2015 General Obligation and Refunding Bonds

The City issued General Obligation and Refunding Bonds (Public Utility Taxes Alternate Revenue Source) on February 17, 2015 in the initial offering amount of $5,135,000. The bonds outstanding as of April 30, 2025 total $1,765,000 and bear interest at a 2.64% rate payable semiannually.

The Bonds were issued to fund various capital projects and to refund $4,525,000 General Obligation Capital Projects and Refunding Bonds dated May 1, 2008. The 2015 General Obligation and Refunding Bonds are callable.

The following is a schedule of the general obligation bonds outstanding:

	Principal	Interest	Total
06/01/2025	$ --	$ 23,298	$ 23,298
12/01/2025	405,000	23,298	428,298
06/01/2026	--	17,952	17,952
12/01/2026	405,000	17,952	422,952
06/01/2027	--	12,606	12,606
12/01/2027	420,000	12,606	432,606
06/01/2028	--	7,062	7,062
12/01/2028	265,000	7,062	272,062
06/01/2029	--	3,564	3,564
12/01/2029	270,000	3,564	273,564
	$1,765,000	$128,964	$1,893,964

NOTE 4 - Long-Term Debts – Continued

C. 2020 General Obligation Bonds

The City issued General Obligation Bonds Series 2020 on April 20, 2020, in the initial offering amount of $900,000. The bonds outstanding as of April 30, 2025 total $720,000 and bear interest at rates between 2.65% and 1.95% payable annually.

The bonds were issued to fund various municipal acquisitions of land and improvements and renovations to City park facilities, and related facilities, improvements, and costs.

The following is a schedule of the general obligation bonds outstanding:

	Principal	Interest	Total
12/1/2025	$ 45,000	$ 20,588	$ 65,588
12/1/2026	45,000	19,620	64,620
12/1/2027	45,000	18,608	63,608
12/1/2028	45,000	17,550	62,550
12/1/2029	45,000	16,448	61,448
12/1/2030	45,000	15,300	60,300
12/1/2031	45,000	14,108	59,108
12/1/2032	45,000	12,870	57,870
12/1/2033	45,000	11,588	56,588
12/1/2034	45,000	10,238	55,238
12/1/2035	45,000	8,843	53,843
12/1/2036	45,000	7,425	52,425
12/1/2037	45,000	5,985	50,985
12/1/2038	45,000	4,523	49,523
12/1/2039	45,000	3,038	48,038
12/1/2040	45,000	1,530	46,530
	$ 720,000	$ 188,262	$ 908,262

The bonds were issued to fund various municipal building improvements, major repairs and renovations, emergency response equipment and infrastructure, equipment and capital improvements for city parks and trails, and street improvements projects.

NOTE 4 - Long-Term Debts – Continued

D. Bond Principal Maturities and Interest Requirements:

The following is a summary of bond principal maturities and interest requirements:

Year Ending April 30,	Total
2026	$ 517,184
2027	505,524
2028	508,820
2029	341,674
2030	338,576
2031	60,300
2032	59,108
2033	57,870
2034	56,588
2035	55,238
2036	53,843
2037	52,425
2038	50,985
2039	49,523
2040	48,038
2041	46,530
	$ 2,802,226

NOTE 4 - Long-Term Debts – Continued

E. Capital Leases (Right to Use Leased Asset)

The City has entered into agreements to lease various equipment. Such agreements are purchases (capital leases) and are reported as capital leases payable. Assets acquired through such capital leases are recorded as right-of-use assets at the present value of the future minimum lease payments, discounted at the City's incremental borrowing rate, and amortized on a straight-line basis over the term of the lease.

Right of Use Leased equipment under capital leases in capital assets at April 30, 2025, includes the following:

Right-of-Use Assets	$623,750
Less: Accumulated Amortization	(566,198)
Net	$ 57,552

The following is a schedule of capital leases payable at April 30, 2025:

Fiscal Year Ended	Payments
2026	$ 57,204
2027	4,767
	61,971
Less amount representing Interest:	(1,054)
Net Capital Lease Payable	$ 60,917

F. Legal Debt Margin

At April 30, 2025, the legal debt margin of the City was as follows:

Assessed Valuation – 2023	$396,924,883
Legal Debt Margin %	8.625%
Legal Debt Margin	$ 34,234,771
Less: Debt Outstanding	(2,485,000)
Debt Margin	$ 31,749,771

NOTE 5 - Pension Plans

A. Illinois Municipal Retirement Fund

Plan Description

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

Benefits Provided

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

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

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

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

Employees Covered by Benefit Terms

As of December 31, 2024, the following employees were covered by the benefit terms:

	IMRF
Retirees and Beneficiaries currently receiving benefits	55
Inactive Plan Members entitled to but not yet receiving benefits	48
Active Plan members	60
Total	163

NOTE 5 - Pension Plans - Continued

A. Illinois Municipal Retirement Fund – Continued

Contributions

As set by statute, the City's Regular Plan Members are required to contribute 4.5% of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The City's annual contribution rate for calendar year 2024 was 3.92%. For the calendar year ended 2024, the City contributed $152,460 to the plan. The City also contributes for disability benefits, death benefits, and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by IMRF's Board of Trustees, while the supplemental retirement benefits rate is set by statute.

Net Pension Liability

The City's net pension liability was measured as of December 31, 2024. The total pension liability used to calculate the net pension liability 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** was used Aggregate Entry Age Normal.
- The **Asset Valuation Method used was** 5-Year smoothed market; 20% corridor.
- The **Inflation Rate** was assumed to be 2.25%.
- **Salary Increases** were expected to be 2.85% to 13.75%.
- The **Investment Rate of Return** was assumed to be 7.25%.
- **Projected Retirement Age** was from the Experience-based table of rates, specific to the type of eligibility condition, last updated for the 2023 valuation according to an experience study from the years 2020-2022.
- For **Non-disabled Retirees**, the Pub-2010, Amount-Weighted, below-median income, General, Retiree, Male (adjusted 106%) and Female (adjusted 105%) tables, and future mortality improvements projected using scale MP-2021.
- For **Disabled Retirees**, the Pub-2010, Amount-Weighted, below-median income, General, Disabled Retiree, Male and Female (both audit 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 to the target asset allocation percentage and adding expected inflation. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table as of December 31, 2024:

NOTE 5 - Pension Plans - Continued

A. Illinois Municipal Retirement Fund – Continued

Asset Class	Portfolio Target Percentage	Long-Term Expected Real Rate of Return
Domestic Equity	33.5%	4.35%
International Equity	18.0%	5.40%
Fixed Income	24.5%	5.20%
Real Estate	10.5%	6.40%
Alternative Investments	12.5%	4.85-6.25%
Cash Equivalents	1.0%	3.60%
Total	100%	

Single Discount Rate

A Single Discount Rate of 7.25% was used to measure the total pension liability as of December 31, 2024. The projection of cash 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).

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 is 7.25%.

NOTE 5 - Pension Plans - Continued

A. Illinois Municipal Retirement Fund– Continued

Changes in the Net Pension Liability

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension (Asset)/Liability (A) - (B)
Balances at December 31, 2023	$ 16,959,557	$ 17,191,866	$ (232,309)
Changes for the year:			
Service Cost	299,532	-	299,532
Interest on the Total Pension Liability	1,209,434	-	1,209,434
Differences Between Expected and Actual Experience of the Total Pension Liability	531,984	-	531,984
Changes of Assumptions	-	-	-
Contributions - Employer	-	152,039	(152,039)
Contributions - Employees	-	176,781	(176,781)
Net Investment Income	-	1,712,461	(1,712,461)
Benefit Payments, including Refunds of Employee Contributions	(854,955)	(854,955)	-
Other (Net Transfer)	-	(533,027)	533,027
Net Changes	1,185,995	653,299	532,696
Balances at December 31, 2024	$ 18,145,552	$ 17,845,165	$ 300,387

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

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

	1% Lower 6.25%	Current Discount Rate 7.25%	1% Higher 8.25%
Total Pension Liability	$ 20,303,076	$ 18,145,552	$ 16,423,860
Plan Fiduciary Net Position	17,845,166	17,845,165	17,845,166
Net Pension Liability/(Asset)	$ 2,457,910	$ 300,387	$ (1,421,306)

NOTE 5 - Pension Plans - Continued

A. Illinois Municipal Retirement Fund– Continued

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

For the year ended April 30, 2025, the City recognized pension expense of $521,244. At April 30, 2025, the City reported deferred outflows or 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	$ 383,634	$ 78,699
Changes of assumptions	-	15,621
Net difference between projected and actual earnings on pension plan investments	1,507,406	1,068,774
Total Deferred Amounts Related to Pensions	$ 1,891,040	$ 1,163,094

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

Year Ending December 31	Net Deferred Outflows of Resources
2025	$ 318,457
2026	649,281
2027	(138,902)
2028	(100,890)
Total	$ 727,946

NOTE 5 - Pension Plans - Continued

A. Illinois Municipal Retirement Fund – Continued

Schedule of Changes in the Net Pension Liability and Related Ratios
Most Recent Calendar Years

Calendar Year Ended December 31,	2024	2023	2022	2021	2020	2019	2018	2017	2016
Total Pension Liability									
Service Cost	$ 299,532	$ 298,266	$ 278,243	$ 271,808	$ 263,498	$ 249,059	$ 236,704	$ 254,671	$ 252,945
Interest on the Total Pension Liability	1,209,434	1,174,800	1,140,822	1,101,766	1,028,255	991,820	932,424	920,255	885,883
Differences Between Expected and Actual Experience	531,984	(89,479)	(107,739)	(37,388)	568,715	(58,228)	312,246	(156,663)	(240,179)
Changes of Assumptions	-	(29,517)	-	-	(112,929)	-	369,157	(364,786)	-
Benefit Payments, including Refunds of Employee Contributions	(854,955)	(899,044)	(806,297)	(795,093)	(680,415)	(694,219)	(523,293)	(441,176)	(441,271)
Net Change in Total Pension Liability	1,185,995	455,026	505,029	541,093	1,067,124	488,432	1,327,238	212,301	457,378
Total Pension Liability - Beginning	16,959,557	16,504,531	15,999,502	15,458,409	14,391,285	13,902,853	12,575,615	12,363,314	11,905,936
Total Pension Liability - Ending (A)	$ 18,145,552	$ 16,959,557	$ 16,504,531	$ 15,999,502	$ 15,458,409	$ 14,391,285	$ 13,902,853	$ 12,575,615	$ 12,363,314
Plan Fiduciary Net Position									
Contributions - Employer	$ 152,039	$ 134,263	$ 197,489	$ 217,077	$ 213,754	$ 132,418	$ 203,667	$ 204,782	$ 216,976
Contributions - Employees	176,781	153,345	141,063	131,829	131,406	112,430	116,603	112,334	118,306
Net Investment Income	1,712,460	1,726,878	(2,416,650)	2,746,833	2,024,028	2,349,712	(620,584)	1,999,896	781,943
Benefit Payments, including Refunds of Employee Contributions	(854,955)	(899,044)	(806,297)	(795,093)	(680,415)	(694,219)	(523,293)	(441,176)	(441,271)
Other (Net Transfer)	(533,027)	178,244	(195,381)	63,478	199,516	(150,804)	231,862	(215,962)	(44,988)
Net Change in Plan Fiduciary Net Position	653,298	1,293,686	(3,079,776)	2,364,124	1,888,289	1,749,537	(591,745)	1,659,874	630,966
Plan Fiduciary Net Position - Beginning	17,191,867	15,898,181	18,977,957	16,613,833	14,725,544	12,976,007	13,567,752	11,907,878	11,276,912
Plan Fiduciary Net Position - Ending (B)	$ 17,845,165	$ 17,191,867	$ 15,898,181	$ 18,977,957	$ 16,613,833	$ 14,725,544	$ 12,976,007	$ 13,567,752	$ 11,907,878
Net Pension (Asset)/Liability - Ending (A) - (B)	$ 300,387	$ (232,310)	$ 606,350	$ (2,978,455)	$ (1,155,424)	$ (334,259)	$ 926,846	$ (992,137)	$ 455,436
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	98.34%	101.37%	96.33%	118.62%	107.47%	102.32%	93.33%	107.89%	96.32%
Covered Valuation Payroll	$ 3,878,534	$ 3,407,666	$ 3,134,739	$ 2,929,522	$ 2,920,137	$ 2,498,454	$ 2,590,916	$ 2,488,246	$ 2,505,494
Net Pension Liability as a Percentage of Covered Valuation Payroll	7.74%	-6.82%	19.34%	-101.67%	-39.57%	-13.38%	35.77%	-39.87%	18.18%

Notes to Schedule

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

NOTE 5 - Pension Plans – Continued

A. Illinois Municipal Retirement Fund – Continued

Changes in assumptions:

- For 2014, changes are primarily from adopting an IMRF specific mortality tables with fully generational projection scale MP-2014 (base year 2014) developed from the RP-2014 mortality tables.
- For 2015, changes are primarily from a change in the calculated single discount rate from 7.49% in 2014 to 7.47% in 2015.
- For 2016, changes are primarily from a change in the calculated single discount rate from 7.47% in 2015 to 7.50% in 2016.
- For 2017, changes are primarily from adopting an IMRF specific mortality tables with fully generational projection scale MP-2017 (base year 2015) developed from the RP-2014 mortality tables.
- For 2018, the assumed investment rate of return was lowered from 7.50% to 7.25%.
- For 2020, changes are primarily from adopting the Pub-2010, amount weighted, general mortality tables for retirees and active members.
- For 2021, there were no changes to the methods and assumptions.
- For 2022, there were no changes to the methods and assumptions.
- For 2023, there were no changes to the methods and assumptions.
- For 2024, there were no changes to the methods and assumptions.

Schedule of Employer Contributions

Last Five 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
2020	$ 213,754	$ 213,754	$ -	$ 2,920,137	7.32%
2021	217,078	217,077	1	2,929,522	7.41%
2022	197,489	197,489	-	3,134,739	6.30%
2023	134,262	134,263	(1)	3,407,666	3.94%
2024	152,039	152,039	-	3,878,534	3.92%

Valuation Date:
Notes: Actuarially determined contributions 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.

NOTE 5 - Pension Plans – Continued

A. Illinois Municipal Retirement Fund – Continued

Valuation Date:
Notes: Actuarially determined contributions 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 to 2019.
Mortality:	For non-disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Retiree, Male (adjusted 106%) and Female (adjusted 105%) tables, and future mortality improvements projected using scale MP-2020. For disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Disable Retiree, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020. For active members, the Pub-2010, Amount-Weighted, below-median income, General, Employee, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020.
Note:	There were no benefit changes during the year.

* Based on Valuation Assumptions used in the December 31, 2022 actuarial valuation.
There is a two-year lag between valuation and rate setting.

NOTE 5 - <u>Pension Plans - Continued</u>

B. <u>Police Pension Fund</u>

Plan Description and Contribution Information

The Police Pension Plan is a single employer defined benefit pension that covers all sworn police personnel. Although this plan is a single-employer pension plan, the defined benefits and employee and employer contributions levels are governed by Illinois Compiled Statutes and may be amended only by the Illinois legislature. The City accounts for the plan as a Pension Trust Fund. The pension liability is generally liquidated by the General Fund.

The plan is administered by a Board of Trustees. The Board consists of two members appointed by the City, two active members of the police department elected by the membership, and one retired member of the police department elected by the membership.

The City accounts for the plan as a pension trust fund. The City's payroll for employees covered by the Police Pension Plan for the year ended April 30, 2025 was $1,834,931.

At April 30, 2025, the Police Pension Plan membership consisted of:

Retirees and Beneficiaries Currently Receiving Benefits and Terminated Employees Entitled To Benefits but Not Yet Receiving Them	19
Current Employees	21
Total	40

The Police Pension Plan provides retirement benefits as well as death and disability benefits. Police officers hired before January 1, 2011, attaining the age of 50 or more with 20 or more years of creditable service are entitled to receive a monthly retirement benefit of one-half of the monthly salary attached to the rank held on the last day of service, or for one year prior to the last day, whichever is greater. The monthly pension shall be increased by one-twelfth of 2.5% of such salary for each additional month of service over 20 years up to 30 years to a maximum of 75% of such monthly salary. Employees with at least 8 years but less than 20 years of credited service may retire at or after age 60 and receive a reduced retirement benefit.

Police officers hired on or after January 1, 2011, attaining the age of 55 with at least 10 years of credible service are entitled to receive an annual retirement benefit of 2.5% of final average salary for year of service. A police officer who is retiring after attaining age 50 with 10 or more years of creditable service shall be reduced by ½ of 1% for each month that the employee's age is under age 55. The annual salary based on the plan year for the police officer shall not exceed $106,800 as of January 1, 2011. The maximum salary cap increases each year thereafter.

The monthly pension of a police officer hired before January 1, 2011, who retired with 20 or more years of service after January 1, 1977 shall be increased annually, following the first anniversary date of retirement, and be paid upon reaching the age of at least 55 years, by 3% of the original pension and 3% annually thereafter.

The monthly pension of a police officer hired on or after January 1, 2011, shall be increased annually, following the later of the first anniversary date of retirement or the month following the attainment of age 60, by the lesser of 3% or ½ of the annual unadjusted percentage increase in the consumer price index. Employees with at least 10 years but less than 20 years of creditable service may retire at or after age 60 and receive a reduced benefit.

NOTE 5 - Pension Plans - Continued

B. Police Pension Fund - Continued

Covered employees are required to contribute 9.91% of their base salary to the Police Pension Plan. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without accumulated interest. The City is required to contribute a sum sufficient to meet the annual actuarial requirements of the pension fund, as determined by an enrolled actuary. The annual actuarial requirements of the pension fund are equal to the normal cost of the pension fund of the salaries and wages to be paid to police employees for the year involved, whichever is greater, plus an annual amount sufficient to bring the total assets of the pension fund up to 90% of the total actuarial liabilities of the pension fund by the end of municipal fiscal year 2040, as annually updated and determined by an enrolled actuary.

Net Pension Liability

The City's net pension liability was measured as of May 1, 2024. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

	2024	2023	2022	2021	2020
Accrued Pension Liability	$ 14,880,944	$ 13,883,411	$ 12,408,005	$ 12,550,646	$ 11,206,754
Actuarial Value of Assets	10,764,353	9,765,376	9,254,504	8,327,340	7,594,512
Net Pension Liability	$ 4,116,591	$ 4,118,035	$ 3,153,501	$ 4,223,306	$ 3,612,242
Funded Ratio	72%	70%	75%	66%	68%

The Police Pension Fund accrued liability consisted of the following as of May 1, 2024.

	Police Pension
	Present Value:
Reserves for Annuities and Benefits in Force:	
Retirement Annuities	$ 7,588,491
Surviving Spouse Annuities	2,432,140
Deferred Retirement Annuities	82,561
Terminated Liabilities	3,999
Total Reserves for Annuities and Benefits in Force	10,107,191
Accrued Liabilities for Active Members	4,773,753
Total Accrued Liabilities	$ 14,880,944

NOTE 5 - <u>Pension Plans - Continued</u>

B. <u>Pension Police Fund - Continued</u>

Actuarial Assumptions and Methods

The assumptions shown below were adopted by the Board September 9, 2022 following a 2022 review of plan experience.

Interest Rate	6.80% per year compounded annually, net of investment related expenses.
Mortality Rate	*Active Lives:* PubS-20 IO Employee mortality, unadjusted, with generational improvements with most recent projection scale (currently Scale MP-2021). 10% of active deaths are assumed to be in the line of duty. *Inactive Lives:* PubS-20 IO Healthy Retiree mortality, adjusted by a factor of 1.150 for male retirees and unadjusted for female retirees, with generational improvements with most recent projection scale (currently Scale MP-2021). *Beneficiaries:* PubS-2010 Survivor mortality, unadjusted for male beneficiaries and adjusted by a factor of 1.150 for female beneficiaries, with generational improvements with most recent projection scale (currently Scale MP-2021). *Disabled Lives:* PubS-2010 Disabled mortality, adjusted by a factor of 1.080 for male disabled members and unadjusted for female disabled members, with generational improvements with most recent projection scale (currently Scale MP-2021). The mortality assumptions sufficiently accommodate anticipated future mortality improvements.
Disability Rate	Disability rates are based on probability of injury, with the higher the age, the higher the probability of injury. The rates scale between 0% to 1.093%. 60% of the disabilities are assumed to be in the line of duty.
Termination Rate	Termination rates are based on the length of service. The longer the term of service, the lower the probability of termination. The rates scale between 1.25% to 13.00%

NOTE 5 - Pension Plans - Continued

B. Pension Police Fund - Continued

Actuarial Assumptions and Methods

Salary Increase	Salary increases are based on the length of service, with the increase in salaries decreasing with the length of service. Salary increases range between 3.50% to 11.00%.
Inflation	2.50%
Cost-of-Living Adjustment	Tier I: 3.00% per year after age 55. Those that retire prior to age 55 receive an increase of 1/12 of 3.00% for each full month since benefit commencement upon reaching age 55. Tier 2: 1.25% per year after the later of attainment of age 60 or first anniversary of retirement.
Marital Status	80% of members are assumed to be married.
Spouse's Age	Males are assumed to be three years older than females.
Funding Method	Projected Unit Credit Cost Method.
Actuarial Asset Method	Investment gains and losses are smoothed over a 5-year period. In the first year, 20% of the gain or loss is recognized. In the second year 40%, in the third year 60%, in the fourth year 80%, and in the fifth year 100% of the gain or loss is recognized. The actuarial investment gain or loss is defined as the actual return on investments minus the actuarial assumed investment return.
Funding Policy Amortization Method	The UAAL is amortized according to a Level Percentage of Payroll method over a period ending in 2040. The initial amortization amount is 90% of the Accrued Liability less the Actuarial Value of Assets.
Payroll Growth	3.00% per year
Administrative Expenses	Administrative expenses will be estimated as 2.00% of the fund's total normal cost.

NOTE 6 - Interfund Receivables, Payables and Transfers

There were Interfund Transfers during the year ended April 30, 2025 as follows:

FUND	TRANSFERS TO	TRANSFERS FROM
General Fund	$ 50,000	$ -
Garbage Fund	-	50,000
Water Fund	-	75,000
2015 Bond Sinking Fund	75,000	-
Sewer Fund	-	117,000
Sewer Lagoon	117,000	-
Sewer Fund	-	75,000
2015 Bond Sinking Fund	75,000	-
Capital Development (Capital Projects)	-	300,000
2015 Bond Sinking Fund	300,000	-
Park Improvement Fund	-	66,533
Creekside Debt Service	66,533	-
General Fund	-	793,891
General Fund	-	3,687,704
General Fund	-	1,512,264
General Fund	-	292,271
General Fund	-	593,175
Ambulance (Enterprise)	793,891	-
Police Fund	3,687,704	-
Street Fund	1,512,264	-
Community Development Fund	292,271	-
Control Room	593,175	-
	$ 7,562,838	$ 7,562,838

NOTE 7 - Commitments and Contingencies

Grant Audit

Periodically, the City receives Federal and State Grants for specific purposes that are subject to review and audit by Federal and State Agencies. Such audits could result in a request for reimbursement by the Federal Government or State for expenditures disallowed under the terms and conditions of the appropriate agency. In the opinion of City management, such disallowance, if any, would not be significant.

NOTE 8 - Risk Management – Claims and Judgments

Significant losses are covered by commercial insurance for all major programs: general property liability, auto liability, public officials and employees' liability and workers' compensation. During the year ended April 30, 2025, there were no significant reductions in insurance coverage. Also, there have been no settlement amounts that have exceeded insurance coverage.

The City is insured under a retrospectively rated policy for workers' compensation coverage whereby the initial premium may be adjusted based on actual experience. Adjustments in premiums are recorded when paid or received. During the year ended April 30, 2025, there were no significant adjustments in premiums based on actual experience.

NOTE 9 - Deferred Compensation Plan

The City has a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan is administered by the U.S. Conference of Mayors. Employees defer a portion of their salary until future years. Deferred compensation is not available to employees until termination, retirement, death, or financial hardship.

The City's deferred compensation plan is administered by a third party, and the plan administrator invests plan assets at the direction of the plan's participants; therefore, it is not reported on the City's financial statements.

Required Supplementary Information

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CITY OF COLUMBIA, ILLINOIS
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
AS OF APRIL 30, 2025

	Original Budget	Final Budget	Actual
REVENUES:			
Taxes - Property	$ 2,001,589	$ 2,001,589	$ 1,993,407
Taxes - Mobile Home Privilege	60	60	-
Taxes - Replacement	120,000	120,000	65,297
Taxes - Sales	2,520,500	2,520,500	2,624,615
Taxes - Income	1,880,829	1,880,829	1,954,734
Taxes - Other Intergovernmental	798,098	798,098	696,673
Taxes - Hotel - Motel	110,000	110,000	148,481
Licenses and Permits	194,320	194,320	245,595
Fines and Forfeitures	222,900	222,900	379,651
Miscellaneous	197,800	197,800	325,617
Reimbursements	289,000	289,000	459,986
Franchise Fees	139,000	139,000	88,644
Grant - State of Illinois & Federal	7,000	7,000	1,407
Charges for Services	62,600	62,600	67,283
Interest	292,177	292,177	374,252
TOTAL REVENUES	8,835,873	8,835,873	9,425,642
EXPENDITURES:			
General Government	1,461,265	1,461,265	1,686,762
Public Safety	5,084,262	5,084,262	4,487,054
Highways and Streets	1,617,983	1,617,983	1,465,103
Culture and Recreation	216,944	216,944	255,661
TOTAL EXPENDITURES	8,380,454	8,380,454	7,894,580
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	455,419	455,419	1,531,062
OTHER FINANCING SOURCES:			
Transfers Between Funds	(260,917)	(260,917)	(833,740)
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES	$ 194,502	$ 194,502	697,322
FUND BALANCES AT BEGINNING OF YEAR			9,058,424
FUND BALANCES AT END OF YEAR			$ 9,755,746

CITY OF COLUMBIA, ILLINOIS
BUDGETARY COMPARISON SCHEDULE
LIBRARY FUND
AS OF APRIL 30, 2025

	Original Budget	Final Budget	Actual
REVENUES:			
Taxes - Property	$ 445,421	$ 445,421	444,550
Taxes - Mobile Home Privilege	14	14	-
Taxes - Replacement	4,000	4,000	4,000
Grant - State of Illinois	16,000	16,000	16,334
Charges for services	14,000	14,000	18,364
Miscellaneous	-	-	3,439
Interest	19,000	19,000	20,581
TOTAL REVENUES	498,435	498,435	507,268
EXPENDITURES:			
Culture and Recreation	497,428	497,428	477,409
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	$ 1,007	$ 1,007	29,859
FUND BALANCES AT BEGINNING OF YEAR			547,127
FUND BALANCES AT END OF YEAR			$ 576,986

CITY OF COLUMBIA, ILLINOIS
BUDGETARY COMPARISON SCHEDULE
CAPITAL DEVELOPMENT FUND
AS OF APRIL 30, 2025

	Original Budget	Final Budget	Actual
REVENUES:			
Taxes - Utility	$ 630,203	$ 630,203	698,531
Ameren Electric Buyout	166,164	166,164	149,495
Grants	45,000	45,000	41,841
Interest	200,000	200,000	185,706
TOTAL REVENUES	1,041,367	1,041,367	1,075,573
EXPENDITURES:			
General Government	11,876	11,876	3,043
Highways and Streets	3,554,000	3,554,000	944,458
TOTAL EXPENDITURES	3,565,876	3,565,876	947,501
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	$ (2,524,509)	$ (2,524,509)	128,072
OTHER FINANCING SOURCES (USES):			
Transfers Between Funds	(300,000)	(300,000)	(300,000)
EXCESS OF REVENUES AND OTHER SOURCES UNDER EXPENDITURES AND OTHER USES	$ (2,824,509)	$ (2,824,509)	(171,928)
FUND BALANCES AT BEGINNING OF YEAR			3,680,310
FUND BALANCES AT END OF YEAR			$ 3,508,382

CITY OF COLUMBIA, ILLINOIS
BUDGETARY COMPARISON SCHEDULE
MAIN STREET ABBEY TIF DISTRICT FUND
AS OF APRIL 30, 2025

	Original Budget	Final Budget	Actual
REVENUES:			
Taxes - Real Estate	$ 36,000	$ 36,000	$ 35,333
Interest	9,000	9,000	13,222
EXPENDITURES:			
Highways and Streets	200,000	200,000	-
TOTAL EXPENDITURES	200,000	200,000	-
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	$ (155,000)	$ (155,000)	48,555
FUND BALANCES AT BEGINNING OF YEAR			259,662
FUND BALANCES AT END OF YEAR			$ 308,217

CITY OF COLUMBIA, ILLINOIS
NOTES TO BUDGETARY COMPARISON SCHEDULES
YEAR ENDED APRIL 30, 2025

NOTE 1 - **Budgets and Budgetary Accounting**

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

A. The proposed budget is submitted to the Board of Aldermen for the fiscal year. The operating budget includes proposed expenditures and means of financing them, not to exceed the total revenue of the preceding year plus any unreserved balance at the end of such year.

B. Public hearings are conducted in the City to obtain taxpayer input and comments.

C. The budget must be adopted by the affirmative vote of a majority of the Board of Aldermen for each fiscal year.

D. The Board of Aldermen authorizes transfers of budgeted amounts between departments within the General Fund and alters the total expenditures of the budgeted funds. All appropriations not spent lapse at fiscal year-end.

E. During the year, the Board of Aldermen may amend or authorize supplemental appropriations to the budget.

F. The City’s legal level of budgetary control is at the fund level.

G. Budgets are adopted on a basis consistent with U.S. generally accepted accounting principles.

CITY OF COLUMBIA, ILLINOIS
POLICE PENSION FUND
APRIL 30, 2025

TREND INFORMATION

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF FUNDING PROGRESS

Date	(1) Pension Benefit Obligation	(2) Actuarial Value of Assets	Percent Funded (2) / (1)	(3) Unfunded Pension Obligation (1) - (2)	(4) Annual Covered Payroll	Unfunded as Percent of Payroll (3) / (4)
4/30/2025	^	^	^	^	$ 1,834,931	^
4/30/2024	$ 14,880,944	$ 10,764,353	72.34%	$ 4,116,591	1,872,625	219.83%
4/30/2023	13,883,411	9,765,376	70.34%	4,118,035	1,637,600	251.47%
4/30/2022	12,408,005	9,254,504	74.58%	3,153,501	1,362,501	231.45%
4/30/2021	12,550,646	8,327,340	66.35%	4,223,306	1,281,501	329.56%
4/30/2020	11,206,754	7,594,512	67.77%	3,612,242	1,311,502	275.43%
4/30/2019	10,033,372	7,079,175	70.56%	2,954,197	1,194,541	247.31%
4/30/2018	9,588,476	6,642,150	69.27%	2,946,326	1,132,252	260.22%
4/30/2017	9,344,024	6,167,310	66.00%	3,176,714	1,023,673	310.33%
4/30/2016	8,107,380	5,762,094	71.07%	2,345,286	1,025,533	228.69%
4/30/2015	7,576,301	5,424,144	71.59%	2,152,157	942,163	228.43%
4/30/2014	7,800,709	5,013,138	64.27%	2,787,571	939,101	296.83%
4/30/2013	6,569,785	4,644,230	70.69%	1,925,555	911,636	211.22%
4/30/2012	6,350,561	4,328,097	68.15%	2,022,464	819,266	246.86%
4/30/2011	5,810,840	4,099,327	70.55%	1,711,513	816,383	209.65%

^ Data for the years ended April 30, 2025 is not available as the Department of Insurance has not completed processing the annual reports.

Other Information

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CITY OF COLUMBIA, ILLINOIS
COMBINING BALANCE SHEET
NON-MAJOR GOVERNMENTAL FUNDS
APRIL 30, 2025

	Special Revenue	Capital Projects	Debt Service	Total Non-Major Governmental Funds
ASSETS:				
Cash, Cash Equivalents, and Investments	$ 1,900,747	$ 647,498	$ 459,387	$ 3,007,632
Receivables, Net of Allowances:				
Taxes - Property	57,461	35,333	-	92,794
Taxes - Motor Fuel	39,754	-	-	39,754
Inventory	126,260	-	-	126,260
TOTAL ASSETS	$ 2,124,222	$ 682,831	$ 459,387	$ 3,266,440
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
LIABILITIES:				
Accounts Payable	$ 21,127	$ 4,361	$ -	$ 25,488
DEFERRED INFLOWS OF RESOURCES:				
Unavailable revenue - property taxes	57,461	35,333	-	92,794
FUND BALANCES:				
Nonspendable	126,260	-	-	126,260
Restricted	1,491,874	643,137	459,387	2,594,398
Assigned	427,500	-	-	427,500
TOTAL FUND BALANCES	2,045,634	643,137	459,387	3,148,158
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	$ 2,124,222	$ 682,831	$ 459,387	$ 3,266,440

CITY OF COLUMBIA, ILLINOIS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - NON-MAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED APRIL 30, 2025

	Special Revenue	Capital Projects	Debt Service	Total Non-Major Governmental Funds
REVENUES:				
Taxes - Property	$ 54,512	$ 35,333	$ -	$ 89,845
Taxes - Motor Fuel	551,704	-	-	551,704
Interest	73,486	45,184	20,912	139,582
TOTAL REVENUES	679,702	80,517	20,912	781,131
EXPENDITURES:				
General Government	-	466,011	-	466,011
Highways and Streets	308,630	-	-	308,630
Culture and Recreation	54,437	-	-	54,437
Principal and Interest	-	-	519,382	519,382
TOTAL EXPENDITURES	363,067	466,011	519,382	1,348,460
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	316,635	(385,494)	(498,470)	(567,329)
OTHER FINANCING SOURCES:				
Transfers Between Funds	-	(109,097)	516,533	407,436
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	316,635	(494,591)	18,063	(159,893)
FUND BALANCES AT BEGINNING OF YEAR	1,728,999	1,137,728	441,324	3,308,051
FUND BALANCES AT END OF YEAR	$ 2,045,634	$ 643,137	$ 459,387	$ 3,148,158

CITY OF COLUMBIA, ILLINOIS
COMBINING BALANCE SHEET
NON-MAJOR SPECIAL REVENUE FUNDS
APRIL 30, 2025

	Motor Fuel Tax	Library Building	Total Non-Major Special Revenue Funds
ASSETS:			
Cash, Cash Equivalents, and Investments	$ 1,471,270	$ 429,477	$ 1,900,747
Receivables, Net of Allowances:			
Taxes - Property	-	57,461	57,461
Taxes - Motor Fuel	39,754	-	39,754
Inventory	126,260	-	126,260
TOTAL ASSETS	$ 1,637,284	$ 486,938	$ 2,124,222
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES			
LIABILITIES:			
Accounts Payable	$ 19,150	$ 1,977	$ 21,127
DEFERRED INFLOWS OF RESOURCES:			
Unavailable revenue - property taxes	-	57,461	57,461
FUND BALANCES:			
Nonspendable	126,260	-	126,260
Restricted	1,491,874	-	1,491,874
Assigned	-	427,500	427,500
TOTAL FUND BALANCES	1,618,134	427,500	2,045,634
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	$ 1,637,284	$ 486,938	$ 2,124,222

CITY OF COLUMBIA, ILLINOIS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - NON-MAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED APRIL 30, 2025

	Motor Fuel Tax	Library Building	Total Non-Major Special Revenue Funds
REVENUES:			
Taxes - Property	$ -	$ 54,512	$ 54,512
Taxes - Motor Fuel	551,704	-	551,704
Interest	53,848	19,638	73,486
TOTAL REVENUES	605,552	74,150	679,702
EXPENDITURES:			
Highways and Streets	308,630	-	308,630
Culture and Recreation	-	54,437	54,437
TOTAL EXPENDITURES	308,630	54,437	363,067
EXCESS OF REVENUES OVER EXPENDITURES	296,922	19,713	316,635
FUND BALANCES AT BEGINNING OF YEAR	1,321,212	407,787	1,728,999
FUND BALANCES AT END OF YEAR	$ 1,618,134	$ 427,500	$ 2,045,634

CITY OF COLUMBIA, ILLINOIS
COMBINING BALANCE SHEET
NON-MAJOR CAPITAL PROJECTS FUNDS
APRIL 30, 2025

	Community Development	Main Street Abbey	Creekside Park	Total Non-Major Capital Projects Funds
ASSETS:				
Cash, Cash Equivalents, and Investments	$ -	$ 308,217	$ 339,281	$ 647,498
Receivables, Net of Allowances:				
Loans and Accrued Interest	-	-	-	-
Taxes - Property	-	35,333	-	35,333
TOTAL ASSETS	$ -	$ 343,550	$ 339,281	$ 682,831
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
LIABILITIES:				
Accounts Payable	$ -	$ -	$ 4,361	$ 4,361
TOTAL LIABILITIES	-	-	4,361	4,361
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue - property taxes	-	35,333	-	35,333
FUND BALANCES:				
Restricted	-	308,217	334,920	643,137
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	$ -	$ 343,550	$ 339,281	$ 682,831

CITY OF COLUMBIA, ILLINOIS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - NON-MAJOR CAPITAL PROJECTS FUNDS
FOR THE YEAR ENDED APRIL 30, 2025

	Community Development	Main Street Abbey	Creekside Park	Total Non-Major Capital Projects Funds
REVENUES:				
Taxes - Property	$ -	$ 35,333	$ -	$ 35,333
Interest	874	13,221	31,089	45,184
TOTAL REVENUES	874	48,554	31,089	80,517
EXPENDITURES:				
General Government	-	-	466,011	466,011
Highway and Streets	-	-	-	-
TOTAL EXPENDITURES	-	-	466,011	466,011
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	874	48,554	(434,922)	(385,494)
OTHER FINANCING SOURCES:				
Transfers Between Funds	(109,097)	-	-	(109,097)
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	(108,223)	48,554	(434,922)	(494,591)
FUND BALANCES, BEGINNING OF YEAR	108,223	259,663	769,842	1,137,728
FUND BALANCES, END OF YEAR	$ -	$ 308,217	$ 334,920	$ 643,137

CITY OF COLUMBIA, ILLINOIS
COMBINING BALANCE SHEET
NON-MAJOR DEBT SERVICE FUNDS
APRIL 30, 2025

	2020 GO Debt Service	2015 GO Debt Service	Total Debt Service
ASSETS:			
Cash, Cash Equivalents, and Investments	$ -	$ 459,387	$ 459,387
TOTAL ASSETS	$ -	$ 459,387	$ 459,387
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES			
FUND BALANCES:			
Restricted	$ -	$ 459,387	$ 459,387
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	$ -	$ 459,387	$ 459,387

CITY OF COLUMBIA, ILLINOIS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - NON-MAJOR DEBT SERVICE FUNDS
FOR THE YEAR ENDED APRIL 30, 2025

	2020 GO Debt Service	2015 GO Debt Service	Total Debt Service
REVENUES:			
Taxes - Property	$ -	$ -	$ -
Interest	-	20,912	20,912
TOTAL REVENUES	-	20,912	20,912
EXPENDITURES:			
Principal and Interest	66,533	452,849	519,382
DEFICIENCY OF REVENUES OVER EXPENDITURES	(66,533)	(431,937)	(498,470)
OTHER FINANCING SOURCES:			
Transfers Between Funds	66,533	450,000	516,533
DEFICIENCY OF REVENUES AND OTHER SOURCES UNDER EXPENDITURES AND OTHER USES	-	18,063	18,063
FUND BALANCES AT BEGINNING OF YEAR	-	441,324	441,324
FUND BALANCES AT END OF YEAR	$ -	$ 459,387	$ 459,387

CITY OF COLUMBIA, ILLINOIS
SCHEDULE OF ASSESSED VALUATION, TAX RATES
AND TAXES EXTENDED AND COLLECTED
April 30, 2023 - 2014

	Tax Year									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
ASSESSED VALUATION	$ 396,924,883	$ 362,119,708	$ 335,625,599	$ 313,205,379	$ 300,420,937	$ 289,825,638	$ 275,486,656	$ 260,000,349	$ 247,759,803	$ 237,035,864
TAX RATES PER $100 OF ASSESSED VALUATION:										
General Corporate	0.28262	0.29456	0.30622	0.31290	0.30957	0.29846	0.29948	0.30770	0.31684	0.30164
Liability Insurance	0.03607	0.03759	0.03907	0.03991	0.03995	0.03968	0.03993	0.05308	0.04844	0.08438
Street Purposes	0.07792	0.08169	0.08545	0.08781	0.08988	0.08971	0.09075	0.08847	0.09284	0.08859
Garbage Collection and Disposal	0.02721	0.02835	0.02947	0.03449	0.03595	0.03692	0.03848	0.04039	0.04238	0.04852
Public Library	0.11222	0.11696	0.12159	0.12516	0.12649	0.12594	0.12705	0.13154	0.13602	0.14049
Illinois Municipal Retirement	0.03611	0.03763	0.03991	0.03991	0.04993	0.05004	0.05700	0.05654	0.06539	0.06750
Bonds	-	-	0.02280	0.02488	0.02637	0.02773	0.02956	0.03137	0.03326	0.03474
Library Building - Special	0.01376	0.01434	0.01490	0.01632	0.01665	0.01691	0.01707	0.01770	0.01817	0.01814
Social Security and Medicare	0.07184	0.07486	0.07781	0.07999	0.08023	0.07972	0.07986	0.06077	0.03936	-
Police Pension	0.14200	0.14800	0.15386	0.15741	0.14647	0.14837	0.14157	0.14424	0.14127	0.15188
TOTAL TAX RATES	0.79975	0.83398	0.89108	0.91878	0.92149	0.91348	0.92075	0.93180	0.93397	0.93587
TAXES EXTENDED:										
General Corporate	$ 1,099,002	$ 1,044,906	$ 940,674	$ 989,668	$ 939,215	$ 874,247	$ 834,093	$ 808,485	$ 785,756	$ 720,947
Liability Insurance	140,262	133,345	131,324	125,114	120,112	115,129	48,530	137,392	120,134	200,150
Street Purposes	303,001	289,783	285,437	273,472	268,467	258,502	107,642	228,524	228,589	208,562
Garbage Collection and Disposal	105,809	100,567	99,056	108,126	108,088	107,121	110,052	105,120	105,102	115,002
Public Library	436,381	414,898	399,702	383,593	371,819	357,131	342,453	334,695	330,184	326,967
Illinois Municipal Retirement	140,418	133,487	131,455	125,114	150,121	145,189	157,234	147,157	162,166	160,105
Bonds	-	-	76,640	78,001	79,288	80,461	81,542	81,647	82,488	82,426
Library Building - Special	53,507	50,869	48,981	50,018	48,943	47,952	244,609	45,036	44,107	43,012
Social Security and Medicare	279,359	265,554	261,542	250,762	241,220	231,311	220,295	159,204	97,616	-
Police Pension	552,184	525,007	517,148	493,460	440,371	430,491	390,509	375,406	350,348	360,231
TOTAL TAXES EXTENDED	$ 3,109,923	$ 2,958,416	$ 2,891,959	$ 2,877,328	$ 2,767,644	$ 2,647,534	$ 2,536,959	$ 2,422,666	$ 2,306,490	$ 2,217,402
TAXES COLLECTED	$ 3,017,969	$ 2,978,503	$ 2,874,255	$ 2,761,910	$ 2,646,737	$ 2,535,158	$ 2,535,158	$ 2,421,748	$ 2,309,018	$ 2,215,964
% COLLECTED ON THOSE EXTENDED	97.04%	100.68%	99.39%	95.99%	95.63%	95.76%	99.93%	99.96%	100.11%	99.94%

SCHMERSAHL TRELOAR & CO.
Certified Public Accountants

INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

To the Honorable Mayor and
City Council of the City of Columbia, Illinois

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of City of Columbia, Illinois, as of and for the year ended April 30, 2025, and the related notes to the financial statements, which collectively comprise City of Columbia, Illinois' basic financial statements, and have issued our report thereon dated October 20, 2025.

Report on Internal Control over Financial Reporting
In planning and performing our audit of the financial statements, we considered City of Columbia, Illinois' internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of City of Columbia, Illinois' internal control. Accordingly, we do not express an opinion on the effectiveness of City of Columbia, Illinois' internal control.

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

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

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

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

Schmersahl Treloar & Co.

Columbia, Illinois
October 20, 2025

APPENDIX C

FORM OF CONTINUING DISCLOSURE UNDERTAKING

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CONTINUING DISCLOSURE UNDERTAKING

Dated as of August 1, 2026

By the

CITY OF COLUMBIA,
MONROE AND ST. CLAIR COUNTIES, ILLINOIS

$___________
GENERAL OBLIGATION BONDS
(ALTERNATE REVENUE SOURCE)
SERIES 2026

CONTINUING DISCLOSURE UNDERTAKING

This **CONTINUING DISCLOSURE UNDERTAKING** dated as of August 1, 2026 (this **"Continuing Disclosure Undertaking"**), is executed and delivered by the **CITY OF COLUMBIA, MONROE AND ST. CLAIR COUNTIES, ILLINOIS** (the **"Issuer"**).

RECITALS

1. This Continuing Disclosure Undertaking is executed and delivered by the Issuer in connection with the issuance by the Issuer of **$__________ General Obligation Bonds (Alternate Revenue Source), Series 2026** (the **"Bonds"**), pursuant to an ordinance adopted by the governing body of the Issuer on August 3, 2026 (the **"Bond Ordinance"**).

2. The Issuer is entering into this Continuing Disclosure Undertaking for the benefit of the Beneficial Owners of the Bonds and in order to assist the Participating Underwriter in complying with Rule 15c2-12 of the Securities and Exchange Commission under the Securities Exchange Act of 1934 (the **"Rule"**). The Issuer is the only **"obligated person"** with responsibility for continuing disclosure hereunder.

The Issuer covenants and agrees as follows:

Section 1. Definitions. In addition to the definitions set forth in the Bond Ordinance, which apply to any capitalized term used in this Continuing Disclosure Undertaking unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

"Annual Report" means any Annual Report provided by the Issuer pursuant to, and as described in, **Section 2** hereof.

"Beneficial Owner" means any registered owner of any Bonds and any person which (a) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Bonds (including persons holding Bonds through nominees, depositories or other intermediaries), or (b) is treated as the owner of any Bonds for federal income tax purposes.

"Business Day" means a day other than (a) a Saturday, Sunday or legal holiday, (b) a day on which banks located in any city in which the principal office or designated payment office of the paying agent or the Dissemination Agent is located are required or authorized by law to remain closed, or (c) a day on which the Securities Depository or the New York Stock Exchange is closed.

"Dissemination Agent" means any entity designated in writing by the Issuer to serve as dissemination agent pursuant to this Continuing Disclosure Undertaking and which has filed with the Issuer a written acceptance of such designation.

"EMMA" means the Electronic Municipal Market Access system for municipal securities disclosures established and maintained by the MSRB, which can be accessed at www.emma.msrb.org.

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

"Fiscal Year" means the **12**-month period beginning on **May 1** and ending on **April 30** or any other **12**-month period selected by the Issuer as the Fiscal Year of the Issuer for financial reporting purposes.

"Material Events" means any of the events listed in **Section 3** hereof.

"**MSRB"** means the Municipal Securities Rulemaking Board, or any successor repository designated as such by the Securities and Exchange Commission in accordance with the Rule.

"Participating Underwriter" means any of the original underwriter(s) of the Bonds required to comply with the Rule in connection with the offering of the Bonds.

Section 2. Provision of Annual Reports.

(a) The Issuer shall, not later than 210 days after the end of the Issuer's Fiscal Year, commencing with the fiscal year ending April 30, 2026, file with the MSRB, through EMMA, the following financial information and operating data (the "**Annual Report**"):

(1) The audited financial statements of the Issuer for the prior Fiscal Year, prepared in accordance with the accounting principles described in the notes to the financial statements contained in the final Official Statement related to the Bonds. If audited financial statements are not available by the time the Annual Report is required to be provided pursuant to this Section, the Annual Report shall contain unaudited financial statements in a format similar to the financial statements contained in the final Official Statement relating to the Bonds, and the audited financial statements shall be provided in the same manner as the Annual Report promptly after they become available.

(2) Updates as of the end of the Fiscal Year of certain financial information and operating data contained in the final Official Statement related to the Bonds, as described in **Exhibit A,** in substantially the same format contained in the final Official Statement with such adjustments to formatting or presentation determined to be reasonable by the Issuer.

Any or all of the items listed above may be included by specific reference to other documents, including official statements of debt issues with respect to which the Issuer is an **"obligated person"** (as defined by the Rule), which have been provided to the MSRB and are available through EMMA or the Securities and Exchange Commission. If the document included by reference is a final official statement, it must be available from the MSRB on EMMA. The Issuer shall clearly identify each such other document so included by reference.

In each case, the Annual Report may be submitted as a single document or as separate documents comprising a package, and may cross-reference other information as provided in this Section; <u>provided</u> that the audited financial statements of the Issuer may be submitted separately from the balance of the Annual Report and later than the date required above for the filing of the Annual Report if they are not available by that date. If the Issuer's Fiscal Year changes, it shall give notice of such change in the same manner as for a Material Event under **Section 3** hereof.

(b) The Annual Report shall be filed with the MSRB in such manner and format as is prescribed by the MSRB.

Section 3. Reporting of Material Events. Not later than **10** Business Days after the occurrence of any of the following events, the Issuer shall give, or cause to be given to the MSRB, through EMMA, notice of the occurrence of any of the following events with respect to the Bonds ("**Material Events**"):

(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 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 obligated person;
(13) the consummation of a merger, consolidation, or acquisition involving the obligated person or the sale of all or substantially all of the assets of the obligated person, 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 the trustee, if material;
(15) incurrence of a Financial Obligation of the obligated person, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the obligated person, any of which affect security holders, if material; and
(16) default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the obligated person, any of which reflect financial difficulties.

For purposes of the Material Events identified above, the term "security" or "securities" means the Bond or Bonds, respectively, and "obligated person" means the Issuer.

If the Issuer has not submitted the Annual Report to the MSRB by the date required in **Section 2(a)** hereof, the Issuer shall send a notice to the MSRB of the failure of the Issuer to file on a timely basis the Annual Report, which notice shall be given by the Issuer in accordance with this Section.

Section 4. Termination of Reporting Obligation. The Issuer's obligations under this Continuing Disclosure Undertaking shall terminate upon the legal defeasance, prior redemption or payment in full of all of the Bonds. If the Issuer's obligations under this Continuing Disclosure Undertaking are assumed in full by some other entity, such person shall be responsible for compliance with this Continuing Disclosure Undertaking in the same manner as if it were the Issuer, and the Issuer shall have no further responsibility hereunder. If such termination or substitution occurs prior to the final maturity of the Bonds, the Issuer shall give notice of such termination or substitution in the same manner as for a Material Event under **Section 3** hereof.

Section 5. Dissemination Agents. The Issuer may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Continuing Disclosure Undertaking, and may discharge any such Dissemination Agent, with or without appointing a successor Dissemination Agent. Any Dissemination Agent may resign as dissemination agent hereunder at any time upon **30** days prior written notice to the Issuer. The Dissemination Agent shall not be responsible in any manner for the content of any notice or report (including without limitation the Annual Report) prepared by the Issuer pursuant to this Continuing Disclosure Undertaking.

Section 6. Amendment; Waiver. Notwithstanding any other provision of this Continuing Disclosure Undertaking, the Issuer may amend this Continuing Disclosure Undertaking and any provision of this Continuing Disclosure Undertaking may be waived, provided that Bond Counsel or other counsel experienced in federal securities law matters provides the Issuer with its written opinion that the undertaking of the Issuer contained herein, as so amended or after giving effect to such waiver, is in compliance with the Rule and all current amendments thereto and interpretations thereof that are applicable to this Continuing Disclosure Undertaking.

In the event of any amendment or waiver of a provision of this Continuing Disclosure Undertaking, the Issuer shall describe such amendment or waiver in the next Annual Report, and shall include, as applicable, a narrative explanation of the reason for the amendment or waiver and its impact on the type (or, in the case of a change of accounting principles, on the presentation) of financial information or operating data being presented by the Issuer. In addition, if the amendment relates to the accounting principles to be followed in preparing financial statements, (1) notice of such change shall be given in the same manner as for a Material Event under **Section 3** hereof, and (2) the Annual Report for the year in which the change is made should present a comparison (in narrative form and also, if feasible, in quantitative form) between the financial statements as prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles.

Section 7. Additional Information. Nothing in this Continuing Disclosure Undertaking shall be deemed to prevent the Issuer from disseminating any other information, using the means of dissemination set forth in this Continuing Disclosure Undertaking or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Material Event, in addition to that required by this Continuing Disclosure Undertaking. If the Issuer chooses to include any information in any Annual Report or notice of occurrence of a Material Event, in addition to that specifically required by this Continuing Disclosure Undertaking, the Issuer shall have no obligation under this Continuing Disclosure Undertaking to update such information or include it in any future Annual Report or notice of occurrence of a Material Event.

Section 8. Default. If the Issuer fails to comply with any provision of this Continuing Disclosure Undertaking, any Participating Underwriter or any Beneficial Owner of the Bonds may take such actions as may be necessary and appropriate, including seeking mandamus or specific performance by court order, to cause the Issuer to comply with its obligations under this Continuing Disclosure Undertaking. A default under this Continuing Disclosure Undertaking shall not be deemed an event of default under the Bond Ordinance or the Bonds, and the sole remedy under this Continuing Disclosure Undertaking in the event of any failure of the Issuer to comply with this Continuing Disclosure Undertaking shall be an action to compel performance.

Section 9. Beneficiaries. This Continuing Disclosure Undertaking shall inure solely to the benefit of the Issuer, the Participating Underwriter, and the Beneficial Owners from time to time of the Bonds, and shall create no rights in any other person or entity.

Section 10. Severability. If any provision in this Continuing Disclosure Undertaking, the Bond Ordinance or the Bonds shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

Section 11. Electronic Transactions. The arrangement described herein may be conducted and related documents may be sent, received, or stored by electronic means. Copies, telecopies, facsimiles, electronic files and other reproductions of original documents shall be deemed to be authentic and valid counterparts of such original documents for all purposes, including the filing of any claim, action or suit in the appropriate court of law.

Section 12. Governing Law. This Continuing Disclosure Undertaking shall be governed by and construed in accordance with the laws of the State of Illinois.

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IN WITNESS WHEREOF, the Issuer has caused this Continuing Disclosure Undertaking to be executed as of August __, 2026.

CITY OF COLUMBIA, MONROE AND ST. CLAIR COUNTIES, ILLINOIS

By: ___________________________________
Title: Mayor

EXHIBIT A
TO CONTINUING DISCLOSURE UNDERTAKING

FINANCIAL INFORMATION AND OPERATING DATA TO BE INCLUDED IN ANNUAL REPORT

The financial information and operating data contained in the tables located under the following sections of **Appendix A** to the final Official Statement relating to the Bonds:

1. **"PROPERTY TAX INFORMATION – Composition of EAV"**
2. **"PROPERTY TAX INFORMATION – Tax Collection Record"**
3. **"SELECTED FINANCIAL INFORMATION – Comparative Financial Statements"**
4. **"SELECTED FINANCIAL INFORMATION – Sales Tax Receipts"**
5. **"SELECTED FINANCIAL INFORMATION – Debt Ratios"** (only with respect to Direct Debt)