PRELIMINARY OFFICIAL STATEMENT, DATED FEBRUARY 11, 2026

NEW ISSUE
BOOK-ENTRY ONLY
BANK QUALIFIED

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

Subject to compliance by the District with certain covenants, in the opinion of Chapman and Cutler LLP, Chicago, Illinois ("Bond Counsel"), under present law, interest on the Bonds is excludible from gross income of the owners thereof for federal income tax purposes and is not included as an item of tax preference in computing the federal alternative minimum tax for individuals. Interest on the Bonds may affect the corporate alternative minimum tax for certain corporations. Interest on the Bonds is not exempt from present State of Illinois income taxes. See "TAX EXEMPTION" herein for a more complete discussion. The Bonds are "qualified tax-exempt obligations" under Section 265(b)(3) of the Internal Revenue Code of 1986, as amended. See "QUALIFIED TAX-EXEMPT OBLIGATIONS" herein.

Community Consolidated School District Number 429
Livingston County, Illinois
(Pontiac)
$7,415,000* General Obligation School Bonds, Series 2026

Dated: Date of Delivery **Due: December 1, as further described on the inside cover page**

The General Obligation School Bonds, Series 2026 (the *"Bonds"*), of Community Consolidated School District Number 429, Livingston County, Illinois (the *"District"*), will be issued in fully registered form and will be registered initially only in the name of Cede & Co., as registered owner and nominee of The Depository Trust Company, New York, New York (*"DTC"*). DTC will act as securities depository for the Bonds. Purchasers of the Bonds will not receive certificates representing their interests in the Bonds purchased. Ownership by the beneficial owners of the Bonds will be evidenced by book-entry only. Payments of principal of and interest on the Bonds will be made by UMB Bank, National Association, Kansas City, Missouri, as bond registrar and paying agent, to DTC, which in turn will remit such payments to its participants for subsequent disbursement to the beneficial owners of the Bonds. As long as Cede & Co. is the registered owner as nominee of DTC, payments of principal of and interest on the Bonds will be made to such registered owner, and disbursement of such payments will be the responsibility of DTC and its participants. Individual purchases of the Bonds will be made in the principal amount of $5,000 or any integral multiple thereof.

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

Proceeds of the Bonds will be used to (a) construct fire prevention and life safety improvements to the existing school buildings of the District and (b) pay costs associated with the issuance of the Bonds. See "USE OF PROCEEDS" herein.

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

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

ASSURED GUARANTY®

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

The Bonds are offered when, as and if issued by the District and received by Stifel, Nicolaus & Company, Incorporated, St. Louis, Missouri (the "Underwriter"), subject to prior sale, to withdrawal or modification of the offer without notice, and to the approval of legality by Bond Counsel, and certain other conditions. Chapman and Cutler LLP, Chicago, Illinois, will also act as Disclosure Counsel to the District. It is expected that beneficial interests in the Bonds will be available for delivery through the facilities of DTC on or about March 11, 2026.

STIFEL

The date of this Official Statement is February _____, 2026.

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* Preliminary, subject to change.

Community Consolidated School District Number 429
Livingston County, Illinois
(Pontiac)

$7,415,000* GENERAL OBLIGATION SCHOOL BONDS, SERIES 2026

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

MATURITY (DECEMBER 1)	AMOUNT	INTEREST RATE	YIELD	CUSIP NUMBER** (538475)
2026	$265,000	%	%	
2027	360,000	%	%	
2028	380,000	%	%	
2029	400,000	%	%	
2030	420,000	%	%	
2031	440,000	%	%	
2032	465,000	%	%	
2033	490,000	%	%	
2034	515,000	%	%	
2035	540,000	%	%	
2036	565,000	%	%	
2037	595,000	%	%	
2038	625,000	%	%	
2039	660,000	%	%	
2040	695,000	%	%	

* Preliminary, subject to change.

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

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

Unless otherwise indicated, the District is the source of all tables and statistical and financial information contained in this Official Statement. The information contained in this Official Statement concerning AG and the Bond Insurance Policy has been obtained from AG. The information contained in this Official Statement concerning DTC has been obtained from DTC. The other information set forth herein has been furnished by the District or from other sources believed to be reliable. The information and opinions expressed herein are subject to change without notice, and neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the District since the date of this Official Statement.

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

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

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

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

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

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

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COMMUNITY CONSOLIDATED SCHOOL DISTRICT NUMBER 429
LIVINGSTON COUNTY, ILLINOIS
(PONTIAC)

600 North Morrow Street
Pontiac, Illinois 61764

Board of Education

Heather Sancken
President

Jesse Mackinson	Stacey Shrewsbury *Vice President*	Kurt Iskrzycki
Lori Krominga	Cathy Melvin	Jordan Triplett

Heidi Kelly[(1)]
Secretary

Administration

Mike Weaver
Superintendent

Jesse Mackinson
School Treasurer

Professional Services

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

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

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

Auditor
Phillips & Associates, CPAs, P.C.
Normal, Illinois

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(1) Non-voting member of the Board of Education.

OFFICIAL STATEMENT

Community Consolidated School District Number 429
Livingston County, Illinois
(Pontiac)
$7,415,000* General Obligation School Bonds, Series 2026

INTRODUCTION

The purpose of this Official Statement is to set forth certain information concerning Community Consolidated School District Number 429, Livingston County, Illinois (the *"District"*), in connection with the offering and sale of its General Obligation School Bonds, Series 2026 (the *"Bonds"*).

The District operates on a fiscal year which begins on July 1 of a calendar year and ends on June 30 of the subsequent calendar year. References in this Official Statement to *"Fiscal Year"* followed by a given year with respect to the District are a reference to the fiscal year ending on June 30th of such year (*e.g. "Fiscal Year 2025"* refers to the District's fiscal year which began on July 1, 2024, and ended on June 30, 2025).

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

THE BONDS

AUTHORITY AND PURPOSE

The Bonds are being issued pursuant to the School Code of the State of Illinois (the *"School Code"*), the Local Government Debt Reform Act of the State of Illinois (the *"Debt Reform Act"*), and all laws amendatory thereof and supplementary thereto, and a bond resolution adopted by the Board of Education of the District (the *"Board"*) on the 19th day of February, 2026 (the *"Bond Resolution"*).

Proceeds of the Bonds will be used to (a) construct fire prevention and life safety improvements to the existing school buildings of the District (the *"Project"*) and (b) pay costs associated with the issuance of the Bonds. See "USE OF PROCEEDS" herein.

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* Preliminary, subject to change.

General Description

The Bonds will be dated the date of issuance thereof, will be in fully registered form, without coupons, and will be in denominations of $5,000 or any integral multiple thereof under a book-entry only system operated by The Depository Trust Company, New York, New York (*"DTC"*). Principal of and interest on the Bonds will be payable by UMB Bank, National Association, Kansas City, Missouri (the *"Registrar"*).

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

The Bonds will bear interest from their dated date, or from the most recent interest payment date to which interest has been paid or provided for, computed on the basis of a 360-day year consisting of twelve 30-day months. The principal of the Bonds will be payable in lawful money of the United States of America upon presentation and surrender thereof at the principal corporate trust office of the Registrar. Interest on each Bond will be paid by check or draft of the Registrar payable upon presentation in lawful money of the United States of America to the person in whose name such Bond is registered at the close of business on the record date, which is the 15th day of the month next preceding the interest payment date (the *"Record Date"*).

Registration and Transfer

The Registrar will maintain books (the *"Register"*) for the registration of ownership and transfer of the Bonds. Subject to the provisions of the Bonds as they relate to book-entry form, any Bond may be transferred upon the surrender thereof at the principal corporate trust office of the Registrar, together with an assignment duly executed by the registered owner or his or her attorney in such form as will be satisfactory to the Registrar. No service charge shall be made for any transfer or exchange of Bonds, but the District or the Registrar may require payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in connection with any transfer or exchange of Bonds except in the case of the issuance of a Bond or Bonds for the unredeemed portion of a Bond surrendered for redemption.

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

Redemption

Optional Redemption. The Bonds due on or after December 1, 2036,* are subject to redemption prior to maturity at the option of the District as a whole or in part in integral multiples of $5,000 in any order of their maturity as determined by the District (less than all of the Bonds of

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* Preliminary, subject to change.

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

Mandatory Sinking Fund Redemption. The Bonds due on December 1 of the years 20__ and 20__ are subject to mandatory redemption, in integral multiples of $5,000 selected by lot by the Registrar, at a redemption price of par plus accrued interest to the redemption date, on December 1 of the years and in the principal amounts as follows:

FOR THE BONDS DUE DECEMBER 1, 20__

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

FOR THE BONDS DUE DECEMBER 1, 20__

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

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

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

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

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

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

SECURITY

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

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

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

USE OF PROCEEDS

Proceeds of the Bonds will be used to pay for the Project. The Project includes new safety entrances in all buildings, new HVAC systems with new ceilings and LED lighting at Lincoln and Central Schools; and updated ceilings and LED lighting in the new addition located between Pontiac Junior High School and Washington School. The District expects to complete the Project by December 2027.

SOURCES AND USES

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

SOURCES:	
Principal Amount	$
[Net] Original Issue Premium/(Discount)	____________
Total Sources	$
USES:	
Costs of the Project	$
Costs of Issuance*	____________
Total Uses	$

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

RISK FACTORS

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

CONSTRUCTION RISKS

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

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

FINANCES OF THE STATE OF ILLINOIS

State funding sources constituted 34.05% of the District's combined Educational Fund and Operations and Maintenance Fund (the *"General Fund"*) revenue sources for Fiscal Year 2025. While the finances of the State of Illinois (the *"State"*) have significantly improved in recent years, the State continues to deal with a severe underfunding of its pension systems, which, based on the comprehensive annual financial reports of the State's five retirement systems, have a combined unfunded pension liability of approximately $140 billion and a combined funded ratio of approximately 45%. Also, despite nine credit rating upgrades since June 2021, the State's long-term general obligation bonds carry the lowest ratings of all states.

FEDERAL REVENUES

Illinois school districts receive direct and indirect funding from various federal programs, such as Title I, the Individuals with Disabilities Education Act, and nutrition programs such as the National School Lunch and Breakfast Programs. These programs are subject to the priorities and policies of the federal government, which may change significantly from one administration to another, and such programs may be modified through executive action or through legislation enacted by the Congress of the United States (*"Congress"*). Under the current administration, the federal government has taken executive actions to reduce the size and scope of the U.S. Department of Education, to terminate or restrict certain programs and services for students with disabilities, low-income students, and students from diverse backgrounds, and to impose new conditions and requirements for federal funding. These actions may impact the availability and amount of federal revenues received by Illinois school districts, such as the District. A reduction or interruption in federal funding, or an increase in compliance costs, could adversely affect the District's financial condition and operations. The District makes no prediction as to the effect of these actions on the District's federal revenues, which constituted 17.88% of the District's General Fund revenue sources for Fiscal Year 2025, or the District's ability to comply with federal laws and regulations in the future.

LOCAL ECONOMY

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

CONCENTRATION OF TAXPAYERS

Based on the District's 2024 equalized assessed valuation (*"EAV"*) (which includes Incremental EAV (as hereinafter defined)), the District's ten largest taxpayers own 20.15% of the total current EAV of taxable property in the District, and the largest taxpayer owns 8.90% of the District's total current EAV. See "FINANCIAL INFORMATION AND ECONOMIC CHARACTERISTICS OF THE DISTRICT—Ten Largest Taxpayers" herein for more information. If one or more of these taxpayers were to relocate from the District or cease operations, would be unable to pay its tax bills or was successful in challenging its assessed valuation, the timely receipt of tax dollars by the District could be affected. The District has the authority to levy deficiency taxes if debt service tax collections are inadequate. Notwithstanding, the value of the Bonds, the District's ability to repay the Bonds or the timing of repayment could be adversely affected.

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

LOSS OR CHANGE OF BOND RATINGS

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

SECONDARY MARKET FOR THE BONDS

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

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

CONTINUING DISCLOSURE

A failure by the District to comply with the Undertaking (as defined herein) for continuing disclosure (see "LIMITED CONTINUING DISCLOSURE" herein) will not constitute an event of default on the Bonds. Any such failure must be reported in accordance with Rule 15c2-12 (the *"Rule"*) adopted by the SEC (as defined herein) under the Securities Exchange Act of 1934, as amended (the *"Exchange Act"*), and may adversely affect the transferability and liquidity of the Bonds and their market price.

SUITABILITY OF INVESTMENT

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

FUTURE CHANGES IN LAWS

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

FACTORS RELATING TO TAX EXEMPTION

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

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

The tax-exempt bond office of the Internal Revenue Service (the *"Service"*) is conducting audits of tax-exempt bonds, both compliance checks and full audits, with increasing frequency to determine whether, in the view of the Service, interest on such tax-exempt obligations is includible in the gross income of the owners thereof for federal income tax purposes. It cannot be predicted whether the Service will commence any such audit. If an audit is commenced, under current procedures the Service may treat the District as a taxpayer and the Bondholders may have no right to participate in such proceeding. The commencement of an audit with respect to any tax-exempt obligations of the District could adversely affect the market value and liquidity of the Bonds, regardless of the ultimate outcome.

CYBERSECURITY

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

BANKRUPTCY

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

BOND INSURANCE

BOND INSURANCE POLICY

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

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

ASSURED GUARANTY INC.

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

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

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

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

Current Financial Strength Ratings

On August 4, 2025, KBRA announced it had affirmed AG's insurance financial strength rating of "AA+" (stable outlook).

On June 30, 2025, S&P announced it had affirmed AG's financial strength rating of "AA" (stable outlook). On August 1, 2024, S&P stated that following the Merger, there is no change in AG's financial strength rating of "AA" (stable outlook).

On July 10, 2024, Moody's, following Assured Guaranty's announcement of the Merger, announced that it had affirmed AG's insurance financial strength rating of "A1" (stable outlook).

AG can give no assurance as to any further ratings action that S&P, Moody's and/or KBRA may take. For more information regarding AG's financial strength ratings and the risks relating thereto, see AGL's Annual Report on Form 10-K for the fiscal year ended December 31, 2024.

Capitalization of AG

At September 30, 2025:

- The policyholders' surplus of AG was approximately $3,268 million.

- The contingency reserve of AG was approximately $1,481 million.

- The net unearned premium reserves and net deferred ceding commission income of AG and its subsidiaries (as described below) were approximately $2,431 million. Such amount includes (i) 100% of the net unearned premium reserve and net deferred ceding commission income of AG, and (ii) the net unearned premium reserves and net deferred ceding commissions of AG's wholly owned subsidiary Assured Guaranty UK Limited (*"AGUK"*), and its 99.9999% owned subsidiary Assured Guaranty (Europe) SA (*"AGE"*).

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

Incorporation of Certain Documents by Reference

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

(i) the Annual Report on Form 10-K for the fiscal year ended December 31, 2024 (filed by AGL with the SEC on February 28, 2025);

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

(iii) the Quarterly Report on Form 10-Q for the quarterly period ended June 30, 2025 (filed by AGL with the SEC on August 8, 2025); and

(iv) the Quarterly Report on Form 10-Q for the quarterly period ended September 30, 2025 (filed by AGL with the SEC on November 7, 2025).

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

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

Miscellaneous Matters

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

THE DISTRICT

GENERAL DESCRIPTION

The District was established in 1954 and is located in the central part of the State and lies solely in Livingston County (the *"County"*), approximately 90 miles southwest of Chicago and 30 miles northeast of Bloomington. The District serves the City of Pontiac (the *"City"*) (57.43% of the District's 2024 EAV) and unincorporated areas (42.57% of the District's 2024 EAV).

The transportation network serving the City includes Interstate 55 and State Routes 23, 116 and 170. Commercial air transportation is available at the Central Illinois Regional Airport in Bloomington.

A majority of the District's students attend Pontiac Township High School District Number 90 (*"THSD Number 90"*), with the remaining students attending Flanagan-Cornell Unit School District Number 74 (*"Flanagan-Cornell 74"*). Higher education is available at Heartland Community College District No. 540 (*"Heartland Community College"*), Joliet Community College District No. 525 (*"Joliet Community College"*), Illinois State University in Normal and Illinois Wesleyan University in Bloomington.

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

DISTRICT ADMINISTRATION

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

OFFICIAL	TITLE	YEAR STARTED IN POSITION
Mike Weaver	Superintendent	2023

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

BOARD OF EDUCATION

OFFICIAL	POSITION	TERM EXPIRES
Heather Sancken	President	April 2027
Stacey Shrewsbury	Vice President	April 2027
Kurt Iskrzycki	Member	April 2027
Jesse Mackinson	Member/School Treasurer	April 2027
Cathy Melvin	Member	April 2029
Jordan Triplett	Member	April 2027
Lori Krominga	Member	April 2027
Heidi Kelly	Secretary	Appointed*

* Non-voting member of the Board.

ENROLLMENT

HISTORICAL		PROJECTED	
2021/2022	1,136	2026/2027	1,112
2022/2023	1,108	2027/2028	1,112
2023/2024	1,083	2028/2029	1,112
2024/2025	1,135	2029/2030	1,112
2025/2026	1,098	2030/2031	1,112

Source: The District.

EMPLOYEE UNION MEMBERSHIP AND RELATIONS

At the start of the 2025-2026 school year, the District had 171 full-time employees and 57 part-time employees. Of the total number of employees, approximately 168 are represented by a union. Employee-union relations are considered to be good. District personnel are organized as follows:

EMPLOYEE GROUP	CONTRACT EXPIRES	UNION AFFILIATION	NUMBER OF MEMBERS
Teachers	June 2028	PEA	94
Support Staff	June 2028	PEA	74

POPULATION DATA

According to the U.S. Census Bureau 2020-2024 American Community Survey 5-Year Estimates released by the U.S. Census Bureau January 29, 2026, the District's population is 12,804. The estimated populations of the City, County and State at the times of the last three U.S. Census surveys were as follows:

NAME OF ENTITY	2000	2010	2020	% CHANGE 2010/2020
The City	11,864	11,931	11,150	-6.55%
The County	39,678	38,950	35,815	-8.05%
The State	12,419,647	12,830,632	12,812,508	-0.14%

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

FINANCIAL INFORMATION AND ECONOMIC CHARACTERISTICS OF THE DISTRICT

DIRECT GENERAL OBLIGATION BONDS (PRINCIPAL ONLY)*

CALENDAR YEAR	SERIES 2022 BONDS(1) (DECEMBER 1)	THE BONDS(2) (DECEMBER 1)	TOTAL OUTSTANDING BONDS(2)
2026	$272,000	$ 265,000	$ 537,000
2027		360,000	360,000
2028		380,000	380,000
2029		400,000	400,000
2030		420,000	420,000
2031		440,000	440,000
2032		465,000	465,000
2033		490,000	490,000
2034		515,000	515,000
2035		540,000	540,000
2036		565,000	565,000
2037		595,000	595,000
2038		625,000	625,000
2039		660,000	660,000
2040		695,000	695,000
TOTAL	$272,000	$7,415,000	$7,687,000

* Does not include alternate revenue bonds, such as the hereinafter-defined 2022 Bonds, which, under the Debt Reform Act, are not included in the computation of indebtedness of the District unless the taxes levied to pay the principal of and interest on 2022 Bonds are extended for collection by the County Clerk.

(1) Taxable General Obligation Limited Tax School Bonds, Series 2022, dated February 3, 2022.

(2) Preliminary, subject to change.

ALTERNATE REVENUE BONDS (PRINCIPAL ONLY)

CALENDAR YEAR	SERIES 2022 BONDS[1] (DECEMBER 1)
2026	$ 310,000[2]
2027	320,000[2]
2028	335,000[2]
2029	345,000[2]
2030	355,000[2]
2031	365,000[2]
2032	380,000
TOTAL	$2,410,000

(1) General Obligation School Bonds (Alternate Revenue Source), Series 2022, dated December 30, 2022 (the *"2022 Bonds"*).
(2) Mandatory sinking fund payment.

OVERLAPPING GENERAL OBLIGATION BONDS
(As of December 19, 2025)

		APPLICABLE TO THE DISTRICT	
TAXING BODY	OUTSTANDING BONDS[1]	PERCENT	AMOUNT
Flanagan-Cornell 74	$ 1,770,000	22.145%	$ 391,962
Joliet Community College	32,370,000	0.008%	2,655
Heartland Community College	98,600,000	4.017%	3,961,185
TOTAL OVERLAPPING GENERAL OBLIGATION BONDS			$4,355,802

Source: With respect to the applicable taxing bodies and the information used to calculate the percentage of overlapping EAV, the County Clerk's Office. Information regarding the outstanding bonds of the overlapping taxing bodies was obtained from publicly-available sources.

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

SELECTED FINANCIAL INFORMATION

2024 Estimated Full Value of Taxable Property:	$	900,847,962
2024 EAV:	$	300,282,654(1)
Population Estimate:		12,804
General Obligation Bonds:	$	7,687,000(2)(3)
Other Direct General Obligation Debt:	$	0
Total Direct General Obligation Debt:	$	7,687,000(2)
Percentage to Full Value of Taxable Property:		0.85%(2)
Percentage to EAV:		2.56%(2)
Debt Limit (6.9% of EAV):	$	20,719,503(4)
Percentage of Debt Limit:		37.10%(2)
Per Capita:	$	600(2)
General Obligation Bonds:	$	7,687,000(2)(3)
Overlapping General Obligation Bonds:	$	4,355,802
General Obligation Bonds and Overlapping General Obligation Bonds:	$	12,042,802(2)
Percentage to Full Value of Taxable Property:		1.34%(2)
Percentage to EAV:		4.01%(2)
Per Capita:	$	941(2)

(1) Includes Incremental EAV (as hereinafter defined) in the amount of $38,347,275. See "Tax Increment Financing Districts Located Within the District" herein.

(2) Preliminary, subject to change.

(3) Does not include alternate revenue bonds, such as the 2022 Bonds, which, under the Debt Reform Act, are not included in the computation of indebtedness of the District unless the taxes levied to pay the principal of and interest on the 2022 Bonds are extended for collection by the County Clerk.

(4) Incremental EAV is included in the calculation of the District's statutory debt limit. The District receives property tax revenues from the property included in the tax increment financing (*"TIF"*) district to the extent that the District has entered into an intergovernmental agreement regarding the TIF district. See "Tax Increment Financing Districts Located Within the District" herein.

COMPOSITION OF EAV

	2020	2021	2022	2023	2024
By Property Type					
Residential	$105,778,127	$112,949,678	$118,729,387	$123,713,926	$133,979,803
Farm	23,480,575	25,401,204	27,690,038	30,428,724	33,799,405
Commercial	36,142,087	34,336,275	34,000,476	44,478,208	46,443,785
Industrial	28,591,355	29,392,598	32,655,385	40,886,380	44,404,884
Mineral	0	0	156,065	158,828	603,871
Railroad	2,207,620	2,402,447	2,635,758	2,849,656	2,703,631
Total EAV(1)	$196,199,764	$204,482,202	$215,867,109	$242,515,722	$261,935,379

Source: County Clerk's Office.
(1) Does not include Incremental EAV.

NEW PROPERTY

The following chart indicates the EAV of new property (as defined in the Limitation Law) within the District for each of the last five levy years.

LEVY YEAR	NEW PROPERTY
2020	$1,274,341
2021	726,197
2022	1,382,250
2023	5,918,039
2024	1,668,626

Source: County Clerk's Office.

TREND OF EAV

LEVY YEAR	EAV(1)	% CHANGE IN EAV FROM PREVIOUS YEAR
2020	$196,199,764	5.00%(2)
2021	204,482,202	4.22%
2022	215,867,109	5.57%
2023	242,515,722	12.34%
2024	261,935,379	8.01%

Source: County Clerk's Office.
(1) Does not include Incremental EAV.
(2) Based on the District's 2019 EAV of $186,865,788.

TAX INCREMENT FINANCING DISTRICTS LOCATED WITHIN THE DISTRICT

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

LOCATION/ NAME OF TIF	YEAR ESTABLISHED	BASE EAV	2024 EAV	INCREMENTAL EAV
Main Street TIF	1986[(1)]	$6,508,220	$18,560,982	$ 12,052,762
Interstate TIF	1986[(1)]	221,216	26,512,600	26,291,384
Pontiac TIF 4	2024	45,334	48,463	3,129
			Total Incremental EAV	$ 38,347,275
			2024 EAV	261,935,379
			Total EAV	$300,282,654

Source: County Clerk's Office.
(1) This TIF district expires in 2034.

The District has entered into intergovernmental agreements with respect to the TIF districts located within the District pursuant to which the District receives payment of certain TIF funds with respect to such TIF districts. Pursuant to such agreements, historically, the District has received on average $350,000 annually from the City. The District received $417,655 in Fiscal Year 2025 and expects to receive similar amounts through the life of the TIF districts.

TAXES EXTENDED AND COLLECTED

TAX LEVY YEAR/ COLLECTION YEAR	TAXES EXTENDED	TAXES COLLECTED AND DISTRIBUTED[(1)]	PERCENT COLLECTED
2019/20	$6,853,740	$6,849,647	99.94%
2020/21	7,061,015	7,057,659	99.95%
2021/22	7,247,785	7,246,838	99.99%
2022/23	7,529,855	7,526,974	99.96%
2023/24	8,252,375	8,246,013	99.92%
2024/25	8,465,479	8,354,784	98.69%[(2)]

Source: Livingston County Treasurer's Office.
(1) Excludes interest.
(2) Collections are through December 22, 2025.

SCHOOL DISTRICT TAX RATES BY PURPOSE

(Per $100 EAV)

PURPOSE	2020	2021	2022	2023	2024	MAXIMUM RATE(1)
Educational	$2.92463	$2.86673	$2.84898	$2.69581	$2.57052	No Limit(2)
Bonds and Interest	0.14196	0.13414	0.12735	0.11307	0.10465	No Limit
Operations and Maintenance	0.28816	0.27565	0.22236	0.20856	0.20813	$0.55000
IMRF	0.06142	0.05876	0.05791	0.08078	0.07704	No Limit
Transportation	0.10017	0.09582	0.14130	0.13254	0.12639	No Limit
Working Cash	0.00303	0.00291	0.00289	0.00272	0.00260	0.05000
Fire Prevention/Safety/Energy	0.00000	0.00000	0.00000	0.00000	0.00039	0.10000
Special Education	0.02511	0.02402	0.03243	0.03043	0.02903	0.40000
Liability Insurance	0.00152	0.00146	0.00146	0.00138	0.00084	No Limit
Social Security	0.07029	0.06724	0.06718	0.08078	0.10009	No Limit
Lease/Purchase/Rental	0.01408	0.01348	0.01159	0.01088	0.01038	0.10000
Revenue Recapture(3)	0.00000	0.00573	0.00430	0.02876	0.00444	No Limit
Total District Tax Rate	$3.63037	$3.54594	$3.51775	$3.38571	$3.23450	

Source: County Clerk's Office.

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

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

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

REPRESENTATIVE TOTAL TAX RATES

(Per $100 EAV)

TAXING AUTHORITY	2020	2021	2022	2023	2024
The District	$ 3.63037	$ 3.54594	$ 3.51775	$3.38571	$3.23450
The County	1.11537	1.07701	1.04905	1.00834	0.95071
THSD Number 90	2.44678	2.37973	2.34747	2.24586	2.14651
Heartland Community College	0.57863	0.57934	0.57739	0.58347	0.58477
Pontiac Road District	0.18504	0.17916	0.17110	0.15821	0.15200
Pontiac Township	0.16449	0.16209	0.13222	0.12234	0.11846
The City	2.09502	2.07236	2.08360	1.95802	1.89700
Pontiac Library	0.17853	0.17660	0.17792	0.16727	0.16207
Total Representative Tax Rate(1)	$10.39423	$10.17223	$10.05650	$9.62922	$9.24602

Source: County Clerk's Office.

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

Ten Largest Taxpayers

Taxpayer Name	Description	2024 EAV	Percent of District's Total EAV
CCPS Transportation LLC[1]	Crude petroleum pipeline	$26,732,744	8.90%
Wal-Mart Real Estate Business Trust	Department store	5,988,133	1.99%
American Disposal Services of Illinois Inc.	Waste management service	5,916,552	1.97%
Caterpillar Tractor Inc.	Construction equipment manufacturer	5,102,717	1.70%
Prairie Central Cooperative Inc.	Agricultural cooperative	4,577,157	1.52%
ADB Pontiac Developer LLC	Gas station	3,270,774	1.09%
Union Pacific Railroad Co.	Railroad	2,694,774	0.90%
Interlake Mecalux Inc.	Warehouse storage and automation software developer	2,149,831	0.72%
Enbridge Energy LP Property Tax	Gas company	2,148,998	0.72%
Pontiac Hotel Associates LLC	Hotel	1,915,411	0.64%
Total		$60,497,091	20.15%

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

The above taxpayers represent 20.15% of the District's 2024 EAV of $300,282,654 (includes Incremental EAV). Reasonable efforts have been made to seek out and report the largest taxpayers. However, many of the taxpayers listed may own multiple parcels and it is possible that some parcels and their valuations may not be included.

(1) CCPS Transportation LLC provides pipeline services for crude oil.

Retailers' Occupation Tax and Service Occupation Tax

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

State Sales Tax Distribution[1]

Calendar Year	The City
2020	$2,700,399
2021	3,350,386
2022	3,489,053
2023	3,588,817
2024	3,800,973
2025[2]	3,001,739

Source: The Department.

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

(2) Through September 2025.

CORPORATE PERSONAL PROPERTY REPLACEMENT TAXES

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

FISCAL YEAR	CPPRT RECEIPTS
2021	$ 771,360
2022	1,681,363
2023	1,900,436
2024	1,251,769
2025	830,035
2026 (estimate)	847,138

Source: The Fiscal Years 2021 through 2025 Audits and the Department for Fiscal Year 2026.

SCHOOL FACILITIES SALES TAX

On October 17, 2007, the General Assembly (*"General Assembly"*) of the State enacted the County School Facility Occupation Tax Law of the State of Illinois, as amended (the *"Sales Tax Law"*), which authorizes a countywide sales tax to be used exclusively for school facility purposes (the *"Sales Tax"*) to be imposed in any county, other than Cook County, following a successful referendum therefor. "School facility purposes" is defined in the Law and includes (a) the acquisition, development, construction, reconstruction, rehabilitation, improvement, financing, architectural planning, and installation of capital facilities consisting of buildings, structures and durable equipment, the acquisition and improvement of real property required, or expected to be required, in connection with capital facilities and fire prevention, safety, energy conservation, disabled accessibility, school security and specified repair purposes set forth under Section 17-2.11 of the School Code and (b) payment of bonds or other obligations issued for school facility purposes or issued to refund such bonds or other obligations, provided that the taxes levied to pay such bonds are abated by the Sales Tax proceeds used to pay such bonds. The Sales Tax may be imposed only in 0.25% increments and may not exceed 1%.

The question of imposing a 1% Sales Tax was approved by a majority of the voters of the County at the consolidated election held on April 9, 2013. In Fiscal Year 2025, the District received $947,621 as its share of the Sales Tax and expects to receive approximately $924,736 in

Fiscal Year 2026. The District is currently using the Sales Tax for pay-as-you-go capital projects and to pay debt service on the 2022 Bonds.

The Sales Tax is collected by the Department and held by the State Treasurer in the School Facility Occupation Tax Fund. By the 25th day of each month, the Department must certify to the State Comptroller the amount to be disbursed to the regional superintendent of schools for each county in which the taxes have been imposed and collected during the second preceding calendar month. Within 10 days after its receipt of such certification from the Department, the Comptroller is required to cause orders to be drawn for the amounts contained in the certification.

Within 30 days after receiving any Sales Tax, each regional superintendent must disburse the Sales Tax to each school district that is located in the county in which the tax was collected. The Sales Tax is disbursed on an enrollment basis and allocated based upon the number of each school district's pupils that reside within the county collecting the tax divided by the total number of students for all school districts within the county. Enrollment is based on the head count of the students residing in the county on the last school day of September of each year as reported on the Public School Fall Enrollment/Housing Report produced by the Illinois State Board of Education (*"ISBE"*). All Sales Tax received by a school district must be maintained in a special fund known as the School Facility Occupation Tax Fund and may only be used for school facility purposes.

LARGEST EMPLOYERS

Below is a listing of large employers within or near the District.

EMPLOYER	PRODUCT OR SERVICE	LOCATION	APPROXIMATE NUMBER OF EMPLOYEES
Caterpillar, Inc.	Fuel systems for engines	Pontiac	1,300
Pontiac Correctional Center	Maximum-security prison	Pontiac	520
Vactor Manufacturing, Inc.	Sewer cleaners, industrial loaders and vacuum street, recirculating air and broom sweepers	Streator	440
Hearthside Food Solutions, LLC	Cookies and bars	Wenona	400
OSF Saint James Hospital	Hospital	Pontiac	375
Sheridan Pontiac	Book printing	Streator	350
Owens-Illinois Glass Container, Inc.	Glass containers	Streator	300
American Buildings Co.	Pre-engineered steel buildings	El Paso	250
SMF, Inc.	Metal fabrication, torch cutting, powder coat painting, robotic welding	Minonk	250
U.S. Foods, Inc.	Wholesale dairy, meat products, produce and beverages	Streator	230
Interlake Mecalux, Inc.	Storage and pallet racks, automated storage and retrieval systems, metal point boltless shelving	Pontiac	200
Quantix Liquid Transportation, Inc.	Local and long-distance trucking and warehousing services	Streator	200
Walmart	Retail department store	Pontiac	188
Fairview Haven	Senior living community	Fairbury	188
Evenglow Senior Living	Senior living community	Pontiac	174
Selig Sealing Products, Inc.	Closure lining materials	Forrest	125
PTC Tubular Products, LLC	Electric welded and drawn steel tubing and pipe	Fairbury	120
Bank of Pontiac	Community bank	Pontiac	120
Quincy Exact Solutions, LLC	Contract packaging, binding, collating, warehousing, fulfillment and distribution services	Pontiac	100

Source: 2025 Illinois Services and 2025 Illinois Manufacturers Directories, Greater Livingston County Economic Development Council 2024 Survey and Illinois Department of Corrections.

UNEMPLOYMENT RATES

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

	THE CITY	THE COUNTY	THE STATE
2020 – Average[(1)]	7.1%	6.6%	9.3%
2021 – Average	4.9%	5.0%	6.1%
2022 – Average	3.7%	4.1%	4.6%
2023 – Average	4.0%	4.1%	4.5%
2024 – Average	4.0%	4.1%	5.0%
2025 – Average [(2)]	N/A	3.8%	4.7%

Source: State of Illinois Department of Employment Security.
(1) The District attributes the higher unemployment rates to the COVID-19 pandemic.
(2) Nine-month average unemployment rate.

HOUSING VALUE AND INCOME STATISTICS

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

	THE CITY	THE COUNTY	THE STATE
Median Home Value	$116,300	$142,200	$ 263,300
Median Household Income	61,279	73,790	83,390
Median Family Income	83,491	91,535	106,018
Per Capita Income	31,088	37,327	46,406

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

SHORT-TERM BORROWING

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

FUTURE DEBT

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

DEFAULT RECORD

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

Working Cash Fund

The District is authorized to issue (subject to the provisions of the Limitation Law) general obligation bonds to create, re-create or increase a Working Cash Fund. Such fund can also be created, re-created or increased by the levy of an annual tax not to exceed $.05 per hundred dollars of EAV (the *"Working Cash Fund Tax"*). The purpose of the fund is to enable the District to have sufficient cash to meet demands for expenditures for corporate purposes. Moneys in the Working Cash Fund may be loaned, in whole or in part, as authorized and directed by the Board, to any fund or funds of the District in anticipation of ad valorem property taxes levied by the District for such fund or funds. The Working Cash Fund is reimbursed when the anticipated taxes or other moneys are received by the District.

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

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

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

Working Cash Fund Summary

Fiscal Year	End of Year Fund Balance
2021	$2,367,428
2022	2,381,245
2023	3,000,873
2024	3,037,368
2025	3,169,362

Source: Compiled from the Fiscal Years 2021 through 2025 Audits.

Real Property Assessment, Tax Levy and Collection Procedures

Summary of Property Assessment, Tax Levy and Collection Procedures

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

Tax Levy and Collection Procedures

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

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

UNPAID TAXES AND ANNUAL TAX SALES

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

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

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

Recent federal court decisions have challenged the constitutionality of tax sale systems similar to the Illinois tax sale system in other states. In December 2025, a federal court determined that Cook County's tax sale system is likewise unconstitutional based on those earlier rulings. The General Assembly has not yet considered legislation to modify the tax sale system in Illinois. The District makes no prediction as to the effect of such rulings on the State's tax sale process or the likelihood, or effect, of any legislation modifying such tax sale process in the future.

EXEMPTIONS

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

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

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

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

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

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

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

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

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

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

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

PROPERTY TAX EXTENSION LIMITATION LAW

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

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

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

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

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

Beginning with levy year 2021, each tax-capped taxing district (such as the District) receives an automatic levy increase in the amount of any property tax refunds paid by such taxing district in the prior year as a result of the issuance of certificates of error, court orders issued in connection with valuation tax objection complaints and Illinois Property Tax Appeal Board (the *"PTAB"*) decisions. For levy year 2024, the additional amount added to the District's tax levy as a result of this change was $11,629.

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

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

TRUTH IN TAXATION LAW

Legislation known as the Truth in Taxation Law (the *"Law"*) limits the aggregate amount of certain taxes which can be levied by, and extended for, a taxing district to 105% of the amount of taxes extended in the preceding year unless specified notice, hearing and certification requirements are met by the taxing body. The express purpose of the Law is to require published disclosure of, and hearing upon, an intention to adopt a levy in excess of the specified levels. The provisions of the Law do not apply to levies made to pay principal of and interest on the Bonds. The District covenanted in the Bond Resolution that it will not take any action or fail to take any action which would adversely affect the ability of the District to levy and collect the taxes levied by the District for payment of principal of and interest on the Bonds. The District also covenanted that it and its officers will comply with all present and future applicable laws to assure that such taxes will be levied, extended, collected and deposited as provided in the Bond Resolution.

SCHOOL DISTRICT FINANCIAL PROFILE

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

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

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

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

- *Financial Review.* A school district with a score of 3.08-3.53 is assigned to this category, the next highest financial strength category. These districts receive a limited review by ISBE, but are monitored for potential downward trends. ISBE staff also review the next year's school budget for further negative trends.

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

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

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

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

Fiscal Year (June 30)	Original Score	Designation Based on Original Score	Adjusted Score	Designation Based on Adjusted Score
2020	3.65	Recognition	3.65	Recognition
2021	4.00	Recognition	4.00	Recognition
2022	3.90	Recognition	3.90	Recognition
2023	3.80	Recognition	3.80	Recognition
2024	3.55	Recognition	3.55	Recognition

STATE AID

GENERAL

The State provides aid to local school districts on an annual basis as part of the State's appropriation process. Many school districts throughout the State rely on such state aid as a significant part of their budgets. For Fiscal Year 2025, 34.05% of the District's General Fund revenue came from State funding sources. See *Exhibit C* to this Official Statement for more information concerning the breakdown of the District's revenue sources.

GENERAL STATE AID—EVIDENCE-BASED FUNDING MODEL

Beginning with Fiscal Year 2018, general State funds (*"General State Aid"*) have, pursuant to Public Act 100-0465, been distributed to school districts under the "Evidence-Based Funding Model." The Evidence-Based Funding Model sets forth a school funding formula that ties individual district funding to evidence-based best practices that certain research shows enhance student achievement in the classroom. Under the funding formula, ISBE will calculate an adequacy target (the *"Adequacy Target"*) each year for each district based upon its unique student population, regional wage differences and best practices. Each district will be placed in one of four tiers depending on how close the sum of its local resources available to support education (based on certain State resources and its expected property tax collections, its *"Local Capacity Target"*), and its Base Funding Minimum (as hereinafter defined) are to its Adequacy Target; Tier One and Tier Two for those districts that are the furthest away from their Adequacy Targets and Tier Three and Tier Four for those districts that are the closest to (or above) their Adequacy Targets. For each school year, all State funds appropriated for General State Aid in excess of the amount needed to fund the Base Funding Minimum for all school districts (*"New State Funds"*) will be distributed to districts based on tier placement. Of any New State Funds available, Tier One receives 50%, Tier Two receives 49%, Tier Three receives 0.9%, and Tier Four receives 0.1%. Tier Two includes all Tier One districts for the purpose of the allocation percentages for New State Funds.

On June 16, 2025, Governor Pritzker signed the State's $55.2 billion general funds budget (Public Act 104-0003) for the fiscal year ending June 30, 2026 (the *"Fiscal Year 2026 Budget"*). The Fiscal Year 2026 Budget increased funding for K-12 education by approximately $275 million. The Fiscal Year 2026 Budget appropriated General State Aid in an amount $300 million greater than the appropriation in the prior fiscal year budget. Such additional General State Aid will be distributed to districts pursuant to the Evidence-Based Funding Model.

The Evidence-Based Funding Model also provides that each school district will be allocated at least as much in General State Aid in future years as it received in the most recently completed school year (such amount being the district's *"Base Funding Minimum"*). The Base Funding Minimum for the District for school year 2017-2018 was $3,999,308 (the *"Initial Base Funding Minimum"*). Mandated Categorical State Aid (as hereinafter defined) received by the District in Fiscal Year 2017, other than Mandated Categorical State Aid related to transportation and extraordinary special education, was included in the Initial Base Funding Minimum. Any

New State Funds received by a district in a year become part of its Base Funding Minimum in the following year.

The following table sets forth the amounts received by the District pursuant to the Evidenced-Based Funding Model in each of the last five fiscal years, and the amount expected to be received in Fiscal Year 2026.

FISCAL YEAR	EVIDENCE-BASED FUNDING
2021	$4,296,538
2022	4,509,393
2023	4,597,432
2024	4,670,190
2025	4,738,883
2026 (projected)	4,866,560

Source: The Fiscal Years 2021 through 2025 Audits for historical amounts and ISBE for the amount projected for Fiscal Year 2026. The projected amount of Evidenced-Based Funding for Fiscal Year 2026 consists of the Base Funding Minimum plus anticipated New State Funds for Fiscal Year 2026.

The District was placed in Tier Two for Fiscal Year 2025. For Fiscal Year 2026, the District has been placed in Tier One.

PROPERTY TAX RELIEF POOL FUNDS

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

For each of the last three fiscal years, $50 million of General State Aid was allocated to the Property Tax Relief Pool. In the Fiscal Year 2026 Budget, no funds were allocated to the Property Tax Relief Pool.

MANDATED CATEGORICAL STATE AID

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

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

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

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

COMPETITIVE GRANT STATE AID

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

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

Payment for Mandated Categorical State Aid and Competitive Grant State Aid

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

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

See *Exhibit C* for a summary of the District's general fund revenue sources.

Federal COVID-19 Funds Distributed to the District

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

The District received $333,270 pursuant to ESSER I, $1,304,674 pursuant to ESSER II and $3,071,276 pursuant to ESSER III. The District spent its ESSER funds on sanitation and classroom supplies, PPE, online subscriptions, curriculum, professional development training salaries, benefits and HVAC improvements. All ESSER funds have been spent.

RETIREMENT PLANS

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

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

BACKGROUND REGARDING PENSION PLANS

The Actuarial Valuation

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

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

GASB Standards

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

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

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

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

Pension Plans Remain Governed by the Pension Code

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

TEACHERS' RETIREMENT SYSTEM OF THE STATE OF ILLINOIS

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

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

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

Employer Funding of Teachers' Retirement System

Under the Pension Code, active members contribute 9.0% of creditable earnings to TRS. The State makes the balance of employer contributions to the State on behalf of the District, except for a small portion contributed by the teacher's employer, such as the District. For Fiscal Years 2021 through 2025, all amounts contributed by the District to TRS were as follows:

Fiscal Year	TRS Contribution
2021	$52,056
2022	57,975
2023	56,608
2024	66,413
2025	66,180

Source: The Fiscal Years 2021 through 2025 Audits.

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

ILLINOIS MUNICIPAL RETIREMENT FUND

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

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

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

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

Contributions

Both employers and employees contribute to the IMRF. At present, employees contribute 4.50% of their salary to the IMRF, as established by statute. Employers are required to make all additional contributions necessary to fund the benefits provided by the IMRF to its employees. The annual rate at which an employer must contribute to the IMRF is established by the IMRF Board. The District's contribution rate for calendar year 2024 was 6.48% of covered payroll.

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

Calendar Year	IMRF Contribution
2020	$255,383
2021	238,504
2022	198,297
2023	187,474
2024	186,698

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

Measures of Financial Position

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

Calendar Year Ended December 31	Total Pension Liability	Fiduciary Net Position	Net Pension (Asset)/Liability	Fiduciary Net Position as a % of Total Pension Liability	Discount Rate
2020	$12,085,701	$12,529,035	$ (443,334)	103.67%	7.25%
2021	12,702,524	14,298,544	(1,596,020)	112.56%	7.25%
2022	13,242,988	12,098,625	1,144,363	91.36%	7.25%
2023	13,792,458	13,339,049	453,409	96.71%	7.25%
2024	13,462,878	14,178,765	(715,887)	105.32%	7.25%

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

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

Teacher Health Insurance Security Fund

The District participates in the Teacher Health Insurance Security Fund (the *"THIS Fund"*), a cost-sharing, multiple-employer defined benefit post-employment healthcare plan that was established by the Illinois legislature for the benefit of retired Illinois public school teachers employed outside the city of Chicago. The THIS Fund provides medical, prescription, and behavioral health benefits, but it does not provide vision, dental, or life insurance benefits to annuitants of TRS.

The State maintains primary responsibility for funding, but contributions from participating employers and members are also required. For Fiscal Year 2025, the District paid $58,756 to the THIS Fund, which was 100% of the required contribution. For more information regarding the District's THIS Fund obligation, see Note 7 to the Audit.

BOND RATINGS

S&P is expected to assign the Bonds an insured rating of AA (Stable Outlook) based on the Policy to be issued by AG at the time of issuance and delivery of the Bonds. S&P has assigned the Bonds an underlying rating of "A+" (Stable Outlook). These ratings reflect only the views of S&P. An explanation of the methodology for such ratings may be obtained S&P. Certain information concerning the Bonds and the District not included in this Official Statement was furnished to S&P and AG by the District. There is no assurance that the ratings will be maintained for any given period of time or that such ratings will not be changed by S&P if, in such rating agency's judgment, circumstances so warrant. Any downward change in or withdrawal of the ratings may have an adverse effect on the market price of the Bonds.

Except as may be required by the Undertaking described below under the heading "LIMITED CONTINUING DISCLOSURE", the form of which is attached hereto as APPENDIX C, neither the District nor the Underwriter undertakes responsibility to bring to the attention of the owners of the Bonds any proposed change in or withdrawal of the ratings or to oppose any such revision or withdrawal.

TAX EXEMPTION

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

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

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

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

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

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

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

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

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

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

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

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

Payments of interest on, and proceeds of the sale, redemption or maturity of, tax-exempt obligations, including the Bonds, are in certain cases required to be reported to the Service. Additionally, backup withholding may apply to any such payments to any Bond owner who fails to provide an accurate Form W-9 Request for Taxpayer Identification Number and Certification, or a substantially identical form, or to any Bond owner who is notified by the Service of a failure to report any interest or dividends required to be shown on federal income tax returns. The reporting and backup withholding requirements do not affect the excludability of such interest from gross income for federal tax purposes.

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

QUALIFIED TAX-EXEMPT OBLIGATIONS

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

LIMITED CONTINUING DISCLOSURE

Because at the time of the delivery of the Bonds the District will be an "obligated person" (as such term is defined in the Rule) with respect to less than $10,000,000 in aggregate amount of outstanding municipal securities, including the Bonds, the District is required to provide to the Municipal Securities Rulemaking Board (the *"MSRB"*), as specified in the Rule, annual financial information or operating data regarding the District which annual financial information and operating data shall include, at a minimum, that annual financial information and operating data which is customarily prepared by the District and is publicly available. Consequently, pursuant to the Rule, the District will enter into a Continuing Disclosure Undertaking (the *"Undertaking"*) for the benefit of the beneficial owners of the Bonds to send the financial information to the MSRB for purposes of the Rule and to provide notice of certain events to the MSRB pursuant to the requirements of the Rule. No person, other than the District, has undertaken, or is otherwise expected, to provide continuing disclosure with respect to the Bonds. The financial information to be provided on an annual basis, the events which will be noticed on an occurrence basis and a statement of other terms of the Undertaking, including termination, amendment and remedies, are set forth in the form of the Undertaking, attached hereto as APPENDIX C.

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

In the last five years, the District has not been required to deliver an undertaking pursuant to the Rule. A failure by the District to comply with the Undertaking will not constitute a default under the Bond Resolution and beneficial owners of the Bonds are limited to the remedies described in the Undertaking. The District must report any failure to comply with the Undertaking in accordance with the Rule. Any broker, dealer or municipal securities dealer must consider such report before recommending the purchase or sale of the Bonds in the secondary market. Consequently, such a failure may adversely affect the transferability and liquidity of the Bonds and their market price.

AUDITED FINANCIAL STATEMENTS

The audited financial statements of the District for Fiscal Year 2025 (the *"Audit"*), contained in APPENDIX A, including the independent auditor's report accompanying the Audit, have been prepared by Phillips & Associates, CPAs, P.C., Normal, Illinois (the *"Auditor"*), and approved by formal action of the Board. The District has not requested the Auditor to update information contained in the Audit nor has the District requested that the Auditor consent to the use of the Audit in this Official Statement. Other than as expressly set forth in this Official Statement, the financial information contained in the Audit has not been updated since the date of the Audit. The inclusion of the Audit in this Official Statement in and of itself is not intended to demonstrate the fiscal condition of the District since the date of the Audit.

BOOK-ENTRY ONLY SYSTEM

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

DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Exchange Act. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants (*"Direct Participants"*) deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation (*"DTCC"*). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly (*"Indirect Participants"*). DTC has an S&P rating of "AA+". The DTC Rules applicable to its Participants are on file with the SEC. More information about DTC can be found at **www.dtcc.com**.

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

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

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

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

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the Bonds unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the District as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

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

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

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

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

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

CERTAIN LEGAL MATTERS

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

NO LITIGATION

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

UNDERWRITING

Pursuant to the terms of a Bond Purchase Agreement (the *"Agreement"*) between the District and Stifel, Nicolaus & Company, Incorporated, St. Louis, Missouri (the *"Underwriter"* or *"Stifel"*), the Underwriter has agreed to purchase the Bonds at an aggregate purchase price of $___________. The purchase price will produce an underwriting spread of ____% of the principal amount of the Bonds. The Agreement provides that the obligation of the Underwriter is subject to certain conditions precedent and that the Underwriter will be obligated to purchase all of the Bonds if any of the Bonds are purchased. The Bonds may be offered and sold to certain dealers (including dealers depositing such Bonds into investment trusts, accounts or funds) and others at prices different than the initial public offering price. After the initial public offering, the public offering price of the Bonds may be changed from time to time by the Underwriter.

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

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

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

AUTHORIZATION

This Official Statement has been approved by the District for distribution to prospective purchasers of the Bonds. The Board, acting through authorized officers, will provide to the Underwriter at the time of delivery of the Bonds, a certificate confirming that, to the best of its knowledge and belief, this Official Statement, together with any supplements thereto, as of the date hereof, and at the time of delivery of the Bonds, was true and correct in all material respects and did not at any time contain an untrue statement of a material fact or omit to state a material fact required to be stated where necessary to make the statements therein in light of the circumstances under which they were made, not misleading.

/s/ ______________________________
Superintendent
Community Consolidated School District
Number 429, Livingston County, Illinois

___________, 2026

EXHIBITS

Exhibit A shows the District's recent financial history. Exhibit B provides information on the District's Fiscal Year 2026 budget. Exhibit C provides information on the general fund revenue sources of the District.

EXHIBIT A — COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE, FISCAL YEARS ENDED JUNE 30, 2021-2025

	ED[1]	O&M	DEBT SERVICE	TRANS	IMRF	CAP PROJECTS	WORKING CASH	TORT	FIRE	TOTAL
Beginning Balance	$ 2,780,781	$486,263	$287,932	$1,826,083	$111,308	$ 526,136	$2,349,439	$166,855	$130,076	$ 8,664,873
Revenues	13,608,602	581,989	613,247	1,052,974	363,857	307,958	17,989	30,017	671	16,577,304
Expenditures	13,423,696	571,470	737,342	1,047,845	361,989	387,265	0	7,427	0	16,537,034
Net Transfers	(129,612)	0	129,612	0	0	0	0	0	0	0
Other Sources (Uses)	0	0	0	0	0	0	0	0	0	0
Ending Balance, 6/30/21	$ 2,836,075	$496,782	$293,449	$1,831,212	$113,176	$ 446,829	$2,367,428	$189,445	$130,747	$ 8,705,143
Beginning Balance	$ 2,836,075	$496,782	$293,449	$1,831,212	$113,176	$ 446,829	$2,367,428	$189,445	$130,747	$ 8,705,143
Revenues	15,402,640	567,112	619,123	1,335,156	420,234	947,508	13,817	3,631	458	19,309,679
Expenditures	15,321,406	564,607	607,523	1,319,306	366,560	940,058	0	3,500	555	19,123,515
Other Sources (Uses)	0	0	0	0	0	1,301,432[2]	0	0	0	1,301,432
Ending Balance, 6/30/22	$ 2,917,309	$499,287	$305,049	$1,847,062	$166,850	$1,755,711	$2,381,245	$189,576	$130,650	$10,192,739
Beginning Balance	$ 2,917,309	$499,287	$305,049	$1,847,062	$166,850	$1,755,711	$2,381,245	$189,576	$130,650	$10,192,739
Revenues	16,492,589	604,692	615,805	1,555,613	511,356	946,428	619,628	4,076	744	21,350,931
Expenditures	16,172,666	560,827	605,469	1,484,527	477,856	3,053,295	0	1,620	0	22,356,260
Net Transfers	0	0	0	0	0	0	0	0	0	0
Other Sources (Uses)	0	0	0	0	0	2,950,200[2]	0	0	0	2,950,200
Ending Balance, 6/30/23	$ 3,237,232	$543,152	$315,385	$1,918,148	$200,350	$2,599,044	$3,000,873	$192,032	$131,394	$12,137,610
Beginning Balance	$ 3,237,232	$543,152	$315,385	$1,918,148	$200,350	$2,599,044	$3,000,873	$192,032	$131,394	$12,137,610
Revenues	14,799,423	581,124	746,038	1,797,767	529,952	877,764	36,495	4,498	1,325	19,374,386
Expenditures	14,942,783	677,996	747,559	1,657,420	562,508	1,524,098	0	73,934	0	20,186,298
Other Sources (Uses)	0	0	0	0	0	0	0	0	0	0
Ending Balance, 6/30/24	$ 3,093,872	$446,280	$313,864	$2,058,495	$167,794	$1,952,710	$3,037,368	$122,596	$132,719	$11,325,698
Beginning Balance	$ 3,093,872	$446,280	$313,864	$2,058,495	$167,794	$1,952,710	$3,037,368	$122,596	$132,719	$11,325,698
Revenues	16,463,402	723,962	746,206	2,445,343	647,706	706,451	131,994	8,377	5,478	21,878,919
Expenditures	16,156,554	667,296	659,875	3,051,530[3]	596,410	411,352	0	0	0	21,543,017
Other Sources (Uses)	0	0	0	0	0	0	0	0	0	0
Ending Balance, 6/30/25	$ 3,400,720	$502,946	$400,195	$1,452,308	$219,090	$2,247,809	$3,169,362	$130,973	$138,197	$11,661,600

Source: The Fiscal Years 2021 through 2025 Audits.

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

(2) Represents proceeds of a bond issue.

(3) The larger expenditures in the Transportation Fund in Fiscal Year 2025 are due to a planned drawdown for the purchase of 7.5 acres of land and a building to be used as a transportation building. The costs related to this purchase and paid in Fiscal Year 2025 were $680,000.

EXHIBIT B — BUDGET, FISCAL YEAR ENDING JUNE 30, 2026

	ED[1]	O&M	DEBT SERVICE	TRANS	IMRF	CAP PROJECTS	WORKING CASH	TORT	FIRE	TOTAL
EST. BEGINNING BALANCE, 7/1/25	$ 3,557,930	$503,090	$387,544	$1,452,400	$219,181	$2,197,809	$3,169,362	$130,973	$138,197	$11,756,486
REVENUES	16,068,297	825,166	662,851	2,536,756	647,914	605,000	106,810	4,200	3,022	21,460,016
EXPENDITURES	16,145,723	800,805	626,106	2,473,746	618,897	842,000	0	4,200	0	21,511,477
OTHER SOURCES (USES)	0	0	0	0	0	0	0	0	0	0
EST. ENDING BALANCE, 6/30/26	$ 3,480,504	$527,451	$424,289	$1,515,410	$248,198	$1,960,809	$3,276,172	$130,973	$141,219	$11,705,025

Source: Budget for the District for Fiscal Year 2026. The beginning fund balances were estimated by the District at the time the budget was adopted. Consequently, such balances may not match the ending fund balances set forth in the District's audited financial statements for Fiscal Year 2025.

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

EXHIBIT C — GENERAL FUND REVENUE SOURCES, FISCAL YEARS ENDED JUNE 30, 2021-2025

	YEAR ENDED JUNE 30, 2021	YEAR ENDED JUNE 30, 2022	YEAR ENDED JUNE 30, 2023	YEAR ENDED JUNE 30, 2024	YEAR ENDED JUNE 30, 2025
Local Sources	48.11%	47.13%	44.23%	49.37%	48.07%
State Sources	35.26%	32.71%	32.06%	39.36%	34.05%
Federal Sources	16.62%	20.15%(1)	23.72%(1)	11.27%	17.88%(1)
TOTAL	100.00%	100.00%	100.00%	100.00%	100.00%

Source: The Fiscal Years 2021 through 2025 Audits. For purposes of this Exhibit, the General Fund includes the Educational Fund and the Operations and Maintenance Fund.

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

APPENDIX A

AUDITED FINANCIAL STATEMENTS OF THE DISTRICT FOR THE FISCAL YEAR ENDED JUNE 30, 2025

Pontiac Community Consolidated School District No. 429

Pontiac, Illinois

Annual Financial Report for the Fiscal Year Ended

June 30, 2025

Phillips & Associates, CPAs, P.C.

Pontiac Community Consolidated School District No. 429

Pontiac, Illinois

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Phillips & Associates, CPAs, P.C.

INDEPENDENT AUDITOR'S REPORT

To the Board of Education
Pontiac Community Consolidated School District No. 429
Pontiac, Illinois

Opinions
We have audited the accompanying financial statements of Pontiac Community Consolidated School District No. 429, Pontiac, Illinois as of and for the fiscal year ended June 30, 2025, as listed in the Table of Contents, and the related notes to the financial statements, as shown on pages 22-35, which collectively comprise the financial statements of the District as required by the regulatory accounting principles prescribed by the Illinois State Board of Education.

Unmodified Opinion on Regulatory Basis of Accounting
In our opinion, the financial statements referred to above present fairly, in all material respects, the assets and liabilities arising from cash transactions of Pontiac Community Consolidated School District No. 429, Pontiac, Illinois as of June 30, 2025, and the revenues it received and expenditures it paid for the year then ended, in accordance with the financial reporting provisions of the Illinois State Board of Education as described in Note 1.

Adverse Opinion on U.S. Generally Accepted Accounting Principles
In our opinion, because of the significance of the matter discussed in the Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles section of our report, the financial statements referred to above do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of Pontiac Community Consolidated School District No. 429, Pontiac, Illinois as of June 30, 2025, or changes in its financial position, or, where applicable, cash flows thereof for the year then ended.

Basis for Opinions
We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Pontiac Community Consolidated School District No. 429, Pontiac, 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.

Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles
As described in Note 1, the financial statements are prepared by Pontiac Community Consolidated School District No. 429, Pontiac, Illinois, on the basis of the financial reporting provisions of the Illinois State Board of Education, which is a basis of accounting other than accounting principles generally accepted in the United States of America, to meet the requirements of the Illinois State Board of Education. The effects on the financial statements of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material and pervasive.

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Pontiac Community Consolidated School District No. 429, Pontiac, Illinois' 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.

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Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. 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, 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 Pontiac Community Consolidated School District No. 429, Pontiac, Illinois' 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 Pontiac Community Consolidated School District No. 429, Pontiac, Illinois' ability to continue as a going concern for a reasonable period of time.

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

Other Matters

The Auditor's Questionnaire on page 2 indicates conditions noted during our review and testing of certain matters that are of special interest to the Illinois State Board of Education and such matters have been considered in our report on the fairness of presentation of the basic financial statements and our report on internal control over financial reporting and compliance and other matters.

Our audit was made for the purpose of forming an opinion on the financial statements taken as a whole that collectively comprise the Pontiac Community Consolidated School District No. 429's basic financial statements. The information on pages 3 through 4 and pages 25 through 47, which are the responsibility of management, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated December 11, 2025 on our consideration of the Pontiac Community Consolidated School District No. 429, Pontiac, Illinois' internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on 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 Pontiac Community Consolidated School District No. 429, Pontiac, Illinois' internal control over financial reporting and compliance.

Chelly & Associates CPA's, P.C.

Normal, Illinois
December 11, 2025

Phillips & Associates, CPAs, P.C.

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

To the Board of Education
Pontiac Community Consolidated School District No. 429
Pontiac, 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 Pontiac Community Consolidated School District No. 429, Pontiac, Illinois as of and for the year ended June 30, 2025 and have issued our report thereon dated December 11, 2025. Our opinion was adverse because the financial statements are not prepared in accordance with generally accepted accounting principles. However, the financial statements were found to be fairly stated on the modified cash basis of accounting, in accordance with regulatory reporting requirements established by the Illinois State Board of Education, which is a comprehensive basis of accounting other the generally accepted accounting principles.

Internal Control over Financial Reporting
In planning and performing our audit, we considered Pontiac Community Consolidated School District No. 429's internal control over financial reporting 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 the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

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

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 significant deficiencies, or material weaknesses, and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We identified certain deficiencies in internal control, described in the accompanying Schedule Findings and Questioned Costs – Financial Statement Findings as items 2025-001 and 2025-002 that we consider to be a significant deficiencies.

Compliance and Other Matters
As part of obtaining reasonable assurance about whether Pontiac Community Consolidated School District No. 429's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct 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*.

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School District's Response to Findings
Government Auditing Standards requires the auditor to perform limited procedures on Pontiac Community Consolidated School District No. 429's responses to the findings identified in our audit and described in the accompanying Schedule of Findings and Questioned Costs – Financial Statement Findings. The Pontiac Community Consolidated School District No. 429's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

Purpose of this Report
This report is intended solely for the information and use of the Board of Education, management, and the Illinois State Board of Education, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Shelley & Associates, CPA's, P.C.
Normal, Illinois
December 11, 2025

PONTIAC COMMUNITY CONSOLIDATED SCHOOL DISTRICT 429

STATEMENT OF ASSETS AND LIABILITIERS

ARISING FROM CASH TRANSACTIONS

June 30, 2025

	Educational	Operations & Maintenance	Debt Services	Transportation	Municipal Retirement/Social Security	Capital Projects	Working Cash	Tort	Fire Prevention & Safety	Trust and Agency Fund	General Fixed Assets	General Long-Term Debt	Total Memorandum Only
Assets													
Current Assets													
Cash	3,208	130,336	234,071	160,301	216,596	511,619	7,141	4,574	25	-	-	-	1,267,871
Investments	3,935,262	400,156	166,124	1,301,345	2,494	1,736,190	3,162,221	126,399	138,172	-	-	-	10,968,363
Land	-	-	-	-	-	-	-	-	-	-	425,059	-	425,059
Building & Building Improvements	-	-	-	-	-	-	-	-	-	-	17,284,388	-	17,284,388
Site Improvements & Infrastructure	-	-	-	-	-	-	-	-	-	-	579,892	-	579,892
Capitalized Equipment	-	-	-	-	-	-	-	-	-	-	1,675,965	-	1,675,965
Amount Available in Debt Service Funds	-	-	-	-	-	-	-	-	-	-	-	400,195	400,195
Amount to be Provided for Payment on Long-Term Debt	-	-	-	-	-	-	-	-	-	-	-	2,847,805	2,847,805
Total Assets	3,938,470	530,492	400,195	1,461,646	219,090	2,247,809	3,169,362	130,973	138,197	-	19,965,304	3,248,000	35,449,538
Liabilities and Fund Balances													
Liabilities													
Interfund Payables	455,610	-	-	-	-	-	-	-	-	-	-	-	455,610
Other Payables	82,140	27,546	-	9,338	-	-	-	-	-	-	-	-	119,024
Long-Term Debt Payable (General	-	-	-	-	-	-	-	-	-	-	-	3,248,000	3,248,000
Total Liabilities	537,750	27,546	-	9,338	-	-	-	-	-	-	-	3,248,000	3,822,634
Fund Balances													
Unreserved Fund Balance	3,400,720	502,946	400,195	1,452,308	219,090	2,247,809	3,169,362	130,973	138,197	-	-	-	11,661,600
Investment in General Fixed Assets	-	-	-	-	-	-	-	-	-	-	19,965,304	-	19,965,304
Total Fund Balances	3,400,720	502,946	400,195	1,452,308	219,090	2,247,809	3,169,362	130,973	138,197	-	19,965,304	-	31,626,904
Total Liabilities and Fund Balance	3,938,470	530,492	400,195	1,461,646	219,090	2,247,809	3,169,362	130,973	138,197	-	19,965,304	3,248,000	35,449,538

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

PONTIAC COMMUNITY CONSOLIDATED SCHOOL DISTRICT 429

STATEMENT OF ASSETS AND LIABILITIERS

ARISING FROM CASH TRANSACTIONS

June 30, 2025

	Educational	Operations & Maintenance	Debt Services	Transportation	Municipal Retirement/Social Security	Capital Projects	Working Cash	Tort	Fire Prevention & Safety	Agency Fund	General Fixed Assets	General Long-Term Debt	Total Memorandum Only
ASSETS /LIABILITIES for Student Activity Funds													
Current Assets													
Student Activity Fund Cash and Investments	151,931												151,931
Total Student Activity Current Assets For Student Activity Funds	151,931												151,931
Current Liabilities													
Total Current Liabilities													
Reserved Student Activity Fund Balance	151,931												151,931
Total Liabilities and Fund Balance For Student Activity Funds	151,931												151,931
Total ASSETS /LIABILITIES District with Student Activity Funds													
Total Current Assets District with Student Activity Funds	4,090,401	530,492	400,195	1,461,646	219,090	2,247,809	3,169,362	130,973	138,197				12,388,165
Total Capital Assets District with Student Activity Funds											19,965,304	3,248,000	23,213,304
Total Assets with Student Activity Funds													35,601,469
Current Liabilities District with Student Activity Funds	537,750	27,546		9,338									574,634
Long-Term Liabilities District with Student Activity Funds												3,248,000	3,248,000
Reserved Fund Balance District with Student Activity Funds	151,931												151,931
Unreserved Fund Balance District with Student Activity Funds	3,400,720	502,946	400,195	1,452,308	219,090	2,247,809	3,169,362	130,973	138,197				11,661,600
Investment in General Fixed Assets District with Student Activity Funds											19,965,304		19,965,304
Total Liabilities and Fund Balance District with Student Activity Funds	4,090,401	530,492	400,195	1,461,646	219,090	2,247,809	3,169,362	130,973	138,197	0	19,965,304	3,248,000	35,601,469

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

PONTIAC COMMUNITY CONSOLIDATED SCHOOL DISTRICT 429

STATEMENT OF REVENUES RECEIVED, EXPENDITURES DISBURSED,

OTHER SOURCES (USES) AND CHANGES IN FUND BALANCES (ALL FUNDS)

FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	Educational	Operations & Maintenance	Debt Services	Transportation	Municipal Retirement/Social Security	Capital Projects	Working Cash	Tort	Fire Prevention & Safety	Total Memorandum Only
RECEIPTS/REVENUES										
Local Sources	7,538,391	723,962	746,206	1,930,701	647,706	656,451	131,994	8,377	5,478	12,389,266
State Sources	5,851,526	-	-	514,642	-	50,000	-	-	-	6,416,168
Federal Sources	3,073,485	-	-	-	-	-	-	-	-	3,073,485
Total Direct Receipts/Revenues	16,463,402	723,962	746,206	2,445,343	647,706	706,451	131,994	8,377	5,478	21,878,919
Receipts/Revenues for "On Behalf" Payments	4,535,734									4,535,734
Total Receipts/Revenues	20,999,136	723,962	746,206	2,445,343	647,706	706,451	131,994	8,377	5,478	26,414,653
DISBURSEMENTS/EXPENDITURES										
Instruction	11,381,105				257,082	-		-		11,638,187
Support Services	4,635,386	667,296		3,051,530	338,736	411,352		-	-	9,104,300
Community Services	35,974	-		-	592	-		-		36,566
Payments to Other Districts & Governmental Units	104,089	-	-	-	-	-		-	-	104,089
Debt Service	-	-	659,875	-	-	-		-	-	659,875
Total Direct Disbursements/Expenditures	16,156,554	667,296	659,875	3,051,530	596,410	411,352	-	-	-	21,543,017
Disbursements/Expenditures for "On Behalf" Payments	4,535,734	-	-	-	-	-	-	-	-	4,535,734
Total Disbursements/Expenditures	20,692,288	667,296	659,875	3,051,530	596,410	411,352	-	-	-	26,078,751
Excess of Direct Receipts/Revenues Over (Under) Direct Disbursements/Expenditures	306,848	56,666	86,331	(606,187)	51,296	295,099	131,994	8,377	5,478	335,902
OTHER SOURCES OF FUNDS										
PERMANENT TRANSFER FROM VARIOUS FUNDS										
Abatement of the Working Cash Fund	-	-	-	-	-	-	-	-	-	-
Transfer to Capital Projects Fund						-				-
Total Other Sources of Funds	-	-	-	-	-	-	-	-	-	-
OTHER USES OF FUNDS (8000)										
PERMANENT TRANSFER TO VARIOUS OTHER FUNDS										
Abolishment or Abatement of the Working Cash Fund	-	-	-	-	-	-	-	-	-	-
Fund Balance Transfers Pledged to Pay for Capital Projects	-	-	-	-	-	-	-	-	-	-
Total Other Uses of Funds	-	-	-	-	-	-	-	-	-	-
Excess of Receipts/Revenues and Other Sources of Funds (Over/Under) Expenditures/Disbursements and Other Uses of Funds	306,848	56,666	86,331	(606,187)	51,296	295,099	131,994	8,377	5,478	335,902
Fund Balances without Student Activity Funds - July 1, -1	3,093,872	446,280	313,864	2,058,495	167,794	1,952,710	3,037,368	122,596	132,719	11,325,698
Other Changes in Fund Balances - Increases (Decreases)	-	-	-	-	-	-	-	-	-	-
Fund Balances without Student Activity Funds - June 30, 2023	3,400,720	502,946	400,195	1,452,308	219,090	2,247,809	3,169,362	130,973	138,197	11,661,600

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

PONTIAC COMMUNITY CONSOLIDATED SCHOOL DISTRICT 429

STATEMENT OF REVENUES RECEIVED, EXPENDITURES DISBURSED,

OTHER SOURCES (USES) AND CHANGES IN FUND BALANCES (ALL FUNDS)

FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	Educational	Operations & Maintenance	Debt Services	Transportation	Municipal Retirement/Social Security	Capital Projects	Working Cash	Tort	Fire Prevention & Safety	Total Memorandum Only
Student Activity Fund Balance - July 1, 2023	104,340									104,340
RECEIPTS/REVENUES -Student Activity Funds										
Total Student Activity Direct Receipts/Revenues	210,393									210,393
DISBURSEMENTS/EXPENDITURES -Students Activity Funds										
Total Student Activity Disbursements/Expenditures	162,802									162,802
Excess of Direct Receipts/Revenues Over (Under) Direct Disbursements/Expenditure	47,591									47,591
Student Activity Fund Balance - June 30, 2023	151,931									151,931
RECEIPTS/REVENUES (with Student Activity Funds)										
Local Sources	7,748,784	723,962	746,206	1,930,701	647,706	656,451	131,994	8,377	5,478	12,599,659
State Sources	5,851,526	-	-	514,642	-	50,000	-	-	-	6,416,168
Federal Sources	3,073,485	-	-	-	-	-	-	-	-	3,073,485
Total Direct Receipts/Revenues	16,673,795	723,962	746,206	2,445,343	647,706	706,451	131,994	8,377	5,478	22,089,312
Receipts/Revenues for "On Behalf" Payments	4,535,734	-	-	-	-	-		-	-	4,535,734
Total Receipts/Revenues	21,209,529	723,962	746,206	2,445,343	647,706	706,451	131,994	8,377	5,478	26,625,046
DISBURSEMENTS/EXPENDITURES (with Student Activity Funds)										
Instruction	11,543,907	-	-	-	257,082	-	-	-	-	11,800,989
Support Services	4,635,386	667,296	-	3,051,530	338,736	411,352	-	-	-	9,104,300
Community Services	35,974	-	-	-	592	-	-	-	-	36,566
Payments to Other Districts & Governmental Units	104,089	-	-	-	-	-	-	-	-	104,089
Debt Service	-	-	659,875	-	-	-	-	-	-	659,875
Total Direct Disbursements/Expenditures	16,319,356	667,296	659,875	3,051,530	596,410	411,352	-	-	-	21,705,819
Disbursements/Expenditures for "On Behalf" Payments	4,535,734	-	-	-	-	-	-	-	-	4,535,734
Total Disbursements/Expenditures	20,855,090	667,296	659,875	3,051,530	596,410	411,352	-	-	-	26,241,553
Excess of Direct Receipts/Revenues Over (Under) Direct Disbursements/Expenditures	354,439	56,666	86,331	(606,187)	51,296	295,099	131,994	8,377	5,478	383,493
OTHER SOURCES/USES OF FUNDS (with Student Activity Funds)										
OTHER SOURCES OF FUNDS										
Total Other Sources of Funds	-	-	-	-	-	-	-	-	-	-
OTHER USES OF FUNDS										
Total Other Uses of Funds	-	-	-	-	-	-	-	-	-	-
Fund Balances (All sources with Student Activity Funds) - June 30, 2023	3,552,651	502,946	400,195	1,452,308	219,090	2,247,809	3,169,362	130,973	138,197	11,813,531

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

PONTIAC COMMUNITY CONSOLIDATED SCHOOL DISTRICT 429
STATEMENT OF REVENUES RECEIVED (ALL FUNDS)
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	Educational	Operations & Maintenance	Debt Services	Transportation	Municipal Retirement/Socia l Security	Capital Projects	Working Cash	Tort	Fire Prevention & Safety	Total Memorandum Only
RECEIPTS/REVENUES FROM LOCAL SOURCES										
AD VALOREM TAXES LEVIED BY LOCAL EDUCATION AGENCY										
Designated Purposes Levies	6,565,756	507,953	345,422	322,803	196,739	-	6,624	3,364	-	7,948,661
Leasing Purposes Levy	26,502	-	-	-	-	-	-	-	-	26,502
Special Education Purposes Levy	74,111	-	-	-	-	-	-	-	-	74,111
FICA/Medicare Only Purposes Levies	-	-	-	-	196,739	-	-	-	-	196,739
Total Ad Valorem Taxes Levied By District	6,666,369	507,953	345,422	322,803	393,478	-	6,624	3,364	-	8,246,013
PAYMENTS IN LIEU OF TAXES										
Corporate Personal Property Replacement Taxes	230,290	-	-	348,507	251,238	-	-	-	-	830,035
Total Payments in Lieu of Taxes	230,290	-	-	348,507	251,238	-	-	-	-	830,035
TUITION										
Special Ed - Tuition from Other Districts (In State)	84,582	-	-	-	-	-	-	-	-	84,582
Total Tuition	84,582	-	-	-	-	-	-	-	-	84,582
TRANSPORTATION FEES										
Regular - Transp Fees from Other Districts (In State)	-	-	-	177,038	-	-	-	-	-	177,038
Regular - Transp Fees from Other Sources (In State)	-	-	-	18,449	-	-	-	-	-	18,449
Special Ed - Transp Fees from Other Districts (In State)	-	-	-	987,592	-	-	-	-	-	987,592
Total Transportation Fees	-	-	-	1,183,079	-	-	-	-	-	1,183,079
EARNINGS ON INVESTMENTS										
Interest on Investments	252,164	16,009	15,783	50,806	2,990	68,831	125,370	5,013	5,478	542,444
Total Earnings on Investments	252,164	16,009	15,783	50,806	2,990	68,831	125,370	5,013	5,478	542,444
FOOD SERVICE										
Sales to Pupils - Lunch	16,726	-	-	-	-	-	-	-	-	16,726
Sales to Pupils - A la Carte	6,217	-	-	-	-	-	-	-	-	6,217
Sales to Adults	1,456	-	-	-	-	-	-	-	-	1,456
Other Food Service	14,491	-	-	-	-	-	-	-	-	14,491
Total Food Service	38,890	-	-	-	-	-	-	-	-	38,890
DISTRICT/SCHOOL ACTIVITY INCOME										
Fees	15,955	-	-	-	-	-	-	-	-	15,955
Other District/School Activity Revenue	329	-	-	-	-	-	-	-	-	329
Student Activity Funds Revenues	210,393	-	-	-	-	-	-	-	-	210,393
Total District/School Activity Income (with Student Activity Funds)	226,677	-	-	-	-	-	-	-	-	226,677

The accompanying notes are an integral part of these statements.

PONTIAC COMMUNITY CONSOLIDATED SCHOOL DISTRICT 429
STATEMENT OF REVENUES RECEIVED (ALL FUNDS)
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	Educational	Operations & Maintenance	Debt Services	Transportation	Municipal Retirement/Social Security	Capital Projects	Working Cash	Tort	Fire Prevention & Safety	Total Memorandum Only
OTHER REVENUE FROM LOCAL SOURCES										
Contributions and Donations from Private Sources	24,409	-	-	-	-	-	-	-	-	24,409
Payments of Surplus Moneys from TIF Districts	192,655	200,000	-	-	-	25,000	-	-	-	417,655
School Facility Occupation Tax Proceeds	-	-	385,001	-	-	562,620	-	-	-	947,621
Other Local Revenues	32,748	-	-	25,506	-	-	-	-	-	58,254
Total Other Revenue from Local Sources	249,812	200,000	385,001	25,506	-	587,620	-	-	-	1,447,939
Total Receipts/Revenues from Local Sources (without Student Activity Funds 1799)	7,538,391	723,962	746,206	1,930,701	647,706	656,451	131,994	8,377	5,478	12,389,266
Total Receipts/Revenues from Local Sources with Student Activity Funds	7,748,784	-	-	-	-	-	-	-	-	7,748,784
RECEIPTS/REVENUES FROM STATE SOURCES										
UNRESTRICTED GRANTS-IN-AID										
Evidence Based Funding Formula (Section 18-8.15)	4,738,883	-	-	-	-	-	-	-	-	4,738,883
Total Unrestricted Grants-In-Aid	4,738,883	-	-	-	-	-	-	-	-	4,738,883
RESTRICTED GRANTS-IN-AID										
SPECIAL EDUCATION										
Special Education - Private Facility Tuition	377,925	-	-	-	-	-	-	-	-	377,925
Special Education - Orphanage - Individual	214,244	-	-	-	-	-	-	-	-	214,244
Total Special Education	592,169	-		-						592,169
School Breakfast Initiative	7,657	-	-	-	-	-	-	-	-	7,657
Adult Ed - Other	-	-	-	-	-	-	-	-	-	
TRANSPORTATION										
Transportation - Regular and Vocational	-	-	-	126,299	-	-	-	-	-	126,299
Transportation - Special Education	-	-	-	388,343	-	-	-	-	-	388,343
Total Transportation	-	-	-	514,642	-	-	-	-	-	514,642
Early Childhood - Block Grant	418,653	-	-	-	-	-	-	-	-	418,653
School Infrastructure - Maintenance Projects	-	-	-	-	-	50,000	-	-	-	50,000
Other Restricted Revenue from State Sources	94,164	-	-	-	-	-	-	-	-	94,164
Total Restricted Grants-In-Aid	1,112,643	-	-	514,642	-	50,000	-	-	-	1,677,285
Total Receipts from State Sources	5,851,526	-	-	514,642	-	50,000	-	-	-	6,416,168
RECEIPTS/REVENUES FROM FEDERAL SOURCES										
FOOD SERVICE										
National School Lunch Program	473,784	-	-	-	-	-	-	-	-	473,784
Special Milk Program	2,424	-	-	-	-	-	-	-	-	2,424
School Breakfast Program	211,960	-	-	-	-	-	-	-	-	211,960
Total Food Service	688,168	-	-	-	-	-	-	-	-	688,168
TITLE I										
Title I - Low Income	486,847	-	-	-	-	-	-	-	-	486,847
Title I - Other	432,239	-	-	-	-	-	-	-	-	432,239
Total Title I	919,086	-	-	-	-	-	-	-	-	919,086
TITLE IV										
Title IV - Student Support & Academic Enrichment Grant	26,075	-	-	-	-	-	-	-	-	26,075
Total Title IV	26,075	-		-	-	-	-	-	-	26,075

PONTIAC COMMUNITY CONSOLIDATED SCHOOL DISTRICT 429
STATEMENT OF REVENUES RECEIVED (ALL FUNDS)
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	Educational	Operations & Maintenance	Debt Services	Transportation	Municipal Retirement/Social Security	Capital Projects	Working Cash	Tort	Fire Prevention & Safety	Total Memorandum Only
FEDERAL - SPECIAL EDUCATION										
Fed - Spec Education - Preschool Flow-Through	15,755	-	-	-	-	-	-	-	-	15,755
Fed - Spec Education - IDEA - Flow Through	454,138	-	-	-	-	-	-	-	-	454,138
Fed - Spec Education - IDEA - Room & Board	166,026	-	-	-	-	-	-	-	-	166,026
Total Federal - Special Education	635,919	-	-	-	-	-	-	-	-	635,919
Title II - Teacher Quality	31,162	-	-	-	-	-	-	-	-	31,162
Medicaid Matching Funds - Administrative Outreach	74,569	-	-	-	-	-	-	-	-	74,569
Medicaid Matching Funds - Fee-for-Service Program	144,216	-	-	-	-	-	-	-	-	144,216
Other Restricted Revenue from Federal Sources	554,290	-	-	-	-	-	-	-	-	554,290
Total Restricted Grants-In-Aid Received from the Federal Govt Thru the State	3,073,485	-	-	-	-	-	-	-	-	3,073,485
Total Receipts/Revenues from Federal Sources	3,073,485	-	-	-	-	-	-	-	-	3,073,485
Total Direct Receipts/Revenues without Student Activity Funds	16,463,402	723,962	746,206	2,445,343	647,706	706,451	131,994	8,377	5,478	21,878,919
Total Direct Receipts/Revenues with Student Activity Funds	16,673,795	723,962	746,206	2,445,343	647,706	706,451	131,994	8,377	5,478	22,089,312

The accompanying notes are an integral part of these statements.

PONTIAC COMMUNITY CONSOLIDATED SCHOOL DISTRICT 429
STATEMENT OF EXPENDITURES DISBURSED
BUDGET TO ACTUAL
EDUCATIONAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	Actual	Budget	Under(Over) Budget
INSTRUCTION (ED)			
Regular Programs			
Salaries	5,622,621	5,649,562	26,941
Employee Benefits	981,846	888,255	(93,591)
Purchased Services	91,119	62,923	(28,196)
Supplies & Materials	122,614	120,650	(1,964)
Capital Outlay	2,860	3,000	140
Other Objects	330	300	(30)
Total Regular Programs	6,821,390	6,724,690	(96,700)
Pre-K Programs			
Salaries	309,529	327,923	18,394
Employee Benefits	78,243	97,724	19,481
Purchased Services	13,548	16,464	2,916
Supplies & Materials	11,500	697	(10,803)
Total Pre-K Programs	412,820	442,808	29,988
Special Education Programs			
Salaries	2,253,501	2,143,313	(110,188)
Employee Benefits	335,729	506,196	170,467
Purchased Services	232,260	234,859	2,599
Supplies & Materials	47,573	82,899	35,326
Total Special Education Programs	2,869,063	2,967,267	98,204

The accompanying notes are an integral part of these statements.

PONTIAC COMMUNITY CONSOLIDATED SCHOOL DISTRICT 429
STATEMENT OF EXPENDITURES DISBURSED
BUDGET TO ACTUAL
EDUCATIONAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	Actual	Budget	Under(Over) Budget
Interscholastic Programs			
Salaries	108,444	39,300	(69,144)
Employee Benefits	5,124	1,800	(3,324)
Supplies & Materials	581	750	169
Total Interscholastic Programs	114,149	41,850	(72,299)
Special Education Programs K-12 - Private Tuition			
Other Objects	1,163,683	900,000	(263,683)
Total Special Education Programs K-12 - Private Tui	1,163,683	900,000	(263,683)
Student Activity Fund Expenditures			
Other Objects	162,802	-	(162,802)
Total Student Activity Fund Expenditures	162,802	-	(162,802)
Total Instruction [10] (without Student Activity Funds)	11,381,105	11,076,616	(304,489)
Total Instruction [10] (with Student Activity Funds)	11,543,907	11,076,616	(467,291)

The accompanying notes are an integral part of these statements.

PONTIAC COMMUNITY CONSOLIDATED SCHOOL DISTRICT 429
STATEMENT OF EXPENDITURES DISBURSED
BUDGET TO ACTUAL
EDUCATIONAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	Actual	Budget	Under(Over) Budget
SUPPORT SERVICES			
SUPPORT SERVICES - PUPILS			
Attendance & Social Work Services			
Salaries	260,528	255,172	(5,356)
Employee Benefits	21,327	24,891	3,564
Purchased Services	14,026	35,100	21,074
Supplies & Materials	3,086	4,401	1,315
Total Attendance & Social Work Services	298,967	319,564	20,597
Guidance Services			
Salaries	91,599	92,190	591
Employee Benefits	9,996	12,027	2,031
Total Guidance Services	101,595	104,217	2,622
Health Services			
Salaries	204,428	208,402	3,974
Employee Benefits	42,428	42,530	102
Purchased Services	3,000	6,000	3,000
Total Health Services	249,856	256,932	7,076
Psychological Services			
Purchased Services	58,813	104,000	45,187
Supplies & Materials	97,000	64,000	(33,000)
Total Psychological Services	155,813	168,000	12,187
Speech Pathology & Audiology Services			
Salaries	306,932	336,312	29,380
Employee Benefits	30,651	32,947	2,296
Purchased Services	0	1,000	1,000
Supplies & Materials	60	-	(60)
Total Speech Pathology & Audiology Services	337,643	370,259	32,616
Other Support Services - Pupils			
Salaries	5,730	5,510	(220)
Employee Benefits	4,018	4,310	292
Total Other Support Services - Pupils	9,748	9,820	72
Total Support Services - Pupils	1,153,622	1,228,792	75,170
SUPPORT SERVICES - INSTRUCTIONAL STAFF			
Improvement of Instruction Services			
Salaries	7,495	63,645	56,150
Employee Benefits	36,904	38,000	1,096
Purchased Services	36,817	78,743	41,926
Supplies & Materials	15,433	7,782	(7,651)
Total Improvement of Instruction Services	96,649	188,170	91,521

The accompanying notes are an integral part of these statements.

PONTIAC COMMUNITY CONSOLIDATED SCHOOL DISTRICT 429
STATEMENT OF EXPENDITURES DISBURSED
BUDGET TO ACTUAL
EDUCATIONAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	Actual	Budget	Under(Over) Budget
Educational Media Services			
Purchased Services	5,500	-	(5,500)
Supplies & Materials	102	400	298
Total Educational Media Services	5,602	400	(5,202)
Assessment & Testing			
Salaries	0	2,400	2,400
Purchased Services	17,713	9,000	(8,713)
Total Assessment & Testing	17,713	11,400	(6,313)
Total Support Services - Instructional Staff	119,964	199,970	80,006
SUPPORT SERVICES - GENERAL ADMINISTRATION			
Board of Education Services			
Purchased Services	95,142	76,500	(18,642)
Supplies & Materials	5,913	10,000	4,087
Other Objects	29,960	4,500	(25,460)
Total Board of Education Services	131,015	91,000	(40,015)
Executive Administration Services			
Salaries	200,499	198,847	(1,652)
Employee Benefits	52,794	44,849	(7,945)
Purchased Services	3,240	6,000	2,760
Supplies & Materials	297	-	(297)
Other Objects	1,584	-	(1,584)
Total Executive Administration Services	258,414	249,696	(8,718)
Special Area Administration Services			
Salaries	112,282	98,800	(13,482)
Employee Benefits	22,396	21,891	(505)
Purchased Services	398	1,000	602
Supplies & Materials	166	1,000	834
Other Objects	250	500	250
Total Special Area Administration Services	135,492	123,191	(12,301)
Tort Immunity Services			
Purchased Services	12,251	13,500	1,249
Total Tort Immunity Services	12,251	13,500	1,249
Total Support Services - General Administration	537,172	477,387	(59,785)
SUPPORT SERVICES - SCHOOL ADMINISTRATION			
Office of the Principal Services			
Salaries	641,863	638,103	(3,760)
Employee Benefits	128,110	133,364	5,254
Purchased Services	1,909	3,600	1,691
Supplies & Materials	3,463	4,000	537
Capital Outlay	-	4,000	4,000
Other Objects	1,659	2,000	341
Total Office of the Principal Services	777,004	785,067	8,063
Total Support Services - School Administration	777,004	785,067	8,063

PONTIAC COMMUNITY CONSOLIDATED SCHOOL DISTRICT 429
STATEMENT OF EXPENDITURES DISBURSED
BUDGET TO ACTUAL
EDUCATIONAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	Actual	Budget	Under(Over) Budget
SUPPORT SERVICES - BUSINESS			
Fiscal Services			
Salaries	42,180	42,180	-
Employee Benefits	11,677	10,874	(803)
Purchased Services	10,968	15,000	4,032
Supplies & Materials	-	9,500	9,500
Total Fiscal Services	64,825	77,554	12,729
Operation & Maintenance of Plant Services			
Salaries	519,614	538,012	18,398
Employee Benefits	101,818	97,679	(4,139)
Capital Outlay	157,488	0	(157,488)
Total Operation & Maintenance of Plant Services	778,920	635,691	(143,229)
Pupil Transportation Services			
Purchased Services	0	250	250
Total Pupil Transportation Services	0	250	250
Food Services			
Salaries	200,522	201,689	1,167
Employee Benefits	60,326	72,657	12,331
Purchased Services	8,062	8,000	(62)
Supplies & Materials	328,328	400,000	71,672
Capital Outlay	45,211	70,000	24,789
Other Objects	104	-	(104)
Total Food Services	642,553	752,346	109,793
Total Support Services - Business	1,486,298	1,450,841	(35,457)
SUPPORT SERVICES - CENTRAL			
Planning, Research, Development, & Evaluation Services			
Salaries	126,016	126,016	-
Employee Benefits	25,696	22,485	(3,211)
Purchased Services	0	400	400
Total Planning, Research, Development, & Evaluation Services	151,712	148,901	(2,811)
Information Services			
Salaries	132,699	132,699	-
Employee Benefits	24,437	21,747	(2,690)
Purchased Services	122,463	170,000	47,537
Supplies & Materials	77,613	95,000	17,387
Other Objects	48,424	75,009	26,585
Total Information Services	405,636	494,455	88,819

PONTIAC COMMUNITY CONSOLIDATED SCHOOL DISTRICT 429
STATEMENT OF EXPENDITURES DISBURSED
BUDGET TO ACTUAL
EDUCATIONAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	Actual	Budget	Under(Over) Budget
Staff Services			
Purchased Services	3,798	-	(3,798)
Total Staff Services	3,798	-	(3,798)
Total Support Services - Central	561,146	643,356	82,210
Other Support Services			
Purchased Services	-	0	-
Supplies & Materials	180	496	316
Total Other Support Services	180	496	316
Total Support Services	4,635,386	4,629,479	(5,907)
COMMUNITY SERVICES (ED)			
Salaries	24,288	26,624	2,336
Employee Benefits	383	-	(383)
Purchased Services	5,244	24,397	19,153
Supplies & Materials	6,059	13,391	7,332
Total Community Services	35,974	64,412	28,438
PAYMENTS TO OTHER DISTRICTS & GOVT UNITS (ED)			
PAYMENTS TO OTHER GOVT UNITS (IN-STATE)			
Payments for Regular Programs			
Purchased Services	33,038	0	(33,038)
Total Payments for Regular Programs	33,038	0	(33,038)
Payments for Special Education Programs			
Purchased Services	0	1,600	1,600
Total Payments for Special Education Programs	0	1,600	1,600
Other Payments to In-State Govt. Units			
Other Objects	1,664	1,250	(414)
Total Other Payments to In-State Govt. Units	1,664	1,250	(414)
Total Payments to Other Govt Units (In-State)	34,702	2,850	(31,852)
Payments for Special Education Programs - Tuition	69,387	115,000	45,613
Other Payments to In-State Govt Units - Programs *(Describe & Itemize)*		0	
Total Payments to Other Govt Units -Tuition (In State)	69,387	115,000	45,613
Total Payments to Other Govt Units	104,089	117,850	13,761
DEBT SERVICES (ED)			
DEBT SERVICES - INTEREST ON SHORT-TERM DEBT			
PROVISIONS FOR CONTINGENCIES (ED)	-	100,000	100,000
Total Direct Disbursements/Expenditures without Student Activity Funds	16,156,554	16,181,107	24,553
Total Direct Disbursements/Expenditures with Student Activity Funds	16,319,356	16,181,107	(138,249)
Excess (Deficiency) of Receipts/Revenues Over Disbursements/Expenditures without Student Activity	306,848	433,468	126,620
Excess (Deficiency) of Receipts/Revenues Over Disbursements/Expenditures with Student Activity	354,439	433,468	79,029

The accompanying notes are an integral part of these statements.

PONTIAC COMMUNITY CONSOLIDATED SCHOOL DISTRICT 429
STATEMENT OF EXPENDITURES DISBURSED
BUDGET TO ACTUAL
OPERATIONS & MAINTENANCE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	Actual	Budget	Under(Over) Budget
SUPPORT SERVICES			
SUPPORT SERVICES - BUSINESS			
Operation & Maintenance of Plant Services			
Purchased Services	379,610	412,741	33,131
Supplies & Materials	287,686	320,266	32,580
Total Operation & Maintenance of Plant Services	667,296	733,007	65,711
Total Support Services - Business	667,296	733,007	65,711
Total Support Services	667,296	733,007	65,711
PAYMENTS TO OTHER DIST & GOVT UNITS (O&M)			
PAYMENTS TO OTHER GOVT UNITS (IN-STATE)			
PROVISIONS FOR CONTINGENCIES (O&M)			
Total Direct Disbursements/Expenditures	667,296	733,007	65,711

The accompanying notes are an integral part of these statements.

PONTIAC COMMUNITY CONSOLIDATED SCHOOL DISTRICT 429
STATEMENT OF EXPENDITURES DISBURSED
BUDGET TO ACTUAL
DEBT SERVICE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	Actual	Budget	Under(Over) Budget
PAYMENTS TO OTHER DISTRICTS & GOVT UNITS			
DEBT SERVICES (O&M)			
Debt Service - Interest on Long-Term Debt	107,707	107,707	0
Debt Service - Payments of Principal on Long-Term Debt (Lease/Purc	551,000	551,000	-
Debt Service - Other	1,168	1,500	332
Total Debt Service	659,875	660,207	332
PROVISION FOR CONTINGENCIES			
Total Direct Disbursements/Expenditures	659,875	660,207	332

The accompanying notes are an integral part of these statements.

PONTIAC COMMUNITY CONSOLIDATED SCHOOL DISTRICT 429
STATEMENT OF EXPENDITURES DISBURSED
BUDGET TO ACTUAL
TRANSPORTATION FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	Actual	Budget	Under(Over) Budget
SUPPORT SERVICES			
SUPPORT SERVICES - PUPILS			
Pupil Transportation Services			
Salaries	1,145,337	1,131,335	(14,002)
Employee Benefits	153,707	137,541	(16,166)
Purchased Services	269,305	282,763	13,458
Supplies & Materials	17,360	30,100	12,740
Capital Outlay	1,451,508	671,000	(780,508)
Other Objects	-	791,518	791,518
TotalPupil Transportation Services	3,037,217	3,044,257	7,040
Other Support Services			
Salaries	8,173	-	(8,173)
Purchased Services	-	12,175	12,175
Supplies & Materials	6,140	6,025	(115)
Total Other Support Services	14,313	18,200	3,887
Total Support Services	3,051,530	3,062,457	10,927
PROVISION FOR CONTINGENCIES (TR)		-	-
Total Disbursements/ Expenditures	3,051,530	3,062,457	10,927

The accompanying notes are an integral part of these statements.

PONTIAC COMMUNITY CONSOLIDATED SCHOOL DISTRICT 429
STATEMENT OF EXPENDITURES DISBURSED
BUDGET TO ACTUAL
MUNICIPAL RETIREMENT/SOCIAL SECURITY FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	Actual	Budget	Under(Over) Budget
INSTRUCTION (ED)			
Regular Programs			
Employee Benefits	111,101	114,676	3,575
Pre-K Programs			
Employee Benefits	25,884	-	(25,884)
Special Education Programs			
Employee Benefits	114,700	138,809	24,109
Special Education Programs Pre-K			
Remedial and Supplemental Programs K-12			
Remedial and Supplemental Programs Pre-K			
CTE Programs			
Interscholastic Programs			
Employee Benefits	5,397	4,380	(1,017)
Summer School Programs			
Driver's Education Programs			
Bilingual Programs			
Total Instruction [10] (without Student Activity Funds)	257,082	257,865	783
SUPPORT SERVICES			
SUPPORT SERVICES - PUPILS			
Attendance & Social Work Services			
Employee Benefits	3,784	3,639	(145)
Guidance Services			
Employee Benefits	1,365	1,337	(28)
Health Services			
Employee Benefits	20,178	37,919	17,741
Psychological Services			
Speech Pathology & Audiology Services			
Employee Benefits	4,477	-	
Other Support Services - Pupils			
Employee Benefits	631	610	
Total Support Services - Pupils	30,435	43,505	13,070
SUPPORT SERVICES - INSTRUCTIONAL STAFF			
Improvement of Instruction Services			
Employee Benefits	270	50	(220)
Educational Media Services			
Assessment & Testing			
Employee Benefits		98	
Total Support Services - Instructional Staff	270	148	(122)
SUPPORT SERVICES - GENERAL ADMINISTRATION			
Executive Administration Services			
Employee Benefits	9,137	7,288	(1,849)

The accompanying notes are an integral part of these statements.

PONTIAC COMMUNITY CONSOLIDATED SCHOOL DISTRICT 429
STATEMENT OF EXPENDITURES DISBURSED
BUDGET TO ACTUAL
MUNICIPAL RETIREMENT/SOCIAL SECURITY FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	Actual	Budget	Under(Over) Budget
Special Area Administration Services			
Employee Benefits	1,433	5,506	4,073
Claims Paid from Self Insurance Fund			
Employee Benefits	-	-	
Risk Management and Claims Services Payments			
Employee Benefits	8,537	-	
Total Support Services - General Administration	19,107	12,794	(6,313)
SUPPORT SERVICES - SCHOOL ADMINISTRATION			
Office of the Principal Services			
Employee Benefits	36,017	35,599	(418)
Other Support Service			
Total Support Services - School Administration	36,017	35,599	(418)
SUPPORT SERVICES - BUSINESS			
Direction of Business Support Services			
Fiscal Services			
Employee Benefits	5,927	5,964	37
Facilities Acquisition & Construction Services			
Employee Benefits		-	
operation & Maintenance of Plant			
Employee Benefits	71,596	69,623	(1,973)
Pupil Transportation			
Employee Benefits	127,613	142,452	14,839
Food Services			
Employee Benefits	27,298	27,968	670
Total Support Services - Business	232,434	246,007	13,573
SUPPORT SERVICES - CENTRAL			
Planning, Research, Development, & Evaluation Services			
Employee Benefits	1,827	-	
Information Services			
Employee Benefits	18,646	1,827	(16,819)
Staff Services			
Employee Benefits	-	18,763	18,763
Total Support Services - Central	20,473	20,590	117
Total Support Services	338,736	358,643	19,907
COMMUNITY SERVICES (ED)			
Employee Benefits	592	12	(580)
PROVISIONS FOR CONTINGENCIES (ED)		50,000	
Total Direct Disbursements/Expenditures without Student Activity Funds	596,410	666,520	70,110

The accompanying notes are an integral part of these statements.

PONTIAC COMMUNITY CONSOLIDATED SCHOOL DISTRICT 429
STATEMENT OF EXPENDITURES DISBURSED
BUDGET TO ACTUAL
CAPITAL PROJECTS FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	Actual	Budget	Under(Over) Budget
SUPPORT SERVICES			
SUPPORT SERVICES - BUSINESS			
Facilities Acquisition and Construction Services			
Purchased Services	361,119	472,500	111,381
Supplies & Materials	50,233	80,000	29,767
Total Facilities Acquisition and Construction Services	411,352	552,500	141,148
Total Support Services - Business	411,352	552,500	141,148
PROVISIONS FOR CONTINGENCIES (O&M)		450,000	450,000
Total Direct Disbursements/Expenditures	411,352	1,002,500	591,148

The accompanying notes are an integral part of these statements.

Statement 10

PONTIAC COMMUNITY CONSOLIDATED SCHOOL DISTRICT 429
STATEMENT OF EXPENDITURES DISBURSED
BUDGET TO ACTUAL
TORT FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	Actual	Budget	Under(Over) Budget
INSTRUCTION (ED)			
Regular Programs	0		
SUPPORT SERVICES			
SUPPORT SERVICES - PUPILS			
SUPPORT SERVICES - INSTRUCTIONAL STAFF			
SUPPORT SERVICES - GENERAL ADMINISTRATION			
SUPPORT SERVICES - SCHOOL ADMINISTRATION			
SUPPORT SERVICES - BUSINESS			
SUPPORT SERVICES - CENTRAL			
PAYMENTS TO OTHER DISTRICTS & GOVT UNITS (ED)			
PAYMENTS TO OTHER GOVT UNITS (IN-STATE)			
PROVISIONS FOR CONTINGENCIES (TF)		-	

The accompanying notes are an integral part of these statements.

PONTIAC COMMUNITY CONSOLIDATED SCHOOL DISTRICT 429
STATEMENT OF EXPENDITURES DISBURSED
BUDGET TO ACTUAL
FIRE PREVENTION & SAFETY FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	Actual	Budget	Under(Over) Budget
SUPPORT SERVICES			
SUPPORT SERVICES - BUSINESS			
PROVISIONS FOR CONTINGENCIES (FP&S)		-	

The accompanying notes are an integral part of these statements.

Note #1 - Summary of Significant Accounting Policies

The District's accounting policies conform to the modified cash basis of accounting as prescribed by the Illinois State Board of Education within Title 23 Education and Cultural Resources of the Illinois Administrative Code. Part 100 of Title 23 provides the requirements for accounting, budgeting, financial reporting, and auditing of school districts within the State of Illinois.

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

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

Component Units

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

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

B. Basis of Presentation – Fund Accounting

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

Governmental Funds

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

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

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

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

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

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

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

Governmental Funds - Measurement Focus

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

General Fixed Assets and General Long-Term Debt Account Group

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

The District does not maintain a formal capitalization policy, but does follow applicable grant guidelines when applicable.

No depreciation has been provided on fixed assets in these financial statements. The Illinois State Board of Education's Annual Financial Report (ISBE Form SD50-35/JA50-60) includes depreciation of $541,884 which has been utilized for the calculation of the per capita tuition charge, and accumulated depreciation totaling $7,750,387. Depreciation has been computed over the estimated useful lives of the assets using the straight-line method.

The estimated useful lives are as follows:

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

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

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

C. Basis of Accounting

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

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

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

C. Basis of Accounting (cont'd.)

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

D. Budgets and Budgetary Accounting

The budget for all Governmental Funds is prepared on the modified cash basis of accounting which is the same basis that is used in financial reporting. This allows for comparability between budget and actual amounts. This is an acceptable method in accordance with Chapter 105, Section 5, Paragraph 17-1 of the Illinois Compiled Statutes. The original budget was passed on September 19, 2024 and amended on June 26, 2025. The budget lapses at the end of each fiscal year.

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

1. Prior to July 1, the Superintendent submits to the Board of Education a proposed operating budget for the fiscal year commencing on that date. The operating budget includes proposed expenditures disbursed and the means of financing them.

2. A public hearing is conducted to obtain taxpayer comments.

3. Prior to October 1, the budget is legally adopted through passage of a resolution.

4. Formal budgetary integration is employed as a management control device during the year.

5. The Board of Education may make transfers between the various items in any fund not exceeding in the aggregate 10% of the total of such fund as set forth in the budget.

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

E. Cash and Cash Equivalents

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

F. Investments

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

G. Inventories

Inventory consists of expendable supplies held for consumption. The cost is recorded as an expenditure disbursed at the time the individual inventory items are purchased.

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

H. Fund Balances

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

Nonspendable - The nonspendable fund balance classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact. The "not in spendable form" criterion includes items that are not expected to be converted to cash, for example, inventories and prepaid amounts. As of June 30, 2025 the District had no nonspendable balances.

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

Committed - The committed fund balance classification refers to amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the government's highest level of decision-making authority (the School Board). Those committed amounts cannot be used for any other purpose unless the government removes or changes the specified use by taking the same type of formal action it employed to previously commit those amounts. As of June 30, 2025, the District had no committed balances.

The School Board commits fund balance by making motions or passing resolutions to adopt policies or to approve contracts. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.

Assigned - The assigned fund balance classification refers to amounts that are constrained by the government's intent to be used for a specific purpose, but are neither restricted nor committed. Intent may be expressed by the School Board itself by assigning amounts to be used for specific purposes. As of June 30, 2025, the District had no assigned balances.

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

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

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

I. Leases

The District accounts for leases as follows:

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

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

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

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

J. Subscription-Based Information Technology Arrangements

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

K. Use of Estimates

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

Note #2 – Property Taxes

The District's property tax is levied each year on all taxable real property located in the District on or before the last Tuesday in December. Taxes are levied in Livingston County. The 2024 levy was passed by the board on December 12, 2024 Property taxes attach as an enforceable lien on property as of January 1 and are payable in two installments in June and September. The District receives significant distributions of tax receipts approximately one month after these due dates. The District taxes received were from the 2023 and prior levies.

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

	Maximum Rate	Actual 2024	Actual 2023	Actual 2022
Educational	None	2.57052	2.69581	2.84898
Operations and Maintenance	.55000	.20813	.20856	.22236
Transportation	None	.12639	.13254	.14130
Debt Service	None	.10465	.11307	.12735
Municipal Retirement	None	.07704	.08078	.05791
Social Security	None	.10009	.08078	.06718
Tort Immunity	None	.00084	.00138	.00146
Facilities Leasing	.10000	.01038	.01088	.01159
Special Education	.40000	.02903	.03043	.03243
Working Cash	.05000	.00260	.00272	.00289
Fire Prevention & Safety	.10000	.00039	.00000	.00000
Revenue Recovery	None	.00444	.02876	.00430
Total		3.23450	3.38571	3.51775

Note #3 Regulatory Fund Balances

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

Note #3 - Regulatory Fund Balances (cont'd.)

The District has the following categories of reserved fund balances:

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

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

3. Social Security Levy
Cash disbursed and the related cash receipts of this restricted tax levy are accounted for in the Municipal Retirement/Social Security Fund. Beginning fund balance and revenue received exceeded expenditures disbursed for this purpose, resulting in a reserved fund balance of $51,706.

4. School Facility Occupation Tax
Proceeds from the school facility occupation tax have been included in the Debt Services and Capital Projects Funds. Beginning reserved fund balance and revenue received exceeded expenditures disbursed for this purpose, resulting in a reserved fund balance of $177,003 in the Debt Services Fund and $2,103,978 in the Capital Projects Fund.

5. State Grants
Proceeds from state grants and the related expenditures have been included in the Educational, Transportation, and Capital Projects Funds. Revenues received exceeded expenditures disbursed from this source, resulting in reserved fund balances of $131,434 in the Educational Fund.

6. Federal Grants
Proceeds from federal grants and the related expenditures have been included in the Educational Fund. Expenditures disbursed exceeded revenues received from this source, resulting in no reserved fund balance.

7. Student Activity Funds
The District maintains a student activity fund in the Educational Fund balance. As of June 30, 2025, beginning fund balance and net revenues exceeded expenditures, resulting in a reserved fund balance of $151,931.

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

Note #4 – Deposits and Investments

The District is allowed to invest in securities as authorized by the District's investment policy, Sections 2 and 6 of the Public Funds Investment Act (30 IICS 235), and Section 8-7 of the School Code of Illinois (105 ILCS 5). These include the following items:

(1) in bonds, notes, certificates of indebtedness, treasury bills, or other securities now or hereafter issued, which are guaranteed by the full faith and credit of the United States of America as to principal and interest;

(2) in interest-bearing savings accounts, interest-bearing certificates of deposits, interest-bearing time deposits, or any other investments constituting direct obligations of any bank as defined by the Illinois Banking Act;

(3) in short term obligations of corporations organized in the United States with assets exceeding $500,000,000;

(4) in money market mutual funds registered under the Investment Company Act of 1940;

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

(5) in short term discount obligations of the Federal National Mortgage Association;

(6) in dividend-bearing share accounts, share certificate accounts, or class of share accounts of a credit union chartered under the laws of this State or the laws of the United States and is located within the State of Illinois;

(7) in a Public Treasurer's Investment Pool created under Section 17 of the State Treasurer Act;

(8) in the Illinois School District Liquid Asset Fund Plus;

(9) in repurchase agreements of government securities;

(10) in any investment as authorized by the Public Funds Investment Act, and Acts amendatory thereto

Custodial Credit Risk Related to Deposits with Financial Institutions

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

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

As of June 30, 2025, $12,420,330 of the District's bank balances were exposed to custodial credit risk as follows:

Insured and collateralized with securities held by the pledging financial institution	$17,500,000
Uninsured and uncollateralized	-0-

Investments

There were no marketable investments carried by the District at June 30, 2025. The District reports a money market account as investments on the Statement of Assets and Liabilities Arising from Cash Transactions, which are included in deposits for the purposes of this note disclosure.

Note #5 – General Fixed Asset Account Group

A summary of changes in general fixed assets follows:

	Balance July 1, 2024	Additions	Deletions	Balance June 30, 2025
Non-depreciable Land	425,059	-	-	425,059
Permanent Buildings	16,282,972	1,001,416	-	17,284,388
Improvements Other than Buildings	426,223	153,669	-	579,892
10-year Equipment	1,509,071	3,401	-	1,512,472
5-Year Equipment	72,515	45,000	-	117,515
3-Year Equipment	45,978	-	-	45,978
Total	18,761,818	1,203,486	-	19,965,304

Note #6 – Pension Disclosures

The District contributes to two defined benefit pension plans: the Teachers Retirement System (TRS), and the Illinois Municipal Retirement Fund (IMRF). TRS is administered by the TRS board of trustees and is a cost sharing multiple employer plan. IMRF is administered by IMRF board of trustees and is an agent multiple-employer public employee retirement system. The benefits, benefit levels, employee contributions and employer contributions for both plans are governed by Illinois Compiled Statutes and can only be amended by the Illinois General Assembly. The aggregate employer recognized pension expense on a modified cash basis for the year ended June 30, 2025, was $259,7234.

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

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

TRS issues a publicly available financial report that can be obtained at https://www.trsil.org/financial/acfrs/fy2024; by writing to TRS at 2815 W. Washington, PO Box 19253, Springfield, IL 62794; or by calling 888-678-3675, option 2.

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

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

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

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

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

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

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

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

On behalf contributions to TRS. The state of Illinois makes employer pension contributions on behalf of the employer. For the year ended June 30, 2024, state of Illinois contributions recognized by the employer were based on the state's proportionate share of with the pension expense associated with the employer, and the employer recognized revenue and expenditures of $4,456,807 in pension contributions from the state of Illinois.

2.2 formula contributions. Employers contribute 0.58 percent of total creditable earnings for the 2.2 formula change. The contribution rate is specified by statute. Contributions remitted for the year ended June 30, 2025, were $50,864.

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

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

For the year ended June 30, 2025, the employer pension contribution was 10.34 percent of salaries paid from federal and special trust funds. For the year ended June 30, 2025, salaries totaling $148,128 were paid from federal and special trust funds that required employer contributions of $15,316. Contributions remitted for the year ended June 30, 2024, were $17,816.

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

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

Pension expense.
For the year ended June 30, 2025, the employer recognized TRS pension expense of $66,180 on a modified cash basis under this plan.

B. Illinois Municipal Retirement Fund

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

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

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

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

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

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

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

Employees covered by benefit terms.
At December 31, 2024, the following employees were covered by the benefit terms:

Retirees and beneficiaries	87
Inactive, Non-Retired Members	52
Active Members	95
Total	234

Contributions.
As set by statute, the District's Regular Plan Members are required to contribute 4.5% of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The District's annual contribution rates for calendar years 2024 and 20245were 6.48% and 6.32%, respectively. For the fiscal year ended June 30, 2025, the District contributed $193,543 to the plan, which is the recognized pension expense on the basis of accounting described in Note #1. The District also contributes for disability benefits, death benefits, and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by IMRF's Board of Trustees, while the supplemental retirement benefits rate is set by statute.

Note #7 – Other Post-Employment Benefits

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

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

A. Teacher Health Insurance Security

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

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

On behalf contributions to the THIS Fund.
The state of Illinois makes employer retiree health insurance contributions on behalf of the employer. State contributions are intended to cover the actuarial costs to the THIS Fund that are not covered by contributions from active members which were 0.90 percent of pay for the year ended June 30, 2025. State of Illinois contributions were $78,927, and the employer recognized revenue and expenditures of this amount during the year.

Employer contributions to the THIS Fund.
The employer also makes contributions to the THIS Fund. The employer THIS Fund contribution was 0.67 percent during the year ended June 30, 2024. Contributions remitted for the year ended June 30, 2024, were $58,756.

Further information on the THIS Fund.
The publicly available financial report of the THIS Fund may be found on the website of the Illinois Auditor General (http://www.auditor.illinois.gov/Audit-Reports/ABC-List.asp). The report is listed under "Central Management Services".

B. Post-Retirement Health Care Plan

Plan Description. The District provides post-retirement health care benefits for the retirees and their dependents through a single employer defined benefit plan. The benefits, benefit levels, employee contributions and employer contributions are governed by the District and can be amended by the District through its personnel manual and union contracts. The plan is not accounted for as a trust fund, and an irrevocable trust has not been established to account for the plan. The plan does not issue a separate report.

The District provides limited health care coverage at the active employee rate to all eligible employees in accordance with Illinois Statutes, which creates an implicit subsidy of retiree health care coverage. To be eligible for benefits, an employee must qualify for retirement under one of the Districts retirement plans. Upon a retiree reaching 65 years of age, Medicare becomes the primary insurer.

Funding Policy. Current policy is for the District to pay for post-retirement health care benefits or premiums as they occur. The District requires retirees to contribute 100% of the premium for their desired coverage.

Contributions. Contributions made by the District during the fiscal year ended June 30, 2025 were $-0-. The District did not have an actuarial valuation performed for the plan as of June 30, 2025.

Note #8 – General Long-Term Debt Account Group

Long-term debt at June 30, 2025, is comprised of the following:

Bonded indebtedness –

Current requirements for principal and interest expenditures are payable solely from future revenues of the Debt Services Fund which consists principally of property taxes collected by the District and interest earnings.

The following is a summary of long-term debt activity of the District for the year ended June 30, 2025:

Description	Interest Rates	Balance July 1, 2024	Additions	Reductions	Balance June 30, 2024	Due In Less Than One Year
Working Cash/GO Bonds, 2021, Original Amount $1,300,000 Issued 2/3/22, Maturity 12/1/26	1.75 – 2.00%	799,000	-	261,000	538,000	266,000
Alternative Revenue Bonds, Series 2022 Origin Amount $3,000,000 Issued 12/30/22 Maturity 12/1/23	3.310%	3,000,000	-	290,000	2,710,000	300,000
Total		$ 3,799,000	$ -	$ 551,000	$ 3,248,000	$ 551,000

The annual debt service requirements are as follows:

	Principal	Interest	Total
2026	$ 566,000	$ 92,836	$ 658,836
2027	582,000	77,361	659,361
2028	320,000	64,214	384,214
2029	335,000	53,374	388,374
2030	345,000	42,120	387,120
2031-2034	1,100,000	55,443	1,542,563
Total	$ 3,248,000	$ 385,348	$ 3,633,348

Debt Services Fund Balance –

At June 30, 2025, the excess of liabilities over assets of the Debt Services Fund was allocable to the following bonds:

Bond Issue	Amount
Working Cash/G.O. Bond Series 2021	$ 213,224
Alternate Revenue Bonds 2022	186,970
Total	$ 400,195

Legal Debt Limit –

Section 5/19-1 of the Illinois School Code limits the amount of qualifying debt of the District to 6.90% of the latest equalized assessed value. The equalized assessed value as of January 1, 2024 was $300,282,654.

The estimated legal debt margin of the District at June 30, 2025 was calculated as follows:

Legal Debt Limit	$ 20,719,503
Less Qualifying Debt	(538,000)
Legal Debt Margin	$ 20,181,503

Note #9 - Tax Anticipation Warrants

During the fiscal year ended June 30, 2025, the District did not issue any tax anticipation warrants.

Note #10 - Interfund Loans and Transfers

As of June 30, 2025, the District had no interfund loans or transfers.

Note #11 - Common Bank Accounts

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

Note #12 - Self-Insurance Plan

All employees of the District are covered under the State of Illinois Unemployment Insurance Act. The District elected to be self-insured and, therefore, is liable to the State for any payments made to an unemployed worker claiming benefits.

Note #13 - Contingencies

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

Note #14 - Commitments

As of June 30, 2025, the District had the following commitments:

Unpaid Teacher's Contracts – Teacher's contracts for services rendered during the school year for teachers electing twelve-month pay schedules are recorded as disbursements in the fiscal year when such checks are drawn. At June 30, 2025, the total amount of unpaid teacher's contracts for services performed during the year ended June 30, 2025, amounted to $1,245,136.

Vacation Pay – Vacation pay is considered to be an expenditure in the year paid. Eligible administrators and support staff receive vacation pay. At June 30, 2024, the estimated unused vacation pay liability is $-0-.

Sick Pay – Sick pay is considered to be an expenditure in the year paid. Accumulated sick pay benefits are available to eligible employees to use in future years. Sick pay does not vest if not used during the term of employment with the District.

Termination Benefits – The District has negotiated a retirement incentive plan for teachers who provide advance notification of their impending retirement. This commitment represents the difference between a 5.25% annual raise over what the normal raise would have been for the period of the retirement incentive plan. As of June 30, 2025, the known future payments under this incentive program totaled $136,420.

Note #15 - Disbursements and/or Transfers in Excess of Budget

As of June 30, 2025, there were no disbursements and/or transfers that exceeded their budget.

Note #16 - Risk Management - Claims and Judgments

Significant losses are covered by commercial insurance for all major programs: property, liability, and worker's compensation. During the year ended June 30, 2025, there were no significant reductions in insurance coverage. Also, there have been no settlement amounts that have exceeded insurance coverage.

The District is insured under a guaranteed cost policy for worker's compensation coverage; where the initial premium may be adjusted based on actual wages covered. Adjustments in premiums are recorded when paid or received. During the year ended June 30, 2025, there were no significant adjustments in premiums based on actual experience.

Note #17 - Deficit Fund Balances

As of June 30, 2025, the District did not have a deficit fund balance in any fund.

Note #18 - Subsequent Events

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

PONTIAC COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 429
SCHEDULE OF FUND BALANCE, REVENUES RECEIVED AND EXPENDITURES DISBURSED
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

ALL STUDENT ACTIVITY FUNDS

Activities	Beginning Fund Balance	Revenues Received	Expenditures Disbursed	Ending Fund Balance
Central School	8,895.42	27,948.72	23,327.52	13,516.62
Lincoln School	12,622.60	5,156.90	5,576.40	12,203.10
Washington School	6,052.40	8,402.13	7,487.42	6,967.11
Junior High School	28,688.91	100,410.38	63,991.26	65,108.03
Parent Teacher Organization	48,081.02	68,474.72	62,419.63	54,136.11
	104,340.35	210,392.85	162,802.23	151,930.97

STUDENT ACTIVITY FUND – CENTRAL

Activities	Beginning Fund Balance	Revenues Received	Expenditures Disbursed	Ending Fund Balance
General	3,352.44	4,282.02	2,490.12	5,144.24
Library	633.12	0.00	66.30	566.82
Community Outreach	3,008.12	1,049.00	1,051.00	3,006.12
Flower Fund	636.90	720.00	563.95	792.95
Box Tops for Education	745.80	0.00	0.00	745.80
Pop Fund	422.90	0.00	71.97	350.93
PTO	0.00	5,500.00	5,489.50	10.50
Donations	0.00	15,505.00	12,709.19	2,795.81
Jeans Fund	96.24	892.70	885.49	103.45
	8,895.42	27,948.72	23,327.52	13,516.62

STUDENT ACTIVITY FUND – LINCOLN

Activities	Beginning Fund Balance	Revenues Received	Expenditures Disbursed	Ending Fund Balance
PBIS Fundraiser	1,613.68	250.00	27.99	1,835.69
PTO	1,039.11	2,460.89	3,358.75	141.25
General	8,813.04	1,798.40	1,547.18	9,064.26
Library	509.95	647.61	642.57	514.99
Memorials	155.00	0.00	0.00	155.00
Needy Kids	491.82	0.00	0.00	491.82
	12,622.60	5,156.90	5,576.49	12,203.01

STUDENT ACTIVITY FUND – WASHINGTON

Activities	Beginning Fund Balance	Revenues Received	Expenditures Disbursed	Ending Fund Balance
PTO	184.49	3,315.51	3,324.53	175.47
PBIS	487.09	250.00	433.53	303.56
General Fund	2,790.17	4,556.62	3,729.36	3,617.43
Jeans	1,467.62	280.00	0.00	1,747.62
Library	1,123.03	0.00	39.56	1,123.03
	6,052.40	8,402.13	7,487.42	6,967.11

PONTIAC COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 429
SCHEDULE OF FUND BALANCE, REVENUES RECEIVED AND EXPENDITURES DISBURSED
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

STUDENT ACTIVITY FUND – JR HIGH

Activities	Beginning Fund Balance	Revenues Received	Expenditures Disbursed	Ending Fund Balance
7th Grade Field Trip	35.60	-	-	35.60
8th Grade Field Trip	240.75	15,461.33	13,966.12	1,735.96
Art Club	262.62	140.00	-	402.62
Athletics	15,674.52	62,067.72	33,452.41	44,289.77
Book Club	827.01	920.00	697.44	1,049.57
Builders Club	1,546.03	339.72	281.51	1,604.24
Explorer/AG Club	200.00	-	-	200.00
Fall-Holiday Food Drive	45.70	5,448.75	5,114.76	379.69
Flower Fund	215.40	-	-	215.40
General Fund	2,299.00	1,457.26	2,079.34	1,676.92
Graduation Fund	239.27	1,919.53	1,936.00	222.80
IESA (Music)	48.16	160.00	-	208.16
Library Fund	457.30	2,093.37	1,980.76	569.91
Maker's Club	200.00	140.00	-	340.00
Needy Kids	632.88	10.00	-	642.88
Physical Education	17.49	-	-	17.49
PBIS	954.41	3,719.24	348.49	4,325.16
Pop-Lounge	508.09	-	-	508.09
PTO	1,188.11	743.80	2,762.75	(830.84)
School Store	101.49	-	-	101.49
Student Council	163.00	1,416.80	164.07	1,415.73
Teachers with Hope (KA! And KA2)	53.50	-	-	53.50
Therapy Dog	1,257.30	3,386.29	717.70	3,925.89
Yearbook	821.28	386.57	297.31	910.54
	28,688.91	100,410.38	63,991.26	65,108.03

PARENT TEACHER ORGANIZATION

Activities	Beginning Fund Balance	Revenues Received	Expenditures Disbursed	Ending Fund Balance
Parent Teacher Organizations	48,081.02	68,474.72	62,419.63	54,136.11
	48,081.02	68,474.72	62,419.63	54,136.11

PONTIAC COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 429
SCHEDULE OF BONDED INDEBTEDNESS
JUNE 30, 2025

Working Cash Bonds, Series 2021
Date: 2/3/22
Oiginal Issue: 1,300,000
Principal Due: December 1
Inrterest Due: June 1 and December 1
Payable at: Bank of Pontiac

			Interest Due		
Due Date	Interest rate	Principal	December 1	June 1	Total
2025-26	2.000%	266,000	5,380	2,720	274,100
2026-27	2.000%	272,000	2,720	-	274,720
		538,000	8,100	2,720	548,820

Altermate Revenue Source Bonds, Series 2022
Date: 12/30/22
Oiginal Issue: 3,000,000
Principal Due: June 1
Inrterest Due: June 1 and December 1
Payable at: UMB Bank

			Interest Due		
Due Date	Interest rate	Principal	December 1	June 1	Total
2025-26	3.310%	300,000	44,851	39,886	384,736
2026-27	3.310%	310,000	39,886	34,755	384,641
2027-28	3.310%	320,000	34,755	29,459	384,214
2028-29	3.310%	335,000	29,459	23,915	388,374
2029-30	3.310%	345,000	23,915	18,205	387,120
2030-31	3.310%	355,000	18,205	12,330	385,535
2031-32	3.310%	365,000	12,330	6,289	383,619
2032-33	3.310%	380,000	6,289	-	386,289
		2,710,000	209,688	164,836	3,084,524

PONTIAC COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 429
SCHEDULE OF TAXES EXTENDED AND COLLECTED
JUNE 30, 2025

	Educational Levy	Special Education Levy	Leasing Levy	Operation & Maintenance Levy	Debt Services Levy	Transportation Levy	Municipal Retirement Levy	Social Security Levy	Working Cash Levy	Tort Immunity Levy	Sec. 18-233 Recovery Levy	Total All
2022 Levy												
Assessed Value: 215,867,109												
Tax Rate	2.84898	.03243	.01159	.22236	.12735	.14130	.05791	.06718	.00289	.00146	.00430	3.51775
Taxes Extended	6,150,011	70,006	25,019	480,002	274,907	305,020	125,009	145,020	6,239	3,152	9,282	7,593,667
Taxes Collected	6,095,811	69,387	24,795	475,770	272,725	302,328	123,910	143,743	6,181	3,127	9,198	7,526,974
2023 Levy												
Assessed Value: 278,715,822												
Tax Rate	2.69581	.03043	.01088	.20856	.11307	.13254	.08078	.08078	.00272	.00138	.02876	3.38571
Taxes Extended	6,675,003	75,329	26,919	516,389	274,213	328,148	200,003	200,003	6,718	3,395	69,748	8,101,650
Taxes Collected	5,565,756	74,111	26,502	507,953	275,377	322,803	196,739	196,739	6,624	3,364	70,046	8,246,013
2024 Levy												
Assessed Value: 261,935,379												
Tax Rate	2.57052	.02903	.01038	.20813	.10465	.12639	.07704	.10009	.00260	.00084	.01038	3.23411
Taxes Extended	6,733,101	76,040	27,189	545,166	274,115	331,060	201,795	262,171	6,810	2,200	11,630	8,471,277
Taxes Collected	-	-	-	-	-	-	-	-	-	-	-	-

Phillips & Associates, CPAs, P.C.

INDEPENDENT AUDITOR'S REPORT
ON SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

To the Board of Education
Pontiac Community Consolidated School District 429
Pontiac, Illinois

We have audited the financial statements of the Pontiac Community Consolidated School District 429, as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise Pontiac Community Consolidated School District 429's basic financial statements. We issued our report thereon dated December 11, 2025, which contained an unmodified opinion on the presentation of those financial statements prepared on the modified cash basis of accounting in accordance with financial reporting provisions prescribed by the Illinois State Board of Education.

Our audit was performed for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

Phillips & Associates, CPAs, P.C.
Normal, Illinois
December 11, 2025

1600 Hunt Drive, Suite B • Normal, IL 61761 • Phone: 309-452-2417 • Fax: 309-888-9261

Phillips & Associates, CPAs, P.C.

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM
AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

To the Board of Education
Pontiac Community Consolidated School District 429
Pontiac, Illinois

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Pontiac Community Consolidated School District 429, Pontiac, Illinois' compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of Pontiac Community Consolidated School District 429, Pontiac, Illinois' major federal programs for the year ended June 30, 2025. Pontiac Community Consolidated School District 429, Pontiac, Illinois' major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, Pontiac Community Consolidated School District 429, Pontiac, Illinois complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2025.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Pontiac Community Consolidated School District 429, Pontiac, Illinois and to meet our other ethical responsibilities, in accordance with 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 opinion on compliance for each major federal program. Our audit does not provide a legal determination of Pontiac Community Consolidated School District 429, Pontiac, Illinois' compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to Pontiac Community Consolidated School District 429, Pontiac, Illinois' federal programs.

1600 Hunt Drive, Suite B • Normal, IL 61761 • Phone: 309-452-2417 • Fax: 309-888-9261

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Pontiac Community Consolidated School District 429, Pontiac, Illinois' compliance based on our audit. 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, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about Pontiac Community Consolidated School District 429, Pontiac, Illinois' compliance with the requirements of each major federal program as a whole.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material noncompliance, 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 Pontiac Community Consolidated School District 429, Pontiac, Illinois' compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.

- Obtain an understanding of Pontiac Community Consolidated School District 429, Pontiac, Illinois' internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of Pontiac Community Consolidated School District 429, Pontiac, Illinois' internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control over Compliance

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

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Normal, Illinois
December 11, 2025

Pontiac Community Consolidated School District 429

17-053-4290-04

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Year Ending June 30, 2025

Federal Grantor Pass-Through Grantor program or Cluster Title	Federal Assistance Listing Number	Pass-through Entity Identifying Number	Total Federal Expenditures
U.S. Department of Agriculture			
Passed through Illinois State Board of Education (ISBE)			
Child Nutrition Cluster			
School Breakfast Program	10.553	24-4220-00	42,046
School Breakfast Program	10.553	25-4220-00	169,914
National School Lunch Program	10.555	24-4210-00	85,279
National School Lunch Program	10.555	25-4210-00	386,972
COVID 19 - Nutrition Supply Chain Assistance	10.555	24-4210-SC	1,533
Special Milk Program	10.556	24-4215-00	339
Special Milk Program	10.556	25-4215-00	2,085
Non-Cash Commodities	10.555	17053429004A1	37,933
Food Donation DoD - Fresh Fruits & Vegetables	10.555	17053429004A1	24,877
TOTAL CHILD NUTRITION CLUSTER (M)			750,978
Total U.S. Department of Agriculture			750,978
U.S Department of Education			
Passed through Illinois State Board of Education (ISBE)			
Title I - Low Income	84.010A	24-4300-00	171,391
Title I - Low Income	84.010A	25-4300-00	288,732
Title I - Low Income	84.367A	25-4300-00	24,000
Title I - Low Income	84.424A	25-4300-00	13,000
Title I - Part A School Improvement	84.010A	25-4331-PL	839
Title I - Part A School Improvement	84.010A	24-4331-00	148,125
Title I - Part A School Improvement	84.010A	25-4331-00	89,618
Title I Total			735,705
Title IVA Student Support & Academic Enrichment	84.424A	24-4400-00	11,423
Title IVA Student Support & Academic Enrichment	84.424A	25-4400-00	3,509
Title IV Total			14,932
Special Education Cluster			
IDEA Pre-School Flow Through	84.173A	24-4600-00	2,516
IDEA Pre-School Flow Through	84.173A	25-4600-00	12,484
Special Ed IDEA - Flow Through	84.027A	24-4620-00	102,761
Special Ed IDEA - Flow Through	84.027A	25-4620-00	332,553
Special Education IDEA - Room & Board	84.027A	24-4625-00	132,174
Special Education IDEA - Room & Board	84.027A	25-4625-00	33,852
Total Special Education Cluster (M)			616,340

Pontiac Community Consolidated School District 429

17-053-4290-04

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Year Ending June 30, 2025

Federal Grantor Pass-Through Grantor program or Cluster Title	Federal Assistance Listing Number	Pass-through Entity Identifying Number	Total Federal Expenditures
U.S Department of Education			
Passed through Illinois State Board of Education (ISBE)			
Special Education Cluster			
IDEA Pre-School Flow Through	84.173A	24-4600-00	2,516
IDEA Pre-School Flow Through	84.173A	25-4600-00	12,484
Special Ed IDEA - Flow Through	84.027A	24-4620-00	102,761
Special Ed IDEA - Flow Through	84.027A	25-4620-00	332,553
Special Education IDEA - Room & Board	84.027A	24-4625-00	132,174
Special Education IDEA - Room & Board	84.027A	25-4625-00	33,852
Total Special Education Cluster (M)			616,340
Title II - Teacher Quality	84.367A	24-4932-00	10,760
Title II - Teacher Quality	84.367A	25-4932-00	11,910
Title II Total			22,670
ARP Elementary and Secondary Emergency Relief (M)	84.425U	25-4998-D3	21,437
Total ESSER			21,437
Total Department of Education			1,411,084
Federal Communications Commission			
Emergency Connectivity Program Fund	32.009		76,178
Total Federal Communications Commission			76,178
U.S Department of Health and Human Services			
Passed through Illinois Department of Health and Family Services			
Medicaid Cluster			
Medicaid Administration Outreach	93.778	24-4991-00	81,628
Total U.S Department of Health and Human Services			81,628
TOTAL FEDERAL PROGRAMS			2,319,868

Pontiac Community Consolidated School District 429
Notes to Schedule of Expenditures of Federal Awards
June 30, 2025

Note 1 – Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of Pontiac Community Consolidated School District 429 and is presented on the cash basis of accounting. The information in this schedule is presented in accordance with the requirements of the Office of Management and Budget Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

Note 2 – Indirect Costs Rate

The District has elected not to use the 10% de minimis cost rate as allowed under Uniform Guidance.

Note 3 – Non-Cash Assistance

Non-cash assistance is included in the schedule of federal awards at the fair market value of the non-monetary assistance received and disbursed. The District received $83,990 and $29,077 in non-cash commodities and fresh fruits and vegetables, respectively during the fiscal year.

Note 4 – Subrecipients

No federal funds of the District were provided to subrecipients during the year.

Note 5 – Other Information

No federal funds were used to purchase insurance during the fiscal year.

Pontiac Community Consolidated School District 429
17-053-4290-04
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ending June 30, 2025

SECTION I - SUMMARY OF AUDITOR'S RESULTS

FINANCIAL STATEMENTS

Type of auditor's report issued: ADVERSE
(Unmodified, Qualified, Adverse, Disclaimer)

INTERNAL CONTROL OVER FINANCIAL REPORTING:

- Material weakness(es) identified? ____ YES __X__ None Reported
- Significant Deficiency(s) identified that are not considered to be material weakness(es)? __X__ YES ____ None Reported
- Noncompliance material to the financial statements noted? ____ YES __X__ NO

FEDERAL AWARDS

INTERNAL CONTROL OVER MAJOR PROGRAMS:

- Material weakness(es) identified? ____ YES __X__ None Reported
- Significant Deficiency(s) identified that are not considered to be material weakness(es)? ____ YES __X__ None Reported

Type of auditor's report issued on compliance for major programs: UMMODIFIED
(Unmodified, Qualified, Adverse, Disclaimer[7])

Any audit findings disclosed that are required to be reported in accordance with §200.516 (a)? ____ YES __X__ NO

IDENTIFICATION OF MAJOR PROGRAMS:

AL NUMBER(S)	NAME OF FEDERAL PROGRAM or CLUSTER[10]	AMOUNT OF FEDERAL PROGRAM
82.027A, 84.173A	EDUCATION STABILIZATION FUND	616,340
10.555,10.556,10.553,10.229,10.582	CHILD NUTRITION CLUSTER	750,978
	Total Amount Tested as Major	$1,367,318

Total Federal Expenditures for 7/1/2024 - 6/30/2025 2,319,868

% tested as Major **58.94%**

Dollar threshold used to distinguish between Type A and Type B programs: $750,000.00

Auditee qualified as low-risk auditee? ____ YES __X__ NO

Pontiac Community Consolidated School District 429

17-053-4290-04

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Year Ending June 30, 2025

SECTION II - FINANCIAL STATEMENT FINDINGS

1. FINDING NUMBER: 2025 - 001 **2. THIS FINDING IS:** ☐ New ☒ Repeat from Prior Year?

Year originally reported? 2021

3. Criteria or specific requirement

The District is responsible for establishing and maintaining adequate internal control over financial reporting. ISBE requires the District to submit an Annual Financial Report (AFR) for each year, including any disclosures that are in accordance with applicable accounting standards.

4. Condition

The AFR and the notes to the financial statements are prepared by the auditors from information provided by the District. Independent auditors cannot be considered part of the District's internal control system.

5. Context

Auditor is preparing the AFR, footnotes and required supplemental information, and the schedule of expenditures of federal awards. (SEFA)

6. Effect

The auditors are relied on by the District to ensure the AFR, footnotes. required supplemental information and SEFA include all information required by applicable accounting standards.

7. Cause

The District's personnel have not monitored recent accounting developments to the extent necessary to enable them to review the District's financial statements and related disclosures to provide a high level of assurance that potential omissions or errors that are less than material but more than inconsequential would be identified and corrected.

8. Recommendation

The District should evaluate the risks associated with auditor involvement in preparation of the financial statements and determine whether preparation in-house or by an other qualified third party would be feasible.

9. Management's response

The District has considered the impact of having the auditor prepare the financial statements and the SEFA, and determined, based on the basis of accounting followed, the prescribed formats in presentation, and the oversight by its personnel, that this sufficiently reduces any risks of materal misstatement with financial reporting matters and mitigates the cost benefits of adding personnel with further qualifications.

Pontiac Community Consolidated School District 429

17-053-4290-04

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Year Ending June 30, 2025

SECTION II - FINANCIAL STATEMENT FINDINGS

1. FINDING NUMBER: 2025 - 002 2. THIS FINDING IS: [ ] New [X] Repeat from Prior Year?

Year originally reported? 2008

3. Criteria or specific requirement

Internal controls should be designed to allow management or employees, in the normal course of performing their assigned functions , to prevent or detect misstatements and safeguard assets. A concept in a good system of internal control is adequate segregation of duties.

4. Condition

A limited number of employees have the primary responsibility for performing most of the accounting and financial duties including k ey functions of recording, reconciling, and reporting cash transactions. This structure reduces certain aspects of the internal control sy stem which rely on adequate segregation of duties.

5. Context

District accounting and financial records are maintained by a limited number of employees.

6. Effect

Inadequate segregation of duties increases the risk of misstatements in the financial statements.

7. Cause

A limited number of employees have the ability to complete and record accounting functions which ideally would be segregated.

8. Recommendation

Segregation of duties is normally difficult to accomplish within a small governmental entity. Management should be ever mindful of areas that could be improved including, but not limited to, hiring additional personnel.

9. Management's response

The District reviews the internal control system annually and when cost effective changes can be made, the District will pursue those options. The District has determined that the current internal control system is acceptable.

Pontiac Community Consolidated School District 429
17-053-4290-04
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ending June 30, 2025

SECTION III - FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

1. FINDING NUMBER: 2025 - NONE

2. THIS FINDING IS: ☐ New ☐ Repeat from Prior year?

Year originally reported?

3. Federal Program Name and Year:

4. Project No.:

5. AL No.:

6. Passed Through:

7. Federal Agency:

8. Criteria or specific requirement (including statutory, regulatory, or other citation)

9. Condition

10. Questioned Costs

11. Context

12. Effect

13. Cause

14. Recommendation

15. Management's response

Pontiac Community Consolidated School District 429
17-053-4290-04
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
Year Ending June 30, 2025

Finding Number	Condition	Current Status
2024-001	Auditor Participation in Financial Statement Preparation	Repeated as Finding Number 2025-001
2024-002	Inadequate Segregation of Duties	Repeated as Finding Number 2025-002

PONTIAC COMMUNITY CONSOLIDATED SCHOOL DISTRICT #429

Mr. Mike Weaver, Superintendent
600 North Morrow Street, Pontiac, IL 61764
(815) 842-1533

Corrective Action Plan
Year Ending June 30, 2025

Finding Number: 2025-001

Finding Synopsis:
The AFR and the notes to the financial statements are prepared by the auditors from information provided by the District. Independent auditors cannot be considered part of the District's internal control system.

Action Steps:
The District has considered the impact of having the auditor prepare the financial statements and the SEFA, and determined, based on the basis of accounting followed, the prescribed formats in presentation, and the oversight by its personnel, that this sufficiently reduces any risks of material misstatement with financial reporting matters and mitigates the cost benefits of adding personnel with further qualifications. The District will continue to monitor this each year.

Contact Person(s): Mike Weaver (815) 842-1533

Anticipated Completion Date: On-going monitoring

Finding Number: 2025-002

Finding Synopsis:
A limited number of employees have the primary responsibility for performing most of the accounting and financial duties including key functions of recording, reconciling, and reporting cash transactions. This structure reduces certain aspects of the internal control system which rely on adequate segregation of duties.

Action Steps:
The District reviews the internal control system annually and when cost effective changes can be made the District will pursue those options. The District has determined that the current internal control system is acceptable.

Contact Person(s): Mike Weaver (815) 842-1533

Anticipated Completion Date: On-going monitoring

Appendix B

Proposed Form of Opinion of Bond Counsel

[Letterhead of Chapman and Cutler LLP]

[To be dated Closing Date]

Community Consolidated School District Number 429
Livingston County, Illinois

We hereby certify that we have examined certified copy of the proceedings (the *"Proceedings"*) of the Board of Education of Community Consolidated School District Number 429, Livingston County, Illinois (the *"District"*), passed preliminary to the issue by the District of its fully registered General Obligation School Bonds, Series 2026 (the *"Bonds"*), to the amount of $__________, dated ____________, 2026, due serially on December 1 of the years and in the amounts and bearing interest as follows:

2026	$	%
2027		%
2028		%
2029		%
2030		%
2031		%
2032		%
2033		%
2034		%
2035		%
2036		%
2037		%
2038		%
2039		%
2040		%

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

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

It is our opinion that, subject to the District's compliance with certain covenants, under present law, interest on the Bonds is excludible from gross income of the owners thereof for federal income tax purposes and is not includible as an item of tax preference in computing the alternative minimum tax for individuals under the Internal Revenue Code of 1986, as amended (the *"Code"*). Interest on the Bonds may affect the corporate alternative minimum tax for certain corporations. Failure to comply with certain of such District covenants could cause interest on the Bonds to be includible in gross income for federal income tax purposes retroactively to the date of issuance of the Bonds. Ownership of the Bonds may result in other federal tax consequences to certain taxpayers, and we express no opinion regarding any such collateral consequences arising with respect to the Bonds.

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

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

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

APPENDIX C

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

This Continuing Disclosure Undertaking (this *"Agreement"*) is executed and delivered by Community Consolidated School District Number 429, Livingston County, Illinois (the *"District"*), in connection with the issuance of $__________ General Obligation School Bonds, Series 2026 (the *"Bonds"*). The Bonds are being issued pursuant to a resolution adopted by the Board of Education of the District on the 19th day of February, 2026 (the *"Resolution"*).

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

1. PURPOSE OF THIS AGREEMENT; CERTIFICATIONS. This Agreement is executed and delivered by the District as of the date set forth below, for the benefit of the beneficial owners of the Bonds and in order to assist the Participating Underwriters in complying with the requirements of the Rule (as defined below). This Agreement is prepared in compliance with paragraph (d)(2) of the Rule.

The District represents that:

(a) it will be the only obligated person with respect to the Bonds at the time the Bonds are delivered to the Participating Underwriters and that no other person is expected to become so committed at any time after issuance of the Bonds; and

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

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

Commission means the Securities and Exchange Commission.

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

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

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

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

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

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

MSRB means the Municipal Securities Rulemaking Board.

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

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

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

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

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

State means the State of Illinois.

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

3. CUSIP NUMBERS. The CUSIP Numbers of the Bonds are set forth in *Exhibit III*. All filings required under this Agreement will be filed on EMMA under these CUSIP Numbers. If the Bonds are refunded after the date hereof, the District will also make all filings required under this Agreement under any new CUSIP Numbers assigned to the Bonds as a result of such refunding, to the extent the District remains legally liable for the payment of such Bonds. The District will not make any filings pursuant to this Agreement under new CUSIP Numbers assigned to any of the Bonds after the date hereof for any reason other than a refunding, as described in the previous

sentence, including, but not limited to, new CUSIP Numbers assigned to the Bonds as a result of a holder of the Bonds obtaining a bond insurance policy or other credit enhancement with respect to some or all of the outstanding Bonds in the secondary market.

4. FINANCIAL INFORMATION DISCLOSURE. Subject to Section 8 of this Agreement, the District hereby covenants that it will disseminate its Financial Information at least annually to EMMA in such manner and format and accompanied by identifying information as is prescribed by the MSRB or the Commission at the time of delivery of such information. MSRB Rule G-32 requires all EMMA filings to be in word-searchable PDF format. This requirement extends to all documents to be filed with EMMA, including financial statements and other externally prepared reports.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Mike Weaver
Superintendent
Community Consolidated School District Number 429
600 North Morrow Street
Pontiac, Illinois 61764
(815) 842-1533

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

COMMUNITY CONSOLIDATED SCHOOL DISTRICT NUMBER 429, LIVINGSTON COUNTY, ILLINOIS

By ____________________________________
President, Board of Education

Date: ________________, 2026

EXHIBIT I
FINANCIAL INFORMATION

"Financial Information" means the District's annual audited financial statements prepared in accordance with accounting principles mandated by the Illinois State Board of Education. The Financial Information will be submitted to EMMA by 270 days after the last day of the District's fiscal year (currently June 30), beginning with the fiscal year ending June 30, 2026. If audited financial statements are not available when the Financial Information is required to be filed, the District will submit the Financial Information to EMMA within 30 days after availability to the District. There shall be specified the date as of which such information was prepared. All or a portion of the Financial Information may be included by reference to other documents which have been submitted to EMMA or filed with the Commission. If the information included by reference is contained in an Official Statement, the Official Statement must be available on EMMA; the Official Statement need not be available from the Commission. The District shall clearly identify each such item of information included by reference.

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

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

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

EXHIBIT III
CUSIP NUMBERS

MATURITY (DECEMBER 1)	CUSIP NUMBER (538475)
2026	
2027	
2028	
2029	
2030	
2031	
2032	
2033	
2034	
2035	
2036	
2037	
2038	
2039	
2040	

APPENDIX D

SPECIMEN MUNICIPAL BOND INSURANCE POLICY

ASSURED GUARANTY®

MUNICIPAL BOND INSURANCE POLICY

ISSUER: Policy No.: -N

BONDS: $ in aggregate principal amount of Effective Date:

Premium: $

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

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

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

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

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

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

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

ASSURED GUARANTY INC.

By ________________________________
Authorized Officer

1633 Broadway, New York, N.Y. 10019 (212) 974-0100

Form 500 (8/24)