

PRELIMINARY OFFICIAL STATEMENT DATED JUNE 12, 2026

**NEW ISSUE
BOOK-ENTRY ONLY
BANK QUALIFIED**

Rating[s]:
[S&P: “_” (____ **Outlook**)
[___ **Insured**]
Bond Insurance Applied For
S&P: “AA-” (Stable Outlook) Underlying
SEE “BOND RATING[S]” herein

Subject to compliance by the Village with certain covenants, in the opinion of Miller, Canfield, Paddock and Stone, P.L.C., Bloomington, Illinois, Bond Counsel (“Bond Counsel”), under present law, interest on the Bonds is excluded from the gross income of the owners thereof for federal income tax purposes and is not included as an item of tax preference for purposes of the federal alternative minimum tax. Interest on the Bonds is not exempt from present State of Illinois income taxes. The Bonds will be designated as “qualified tax-exempt obligations” under Section 265(b)(3) of the Internal Revenue Code of 1986, as amended (the “Code”). See “TAX EXEMPTION” and “QUALIFIED TAX-EXEMPT OBLIGATIONS” herein.

**VILLAGE OF SHILOH, ST. CLAIR COUNTY, ILLINOIS
\$5,795,000* General Obligation Bonds (Alternate Revenue Source), Series 2026**

Dated: Date of Delivery **Due: April 1, as shown on the inside cover page**
The General Obligation Bonds (Alternate Revenue Source), Series 2026 (the “Bonds”), of the Village of Shiloh, St. Clair County, Illinois (the “Village”), 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, N.A., St. Louis, Missouri, as bond registrar and paying agent for the Bonds, 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 denominations 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 semiannually on each April 1 and October 1, commencing April 1, 2027.

Proceeds of the Bonds will be used to (i) finance various capital improvements within the Village including, but not limited to, the construction of a new police station, and (ii) pay costs associated with the issuance of the Bonds. See “THE BONDS – Authority and Purpose” and “THE PROJECT” herein.

The Bonds are payable from (i) the Village’s receipts of Retailers’ Occupation Taxes, Service Occupation Taxes, Use Taxes, and Services Use Taxes, and (ii) *ad valorem* property taxes levied against all taxable property within the Village 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 due on and after April 1, 2037* are subject to redemption prior to maturity at the option of the Village from any available funds, as a whole or in part, and if in part in integral multiple of \$5,000 in any order of their maturity as determined by the Village, on April 1, 2036* and on any date thereafter, at the redemption price of par plus accrued interest to the date fixed for redemption. See “THE BONDS – Redemption” herein.

[The scheduled payment of principal of and interest on the Bonds when due will be guaranteed under a municipal bond insurance policy (the “Bond Insurance Policy”) to be issued concurrently with the delivery of the Bonds by _____ (“_____”). See “BOND INSURANCE” and APPENDIX D herein.]

[Insurer logo]

COMPETITIVE BIDS INVITED
Sale Date: June 24, 2026 Time: 10:30 AM CT
See: APPENDIX E – Official Bid Form and Notice of Sale

The Bonds are offered at a public sale on June 24, 2026, and are being issued subject to the approval of the validity of, and federal tax exemption of the interest on, the Bonds by Bond Counsel. Miller, Canfield, Paddock and Stone, P.L.C., Chicago, Illinois will serve as Disclosure Counsel to the Village. It is anticipated that beneficial interests in the Bonds will be available for delivery through the facilities of DTC on or about July 8, 2026. See “APPROVAL OF LEGALITY” and “UNDERWRITING” herein.

RAYMOND JAMES®
Municipal Advisor

The date of this Official Statement is _____, 2026.

This cover page contains certain information for quick reference only. It is not a summary of this issue. Investors must read this entire Official Statement for information essential to the making of an informed investment decision.

*Preliminary, subject to change.

This Preliminary Official Statement and the information contained herein are subject to completion and amendment. Under no circumstances shall this Preliminary Official Statement constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of these securities in any jurisdiction in which such offer, solicitation, or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction. Within seven business days following the sale of the Bonds herein described, the Village will make available its Official Statement, dated as of the date of such sale, with respect to the Bonds.

**Village of Shiloh
St. Clair County, Illinois**

\$5,795,000* GENERAL OBLIGATION BONDS (ALTERNATE REVENUE SOURCE), SERIES 2026

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

MATURITY (APRIL 1)	AMOUNT*	INTEREST RATE	YIELD	PRICES	CUSIP NUMBER ⁽¹⁾ (824537)
2027	\$250,000	%	%	%	
2028	180,000				
2029	190,000				
2030	200,000				
2031	210,000				
2032	220,000				
2033	230,000				
2034	245,000				
2035	255,000				
2036	270,000				
2037	280,000				
2038	295,000				
2039	310,000				
2040	325,000				
2041	345,000				
2042	360,000				
2043	380,000				
2044	395,000				
2045	415,000				
2046	440,000				

⁽¹⁾CUSIP data herein is provided by the CUSIP Global Services, 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 may also be subject to change after the issuance of the Bonds.

*Preliminary, subject to change.

No dealer, broker, salesman or other person has been authorized by the Village 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 Village, 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 Village is the source of all tables and statistical and financial information contained in this Official Statement. [The information contained in this Official Statement concerning _____ (“___”) and the Bond Insurance Policy has been obtained from ___.] 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 Village 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 Village since the date of this Official Statement.

[__ makes no representation regarding the Bonds or the advisability of investing in the Bonds. In addition, __ 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 __, supplied by __ and presented under the heading “**BOND INSURANCE**” and **APPENDIX D—Specimen Municipal Bond Insurance Policy.**]

This Preliminary Official Statement is in a form deemed final by the Village for the purposes of paragraph (b)(1) of Rule 15c2-12 (the “Rule”) under the Securities Exchange Act of 1934, as amended (except for certain information permitted to be omitted under paragraph (b)(1) of the Rule).

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 Village’s beliefs as well as assumptions made by and information currently available to the Village. 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.

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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Exhibit A	—	Combined Statement of Revenues, Expenditures and Changes in Fund Balance, General Fund, Fiscal Years Ended April 30, 2021-2025
Exhibit B	—	General Fund Revenue Sources, Fiscal Year Ended April 30, 2025
Exhibit C	—	Summary of Budgeted Appropriations – General Fund, Fiscal Year Ending April 30, 2026

APPENDICES

Appendix A	—	Audited Financial Statements of the Village for the Fiscal Year Ended April 30, 2025
Appendix B	—	Proposed Form of Opinion of Bond Counsel
Appendix C	—	Proposed Form of Continuing Disclosure Undertaking
[Appendix D	—	Specimen Municipal Bond Insurance Policy]
Appendix E	—	Official Bid Form and Notice of Sale

**VILLAGE OF SHILOH
ST. CLAIR COUNTY, ILLINOIS**

#1 Park Drive
Shiloh, Illinois 62269
(618) 632-1022

Mayor of the Village

Robert L. Weilmuenster

Village Board Members

Russ McCullough
Kristy Northway

Jody Renner
Jim Vernier

Julie Warchol-Black
Matt Wilke

Administration

Brenda Kern
Village Clerk & Administrator

Tracy D. Kennett
Chief Financial Officer

Bill Boker
Village Treasurer

Professional Services

Municipal Advisor
Raymond James & Associates, Inc.
Naperville, Illinois

Bond Counsel and Disclosure Counsel
Miller, Canfield, Paddock and Stone, P.L.C.
Bloomington, Illinois

Registrar and Paying Agent
UMB Bank, N.A.
St. Louis, Missouri

Auditor
C.J. Schlosser & Company, L.L.C.
Alton, Illinois

Underwriter

_____, _____

OFFICIAL STATEMENT

Village of Shiloh
St. Clair County, Illinois
\$5,795,000* General Obligation Bonds (Alternate Revenue Source), Series 2026

INTRODUCTION

The purpose of this Official Statement is to set forth certain information concerning the Village of Shiloh, St. Clair County, Illinois (the “Village”), in connection with the offering and sale of its General Obligation Bonds (Alternate Revenue Source), Series 2026 (the “Bonds”).

Brief descriptions of the Bonds, the Village, the Pledged Revenues (as defined below), and the ordinance authorizing the issuance of the Bonds, to be adopted by the Board of Trustees of the Village (the “Village Board” or “Corporate Authorities”) on June 1, 2026, as supplemented by a bond order executed in connection therewith (together, the “Bond Ordinance”), are included in this Official Statement. Such descriptions and summaries do not purport to be comprehensive or definitive. Capitalized terms used herein and not otherwise defined shall have the meanings ascribed thereto in the Bond Ordinance.

This Official Statement contains “forward-looking statements” that are based upon the Village’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 Village. 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 Village 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 issued pursuant to applicable provisions of the Illinois Municipal Code (65 ILCS 5/1-1-1, *et seq.*), as supplemented and amended (the “Municipal Code”), and the Local Government Debt Reform Act (30 ILCS 350/1, *et seq.*), as supplemented and amended (the “Debt Reform Act”), and the Bond Ordinance. The Village passed the initial authorizing ordinance for the Bonds on April 6, 2026. Together with a notice of intent to issue the Bonds as alternate revenue bonds, the Village published the initial authorizing ordinance in a newspaper published and of general circulation within the corporate limits of the Village on April 12, 2026. With due notice, the Village held the Bond Issue Notification Act hearing on May 4, 2026, as required for the Bonds. More than 30 days have elapsed between the publication of the initial ordinance and the related

*Preliminary, subject to change.

notice, and the Village received no petition in connection with the Bonds, a form of petition therefor being at all relevant times available in the office of the Village Clerk on and since April 12, 2026.

Proceeds of the Bonds will be used to (i) finance various capital improvements within the Village including, but not limited to, the construction of a new police station, including, in connection with said work, acquisition of all land or rights in land, mechanical, electrical, and other services necessary, useful, or advisable thereto (the “Project”), and (ii) pay costs associated with the issuance of the Bonds. See “THE PROJECT” herein.

GENERAL DESCRIPTION

The Bonds will be dated the date of issuance thereof, will be in fully registered form, without coupons, and will be in denominations of \$5,000 or any integral multiple thereof under a 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, N.A., St. Louis, Missouri (the “Paying Agent” and “Registrar”).

The Bonds will mature as shown on the inside cover page hereof. Interest on the Bonds will be payable each April 1 and October 1, beginning April 1, 2027.

The Bonds will bear interest from their dated date, or from the most recent interest payment date to which interest has been paid or provided for, computed on the basis of a 360-day year consisting of twelve 30-day months. The principal of the Bonds will be payable in lawful money of the United States of America upon presentation and surrender thereof at the principal corporate trust office of the Registrar. 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 15th day (whether or not a business day) of the calendar month next preceding the interest payment 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 Village 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 15th day (whether or not a business day) of the calendar month next preceding 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 15 days next preceding mailing of a notice of redemption of any Bonds.

REDEMPTION

Optional Redemption. The Bonds due on and after April 1, 2037* are subject to redemption prior to maturity at the option of the Village from any available funds, as a whole or in part, and if in part in integral multiple of \$5,000 in any order of their maturity as determined by the Village (less than all for the Bonds of a single maturity to be selected by the Registrar), on April 1, 2036* and on any date thereafter, at the redemption price of par plus accrued interest to the date fixed for redemption.

[Mandatory Redemption.] The Bonds maturing on April 1, 20__ are term bonds (the “Term Bonds”), which 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 April 1 of the years and in the principal amounts as follows:

<u>Year</u>	<u>Sinking Fund Requirement</u>
20__	\$
20__ (final 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 Village may determine. In addition, on or prior to the 60th day preceding any mandatory redemption date, the Registrar may, and if directed by the Village Board 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 Bonds shall be redeemed only in the principal amount of \$5,000 and any authorized integral multiples thereof. The Village shall, 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; provided that such lottery shall provide for the selection for redemption of Bonds or portions thereof so that any \$5,000 Bond or \$5,000 portion of a Bond shall be as likely to be called for redemption as any other such \$5,000 Bond or \$5,000 portion. The Registrar shall make such selection upon the earlier of the irrevocable deposit of funds with an escrow agent

*Preliminary, subject to change.

sufficient to pay the redemption price of the Bonds to be redeemed or the time of the giving of official notice of redemption.

The Registrar shall promptly notify the Village in writing of the Bonds or portions of Bonds selected for redemption and, in the case of any Bond selected for partial redemption, the principal amount thereof to be redeemed.

Unless waived by any holder of Bonds to be redeemed, notice of the call for any such redemption shall be given by the Registrar on behalf of the Village 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 the registered owner of the Bond or 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 shall have been received by the Registrar prior to the giving of such notice of redemption, such notice may, at the option of the Village, state that said redemption shall 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 shall be of no force and effect, the Village shall not redeem such Bonds, and the Registrar shall give notice, in the same manner in which the notice of redemption was given, that such moneys were not so received and that such Bonds will not be redeemed. Otherwise, prior to any redemption date, the Village shall 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 aforesaid, the Bonds or portions of Bonds so to be redeemed shall, on the redemption date, become due and payable at the redemption price therein specified, and from and after such date (unless the Village 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 shall be paid by the Registrar at the redemption price. Installments of interest due on or prior to the redemption date shall be payable as provided in the Bond Ordinance for payment of interest. Upon surrender for any partial redemption of any Bond, there shall be prepared for the registered owner a new Bond or Bonds of the same maturity in the amount of the unpaid principal.

SECURITY

The Bonds are payable from (i) the Village's receipts of Retailers' Occupation Taxes, Service Occupation Taxes, Use Taxes, and Services Use Taxes (the "Sales Taxes" or "Pledged Revenues"), and (ii) *ad valorem* property taxes levied against all taxable property within the Village without limitation as to rate or amount (the "Pledged Taxes"), except that the rights of the owners of the Bonds and the enforceability of the Bonds may be limited by bankruptcy, insolvency, moratorium, 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 – Estimated Debt Service Coverage" herein.

Reference is made to APPENDIX B for the proposed form of opinion of Miller, Canfield, Paddock and Stone, P.L.C., Bloomington, Illinois (“Miller Canfield” or “Bond Counsel”).

BOND FUND

In the Bond Ordinance, there is created and established a special fund of the Village known as the “Alternate Bond Fund” (the “Bond Fund”), to be held by the Treasurer, which is a fund established for the purpose of carrying out the covenants, terms and conditions imposed upon the Village by the Bond Ordinance. The Bond Fund shall be the fund for the payment of the principal of and interest on the Bonds at maturity or on interest payment dates or redemption. Any capitalized interest included in the proceeds of the sale of the Bonds shall be deposited in the Bond Fund for the payment of interest on the Bonds, and the Pledged Taxes and Pledged Revenues shall be deposited into the Bond Fund, as received, and shall be used solely and only for the payment of principal and interest on the Bonds when due (including any redemption). The Bonds are secured by a pledge of all moneys on deposit in the Bond Fund, and such pledge is irrevocable until the Bonds have been paid in full or until the obligations of the Village are discharged under the Bond Ordinance. Accrued interest and premium received at the time of delivery of the Bonds, if any, shall be deposited in the Bond Fund.

GENERAL COVENANTS

In the Bond Ordinance, the Village covenants and agrees with the registered owners of the Bonds that, so long as there are any outstanding Bonds:

A. The Pledged Revenues are pledged to the payment of the Bonds. The Corporate Authorities will provide for, collect, and apply the Pledged Revenues to the payment of the Bonds as are from time to time outstanding and the provision of not less than an additional 0.25 times debt service thereon, all in accordance with Section 15 of the Act.

B. The Village will punctually pay or cause to be paid from the sources provided for in the Bond Ordinance, the principal of and interest to become due on the Bonds in strict conformity with the terms of the Bonds and the Bond Ordinance, and it will faithfully observe and perform all of the conditions, covenants, and requirements thereof.

C. The Village will pay and discharge, or cause to be paid and discharged, from the Bond Fund, any and all lawful claims which, if unpaid, might become a lien or charge upon the Pledged Revenues or Pledged Taxes, or any part thereof, or upon any such funds in the hands of the Registrar, or which might impair the security of the Bonds. Nothing contained in the Bond Ordinance shall require the Village to make any such payment so long as the Village in good faith contests the validity of said claims.

D. The Village will keep, or cause to be kept, proper books of record and accounts, separate from all other records and accounts of the Village, in which complete and correct entries will be made of all transactions relating to the Pledged Revenues, the Pledged Taxes, and the Bond Fund. Such books of record and accounts will at all times during business hours be subject to the

inspection of the holders of not less than ten percent (10%) of the principal amount of the outstanding Bonds or their representatives authorized in writing.

E. The Village will preserve and protect the security of the Bonds and the rights of the registered owners of the Bonds and will warrant and defend their rights against all claims and demands of all persons. From and after the sale and delivery of any of the Bonds by the Village, to the extent lawful the Bonds shall be incontestable by the Village.

F. The Village will adopt, make, execute, and deliver any and all such further ordinances, instruments and assurances as may be reasonably necessary or proper to carry out the intention of, or to facilitate the performance of, the Bond Ordinance, and for the better assuring and confirming unto the owners of the Bonds of the rights and benefits of the Bond Ordinance.

G. As long as any Bonds are outstanding, the Village will continue to deposit the Pledged Revenues and, if necessary, the Pledged Taxes into the Bond Fund. The Village covenants and agrees with the purchasers of the Bonds and with the registered owners thereof that so long as any Bonds remain outstanding, the Village will take no action or fail to take any action which in any way would adversely affect the ability of the Village to collect the Pledged Revenues. The Village and its officers will comply with all present and future applicable laws in order to assure that the Pledged Revenues will be available and that the Pledged Taxes will be levied, extended, and collected as provided in the Bond Ordinance and deposited in the Bond Fund.

H. Once issued and while outstanding, the Bonds shall be and forever remain until paid or defeased the general obligation of the Village, for the payment of which its full faith and credit are pledged, and shall be payable from, in addition to the Pledged Revenues as provided in the Bond Ordinance, the levy of the Pledged Taxes as provided in the Act.

FILING WITH THE COUNTY CLERK

The Bond Ordinance provides for the levy of the Pledged Taxes in amounts sufficient to pay, as and when due, all principal of and interest on the Bonds. The Bond Ordinance will be filed with the County Clerk of St. Clair County, Illinois (the "County Clerk"), and will serve as authorization to the County Clerk to extend and collect the Pledged Taxes.

ABATEMENT OF PLEDGED TAXES

Whenever the Pledged Revenues or other lawfully available funds are available to pay any principal of or interest on the Bonds when due, so as to enable the abatement of Pledged Taxes levied for the same, the Village will direct the deposit of such Pledged Revenues and such funds into the Bond Fund created solely for such purpose. The Village will direct the abatement of the Pledged Taxes by the amount of such deposit, and proper notification of such abatement will be filed with the County Clerk in a timely manner. The Village pledges to abate the levy for the Bonds only upon full funding of the Bond Fund in the appropriate levy amount.

If for any reason there is a failure to pay debt service after such abatement, the additional amount, together with additional interest accruing, shall be added to the tax levy in the year of, or the next year following, such failure.

TREATMENT OF BONDS AS DEBT

The Bonds are to be payable from Pledged Revenues and shall not constitute an indebtedness of the Village within the meaning of any constitutional or statutory limitation, unless the Pledged Taxes shall have been extended pursuant to the general obligation, full faith and credit promise supporting the Bonds, as set forth in the Bond Ordinance, in which case the amount of the alternate bonds then outstanding shall be included in the computation of indebtedness of the Village for purposes of all statutory provisions or limitations until such time as the Financial Statements and Supplementary Information (the "Audit" or "Audited Financial Statements"), of the Village shall show that the Bonds have been paid from the Pledged Revenues for the alternate bonds for a complete 12-month period from May 1 through April 30 (the "Fiscal Year"), in accordance with applicable law.

PARITY BONDS; ADDITIONAL BONDS

Parity Bonds

In the Bond Ordinance, the Village reserves the right to issue additional bonds or any other obligations, if any, which share ratably and equally in the Pledged Revenues, as set forth and provided for in any such ordinance authorizing the issuance of any such parity bonds ("Parity Bonds") without limit provided that the Pledged Revenues as determined or as adjusted as hereinbelow set out shall be sufficient to provide for or pay all of the following: (a) all amounts required to meet any fund or account requirements with respect to such outstanding bonds; (b) other contractual or tort liability obligations then due and payable, if any; and (c) an additional amount not less than 0.25 times the maximum annual debt service on such of the alternate bonds as shall remain outstanding after the issuance of the proposed Parity Bonds. Such sufficiency shall be calculated for each year to the final maturity of such alternate bonds which shall remain outstanding after the issuance of the proposed Parity Bonds. The determination of the sufficiency of Pledged Revenues shall be supported by reference to the Village's most recent Audited Financial Statements, which Audited Financial Statements shall be for a Fiscal Year ending not earlier than 18 months previous to the time of issuance of the proposed Parity Bonds.

If such Audited Financial Statements show the Pledged Revenues to be insufficient, then the determination of sufficiency may be supported by the report of an independent accountant or feasibility analyst having a national reputation for expertise in such matters, demonstrating the sufficiency of the Pledged Revenues and explaining by what means they will be greater than as shown in the Audited Financial Statements.

The reference to and acceptance of an audit, or a report, as the case may be, and the determination of the Corporate Authorities of the sufficiency of the Pledged Revenues shall be conclusive evidence that the conditions in the Bond Ordinance have been met and that the Parity

Bonds are properly issued thereunder; and no right to challenge such determination is granted to the registered owners of the Bonds.

Additional Bonds

The Village reserves the right to issue additional bonds (the “Additional Bonds”) from time to time payable from the Pledged Revenues, and any such Additional Bonds shall share ratably and equally in the Pledged Revenues with the Bonds; provided, however, that no Additional Bonds shall be issued except in accordance with the provisions of the Act.

DEFEASANCE OF THE BONDS

If, when the Bonds or a portion thereof shall have become due and payable in accordance with their terms or shall have been duly called for redemption or irrevocable instructions to call the Bonds or a portion thereof for redemption shall have been given, and the whole amount of the principal and the interest and the premium, if any, so due and payable upon all of the Bonds or a portion thereof then outstanding shall be paid; or (i) sufficient moneys or (ii) direct obligations of the United States (including obligations issued or held in book entry form on the books of the Department of the Treasury), the principal of and the interest on which when due will provide sufficient moneys for such purpose, shall be held in trust for such purpose, and provision shall also be made for paying all fees and expenses for the redemption, then and in that case the Bonds or any designated portion thereof issued under the Bond Ordinance shall no longer be deemed outstanding or entitled to any pledge of the Pledged Taxes or the Pledged Revenues made in the Bond Ordinance.

ALTERNATE BONDS

As provided in the Bond Ordinance, the Bonds are and constitute “alternate bonds” under the Debt Reform Act, anticipated to be payable from the Pledged Revenues. Under and pursuant to Section 15 of the Debt Reform Act, the full faith and credit of the Village are irrevocably pledged to the punctual payment of the principal of, premium, if any, and interest on the Bonds; the Bonds shall be direct and general obligations of the Village; and, should the Pledged Revenues be insufficient to pay the debt service due on the Bonds, the Village shall be obligated to levy the Pledged Taxes.

The Pledged Revenues are determined by the Corporate Authorities to be sufficient to provide for or pay in each year to final maturity of the Bonds all of the following: (1) the debt service on all outstanding revenue bonds payable from Pledged Revenues, (2) all amounts required to meet any fund or account requirements with respect to such outstanding revenue bonds, (3) other contractual or tort liability obligations, if any, payable from such Pledged Revenues, and (4) in each year, an amount not less than 1.25 times debt service of all (i) alternate bonds payable from such Pledged Revenues previously issued and outstanding, and (ii) alternate bonds payable from such Pledged Revenues proposed to be issued, including the Bonds.

The Pledged Revenues are determined by the Corporate Authorities to provide in each year an amount not less than 1.25 times debt service (as defined in Section 3 of the Debt Reform Act)

of alternate bonds payable from such revenue sources previously issued and outstanding, and alternate bonds proposed to be issued. Such conditions enumerated need not be met for that amount of debt service (as defined in Section 3 of the Debt Reform Act) provided for by the setting aside of proceeds of bonds or other moneys at the time of the delivery of such bonds. The Pledged Revenues are determined by the Corporate Authorities to provide in each year all amounts required to meet any fund or account requirements with respect to the Bond Ordinance, any contractual or tort liability obligations, if any, payable from Pledged Revenues, and an amount not less than 1.25 times debt service (as defined in Section 3 of the Debt Reform Act) of all of the outstanding Bonds payable from Pledged Revenues. The determination of the sufficiency of the Pledged Revenues is expected to be supported by reference to the most recent Audited Financial Statements of the Village, which audit is for a Fiscal Year ending not earlier than 18 months previous to the time of issuance of the Bonds, and not otherwise a “report” under Section 15 of the Debt Reform Act shall be prepared. See “THE BONDS – Estimated Debt Service Coverage” below.

ESTIMATED DEBT SERVICE COVERAGE

FISCAL YEAR	PLEDGED REVENUES ⁽¹⁾	ESTIMATED DEBT SERVICE ON THE BONDS*	ESTIMATED DEBT SERVICE COVERAGE ^{(2)*}
2027	\$4,746,018	\$ 461,678	10.3x
2028	4,746,018	457,250	10.4x
2029	4,746,018	458,250	10.4x
2030	4,746,018	458,750	10.3x
2031	4,746,018	458,750	10.3x
2032	4,746,018	458,250	10.4x
2033	4,746,018	457,250	10.4x
2034	4,746,018	460,750	10.3x
2035	4,746,018	458,500	10.4x
2036	4,746,018	460,750	10.3x
2037	4,746,018	457,250	10.4x
2038	4,746,018	458,250	10.4x
2039	4,746,018	458,500	10.4x
2040	4,746,018	458,000	10.4x
2041	4,746,018	461,750	10.3x
2042	4,746,018	459,500	10.3x
2043	4,746,018	461,500	10.3x
2044	4,746,018	457,500	10.4x
2045	4,746,018	457,750	10.4x
2046	4,746,018	<u>462,000</u>	10.3x
Total		\$9,182,178	

⁽¹⁾Pledged Revenues consist of Sales Taxes for Fiscal Year ended April 30, 2025. No growth has been assumed in the calculation of Pledged Revenues.

⁽²⁾Estimated Debt Service Coverage is equal to Pledged Revenues divided by Estimated Debt Service on the Bonds.

Source: The Village’s Audited Financial Statements for Fiscal Year ended April 30, 2025.

*Preliminary, subject to change.

THE PROJECT

Proceeds of the Bonds will be used to finance various capital improvements within the Village including, but not limited to, the construction of a new police station. The new police station will comprise an approximately \$11.66 million, state-of-the-art, 17,000-square-foot facility, which will be financed with a \$4 million State grant and \$1.5 million of funds on hand in addition to the proceeds of the Bonds. The Village expects to break ground on the new facility in July of 2026, and anticipates completion in late 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)]	<hr/>
Total Sources	\$

USES:

Costs of the Project	\$
Costs of Issuance*	<hr/>
Total Uses	\$

*Include Underwriter's discount, Registrar and Paying Agent fees, legal fees, rating fee, [bond insurance premium,] printing, and other miscellaneous costs of issuance.

CERTAIN 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.

PAYMENT OF THE BONDS FROM THE PLEDGED REVENUES

The ability of the Village to pay the Bonds from the Pledged Revenues may be limited by circumstances beyond the control of the Village. There is no guarantee that the Pledged Revenues will continue to be available at current levels. Nevertheless, in such an event, the Village is obligated to extend and collect the Pledged Taxes. If the Pledged Taxes are ever extended for the payment of the Bonds, the amount of the Bonds then outstanding will be included in the

computation of indebtedness of the Village for purposes of all statutory provisions or limitations until such time as an audit of the Village shows that the Bonds have been paid from the Pledged Revenues for a complete Fiscal Year. See “THE BONDS—Treatment of Bonds as Debt” above.

CONSTRUCTION RISKS

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

Completion of the Projects 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

The finances of the State remain challenging, particularly in light of the ending of federal COVID relief funds. With the aid of increased taxes, the State approved its fiscal year 2027 budget for the budget year ending June 30, 2027. Also, 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. Finally, the full impact of actual and potential federal budget cuts is currently unknown, but such cuts could result in reduced programs and services, to the extent other revenue sources, including tax increases, are not implemented.

Under current law, the State shares a portion of sales tax, income tax, use tax, and motor fuel tax revenue with municipalities, including the Village. The State’s budget choices and the underfunding of the State’s pension systems have materially adversely affected the State’s financial condition and may result in decreased or delayed revenues allocated to the Village. Although, during the fiscal years 2018 through 2020, the State reduced the amount of income tax revenues to be deposited into the Local Government Distributive Fund for distribution to municipalities, like the Village, subsequent State budgets have not included any such reduction. The State’s fiscal year 2018 budget, and each budget thereafter have also included a service fee for collection and processing of local imposed sales taxes. Such fee was 2% of such sales taxes for State’s fiscal year 2018 and was reduced to 1.5% of such sales taxes for State’s fiscal year 2019 and each State fiscal year thereafter. Additionally, the State’s fiscal year 2025 budget eliminated the 1% grocery sales tax that is dedicated for local governments, including the Village, effective January 1, 2026. The Village adopted an ordinance on May 5, 2025, imposing a local grocery tax effective as of January 1, 2026.

The Village cannot determine at this time the financial impact of these provisions on its overall financial condition, but such provisions may result in lower income tax revenues and sales tax revenues distributed to the Village. Approximately 0.98% of the Village's general fund revenues for its Fiscal Year ended April 30, 2025, came from property taxes, which represent a stable source of revenue for the Village. However, the Village can give no assurance that there will not be additional changes in applicable law modifying the manner in which local revenue sharing is allocated by the State, nor can the Village predict the effect the State's financial problems may have on the Village's future finances.

FUTURE PENSION PLAN FUNDING REQUIREMENTS

The Village participates in the Police Pension Plan (as hereinafter defined). As of April 30, 2025, the Police Pension Plan had a 101.3% funded ratio. Under the Pension Code, the Village is required to contribute to the plan in order to achieve a funded ratio of 90% by 2040. In order to achieve the 90% funded ratio by 2040, it is expected that the annual employer contributions required by the Village will increase over time. Increasing annual required employer contributions for the Village could have a material adverse effect on the finances of the Village. See "RETIREMENT PLANS" herein for a more complete discussion.

The Pension Code allows the State Comptroller, after proper procedures have taken place, to divert State payments intended for the Village to the Police Pension Plan to satisfy contribution shortfalls by the Village. For Fiscal Year 2025, the Village contributed 162.38% of the actuarially determined contribution to the Police Pension Plan. Such actuarially determined contribution exceeded 100% of the statutory actuarial minimum required contribution. If the Village does not make 100% of its statutory actuarial minimum required contributions to the Police Pension Plan, the Village may have revenues withheld by the State Comptroller. Such withholdings by the State Comptroller could adversely affect the Village's financial health and operations. The Village's policy is to fund 100% of the actuarially determined contribution for the Police Pension. See "RETIREMENT PLANS" herein for a more complete discussion.

CONTINUING DISCLOSURE

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

LOCAL ECONOMY

The financial health of the Village 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 Village.

LOSS OR CHANGE OF BOND RATINGS

The Bonds have received an underlying credit rating from S&P Global Ratings, a business unit of Standard & Poor's Financial Services LLC, New York, New York ("S&P") [and are expected to receive an insured credit rating from S&P]. The rating[s] can be changed or withdrawn at any time for reasons both under and outside the Village'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.

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 Village and to the Bonds. The Village 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 Village, or the taxing authority of the Village. 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 condition of the Village, the taxable value of property within the Village, and the ability of the Village 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 Village in violation of its covenants in the Bond Ordinance. Should such an event of taxability occur, the Bonds are not subject to any special redemption.

There are or may be pending in the Congress of the United States of America 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 Village’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 Village.

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 Village 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 Village 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 Village. Despite the implementation of network security measures by the Village, 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 Village 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 Village’s operations and financial health. Further, as cybersecurity threats continue to evolve, the Village 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.

CLIMATE CHANGE RISK

There are potential risks to the State, the Village, and their respective financial conditions that are associated with changes to the climate over time and with increases in the frequency, timing, and severity of extreme weather events, causing or increasing the severity of flooding and other natural disasters. The Village cannot predict how or when various climate change risks may occur, nor can it quantify the impact on the State or the Village, its population, or its financial condition. Over time, the costs could be significant and could have a material adverse effect on the Village's finances.

BANKRUPTCY

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

THE VILLAGE

GENERAL DESCRIPTION

The Village was incorporated in 1905 and is located in southwestern Illinois, approximately 20 miles northeast of St. Louis, Missouri. The Village covers approximately 10.1 square miles in St. Clair County, Illinois (the "County"). Neighboring communities include the Cities of Belleville, O'Fallon, Fairview Heights, Swansea, and Mascoutah. The Village is part of the St. Louis Metropolitan Statistical Area comprised of the City of St. Louis, St. Louis County, and the Counties of St. Charles, Franklin, Jefferson, Warren, and Lincoln in the State of Missouri, and the Counties of Madison, Jersey, St. Clair, Monroe, and Clinton in the State.

Scott Air Force Base is located in close proximity to the Village and is one of the oldest, continuous-service U.S. Air Force installations in the country. Located on 3,278 acres, Scott Air Force Base is a cornerstone of the St. Louis Region as one of the area's largest employers, employing more than 13,000 people. Scott Air Force Base has experienced significant additions to its base population and mission subsequent to the completion of the base realignment and closing process. Currently, the base is home to the U.S. Transportation Command, Air Mobility Command, the 375th Airlift Wing, the 932nd Reserve Airlift Wing, and the 126th Air National Guard Refueling Wing.

EDUCATIONAL INSTITUTIONS

Primary educational services are provided by Shiloh Village School District No. 85, Whiteside School District No. 115, O'Fallon School District No. 90, and Central School District No. 104. Mascoutah School District No. 19 provides education for pre-K through high school students. High school educational services are provided by Belleville High School District No. 201 and O'Fallon High School District No. 203.

Residents of the Village are afforded a variety of choices in private schools located in the Cities of O’Fallon, Belleville, Fairview Heights, and Swansea.

Higher education is offered through Southern Illinois University-Edwardsville, which offers undergraduate, graduate, and professional degrees. Accredited courses leading to an associate’s degree may be taken at Lewis and Clark Community College, located in Godfrey, Illinois and at Southwestern Illinois College, located in Belleville, Illinois. The Village’s location allows easy access to the many universities and colleges located in the St. Louis Metropolitan Area, including the University of Missouri-St. Louis, Saint Louis University, Washington University, Webster University, and Maryville University, and many other educational institutions.

HEALTHCARE FACILITIES

Memorial Hospital East, located in the Village, was constructed in 2017 and is a 94-all private bed facility which offers a 24/7 emergency department, medical, surgical, and diagnostic services, including cardiac catheterization, imaging, and laboratory. The Family Care Birthing Center features 16 spacious LDRP suites, two dedicated c-section rooms, and 24/7 neonatology coverage.

HSHS St. Elizabeth’s Hospital was constructed in 2018 and is a regional medical center located approximately 2.5 miles from the Village in O’Fallon, Illinois. HSHS St. Elizabeth’s Hospital has 144 licensed beds, with approximately 1,600 employees.

Village residents also have access to a variety of group practice clinics, managed care facilities, and individual practitioners providing private health care within 20 miles of the Village. Physician specialties include cardiology, oncology, obstetrics, gynecology, surgery, family medicine, family planning, and pediatrics.

RECREATIONAL AND COMMUNITY ACTIVITIES

The Village has four parks. Shiloh Community Park features playgrounds, picnic areas, a mulch walking trail, ballfields, pavilions, a pickleball court, and the Community Center & Klucker Hall buildings. Three Springs Park features wetlands, playgrounds, picnic areas, a paved walking trail, a paved non-motorized trail around the lake, ballfields, and tennis, pickleball, and volleyball courts. Sierra Park features a playground, picnic areas, and a paved walking path. Shiloh Dog Park features small and large dog areas. Yorktown Golf Course, owned by the Village, is located in the northeastern quadrant of the Village and is an eighteen-hole, lighted, par 3 public golf course. Tamarack Golf Course, an 18-hole public golf course, is also located in the Village.

GOVERNMENT

The Village is a non-home rule municipality, operating under the Mayor-Trustee form of government. Policy-making and legislative authority are vested in a governing body consisting of the mayor and six trustees. The Village Board acts as the policy making body for Village

government and the mayor serves as the chief administrative officer. The trustees and mayor serve a four-year term, which are staggered so only three trustees will be elected every two years.

The following are the elected officials of the Village.

<u>OFFICIAL</u>	<u>POSITION</u>	<u>TERM EXPIRES</u>
Robert Weilmuenster	Mayor	4/30/2029
Russ McCullough	Trustee	4/30/2029
Kristy Northway	Trustee	4/30/2027
Jody Renner	Trustee	4/30/2029
Jim Vernier	Trustee	4/30/2027
Julia Warchol-Black	Trustee	4/30/2027
Matt Wilke	Trustee	4/30/2029
Brenda Kern	Village Clerk	N/A
Bill Boker	Village Treasurer	N/A

Source: The Village.

The following are the heads of the various departments of the Village.

<u>OFFICIAL</u>	<u>POSITION</u>
Brenda Kern	Village Administrator
Tracy D. Kennett	Chief Financial Officer
Rich Wittenauer	Chief of Police
Chris Etling	Director of Public Works

Source: The Village.

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EMPLOYEE AND UNION MEMBERSHIP AND RELATIONS

The Village has 38 full-time employees and one part-time employee. Of the total number of employees, approximately 54% are represented by a union. Employee and union relations with the Village are considered to be good. Village personnel are organized as follows:

EMPLOYEE GROUP	CONTRACT EXPIRES	UNION AFFILIATION	NUMBER OF MEMBERS
Police Officers with Rank of Patrolman or Sergeant	4/30/2030	Illinois Fraternal Order of Police Labor Council	21

Source: The Village.

POPULATION DATA

The U.S. Census Bureau estimates that the Village’s current population is approximately 14,754 according to the U.S. Census July 1, 2024 estimate. The estimated populations of the Village, the County, and the State according to the last three U.S. Census surveys were as follows:

NAME OF ENTITY	2000	2010	2020	7-1-2024 EST.	PERCENTAGE CHANGE 2010-2024
Village	7,643	12,651	14,098	14,754	16.62%
County	256,082	270,056	257,400	251,149	(7.00)
State	12,419,293	12,830,632	12,812,508	12,710,158	(0.94)

Source: U.S. Census Bureau.

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EDUCATIONAL CHARACTERISTICS OF PERSONS 25 YEARS AND OLDER

NAME OF ENTITY	HIGH SCHOOL	BACHELOR'S
	GRADUATES OR HIGHER	DEGREE OR HIGHER
Village	96.6%	43.3%
County	93.5	31.8
State	90.5	37.8

Source: U.S. Census Bureau, 2020-2024 ACS 5-year estimates.

FINANCIAL INFORMATION AND ECONOMIC CHARACTERISTICS OF THE VILLAGE

DIRECT GENERAL OBLIGATION BONDS (PRINCIPAL ONLY)

(As of the issuance of the Bonds)

CALENDAR YEAR	THE BONDS (APRIL 1)*	CUMULATIVE RATE OF RETIREMENT	
		PRINCIPAL OUTSTANDING*	% PAID*
2027	\$ 250,000	\$5,545,000	4.31%
2028	180,000	5,365,000	7.42%
2029	190,000	5,175,000	10.70%
2030	200,000	4,975,000	14.15%
2031	210,000	4,765,000	17.77%
2032	220,000	4,545,000	21.57%
2033	230,000	4,315,000	25.54%
2034	245,000	4,070,000	29.77%
2035	255,000	3,815,000	34.17%
2036	270,000	3,545,000	38.83%
2037	280,000	3,265,000	43.66%
2038	295,000	2,970,000	48.75%
2039	310,000	2,660,000	54.10%
2040	325,000	2,335,000	59.71%
2041	345,000	1,990,000	65.66%
2042	360,000	1,630,000	71.87%
2043	380,000	1,250,000	78.43%
2044	395,000	855,000	85.25%
2045	415,000	440,000	92.41%
2046	440,000	-	100.00%
TOTAL	\$5,795,000		

Source: The Village.

*Preliminary, subject to change.

DEBT CERTIFICATES (PRINCIPAL ONLY)

CALENDAR YEAR	CERTIFICATES ⁽¹⁾ (APRIL 1)
2027	\$ 215,000
2028	225,000
2029	230,000
2030	235,000
2031	245,000
2032	250,000
2033	260,000
2034	265,000
2035	275,000 ⁽²⁾
2036	285,000
2037	290,000 ⁽²⁾
2038	295,000
2039	305,000 ⁽²⁾
2040	<u>310,000</u>
Total	\$3,685,000

⁽¹⁾Refunding Debt Certificates, Series 2021, dated January 5, 2021 (the “Certificates”).

⁽²⁾Represent sinking fund payments due on term Certificates.

Source: The Village.

OVERLAPPING GENERAL OBLIGATION BONDED DEBT
(As of April 29, 2026)

TAXING BODY	OUTSTANDING DEBT	APPLICABLE TO THE VILLAGE	
		PERCENT	AMOUNT
The County ⁽¹⁾	\$33,175,000	7.19%	\$ 2,385,283
Mascoutah USD #19	38,545,000	0.79%	304,506
Shiloh SD #85 ⁽²⁾	2,833,000	99.33%	2,814,019
O’Fallon SD #90 ⁽³⁾	38,140,000	1.80%	686,520
Central SD #104	10,135,000	9.28%	940,528
Whiteside SD #115	2,110,000	56.62%	1,194,682
Belle Valley SD #119	29,320,000	0.05%	14,660
Belleville HSD #201	60,012,314	8.66%	5,197,066
O’Fallon HSD \$203	6,885,000	12.53%	862,691
Southwestern Illinois Community College #522	74,110,000	3.96%	<u>2,934,756</u>
TOTAL			\$17,334,710

(1) Excludes \$50,450,000 alternate revenue bonds and includes bonds for the Public Building Commission of St. Clair County, which debt is paid by the County through a lease.

(2) Excludes \$2,210,000 debt certificates.

(3) Excludes \$785,000 debt certificates.

Source: County Clerk’s Office, the Electronic Municipal Market Access system (“EMMA”), and other publicly available sources.

SELECTED FINANCIAL INFORMATION

2025 Estimated Full Value of Taxable Property:	\$1,409,058,876
2025 EAV ⁽¹⁾ :	469,686,292
Population ⁽²⁾ :	14,754
Direct General Obligation Debt ⁽³⁾ :	\$ 3,685,000
Percentage to Full Value of Taxable Property:	0.26%
Percentage to EAV:	0.78%
Overall Debt Limit (8.625% of EAV):	\$ 40,510,442
Percentage of Debt Limit:	9.10%
Per Capita:	\$ 249.76
General Obligation Debt ⁽³⁾ :	\$ 3,685,000
Direct Overlapping General Obligation Debt:	<u>17,334,710</u>
Direct General Debt and Overlapping General Obligation Bonded Debt ⁽³⁾ :	\$ 21,019,710
Percentage to Full Value of Taxable Property:	1.49%
Percentage to EAV:	4.48%
Per Capita:	\$ 1,425

(1) Includes TIF incremental value in the amount of \$61,018,369. See “FINANCIAL INFORMATION AND ECONOMIC CHARACTERISTICS OF THE VILLAGE – Tax Increment Financing Districts Located within the Village” herein.

(2) U.S. Census Bureau, July 1, 2024 estimate.

(3) Includes the Certificates and excludes the Bonds and tax increment allocation revenue notes.

Source: The Village and EMMA.

OTHER DEBT

The Village has entered into two tax increment financing (“TIF”) notes with developers that are payable solely from new revenues in the Village’s TIF District C. The Village issued Tax Increment Allocation Revenue Notes, Series 2009-1 in the amount of \$4,000,000 maturing June 11, 2029, and Tax Increment Allocation Revenue Notes, Series 2009-2 in the amount of \$1,879,000 maturing June 11, 2029, all of which are outstanding. The Village has issued Special Service Area Capital Appreciation Notes, Series 2009 in the amount of \$2,232,000 maturing June 11, 2039, all of which are outstanding. None of these issues is considered debt of the Village.

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STATUTORY DEBT LIMIT

	AMOUNT	PERCENTAGE OF DEBT LIMIT
2025 EAV ⁽¹⁾	\$469,686,292	
Overall Statutory Debt Limit (8.625% of EAV)	40,510,442	
Non-referendum Bond Statutory Debt Limit (0.5% of EAV)	2,348,431	
General Obligation Bonded Debt ⁽²⁾	3,685,000	
Total Debt Applicable to the Overall Debt Limit	3,685,000	9.10%
Remaining Overall Debt Limit Margin	36,825,442	90.90%
Total Debt Applicable to Non-referendum Bond Statutory Debt Limit⁽²⁾	-	0.00%
Remaining Non-referendum Bond Statutory Debt Limit Margin	\$ 2,348,431	100.00%

(1) Includes TIF incremental value. See “FINANCIAL INFORMATION AND ECONOMIC CHARACTERISTICS OF THE VILLAGE – Tax Increment Financing Districts Located within the Village” herein.

(2) Includes the Certificates and excludes the Bonds.

COMPOSITION OF EAV

EAV BY PROPERTY TYPE⁽¹⁾

	2021	2022	2023	2024	2025	2025 PERCENTAGE
Residential	\$230,847,734	\$248,826,571	\$272,065,030	\$302,175,651	\$331,589,546	81.14%
Farm	2,418,079	2,658,547	3,642,969	3,916,381	4,973,453	1.22
Commercial	62,738,660	73,644,063	88,697,297	96,794,719	71,468,837	17.49
Industrial	492,735	520,460	563,109	651,617	479,927	0.12
Mineral	267	-	-	-	-	0.00
Railroad	-	-	-	-	156,160	0.04
Total EAV	\$296,497,475	\$325,649,641	\$364,968,405	\$403,538,368	\$408,667,923	100.00%

(1) Excludes TIF incremental value.

Source: County Clerk’s Office.

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TAX INCREMENT FINANCING DISTRICTS LOCATED WITHIN THE VILLAGE

TIF provides a means for municipalities, after the approval of a redevelopment plan and redevelopment project, designation of a redevelopment project area, and adoption of TIF to redevelop blighted and conservation areas, by pledging the anticipated increase in tax revenues generated by increases in equalized assessed valuation (“EAV”), generally from private development and redevelopment to pay for redevelopment project costs incurred to stimulate private investment in the redevelopment project area. TIF is authorized in Illinois by the Tax Increment Allocation Redevelopment Act (65 ILCS 5/11-74.4, *et seq.*), as supplemented and amended (the “TIF Act”).

A portion of the Village’s 2025 EAV is contained in four TIF districts, two of which expired in 2021, as detailed below. When a TIF district is created within the boundaries of a taxing body, such as the Village, 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 derived from the redevelopment project area during the life of the TIF district must be used for redevelopment purposes. There are no new TIF districts planned in the immediate future.

LOCATION NAME OF TIF	YEAR ESTABLISHED	BASE EAV	2025 EAV	INCREMENTAL EAV
Three Springs at Shiloh Red Project (TIF D)	2008	\$ 8,921	\$ 1,086,506	\$ 1,077,585
Shiloh Wingate (TIF C)	2007	4,869	20,055,044	20,050,175
Shiloh TIF A ⁽¹⁾	1998	24,761,559	59,883,048	35,121,489
Shiloh TIF B ⁽¹⁾	1998	2,548,263	7,317,383	4,769,120
		Total Incremental EAV		61,018,369
		Village’s 2025 EAV		408,667,923
		Total EAV		<u>\$469,686,292</u>

(1) TIF A and TIF B expired in calendar year 2021; however, the Village did not receive the levy year 2021 incremental property taxes payable in 2022. In 2025, the County agreed by consent judgment to pay the Village the levy year 2021 incremental property taxes in 2026.

Source: County Clerk’s Office.

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TREND OF EAV

LEVY YEAR	EAV ⁽¹⁾	PERCENTAGE CHANGE IN EAV FROM PREVIOUS YEAR
2021	\$296,497,475	18.75% ⁽²⁾
2022	325,649,641	9.83
2023	364,968,405	12.07
2024	403,538,368	10.57
2025	408,667,923	1.27

(1) Excludes TIF value.

(2) Based on 2020 EAV of \$249,674,691.

Source: County Clerk's Office.

TAXES EXTENDED AND COLLECTED

TAX LEVY YEAR/ COLLECTION YEAR	TAXES EXTENDED ⁽¹⁾	TAXES COLLECTED AND DISTRIBUTED ⁽²⁾	PERCENT COLLECTED
2020/21	\$407,968	\$403,289	98.85%
2021/22	428,142	424,847	99.23
2022/23	449,397	445,195	99.06
2023/24	471,539	467,692	99.18
2024/25	495,142	493,468	99.66
2025/26	519,826	In process	

(1) Excludes road and bridge.

(2) Includes interest.

Source: St. Clair County Treasurers' Offices.

VILLAGE TAX RATES BY PURPOSE
(Per \$100 EAV)

PURPOSE	2021	2022	2023	2024	2025	MAXIMUM RATE
Police Pension	<u>\$0.1444</u>	<u>\$0.1380</u>	<u>\$0.1292</u>	<u>\$0.1227</u>	<u>\$0.1272</u>	0.0000
TOTAL VILLAGE TAX RATE	\$0.1444	\$0.1380	\$0.1292	\$0.1227	\$0.1272	

Source: County Clerk's Office.

REPRESENTATIVE TOTAL TAX RATES
(Per \$100 EAV)

TAXING AUTHORITY	2021	2022	2023	2024	2025
The Village	\$0.1444	\$0.1380	\$0.1292	\$0.1227	\$0.1272
The County	1.0983	1.0800	1.0236	0.9535	0.8959
Shiloh Valley Township	0.0272	0.0232	0.0211	0.0189	0.0181
Shiloh Valley Road	0.1969	0.1747	0.1584	0.2093	0.2073
O’Fallon-Shiloh-Caseyville Fire	0.3342	0.3923	0.3380	0.2856	0.2991
Shiloh School District #85	3.3554	3.4522	3.4199	3.3889	3.4295
O’Fallon High School District #203	2.1691	2.1374	2.0915	2.0557	2.0213
SWIC Community College District #522	<u>0.4438</u>	<u>0.4218</u>	<u>0.4028</u>	<u>0.3792</u>	<u>0.3888</u>
TOTAL REPRESENTATIVE TAX RATE ⁽¹⁾	\$7.7693	\$7.8196	\$7.5845	\$7.4138	\$7.3872

(1) The total of such rates is the property tax rate paid by a typical resident of the Village.
Source: County Clerk’s Office.

TEN LARGEST TAXPAYERS

TAXPAYER NAME	TYPE OF BUSINESS/PROPERTY	2025 EAV ⁽¹⁾	PERCENT OF VILLAGE’S TOTAL EAV
Auffenberg Shiloh LLC	Car dealer	\$17,402,344	3.71%
Caplaco Thirty-Two, Inc. and Dierbergs I-64, LLC	Shopping center	16,228,024	3.46
Greenmount Retail Center III LLC	Multi-family dwelling	14,448,416	3.08
Progress East Healthcare Center	Healthcare	4,223,823	0.90
Target	Retail store	3,694,352	0.79
Tamarack Woods Apartments LLC	Apartments	3,494,729	0.74
Storyboard on Rockwood LLC	Apartments	3,171,565	0.68
ARCH CHSLOIL01 LLC	Commercial property	2,733,638	0.58
Shiloh Commons Holdings LLC	Apartments	1,852,423	0.39
TIP PWH LLC	Commercial property	<u>1,746,111</u>	<u>0.37</u>
		\$68,995,425	14.69%

⁽¹⁾The above taxpayers represent 14.69% of the Village’s 2025 EAV of \$469,686,292 (includes TIF). See “FINANCIAL INFORMATION AND ECONOMIC CHARACTERISTICS OF THE VILLAGE – Tax Increment Financing Districts Located within the Village” herein.
Source: County Clerk’s Office.

RETAILERS’ OCCUPATION AND SERVICE OCCUPATION TAX

The following table shows the distribution of the municipal portion of the Retailers’ Occupation, Service Occupation, and Use Tax (i.e., the Sales Taxes) collected by the Department of Revenue (the “Department”) from retailers within the Village. The table indicates the level of retail activity in the Village.

STATE FISCAL YEAR (JUNE 30)	MUNICIPAL TAX ⁽¹⁾
2021	\$1,906,855
2022	2,337,010
2023	3,862,035
2024	4,030,665
2025	4,345,307

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

NEW PROPERTY

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

LEVY YEAR	NEW PROPERTY
2021	\$2,581,725
2022	8,326,434
2023	2,159,961
2024	2,053,561
2025	4,378,375

Source: County Clerk’s Office.

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LARGEST EMPLOYERS

Below is a listing of the largest employers within or near the Village:

EMPLOYER	PRODUCT OR SERVICE	APPROXIMATE NUMBER OF EMPLOYEES
Scott Air Force Base ⁽¹⁾	Military	13,000
Hospital Sisters Health System	Healthcare	2,350
Southwestern Illinois College	Education	1,403
East St. Louis School District	Education	950
St. Clair County	County government	850
Army & Air Force Exchange	Military shopping exchange	730
GMRI, Inc. – Red Lobster	Restaurant	730
Allsup, Inc.	Social security disability	700
Belleville Public School District	Education	700
Lanter Transport Inc.	Refrigerated transportation & warehouse services	700

⁽¹⁾Located in the County less than four miles southeast of the Village.
Sources: Leadership Council Southwestern Illinois.

UNEMPLOYMENT RATES⁽¹⁾

	VILLAGE	COUNTY	STATE
2021 – Average	5.0%	6.2%	6.1%
2022 – Average	3.8	4.5	4.6
2023 – Average	3.9	4.7	4.5
2024 – Average	3.8	4.7	5.0
2025 – Average ⁽²⁾	3.7	4.5	4.6
2026 – March ⁽³⁾	N/A	4.2	4.7

- (1) Unemployment rates were revised in 2026.
- (2) 2025 annual unemployment rates are for 11 months as monthly rates for October were not released due to the federal government shut down.
- (3) Preliminary for April 2026. Monthly unemployment rates are not prepared for small communities such as the Village.
- (4) Source: State Department of Employment Security.

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Source: State Department of Employment Security.

INCOME STATISTICS, OCCUPATIONAL AND INDUSTRY CATEGORIES, AND HOUSING VALUES ,

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

	VILLAGE	COUNTY	STATE
Median Home Value	\$274,000	\$180,300	\$263,300
Median Household Income	99,573	73,854	83,390
Median Family Income	127,839	97,289	106,018
Per Capita Income	47,176	38,942	46,406

Source: U.S. Census Bureau 2020-2024 ACS 5-year estimates.

OCCUPATIONAL CATEGORIES

The following table categorizes the employment by occupation for residents (16 years of age and older) living in the Village compared to the County and the State.

OCCUPATIONAL CATEGORY	VILLAGE	COUNTY	STATE
Management, business, science, and arts occupations.....	47.6%	40.2%	43.3%
Service occupations	15.2	17.8	15.7
Sales and office occupations.....	18.5	20.2	19.5
Natural resources, construction, and maintenance occupations ..	3.8	7.1	7.0
Production, transportation, and material moving occupations	<u>14.9</u>	<u>14.7</u>	<u>14.5</u>
Totals.....	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>

Source: U.S. Census Bureau, 2020-2024 ACS 5-year estimates.

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INDUSTRY CATEGORIES

The following table categorizes the employment by industry for residents (16 years of age and older) living in the Village compared to the County and the State.

INDUSTRY CATEGORY	VILLAGE	COUNTY	STATE
Agriculture, forestry, fishing and hunting, and mining.....	0.0%	1.0%	1.0%
Construction	4.8	4.8	5.4
Manufacturing	7.5	8.8	11.5
Wholesale trade	3.2	1.6	2.6
Retail trade	6.5	10.2	10.3
Transportation and warehousing, and utilities	8.9	7.7	7.0
Information.....	0.8	1.4	1.7
Finance, insurance, real estate, and rental and leasing.....	4.4	5.9	7.4
Professional, scientific, management, administrative, and waste management services	13.6	12.4	12.9
Educational services, health care and social assistance	32.2	24.8	23.6
Arts, entertainment, recreation, accommodation and food services.....	7.0	9.9	8.2
Other services (except public administration).....	2.7	4.3	4.6
Public administration.....	<u>8.5</u>	<u>7.2</u>	<u>3.8</u>
Totals	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>

Source: U.S. Census Bureau, 2020-2024 ACS 5-year estimates.

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HOUSING AND CONSTRUCTION

The 2020-2024 ACS by the U.S. Census Bureau reported that of the 5,792 total occupied housing units, 63.2% of those located in the Village were owner-occupied. Selected home value data relative to values of owner-occupied housing units in the Village compared with the County and the State are as follows:

VALUE OF SPECIFIED OWNER- OCCUPIED UNITS	VILLAGE	COUNTY	STATE
Under \$50,000	2.6%	12.1%	5.4%
\$50,000 to \$99,999	7.4	15.0	8.3
\$100,000 to \$149,999	4.0	13.2	9.7
\$150,000 to \$199,999	11.4	15.1	11.8
\$200,000 to \$299,999	35.7	22.3	22.3
\$300,000 to \$499,999	35.8	18.2	27.7
\$500,000 or more	<u>3.0</u>	<u>4.1</u>	<u>14.8</u>
	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>
Median Home Value	\$274,000	\$180,300	\$263,300

Source: U.S. Census Bureau, 2020-2024 ACS 5-year estimates.

AGE STATISTICS

The following table shows population by age categories for the Village, the County, and the State:

	VILLAGE	COUNTY	STATE
0-4 years	3.8%	5.0%	5.2%
5-9 years	5.6	6.2	5.9
10-14 years	7.4	6.9	6.1
15-19 years	7.9	7.0	6.6
20-24 years	7.8	5.4	6.6
25-29 years	5.9	5.8	6.7
30-34 years	3.7	6.6	7.0
35-39 years	6.0	6.5	6.8
40-44 years	6.4	7.2	6.6
45-49 years	8.0	6.1	6.1
50-54 years	7.4	6.0	6.2
55-59 years	7.6	5.9	5.9
60-64 years	6.7	7.2	6.5
65 years and over	15.6	18.5	17.9

Source: U.S. Census Bureau, 2020-2024 ACS 5-year estimates.

Median Age of the Population

The following table shows the median age of the populations of the Village, the County, and the State:

	MEDIAN AGE
Village	41.0
County	39.9
State	40.0

Source: U.S. Census Bureau, 2020-2024 ACS 5-year estimates.

SHORT-TERM BORROWING

The Village 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 Village does not currently anticipate issuing any additional debt in the next twelve months.

DEFAULT RECORD

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

REAL PROPERTY ASSESSMENT, TAX LEVY, AND COLLECTION INFORMATION

TAX LEVY AND COLLECTION PROCEDURES

The following is a summary of property tax assessment, levy, and collection procedures for the County. The County Assessor supervises the assessment of all real property and railroad property or property used for transportation purposes. These valuations are subject to appeal by the taxpayer to the County Board of Review and the State's Property Tax Appeal Board and then to equalization by the Department. Real estate sales ratio studies conducted annually by the Department provide the foundation of inter-county equalization by means of multipliers assigned to each county. The multiplier (also known as the "equalization factor") is applied to all assessments in the County to adjust such assessment by a given percentage in order to bring the County level toward the statutory standard of 33-1/3% of fair market value.

Railroad real properties used for transportation purposes, private car lines, pollution control equipment, and capital stock are assessed by the Department which certifies these valuations to the County Clerk. These assessments are not subject to revision by the equalization factor.

The EAV is subject to local taxing body tax rates. The County Clerk computes all tax rates and ensures that the rate of any taxing body does not exceed that authorized by law. Abatements are factored into the final determination of tax rates. After receipt of the tax levies of each taxing body in the County, the County Clerk extends the taxes for each parcel of taxable property, which amount constitutes property taxes payable for each such parcel.

All taxable property in the County is reassessed every four years. Between these quadrennial assessments, any township assessor has the authority to revalue those properties whose condition has altered significantly since the last assessment and any other properties which may be incorrectly assessed.

Taxes not paid when due are subject to a penalty rate of 1-1/2% per month until paid. Unpaid property taxes constitute a valid lien against the property on which the tax is levied.

Property taxes in the County are collected by the Collector of the County, who distributes to the Village its share of collections. Taxes levied for expenditure in any year become due and payable in the following year. For example, taxes levied by the Village for the levy year 2025 become due and payable in calendar 2026. Real estate taxes are, by statute, payable in two installments during the year (June and September), whereas State-assessed taxes are payable in one lump sum.

EXEMPTIONS

The Illinois Property Tax Code, as amended (the "Property Tax Code"), currently provides for a variety of different homestead exemptions ("Homestead Exemptions"). Homestead Exemptions reduce the property tax burden of the recipient while increasing the tax burden for all other taxpayers in the taxing district.

The General (Residential) Homestead Exemption reduces the taxable assessed value of an individual's primary residence by an amount equal to the increase in EAV over the 1977 EAV. The maximum assessment deduction for counties with fewer than 3,000,000 inhabitants is \$6,000 for taxable year 2012 and thereafter. This exemption may be granted on a pro-rated basis for newly constructed homes based upon the number of days in the tax year the home was occupied by the taxpayer.

The Disabled Persons' Homestead Exemption is an additional exemption available to certain disabled individuals who meet State-mandated guidelines. The exemption reduces the taxable assessed value by an additional \$2,000.

The Homestead Improvement Exemption applies to residential properties that have been improved or rebuilt in the two years following a catastrophic event, as defined in the Property Tax Code. The exemption is limited to the fair cash value up to an annual maximum of \$75,000 for up to four years (or \$25,000 in assessed value, which is 33-1/3% of fair cash value), to the extent the assessed value deduction is attributable solely to such improvements or rebuilding.

There are two additional exemptions for senior citizens. The Senior Citizens Homestead exemption operates annually to reduce the EAV on a senior citizen's home. For taxable year 2013 and thereafter, the maximum reduction is \$5,000 in counties with fewer than 3,000,000 inhabitants. Furthermore, property that is first occupied as a residence after January 1 of any assessment year by a person who is eligible for the Senior Citizens Homestead Exemption must be granted a pro-rata exemption for the assessment year based on the number of days during the assessment year that the property is occupied as a residence by a person eligible for the exemption.

A Senior Citizens Assessment Freeze Homestead Exemption freezes property tax assessments for homeowners who are 65 and older and receive an annual income not in excess of \$55,000 through taxable year 2017 and \$65,000 for taxable year 2018 and thereafter. In general, this exemption limits the annual real property tax bill of such property by granting to qualifying senior citizens an exemption as to a portion of the valuation of their property. The exempt amount is the difference between (i) the current EAV of their residence and (ii) the base amount, which is 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 this exemption, plus the EAV of improvements since such year.

Beginning January 1, 2015, purchasers of certain single-family homes and residences of one to six units located in certain targeted areas (as defined in the applicable section of the Property Tax Code) can apply for the Community Stabilization Assessment Freeze Pilot Program. To be eligible, the purchaser must meet certain requirements for rehabilitating the property, including expenditures of at least \$5 per square foot, adjusted by the Consumer Price Index ("CPI"). Upon meeting the requirements, the assessed value of the improvements is reduced by (a) 90% in the first seven years, (b) 65% in the eighth year, and (c) 35% in the ninth year. The benefit ceases in the 10th 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, as defined in the Property Tax Code, occurring in taxable year 2012 or any taxable year thereafter. The Natural Disaster Exemption is equal to the EAV of the residence in the first taxable year for which the taxpayer applies for the exemption minus the base amount. To be eligible for the Natural Disaster Exemption, the residential structure must be rebuilt within two years after the date of the natural disaster, and the square footage of the rebuilt residential structure may not be more than 110% of the square footage of the original residential structure as it existed immediately prior to the natural disaster. The Natural Disaster Exemption remains at a constant amount until the taxable year in which the property is sold or transferred.

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

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 (i) service-connected disability of 30% or more but less than 50%, the annual exemption is \$2,500, (ii) service-connected disability of 50% or more but less than 70%, the annual exemption is \$5,000, and (iii) 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.

Lastly, in addition to the Homestead Exemptions, certain property is exempt from taxation on the basis of ownership and/or use, such as public parks, not-for-profit schools and public schools, churches, and not-for-profit hospitals and public hospitals.

PROPERTY TAX EXTENSION LIMITATION LAW

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

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

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

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

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

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

Illinois legislators have introduced several proposals to modify the Limitation Law, including freezing property taxes and extending tax caps to all taxing bodies in the State. The Village cannot predict whether, or in what form, any change to the Limitation Law may be enacted into law, nor can the Village predict the effect of any such change on the Village'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 Village covenanted in the Bond Ordinance that it will not take any action or fail to take any action which would adversely affect the ability of the Village to levy and collect the taxes levied by the Village for payment of principal of and interest on the Bonds, except as described in "THE BONDS - Abatement of Pledged Taxes" herein. The Village also covenanted that it will comply with all present and future applicable laws to assure that such taxes will be levied, extended, collected, and deposited as provided in the Bond Ordinance, except as described in "THE BONDS - ABATEMENT OF PLEDGED TAXES" herein.

RETIREMENT PLANS⁽¹⁾

ILLINOIS MUNICIPAL RETIREMENT FUND

The Illinois Municipal Retirement Fund ("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).

Benefits Provided. IMRF provides two tiers of pension benefits. Employees hired before January 1, 2011, are eligible for Tier 1 benefits. Tier 1 employees are vested for pension benefits

⁽¹⁾The Village's Audited Financial Statements for Fiscal Year ended April 30, 2025.

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

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

Regular Plan

Plan Description. The Village's defined-benefit pension plan for regular employees provides retirement and disability benefits, post-retirement increases, and death benefits to plan members and beneficiaries. This plan is affiliated with IMRF, an agent multiple-employer plan. Benefit provisions are established by statute and may only be changed by the General Assembly of the State. IMRF issues a publicly available financial report that includes financial statements and required supplementary information. The report may be obtained online at www.imrf.org.

Funding Policy. As set by statute, members are required to contribute 4.50% 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 employer annual required contribution rate for calendar year 2024 was 2.21%. The employer also contributes for disability benefits, death benefits and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by the IMRF Board of Trustees (the "IMRF Board"), while the supplemental retirement benefits rate is set by statute.

Covered Employees. At December 31, 2024, the following types of employees comprise the membership of the RP:

Retirees and beneficiaries	12
Inactive, non-retired members	24
Active members	<u>15</u>
Total	51

Actuarial Assumptions. The net pension liability for the RP was determined by an actuarial valuation performed as of December 31, 2024 using the following actuarial methods and assumptions:

Actuarial cost method	Aggregate entry-age normal
Asset valuation method	5-year smoothed market, 20% corridor
Actuarial assumptions	
Investment rate of return	7.25%
Salary increases	2.75% to 13.75%
Inflation	2.25%

Discount Rate. GASB Statement No. 68 includes a specific requirement for the discount rate that is used for the purpose of the measurement of the total pension liability. This rate considers the ability of the fund to meet benefit obligations in the future. To make this determination, employer contributions, employee contributions, benefit payments, expenses, and investment returns are projected into the future. The plan net position (assets) in future years can then be determined and compared to its obligation to make benefit payments in those years. As long as assets are projected to be on hand in a future year, the assumed valuation discount rate is used. In years where assets are not projected to be sufficient to meet benefit payments, the use of a "risk-free" rate is required, as described in the following paragraph.

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

For the purpose of this valuation, the expected rate of return on pension plan investments for the RP is 7.25%; the municipal bond rate is 4.08%; and the resulting single discount rate is 7.25%.

Discount Rate Sensitivity. The following is a sensitivity analysis of the net pension liability to changes in the discount rate. The table below presents the net pension liability of the Village calculated using the discount rate as well as what the Village's net pension liability/(asset) would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate:

	1% Decrease (6.25%)	Current Discount rate (7.25%)	1% Increase (8.25%)
Net pension liability/(asset)	\$258,265	\$(218,559)	\$(581,433)

Schedule of Changes in Net Pension Liability.

Period Ended:	<u>12/31/2024</u>	<u>12/31/2023</u>	<u>12/31/2022</u>
Service Cost	\$ 83,672	\$ 73,657	\$ 74,662
Interest	287,230	252,582	241,756
Difference Between Expected and Actual Experience	45,786	306,712	(44,584)
Changes of Assumptions	-	(11,454)	-
Benefit Payments, including Refunds of Member Contributions	(153,319)	(143,842)	(100,199)
Net Change in Total Pension Liability	263,369	477,654	171,635
Total Pension Liability – Beginning of Year	3,996,621	3,518,967	3,347,332
Total Pension Liability – End of Year	<u>\$4,259,990</u>	<u>\$3,996,621</u>	<u>\$3,518,967</u>
 Plan Fiduciary Net Position:	 <u>12/31/2024</u>	 <u>12/31/2023</u>	 <u>12/31/2022</u>
Contributions – Employer	\$ 21,028	\$ 36,602	\$ 43,461
Contributions – Employee	42,816	40,568	37,253
Net investment income	406,806	372,909	(427,648)
Benefit payments, including Refunds of Member Contributions	(153,319)	(143,842)	(100,199)
Other (Net Transfer)	(37,298)	368,232	489
Net Change in Plan Fiduciary Net Position	280,033	674,469	(446,644)
Plan Fiduciary Net Position – Beginning	4,198,516	3,524,047	3,970,691
Plan Fiduciary Net Position – Ending	<u>\$4,478,549</u>	<u>\$4,198,516</u>	<u>\$3,524,047</u>
Village’s Net Pension Liability (Asset)	<u>\$ (218,559)</u>	<u>\$ (201,895)</u>	<u>\$ (5,080)</u>
Plan Fiduciary Net Position as a % of Total Pension Liability	105.13%	105.05%	100.14%
Covered-Employee Payroll	\$ 951,472	\$ 901,503	\$ 827,840
Employer’s Net Pension Liability as a % of Covered Payroll	(22.97)%	(22.40)%	(0.61)%

SLEP

Plan Description. The Village's defined-benefit pension plan for certain SLEP eligible employees provides retirement and disability benefits, post-retirement increases, and death benefits to plan members and beneficiaries. Membership in SLEP is based on several factors including the member's role at the employer and type of appointment. SLEP members include many Illinois county sheriffs and deputy sheriffs, correctional officers, forest preserve district rangers, airport police and police chiefs. The plan is affiliated with IMRF, an agent multiple-employer plan. Benefit provisions are established by statute and may only be changed by the General Assembly of the State. IMRF issues a publicly available financial report that includes financial statements and required supplementary information. The report may be obtained online at www.imrf.org.

Funding Policy. As set by statute, SLEP members are required to contribute 7.50% 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 employer also contributes for disability benefits, death benefits and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by the IMRF Board of Trustees, while the supplemental retirement benefits rate is set by statute.

Covered Employees. At December 31, 2024, the following types of employees comprise the membership of SLEP:

Retirees and beneficiaries	1
Inactive, non-retired members	0
Active members	<u>0</u>
Total	1

Actuarial Assumptions. The net pension liability for SLEP was determined by an actuarial valuation performed as of December 31, 2024 using the following actuarial methods and assumptions:

Actuarial cost method	Aggregate entry-age normal
Asset valuation method	5-year smoothed market, 20% corridor
Actuarial assumptions	
Investment rate of return	7.25%
Salary increases	2.75% to 13.75%
Inflation	2.25%

Discount Rate. GASB Statement No. 68 includes a specific requirement for the discount rate that is used for the purpose of the measurement of the total pension liability. This rate considers the ability of the fund to meet benefit obligations in the future. To make this determination, employer contributions, employee contributions, benefit payments, expenses, and investment returns are projected into the future. The plan net position (assets) in future years can then be determined and compared to its obligation to make benefit payments in those years. As long as assets are projected to be on hand in a future year, the assumed valuation discount rate is used. In years where assets are not projected to be sufficient to meet benefit payments, the use of a "risk-free" rate is required, as described in the following paragraph.

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

For the purpose of this valuation, the expected rate of return on pension plan investments for the RP is 7.25%; the municipal bond rate is 4.08%; and the resulting single discount rate is 7.25%.

Discount Rate Sensitivity. The following is a sensitivity analysis of the net pension liability to changes in the discount rate. The table below presents the net pension liability of the Village calculated using the discount rate as well as what the Village's net pension liability/(asset) would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate:

	1% Decrease (6.25%)	Current Discount rate (7.25%)	1% Increase (8.25%)
Net pension liability/(asset)	\$(11,575)	\$(16,610)	\$(21,193)

Schedule of Changes in Net Pension Liability.

<u>Period Ended:</u>	<u>12/31/2024</u>	<u>12/31/2023</u>	<u>12/31/2022</u>
Service Cost	\$ -	\$ -	\$ -
Interest	6,596	6,801	6,968
Difference Between Expected and Actual Experience	4,448	4,113	3,814
Changes of Assumptions	-	(389)	-
Benefit Payments, including Refunds of Member Contributions	(13,492)	(13,216)	(12,944)
Net Change in Total Pension Liability	(2,448)	(2,691)	(2,162)
Total Pension Liability – Beginning of Year	97,725	100,416	102,578
Total Pension Liability – End of Year	\$ 95,277	\$ 97,725	\$100,416
Plan Fiduciary Net Position:	<u>12/31/2024</u>	<u>12/31/2023</u>	<u>12/31/2022</u>
Contributions – Employer	\$ -	\$ -	\$ -
Contributions – Employee	-	-	-
Net investment income	11,963	12,728	(21,801)
Benefit payments, including Refunds of Member Contributions	(13,492)	(13,216)	(12,944)
Other (Net Transfer)	1,595	5,682	3,106
Net Change in Plan Fiduciary Net Position	66	5,194	(31,639)
Plan Fiduciary Net Position – Beginning	111,821	106,627	138,266
Plan Fiduciary Net Position – Ending	\$111,887	\$111,821	\$106,627
Village's Net Pension Liability (Asset)	\$ (16,610)	\$ (14,096)	\$ (6,211)
Plan Fiduciary Net Position as a % of Total Pension Liability	117.43%	114.42%	106.19%
Covered-Employee Payroll	\$ -	\$ -	\$ -
Employer's Net Pension Liability as a % of Covered Payroll	0.00%	0.00%	0.00%

POLICE PENSION PLAN⁽¹⁾

Plan Administration. The Police Pension Plan is a single-employer defined-benefit pension plan that covers all sworn police personnel. The defined benefits and employee and minimum employer contribution levels are governed by Illinois statutes and may be amended only by the Illinois legislature. The Village accounts for the Police Pension Plan as a pension trust fund. The Police Pension Plan board consists of two members appointed by the Village, two active members of the police department elected by the membership and one retired member of the police department elected by the membership.

Plan Membership. As of April 30, 2025, membership consisted of:

Inactive plan members or beneficiaries currently receiving benefits	11
Active members	<u>21</u>
Total	32

The Pension Code requires that the Village contribute annually the amount necessary to fund the normal cost of the Police Pension Plan for such year plus an amount sufficient to bring the total assets of the Police Pension Plan up to 90% of the total actuarial liabilities of the Police Pension Plan by the end of Fiscal Year 2040, as determined by an actuary. The Pension Code provides a levy of a separate tax annually by the Village to generate the funds necessary to make this contribution.

Benefits Provided. The plan provides retirement, termination, disability, and death benefits.

Normal Retirement:

Tier 1: Age 50 and 20 years of Credited Service. Tier 2: Age 55 with 10 years of Credited Service. Benefit: Tier 1: 50% of annual salary attached to rank on last day of service plus 2.5% of the final salary for each year over 20 years, up to a maximum of 75% of salary. The minimum monthly benefit is \$1,000 per month. Tier 2: 2.50% per year of service times the average salary for the eight consecutive years prior to retirement times the number of years of service. The maximum benefit is 75% of average salary.

Cost of Living Adjustment:

Tier 1 Retirees: An annual increase equal to 3.00% per year after age 55. Those that retire prior to age 55 receive an increase of 1/12 of 3.00% for each full month since benefit commencement upon reaching age 55. Tier 2: An annual increase each January 1 equal to 3.00% per year or one-half of the annual unadjusted percentage increase in the CPI-u for the twelve months ending with the September preceding each November 1, whichever is less, of the original pension after the attainment of age 60 or first anniversary of pension start date whichever is later.

⁽¹⁾The Village's Audited Financial Statements for Fiscal Year ended April 30, 2025.

Disability Benefit:

Eligibility: Total and permanent as determined by the Board of Trustees. Benefit: A maximum of: a.) 65% of salary attached to the rank held by the member on last day of service, and; b.) The monthly retirement pension that the member is entitled to receive if he or she retired immediately. For non-service-connected disabilities, a benefit of 50% of salary attached to rank held by member on last day of service.

Pre-Retirement Death Benefit:

Service Incurred: 100% of salary attached to rank held by member on last day of service. Non-Service Incurred: A maximum of: a.) 50% of salary attached to the rank held by member on last day of service, and; b.) The monthly retirement pension earned by the deceased member at time of death, regardless of whether death occurs before or after age 50. For non-service deaths with less than 10 years of service, a refund of member contributions is provided.

Vesting (Termination):

Less than 10 years: Refund of member contributions.

10 or more years: Either the termination benefit, payable upon reaching age 60, provided contributions are not withdrawn, or a refund of member contributions. The termination benefit is 2.50% of annual salary held in the year prior to termination times creditable service.

Actuarial Assumptions. The total pension liability was determined by an actuarial valuation as of April 30, 2025 using the following actuarial assumptions:

Inflation	2.50%
Salary increases	3.50%
Investment rate of return	6.25%
Active mortality rate	Sex Distinct Raw Rates as developed in the PubS-2010(A) Study. Study improved to 2021 using MP-2021 Improvement Rates. These rates are then improved generationally using MP-2021 Improvement Rates.
Retiree mortality rate	Follows the Lauterbach & Amen Assumption Study for Police 2024. These rates are experience weighted with the Sex Distinct Raw Rates as developed in the PubS-2010(A) Study improved to 2021 using MP-2021 Improvement Rates. These rates are then improved fully generational using MP-2021 Improvement Rates.
Disability mortality rate	Follows the Sex Distinct Raw Rates as developed in the PubS-2010 Study for disabled participants improved to 2021 using MP-2021 Improvement Rates. These rates are then improved generationally using MP-2021 Improvement Rates.

Contributions. Employees contribute 9.91% of their salary and the Village contributes the remaining amount necessary for payment of the normal cost (current year's) and amortization of the unfunded actuarial accrued liability by level dollar contributions to a 100% funding target over a layered amortization period of 13.86 years, as of the April 30, 2024 Fiscal Year.

Discount Rate. The discount rate used to measure the total pension liability was 6.25%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that sponsor contributions will be made at rates equal to the difference between the actuarially determined contribution rates and the member rate. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all future projected benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

	1% Decrease (5.25%)	Current Discount Rate (6.25%)	1% Increase (7.25%)
Net pension liability/(asset)	\$3,695,580	\$1,556,129	\$(158,472)

Schedule of Changes in Net Pension Liability.

Period Ended:	<u>4/30/2025</u>	<u>4/30/2024</u>	<u>4/30/2023</u>
Service Cost	\$ 498,628	\$ 474,910	\$ 632,373
Interest	711,733	671,606	640,805
Changes of Benefit Terms	-	-	(31,540)
Difference Between Expected and Actual Experience	(78,826)	(376,490)	132,255
Changes of Assumptions	245,597	-	(2,643,610)
Benefit Payments, including Refunds	(430,694)	(314,718)	(442,210)
Net Change in Total Pension Liability	946,438	455,308	(1,711,927)
Total Pension Liability – Beginning of Year	11,720,899	11,265,591	12,977,518
Total Pension Liability – End of Year	<u>\$12,667,337</u>	<u>\$11,720,899</u>	<u>\$11,265,591</u>

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Plan Fiduciary Net Position:	<u>4/30/2025</u>	<u>4/30/2024</u>	<u>4/30/2023</u>
Contributions – Employer	\$ 742,469	\$ 717,205	\$ 669,915
Contributions – Employee	173,966	167,867	158,492
Other	-	-	36,638
Net investment income	887,461	662,609	(321)
Benefit payments, including Refunds of Member Contributions	(430,694)	(314,718)	(442,210)
Administrative	(10,180)	(11,935)	(10,515)
Net Change in Plan Fiduciary Net Position	1,363,022	1,221,028	411,989
Plan Fiduciary Net Position – Beginning	9,748,186	8,527,158	8,115,169
Plan Fiduciary Net Position – Ending	<u>\$11,111,208</u>	<u>\$ 9,748,186</u>	<u>\$ 8,527,158</u>
Village’s Net Pension Liability (Asset)	<u>\$ 1,556,129</u>	<u>\$ 1,972,713</u>	<u>\$ 2,738,433</u>
Plan Fiduciary Net Position as a % of Total Pension Liability	87.72%	83.17%	75.69%
Covered-Employee Payroll	\$ 1,755,461	\$ 1,693,921	\$ 1,599,316
Employer’s Net Pension Liability as a % of Covered Payroll	88.65%	116.46%	171.23%

DOWNSTATE POLICE AND FIRE PENSION CONSOLIDATION BILL

Public Act 101-0610 (“PA 101-610”) authorized the consolidation of more than 650 police and firefighter pension funds that provide benefits to police and firefighters located outside the boundaries of the City of Chicago, Illinois, into two Statewide funds: The Police Officers’ Pension Investment Fund (the “Consolidated Police Pension Fund”) and the Firefighters’ Pension Investment Fund (the “Consolidated Firefighters’ Pension Fund,” and together with the Consolidated Police Pension Fund, the “Consolidated Pension Funds”). Upon consolidation, the Consolidated Police Pension Fund and the Consolidated Firefighters’ Pension Fund has in excess of \$8 billion and \$6 billion in assets, respectively. The purpose of consolidating local pension funds into the Consolidated Pension Funds was to invest assets more efficiently and to reduce administrative costs in order to generate higher investment returns.

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

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

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

OTHER POST-EMPLOYMENT BENEFITS

Plan Description. The Village maintains a single-employer defined-benefit healthcare plan available for retirees (“OPEB”). The Village provides pre and post Medicare post-retirement healthcare benefits to all retirees who worked for the Village, were enrolled in one of the Village's healthcare plans at the time of employment and receive a pension from the Village through IMRF or the Police Pension Fund. The various eligibility requirements vary with the type of retirement plan the employee was associated with. The Village does not issue a separate report related to post-retirement healthcare benefits.

Funding Policy. The contribution requirements are as determined by the contracts with Village employees and are funded as a pay-as-you-go basis.

Annual OPEB Cost and Net OPEB Obligation. The Village's annual OPEB cost is calculated based on an amount actuarially determined in accordance with the parameters of GASB Statement 75. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities over a period not to exceed thirty years.

The OPEB liability as of April 30, 2025, is calculated at \$408,182. This is an increase of \$4,968 in the current year from the prior year estimated balance of \$403,214.

Funding Status and Funding Progress. As of April 30, 2025, the most recent actuarial valuation date, the plan was not funded. The actuarial accrued liability for benefits and the unfunded actuarial accrued liability is \$408,182. The OPEB plan has no assets as payments are made on a pay-as-you-go basis. The covered payroll was \$2,653,016 and the ratio of the unfunded actuarial accrued liability to the covered payroll was 15.39%.

Schedule of Changes in OPEB Liability.

<u>Period Ended:</u>	<u>4/30/2025</u>	<u>4/30/2024</u>	<u>4/30/2023</u>
Service Cost	\$ 41,978	\$ 27,104	\$ 27,413
Interest	16,201	10,190	8,669
Difference Between Expected and Actual Experience	-	39,631	-
Changes of Assumptions	(42,922)	42,849	(7,737)
Benefit Payments, including Refunds	(10,289)	(10,463)	(8,994)
Net Change in Total Pension Liability	4,068	109,311	19,351
Total Pension Liability – Beginning of Year	403,214	293,903	274,552
Total Pension Liability – End of Year	<u>\$ 408,182</u>	<u>\$ 403,214</u>	<u>\$ 293,903</u>

Plan Fiduciary Net Position:	<u>4/30/2025</u>	<u>4/30/2024</u>	<u>4/30/2023</u>
Contributions – Employer	\$ 10,289	\$ 10,463	\$ 8,994
Contributions – Employee	-	-	-
Net investment income	-	-	-
Benefit payments, including Refunds of Member Contributions	(10,289)	(10,463)	(8,994)
Administrative	-	-	-
Net Change in Plan Fiduciary Net Position	-	-	-
Plan Fiduciary Net Position – Beginning	-	-	-
Plan Fiduciary Net Position – Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Village’s Net OPEB Liability (Asset)	<u>\$ 408,182</u>	<u>\$ 403,214</u>	<u>\$ 293,903</u>
Plan Fiduciary Net Position as a % of Total Pension Liability	0.00%	0.00%	0.00%
Covered-Employee Payroll	\$2,653,016	\$2,492,826	\$2,262,576
Employer’s Net Pension Liability as a % of Covered Payroll	15.39%	16.17%	12.99%

[BOND INSURANCE]

[BOND INSURANCE POLICY]

BOND RATING[S]

[S&P has assigned its credit rating of “__” (____ Outlook) to the Bonds, with the understanding that, upon delivery of the Bonds, the Policy will be issued by __.] S&P has assigned its underlying rating of “AA-” (Stable Outlook) to the Bonds. Such rating[s] reflect[s] only the views of such organization and explanations of the significance of such rating[s] may be obtained from the rating agencies furnishing the same.

There is no assurance that a rating will continue for any given period of time or that it may not be lowered or withdrawn entirely by the rating agency if, in the judgment of such rating agency circumstances so warrant. Such lowering or withdrawal may have an adverse effect on the market price of the Bonds.

TAX EXEMPTION

FEDERAL TAX EXEMPTION

In the opinion of Bond Counsel, under existing law, the interest on the Bonds is excludable from gross income for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax. Bond Counsel will express no opinion regarding any other federal tax consequences arising with respect to the Bonds and the interest thereon.

The opinion on federal tax matters is based on the accuracy of certain representations and certifications, and continuing compliance with certain covenants, of the Village contained in the

transcript of proceedings and which are intended to evidence and assure the foregoing, including that the Bonds are and will remain obligations the interest on which is excludable from gross income for federal income tax purposes. The Village has covenanted to take the actions required of it for the interest on the Bonds to be and to remain excludable from gross income for federal income tax purposes, and not to take any actions that would adversely affect that exclusion. Bond Counsel's opinion assumes the accuracy of the Village's certifications and representations and the continuing compliance with the Village's covenants. Noncompliance with these covenants by the Village may cause the interest on the Bonds to be included in gross income for federal income tax purposes retroactively to the date of issuance of the Bonds. After the date of issuance of the Bonds, Bond Counsel will not undertake to determine (or to so inform any person) whether any actions taken or not taken, or any events occurring or not occurring, or any other matters coming to Bond Counsel's attention, may adversely affect the exclusion from gross income for federal income tax purposes of interest on the Bonds or the market prices of the Bonds.

The opinion of Bond Counsel is based on current legal authority and covers certain matters not directly addressed by such authority. It represents Bond Counsel's legal judgment as to the excludability of interest on the Bonds from gross income for federal income tax purposes but are not a guarantee of that conclusion. The Federal income tax opinion is not binding on the Service or any court. Bond Counsel cannot give and have not given any opinion or assurance about the effect of future changes in the Internal Revenue Code of 1986, as amended (the "Code"), the applicable regulations, the interpretations thereof or the enforcement thereof by the Service.

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, corporations (as defined in Section 59(k) of the Code) subject to the alternative minimum 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 the Bonds. Bond Counsel will express no opinion regarding any such consequences.

INVESTORS SHOULD CONSULT WITH THEIR TAX ADVISORS AS TO THE TAX CONSEQUENCES OF THEIR ACQUISITION, HOLDING OR DISPOSITION OF THE BONDS.

Tax Treatment of Accruals on Original Issue Discount

Under existing law, if the initial public offering price to the public (excluding bond houses and brokers) of a Bond is less than the stated redemption price of such Bonds at maturity, then such Bond is considered to have "original issue discount" equal to the difference between such initial offering price and the amount payable at maturity (such Bonds are referred to as "OID Bonds"). Such discount is treated as interest excludable from federal gross income to the extent properly allocable to each registered owner thereof. The original issue discount accrues over the term to maturity of each such OID Bond on the basis of a constant interest rate compounded at the end of each six-month period (or shorter period) from the date of original issue with straight line interpolations between compounding dates. The amount of original issue discount accruing during

each period is added to the adjusted basis of such OID Bonds to determine taxable gain upon disposition (including sale, redemption, or payment on maturity) of such OID Bonds.

The Code contains certain provisions relating to the accrual of original issue discount in the case of purchasers of OID Bonds who purchase such OID Bonds after the initial offering of a substantial amount thereof. Owners who do not purchase such OID Bonds in the initial offering at the initial offering prices should consult their own tax advisors with respect to the tax consequences of ownership of such OID Bonds.

All holders of the OID Bonds should consult their own tax advisors with respect to the allowance of a deduction for any loss on a sale or other disposition of an OID Bond to the extent such loss is attributable to accrued original issue discount.

Amortizable Bond Premium

For federal income tax purposes, the excess of the initial offering price to the public (excluding bond houses and brokers) at which a Bond is sold over the amount payable at maturity thereof constitutes for the original purchasers of such Bonds (collectively, the “Original Premium Bonds”) an amortizable bond premium. The Bonds other than Original Premium Bonds may also be subject to an amortizable bond premium determined generally with regard to the taxpayer’s basis (for purposes of determining loss on a sale or exchange) and the amount payable on maturity or, in certain cases, on an earlier call date (such Bonds being referred to herein collectively with the Original Premium Bonds as the “Premium Bonds”). Such amortizable bond premium is not deductible from gross income. The amount of amortizable bond premium allocable to each taxable year is generally determined on the basis of the taxpayer’s yield to maturity determined by using the taxpayer’s basis (for purposes of determining loss on sale or exchange) of such Premium Bonds and compounding at the close of each six-month accrual period. The amount of amortizable bond premium allocable to each taxable year is deducted from the taxpayer’s adjusted basis of such Premium Bonds to determine taxable gain upon disposition (including sale, redemption, or payment at maturity) of such Premium Bonds.

All holders of the Premium Bonds should consult with their own tax advisors as to the amount and effect of the amortizable bond premium.

Market Discount

The “market discount rules” of the Code apply to the Bonds. Accordingly, holders acquiring their Bonds subsequent to the initial issuance of the Bonds will generally be required to treat market discount recognized under the provisions of the Code as ordinary taxable income (as opposed to capital gain income). Holders should consult their own tax advisors regarding the application of the market discount provisions of the Code and the advisability of making any of the elections relating to market discount allowed by the Code.

Information Reporting and Backup Withholding

Information reporting requirements apply to interest paid after March 31, 2007, on tax exempt obligations, including the Bonds. In general, such requirements are satisfied if the interest recipient completes, and provides the payor with, a Form W 9, "Request for Taxpayer Identification Number and Certification," or unless the recipient is one of a limited class of exempt recipients, including corporations. A recipient not otherwise exempt from information reporting who fails to satisfy the information reporting requirements will be subject to "backup withholding," which means that the payor is required to deduct and withhold a tax from the interest payment, calculated in the manner set forth in the Code. For the foregoing purpose, a "payor" generally refers to the person or entity from whom a recipient receives its payments of interest or who collects such payments on behalf of the recipient.

If an owner purchasing the Bonds through a brokerage account has executed a Form W 9 in connection with the establishment of such account no backup withholding should occur. In any event, backup withholding does not affect the excludability of the interest on the Bonds from gross income for federal income tax purposes. Any amounts withheld pursuant to backup withholding would be allowed as a refund or a credit against the owner's federal income tax once the required information is furnished to the Service.

Future Developments

Bond Counsel's engagement with respect to the Bonds ends with the issuance of the Bonds and, unless separately engaged, Bond Counsel is not obligated to defend the Village in the event of an audit examination by the Service. The Service has a program to audit tax exempt obligations to determine whether the interest thereon is includible in gross income for federal income tax purposes. If the Service does audit the Bonds, under current Service procedures, the Service will treat the Village as the taxpayer and the beneficial owners of the Bonds will have only limited rights, if any, to obtain and participate in judicial review of such audit.

NO ASSURANCE CAN BE GIVEN THAT ANY FUTURE LEGISLATION OR CLARIFICATIONS OR AMENDMENTS TO THE CODE, IF ENACTED INTO LAW, WILL NOT CONTAIN PROPOSALS WHICH COULD CAUSE THE INTEREST ON THE BONDS TO BE SUBJECT DIRECTLY OR INDIRECTLY TO FEDERAL INCOME TAXATION, ADVERSELY AFFECT THE MARKET PRICE OR MARKETABILITY OF THE BONDS, OR OTHERWISE PREVENT THE HOLDERS FROM REALIZING THE FULL CURRENT BENEFIT OF THE STATUS OF THE INTEREST THEREON. BOND COUNSEL EXPRESSES NO OPINION REGARDING ANY PENDING OR PROPOSED FEDERAL TAX LEGISLATION.

FURTHER, NO ASSURANCE CAN BE GIVEN THAT ANY ACTIONS OF THE SERVICE, INCLUDING, BUT NOT LIMITED TO, SELECTION OF THE BONDS FOR AUDIT EXAMINATION, OR THE COURSE OR RESULT OF ANY EXAMINATION OF THE BONDS, OR OTHER BONDS WHICH PRESENT SIMILAR TAX ISSUES, WILL NOT AFFECT THE MARKET PRICE OF THE BONDS.

INVESTORS SHOULD CONSULT WITH THEIR TAX ADVISORS AS TO THE TAX CONSEQUENCES OF THEIR ACQUISITION, HOLDING OR DISPOSITION OF THE BONDS, INCLUDING THE IMPACT OF ANY PENDING OR PROPOSED FEDERAL LEGISLATION, AND THE TREATMENT OF ORIGINAL ISSUE PREMIUM OR ORIGINAL ISSUE DISCOUNT.

NO STATE TAX EXEMPTION

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 Village'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.

CONTINUING DISCLOSURE

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

A failure by the Village to comply with the Undertaking will not constitute a default under the Bond Ordinance and beneficial owners of the Bonds are limited to the remedies described in the Undertaking. The Village 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. See "APPENDIX C" hereto.

AUDITED FINANCIAL STATEMENTS

The Audit contained in APPENDIX A, including the independent auditor's report accompanying the Audit, has been prepared by C.J. Schlosser & Company, L.L.C., Certified

Public Accountants, Alton, Illinois (the “Auditor”), and approved by formal action of the Village Board. The Village has not requested the Auditor to update information contained in the Audit nor has the Village 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 Village since the date of the Audit. Specific questions or inquiries relating to the financial information of the Village since the date of the Audit should be directed to Tracy Kennett, Chief Financial Officer of the Village.

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 series and maturity of the Bonds, in the aggregate principal amount of such series and maturity and will be deposited with DTC.

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

Purchases of Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Bonds on DTC’s records. The ownership interest of each actual purchaser of each Bond (“Beneficial Owner”) is in turn to be recorded on the Direct and Indirect Participants’ records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or

Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Bonds, except in the event that use of the book-entry system for the Bonds is discontinued.

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

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

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

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the Bonds unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the Village 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 Village 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 Village, 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 Village 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 Village 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 Village 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 Village takes no responsibility for the accuracy thereof.

The Village 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 Miller, Canfield, Paddock and Stone, P.L.C., which has been retained by, and acts as, Bond Counsel to, the Village. Bond Counsel has not been retained or consulted on disclosure matters and has not undertaken to review or verify the accuracy, completeness, or sufficiency of this Official Statement or other offering material relating to the Bonds and assumes no responsibility for the statements or information contained in or incorporated by reference in this Official Statement, except that in its capacity as Bond Counsel has, at the request of the Village, reviewed only those portions of this Official Statement involving the description of the Bonds, the security for the Bonds (excluding forecasts, projections, estimates, or any other financial or economic information in connection therewith), and the federal tax exemption status of the interest on the Bonds. This review was undertaken solely at the request and for the benefit of the Village and did not include any obligation to establish or confirm factual matters set forth herein. See APPENDIX C for the Form of Bond Counsel Opinion. Miller, Canfield, Paddock and Stone, P.L.C. will serve as Disclosure Counsel to the Village.

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 Village taken with respect to the issuance or sale thereof. A certificate to this effect will be delivered by the Village with the other customary closing papers when the Bonds are delivered.

UNDERWRITING

The Bonds were offered for sale by the Village at a public competitive sale on June 24, 2026. The best bid submitted at the sale was submitted by _____, _____, _____ (the “Underwriter”). The Village awarded the contract for sale of the Bonds to the Underwriter at a price of \$ _____, reflecting the par amount of the Bonds of \$ _____, plus [net] original issue premium of \$ _____, and less Underwriter’s discount of \$ _____. The Underwriter has represented to the Village that the Bonds have been subsequently reoffered to the public initially at the yields set forth on the inside front cover of this Official Statement.

MUNICIPAL ADVISOR

Raymond James & Associates, Inc., Naperville, Illinois, has been retained as municipal advisor (the “Municipal Advisor”) in connection with the issuance of the Bonds. In assisting with the preparation of this Official Statement, the Municipal Advisor has relied upon the Village and other sources having access to relevant data to provide accurate information for this Official Statement. To the best of the Municipal Advisor’s knowledge, the information contained in this Official Statement is true and accurate. However, the Municipal Advisor has not been engaged, nor has it undertaken, to independently verify the accuracy of such information. The Municipal Advisor’s duties, responsibilities, and fees in connection with this issuance arise solely from that as municipal advisor to the Village.

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AUTHORIZATION

This Official Statement has been approved by the Village for distribution to prospective purchasers of the Bonds. The Village 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/

Chief Financial Officer
Village of Shiloh, St. Clair County, Illinois

_____, 2026

EXHIBITS

EXHIBIT A shows the Village's recent financial history for the General Fund of the Village. EXHIBIT B provides information on the General Fund revenue sources of the Village. EXHIBIT C provides information on the budgeted appropriations for the General Fund of the Village.

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

	2021	2022	2023	2024	2025
REVENUES:					
Property Tax	\$ 101,051	\$ 100,426	\$ 95,713	\$ 96,082	\$ 98,359
Intergovernmental:					
Sales and Use Tax	2,534,920	2,882,634	4,440,133	4,563,053	4,746,018
Replacement Tax	5,616	12,242	13,839	9,116	6,044
State Income Tax	1,694,619	2,230,594	2,169,562	2,346,195	2,514,183
Excise Tax	-	-	21,259	18,731	20,458
Video Gaming Tax	98,419	211,710	204,993	230,226	252,117
Cannabis Tax	12,353	22,332	21,945	22,203	21,865
Grants	640,635	206,062	1,708,871	512,577	273,531
Veteran's Tax Relief Reimbursement	-	-	-	23,481	-
Utility Tax	951,536	1,045,933	1,043,737	992,069	1,048,481
Franchise Fees	160,854	266,759	290,285	261,573	250,138
Licenses, Fees, and Permits	420,486	406,239	216,315	203,389	227,745
Reimbursements	95,582	-	-	-	-
Charges for Services	-	-	59,506	73,035	45,824
Fines	35,821	51,511	23,763	39,621	30,179
Investment Earnings	10,925	(8,795)	63,569	291,279	439,685
Gifts and Donations	-	-	500	10,627	-
Sale of Assets	5,940	1,346,438	-	-	-
Rental Income	4,025	16,338	-	-	-
Local Grants	-	434,000	-	-	-
Miscellaneous	25,525	67,249	424,651	89,935	25,071
TOTAL REVENUES	6,798,307	9,291,672	10,798,641	9,783,192	9,999,698
EXPENDITURES:					
CURRENT:					
General Government	881,371	960,090	1,020,550	1,081,110	990,884
Public Safety	2,609,534	2,775,087	3,036,048	3,278,270	3,670,179
Public Works	-	-	562,828	653,905	769,752
Highways and Streets	610,767	617,932	-	-	-
Culture and Recreation	425,712	360,786	438,142	539,306	496,420
Community and Economic Development	662,719	240,962	-	828,168	930,215
Capital Outlay	479,918	1,007,949	2,207,266	2,894,750	205,074
TOTAL EXPENDITURES	5,670,021	5,962,806	7,264,834	9,275,509	7,062,524
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,128,286	3,328,866	3,533,807	507,683	2,937,174
Other Sources (Uses):					
Transfers In	-	420,673 ⁽²⁾	7,018 ⁽³⁾	7,750 ⁽⁴⁾	13,800 ⁽⁵⁾
Transfers Out	(306,013) ⁽¹⁾	(73,994) ⁽²⁾	(657,448) ⁽³⁾	(719,922) ⁽⁴⁾	(351,769) ⁽⁵⁾
Total Other Sources (Uses)	(306,013)	346,679	(650,430)	(712,172)	(337,969)
Net Change in Fund Balance	822,273	3,675,545	2,883,377	(204,489)	2,599,205
Beginning Fund Balance	2,333,529	3,155,802	6,831,347	9,714,724	9,510,235
Fund Balance, End of Year	\$3,155,802	\$6,831,347	\$ 9,714,724	\$9,510,235	\$12,109,440

See footnotes on the following page.

⁽¹⁾Transfers out to the TIF C Fund in the amount of \$150,646 and the Golf Course Fund in the amount of \$155,367.

⁽²⁾Transfers in from the Tourism and Convention Fund in the amount of \$9,000, the TIF A fund in the amount of \$37,840, the TIF B Fund in the amount of \$369,033, and the Yorktown Fund in the amount of \$4,800, and out to the Motor Fuel Tax Fund in the amount of \$53,994 and the Yorktown Fund in the amount of \$20,000.

⁽³⁾Transfers in from the Capital Projects Fund in the amount of \$481, the Tourism and Convention Fund in the amount of \$6,250, and the Three Springs Business district Fund in the amount of \$287, and out to the Tax Increment Financing Fund D in the amount of \$313,469, the Golf Course Fund in the amount of \$260,000, and the Cemetery Perpetual Fund in the amount of \$83,979.

⁽⁴⁾Transfers in from the Tourism and Convention Fund, and out to the Tax Increment Financing Fund D in the amount of \$317,769 and the Golf Course Fund in the amount of \$402,153.

⁽⁵⁾Transfers in from the Tourism and Convention Fund, and out to the Tax Increment Financing Fund D in the amount of \$316,769 and the Golf Course Fund in the amount of \$35,000.

Source: The Village's Audited Financial Statements for the Fiscal Years ended April 30, 2021 through 2025.

**EXHIBIT B — SUMMARY OF REVENUES AND EXPENDITURES – GENERAL FUND,
FISCAL YEAR ENDED APRIL 30, 2025**

	FY 2025 AMOUNT	PERCENT OF TOTAL	INCREASE (DECREASE) FROM FY 2024
Revenues:			
Property Taxes	\$ 98,359	0.98%	\$ 2,277
Intergovernmental	7,834,216	78.34	108,634
Utility Tax	1,048,481	10.49	56,412
Franchise Fees	250,138	2.50	(11,435)
Licenses, Fees, and Permits	227,745	2.28	24,356
Charges for Services	45,824	0.46	(27,211)
Fines	30,179	0.30	(9,442)
Investment Earnings	439,685	4.40	148,406
Gifts and Donations	-	0.00	(10,627)
Miscellaneous	25,071	0.25	(64,864)
Total	<u>\$9,999,698</u>	<u>100.00%</u>	<u>\$216,506</u>

Source: The Village's Audited Financial Statements for the Fiscal Years ended April 30, 2024 and 2025.

**EXHIBIT C — SUMMARY OF BUDGETED APPROPRIATIONS – GENERAL FUND,
FISCAL YEAR ENDING APRIL 30, 2026**

	<u>2026</u>
Revenue (\$1,000's):	
Taxes	\$ 1,095
Licenses and Permits	197
Charges for Services	62
Fines and Forfeitures	21
Intergovernmental	7,558
Miscellaneous	<u>601</u>
Total Revenues	\$ 9,534
Expenditures (\$1,000's):	
General Government	\$1,710
Public Safety	3,975
Public Works	2,542
Culture and Recreation	1,282
Cemetery	40
Economic Development	1,050
Debt Service	<u>506</u>
Total Expenditures	\$11,105

Source: The Village.

APPENDIX A

**AUDITED FINANCIAL STATEMENTS OF THE
VILLAGE FOR THE FISCAL YEAR ENDED APRIL 30, 2025**

VILLAGE OF SHILOH, ILLINOIS

FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION

FOR THE YEAR ENDED
APRIL 30, 2025

VILLAGE OF SHILOH, ILLINOIS

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VILLAGE OF SHILOH, ILLINOIS

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INDEPENDENT AUDITOR'S REPORT

To the Honorable Mayor and Village Trustees
Village of Shiloh
Shiloh, Illinois

Opinions

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

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

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with generally accepted auditing standards, we:

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

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

Required Supplementary Information

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

Supplementary Information

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

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the schedule of assessed valuations, tax rates, extensions and collections, but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

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

C. J. Schlosser & Company, L.L.C.

Certified Public Accountants
Alton, Illinois
October 27, 2025

VILLAGE OF SHILOH, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
APRIL 30, 2025

Within this section of the Village of Shiloh, Illinois' (the Village) Financial Statements and Supplementary Information, the Village's management provides narrative discussion and analysis of the financial activities of the Village for the fiscal year ended April 30, 2025. Management's Discussion and Analysis (MD&A) helps assess whether the Village's finances have improved or deteriorated since the previous year. The Village's financial performance is discussed and analyzed within the context of the accompanying financial statements, disclosures and supplementary information following this section and should be read in conjunction with those items in its entirety.

Financial Highlights

- ▶ The Village's assets and deferred outflows exceeded its liabilities and deferred inflows of resources by \$37,554,387 (net position) for the fiscal year ended April 30, 2025. This represents an increase of \$3,292,622 in comparison to the previous year when net position was \$34,261,765.
- ▶ Total net position is comprised of the following:
 - Net investment in capital assets, net of depreciation and related debt totaled \$25,700,690.
 - Net position for governmental activities of \$5,202,957 is restricted for purposes including economic and community development, culture, cemetery, public safety and restricted tax revenues.
 - Unrestricted net position totaled \$6,650,740 on April 30, 2025.
- ▶ General revenues increased \$1,028,205 (8%) to \$13,711,461. That includes increased sales and use tax revenue of \$458,000 (8%). A rise in sales within the Green Mount Business District resulted in \$100,000 in additional business district sales tax while also contributing to the \$239,000 increase in general sales tax revenue. Other factors for the increase in general sales taxes are the opening of another car dealership during the year, higher sales at the existing dealerships and the continued benefits from destination-based sourcing and the "Leveling the Playing Field Act". Even with use taxes decreasing by over \$150,000 (and continuing to sharply decline) because of the sourcing change, the Village is coming out ahead in total with increased compliance and more online purchases by residents contributing to general sales tax. Wingate Business District sales tax growth gives further evidence. Despite no new brick and mortar businesses opening during the fiscal year, the Wingate Business District generated \$36,000 in additional tax revenue. Finally, Green Mount-Lebanon Business District sales tax went into effect July 1, 2024, and generated \$83,000 in revenue in the fiscal year. Other intergovernmental revenue growth included state income taxes distributed to the Village on a per capita basis increased \$168,000 (7%) due to increased receipts and continued allocation corrections made by the state. Motor Fuel Tax revenues increased \$37,000 (6%) due to annual state-wide tax increases and a 40% larger high-growth city payment from the Department of Transportation. Also, video gaming taxes increased \$22,000 (10%) solely due to increased play as the number and locations of the machines were unchanged during the year. Offsetting these increases was the loss of the one-time Veteran's Tax Relief Reimbursement of \$23,000 and a \$3,000 loss of replacement taxes due primarily to corrections of prior overallocations by the state.
- ▶ Other general revenue changes include a \$149,000 (10%) increase in property tax revenue because the assessed valuation for TIF C increased 7% and in the prior year TIF A refunded \$94,000 in property taxes due to an appeal. Also, Village investment earnings increased \$212,000 (37%) because of higher cash and investment balances despite a drop in interest rates. In addition, utility taxes increased \$65,000 because of sharp electric rate increases on consumers, which resulted in increased taxes as well. Offsetting these revenue additions was a decrease between years in miscellaneous revenues of \$41,000 which occurred because of reimbursements collected in the prior year. All other general revenues decreased in total by \$16,000 from the prior year.
- ▶ Program revenues decreased \$90,062 (9%). Total grants decreased \$84,000 (13%) from the prior year due to last year including the final \$332,000 spending of federal Coronavirus State and Local Fiscal Recovery Funds (CSLFRF). However, net Equitable Sharing revenues increased \$181,000 with the remaining \$67,000 difference primarily due to Village police officers providing security for the transit district beginning this year. A decrease in total charges for services accounts for the remaining \$6,000 decrease. Total revenues ended at \$938,143 (7%) higher than last year.

VILLAGE OF SHILOH, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
APRIL 30, 2025

- ▶ Village expenses increased \$1,180,262 (12%) mostly in community and economic development which increased \$336,000 (13%). This was due to increased General Fund sales tax rebate payments and the resumption of a county road widening project in TIF A. Expense increases included 1) public safety \$253,000 (8%) due to personnel costs and supplies and other increases due to staff turnover and 2) public works \$309,000 (17%) due to personnel costs and non-capitalized road maintenance. General government also increased \$244,000 (24%) but this was due to a lessened effect of the decrease in net pension liability compared to the prior year. Actual general government spending dropped \$90,000. Also increasing was interest on long-term debt \$49,000 (8%) due primarily to accrued interest payable for the TIF and SSA notes. The remaining Village expenses decreased by \$11,000 in total.

- ▶ S&P Global Ratings has assigned the Village a bond rating of AA- with a stable outlook.

Overview of Financial Statements

Management's Discussion and Analysis introduces the Village's basic financial statements. The basic financial statements include: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the financial statements. The report also includes additional information to supplement the basic financial statements.

Government-Wide Financial Statements

The Village's government-wide financial statements provide both long-term and short-term information about the Village's overall status. Financial reporting at this level uses a perspective similar to that found in the private sector using the economic resources measurement focus, basis in full accrual accounting, and elimination or reclassification of internal activities.

The first of these government-wide statements is the Statement of Net Position. The focus of this statement (the unrestricted net position) is designed to present bottom line results Village-wide and includes all the Village's assets, deferred outflows of resources, liabilities, and deferred inflows of resources for its governmental and business-type activities with the difference reported as net position. This statement combines and consolidates governmental funds' current financial resources (short-term spendable resources) with capital assets and long-term obligations.

Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Village as a whole is improving or deteriorating. Evaluation of the overall economic health of the Village would extend to other non-financial factors, such as diversification of the taxpayer base or the condition of Village infrastructure, in addition to the financial information provided in this report.

The second government-wide statement is the Statement of Activities, which reports how the Village's net position changed during the current fiscal year. All current year revenues and expenses are included regardless of when cash is received or paid. The statement focuses on both the gross and net cost of various activities (governmental and business-type) and an important purpose of the design is to show the financial reliance of the Village's distinct activities or functions on revenues provided by the Village's taxpayers.

Both government-wide financial statements distinguish governmental activities of the Village that are primarily supported by taxes and intergovernmental revenues, such as grants, from business-type activities that are intended to recover all or a significant portion of their costs through user fees and charges. Both also present a total for the Village as a whole in a separate column. Governmental activities include general government, public safety, public works, community and economic development, and culture and recreation. Business-type activities include the Golf Course Fund. Fiduciary activities (Police Pension Fund), whose resources are not available to finance Village programs, are excluded from the government-wide financial statements.

VILLAGE OF SHILOH, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
APRIL 30, 2025

Fund Financial Statements

A fund is an accountability unit used to maintain control over resources segregated for specific activities or objectives. The Village uses funds to ensure and demonstrate compliance with finance-related laws and regulations. Within the basic financial statements, fund financial statements focus on the Village's most significant funds rather than the Village as a whole.

The Village has three types of funds:

Governmental funds (general fund, special revenue funds, capital project fund and permanent fund) are reported in the fund financial statements and encompass essentially the same functions reported as governmental activities in the government-wide financial statements. However, the focus is very different with fund statements providing a distinctive view of the Village's governmental funds. The governmental fund statements are prepared using the current financial resources measurement focus and the modified-accrual basis of accounting. These statements report short-term fiscal accountability focusing on the use of spendable resources during the year and balances of spendable resources available at the end of the year. They are useful in evaluating annual financing requirements of governmental programs and the commitment of spendable resources for the near-term.

Since the government-wide focus includes the long-term view, comparisons between these two perspectives may provide insight into the long-term impact of short-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide reconciliation to the government-wide statements to assist in understanding the differences between these two perspectives.

Proprietary (enterprise) and fiduciary (police pension) funds are reported in the fund financial statements using the economic resources measurement focus and the accrual basis of accounting. Proprietary fund financial statements (Golf Course Fund) generally report services for which the Village charges customers a fee and essentially encompass the same functions reported as business-type activities in the government-wide statements. They consist of the statement of net position, statement of revenue, expenses and changes in fund net position, and statement of cash flows. They provide both long-term and short-term information consistent with the focus provided by the government-wide financial statements. The fiduciary fund statements include the statement of net position and statement of changes in fiduciary net position. Fiduciary funds are not included in the government-wide financial statements.

Notes to Financial Statements

The accompanying notes to financial statements provide information essential for a full understanding of the government-wide financial statements. The notes to financial statements begin immediately following the basic financial statements.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the Village's actual general fund expenditures compared to its budget, schedules of changes in net pension liabilities and related ratios, schedules of contributions to the pension funds and schedules of changes in other post-employment benefit liabilities and related ratios. Other supplementary information includes balance sheets and statements of revenues, expenditures and changes in fund balance by fund for non-major governmental funds. Finally, other information consists of the schedule of assessed valuations, property tax rates, extensions and collections for the last six years.

Government-Wide Financial Analysis

As noted earlier, net position may serve, over time, as a useful indicator of a government's financial position. In the case of the Village of Shiloh, assets and deferred outflows exceeded liabilities and deferred inflows of resources by \$37,554,387.

VILLAGE OF SHILOH, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
APRIL 30, 2025

The following table reflects the condensed government-wide Statement of Net Position as of April 30, 2025:

	Governmental Activities		Business-type Activities		Total	
	April 30, 2025	April 30, 2024	April 30, 2025	April 30, 2024	April 30, 2025	April 30, 2024
Current and other assets	\$ 24,881,841	\$ 21,198,826	\$ 17,085	\$ 31,111	\$ 24,898,926	\$ 21,229,937
Non-current assets	37,115,632	36,974,589	1,020,812	1,097,130	38,136,444	38,071,719
Total assets	<u>61,997,473</u>	<u>58,173,415</u>	<u>1,037,897</u>	<u>1,128,241</u>	<u>63,035,370</u>	<u>59,301,656</u>
Deferred outflows of resources						
Future pension expense	1,071,701	1,514,912	-	-	1,071,701	1,514,912
Future OPEB expense	112,574	122,085	-	-	112,574	122,085
Total deferred outflows of resources	<u>1,184,275</u>	<u>1,636,997</u>	<u>-</u>	<u>-</u>	<u>1,184,275</u>	<u>1,636,997</u>
Long-term liabilities outstanding	14,115,270	14,770,497	-	-	14,115,270	14,770,497
Other liabilities	7,302,362	6,561,344	2,702	1,127	7,305,064	6,562,471
Total liabilities	<u>21,417,632</u>	<u>21,331,841</u>	<u>2,702</u>	<u>1,127</u>	<u>21,420,334</u>	<u>21,332,968</u>
Deferred inflows of resources						
Unearned revenues	2,099,555	1,915,203	-	-	2,099,555	1,915,203
Deferred lease	788,648	796,968	-	-	788,648	796,968
Future pension expense	2,263,380	2,573,641	-	-	2,263,380	2,573,641
Future OPEB expense	93,341	58,108	-	-	93,341	58,108
Total deferred inflows of resources	<u>5,244,924</u>	<u>5,343,920</u>	<u>-</u>	<u>-</u>	<u>5,244,924</u>	<u>5,343,920</u>
Net position						
Net investment in capital assets	24,679,878	24,327,283	1,020,812	1,097,130	25,700,690	25,424,413
Restricted	5,202,957	4,911,165	-	-	5,202,957	4,911,165
Unrestricted	6,636,357	3,896,203	14,383	29,984	6,650,740	3,926,187
Total net position	<u>\$ 36,519,192</u>	<u>\$ 33,134,651</u>	<u>\$ 1,035,195</u>	<u>\$ 1,127,114</u>	<u>\$ 37,554,387</u>	<u>\$ 34,261,765</u>

The Village of Shiloh's total assets are \$63,035,370 as of April 30, 2025. Of this amount \$37,901,275 is accounted for by net capital assets.

Governmental activities net position includes previously described restrictions totaling \$5,202,957. In addition, governmental activities net position also includes \$1,817,539 committed for culture and recreation (parks), \$1,748,796 for future capital projects and \$14,150 for public safety.

As of April 30, 2025, the Village had outstanding liabilities of \$21,420,334 with \$12,006,000 in debt certificates and bonds payable. All the debt relates to governmental activities. Please see Note 6 to the financial statements for more details regarding the Village of Shiloh's debt.

VILLAGE OF SHILOH, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
APRIL 30, 2025

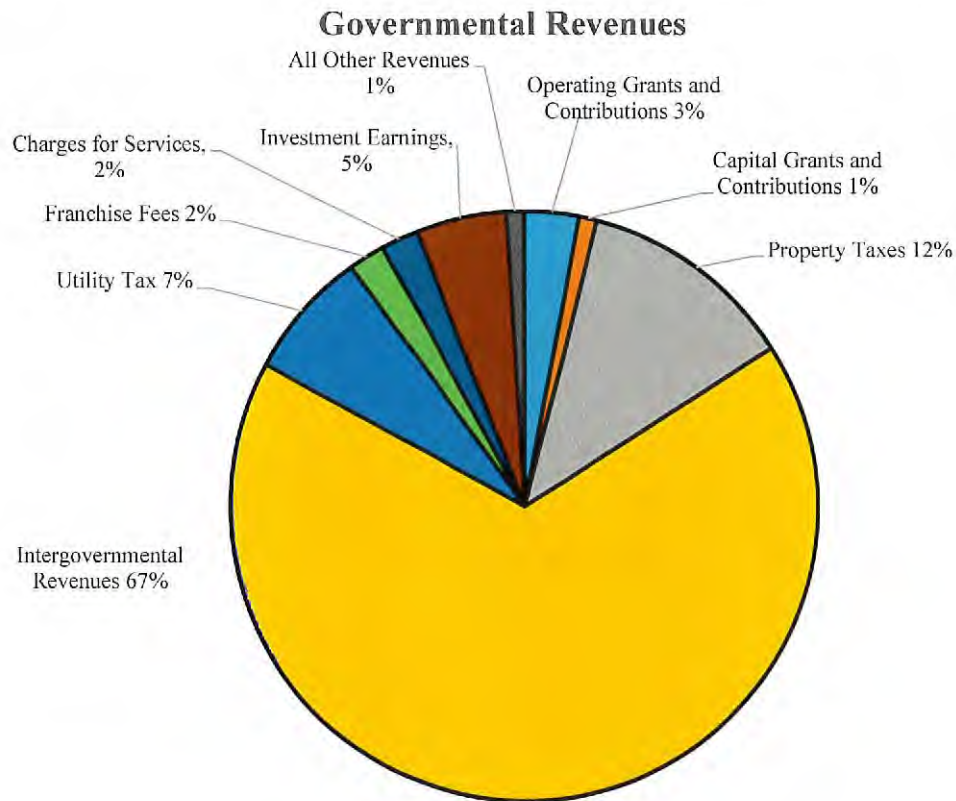
Statement of Activities – Changes in Net Position

The following schedule provides the revenues and expenses for the current fiscal year:

	Governmental Activities	Business-Type Activities	Total April 30, 2025	Total April 30, 2024
Program Revenues:				
Charges for Services	\$ 327,827	\$ (26,175)	\$ 301,652	\$ 307,583
Operating Grants and Contributions	480,911	-	480,911	291,220
Capital Grants and Contributions	80,792	-	80,792	354,614
General Revenues:				
Property Taxes	1,662,734	-	1,662,734	1,514,034
Intergovernmental Revenues	9,805,218	-	9,805,218	9,145,535
Hotel/Motel Taxes	134,214	-	134,214	131,779
Utility Tax	1,056,606	-	1,056,606	992,069
Franchise Fees	250,138	-	250,138	261,573
Investment Earnings	781,070	718	781,788	569,427
Miscellaneous	12,263	-	12,263	53,082
Gain on Sales of Assets	8,500	-	8,500	15,757
Total Revenues	<u>14,600,273</u>	<u>(25,457)</u>	<u>14,574,816</u>	<u>13,636,673</u>
Expenses:				
General Government	1,273,669	-	1,273,669	1,029,272
Public Safety	3,379,881	-	3,379,881	3,126,479
Public Works	2,133,943	-	2,133,943	1,825,256
Community and Economic Development	2,962,453	-	2,962,453	2,626,294
Culture and Recreation	751,415	-	751,415	753,749
Interest on Long-Term Debt	679,371	-	679,371	630,286
Golf Course	-	101,462	101,462	110,596
Total Expenses	<u>11,180,732</u>	<u>101,462</u>	<u>11,282,194</u>	<u>10,101,932</u>
Revenues Over (Under) Expenses	3,419,541	(126,919)	3,292,622	3,534,741
Transfers In (Out)	<u>(35,000)</u>	<u>35,000</u>	<u>-</u>	<u>-</u>
Change in Net Position	3,384,541	(91,919)	3,292,622	3,534,741
Net Position - Beginning of Year (Restated)	<u>33,134,651</u>	<u>1,127,114</u>	<u>34,261,765</u>	<u>30,972,962</u>
Net Position - End of Year	<u>\$ 36,519,192</u>	<u>\$ 1,035,195</u>	<u>\$ 37,554,387</u>	<u>\$ 34,507,703</u>

VILLAGE OF SHILOH, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
APRIL 30, 2025

Graphic presentations of selected data from the summary tables follow to assist in the analysis of the Village's activities for fiscal year ended April 30, 2025.

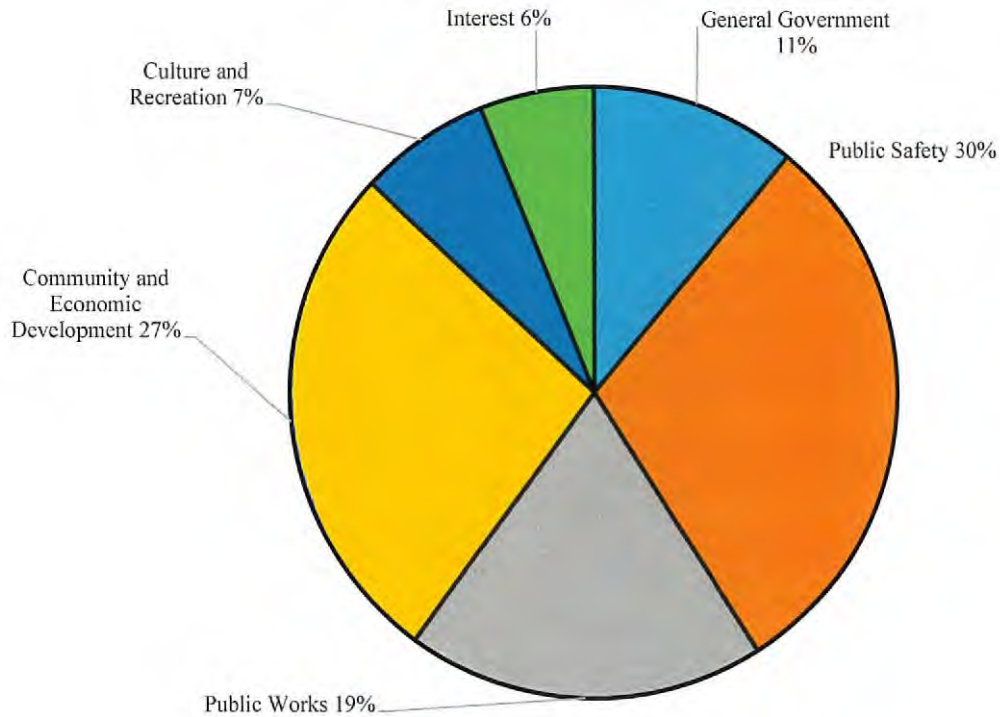


The above graph represents total governmental activities revenue of \$14,600,273 for the fiscal year ended April 30, 2025.

The Village relies predominantly on intergovernmental revenues (principally sales and income taxes) as well as the utility tax to fund governmental activities. Property taxes are substantially related to the Village's Tax Increment Financing Districts C and D. Capital grants and contributions are generally considered non-recurring revenues. Investment earnings have become significant in the current interest rate environment but aren't considered a long-term option for funding governmental activities.

VILLAGE OF SHILOH, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
APRIL 30, 2025

Governmental Expenses



The above graph represents total governmental activities expense of \$11,180,732 for the fiscal year ended April 30, 2025.

General Fund Highlights

The General Fund is the main operating fund of the Village. For the fiscal year ended April 30, 2025, the fund had an increase in fund balance of \$2,599,205.

Total General Fund balance on April 30, 2025 was \$12,109,440, of which \$10,153,638 was unassigned. A combination of increased revenues, decreased expenditures, and decreased transfers to the Golf Course Fund contributed to the increased fund balance.

VILLAGE OF SHILOH, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
APRIL 30, 2025

General Fund revenues increased by \$217,000 (2%) over the prior fiscal year. Sales and use tax increased \$183,000 (4%). See the Financial Highlights section for further information. Also increasing was state income tax by \$168,000 (7%) due to increased receipts and continued allocation corrections made by the state. Investment earnings also increased \$148,000 (51%) due to higher average cash and investment balances during the year. Finally, utility tax also increased \$56,000 (6%) due to the electric rate spikes on which the tax is based. Decreasing revenue categories include grants which were \$239,000 (47%) lower than last year. In the prior year the Village spent the remaining \$332,108 of federal CSLFRF on street projects and recognized the related revenue. Miscellaneous revenues decreased \$65,000 (72%) because of \$41,000 in reimbursements received and \$33,000 in asset sales in the prior year vs. just \$9,000 in asset sales in the current fiscal year. Remaining revenues decreased in total \$34,000 (3%). Highlights include license, fees and permits increased \$24,000 (12%) from additional building permits and video gaming tax increased \$22,000 (10%) from increased activity.

On the negative side, the Veteran's Property Tax Relief Reimbursement from the state of \$23,000 received last year appears to have been a one-time revenue. The decrease in Charges for Services of \$27,000 (37%) is somewhat deceiving as \$26,000 in cell tower receipts formally included in this category are now part of investment earnings. See note 14 for more information.

General Fund expenditures decreased by \$2,212,985 (24%) in comparison to the prior fiscal year. Capital outlay decreased \$2,690,000 (93%). Prior year capital outlay included major road reconstruction projects, land acquisitions for the future police station and park expansion and other park projects. This fiscal year capital outlay consisted of vehicle purchases and the reconstruction of a small section of road. Remaining General Fund expenditures increased \$476,691 (7%). This included budgeted personnel-related increases, purchases of police department supplies, non-capitalized road maintenance costs and increased sales tax rebates because of increased related sales tax revenue.

Finally, transfers to the Golf Course Fund were \$367,153 lower in the fiscal year ended April 30, 2025, and are discussed below.

Proprietary (Enterprise) Fund

The Village's lone proprietary fund is the Golf Course Fund. Net position in the Golf Course Fund on April 30, 2025 was \$1,035,195. This is a decrease of \$91,919 and includes an operating loss of \$127,637. Transfers from the General Fund to maintain operating capital accounted for \$35,000 of the difference. The unrestricted net position was \$14,383 and the remaining \$1,020,812 represents the net investment in capital assets.

VILLAGE OF SHILOH, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
APRIL 30, 2025

Capital Assets

The Village's net investment in capital assets totaled \$25,700,690 as of April 30, 2025.

Following is the Village's investment in capital assets, net of accumulated depreciation, and outstanding balances of direct placements and borrowings attributable to the acquisition of those assets:

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total Primary Government</u>
Capital Assets:			
Land	\$ 4,252,102	\$ 381,833	\$ 4,633,935
Construction in Progress	1,466,849	-	1,466,849
Depreciable Assets			
Buildings and Improvements	3,955,896	145,233	4,101,129
Equipment and Vehicles	751,694	30,818	782,512
Infrastructure	26,453,922	462,928	26,916,850
Total Capital Assets	36,880,463	1,020,812	37,901,275
Direct Placements and Borrowings			
Relating to Capital Asset Acquisition:			
General Obligation Bonds Payable and Premium	4,089,585	-	4,089,585
Tax Increment Allocation Revenue Notes	5,879,000	-	5,879,000
Special Service Area Capital Appreciation Notes	2,232,000	-	2,232,000
Total Accounts Payable, Direct Placements and Borrowings Relating to Capital Asset Acquisition	12,200,585	-	12,200,585
Net Investment in Capital Assets	<u>\$ 24,679,878</u>	<u>\$ 1,020,812</u>	<u>\$ 25,700,690</u>

For additional information regarding the Village's capital assets, please see Note 4 to the financial statements.

Long-term debt

The Village had the following debt outstanding as of April 30, 2025:

General Obligation Debt:	
2021 Debt Certificates	\$ 3,895,000
Direct Placements and Borrowings:	
2009-1 Revenue Notes	4,000,000
2009-2 Revenue Notes	1,879,000
2009 Special Service Area Capital Appreciation Notes	2,232,000
Total Long-Term Debt	<u>\$ 12,006,000</u>

The Village had no debt outstanding in the business-type activities as of April 30, 2025.

For additional information regarding the Village's long-term debt please see Note 6 to the financial statements.

VILLAGE OF SHILOH, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
APRIL 30, 2025

Economic Environment and the Future

The Village of Shiloh is a growing community currently enjoying both residential (single and multi-family) and commercial development. The population per the April 1, 2020 census is 14,098, which is an 11.4% increase from the 2010 census of 12,651. The 2024 total equalized assessed valuation (EAV) of all Village property (including TIF districts) is \$423,555,455. This is a 10.3%, or \$39,606,512, increase from 2023.

Auffenberg Auto Mall opened on the north side of Frank Scott Parkway in June 2022. The 35.6-acre development includes five car dealerships with room for more. The Auffenberg Hyundai dealership on the south side of Frank Scott Parkway opened in January 2025. The additional sales tax the Village receives will help to maintain the 35 miles of Village-owned roads within its corporate limits.

The Village expects the awarded \$3.8 million federal grant for improving the congestion along the both county-owned Green Mount Road and Frank Scott Parkway to jumpstart development on vacant ground in that area with construction anticipated in 2026 and 2027. Green Mount Business District sales tax revenues will supply most of the local match for the \$8.1 million project.

The Village is also nearing construction on the county-owned Maple Street to improve safety and traffic flow on that road. Maple Street is one of the main connections through Shiloh to Scott Air Force Base. This is a state surface transportation project with \$766,542 in grant funding and the Village construction cost share estimated at \$702,000 and will be paid from general funds.

The County has secured federal funds to begin the long-anticipated construction of the Frank Scott Parkway extension. This project will continue Frank Scott Parkway from where it currently ends at Cross Street to Maple Street. The entirety of the extension is within the Village limits and is anticipated to lead to further development. Land grading has begun and road construction is anticipated during 2026. Along with the extension, the County will be finishing the widening of Frank Scott Parkway from Green Mount Road to Cross Street. This will also greatly improve traffic flow and promote future development along I-64 fronted parcels.

The Village continues to utilize both MFT funds and general funds for street resurfacing and reconstruction projects. As part of its five-year street program, included for the fiscal year ended April 30, 2026 is a \$1.2 million MFT-funded project to reconstruct the worst sections of various streets in the southwest area of the Village. Street projects are expected to continue in the fiscal year ended April 30, 2027.

Finally, the Village has purchased and cleared most of the site for a future police station to replace the small, rented space the department currently occupies. The site is located near two schools, the two largest Village parks and the main commercial corridor in the Village and will improve the already outstanding public safety services the department provides. Design is underway and a construction manager is under contract. Ground-breaking is expected during 2026.

These developments will continue to bring new residents, jobs, and revenue to the Village in the coming years.

Contacting the Village's Financial Management

This financial report is designed to provide a general overview of the Village's finances, comply with finance-related laws and regulations, and demonstrate the Village's commitment to public accountability. If you have questions about this report or would like to request additional information, contact Mr. Tracy D. Kennett, Chief Financial Officer, 1 Park Drive, Shiloh, Illinois 62269.

VILLAGE OF SHILOH, ILLINOIS

STATEMENT OF NET POSITION
APRIL 30, 2025

	Governmental Activities	Business-type Activities	Total
<u>Assets</u>			
Cash and Cash Equivalents	\$ 19,033,254	\$ 14,017	\$ 19,047,271
Investments	812,921	-	812,921
Receivables (Net of allowances for uncollectibles)	4,833,138	1,068	4,834,206
Prepaid Items	202,528	2,000	204,528
Capital Assets:			
Land	4,252,102	381,833	4,633,935
Buildings and Improvements	5,830,585	254,905	6,085,490
Equipment and Vehicles	2,810,943	209,536	3,020,479
Infrastructure	52,824,025	522,980	53,347,005
Construction in Progress	1,466,849	-	1,466,849
Less: Accumulated Depreciation	(30,304,041)	(348,442)	(30,652,483)
Net Capital Assets	36,880,463	1,020,812	37,901,275
Other Assets:			
Net Pension Asset	235,169	-	235,169
Total Assets	61,997,473	1,037,897	63,035,370
<u>Deferred Outflows of Resources</u>			
Future Pension Expense	1,071,701	-	1,071,701
Future OPEB Expense	112,574	-	112,574
	1,184,275	-	1,184,275
<u>Liabilities</u>			
Accounts Payable	2,215,317	2,702	2,218,019
Accrued Payroll and Withholdings	177,677	-	177,677
Accrued Interest Payable	4,504,019	-	4,504,019
Noncurrent Liabilities:			
Due Within One Year	405,349	-	405,349
Due in More Than One Year	14,115,270	-	14,115,270
Total Liabilities	21,417,632	2,702	21,420,334
<u>Deferred Inflows of Resources</u>			
Unearned Revenues	2,099,555	-	2,099,555
Deferred Lease	788,648	-	788,648
Future Pension Expense	2,263,380	-	2,263,380
Future OPEB Expense	93,341	-	93,341
	5,244,924	-	5,244,924
<u>Net Position</u>			
Net Investment in Capital Assets	24,679,878	1,020,812	25,700,690
Restricted for:			
Economic and Community Development	3,153,720	-	3,153,720
Restricted Tax Revenues	1,350,517	-	1,350,517
Public Safety	591,387	-	591,387
Cemetery	107,333	-	107,333
Unrestricted	6,636,357	14,383	6,650,740
Total Net Position	\$ 36,519,192	\$ 1,035,195	\$ 37,554,387

The notes to the financial statements are an integral part of this statement

VILLAGE OF SHILOH, ILLINOIS

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED APRIL 30, 2025

Functions/Programs	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government	
					Governmental Activities	Business-type Activities
Primary Government:						
Governmental Activities:						
General Government	\$ 1,273,669	\$ 240,670	\$ -	\$ -	\$ (1,032,999)	\$ (1,032,999)
Public Safety	3,379,881	41,756	470,011	65,193	(2,802,921)	(2,802,921)
Public Works	2,133,943	-	-	-	(2,133,943)	(2,133,943)
Culture and Recreation	751,415	26,280	-	15,599	(709,536)	(709,536)
Community and Economic Development	2,962,453	19,121	10,900	-	(2,932,432)	(2,932,432)
Interest on Long-term Debt	679,371	-	-	-	(679,371)	(679,371)
Total Governmental Activities	<u>11,180,732</u>	<u>327,827</u>	<u>480,911</u>	<u>80,792</u>	<u>(10,291,202)</u>	<u>(10,291,202)</u>
Business-type Activities:						
Golf Course	101,462	(26,175)	-	-	\$ (127,637)	(127,637)
Total Business-type Activities	<u>101,462</u>	<u>(26,175)</u>	<u>-</u>	<u>-</u>	<u>(127,637)</u>	<u>(127,637)</u>
Total Primary Government	<u>\$ 11,282,194</u>	<u>\$ 301,652</u>	<u>\$ 480,911</u>	<u>\$ 80,792</u>	<u>(10,291,202)</u>	<u>(10,418,839)</u>
General Revenues:						
Property Tax, Levied for General Purposes				1,662,734	-	1,662,734
Intergovernmental Revenues:						
Sales and Use Tax				6,288,722	-	6,288,722
Replacement Tax				6,044	-	6,044
State Income Tax				2,514,183	-	2,514,183
Motor Fuel Tax				702,068	-	702,068
Video Gaming Tax				252,117	-	252,117
Excise Tax				20,219	-	20,219
Cannabis Tax				21,865	-	21,865
Utility Tax				1,056,606	-	1,056,606
Franchise Fees				250,138	-	250,138
Hotel/Motel Taxes				134,214	-	134,214
Unrestricted Investment Earnings				781,070	718	781,788
Gain (Loss) on Disposal of Assets				8,500	-	8,500
Miscellaneous				12,263	-	12,263
Transfers				(35,000)	35,000	-
Total General Revenues and Transfers				<u>13,675,743</u>	<u>35,718</u>	<u>13,711,461</u>
Change in Net Position				3,384,541	(91,919)	3,292,622
Net Position - Beginning, as Restated				33,134,651	1,127,114	34,261,765
Net Position - Ending				<u>\$ 36,519,192</u>	<u>\$ 1,035,195</u>	<u>\$ 37,554,387</u>

The notes to the financial statements are an integral part of this statement

VILLAGE OF SHILOH, ILLINOIS

BALANCE SHEET
GOVERNMENTAL FUNDS
APRIL 30, 2025

	<u>General Fund</u>	<u>Motor Fuel Tax Fund</u>	<u>Tax Increment Financing Fund C</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
<u>Assets</u>					
Cash and Cash Equivalents	\$ 11,214,688	\$ 2,186,258	\$ 510,889	\$ 5,121,419	\$ 19,033,254
Investments	443,313	-	-	369,608	812,921
Receivables (Net, where applicable, of allowances for uncollectibles):					
Property Tax	98,064	-	1,525,428	73,422	1,696,914
Intergovernmental	1,685,431	50,955	-	358,864	2,095,250
Other	235,130	-	-	17,196	252,326
Lease	788,648	-	-	-	788,648
Interfund Receivable	-	-	-	25,204	25,204
Prepaid Items	124,113	-	-	78,415	202,528
Total Assets	<u>\$ 14,589,387</u>	<u>\$ 2,237,213</u>	<u>\$ 2,036,317</u>	<u>\$ 6,044,128</u>	<u>\$ 24,907,045</u>
<u>Liabilities, Deferred Inflows of Resources and Fund Balance</u>					
Liabilities:					
Accounts Payable	\$ 610,252	\$ 886,696	\$ -	\$ 718,369	\$ 2,215,317
Interfund Payable	25,204	-	-	-	25,204
Accrued Payroll and Withholdings	177,677	-	-	-	177,677
Total Liabilities	<u>813,133</u>	<u>886,696</u>	<u>-</u>	<u>718,369</u>	<u>2,418,198</u>
Deferred Inflows of Resources:					
Unavailable Property Tax	98,064	-	1,525,428	73,422	1,696,914
Unavailable/Unearned Revenue	508,071	-	-	128,329	636,400
Deferred Lease	788,648	-	-	-	788,648
Other	272,031	-	-	33,661	305,692
	<u>1,666,814</u>	<u>-</u>	<u>1,525,428</u>	<u>235,412</u>	<u>3,427,654</u>
Fund Balance:					
Nonspendable	124,113	-	-	174,145	298,258
Restricted	-	1,350,517	510,889	3,167,406	5,028,812
Committed	1,831,689	-	-	1,748,796	3,580,485
Unassigned	10,153,638	-	-	-	10,153,638
Total Fund Balance	<u>12,109,440</u>	<u>1,350,517</u>	<u>510,889</u>	<u>5,090,347</u>	<u>19,061,193</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balance	<u>\$ 14,589,387</u>	<u>\$ 2,237,213</u>	<u>\$ 2,036,317</u>	<u>\$ 6,044,128</u>	<u>\$ 24,907,045</u>

The notes to the financial statements are an integral part of this statement

VILLAGE OF SHILOH, ILLINOIS

RECONCILIATION OF THE BALANCE SHEET OF THE
GOVERNMENTAL FUNDS TO THE STATEMENT OF NET POSITION
APRIL 30, 2025

Amounts reported for governmental fund balances are different because:

Fund balances - total governmental funds	\$ 19,061,193
Capital assets used in governmental activities are not financial resources and, therefore, are not reported on the balance sheet of the governmental funds.	36,880,463
The amount of compensated absences is not recorded as a liability on the balance sheet of the governmental funds.	(355,723)
The amount of postemployment health care benefits is not recorded as a liability on the balance sheet of the governmental funds.	(388,949)
Long-term debt (e.g., bonds, leases) is not reported as a liability on the balance sheet of the governmental funds.	(12,200,585)
Accrued interest payable on the long-term debt is not reported as a liability on the balance sheet of the governmental funds.	(4,504,019)
Net pension liabilities/assets are not reported on the balance sheet of the governmental funds.	(2,512,639)
Intergovernmental revenues that are not available for current use are reported as deferred on the balance sheet of the governmental funds but not on the statement of net position.	<u>539,451</u>
Net position of governmental activities	<u>\$ 36,519,192</u>

The notes to the financial statements are an integral part of this statement

VILLAGE OF SHILOH, ILLINOIS

STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED APRIL 30, 2025

	General Fund	Motor Fuel Tax Fund	Tax Increment Financing Fund C	Other Governmental Funds	Total Governmental Funds
Revenues:					
Property Tax	\$ 98,359	\$ -	\$ 1,491,248	\$ 73,127	\$ 1,662,734
Intergovernmental:					
Sales and Use Tax	4,746,018	-	-	1,466,408	6,212,426
Replacement Tax	6,044	-	-	-	6,044
State Income Tax	2,514,183	-	-	-	2,514,183
Motor Fuel Tax	-	702,068	-	-	702,068
Excise Tax	20,458	-	-	-	20,458
Video Gaming Tax	252,117	-	-	-	252,117
Cannabis Tax	21,865	-	-	-	21,865
Grants	273,531	-	-	277,272	550,803
Utility Tax	1,048,481	-	-	-	1,048,481
Hotel/Motel Tax	-	-	-	134,214	134,214
Franchise Fees	250,138	-	-	-	250,138
Licenses, Fees and Permits	227,745	-	-	-	227,745
Charges for Services	45,824	-	-	650	46,474
Fines	30,179	-	-	-	30,179
Investment Earnings	439,685	80,014	43,552	217,819	781,070
Gifts and Donations	-	-	-	10,900	10,900
Miscellaneous Revenues/Reimbursements	25,071	-	-	19,121	44,192
Total Revenues	<u>9,999,698</u>	<u>782,082</u>	<u>1,534,800</u>	<u>2,199,511</u>	<u>14,516,091</u>
Expenditures:					
Current:					
General Government	990,884	-	2,954	1,597	995,435
Public Safety	3,670,179	-	-	28,390	3,698,569
Public Works	769,752	57,743	-	-	827,495
Culture and Recreation	496,420	-	-	-	496,420
Community and Economic Development	930,215	-	922,941	1,109,297	2,962,453
Debt Service:					
Principal	-	-	-	205,000	205,000
Interest and Fees	-	-	516,982	111,769	628,751
Capital Outlay	205,074	1,246,059	-	504,553	1,955,686
Total Expenditures	<u>7,062,524</u>	<u>1,303,802</u>	<u>1,442,877</u>	<u>1,960,606</u>	<u>11,769,809</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>2,937,174</u>	<u>(521,720)</u>	<u>91,923</u>	<u>238,905</u>	<u>2,746,282</u>
Other Financing Sources (Uses):					
Transfers In	13,800	14,514	-	316,769	345,083
Transfers Out	<u>(351,769)</u>	<u>-</u>	<u>-</u>	<u>(28,314)</u>	<u>(380,083)</u>
Total Other Financing Sources (Uses)	<u>(337,969)</u>	<u>14,514</u>	<u>-</u>	<u>288,455</u>	<u>(35,000)</u>
Net Change in Fund Balances	2,599,205	(507,206)	91,923	527,360	2,711,282
Fund Balance, Beginning of Year	<u>9,510,235</u>	<u>1,857,723</u>	<u>418,966</u>	<u>4,562,987</u>	<u>16,349,911</u>
Fund Balance, End of Year	<u>\$ 12,109,440</u>	<u>\$ 1,350,517</u>	<u>\$ 510,889</u>	<u>\$ 5,090,347</u>	<u>\$ 19,061,193</u>

The notes to the financial statements are an integral part of this statement

VILLAGE OF SHILOH, ILLINOIS

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

Amounts reported for governmental activities in the statement of activities
are different because:

Net change in fund balances - total governmental funds	\$ 2,711,282
<p>Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlay of \$1,955,686 exceeded depreciation expense of \$1,833,821 in the current year.</p>	121,865
<p>The amount of compensated absences is not recorded as expense in the fund financial statements. In the statement of activities, these amounts are included and recorded currently in the various functional expense categories. This amount is the difference between beginning and ending compensated absences balances that has been included in the statement of activities.</p>	59,732
<p>The amount of net pension liabilities/assets related to IMRF, SLEP and the police pension are not recorded as an expense in the fund financial statements. In the statement of activities, these amounts are included and recorded currently in the proper functional expense category. This amount is the difference between beginning and ending net pension liabilities/assets balances that has been included in the statement of activities.</p>	302,812
<p>The amount of postemployment healthcare benefits is not recorded as expense in the fund financial statements. In the statement of activities, these amounts are included and recorded currently in the various functional expense categories. This amount is the difference between beginning and ending postemployment healthcare benefits balances that has been included in the statement of activities.</p>	(49,712)
<p>The issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Also, governmental funds report the effect of premiums, discounts and similar items when debt is issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of those differences in the treatment of long-term debt and related items.</p>	154,380
<p>Intergovernmental revenues that are not available for current use are reported as deferred on the balance sheet of the governmental funds but not on the statement of net position. This amount is the difference between beginning and ending deferred revenues that has been included in the statement of activities.</p>	<u>84,182</u>
Change in net position of governmental activities	<u>\$ 3,384,541</u>

The notes to the financial statements are an integral part of this statement

VILLAGE OF SHILOH, ILLINOIS

STATEMENT OF NET POSITION
PROPRIETARY FUND - GOLF COURSE FUND
APRIL 30, 2025

Assets:

Current Assets:

Cash and Cash Equivalents	\$ 14,017
Receivables (Net, where applicable, of allowances for uncollectibles):	
Services	1,068
Prepaid Items	<u>2,000</u>
Total Current Assets	<u>17,085</u>

Noncurrent Assets:

Capital Assets:

Land	381,833
Buildings and Improvements	254,905
Equipment	209,536
Infrastructure	<u>522,980</u>
Total	1,369,254
Less - Accumulated Depreciation	<u>(348,442)</u>
Net Capital Assets	<u>1,020,812</u>
Total Noncurrent Assets	<u>1,020,812</u>
Total Assets	<u>\$ 1,037,897</u>

Liabilities:

Current Liabilities:

Accounts Payable	<u>\$ 2,702</u>
Total Current Liabilities	<u>2,702</u>

Net Position:

Net Investment in Capital Assets	\$ 1,020,812
Unrestricted	<u>14,383</u>
Total Net Position	<u>\$ 1,035,195</u>

The notes to the financial statements are an integral part of this statement

VILLAGE OF SHILOH, ILLINOIS

STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN FUND NET POSITION
PROPRIETARY FUND - GOLF COURSE FUND
FOR THE YEAR ENDED APRIL 30, 2025

Operating Revenues:	
Managed Golf Course Profit (Loss)	\$ (26,175)
Total Operating Revenues	<u>(26,175)</u>
Operating Expenses:	
Contractual Services	4,852
Utilities	20,292
Depreciation	<u>76,318</u>
Total Operating Expenses	<u>101,462</u>
Operating Income (Loss)	<u>(127,637)</u>
Nonoperating Revenues:	
Investment Earnings	<u>718</u>
Total Nonoperating Revenues	<u>718</u>
Income (Loss) Before Transfers	(126,919)
Transfers In	<u>35,000</u>
Change in Net Position	(91,919)
Net Position - Beginning of Year	<u>1,127,114</u>
Net Position - End of Year	<u>\$ 1,035,195</u>

The notes to the financial statements are an integral part of this statement

VILLAGE OF SHILOH, ILLINOIS

STATEMENT OF CASH FLOWS PROPRIETARY FUND - GOLF COURSE FUND FOR THE YEAR ENDED APRIL 30, 2025

Cash Flows from Operating Activities:	
Payments to Management Company	\$ (5,001)
Payments to Suppliers	(23,902)
Net Cash Provided (Used) by Operating Activities	<u>(28,903)</u>
Cash Flows from Noncapital Financing Activities:	
Transfer from Other Funds	35,000
Net Cash Provided by Noncapital Financing Activities	<u>35,000</u>
Cash Flows from Capital and Related Financing Activities:	
None	-
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>-</u>
Cash Flows from Investing Activities:	
Interest Received	718
Net Cash Provided by Investing Activities	<u>718</u>
Net Change in Cash and Cash Equivalents	6,815
Cash and Cash Equivalents, Beginning of Year	<u>7,202</u>
Cash and Cash Equivalents, End of Year	<u>\$ 14,017</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:	
Operating Income (Loss)	\$ (127,637)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:	
Depreciation	76,318
(Increase) Decrease in Assets:	
Services Receivables	21,174
Prepaid Items	(333)
Increase (Decrease) in Liabilities:	
Accounts Payable	<u>1,575</u>
Net Cash Provided (Used) by Operating Activities	<u>\$ (28,903)</u>

The notes to the financial statements are an integral part of this statement

VILLAGE OF SHILOH, ILLINOIS

STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUND - PENSION TRUST FUND
APRIL 30, 2025

Assets:		
Cash and Cash Equivalents	\$	181,856
Investments:		
Illinois Police Officers' Pension Investment Fund		10,439,161
Receivables:		
Village Contribution		<u>490,191</u>
Total Assets		<u>11,111,208</u>
Liabilities:		
None		<u>-</u>
Total Liabilities		<u>-</u>
Net Position - Restricted for Pension Benefits		<u>\$ 11,111,208</u>

The notes to the financial statements are an integral part of this statement

VILLAGE OF SHILOH, ILLINOIS

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUND - PENSION TRUST FUND
FOR THE YEAR ENDED APRIL 30, 2025

Additions:	
Employee Contributions	\$ 173,966
Employer Contributions:	
Property Taxes	491,501
Video Gaming Taxes	<u>250,969</u>
Total Contributions	<u>916,436</u>
Investment Earnings:	
Investment Earnings	894,547
Less: Investment Expense	<u>(6,516)</u>
Net Investment Earnings	<u>888,031</u>
Total Additions	<u>1,804,467</u>
Deductions:	
Benefit Payments	344,986
Refund of Contributions	85,708
Contractual Services	<u>10,751</u>
Total Deductions	<u>441,445</u>
Change in Net Position	1,363,022
Net Position - Beginning of Year	<u>9,748,186</u>
Net Position - End of Year	<u>\$ 11,111,208</u>

The notes to the financial statements are an integral part of this statement

VILLAGE OF SHILOH, ILLINOIS

NOTES TO FINANCIAL STATEMENTS APRIL 30, 2025

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Village of Shiloh, Illinois (“Village”) have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the Village’s accounting policies are described below.

(a) The financial reporting entity

The Village is a municipal corporation governed by an elected Mayor and a six-member Village Board of Trustees. The Village is a political subdivision of the State of Illinois. These financial statements present all the fund types of the Village. The Village defines its reporting entity in accordance with Codification of Governmental Accounting and Financial Reporting Standards, Section 2600.105. Component units are organizations for which the Village, as the primary government, is financially accountable. To be considered financially accountable, the organization must be fiscally dependent on the Village or the Village must appoint a majority of the board of the organization and either (1) be able to impose its will on the organization or (2) the relationship must have the potential for creating a financial benefit to or imposing a financial burden on the Village. The Village did not report any component units in the Village’s financial statements. The Police Pension Fund has been included as a fiduciary fund due to the fiduciary responsibility exercised over the pension fund by the Village.

(b) Government-wide and fund financial statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the Village. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use or directly benefit from goods, services or privileges provided by a given function

VILLAGE OF SHILOH, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds, proprietary funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

(c) Measurement focus, basis of accounting and financial statement presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, intergovernmental revenues, utility taxes, hotel/motel taxes, franchise fees, and interest associated with the current fiscal period are all considered to be susceptible to accrual and have been recognized, when applicable, as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the government.

VILLAGE OF SHILOH, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

The Village reports the following major governmental funds:

The General Fund is the Village's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The Motor Fuel Tax Fund accounts for the receipts of motor fuel taxes and the related expenditures.

The Tax Increment Financing Fund C accounts for incremental taxes and other revenues as well as all expenses related to improvements and promotional costs connected to the tax increment financing district.

The Village reports the following major proprietary fund:

The Golf Course Fund accounts for all activities of the golf course operations.

Additionally, the Village reports the following fund type:

The pension trust fund accounts for the activities of the Police Pension Fund, which accumulate resources for pension benefit payments to qualified public safety employees.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are reimbursements between funds for direct costs applicable to the other fund. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenue of the Village's enterprise fund is profits from the operations of the contractually managed golf course. Operating expenses for the enterprise fund include the direct costs incurred by the Village, including utilities and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

VILLAGE OF SHILOH, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

(d) Assets, liabilities and net position or equity

Deposits and investments

The Village's cash and cash equivalents are cash on hand, demand deposits, certificates of deposits and short-term investments with original maturities of three months or less.

The Village is authorized by state statute to invest in obligations of the United States of America, insured interest bearing accounts of banks, savings and loan associations or credit unions, certain short-term obligations of corporations organized in the United States, money market mutual funds that invest in obligations of the United States of America or its agencies or are guaranteed by the full faith and credit of the United States of America, the Illinois Funds, the Illinois Metropolitan Investment Fund and repurchase agreements of government securities. The pension trust fund investments are held by the Illinois Police Officer's Pension Investment Fund and the pension only holds cash in short-term investments to pay benefits and other administrative expenses.

All cash and investments are recorded in all funds at fair value. Investment income is recognized as earned. Gains or losses on sales and exchanges of fixed-income securities are recognized on the transaction date.

Receivables and payables

Activity between funds that is representative of lending/borrowing arrangements outstanding at the end of the fiscal year is referred to as "interfund payable and receivables". Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

All trade and property tax receivables are shown net of an allowance for uncollectible amounts. Any allowance for uncollectible amounts has been deducted from the related receivable on the statement of net position.

The Village levied its 2024 property taxes on December 2, 2024 based upon the assessed valuation as of the previous January 1. Property taxes are due in installments in the following year, usually beginning in June, and are considered delinquent after the due dates. Property taxes for 2024 become an enforceable lien in January 2025. Because this tax levy will be used to pay expenses budgeted in fiscal year 2026, no part of this tax levy is shown as a revenue as of April 30, 2025 in the statement of activities.

Prepaid items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

VILLAGE OF SHILOH, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Deferred inflows/outflows of resources

The Village reports deferred inflows/outflows in connection with a future application or acquisition of resources that relates to future periods. The Village reports deferred inflows/outflows in connection with OPEB and pension plan actuarial deferrals, deferred leases, and property and intergovernmental taxes for which the Village does not recognize due to the related measurement focus.

Capital assets

Capital assets, which include property, plant, equipment and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. The government defines capital assets as assets with an initial, individual cost of more than \$10,000 and an estimated useful life in excess of two years. Such assets are recorded at historical cost and estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

Major outlays for capital assets and improvements are capitalized as projects when constructed.

Property, plant and equipment are depreciated using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings and improvements	20
Equipment and vehicles	5
Improvements other than buildings	20
Infrastructure	40

Compensated absences

Vacation time is earned on employment anniversary dates for union employees and on a monthly basis for all other full-time employees. The Village's vacation policy permits employees to earn 80 to 200 hours of vacation per year, based on length of service. Accrued vacation may not exceed 240 hours.

All Village employees accrue sick leave at the rate of eight hours per month to a maximum of 480 hours. Employees may receive payment equal to 50% of the accrued but unused sick leave in excess of the 480-hour cap. Cash payments will not be made for unused time upon discontinuance of employment for non-union employees. Upon retirement, unused sick leave may be used for contribution to the IMRF retirement system. Union employees follow the terms of the bargaining contract.

Long-term obligations

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type

VILLAGE OF SHILOH, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

activities, or proprietary fund type statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method. Bond issuance costs are expensed in the year of issuance.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Fund balance

In the fund financial statements, the Village classifies the fund balances based upon the following criteria:

Nonspendable - includes amounts that cannot be spent because they are either 1) not in spendable form, or 2) legally or contractually required to remain intact.

Restricted - balances with constraints that are either externally imposed by creditors or imposed by law through constitutional provisions or enabling legislation.

Committed - balances that are to be only used for specific purposes pursuant to constraints imposed by formal approval of the Village Trustees, which has the highest level of decision-making authority. Formal Board approval is required to establish and amend or remove any specific committed balances.

Assigned - balances that are constrained by the government's intent to be used for specific purposes, but are neither restricted nor committed. Assigned balances are authorized by the Village Board or by the Village Administrator under the direction of the Village Board. The Village does not maintain any assigned balances as of April 30, 2025.

Unassigned - the residual classification of the General Fund balance.

When expenditures are incurred for which the Village has both restricted and unrestricted funds available, the Village spends any restricted funds before using unrestricted sources. Likewise, the Village uses committed, assigned and then unassigned balances, in that order, when spending amounts for which all three categories are available.

VILLAGE OF SHILOH, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

The following details the description and amount of all constraints recorded by the Village in the fund financial statements:

<u>Governmental Funds</u>	
Nonspendable:	
Prepaid Items	\$ 202,528
Cemetery Perpetual	<u>95,730</u>
	<u>\$ 298,258</u>
Restricted:	
TIF Economic Development	\$ 1,099,594
Forfeiture Funds	519,564
Business Districts	1,685,887
Motor Fuel Tax	1,350,517
Community Development - Tourism	361,647
Cemetery	<u>11,603</u>
	<u>\$ 5,028,812</u>
Committed:	
Capital Projects	\$ 1,748,796
Culture and Recreation - Park	1,817,539
Public Safety	<u>14,150</u>
	<u>\$ 3,580,485</u>

Leases

The Village is a lessor for two agreements to lease property to tenants for the purposes of a communications tower. The Village recognizes a lease receivable in its financial statements for leases with a term greater than 12 months. At the commencement of a lease, the Village initially measures the lease receivable at the present value of payments expected to be received during the term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term. Key estimates and judgments related to leases include how the Village determines: 1) the discount rate it uses to discount the expected lease receivable to present value, 2) lease term, and 3) lease revenue:

- The Village uses a rate that varies between 3-5% at the lease inception date as the discount rate.
- The lease term includes the noncancellable period of the lease.
- Lease payments included in the measurement of the lease receivable are composed of fixed payments expected to be received during the lease period.

The Village monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease asset and receivable if

VILLAGE OF SHILOH, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

certain changes occur that are expected to significantly affect the amount of the lease receivable.

Estimates

Management uses estimates and assumptions in preparing these financial statements in accordance with accounting principles generally accepted in the United States of America. These estimates and assumptions affect the reported amounts of assets and liabilities and the reported revenues and expenditures. Actual results could vary from estimates that were used.

Accounting Changes

Change in Accounting Principles – As the result of implementing GASB Statement No. 101, the Village has restated the beginning net position in the government-wide Statement of Net Position, effectively decreasing net position as of May 1, 2024 by \$245,938. The decrease results from increasing accrued compensated absences to reflect the additional liability related to the sick leave that has been earned but not yet used. The effect of this change as of April 30, 2024, is an increase of \$245,938 to liabilities and a corresponding decrease in net position.

NOTE 2: BUDGETARY AND LEGAL COMPLIANCE

The Village prepares a legally adopted annual budget for the General Fund, the Capital Projects Fund, the Tourism and Convention Fund, and the Golf Course Fund. The administration prepares a budget of estimated revenues and expenditures for the Village and submits the budget to the Village Board prior to May 1 each year. The legal level of budgetary control is determined at the fund level. Unexpended appropriations lapse at year-end. Supplemental appropriations can be made with the majority vote of the Village Board.

The Village prepares its annual budget on the modified cash basis of accounting. The budget and all transactions are presented in accordance with the Village's method (budget basis) in the required supplementary information for the major governmental funds to provide a meaningful comparison of actual results with the budget. The Village did not appropriate for the Motor Fuel Tax Fund, the Business District Tax Funds, the Tax Increment Financing Funds, the Cemetery Perpetual Fund, or the Equitable Sharing Fund.

NOTE 3: CASH AND CASH EQUIVALENTS AND INVESTMENTS

General Government & Business-Like Activities

At April 30, 2025, the carrying amount of the Village's deposits was \$19,046,371 and the bank balance was \$19,089,736. The deposits were comprised of checking accounts and money market accounts.

VILLAGE OF SHILOH, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Custodial Credit Risk. Custodial credit risk is the risk that in the event of a bank failure, the Village's deposits may not be returned to it. The Village requires that all deposits be fully covered by FDIC insurance or collateralized with investments held by the financial institution in the Village's name. The Village had bank balances of \$240,207 that exceeded FDIC coverage and was uncollateralized at April 30, 2025.

As of April 30, 2025, the Village had the following investments:

<u>Investment</u>	<u>Weighted Average Maturity (Years)</u>	<u>Fair Value</u>
Cash on Hand		\$ 900
Negotiable Certificates of Deposit	N/A	812,921
Deposits as reported above	N/A	<u>19,046,371</u>
Total deposits and investments		<u>\$ 19,860,192</u>
As Reported in the Statement of Net Position:		
Cash and Cash Equivalents		\$ 19,047,271
Investments		<u>812,921</u>
		<u>\$ 19,860,192</u>

Interest Rate Risk. The Village's investment policy limits investment maturities in order to maintain sufficient liquidity to reflect the cash flow needs of the fund type being invested. The policy also requires diversification of the investment portfolio via length of maturity as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit Risk. As of April 30, 2025, the Village did not have any investments subject to credit risk.

To minimize credit risk, it is the Village's policy to limit investments to the safest type of security and diversify the portfolio, to the extent necessary, in order to minimize potential losses on individual securities

Concentration of Credit Risk. As of April 30, 2025, the Village did not have a concentration of credit risk related to investments.

Foreign Currency Risk. As of April 30, 2025, the Village has no foreign currency risk.

Police Pension Fund

At April 30, 2025, the carrying amount and bank balance of the Police Pension Fund's deposits were \$181,856. The deposits were comprised of a checking account.

Custodial Credit Risk. Custodial credit risk is the risk that in the event of a bank failure, the Police Pension Fund's deposits may not be returned to it. The Police Pension Fund

VILLAGE OF SHILOH, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

requires that all deposits be fully covered by FDIC insurance or collateralized with investments held by the financial institution in the Police Pension Fund’s name. The Police Pension Fund did not have any bank balances that exceeded FDIC coverage and was uncollateralized at April 30, 2025.

As of April 30, 2025, the Police Pension Fund had the following investments:

<u>Investment</u>	<u>Weighted Average Maturity (Years)</u>	<u>Fair Value</u>
Illinois Police Officer's Pension Investment Fund	--	\$ 10,439,161
Deposits as reported above		<u>181,856</u>
Total deposits and investments		<u>\$ 10,621,017</u>

As of April 30, 2025, the Police Pension Fund transferred a large percentage of the investment funds to the Illinois Police Officer’s Pension Investment Fund (IPOPIF) investment account. The IPOPIF is a pooled investment created by the State of Illinois and managed by an independent and autonomous Board of Trustees. The Village’s portion of the balance held in this investment pool is \$10,439,161 as of April 30, 2025.

Interest Rate Risk. The Police Pension Fund’s investment policy limits investment maturities in order to maintain sufficient liquidity to reflect the cash flow needs of the fund type being invested. The policy also requires diversification of the investment portfolio via length of maturity to manage its exposure to fair value losses arising from increasing interest rates.

Credit Risk. As of April 30, 2025 the Police Pension Fund did not have any investments subject to credit risk.

Concentration of Credit Risk. As of April 30, 2025, the Police Pension Fund’s investments did not have a concentration of credit risk.

Foreign Currency Risk. As of April 30, 2025, the Police Pension Fund has no foreign currency risk.

VILLAGE OF SHILOH, ILLINOIS
 NOTES TO FINANCIAL STATEMENTS (CONTINUED)

NOTE 4: CAPITAL ASSETS

Capital asset activity for governmental activities for the year ended April 30, 2025 was as follows:

<u>Governmental activities:</u>	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Capital assets, not being depreciated:				
Land	\$ 4,252,102	\$ -	\$ -	\$ 4,252,102
Construction in progress	1,104,235	1,062,817	700,203	1,466,849
	<u>5,356,337</u>	<u>1,062,817</u>	<u>700,203</u>	<u>5,718,951</u>
Capital assets, being depreciated:				
Buildings and improvements	5,615,055	215,530	-	5,830,585
Equipment and vehicles	2,729,812	179,965	98,834	2,810,943
Infrastructure	51,626,448	1,197,577	-	52,824,025
Total capital assets being depreciated	<u>59,971,315</u>	<u>1,593,072</u>	<u>98,834</u>	<u>61,465,553</u>
Less accumulated depreciation for:				
Buildings and improvements	1,563,028	311,661	-	1,874,689
Equipment and vehicles	1,946,314	211,769	98,834	2,059,249
Infrastructure	25,059,712	1,310,391	-	26,370,103
Total accumulated depreciation	<u>28,569,054</u>	<u>1,833,821</u>	<u>98,834</u>	<u>30,304,041</u>
Total capital assets, being depreciated, net	<u>31,402,261</u>	<u>(240,749)</u>	<u>-</u>	<u>31,161,512</u>
Governmental activities capital assets, net	<u>\$ 36,758,598</u>	<u>\$ 822,068</u>	<u>\$ 700,203</u>	<u>\$ 36,880,463</u>

Capital asset activity for business-type activities for the year ended April 30, 2025 was as follows:

<u>Business-type activities:</u>	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Capital assets, not being depreciated:				
Land	\$ 381,833	\$ -	\$ -	\$ 381,833
Total capital assets not being depreciated	<u>381,833</u>	<u>-</u>	<u>-</u>	<u>381,833</u>
Capital assets, being depreciated:				
Buildings and improvements	254,905	-	-	254,905
Equipment and vehicles	209,536	-	-	209,536
Infrastructure	522,980	-	-	522,980
Total capital assets being depreciated	<u>987,421</u>	<u>-</u>	<u>-</u>	<u>987,421</u>
Less accumulated depreciation for:				
Buildings and improvements	96,926	12,746	-	109,672
Equipment and vehicles	142,511	36,207	-	178,718
Infrastructure	32,687	27,365	-	60,052
Total accumulated depreciation	<u>272,124</u>	<u>76,318</u>	<u>-</u>	<u>348,442</u>
Total capital assets, being depreciated, net	<u>715,297</u>	<u>(76,318)</u>	<u>-</u>	<u>638,979</u>
Business-type activities capital assets, net	<u>\$ 1,097,130</u>	<u>\$ (76,318)</u>	<u>\$ -</u>	<u>\$ 1,020,812</u>

VILLAGE OF SHILOH, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Depreciation expense was charged to functions/programs of the Village as follows:

Governmental activities:	
General government	\$ 191,052
Public safety	116,973
Public works, including depreciation of general infrastructure assets	1,270,801
Culture and recreation	<u>254,995</u>
Total depreciation expense - governmental activities	<u>\$ 1,833,821</u>
Business-type activities:	
Golf Course	<u>\$ 76,318</u>

NOTE 5: RECEIVABLES

The Village reports the following receivables in the statement of net position as of April 30, 2025. These amounts are reported net of the applicable allowances for uncollectible accounts.

	<u>General</u>	Other Major <u>Funds</u>	<u>Golf Course</u>	Nonmajor <u>Funds</u>	<u>Total</u>
Receivables:					
Property Tax	\$ 98,064	\$ 1,525,428	\$ -	\$ 73,422	\$ 1,696,914
Intergovernmental	1,685,431	50,955	-	358,864	2,095,250
Lease	788,648	-	-	-	788,648
Other	<u>235,130</u>	<u>-</u>	<u>1,068</u>	<u>17,196</u>	<u>253,394</u>
Gross Receivables	2,807,273	1,576,383	1,068	449,482	4,834,206
Less: Allowance for uncollectible	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Total Receivables	<u>\$ 2,807,273</u>	<u>\$ 1,576,383</u>	<u>\$ 1,068</u>	<u>\$ 449,482</u>	<u>\$ 4,834,206</u>

Governmental funds report deferred inflows of resources in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned. At the end of the current fiscal year, the components of unearned revenue reported in the governmental funds were as follows:

	<u>Unavailable</u>	<u>Unearned</u>
Property taxes receivable	\$ 1,696,914	\$ --
Unavailable/Unearned revenue	636,400	--
Escrow funds	--	305,692
Lease receivable	--	788,648

VILLAGE OF SHILOH, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

NOTE 6: LONG-TERM DEBT

The Village issues debt to provide funds for the acquisition and construction of major capital facilities and development purposes. Debt certificates have been issued for governmental activities. The Village has the following outstanding debt issue:

\$4,720,000 General Obligation Debt Certificates, Series 2021 dated January 5, 2021, due in annual installments of \$205,000 to \$310,000 through April 1, 2040: interest at 2.00% to 3.00%. The proceeds were used to refund prior debt certificates that were originally issued to fund public improvements. The amount of debt certificates outstanding as of April 30, 2025 is \$3,895,000.

The annual requirements to retire the outstanding debt certificates issue as of April 30, 2025 are as follows:

Fiscal Year Ended <u>April 30</u>	<u>Governmental Activities</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026	\$ 210,000	\$ 105,619	\$ 315,619
2027	215,000	99,318	314,318
2028	225,000	92,869	317,869
2029	230,000	86,119	316,119
2030	235,000	79,219	314,219
2031 - 2035	1,295,000	285,395	1,580,395
2036 - 2040	1,485,000	96,711	1,581,711
	<u>\$ 3,895,000</u>	<u>\$ 845,250</u>	<u>\$ 4,740,250</u>

The Village entered into three agreements to issue funding for improvements in tax increment financing and special service areas. The Village and the developers entered into agreements by which the developer would incur reimbursable costs which would be submitted for payment through the respective notes. The debt would then be retired with tax revenues generated from the increases in value of the developed properties. The notes are payable solely from the new revenues and do not constitute a debt of the Village. These notes are as follows:

The Village issued \$4,000,000 of tax increment and special tax revenue notes Series 2009-1, dated June 11, 2009. The Village has only made interest payments at 4.50% related to this note and has remaining unpaid interest of \$1,062,813 as of April 30, 2025.

The Village issued \$1,879,000 of tax increment revenue and special tax notes Series 2009-2, dated June 11, 2009. The Village has only made interest payments at 5.50% related to this note and has remaining unpaid interest of \$1,155,632 as of April 30, 2025.

VILLAGE OF SHILOH, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

The Village issued \$2,232,000 of tax exempt special services area capital appreciation notes Series 2009, dated June 11, 2009. The Village has not made any principal or interest payments related to this note. The interest rate is 4.50% and has remaining unpaid interest of \$2,276,772 as of April 30, 2025.

The following is a summary of changes in long-term liabilities for the year ended April 30, 2025:

	Beginning Balance	Additions	Retired	Ending Balance	Amounts Due Within One Year
<u>Governmental Activities:</u>					
Bonds and notes payable:					
General obligation debt certificates	\$ 4,100,000	\$ -	\$ 205,000	\$ 3,895,000	\$ 210,000
Bond premium	220,315	-	25,730	194,585	-
Notes from direct borrowings					
Tax increment allocation revenue notes series 2009-1	4,000,000	-	-	4,000,000	-
Tax increment allocation revenue notes series 2009-2	1,879,000	-	-	1,879,000	-
Special service area capital appreciation notes series 2009	2,232,000	-	-	2,232,000	-
Other liabilities:					
OPEB liability	403,214	4,968	-	408,182	-
Net pension liability	1,972,713	-	416,584	1,556,129	-
Compensated absences	415,455	-	59,732	355,723	195,349
Governmental activities long-term liabilities	<u>\$ 15,222,697</u>	<u>\$ 4,968</u>	<u>\$ 707,046</u>	<u>\$ 14,520,619</u>	<u>\$ 405,349</u>

The liabilities related to the pension benefit obligation, the OPEB liability and the compensated absences in the governmental activities are being retired by the General Fund.

NOTE 7: LEGAL DEBT MARGIN

The computation of legal debt margin at April 30, 2025 is as follows:

Bonded Debt Limit*	\$ 36,531,658
Bonded Indebtedness	<u>3,895,000</u>
Legal Debt Margin	<u>\$ 32,636,658</u>

* The bonded indebtedness of the Village is limited by Chapter 65, Section 5/8-5-1 of the Illinois Compiled Statutes to 8.625% of the assessed valuation of taxable tangible property.

VILLAGE OF SHILOH, ILLINOIS
 NOTES TO FINANCIAL STATEMENTS (CONTINUED)

NOTE 8: INTERFUND TRANSFERS

The following is a summary of interfund transfers for the year ended April 30, 2025:

General Fund Transfer From (To):	
Tourism and Convention Fund	\$ 13,800
Tax Increment Financing Fund D	(316,769)
Golf Course Fund	(35,000)
Tax Increment Financing Fund A Transfer From (To):	
Green Mount Business District Fund	(96,912)
Tax Increment Financing Fund B Transfer From (To):	
Motor Fuel Tax Fund	(14,514)
Tax Increment Financing Fund D Transfer From:	
General Fund	316,769
Tourism and Convention Fund Transfer From (To):	
General Fund	(13,800)
Green Mount Business District Fund Transfer From (To):	
Tax Increment Financing Fund A	96,912
Motor Fuel Tax Fund Transfer From (To):	
Tax Increment Financing Fund B	14,514
Golf Course Fund Transfer From:	
General Fund	35,000
	<u>\$ -</u>

The Village makes transfers between funds to reimburse expenses paid from one fund that are related to or allocable to another fund.

NOTE 9: RETIREMENT AND PENSION FUND COMMITMENTS

1. Illinois Municipal Retirement Fund

Plan Description. The Village's defined benefit pension plan for regular employees provides retirement and disability benefits, post retirement increases, and death benefits to plan members and beneficiaries. The Plan is affiliated with the Illinois Municipal Retirement Fund (IMRF), an agent multiple-employer plan. 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 financial report that includes financial statements and required supplementary information. The report may be obtained on-line at www.imrf.org.

Funding Policy. As set by statute, members are required to contribute 4.50 percent of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The employer annual required contribution rate for calendar year 2024 was 2.21 percent. The employer also contributes for disability benefits, death benefits and supplemental retirement benefits, all of which are pooled at the IMRF

VILLAGE OF SHILOH, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

level. Contribution rates for disability and death benefits are set by the IMRF Board of Trustees, while the supplemental retirement benefits rate is set by statute.

Covered Employees. The following types of employees comprise the membership of the plan.

Retirees and Beneficiaries	12
Inactive, non-Retired Members	24
Active Members	<u>15</u>
Total	<u>51</u>

Discount Rate. GASB Statement No. 68 includes a specific requirement for the discount rate that is used for the purpose of the measurement of the Total Pension Liability. This rate considers the ability of the fund to meet benefit obligations in the future. To make this determination, employer contributions, employee contributions, benefit payments, expenses and investment returns are projected into the future. The Plan Net Position (assets) in future years can then be determined and compared to its obligation to make benefit payments in those years. As long as assets are projected to be on hand in a future year, the assumed valuation discount rate is used. In years where assets are not projected to be sufficient to meet benefit payments, the use of a “risk-free” rate is required, as described in the following paragraph.

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

For the purpose of this valuation, the expected rate of return on pension plan investments is 7.25%; the municipal bond rate is 4.08%; and the resulting single discount rate is 7.25%.

VILLAGE OF SHILOH, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Actuarial Valuation Date	12/31/24
Measurement Date of the Net Pension Liability	12/31/24
Fiscal Year End	04/30/25

Development of the Single Discount Rate as of December 31, 2024	
Long-Term Expected Rate of Investment Return	7.25%
Long-Term Municipal Bond Rate	4.08%
Last year ending December 31 in the 2025 to 2124 projection period for which projected benefit payments are fully funded	2124
Resulting Single Discount Rate based on the above development	7.25%

Single Discount Rate calculated using December 31, 2023 Measurement Date 7.25%

The Long-Term Municipal Bond Rate is based on the Bond Buyer's "20-Bond GO Index" as of December 26, 2024.

Actuarial Assumptions. The following are the actuarial assumptions used in the calculation of the net pension liability.

Actuarial Cost Method	Aggregate Entry Age Normal
Asset Valuation Method	5-Year smoothed market; 20% corridor
Price Inflation	2.25%
Salary Increases	2.75% to 13.75% including inflation
Investment Rate of Return	7.25%
Retirement Age	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2020 valuation pursuant to an experience study of the period 2017-2019.
Mortality	For non-disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Retiree, Male (adjusted 106%) and Female (adjusted 105%) tables, and future mortality improvements projected using scale MP-2020. For disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Disabled Retiree, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020. For active members, the Pub-2010, Amount-Weighted, below-median income, General, Employee, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020.

VILLAGE OF SHILOH, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Net Pension Liability/(Asset). The following is a summary of the Net Pension Liability/(Asset) as shown as an asset in the financial statements.

Total pension liability	
Service Cost	\$ 83,672
Interest on the Total Pension Liability	287,230
Changes of benefit terms	-
Difference between expected and actual experience of the Total Pension Liability	45,786
Changes of assumptions	-
Benefit payments, including refunds of employee contributions	<u>(153,319)</u>
Net change in total pension liability	\$ 263,369
Total pension liability - beginning	<u>3,996,621</u>
Total pension liability - ending	<u>\$ 4,259,990</u>
Plan fiduciary net position	
Contributions - employer	\$ 21,028
Contributions - employee	42,816
Net investment income	406,806
Benefit payments, including refunds of employee contributions	<u>(153,319)</u>
Other (Net Transfer)	<u>(37,298)</u>
Net change in plan fiduciary net position	\$ 280,033
Plan fiduciary net position - beginning	<u>4,198,516</u>
Plan fiduciary net position - ending	<u>\$ 4,478,549</u>
Net pension liability/(asset)	<u>\$ (218,559)</u>
Plan fiduciary net position as a percentage of the total pension liability	105.13%
Covered valuation payroll	\$ 951,472
Net pension liability as a percentage of covered valuation payroll	-22.97%

VILLAGE OF SHILOH, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

To report the sensitivity of the net pension liability/(asset) to the selected discount rate, the following table displays the variation given a 1% increase or decrease.

	Current Single Discount		
	1% Decrease	Rate Assumption	1% Increase
	<u>6.25%</u>	<u>7.25%</u>	<u>8.25%</u>
Total Pension Liability	\$ 4,736,814	\$ 4,259,990	\$ 3,897,116
Plan Fiduciary Net Position	<u>4,478,549</u>	<u>4,478,549</u>	<u>4,478,549</u>
Net Pension Liability/(Asset)	<u>\$ 258,265</u>	<u>\$ (218,559)</u>	<u>\$ (581,433)</u>

Deferred Outflows and Deferred Inflows of Resources by Source to be recognized in Future Pension Expenses. The following tables display the amount of deferred inflows and outflows related to the net pension liability and the future periods that these deferrals will affect the financial statements.

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 171,918	\$ 9,907
Changes in assumptions	-	5,244
Contributions subsequent to valuation date	7,900	-
Net difference between projected and actual earnings on pension plan investments	<u>74,770</u>	<u>-</u>
Total	<u>\$ 254,588</u>	<u>\$ 15,151</u>

Year Ending December 31,	Net Deferred Outflows of Resources
2025	\$ 123,025
2026	169,695
2027	(39,782)
2028	(21,401)
2029	-
Thereafter	<u>-</u>
	<u>\$ 231,537</u>

VILLAGE OF SHILOH, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

2. Sheriff's Law Enforcement Personnel (SLEP)

Plan Description. The Village's defined benefit pension plan for certain SLEP eligible employees provides retirement and disability benefits, post retirement increases, and death benefits to plan members and beneficiaries. Membership in SLEP is based on several factors including the member's role at the employer and type of appointment. SLEP members include many Illinois county sheriffs and deputy sheriffs, correctional officers, forest preserve district rangers, airport police and police chiefs. The Plan is affiliated with the Illinois Municipal Retirement Fund (IMRF), an agent multiple-employer plan. 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 financial report that includes financial statements and required supplementary information. The report may be obtained on-line at www.imrf.org.

Funding Policy. As set by statute, members are required to contribute 7.50 percent of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The employer also contributes for disability benefits, death benefits and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by the IMRF Board of Trustees, while the supplemental retirement benefits rate is set by statute.

Covered Employees. The following types of employees comprise the membership of the plan.

Retirees and Beneficiaries	1
Inactive, non-Retired Members	0
Active Members	<u>0</u>
Total	<u>1</u>

Discount Rate. GASB Statement No. 68 includes a specific requirement for the discount rate that is used for the purpose of the measurement of the Total Pension Liability. This rate considers the ability of the fund to meet benefit obligations in the future. To make this determination, employer contributions, employee contributions, benefit payments, expenses and investment returns are projected into the future. The Plan Net Position (assets) in future years can then be determined and compared to its obligation to make benefit payments in those years. As long as assets are projected to be on hand in a future year, the assumed valuation discount rate is used. In years where assets are not projected to be sufficient to meet benefit payments, the use of a "risk-free" rate is required, as described in the following paragraph.

The *Single Discount Rate (SDR)* is equivalent to applying these two rates to the benefits that are projected to be paid during the different time periods. The SDR reflects (1) the long-term expected rate of return on pension plan investments (during the period in which the fiduciary net position is projected to be sufficient to pay benefits) and (2) tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating (which is published by the Federal Reserve) as of the

VILLAGE OF SHILOH, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

measurement date (to the extent that the contributions for use with the long-term expected rate of return are not met).

For the purpose of this valuation, the expected rate of return on pension plan investments is 7.25%; the municipal bond rate is 4.08%; and the resulting single discount rate is 7.25%.

Actuarial Valuation Date	12/31/24
Measurement Date of the Net Pension Liability	12/31/24
Fiscal Year End	04/30/25
Development of the Single Discount Rate as of December 31, 2024	
Long-Term Expected Rate of Investment Return	7.25%
Long-Term Municipal Bond Rate	4.08%
Last year ending December 31 in the 2025 to 2124 projection period for which projected benefit payments are fully funded	2124
Resulting Single Discount Rate based on the above development	7.25%
Single Discount Rate calculated using December 31, 2023 Measurement Date	7.25%

The Long-Term Municipal Bond Rate is based on the Bond Buyer's "20-Bond GO Index" as of December 26, 2024.

Actuarial Assumptions. The following are the actuarial assumptions used in the calculation of the net pension liability.

Actuarial Cost Method	Aggregate Entry Age Normal
Asset Valuation Method	5-year smoothed market; 20% corridor
Price Inflation	2.25%
Salary Increases	2.75% to 13.75% including inflation
Investment Rate of Return	7.25%
Retirement Age	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2020 valuation pursuant to an experience study of the period 2017-2019.
Mortality	For non-disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Retiree, Male (adjusted 106%) and Female (adjusted 105%) tables, and future mortality improvements projected using scale MP-2020. For disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Disabled Retiree, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020. For active members, the Pub-2010, Amount-Weighted, below-median income, General, Employee, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020.

VILLAGE OF SHILOH, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Net Pension Liability/(Asset). The following is a summary of the Net Pension Liability/(Asset) as shown as an asset in the financial statements.

Total pension liability	
Service Cost	\$ -
Interest on the Total Pension Liability	6,596
Changes of benefit terms	-
Difference between expected and actual experience of the Total Pension Liability	4,448
Changes of assumptions	-
Benefit payments, including refunds of employee contributions	(13,492)
Net change in total pension liability	\$ (2,448)
Total pension liability - beginning	97,725
Total pension liability - ending	<u>\$ 95,277</u>
Plan fiduciary net position	
Contributions - employer	\$ -
Contributions - employee	-
Net investment income	11,963
Benefit payments, including refunds of employee contributions	(13,492)
Other (Net Transfer)	1,595
Net change in plan fiduciary net position	\$ 66
Plan fiduciary net position - beginning	111,821
Plan fiduciary net position - ending	<u>\$ 111,887</u>
Net pension liability/(asset)	<u>\$ (16,610)</u>
Plan fiduciary net position as a percentage of the total pension liability	117.43%
Covered valuation payroll	\$ -
Net pension liability as a percentage of covered valuation payroll	0.00%

VILLAGE OF SHILOH, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

To report the sensitivity of the net pension liability/(asset) to the selected discount rate, the following table displays the variation given a 1% increase or decrease.

	Current Single Discount		
	<u>1% Decrease</u>	<u>Rate Assumption</u>	<u>1% Increase</u>
	<u>6.25%</u>	<u>7.25%</u>	<u>8.25%</u>
Total Pension Liability	\$ 100,312	\$ 95,277	\$ 90,694
Plan Fiduciary Net Position	111,887	111,887	111,887
Net Pension Liability/(Asset)	<u>\$ (11,575)</u>	<u>\$ (16,610)</u>	<u>\$ (21,193)</u>

Deferred Outflows and Deferred Inflows of Resources by Source to be recognized in Future Pension Expenses. The following tables display the amount of deferred inflows and outflows related to the net pension liability and the future periods that these deferrals will affect the financial statements.

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience	\$ -	\$ -
Changes in assumptions	-	-
Subsequent contributions	-	-
Net difference between projected and actual earnings on pension plan investments	3,036	-
Total	<u>\$ 3,036</u>	<u>\$ -</u>

<u>Year Ending December 31,</u>	<u>Net Deferred Outflows of Resources</u>
2025	\$ 1,425
2026	4,382
2027	(1,912)
2028	(859)
2029	-
	<u>\$ 3,036</u>

VILLAGE OF SHILOH, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

3. Police Pension Fund

a) Plan Description

Plan Administration. The Board consists of two members appointed by the Village, two active members of the police department elected by the membership, and one retired member of the police department elected by the membership.

Plan Membership as of April 30, 2025:

Inactive Plan Members or Beneficiaries	
Currently Receiving Benefits	11
Active Plan Members	<u>21</u>
Total	<u>32</u>

Benefits Provided.

The Plan provides retirement, termination, disability, and death benefits.

Normal Retirement:

Tier 1: Age 50 and 20 years of Credited Service. Tier 2: Age 55 with 10 years of Credited Service. Benefit: Tier 1: 50% of annual salary attached to rank on last day of service plus 2.5% of the final salary for each year over 20 years, up to a maximum of 75% of salary. The minimum monthly benefit is \$1,000 per month. Tier 2: 2.50% per year of service times the average salary for the eight consecutive years prior to retirement times the number of years of service. The maximum benefit is 75% of average salary.

Cost of Living Adjustment:

Tier 1 Retirees: An annual increase equal to 3.00% per year after age 55. Those that retire prior to age 55 receive an increase of 1/12 of 3.00% for each full month since benefit commencement upon reaching age 55. Tier 2: An annual increase each January 1 equal to 3.00% per year or one-half of the annual unadjusted percentage increase in the consumer price index-u for the twelve months ending with the September preceding each November 1, whichever is less, of the original pension after the attainment of age 60 or first anniversary of pension start date whichever is later.

Disability Benefit:

Eligibility: Total and permanent as determined by the Board of Trustees. Benefit: A maximum of: a.) 65% of salary attached to the rank held by the member on last day of service, and; b.) The monthly retirement pension that the member is entitled to receive if he or she retired immediately. For non-service connected disabilities, a benefit of 50% of salary attached to rank held by member on last day of service.

VILLAGE OF SHILOH, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Pre-Retirement Death Benefit:

Service Incurred: 100% of salary attached to rank held by member on last day of service. Non-Service Incurred: A maximum of: a.) 50% of salary attached to the rank held by member on last day of service, and; b.) The monthly retirement pension earned by the deceased member at time of death, regardless of whether death occurs before or after age 50. For non-service deaths with less than 10 years of service, a refund of member contributions is provided.

Vesting (Termination):

Less than 10 years: Refund of Member Contributions.

10 or more years: Either the termination benefit, payable upon reaching age 60, provided contributions are not withdrawn, or a refund of member contributions. The termination benefit is 2.50% of annual salary held in the year prior to termination times creditable service.

Contributions.

Employee: 9.91% of Salary. Village: Remaining amount necessary for payment of the Normal Cost (current year's) and amortization of the Unfunded Actuarial Accrued Liability by level dollar contributions to a 100% funding target over a layered amortization period of 13.86 years, as of the April 30, 2024 fiscal year.

b) Investments

Investment Policy:

The long-term expected rate of return on pension plan investments is the best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expenses and inflation) and are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

Concentrations:

The Plan did not hold investments in any one organization that represent 5 percent or more of the Pension Plan's fiduciary net position.

Rate of Return:

For the year ended April 30, 2025, the annual rate of return on Pension Plan investments, net of pension plan investment expense, was 9.7%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

VILLAGE OF SHILOH, ILLINOIS
 NOTES TO FINANCIAL STATEMENTS (CONTINUED)

The long-term asset allocation is determined by the Illinois Police Officer's Pension Investment Fund and is as follows as of April 30, 2025:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long Term Expected Real Rate of Return</u>
U.S. Large	23.00%	5.70%
U.S Small	5.00	6.60
International Developed	19.00	6.70
International Developed Small	5.00	7.60
Emerging Markets	6.00	7.00
Private Equity	7.00	8.00
Bank Loans	3.00	7.30
High Yield Corp Credit	3.00	6.80
Emerging Market Debt	3.00	7.05
Private Credit	5.00	8.20
TIPS	3.00	4.10
Real Estate	5.00	6.90
Infrastructure	3.00	8.10
Cash	1.00	3.90
Short-Term Gov't/Credit	3.00	4.30
U.S. Treasury	3.00	4.10
Core Plus Fixed Income	<u>3.00</u>	4.90
Total	<u>100.00%</u>	

c) Net Pension Liability of the Sponsor

The components of the net pension liability of the sponsor on April 30, 2025 were as follows:

	<u>Increase (Decrease)</u>		
	<u>Total Pension Liability</u>	<u>Plan Fiduciary Net Position</u>	<u>Net Pension Liability</u>
Balances as of May 01, 2024	\$ 11,720,899	\$ 9,748,186	\$ 1,972,713
Changes for a year			
Service Cost	498,628	-	498,628
Interest	711,733	-	711,733
Differences between expected and actual experience	(78,826)	-	(78,826)
Changes of assumptions	245,597	-	245,597
Changes of benefit terms	-	-	-
Contributions - employer	-	742,469	(742,469)
Contributions - employee	-	173,966	(173,966)
Contributions - other	-	-	-
Net investment income	-	887,461	(887,461)
Benefit payments, including refunds	(430,694)	(430,694)	-
Administrative	-	(10,180)	10,180
Net Changes	<u>946,438</u>	<u>1,363,022</u>	<u>(416,584)</u>
Balances as of April 30, 2025	<u>\$ 12,667,337</u>	<u>\$ 11,111,208</u>	<u>\$ 1,556,129</u>

VILLAGE OF SHILOH, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Total Pension Liability	\$ 12,667,337
Plan Fiduciary Net Position	<u>(11,111,208)</u>
Net Pension Liability	<u>\$ 1,556,129</u>
Plan Fiduciary Net Position as a % of Total Pension Liability	87.72%

Actuarial Assumptions:

The total pension liability was determined by an actuarial valuation as of April 30, 2025 using the following actuarial assumptions:

Inflation	2.50%
Salary Increases	3.50%
Investment Rate of Return	6.25%

Active Mortality Rate: Sex Distinct Raw Rates as developed in the PubS-2010(A) Study. Study improved to 2021 using MP-2021 Improvement Rates. These rates are then improved generationally using MP-2021 Improvement Rates.

Retiree Mortality Rate: Follows the L&A Assumption Study for Police 2024. These rates are experience weighted with the Sex Distinct Raw Rates as developed in the PubS-2010(A) Study improved to 2021 using MP-2021 Improvement Rates. These rates are then improved fully generational using MP-2021 Improvement Rates.

Disability Mortality Rate: Follows the Sex Distinct Raw Rates as developed in the PubS-2010 Study for disabled participants improved to 2021 using MP-2021 Improvement Rates. These rates are then improved generationally using MP-2021 Improvement Rates.

Discount Rate:

The discount rate used to measure the total pension liability was 6.25 percent. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that sponsor contributions will be made at rates equal to the difference between the actuarially determined contribution rates and the member rate. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all future projected benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

	1% Decrease	Current Discount Rate	1% Increase
	5.25%	6.25%	7.25%
Net Pension Liability	\$ 3,695,580	\$ 1,556,129	\$ (158,472)

Deferred Outflows and Deferred Inflows of Resources by Source to be recognized in Future Pension Expenses. The following tables display the

VILLAGE OF SHILOH, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

amount of deferred inflows and outflows related to the net pension liability and the future periods that these deferrals will affect the financial statements.

	Deferred Outflows of <u>Resources</u>	Deferred Inflows of <u>Resources</u>
Difference between expected and actual experience	\$ 296,757	\$ 450,835
Changes in assumptions	422,526	1,797,202
Net difference between projected and actual earnings on pension plan investments	<u>94,602</u>	<u>-</u>
Total	<u>\$ 813,885</u>	<u>\$ 2,248,037</u>

Year Ending <u>April 30,</u>	Net Deferred Inflows of <u>Resources</u>
2026	\$ 31,663
2027	(174,384)
2028	(308,258)
2029	(298,094)
2030	(271,590)
Thereafter	<u>(413,489)</u>
	<u>\$ (1,434,152)</u>

NOTE 10: RISK MANAGEMENT

The Village is exposed to various risks of loss related to torts; thefts of, damage to and destruction of assets; errors and omissions and natural disasters for which the Village carries commercial insurance. There have been no significant reductions in coverage from the prior year and settlements have not exceeded coverages in the past three years.

NOTE 11: POSTEMPLOYMENT HEALTHCARE PLAN

Plan Description. The Village maintains a single-employer defined benefit healthcare plan available for retirees. The Village provides pre and post Medicare post-retirement healthcare benefits to all retirees who worked for the Village, were enrolled in one of the Village's healthcare plans at the time of employment, and receive a pension from the Village through IMRF or the Police Pension Fund. The various eligibility requirements vary with the type of retirement plan the employee was associated with. The Village does not issue a separate report related to post-retirement healthcare benefits.

Funding Policy. The contribution requirements are as determined by the contracts with Village employees and are funded as a pay-as-you-go basis.

Annual OPEB Cost and Net OPEB Obligation. The Village's annual other postemployment benefit (OPEB) cost is calculated based on an amount actuarially

VILLAGE OF SHILOH, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

determined in accordance with the parameters of GASB Statement 75. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities over a period not to exceed thirty years.

The OPEB liability as of April 30, 2025, is calculated at \$408,182. This is an increase of \$4,968 in the current year from the prior year estimated balance of \$403,214.

Net OPEB Liability. The following is a summary of the Net OPEB Liability as shown as a liability in the financial statements.

Total OPEB liability	
Service Cost	\$ 41,978
Interest on the Total OPEB Liability	16,201
Changes of benefit terms	-
Difference between expected and actual experience of the Total OPEB Liability	-
Changes of assumptions	(42,922)
Benefit payments, including refunds of employee contributions	<u>(10,289)</u>
Net change in total OPEB liability	\$ 4,968
Total OPEB liability - beginning	<u>403,214</u>
Total OPEB liability - ending	<u>\$ 408,182</u>
Plan fiduciary net position	
Contributions - employer	\$ 10,289
Contributions - employee	-
Net investment income	-
Benefit payments, including refunds of employee contributions	(10,289)
Other	<u>-</u>
Net change in plan fiduciary net position	\$ -
Plan fiduciary net position - beginning	<u>-</u>
Plan fiduciary net position - ending	<u>\$ -</u>
Net OPEB liability/(asset)	<u>\$ 408,182</u>
Plan fiduciary net position as a percentage of the total OPEB liability	0.00%
Covered valuation payroll	\$ 2,653,016
Net OPEB liability as a percentage of covered valuation payroll	15.39%

VILLAGE OF SHILOH, ILLINOIS
 NOTES TO FINANCIAL STATEMENTS (CONTINUED)

To report the sensitivity of the net OPEB liability to the selected discount rate, the following table displays the variation given a 1% increase or decrease.

	Current Single Discount		
	1% Decrease 4.24%	Rate Assumption 5.24%	1% Increase 6.24%
Total OPEB Liability	\$ 444,583	\$ 408,182	\$ 375,027
Plan Fiduciary Net Position	-	-	-
Net OPEB Liability/(Asset)	<u>\$ 444,583</u>	<u>\$ 408,182</u>	<u>\$ 375,027</u>

Deferred Outflows and Deferred Inflows of Resources by Source to be recognized in Future OPEB Expenses. The following tables display the amount of deferred inflows and outflows related to the net OPEB liability and the future periods that these deferrals will affect the financial statements.

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 34,223	\$ 47,149
Changes in assumptions	78,351	46,192
Net difference between projected and actual earnings on OPEB plan investments	-	-
Total	<u>\$ 112,574</u>	<u>\$ 93,341</u>

Year Ending April 30.	Net Deferred Outflows of Resources
2026	\$ 1,822
2027	1,822
2028	1,822
2029	1,822
2030	1,818
Thereafter	10,127
	<u>\$ 19,233</u>

Funding Status and Funding Progress. As of April 30, 2025, the most recent actuarial valuation date, the plan was not funded. The actuarial accrued liability for benefits and the unfunded actuarial accrued liability is \$408,182. The plan has no assets as payments are made on a pay-as-you-go basis. The covered payroll was \$2,653,016 and the ratio of the UAAL to the covered payroll was 15.39 percent.

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality and the healthcare cost trend. Amounts determined regarding the funded status of the plan and

VILLAGE OF SHILOH, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Actuarial Methods and Assumptions. Projections of benefits for financial reporting purposes are based on the substantive plan and include the types of benefits provided at the time of each valuation and the historical pattern of sharing benefit costs between the employer and plan members. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

For the April 30, 2025 actuarial valuation, the entry age normal cost method was used.

The actuarial assumptions included the following:

Annual healthcare cost trend rate: Based on the 2024 Segal Health Plan Cost Trend Survey – First-Year trend rate of 7.50% to be reduced by .28% increments to an ultimate trend rate of 5.00 percent.

Remaining amortization period at April 30, 2025: 19 years.

Inflation rate: 2.25%

Retirement rates for IMRF: Based on Rates from IMRF Experience Study Report dated December 14, 2020

Retirement rates for Police: 100% of L&A Assumption Study Cap Age 65 for Police 2020

Police Mortality Rates:

Active Mortality Rate: Follows the Sex Distinct Raw Rates as developed in the PubS-2010(A) Study improved to 2017 using MP-2019 Improvement Rates. These rates are then improved generationally using MP-2019 Improvement Rates.

Retiree Mortality Rate: Follows the L&A Assumption Study for Police 2020. These rates are experience weighted with the Sex Distinct Raw Rates as developed in the PubS-2010(A) Study improved to 2017 using MP-2019 Improvement Rates. These rates are then improved generationally using MP-2019 Improvement Rates.

Disability Mortality Rate: Follows the Sex Distinct Raw Rates as developed in the PubS-2010 Study for disabled participants improved to 2017 using MP-2019 Improvement Rates. These rates are then improved generationally using MP-2019 Improvement Rates.

IMRF Mortality Rates: Follows PubG-2010(B) Improved Generationally using MP-2020 Improvement Rates, weighted per IMRF Experience Study Report dated December 14, 2020

VILLAGE OF SHILOH, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

NOTE 12: TAX INCREMENT FINANCING DISTRICTS

The Village has created the following tax increment financing districts subject to Illinois Compiled Statutes, 65 ILCS, Chapter 5, paragraph 11, division 7 4.4-1.

Tax Increment Financing District A

On May 18, 1998, the Village established Tax Increment Financing District A. The redevelopment project for the area was for the building of an approximately 70,000 square foot Dierbergs supermarket, a retail and office complex comprised of additional anchor stores and smaller retailers and businesses, and free-standing office, retail and restaurant facilities.

Tax Increment Financing District B

On November 17, 1998, the Board of Trustees established Tax Increment Financing District B. The redevelopment activities proposed for the area include the development of currently undeveloped, or underutilized, property for commercial/mixed use, site improvements and utility upgrades to accompany removal and replacement of deteriorated structures with new commercial construction, and the rehabilitation, repair and remodel of existing buildings, including residential and/or historic structures, within the redevelopment project area.

Tax Increment Financing District C

On May 7, 2007, the Board of Trustees established Tax Increment Financing District C. The redevelopment activities proposed for the area include the following:

- Construction of an age restricted senior housing development consisting of four condominium units, each of approximately 65,000 square feet.
- Construction of an approximately 65,000 square foot assisted living facility, or as an alternative, the construction of multiple retail buildings and/or additional commercial out lots.
- Construction of approximately 268 single-family homes.
- Construction of multiple commercial retail buildings totaling approximately 72,000 square feet.
- Construction of multiple office buildings totaling approximately 56,000 square feet.
- On-site improvements including grading, drainage, street construction, extension of utilities and underground coal mine remediation and stabilization.
- Construction of public roadways designed to support both residential and commercial development.
- Site improvements to accompany removal and replacement of deteriorated structures with new commercial construction.

Tax Increment Financing District D

On November 17, 2008, the Board of Trustees approved the establishment of Tax Increment Financing District D. The redevelopment plan provides for a project

VILLAGE OF SHILOH, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

consisting of a mix of land uses which take advantage of the access and traffic volume of the adjacent intersecting roadways. Additional infrastructure is proposed that will allow for the development of a mix of commercial and residential uses.

NOTE 13: TAX REBATES

The Village has entered into an agreement with a developer in the Tax Increment Financing District C and the Wingate Business District to provide funding to develop an area known as the Villages at Wingate Project. The Village had previously assisted in providing funding for the project through the issuance of notes as described in Note 6 of these financial statements. The amended agreement calls for remittances of tax proceeds in the following order 1) the school district (82% of the TIF fund balance), 2) to the Village (5% of the TIF fund balance), 3) to make interest and principal payments on the related debt. The balances to be distributed are derived from the related property taxes, special service area taxes, and business district taxes. For the fiscal year ended April 30, 2025, the Village rebated taxes totaling \$959,659 to the school district and made debt payments of \$516,982 on the related debt. The rebate amounts were paid from the TIF Fund C in the amount of \$921,848 and the Wingate Business District Fund in the amount of \$37,811.

The Village has also entered into an agreement with a developer in the Green Mount Business District to reimburse the developer for costs related to mine subsidence. For the year ended April 30, 2025, the Village made payments of \$634,209 to the developer from business district sales taxes, in addition to accruing \$412,776 of available funds. As of April 30, 2025, the balance still due to the developer is \$2,161,839.

Finally, the Village has entered into an agreement to reimburse a developer for costs associated with the relocation of five car dealerships to the Village. For the year ended April 30, 2025, the Village made payments of \$895,621 to the developer from municipal sales taxes, in addition to accruing \$338,374 of available funds. The agreement terminates upon the reimbursement of \$14,000,000 or June 30, 2035, whichever occurs first. As of April 30, 2025, the remaining maximum reimbursement was \$12,579,991.

NOTE 14: LEASES RECEIVABLE

The Village has entered into two lease agreements to lease property to tenants for the purposes of a communications tower.

The first lease is for an initial term of five years with automatic renewals of seventeen additional five-year terms. The initial rent is \$12,000 per year with increases of 2.50% on the commencement of each five-year extension. The total expected future payments are \$1,085,389 through the fiscal year 2099. The payments are discounted at 3.00% to a receivable balance of \$409,617.

VILLAGE OF SHILOH, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

The second lease is for an initial term of five years with automatic renewals of five additional five-year terms. The initial rent is \$19,200 per year with increases of 1.50% annually. The total expected future payments are \$536,561 through the fiscal year 2048. The payments are discounted at 3.00% to a receivable balance of \$379,031.

The receivable balances are also reported as a deferred inflow.

During the fiscal year, the Village recognized \$8,320 in lease revenue and \$25,557 in interest income related to these agreements.

NOTE 15: SUBSEQUENT EVENTS

The Village has evaluated events occurring after the financial statement date through October 27, 2025 in order to determine their potential for recognition or disclosure in the financial statements. The latter date is the same date the financial statements were available to be issued.

NOTE 16: CHANGE IN ACCOUNTING PRINCIPLES

Implementation of new accounting standard GASB Statement No. 101

Effective May 1, 2024, the Village implemented GASB Statement No. 101, *Compensated Absences*. This Statement modifies the recognition and measurement guidance for compensated absences. This Statement requires that liabilities for compensated absences be recognized for (1) leave that has not been used (including leave that is attributable to services already rendered, leave that accumulates, and leave that is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means) and (2) leave that has been used but not yet paid in cash or settled through noncash means. The Village was not previously recording a liability for sick leave accumulated or related payroll taxes which are both now a requirement of GASB Statement No. 101. This results in a restatement of previously reported net position, as follows:

Governmental activities:	
Beginning Net Position, May 1, 2024	\$ 33,380,589
Changes in Accounting Principle	<u>(245,938)</u>
Restated Beginning Net Position, May 1, 2024	<u>\$ 33,134,651</u>
Noncurrent Liabilities:	
Beginning Balance, May 1, 2024	\$ 14,976,759
Changes in Accounting Principle	<u>245,938</u>
Restated Beginning Balance, May 1, 2024	<u>\$ 15,222,697</u>

VILLAGE OF SHILOH, ILLINOIS

REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE (MODIFIED CASH BASIS) - GENERAL FUND
FOR THE YEAR ENDED APRIL 30, 2025

	Budgeted Amounts		Actual (Budget Basis)
	Original	Final	
Total Revenues	\$ 9,213,560	\$ 9,213,560	\$ 9,661,601
Expenditures:			
Administration:			
Personal Services	978,500	978,500	717,513
General Operating	113,000	113,000	63,091
Building Operation	59,000	59,000	19,089
Office Expenditures	65,000	65,000	36,920
Professional Services	222,300	222,300	153,060
Economic Development	1,100,000	1,100,000	895,621
Capital Outlay	50,000	50,000	46,425
Total Administration	<u>2,587,800</u>	<u>2,587,800</u>	<u>1,931,719</u>
Police:			
Personal Services	2,988,250	2,988,250	2,625,595
General Operating	475,625	475,625	549,713
Building Operation	91,760	91,760	33,499
Office Expenditures	85,250	85,250	78,878
Professional Services	39,000	39,000	34,650
Police Commission	7,550	7,550	6,236
Capital Outlay	100,215	100,215	104,231
Total Police	<u>3,787,650</u>	<u>3,787,650</u>	<u>3,432,802</u>
Engineering/Public Works:			
Personal Services	529,200	529,200	424,368
General Operating	817,537	817,537	309,501
Building Operation	35,000	35,000	13,482
Office Expenditures	7,750	7,750	860
Professional Services	91,740	91,740	55,791
Capital Outlay	120,000	120,000	11,575
Total Engineering/Public Works	<u>1,601,227</u>	<u>1,601,227</u>	<u>815,577</u>
Park:			
Operating Expenditures	589,250	589,250	443,290
Cemetery	40,000	40,000	29,250
Capital Outlay	496,074	496,074	50,202
Total Park	<u>1,125,324</u>	<u>1,125,324</u>	<u>522,742</u>
Total Expenditures	<u>9,102,001</u>	<u>9,102,001</u>	<u>6,702,840</u>
Excess (Deficiency) of Revenues Over Expenditures:	<u>111,559</u>	<u>111,559</u>	<u>2,958,761</u>
Other Financing Sources:			
Transfers In (Out)	<u>(431,769)</u>	<u>(431,769)</u>	<u>(337,969)</u>
Total Other Financing Sources	<u>(431,769)</u>	<u>(431,769)</u>	<u>(337,969)</u>
Excess (Deficiency) of Receipts and Other Financing Sources Over Disbursements	<u>\$ (320,210)</u>	<u>\$ (320,210)</u>	2,620,792
Change for reporting on modified accrual basis:			
Change in intergovernmental revenue on modified accrual basis			78,847
Change in other receivable on modified accrual basis			20,393
Change in amount due from (to) other fund on modified accrual basis			(25,204)
Change in prepaid items on modified accrual basis			2,557
Change in accrued payroll on modified accrual basis			(12,532)
Change in accounts payable on modified accrual basis			<u>(85,648)</u>
As reported on the Statement of Revenues, Expenditures and Changes in Fund Balance			<u>\$ 2,599,205</u>

VILLAGE OF SHILOH, ILLINOIS

SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
ILLINOIS MUNICIPAL RETIREMENT FUND
APRIL 30, 2025

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Total Pension Liability:										
Service Cost	\$ 83,672	\$ 73,657	\$ 74,662	\$ 66,514	\$ 83,290	\$ 80,637	\$ 78,790	\$ 96,867	\$ 89,969	\$ 83,193
Interest	287,230	252,581	241,756	229,459	224,085	201,777	188,873	189,192	171,855	156,497
Difference between expected and actual Assumption changes	45,786	306,712	(44,584)	(30,664)	(103,421)	127,539	13,896	(115,378)	49,181	44,079
Benefit payments, including refunds	(153,319)	(143,842)	(100,199)	(99,341)	(99,831)	(107,344)	(90,827)	(81,409)	(85,074)	(79,395)
Net change in total pension liability	263,369	477,654	171,635	165,968	82,264	302,609	272,161	9,493	222,831	207,277
Total pension liability - beginning	<u>3,996,621</u>	<u>3,518,967</u>	<u>3,347,332</u>	<u>3,181,364</u>	<u>3,099,100</u>	<u>2,796,491</u>	<u>2,524,330</u>	<u>2,514,837</u>	<u>2,292,006</u>	<u>2,084,729</u>
Total pension liability - ending	<u>\$ 4,259,990</u>	<u>\$ 3,996,621</u>	<u>\$ 3,518,967</u>	<u>\$ 3,347,332</u>	<u>\$ 3,181,364</u>	<u>\$ 3,099,100</u>	<u>\$ 2,796,491</u>	<u>\$ 2,524,330</u>	<u>\$ 2,514,837</u>	<u>\$ 2,292,006</u>
Plan Fiduciary Net Position										
Contributions - employer	21,028	36,602	43,461	69,483	66,484	54,376	69,165	65,468	81,788	78,586
Contributions - employee	42,816	40,568	37,253	36,656	38,210	37,879	34,659	33,941	41,214	36,876
Net investment income	406,806	372,909	(427,648)	556,748	417,349	456,620	(122,752)	391,287	145,470	10,418
Benefit payments, including refunds	(153,319)	(143,842)	(100,199)	(99,341)	(99,831)	(107,344)	(90,827)	(81,409)	(85,074)	(79,395)
Other	(37,298)	368,232	489	(31,708)	11,770	11,118	14,882	(32,215)	6,026	(31,477)
Net change in plan fiduciary net position	280,033	674,469	(446,644)	531,838	433,982	452,649	(94,873)	377,072	189,424	15,008
Plan fiduciary net position - beginning	<u>4,198,516</u>	<u>3,524,047</u>	<u>3,970,691</u>	<u>3,438,853</u>	<u>3,004,871</u>	<u>2,552,222</u>	<u>2,647,095</u>	<u>2,270,023</u>	<u>2,080,599</u>	<u>2,065,591</u>
Plan fiduciary net position - ending	<u>\$ 4,478,549</u>	<u>\$ 4,198,516</u>	<u>\$ 3,524,047</u>	<u>\$ 3,970,691</u>	<u>\$ 3,438,853</u>	<u>\$ 3,004,871</u>	<u>\$ 2,552,222</u>	<u>\$ 2,647,095</u>	<u>\$ 2,270,023</u>	<u>\$ 2,080,599</u>
Net Pension Liability	<u>\$ (218,559)</u>	<u>\$ (201,895)</u>	<u>\$ (5,080)</u>	<u>\$ (623,359)</u>	<u>\$ (257,489)</u>	<u>\$ 94,229</u>	<u>\$ 244,269</u>	<u>\$ (122,765)</u>	<u>\$ 244,814</u>	<u>\$ 211,407</u>
Plan fiduciary net position as a percentage of the total pension liability	<u>105.13%</u>	<u>105.05%</u>	<u>100.14%</u>	<u>118.62%</u>	<u>108.09%</u>	<u>96.96%</u>	<u>91.27%</u>	<u>104.86%</u>	<u>90.27%</u>	<u>90.78%</u>
Covered valuation payroll	<u>\$ 951,472</u>	<u>\$ 901,503</u>	<u>\$ 827,840</u>	<u>\$ 814,573</u>	<u>\$ 849,106</u>	<u>\$ 841,753</u>	<u>\$ 770,342</u>	<u>\$ 754,238</u>	<u>\$ 909,201</u>	<u>\$ 801,900</u>
Net pension liability as a percentage of covered valuation payroll	<u>-22.97%</u>	<u>-22.40%</u>	<u>-0.61%</u>	<u>-76.53%</u>	<u>-30.32%</u>	<u>11.19%</u>	<u>31.71%</u>	<u>-16.28%</u>	<u>26.93%</u>	<u>26.36%</u>

VILLAGE OF SHILOH, ILLINOIS

SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
SLEP
APRIL 30, 2025

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Total Pension Liability:										
Service Cost	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest	6,596	6,801	6,968	7,123	7,158	7,276	7,507	7,909	7,967	8,031
Difference between expected and actual Assumption changes	4,448	4,113	3,814	3,556	3,646	3,407	3,134	2,840	2,683	2,521
Benefit payments, including refunds	(13,492)	(13,216)	(12,944)	(12,688)	(12,436)	(12,179)	(11,920)	(11,665)	(11,422)	(11,169)
Net change in total pension liability	(2,448)	(2,691)	(2,162)	(2,009)	(359)	(1,496)	394	(5,238)	(930)	(453)
Total pension liability - beginning	97,725	100,416	102,578	104,587	104,946	106,442	106,048	111,286	112,216	112,669
Total pension liability - ending	<u>\$ 95,277</u>	<u>\$ 97,725</u>	<u>\$ 100,416</u>	<u>\$ 102,578</u>	<u>\$ 104,587</u>	<u>\$ 104,946</u>	<u>\$ 106,442</u>	<u>\$ 106,048</u>	<u>\$ 111,286</u>	<u>\$ 112,216</u>
Plan Fiduciary Net Position										
Contributions - employer	-	-	-	-	-	-	31	182	708	874
Contributions - employee	-	-	-	-	-	-	-	-	-	-
Net investment income	11,963	12,728	(21,801)	23,477	18,136	22,045	(9,536)	22,161	7,606	537
Benefit payments, including refunds	(13,492)	(13,216)	(12,944)	(12,688)	(12,436)	(12,179)	(11,920)	(11,665)	(11,422)	(11,169)
Other	1,595	5,682	3,106	2,521	4,793	2,759	4,652	(2,156)	2,461	7,872
Net change in plan fiduciary net position	66	5,194	(31,639)	13,310	10,493	12,625	(16,773)	8,522	(647)	(1,886)
Plan fiduciary net position - beginning	111,821	106,627	138,266	124,956	114,463	101,838	118,611	110,089	110,736	112,622
Plan fiduciary net position - ending	<u>\$ 111,887</u>	<u>\$ 111,821</u>	<u>\$ 106,627</u>	<u>\$ 138,266</u>	<u>\$ 124,956</u>	<u>\$ 114,463</u>	<u>\$ 101,838</u>	<u>\$ 118,611</u>	<u>\$ 110,089</u>	<u>\$ 110,736</u>
Net Pension Liability	<u>\$ (16,610)</u>	<u>\$ (14,096)</u>	<u>\$ (6,211)</u>	<u>\$ (35,688)</u>	<u>\$ (20,369)</u>	<u>\$ (9,517)</u>	<u>\$ 4,604</u>	<u>\$ (12,563)</u>	<u>\$ 1,197</u>	<u>\$ 1,480</u>
Plan fiduciary net position as a percentage of the total pension liability	<u>117.43%</u>	<u>114.42%</u>	<u>106.19%</u>	<u>134.79%</u>	<u>119.48%</u>	<u>109.07%</u>	<u>95.67%</u>	<u>111.85%</u>	<u>98.92%</u>	<u>98.68%</u>
Covered valuation payroll	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Net pension liability as a percentage of covered valuation payroll	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>

VILLAGE OF SHILOH, ILLINOIS

SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
POLICE PENSION FUND
APRIL 30, 2025

	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Total Pension Liability:									
Service Cost	\$ 498,628	\$ 474,910	\$ 632,373	\$ 629,121	\$ 545,100	\$ 513,703	\$ 507,821	\$ 461,412	\$ 459,035
Interest	711,733	671,606	640,805	585,479	569,163	503,838	467,884	445,475	376,378
Change of benefit terms	-	-	(31,540)	-	-	-	-	-	-
Changes in assumptions	245,597	-	(2,643,610)	176,176	-	-	-	-	599,581
Difference between expected and actual	(78,826)	(376,490)	132,255	18,325	-	494,677	(43,450)	(293,079)	98,730
Benefit payments, including refunds	(430,694)	(314,718)	(442,210)	(272,678)	(219,973)	(253,857)	(185,100)	(238,269)	(72,120)
Net change in total pension liability	946,438	455,308	(1,711,927)	1,136,423	894,290	1,258,361	747,155	375,539	1,461,604
Total pension liability - beginning	11,720,899	11,265,591	12,977,518	11,841,095	10,946,805	9,688,444	8,941,289	8,565,750	7,104,146
Total pension liability - ending	<u>\$ 12,667,337</u>	<u>\$ 11,720,899</u>	<u>\$ 11,265,591</u>	<u>\$ 12,977,518</u>	<u>\$ 11,841,095</u>	<u>\$ 10,946,805</u>	<u>\$ 9,688,444</u>	<u>\$ 8,941,289</u>	<u>\$ 8,565,750</u>
Plan Fiduciary Net Position									
Contributions - employer	742,469	717,205	669,915	630,666	469,080	498,237	445,163	407,907	380,816
Contributions - employee	173,966	167,867	158,492	149,025	146,026	143,835	129,978	122,068	122,211
Contributions - other	-	-	36,628	29,531	-	-	-	-	-
Net investment income	887,461	662,609	(321)	(607,226)	994,781	202,868	282,894	238,964	259,868
Benefit payments, including refunds	(430,694)	(314,718)	(442,210)	(272,678)	(219,973)	(253,857)	(185,100)	(238,269)	(72,120)
Administrative	(10,180)	(11,935)	(10,515)	(11,688)	(14,105)	(13,905)	(14,805)	(21,197)	(16,780)
Net change in plan fiduciary net position	1,363,022	1,221,028	411,989	(82,370)	1,375,809	577,178	658,130	509,473	673,995
Plan fiduciary net position - beginning	9,748,186	8,527,158	8,115,169	8,197,539	6,821,730	6,244,552	5,586,422	5,076,949	4,402,954
Plan fiduciary net position - ending	<u>\$ 11,111,208</u>	<u>\$ 9,748,186</u>	<u>\$ 8,527,158</u>	<u>\$ 8,115,169</u>	<u>\$ 8,197,539</u>	<u>\$ 6,821,730</u>	<u>\$ 6,244,552</u>	<u>\$ 5,586,422</u>	<u>\$ 5,076,949</u>
Net Pension Liability	<u>\$ 1,556,129</u>	<u>\$ 1,972,713</u>	<u>\$ 2,738,433</u>	<u>\$ 4,862,349</u>	<u>\$ 3,643,556</u>	<u>\$ 4,125,075</u>	<u>\$ 3,443,892</u>	<u>\$ 3,354,867</u>	<u>\$ 3,488,801</u>
Plan fiduciary net position as a percentage of the total pension liability	<u>87.72%</u>	<u>83.17%</u>	<u>75.69%</u>	<u>62.53%</u>	<u>69.23%</u>	<u>62.32%</u>	<u>64.45%</u>	<u>62.48%</u>	<u>59.27%</u>
Covered-employee Payroll	<u>\$ 1,755,461</u>	<u>\$ 1,693,921</u>	<u>\$ 1,599,316</u>	<u>\$ 1,505,774</u>	<u>\$ 1,558,740</u>	<u>\$ 1,535,938</u>	<u>\$ 1,442,286</u>	<u>\$ 1,409,713</u>	<u>\$ 1,265,804</u>
Net pension liability as a percentage of covered-employee payroll	<u>88.65%</u>	<u>116.46%</u>	<u>171.23%</u>	<u>322.91%</u>	<u>233.75%</u>	<u>268.57%</u>	<u>238.78%</u>	<u>237.98%</u>	<u>275.62%</u>

VILLAGE OF SHILOH, ILLINOIS

SCHEDULE OF CONTRIBUTIONS
ILLINOIS MUNICIPAL RETIREMENT FUND
APRIL 30, 2025

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Actuarial Determined Contribution	\$ 21,028	\$ 36,601	\$ 43,462	\$ 69,483	\$ 66,485	\$ 54,377	\$ 69,177	\$ 65,468	\$ 81,101	\$ 78,586
Contributions in relation to actuarial determined contribution	<u>21,028</u>	<u>36,602</u>	<u>43,461</u>	<u>69,483</u>	<u>66,484</u>	<u>54,376</u>	<u>69,165</u>	<u>65,468</u>	<u>81,788</u>	<u>78,586</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ (1)</u>	<u>\$ 1</u>	<u>\$ -</u>	<u>\$ 1</u>	<u>\$ 1</u>	<u>\$ 12</u>	<u>\$ -</u>	<u>\$ (687)</u>	<u>\$ -</u>
 Covered Valuation Payroll	 <u>951,472</u>	 <u>901,503</u>	 <u>827,840</u>	 <u>814,573</u>	 <u>849,106</u>	 <u>841,753</u>	 <u>770,342</u>	 <u>754,238</u>	 <u>909,201</u>	 <u>801,900</u>
 Contributions as a percentage of covered valuation payroll	 <u>2.21%</u>	 <u>4.06%</u>	 <u>5.25%</u>	 <u>8.53%</u>	 <u>7.83%</u>	 <u>6.46%</u>	 <u>8.98%</u>	 <u>8.68%</u>	 <u>9.00%</u>	 <u>9.80%</u>

Actuarial valuation date for above is December 31, 2024.

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The actuarial valuations presented are prepared using the following parameters:

Actuarial Cost Method:	Aggregate Entry Age Normal
Amortization Method:	Level Percentage of Payroll, Closed
Remaining Amortization Period:	19 years
Asset Valuation Method:	5-Year smoothed market: 20% corridor
Actuarial Assumptions:	
Investment Rate of Return	7.25%
Wage Growth	2.75%
Price Inflation	2.25%

VILLAGE OF SHILOH, ILLINOIS

SCHEDULE OF CONTRIBUTIONS

SLEP

APRIL 30, 2025

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Actuarial Determined Contribution	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Contributions in relation to actuarial determined contribution	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>31</u>	<u>182</u>	<u>708</u>	<u>874</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (31)</u>	<u>\$ (182)</u>	<u>\$ (708)</u>	<u>\$ (874)</u>
Covered Valuation Payroll	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Contributions as a percentage of covered valuation payroll	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>

Actuarial valuation date for above is December 31, 2024.

64

The actuarial valuations presented are prepared using the following parameters:

Actuarial Cost Method:	Aggregate Entry Age Normal
Amortization Method:	Level Percentage of Payroll, Closed
Remaining Amortization Period:	19 years
Asset Valuation Method:	5-Year smoothed market: 20% corridor
Actuarial Assumptions:	
Investment Rate of Return	7.25%
Wage Growth	2.75%
Price Inflation	2.25%

VILLAGE OF SHILOH, ILLINOIS

SCHEDULE OF CONTRIBUTIONS
POLICE PENSION FUND
APRIL 30, 2025

	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Actuarial Determined Contribution	\$ 457,244	\$ 461,543	\$ 335,438	\$ 398,816	\$ 394,967	\$ 321,964	\$ 327,550	\$ 288,365	\$ 311,017	\$ 319,549
Contributions in relation to actuarial determined contribution	<u>742,469</u>	<u>717,205</u>	<u>669,915</u>	<u>630,666</u>	<u>469,080</u>	<u>498,237</u>	<u>445,163</u>	<u>407,907</u>	<u>380,816</u>	<u>361,475</u>
Contribution deficiency (excess)	<u>\$ (285,225)</u>	<u>\$ (255,662)</u>	<u>\$ (334,477)</u>	<u>\$ (231,850)</u>	<u>\$ (74,113)</u>	<u>\$ (176,273)</u>	<u>\$ (117,613)</u>	<u>\$ (119,542)</u>	<u>\$ (69,799)</u>	<u>\$ (41,926)</u>
 Covered-employee Payroll	 <u>1,755,461</u>	 <u>1,693,921</u>	 <u>1,599,316</u>	 <u>1,505,774</u>	 <u>1,558,740</u>	 <u>1,535,938</u>	 <u>1,442,286</u>	 <u>1,409,713</u>	 <u>1,265,804</u>	 <u>1,253,486</u>
 Contributions as a percentage of covered-employee payroll	 <u>42.29%</u>	 <u>42.34%</u>	 <u>41.89%</u>	 <u>41.88%</u>	 <u>30.09%</u>	 <u>32.44%</u>	 <u>30.87%</u>	 <u>28.94%</u>	 <u>30.08%</u>	 <u>28.84%</u>

Actuarial determined contributions above are based on the Recommended Contribution from the May 1, 2024 actuarial valuation

The actuarial valuations presented are prepared using the following parameters:

Actuarial Cost Method: Entry Age Normal

Amortization Method: Level Dollar (Closed)

Remaining Amortization Period: 100% Funded over 13.86 years (Layered)

Asset Valuation Method: 5-Year Smoothed fair value

Actuarial Assumptions:

Expected Rate of Return on Investments 6.25%

Total Payroll Increases 3.50%

Inflation 2.25%

Mortality Rates PubS-2010 Adjusted for Plan Status, Demographics, and Illinois Public Pension Data, as Described

Retirement Rates 100% of L&A 2020 Illinois Police Retirement Rates Capped at Age 65

Termination Rates 100% of L&A 2020 Illinois Police Termination Rates

Disability Rates 100% of L&A 2020 Illinois Police Disability Rates

VILLAGE OF SHILOH, ILLINOIS

SCHEDULE OF CHANGES IN NET OPEB LIABILITY AND RELATED RATIOS
POST RETIREMENT HEALTH PLAN
APRIL 30, 2025

	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>
Total OPEB Liability:					
Service Cost	\$ 41,978	\$ 27,104	\$ 27,413	\$ 16,648	\$ 21,066
Interest	16,201	10,190	8,669	6,088	6,968
Differences between expected and actual	-	39,631	-	(64,141)	-
Changes in assumptions	(42,922)	42,849	(7,737)	54,296	2,875
Benefit payments, including refunds	<u>(10,289)</u>	<u>(10,463)</u>	<u>(8,994)</u>	<u>(13,075)</u>	<u>(14,545)</u>
Net change in total OPEB liability	4,968	109,311	19,351	(184)	16,364
Total OPEB liability - beginning	<u>403,214</u>	<u>293,903</u>	<u>274,552</u>	<u>274,736</u>	<u>258,372</u>
Total OPEB liability - ending	<u>\$ 408,182</u>	<u>\$ 403,214</u>	<u>\$ 293,903</u>	<u>\$ 274,552</u>	<u>\$ 274,736</u>
Plan Fiduciary Net Position					
Contributions - employer	10,289	10,463	8,994	13,075	14,545
Contributions - employee	-	-	-	-	-
Net investment income	-	-	-	-	-
Benefit payments, including refunds	(10,289)	(10,463)	(8,994)	(13,075)	(14,545)
Administrative	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in plan fiduciary net position	-	-	-	-	-
Plan fiduciary net position - beginning	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Plan fiduciary net position - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Net OPEB Liability	<u>\$ 408,182</u>	<u>\$ 403,214</u>	<u>\$ 293,903</u>	<u>\$ 274,552</u>	<u>\$ 274,736</u>
Plan fiduciary net position as a percentage of the total OPEB liability	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>
Covered-employee payroll	<u>\$ 2,653,016</u>	<u>\$ 2,492,826</u>	<u>\$ 2,262,576</u>	<u>\$ 2,222,218</u>	<u>N/A</u>
Net position liability as a percentage of covered-employee payroll	<u>15.39%</u>	<u>16.17%</u>	<u>12.99%</u>	<u>12.35%</u>	

VILLAGE OF SHILOH, ILLINOIS

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
APRIL 30, 2025

	Special Revenue Funds								Permanent Fund Cemetery Perpetual Fund	Total Nonmajor Governmental Funds	
	DEA Equitable Sharing Fund	Tourism and Convention Fund	Green Mount Business District Fund	Wingate Business District Fund	Green Mount Lebanon Business District Fund	Tax Increment Financing Fund A	Tax Increment Financing Fund B	Tax Increment Financing Fund D			Capital Projects Fund
Assets											
Cash and Cash Equivalents	\$ 501,759	\$ 349,740	\$ 1,839,685	\$ 2,723	\$ 32,867	\$ 379,442	\$ 26,666	\$ 279,742	\$ 1,696,057	\$ 12,738	\$ 5,121,419
Investments	-	-	-	-	-	-	-	-	275,175	94,433	369,608
Interfund Receivable	25,204	-	-	-	-	-	-	-	-	-	25,204
Receivables:											
Property Taxes	-	-	-	-	-	-	-	73,422	-	-	73,422
Intergovernmental	-	-	321,189	10,760	26,915	-	-	-	-	-	358,864
Other	-	12,137	-	-	-	-	-	-	4,897	162	17,196
Prepaid Items	71,823	6,592	-	-	-	-	-	-	-	-	78,415
Total Assets	\$ 598,786	\$ 368,469	\$ 2,160,874	\$ 13,483	\$ 59,782	\$ 379,442	\$ 26,666	\$ 353,164	\$ 1,976,129	\$ 107,333	\$ 6,044,128
Liabilities, Deferred Inflows of Resources, and Fund Balance											
Liabilities:											
Accounts Payable	\$ 450	\$ 230	\$ 426,872	\$ -	\$ -	\$ 63,484	\$ -	\$ -	\$ 227,333	\$ -	\$ 718,369
Total Liabilities	450	230	426,872	-	-	63,484	-	-	227,333	-	718,369
Deferred Inflows of Resources:											
Unavailable Property Taxes	-	-	-	-	-	-	-	73,422	-	-	73,422
Unavailable/Uncarned Revenue	6,949	-	107,809	3,850	9,721	-	-	-	-	-	128,329
Tax Escrow	-	-	-	-	-	-	-	33,661	-	-	33,661
Total	6,949	-	107,809	3,850	9,721	-	-	107,083	-	-	235,412
Fund Balance:											
Nonspendable	71,823	6,592	-	-	-	-	-	-	-	95,730	174,145
Restricted	519,564	361,647	1,626,193	9,633	50,061	315,958	26,666	246,081	-	11,603	3,167,406
Committed	-	-	-	-	-	-	-	-	1,748,796	-	1,748,796
Total Fund Balance	591,387	368,239	1,626,193	9,633	50,061	315,958	26,666	246,081	1,748,796	107,333	5,090,347
Total Liabilities, Deferred Inflows of Resources, and Fund Balance	\$ 598,786	\$ 368,469	\$ 2,160,874	\$ 13,483	\$ 59,782	\$ 379,442	\$ 26,666	\$ 353,164	\$ 1,976,129	\$ 107,333	\$ 6,044,128

VILLAGE OF SHILOH, ILLINOIS

COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCE
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED APRIL 30, 2025

	Special Revenue Funds								Permanent Fund Cemetery Perpetual Fund	Total Nonmajor Governmental Funds	
	DEA Equitable Sharing Fund	Tourism and Convention Fund	Green Mount Business District Fund	Wingate Business District Fund	Green Mount Lebanon Business District Fund	Tax Increment Financing Fund A	Tax Increment Financing Fund B	Tax Increment Financing Fund D			Capital Projects Fund
Revenues:											
Property Tax	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 73,127	\$ -	\$ -	\$ 73,127
Sales and Use Tax	-	-	1,348,960	44,410	73,038	-	-	-	-	-	1,466,408
Hotel/Motel Tax	-	134,214	-	-	-	-	-	-	-	-	134,214
Grant Revenue	277,272	-	-	-	-	-	-	-	-	-	277,272
Charges for Services	-	-	-	-	-	-	-	-	-	650	650
Investment Earnings	16,636	12,830	53,570	555	350	28,204	1,961	10,201	88,345	5,167	217,819
Gifts and Donations	-	10,900	-	-	-	-	-	-	-	-	10,900
Miscellaneous	-	19,121	-	-	-	-	-	-	-	-	19,121
Total Revenues	<u>293,908</u>	<u>177,065</u>	<u>1,402,530</u>	<u>44,965</u>	<u>73,388</u>	<u>28,204</u>	<u>1,961</u>	<u>83,328</u>	<u>88,345</u>	<u>5,817</u>	<u>2,199,511</u>
Expenditures:											
General Government	-	-	1,272	-	-	-	-	325	-	-	1,597
Public Safety	28,390	-	-	-	-	-	-	-	-	-	28,390
Community/Economic Development	-	60,867	696,097	37,811	-	262,231	29,332	22,959	-	-	1,109,297
Capital Outlay	65,193	-	-	-	-	169,900	1,400	-	268,060	-	504,553
Debt Service:											
Principal	-	-	-	-	-	-	-	205,000	-	-	205,000
Interest and Fees	-	-	-	-	-	-	-	111,769	-	-	111,769
Total Expenditures	<u>93,583</u>	<u>60,867</u>	<u>697,369</u>	<u>37,811</u>	<u>-</u>	<u>432,131</u>	<u>30,732</u>	<u>340,053</u>	<u>268,060</u>	<u>-</u>	<u>1,960,606</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>200,325</u>	<u>116,198</u>	<u>705,161</u>	<u>7,154</u>	<u>73,388</u>	<u>(403,927)</u>	<u>(28,771)</u>	<u>(256,725)</u>	<u>(179,715)</u>	<u>5,817</u>	<u>238,905</u>
Other Financing Sources (Uses):											
Transfers In (Out)	-	(13,800)	96,912	-	-	(96,912)	(14,514)	316,769	-	-	288,455
Total Other Financing Sources (Uses)	<u>-</u>	<u>(13,800)</u>	<u>96,912</u>	<u>-</u>	<u>-</u>	<u>(96,912)</u>	<u>(14,514)</u>	<u>316,769</u>	<u>-</u>	<u>-</u>	<u>288,455</u>
Net Change in Fund Balances	200,325	102,398	802,073	7,154	73,388	(500,839)	(43,285)	60,044	(179,715)	5,817	527,360
Fund Balance, Beginning of Year	<u>391,062</u>	<u>265,841</u>	<u>824,120</u>	<u>2,479</u>	<u>(23,327)</u>	<u>816,797</u>	<u>69,951</u>	<u>186,037</u>	<u>1,928,511</u>	<u>101,516</u>	<u>4,562,987</u>
Fund Balance, End of Year	<u>\$ 591,387</u>	<u>\$ 368,239</u>	<u>\$ 1,626,193</u>	<u>\$ 9,633</u>	<u>\$ 50,061</u>	<u>\$ 315,958</u>	<u>\$ 26,666</u>	<u>\$ 246,081</u>	<u>\$ 1,748,796</u>	<u>\$ 107,333</u>	<u>\$ 5,090,347</u>

VILLAGE OF SHILOH, ILLINOIS

SCHEDULE OF ASSESSED VALUATIONS, TAX RATES, EXTENSIONS AND COLLECTIONS
APRIL 30, 2025

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
Assessed Valuation	<u>\$ 403,538,368</u>	<u>\$ 364,968,405</u>	<u>\$ 325,649,641</u>	<u>\$ 296,497,475</u>	<u>\$ 249,674,691</u>	<u>\$ 245,369,894</u>
Tax Rates:						
Police Pension	<u>0.1227</u>	<u>0.1292</u>	<u>0.1380</u>	<u>0.1444</u>	<u>0.1634</u>	<u>0.1585</u>
Total	<u>\$ 0.1227</u>	<u>\$ 0.1292</u>	<u>\$ 0.1380</u>	<u>\$ 0.1444</u>	<u>\$ 0.1634</u>	<u>\$ 0.1585</u>
Tax Extensions:						
Police Pension	<u>\$ 495,142</u>	<u>\$ 471,539</u>	<u>\$ 449,397</u>	<u>\$ 428,142</u>	<u>\$ 407,968</u>	<u>\$ 388,911</u>
Total	<u>\$ 495,142</u>	<u>\$ 471,539</u>	<u>\$ 449,397</u>	<u>\$ 428,142</u>	<u>\$ 407,968</u>	<u>\$ 388,911</u>
Tax Collections	<u>\$ -</u>	<u>\$ 468,134</u>	<u>\$ 445,668</u>	<u>\$ 424,711</u>	<u>\$ 403,835</u>	<u>\$ 379,789</u>
Percentage Collected	<u>0.00%</u>	<u>99.28%</u>	<u>99.17%</u>	<u>99.20%</u>	<u>98.99%</u>	<u>97.65%</u>

APPENDIX B

PROPOSED FORM OF OPINION OF BOND COUNSEL

_____, 2026

We hereby certify that we have examined a certified copy of the proceedings (the “Proceedings”) of the Village Board of the Village of Shiloh, St. Clair County, Illinois (the “Village”), passed preliminary to the issue by the Village of its fully registered General Obligation Bonds (Alternate Revenue Source), Series 2026, to the amount of \$_____ (the “Bonds”), dated _____, 2026 and maturing on April 1 of each of the years, in the amounts and bearing interest at the rates percent per annum as follows:

<u>Year</u>	<u>Amount</u>	<u>Interest Rate</u>	<u>Price</u>
2027	\$	%	%
2028		%	%
2029		%	%
2030		%	%
2031		%	%
2032		%	%
2033		%	%
2034		%	%
2035		%	%
2036		%	%
2038		%	%
2039		%	%
2040		%	%
2041		%	%
2042		%	%
2043		%	%
2044		%	%
2045		%	%
2046		%	%

The Bonds due on and after April 1, 20__, are subject to redemption prior to maturity at the option of the Village from any available funds, as a whole or in part, and if in part in integral multiple of \$5,000 in any order of their maturity as determined by the Village, on April 1, 20__, and on any date thereafter, at the redemption price of par plus accrued interest to the date fixed for redemption.

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 forms 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 Village, and said Bonds are payable from (i) all collections distributed to the Village from Retailers’ Occupation Taxes, Service Occupation Taxes, Use Taxes, and Service

Use Taxes, and (ii) *ad valorem* taxes levied against all of the taxable property in the Village without limitation as to rate or amount.

We are of the opinion, under existing law, that the interest on the Bonds (a) is excludable from gross income for federal income tax purposes and (b) is not an item of tax preference for purposes of the federal alternative minimum tax. The opinion set forth in clause (a) above is subject to the condition that the Village comply with all requirements of the Internal Revenue Code of 1986, as amended (the “Code”), that must be satisfied subsequent to the issuance of the Bonds in order that interest thereon be (or continue to be) excludable from gross income for federal income tax purposes. The Village has covenanted to comply with all such requirements. Failure to comply with certain of such requirements could cause the interest on the Bonds to be included in gross income retroactively to the date of issuance of the Bonds.

It is also our opinion that the Village has properly designated the Bonds as “qualified tax-exempt obligations” pursuant to Section 265(b)(3) of the Code.

Interest on the Bonds is not exempt from Illinois income tax.

Except as stated in the preceding paragraphs, we express no opinion regarding other federal or state consequences arising with respect to the Bonds and the interest thereon.

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.

The rights or remedies of bondholders may be affected by bankruptcy, insolvency, fraudulent conveyance or other laws affecting creditors’ rights generally, now existing or hereafter enacted, and by the application of general principles of equity, including those relating to equitable subordination.

In rendering this opinion, we have relied upon certifications of the Village with respect to certain material facts solely within the Village’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

CONTINUING DISCLOSURE UNDERTAKING FOR THE PURPOSE OF PROVIDING CONTINUING DISCLOSURE INFORMATION UNDER SECTION (D)(2) OF RULE 15c2-12

This Continuing Disclosure Undertaking (the “Agreement”) is executed and delivered by the Village of Shiloh, St. Clair County, Illinois (the “Issuer”), in connection with the issuance of \$ _____ General Obligation Bonds (Alternate Revenue Source), Series 2026 (the “Bonds”). The Bonds are being issued pursuant to an ordinance adopted on behalf of the Issuer on June 1, 2026, as supplemented by a bond order executed in connection therewith (together, the “Bond Ordinance”).

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

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

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

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

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

Commission means the Securities and Exchange Commission.

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

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

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

Financial Obligation means a: (i) debt obligation; (ii) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (iii) guarantee of (i) or (ii). The term “financial obligation” does not include

municipal securities as to which a final official statement (as defined in the Rule) has been provided to the MSRB consistent with the Rule.

MSRB means the Municipal Securities Rulemaking Board.

Official Statement means the Final Official Statement, dated May 19, 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 Issuer pursuant to Sections 4 and 5.

3. CUSIP NUMBER. The CUSIP Numbers of the Bonds are set forth in Exhibit III. The Issuer will include the CUSIP Numbers in all disclosure materials described in Sections 4 and 5 of this Agreement.

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

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

In the event of a failure of the Issuer 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 Issuer to comply with its obligations under this Agreement. A default under this Agreement shall not be deemed a default under the Bond Ordinance, and the sole remedy under this Agreement in the event of any failure of the Issuer to comply with this Agreement shall be an action to compel performance.

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

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

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

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

In the event that the Commission or the MSRB or other regulatory authority shall approve or require Annual Financial Information Disclosure or Reportable Events Disclosure to be made to a central post office, governmental agency or similar entity other than EMMA or in lieu of EMMA, the Issuer 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 Issuer shall be terminated hereunder if the Issuer shall no longer have any legal liability for any obligation on or relating to repayment of the Bonds under the Bond Ordinance. The Issuer shall give notice to EMMA in a timely manner if this Section is applicable.

9. DISSEMINATION AGENT. The Issuer 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.

10. ADDITIONAL INFORMATION. Nothing in this Agreement shall be deemed to prevent the Issuer from disseminating any other information, using the means of dissemination set forth in this Agreement or any other means of communication, or including any other information in any

Annual Financial Information Disclosure or notice of occurrence of a Reportable Event, in addition to that which is required by this Agreement. If the Issuer 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 Issuer 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.

11. **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 Issuer, the Dissemination Agent, if any, and the beneficial owners of the Bonds, and shall create no rights in any other person or entity.

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

13. **ASSIGNMENT.** The Issuer shall not transfer its obligations under the Bond Ordinance unless the transferee agrees to assume all obligations of the Issuer under this Agreement or to execute an Undertaking under the Rule.

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

**VILLAGE OF SHILOH, ST. CLAIR COUNTY,
ILLINOIS**

By: _____

Its: Mayor

Address: #1 Park Drive
Shiloh, Illinois 62269

Date: _____, 2026

EXHIBIT I
ANNUAL FINANCIAL INFORMATION DISCLOSURE AND TIMING

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

Audited Financial Statements will be submitted to EMMA by 210 days after the last day of the Issuer's fiscal year (currently, April 30), beginning with the fiscal year ending April 30, 2026. If Audited Financial Statements are not available at such time, unaudited financial statements shall be submitted and Audited Financial Statements shall be submitted to EMMA within 30 days after availability to the Issuer.

Audited Financial Statements will be prepared in accordance with accounting principles generally accepted in the United States of America.

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 Issuer*
13. The consummation of a merger, consolidation, or acquisition involving the Issuer or the sale of all or substantially all of the assets of the Issuer, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material
14. Appointment of a successor or additional trustee or the change of name of a trustee, if material
15. Incurrence of a Financial Obligation of the Issuer, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the Issuer, any of which affect security holders, if material
16. Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the Issuer, any of which reflect financial difficulties

* This Reportable Event is considered to occur when any of the following occurs: the appointment of a receiver, fiscal agent, or similar officer for the Issuer 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 Issuer, 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 Issuer.

**EXHIBIT III
CUSIP NUMBERS**

YEAR OF MATURITY (APRIL 1)	CUSIP NUMBER (824537)
2027	
2028	
2029	
2030	
2031	
2032	
2033	
2034	
2035	
2036	
2037	
2038	
2039	
2040	
2041	
2042	
2043	
2044	
2045	
2046	

APPENDIX D

[SPECIMEN MUNICIPAL BOND INSURANCE POLICY]

**APPENDIX E
OFFICIAL NOTICE OF SALE**

\$5,795,000*
VILLAGE OF SHILOH
St. Clair County, Illinois
General Obligation Bonds (Alternate Revenue Source), Series 2026

ELECTRONIC BIDS: Electronic bids will be received on June 24, 2026, until 10:30 a.m., Central Daylight Time by PARITY as agent of the undersigned. For further information about PARITY, including any fee charged, bidders may contact PARITY, at 1359 Broadway, 2nd Floor, New York, New York 10018, Telephone (212) 849-5021. If any provision of the Official Notice of Sale shall conflict with information provided by PARITY as the approved provider of electronic bidding services, this Official Notice of Sale shall control.

BOND DETAILS: The General Obligation Bonds (Alternate Revenue Source), Series 2026 (the “Bonds”) will be fully registered Bonds of the denomination of \$5,000 each or any whole multiple thereof, dated the date of delivery, numbered in order of their registration, and will bear interest from their date payable on April 1, 2027, and semi-annually thereafter on the first day of April 1 and October of each year.

The Bonds will mature on April 1 in each year as follows:

<u>YEAR</u>	<u>AMOUNT*</u>	<u>YEAR</u>	<u>AMOUNT*</u>
2027	\$250,000	2037	\$280,000
2028	180,000	2038	295,000
2029	190,000	2039	310,000
2030	200,000	2040	325,000
2031	210,000	2041	345,000
2032	220,000	2042	360,000
2033	230,000	2043	380,000
2034	245,000	2044	395,000
2035	255,000	2045	415,000
2036	270,000	2046	440,000

* The Village reserves the right, after bids are opened and prior to the award, to increase or reduce the principal amount of the Bonds offered for sale. Any such increase or reduction will be made in multiples of \$5,000 in any maturity. In the event the principal amount is increased or reduced, any premium offered or any discount taken by the successful bidder will be increased or reduced by a percentage equal to the percentage by which the principal amount of the Bonds is increased or reduced.

TERM BOND OPTION: The initial purchaser of the Bonds shall have the option of designating any one or more maturities of Bonds as serial bonds or term bonds, or both. If a bidder designates bonds as term bonds, the principal amounts shown above for the designated years shall represent a mandatory redemption requirement for a term bond or a term bond maturity as designated by the bidder. In any event, the principal amounts set forth above shall be represented by either serial bond maturities or mandatory redemption requirements or a combination of both, in the years and in the amounts set forth, at par. If the winning bidder does not designate Bonds as term bonds as part of its bid, then the maturities shown above shall be serial maturities.

PRIOR REDEMPTION:

A. **Mandatory Redemption.** Bonds designated as term bonds shall be subject to mandatory redemption at par and accrued interest on the dates and in the amounts corresponding to the annual principal maturities hereinbefore set forth. The Bonds or portions of Bonds to be redeemed shall be selected by lot.

B. **Optional Redemption.** The Bonds due on or after April 1, 2037*, are subject to redemption prior to maturity at the option of the Village, as a whole or in part in integral multiples of \$5,000 in any order of their maturity as determined

*Preliminary, subject to change.

by the Village (less than all of the Bonds of a single maturity to be selected by the Registrar), on any date on or after April 1, 2036*, at the redemption price of par plus accrued interest to the redemption date.

TAX TREATMENT: Subject to compliance by the Village with certain covenants, in the opinion of Miller, Canfield, Paddock and Stone, P.L.C., Chicago, Illinois, Bond Counsel (“Bond Counsel”), under present law, interest on the Bonds is excludible from gross income of the owners thereof for federal income tax purposes and is not includible as an item of tax preference in computing the federal alternative minimum tax. Interest on the Bonds is not exempt from present State of Illinois income taxes.

INTEREST RATE AND BIDDING DETAILS: The Bonds shall bear interest at a rate or rates not exceeding 6.0% per annum, to be fixed by the bids therefore expressed in multiples of 1/8 or 1/20 of 1%, or both. Interest shall be computed using a 360-day year consisting of twelve 30-day months. The interest on any one bond shall be at one rate only. All bonds maturing in any one year must carry the same interest rate. The difference between the highest and lowest interest rate on the Bonds shall not exceed five percentage points. No proposal for the purchase of less than all of the Bonds or at a price less than 96% of their par value will be considered.

DTC BOOK-ENTRY-ONLY: The Bonds are being initially offered as registered in the name of Cede & Co., as Registered Owner and nominee for The Depository Trust Company, New York, New York (“DTC”), under DTC’s Book-Entry-Only system of registration. Purchasers of interests in the Bonds (the “Beneficial Owners”) will not receive physical delivery of bond certificates and ownership by the Beneficial Owners of the Bonds will be evidenced by book-entry-only. As long as Cede & Co. is the Registered Owner of the Bonds as nominee of DTC, payments of principal and interest will be made directly to such Registered Owner which will in turn remit such payments to the DTC participants for subsequent distribution to the Beneficial Owners. It will be the responsibility of the purchaser to obtain DTC eligibility. Failure of the purchaser to obtain DTC eligibility shall not constitute cause for a failure or refusal by the purchaser to accept delivery of and pay for the Bonds.

PAYING AGENT AND REGISTRATION: Principal shall be payable at the designated office of UMB Bank, N.A., St. Louis, Missouri, as Paying Agent (which shall also act as transfer agent and bond registrar), or such other Paying Agent as the Village may from time to time hereafter designate by notice mailed to the Registered Owner not less than 60 days prior to the next interest payment date. Interest shall be paid when due to the Registered Owner as shown by the registration books of the Village as of the 15th day (whether or not a business day) of the month prior to any interest payment date. The Bonds will be transferable only upon the registration books of the Village kept by the Paying Agent.

PURPOSE AND SECURITY: The Bonds are issued pursuant to the Constitution and laws of the State of Illinois, the Illinois Municipal Code, as supplemented and amended, the Local Debt Reform Act, as amended, and pursuant to an Ordinance adopted by the President and Board of Trustees of the Village on April 6, 2026, as supplemented by a bond order executed in connection therewith. Proceeds from the sale of the Bonds will be used to (i) finance various capital improvements within the Village, including but not limited to, the construction of a new police station, and (ii) pay certain expenses relating to the issuance of the Bonds.

In the opinion of Bond Counsel, the Bonds are valid and legally binding upon the Village and are payable from (i) all collections distributed to the Village from Retailer's Occupation Taxes, Service Occupation Taxes, Use Taxes, and Service Use Taxes, and (ii) *ad valorem* taxes levied against all of the taxable property in the Village for which its full faith and credit have been irrevocably pledged, unlimited 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.

GOOD FAITH: A certified or cashier’s check drawn upon an incorporated bank or trust company or a wire transfer, in the amount of \$115,900*, payable to the Village will be required of the successful bidder as a guarantee of good faith on the part of the bidder, to be forfeited as liquidated damages if the bidder fails to take up and pay for the Bonds. The successful bidder is required to submit its good faith deposit to the Village as instructed by the Village or its Municipal Advisor no later than 3:30 p.m. Central Daylight Time, on the next business day following the award of the Bonds. The good faith deposit will be deposited into the Village’s funds and payment of the balance of the purchase price of the Bonds shall be made at the closing. No interest shall be allowed on the good faith check.

*Preliminary, subject to change.

AWARD OF BONDS – TRUE INTEREST COST: The Bonds will be awarded to the bidder whose bid produces the lowest true interest cost to the Village. True interest cost will be computed by determining the single interest rate (compounded on April 1, 2027 and semi-annually thereafter) necessary to discount the debt service payments from the payment dates thereof to the dated date of July 8, 2026, in an amount equal to the price bid, excluding accrued interest.

LEGAL OPINION: Bids shall be conditioned upon the approving opinion of Bond Counsel, which will be furnished without expense to the purchaser of the Bonds at the delivery thereof. The fees of Bond Counsel for services rendered in connection with such approving

opinion are expected to be paid from bond proceeds. Except to the extent necessary to issue its approving opinion as to the validity of the Bonds, Bond Counsel has made no inquiry as to any financial information, statements or material contained in any financial documents, statements or materials that have been or may be furnished in connection with the authorization, issuance or marketing of the Bonds, including specifically the Official Statement, and accordingly will not express any opinion with respect to the accuracy or completeness of any such financial information, statements or materials.

By submitting a bid, any bidder makes the representation that it understands Bond Counsel represents the Village in the Bond transaction and, if such bidder has retained Bond Counsel in an unrelated manner, such bidder consents and waives any conflict of interest arising from any adverse position to the Village in this matter; such consent and waiver shall supersede any formalities otherwise required in any separate understandings, guidelines or contractual arrangements between the bidder and Bond Counsel.

DELIVERY OF BONDS: The Village will furnish Bonds ready for execution at its expense. Bonds will be delivered without expense to the purchaser through DTC. (Payment for the Bonds shall be made in Federal Reserve Funds). The usual closing documents, including a certificate that no litigation is pending affecting the issuance of the Bonds, will be delivered at the time of the delivery of the Bonds. If the Bonds are not tendered for delivery by 12:00 P.M., Central Daylight Time, on the 45th day following the date of sale, or the first business day thereafter if the 45th day is not a business day, the successful bidder may on that day or any time thereafter until delivery of the Bonds, withdraw its proposal by serving notice of cancellation, in writing, on the undersigned in which event the Village shall promptly return the good faith deposit.

ESTABLISHMENT OF ISSUE PRICE:

(a) The winning bidder shall assist the Village in establishing the issue price of the Bonds and shall execute and deliver to the Village at Closing an “issue price” or similar certificate setting forth the reasonably expected initial offering price to the public or the sales price or prices of the Bonds, together with the supporting pricing wires or equivalent communications, substantially in the either of the forms attached hereto either as Exhibit A-1, with such modifications as may be appropriate or necessary, in the reasonable judgment of the winning bidder, the Village and Bond Counsel.

(b) The Village intends that the provisions of Treasury Regulation Section 1.148-1(f)(3)(i) (defining “competitive sale” for purposes of establishing the issue price of the Bonds) will apply to the initial sale of the Bonds (the “competitive sale requirements”) because:

(1) the Village shall disseminate this Notice of Sale to potential underwriters in a manner that is reasonably designed to reach potential underwriters;

(2) all bidders shall have an equal opportunity to bid;

(3) the Village may receive bids from at least three underwriters of municipal bonds who have established industry reputations for underwriting new issuances of municipal bonds; and

(4) the Village anticipates awarding the sale of the Bonds to the bidder who submits a firm offer to purchase the Bonds at the highest price (or lowest interest cost), as set forth in this Notice of Sale.

Any bid submitted pursuant to this Notice of Sale shall be considered a firm offer for the purchase of the Bonds, as specified in the bid form.

(c) In the event that the competitive sale requirements are not satisfied, the Village shall so advise the winning bidder. The Village may determine to treat (i) the first price at which 10% of a maturity of the Bonds (the “10% test”) is sold to the public as the issue price of that maturity, and/or (ii) the initial offering price to the public as of the sale date of any maturity of the Bonds as the issue price of that maturity (the “hold-the-offering-price rule”), in each case applied on a maturity-by-maturity basis (and if different interest rates apply within a maturity, to each separate CUSIP number within that maturity). The winning bidder shall advise the Village if any maturity of the Bonds satisfies the 10% test as of the date and time of the award of the Bonds. The Village shall promptly advise the winning bidder, at or before the time of award of the Bonds, which maturities (and if different interest rates apply within a maturity, which separate CUSIP number within that maturity) of the Bonds shall be subject to the 10% test or shall be subject to the hold-the-offering-price rule or both. Bids will not be subject to cancellation in the event that the Village determines to apply the hold-the-offering-price rule to any maturity of the Bonds. *Bidders should prepare their bids on the assumption that some or all of the maturities of the Bonds will be subject to the hold-the-offering-price rule in order to establish the issue price of the Bonds.*

(d) By submitting a bid, the winning bidder shall (i) confirm that the underwriters have offered or will offer the Bonds to the public on or before the date of award at the offering price or prices (the “initial offering price”), or at the corresponding yield or yields, set forth in the bid submitted by the winning bidder, and (ii) agree, on behalf of the underwriters participating in the purchase of

the Bonds, that the underwriters will neither offer nor sell unsold Bonds of any maturity to which the hold-the-offering-price rule shall apply to any person at a price that is higher than the initial offering price to the public during the period starting on the sale date and ending on the earlier of the following:

- (1) the close of the fifth business day after the sale date; or
- (2) the date on which the underwriters have sold at least 10% of that maturity of the Bonds to the public at a price that is no higher than the initial offering price to the public.

The winning bidder will advise the Village promptly after the close of the fifth (5th) business day after the sale date whether it has sold 10% of that maturity of the Bonds to the public at a price that is no higher than the initial offering price to the public. Within one hour of the award, the winning bidder will inform the Village of the initial offering price for each maturity of the Bonds.

(e) If the competitive sale requirements are not satisfied, then until the 10% test has been satisfied as to each maturity of the Bonds, the winning bidder agrees to promptly report to the Village the prices at which the unsold Bonds of that maturity have been sold to the public. That reporting obligation shall continue, whether or not the Closing Date has occurred, until either (i) all Bonds of that maturity have been sold to the public or (ii) the 10% test has been satisfied as to the Bonds of that maturity, provided that the winning bidder's reporting obligation after the Closing Date may be at reasonable periodic intervals or otherwise upon request of the Village or Bond Counsel.

(f) The Village acknowledges that, in making the representations set forth above, the winning bidder will rely on (i) the agreement of each underwriter to comply with the requirements for establishing issue price of the Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Bonds, as set forth in an agreement among underwriters and the related pricing wires, (ii) in the event a selling group has been created in connection with the initial sale of the Bonds to the public, the agreement of each dealer who is a member of the selling group to comply with the requirements for establishing issue price of the Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Bonds, as set forth in a selling group agreement and the related pricing wires, and (iii) in the event that an underwriter or dealer who is a member of the selling group is a party to a third party distribution agreement that was employed in connection with the initial sale of the Bonds to the public, the agreement of each broker dealer that is a party to such agreement to comply with the requirements for establishing issue price of the Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Bonds, as set forth in the third party distribution agreement and the related pricing wires. The Village further acknowledges that each underwriter shall be solely liable for its failure to comply with its agreement regarding the requirements for establishing issue price of the Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Bonds, and that no underwriter shall be liable for the failure of any other underwriter, or of any dealer who is a member of a selling group, or of any broker dealer that is a party to a third party distribution agreement to comply with its corresponding agreement to comply with the requirements for establishing issue price of the Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Bonds.

(g) By submitting a bid, each bidder confirms that:

(i) any agreement among underwriters, any selling group agreement and each third party distribution agreement (to which the bidder is a party) relating to the initial sale of the Bonds to the public, together with the related pricing wires, contains or will contain language obligating each underwriter, each dealer who is a member of the selling group, and each broker dealer that is a party to such third party distribution agreement, as applicable: (A) (i) to report the prices at which it sells to the public the unsold Bonds of each maturity allocated to it, whether or not the Closing Date has occurred, until either all Bonds of that maturity allocated to it have been sold to the public or it is notified by the winning bidder that the 10% test has been satisfied as to the Bonds of that maturity, provided that, the reporting obligation after the Closing Date may be at reasonable periodic intervals or otherwise upon request of the winning bidder, and (ii) to comply with the hold-the-offering-price, if applicable, if and for so long as directed by the winning bidder and as set forth in the related pricing wires, (B) to promptly notify the winning bidder of any sales of Bonds that, to its knowledge, are made to a purchaser who is a related party to an underwriter participating in the initial sale of the Bonds to the public (each such term being used as defined below), and (C) to acknowledge that, unless otherwise advised by the underwriter, dealer or broker dealer, the winning bidder shall assume that each order submitted by the underwriter, dealer or broker dealer is a sale to the public.

(ii) any agreement among underwriters or selling group agreement relating to the initial sale of the Bonds to the public, together with the related pricing wires, contains or will contain language obligating each underwriter or dealer that is a party to a third party distribution agreement to be employed in connection with the initial sale of the Bonds to the public to require each broker dealer that is a party to such third party distribution agreement to (A) report the prices at which it sells to the public the unsold Bonds of each maturity allocated to it whether or not the Closing Date has occurred, until either all Bonds of that maturity allocated to it have

been sold or it is notified by the winning bidder or such underwriter that the 10% test has been satisfied as to the Bonds of that maturity, provided that, the reporting obligation after the Closing Date may be at reasonable periodic intervals or otherwise upon the request of the winning bidder or such underwriter, and (B) comply with the hold-the-offering-price, if applicable, if and for so long as directed by the winning bidder or the underwriter and as set forth in the related pricing wires, which shall be at least until the 10% test has been satisfied as to the Bonds of that maturity or until the close of business on the fifth business day following the date of the award.

(h) Sales of any Bonds to any person that is a related party to an underwriter shall not constitute sales to the public for purposes of this Notice of Sale. Further, for purposes of this Notice of Sale:

(i) “public” means any person other than an underwriter or a related party,

(ii) “underwriter” means (A) any person that agrees pursuant to a written contract with the Village (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the public and (B) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (A) to participate in the initial sale of the Bonds to the public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Bonds to the public),

(iii) a purchaser of any of the Bonds is a “related party” to an underwriter if the underwriter and the purchaser are subject, directly or indirectly, to (i) more than 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (ii) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (iii) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other), and

(iv) “sale date” means the date that the Bonds are awarded by the Village to the winning bidder.

CUSIP: The successful bidder will request the assignment of CUSIP numbers for each maturity of the Bonds. All expenses for the printing of CUSIP numbers, including the CUSIP Service Bureau charge for the assignment of said numbers, shall be the responsibility of and shall be paid for by the successful bidder.

OFFICIAL STATEMENT: Copies of the Preliminary Official Statement may be obtained by contacting the Municipal Advisor at the address referred to below. The Preliminary Official Statement is in a form deemed final as of its date by the Village for purposes of SEC Rule 15c2-12 (the “Rule”), but is subject to revision, amendment, and completion of a final Official Statement.

The successful bidder shall supply to the Village, within twenty-four (24) hours after the award of the Bonds, all pricing information and any underwriter identification determined by Bond Counsel to be necessary to complete the final Official Statement. The Village will furnish to the successful bidder, with a reasonable number of the final Official Statements within seven business days after the award of the Bonds. Additional copies will be supplied upon the bidder’s agreement to pay the costs incurred by the Village for those additional copies. Requests for additional copies of the Official Statement must be made to the Municipal Advisor within 24 hours of the award of the Bonds.

CONTINUING DISCLOSURE: As described more fully in the Official Statement, the Village agrees to provide or cause to be provided, in accordance with the requirements of the Rule, audited financial statements for the preceding fiscal year (or if audited financial statements are not available, unaudited financial statements), generally consistent with the information contained or cross-referenced in the Official Statement relating to the Bonds, (ii) timely notice of the occurrence of certain material events with respect to the Bonds, and (iii) timely notice of a failure by the Village to provide the required annual financial information on or before the date specified in (i) above.

BOND RATING: The Bonds have been rated “AA-” (Stable Outlook) by S&P. No application was made to any other rating agency for a rating on the Bonds.

MUNICIPAL ADVISOR: Further information with respect to the Bonds may be obtained from Raymond James & Associates, Inc., 263 Shuman Blvd, Suite 275, Naperville, Illinois 60563. Telephone: (312) 612-7647.

THE RIGHT IS RESERVED TO REJECT ANY OR ALL BIDS AND TO WAIVE IRREGULARITIES.

Village President

OFFICIAL BID FORM

President and Board of Trustees
 Village of Shiloh
 St. Clair County, Illinois

June 24, 2026

Ladies and Gentlemen:

Subject to all the provisions of your Official Notice of Sale, which is expressly made a part of this bid, we offer to purchase \$5,795,000* General Obligation Bonds (Alternate Revenue Source), Series 2026 (the "Bonds"), dated as of the date of delivery, as described in said Notice, for the sum of \$ _____ (which is not less than ___ % of the par amount of the Bonds, such Bonds to bear interest at the following rate per annum:

Maturity April 1	Amount ⁽¹⁾	Rate	Expected Reoffering Price ⁽²⁾	Maturity April 1	Amount ⁽¹⁾	Rate	Expected Reoffering Price ⁽²⁾
2027	\$250,000	_____ %	_____ %	2037	\$280,000	_____ %	_____ %
2028	180,000	_____ %	_____ %	2038	295,000	_____ %	_____ %
2029	190,000	_____ %	_____ %	2039	310,000	_____ %	_____ %
2030	200,000	_____ %	_____ %	2040	325,000	_____ %	_____ %
2031	210,000	_____ %	_____ %	2041	345,000	_____ %	_____ %
2032	220,000	_____ %	_____ %	2042	360,000	_____ %	_____ %
2033	230,000	_____ %	_____ %	2043	380,000	_____ %	_____ %
2034	245,000	_____ %	_____ %	2044	395,000	_____ %	_____ %
2035	255,000	_____ %	_____ %	2045	415,000	_____ %	_____ %
2036	270,000	_____ %	_____ %	2046	440,000	_____ %	_____ %

⁽¹⁾The Village reserves the right, after bids are opened and prior to the award, to increase or reduce the principal amount of the Bonds offered for sale. Any such increase or reduction, any premium offered or any discount taken by the successful bidder will be increased or reduced by a percentage equal to the percentage by which the principal amount of the Bonds is increased or reduced.

⁽²⁾This bid is a firm offer for the purchase of the Bonds identified in the Notice of Sale, on the terms set forth in this bid form and the Notice of Sale, and is not subject to any conditions, except as permitted by the Notice of Sale. By submitting this bid, we confirm that we have an established industry reputation for underwriting new issuances of municipal bonds. If the competitive sale requirements as described in the Notice of Sale are not met, we select the following rule to establish the issue price of the maturities of the Bonds for which 10% is not sold to the Public on the date hereof, applied on a maturity-by-maturity basis:

_____ 10% Test: the first price at which 10% of a maturity of the Bonds is sold to the Public for the following maturities: _____

_____ Hold-the-Offering-Price Rule: the Initial Offering Price of that maturity for the following maturities: _____

The following have been designated as Term Bonds.

<u>Year</u>	<u>Mandatory Redemptions</u>	<u>Year</u>	<u>Mandatory Redemptions</u>
_____	From _____ To _____	_____	From _____ To _____

Said Bonds are to be accompanied by the unqualified approving legal opinion of Miller, Canfield, Paddock and Stone, P.L.C., Chicago, Illinois, Bond Counsel ("Bond Counsel"), and a certificate evidencing that no litigation is pending against the Village, which will affect the validity of these Bonds. The fees of the Village's Attorney, Bond Counsel, bond registrar/paying agent, and rating agency are to be paid by the Village.

*Preliminary, subject to change.

Enclosed herewith is a certified or cashier's check or wire transfer in the amount of \$_____ payable to said Village as a guarantee of good faith, to be applied in accordance with the Notice of Sale if this bid is accepted, otherwise to be promptly returned.

Managing Underwriter

Direct Contact and Phone Number: _____

By: _____

-Please attach a list of account members -

For your information, but not as a condition of this bid, the above interest rates results in:

True Interest Cost \$_____

True Interest Rate _____%

The foregoing offer is hereby accepted this ____ day of _____, 2026 by the President and Board of Trustees and in recognition therefore is signed by the Officer empowered and authorized to make such acceptance.

Designated Officer

EXHIBIT A-1

FORM OF ISSUE PRICE CERTIFICATE

FORM OF ISSUE PRICE CERTIFICATE

This Form will be used if either the 10% Test or the Hold-the-Offering-Price Rule applies.

**VILLAGE OF SHILOH
St. Clair County, Illinois**

\$_____ General Obligation Bonds (Alternate Revenue Source), Series 2026

The undersigned, on behalf of _____ (“_____”) hereby certifies as set forth below with respect to the sale and issuance of the above-captioned obligations (the “Bonds”).

1. ***Sale of the General Rule Maturities.*** As of the date of this certificate, for each Maturity of the General Rule Maturities, the first price at which at least 10% of such Maturity was sold to the Public is the respective price listed in Schedule A.

2. ***Initial Offering Price of the Hold-the-Offering-Price Maturities.***

(a) _____ offered the Hold-the-Offering-Price Maturities to the Public for purchase at the respective initial offering prices listed in Schedule A (the “Initial Offering Prices”) on or before the Sale Date. A copy of the pricing wire or equivalent communication for the Bonds is attached to this certificate as Schedule B.

(b) As set forth in the Notice of Sale, _____ has agreed in writing that, (i) for each Maturity of the Hold-the-Offering-Price Maturities, it would neither offer nor sell any of the Bonds of such Maturity to any person at a price that is higher than the Initial Offering Price for such Maturity during the Holding Period for such Maturity (the “hold-the-offering-price rule”), and (ii) any selling group agreement shall contain the agreement of each dealer who is a member of the selling group, and any retail distribution agreement shall contain the agreement of each broker-dealer who is a party to the retail distribution agreement, to comply with the hold-the-offering-price rule. Pursuant to such agreement, no Underwriter (as defined below) has offered or sold any Maturity of the Hold-the-Offering-Price Maturities at a price that is higher than the respective Initial Offering Price for that Maturity of the Bonds during the Holding Period.

3. ***Defined Terms.***

(a) *General Rule Maturities* means those Maturities of the Bonds listed in Schedule A hereto as the “General Rule Maturities.”

(b) *Hold-the-Offering-Price Maturities* means those Maturities of the Bonds listed in Schedule A hereto as the “Hold-the-Offering-Price Maturities.”

(c) *Holding Period* means, with respect to a Hold-the-Offering-Price Maturity, the period starting on the Sale Date and ending on the earlier of (i) the close of the fifth business day after the Sale Date (_____, 2026), or (ii) the date on which _____ has sold at least 10% of such Hold-the-Offering-Price Maturity to the Public at a price that is no higher than the Initial Offering Price for such Hold-the-Offering-Price Maturity.

(d) *Issuer* means the Village of Shiloh, St. Clair County, Illinois.

(e) *Maturity* means Bonds with the same credit and payment terms. Bonds with different maturity dates, or Bonds with the same maturity date but different stated interest rates, are treated as separate maturities.

(f) *Public* means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a related party to an Underwriter. The term “related party” for purposes of this certificate generally means any two or more persons who have greater than 50 percent common ownership, directly or indirectly, as defined in Treas. Reg. §1.150-1(b).

(g) *Sale Date* means the first day on which there is a binding contract in writing for the sale of a Maturity of the Bonds. The Sale Date of the Bonds is _____, 2026.

(h) *Underwriter* means (i) any person that agrees pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this paragraph to participate in the initial sale of the Bonds to the Public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Bonds to the Public).

The representations set forth in this certificate are limited to factual matters only. Nothing in this certificate represents interpretation of any laws, including specifically Sections 103 and 148 of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations thereunder. The undersigned understands that the foregoing information will be relied upon by the Issuer with respect to certain of the representations set forth in the Non-Arbitrage and Tax Compliance Certificate and with respect to compliance with the federal income tax rules affecting the Bonds, and by Miller, Canfield, Paddock and Stone, P.L.C., in connection with rendering its opinion that the interest on the Bonds is excluded from gross income for federal income tax purposes, the preparation of the Internal Revenue Service Form 8038-G, and other federal income tax advice that it may give to the Issuer from time to time relating to the Bonds.

By: _____
Name: _____

Dated: _____, 2026

SCHEDULE A
SALE PRICES OF THE GENERAL RULE MATURITIES AND
INITIAL OFFERING PRICES OF THE HOLD-THE-OFFERING-PRICE MATURITIES

(Attached)

SCHEDULE B
PRICING WIRE OR EQUIVALENT COMMUNICATION

(Attached)

FORM OF ISSUE PRICE CERTIFICATE

This Form will be used if the Competitive Sale Requirements are met.

VILLAGE OF SHILOH

St. Clair County, Illinois

\$ _____ General Obligation Bonds (Alternate Revenue Source), Series 2026

The undersigned, on behalf of _____ (“_____”) hereby certifies as set forth below with respect to the sale of the above-captioned obligations (the “Bonds”).

1. Reasonably Expected Initial Offering Price

(a) As of the Sale Date, the reasonably expected initial offering prices of the Bonds to the Public by _____ are the prices listed in Schedule A (the “Expected Offering Prices”). The Expected Offering Prices are the prices for the Maturities of the Bonds used by _____ in formulating its bid to purchase the Bonds. Attached as Schedule B is a true and correct copy of the bid provided by _____ to purchase the Bonds.

(b) _____ was not given the opportunity to review other bids prior to submitting its bid.³

(c) The bid submitted by _____ constituted a firm offer to purchase the Bonds.

2. Defined Terms.

(a) *Issuer* means the Village of Shiloh, St. Clair County, Illinois.

(b) *Maturity* means Bonds with the same credit and payment terms. Bonds with different maturity dates, or Bonds with the same maturity date but different stated interest rates, are treated as separate Maturities.

(c) *Public* means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a related party to an Underwriter. The term “related party” for purposes of this certificate generally means any two or more persons who have greater than 50 percent common ownership, directly or indirectly, as defined in Treas. Reg. §1.150-1(b).

(d) *Sale Date* means the first day on which there is a binding contract in writing for the sale of a Maturity of the Bonds. The Sale Date of the Bonds is _____, 2026.

(e) *Underwriter* means (i) any person that agrees pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this paragraph to participate in the initial sale of the Bonds to the Public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Bonds to the Public).

³ Treas. Reg. §1.148-1(f)(3)(i)(B) requires that all bidders have an equal opportunity to bid to purchase bonds. If the bidding process affords an equal opportunity for bidders to review other bids prior to submitting their bids, then this representation should be modified to describe the bidding process.

The representations set forth in this certificate are limited to factual matters only. Nothing in this certificate represents interpretation of any laws, including specifically Sections 103 and 148 of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations thereunder. The undersigned understands that the foregoing information will be relied upon by the Issuer with respect to certain of the representations set forth in the Non-Arbitrage and Tax Compliance Certificate and with respect to compliance with the federal income tax rules affecting the Bonds, and by Miller, Canfield, Paddock and Stone, P.L.C., in connection with rendering its opinion that the interest on the Bonds is excluded from gross income for federal income tax purposes, the preparation of the Internal Revenue Service Form 8038-G, and other federal income tax advice that it may give to the Issuer from time to time relating to the Bonds.

By: _____

Name: _____

Dated: _____, 2026

SCHEDULE A
EXPECTED OFFERING PRICES

(Attached)

SCHEDULE B

COPY OF UNDERWRITER'S BID

(Attached)