FY 2021
ANNUAL TAX INCREMENT FINANCE REPORT

STATE OF ILLINOIS
COMPTROLLER
SUSANA A. MENDOZA

Name of Municipality:	**City of Belleville**	Reporting Fiscal Year:	**2021**
County:	St. Clair	Fiscal Year End:	**04/30/2021**
Unit Code:	**088/015/30**		

FY 2021 TIF Administrator Contact Information

First Name:	**Jamie**	Last Name:	**Maitret**		
Address:	101 South Illinois Street	Title:	Finance Director		
Telephone:	(618) 233-6810	City:	Belleville	Zip:	62220
E-mail-required	**jmaitret@belleville.net**				

I attest to the best of my knowledge, that this FY 2021 report of the redevelopment project area(s)

in the **City/Village** of: **Belleville**
is complete and accurate pursuant to Tax Increment Allocation Redevelopment Act [65 ILCS 5/11-74.4-3 et. seq.] and or Industrial Jobs Recovery Law [65 ILCS 5/11-74.6-10 et. seq.].

Jamie Maitret — 10/21/21
Written signature of TIF Administrator — **Date**

Section 1 (65 ILCS 5/11-74.4-5 (d) (1.5) and 65 ILCS 5/11-74.6-22 (d) (1.5)*)

FILL OUT ONE FOR EACH TIF DISTICT

Name of Redevelopment Project Area	Date Designated MM/DD/YYYY	Date Terminated MM/DD/YYYY
Tax Increment Financing District #15	1/11/2006	

*All statutory citations refer to one of two sections of the Illinois Municipal Code: The Tax Increment Allocation Redevelopment Act [65 ILCS 5/11-74.4-3 et. seq.] or the Industrial Jobs Recovery Law [65 ILCS 5/11-74.6-10 et. seq.]

SECTION 2 [Sections 2 through 5 must be completed for each redevelopment project area listed in Section 1.]
FY 2021

Name of Redevelopment Project Area (below):	
Tax Increment Financing District #15	
Primary Use of Redevelopment Project Area*:	Combination/Mixed

* Types include: Central Business District, Retail, Other Commercial, Industrial, Residential, and Combination/Mixed.

If "Combination/Mixed" List Component Types:	Residential; Other Commercial
Under which section of the Illinois Municipal Code was Redevelopment Project Area designated? (check one):	
Tax Increment Allocation Redevelopment Act	X
Industrial Jobs Recovery Law	

Please utilize the information below to properly label the Attachments.

	No	Yes
Were there any amendments to the redevelopment plan, the redevelopment project area, or the State Sales Tax Boundary? [65 ILCS 5/11-74.4-5 (d) (1) and 5/11-74.6-22 (d) (1)] **If yes, please enclose the amendment (labeled Attachment A).**	X	
Certification of the Chief Executive Officer of the municipality that the municipality has complied with all of the requirements of the Act during the preceding fiscal year. [65 ILCS 5/11-74.4-5 (d) (3) and 5/11-74.6-22 (d) (3)] **Please enclose the CEO Certification (labeled Attachment B).**		X
Opinion of legal counsel that municipality is in compliance with the Act. [65 ILCS 5/11-74.4-5 (d) (4) and 5/11-74.6-22 (d) (4)] **Please enclose the Legal Counsel Opinion (labeled Attachment C).**		X
Statement setting forth all activities undertaken in furtherance of the objectives of the redevelopment plan, including any project implemented and a description of the redevelopment activities. [65 ILCS 5/11-74.4-5 (d) (7) (A and B) and 5/11-74.6-22 (d) (7) (A and B)] **If yes, please enclose the Activities Statement (labled Attachment D).**		X
Were any agreements entered into by the municipality with regard to the disposition or redevelopment of any property within the redevelopment project area or the area within the State Sales Tax Boundary? [65 ILCS 5/11-74.4-5 (d) (7) (C) and 5/11-74.6-22 (d) (7) (C)] **If yes, please enclose the Agreement(s) (labeled Attachment E).**	X	
Is there additional information on the use of all funds received under this Division and steps taken by the municipality to achieve the objectives of the redevelopment plan? [65 ILCS 5/11-74.4-5 (d) (7) (D) and 5/11-74.6-22 (d) (7) (D)] **If yes, please enclose the Additional Information (labeled Attachment F).**	X	
Did the municipality's TIF advisors or consultants enter into contracts with entities or persons that have received or are receiving payments financed by tax increment revenues produced by the same TIF? [65 ILCS 5/11-74.4-5 (d) (7) (E) and 5/11-74.6-22 (d) (7) (E)] **If yes, please enclose the contract(s) or description of the contract(s) (labeled Attachment G).**	X	
Were there any reports ***submitted to*** the municipality ***by*** the joint review board? [65 ILCS 5/11-74.4-5 (d) (7) (F) and 5/11-74.6-22 (d) (7) (F)] **If yes, please enclose the Joint Review Board Report (labeled Attachment H).**	X	
Were any obligations issued by the municipality? [65 ILCS 5/11-74.4-5 (d) (8) (A) and 5/11-74.6-22 (d) (8) (A)] **If yes, please enclose any Official Statement (labeled Attachment I). If Attachment I is answered yes, then the Analysis must be attached and (labeled Attachment J).**		X
An analysis prepared by a financial advisor or underwriter setting forth the nature and term of obligation and projected debt service including required reserves and debt coverage. [65 ILCS 5/11-74.4-5 (d) (8) (B) and 5/11-74.6-22 (d) (8) (B)] **If attachment I is yes, then Analysis MUST be attached and (labeled Attachment J).**		X
Has a cumulative of $100,000 of TIF revenue been deposited into the special tax allocation fund? 65 ILCS 5/11-74.4-5 (d) (2) and 5/11-74.6-22 (d) (2) **If yes, please enclose Audited financial statements of the special tax allocation fund (labeled Attachment K).**		X
Cumulatively, have deposits of incremental taxes revenue equal to or greater than $100,000 been made into the special tax allocation fund? [65 ILCS 5/11-74.4-5 (d) (9) and 5/11-74.6-22 (d) (9)] **If yes, the audit report shall contain a letter from the independent certified public accountant indicating compliance or noncompliance with the requirements of subsection (q) of Section 11-74.4-3 (labeled Attachment L).**		X
A list of all intergovernmental agreements in effect to which the municipality is a part, and an accounting of any money transferred or received by the municipality during that fiscal year pursuant to those intergovernmental agreements. [65 ILCS 5/11-74.4-5 (d) (10)] **If yes, please enclose the list only, not actual agreements (labeled Attachment M).**		X

SECTION 3.1 - (65 ILCS 5/11-74.4-5 (d)(5)(a)(b)(d)) and (65 ILCS 5/11-74.6-22 (d) (5)(a)(b)(d))
Provide an analysis of the special tax allocation fund.

FY 2021

Tax Increment Financing District #15

Special Tax Allocation Fund Balance at Beginning of Reporting Period: $ 3,883,241

SOURCE of Revenue/Cash Receipts:	Revenue/Cash Receipts for Current Reporting Year	Cumulative Totals of Revenue/Cash Receipts for life of TIF	% of Total
Property Tax Increment	$ 1,886,012	$ 17,173,865	22%
State Sales Tax Increment			0%
Local Sales Tax Increment			0%
State Utility Tax Increment			0%
Local Utility Tax Increment			0%
Interest	$ 2,870	$ 168,879	0%
Land/Building Sale Proceeds			0%
Bond Proceeds	$ 15,150,000	$ 38,560,000	50%
Transfers from Municipal Sources	$ 1,725,244	$ 20,703,345	27%
Private Sources			0%
Other			0%

All Amount Deposited in Special Tax Allocation Fund	$ 18,764,126		
Cumulative Total Revenues/Cash Receipts		$ 76,606,089	100%
Total Expenditures/Cash Disbursements (Carried forward from Section 3.2)	$ 21,373,090		
Transfers to Municipal Sources	$ -		
Distribution of Surplus			
Total Expenditures/Disbursements	$ 21,373,090		
Net/Income/Cash Receipts Over/(Under) Cash Disbursements	$ (2,608,964)		
Previous Year Adjustment (Explain Below)	$ -		
FUND BALANCE, END OF REPORTING PERIOD*	$ 1,274,277		

* If there is a positive fund balance at the end of the reporting period, you must complete Section 3.3

Previous Year Explanation:

SECTION 3.2 A- (65 ILCS 5/11-74.4-5 (d) (5) (c) and 65 ILCS 5/11-74.6-22 (d) (5)(c))

FY 2021

TIF NAME: Tax Increment Financing District #15

ITEMIZED LIST OF ALL EXPENDITURES FROM THE SPECIAL TAX ALLOCATION FUND
(by category of permissible redevelopment project costs)

PAGE 1

Category of Permissible Redevelopment Cost [65 ILCS 5/11-74.4-3 (q) and 65 ILCS 5/11-74.6-10 (o)]	Amounts	Reporting Fiscal Year
1. Cost of studies, surveys, development of plans, and specifications. Implementation and administration of the redevelopment plan, staff and professional service cost.		
Professional Services	18,936	
		$ 18,936
2. Annual administrative cost.		
		$ -
3. Cost of marketing sites.		
		$ -
4. Property assembly cost and site preparation costs.		
		$ -
5. Costs of renovation, rehabilitation, reconstruction, relocation, repair or remodeling of existing public or private building, leasehold improvements, and fixtures within a redevelopment project area.		
		$ -
6. Costs of the constructuion of public works or improvements.		
Principal Payment on Bonds	17,915,000	
		$ 17,915,000

SECTION 3.2 A		
PAGE 2		
7. Costs of eliminating or removing contaminants and other impediments.		
		$ -
8. Cost of job training and retraining projects.		
		$ -
9. Financing costs.		
Bond interest/Bond issuance costs	2,496,148	
		$ 2,496,148
10. Capital costs.		
Capital Costs	943,006	
		$ 943,006
11. Cost of reimbursing school districts for their increased costs caused by TIF assisted housing projects.		
		$ -
12. Cost of reimbursing library districts for their increased costs caused by TIF assisted housing projects.		
		$ -

SECTION 3.2 A		
PAGE 3		
13. Relocation costs.		
		$ -
14. Payments in lieu of taxes.		
		$ -
15. Costs of job training, retraining, advanced vocational or career education.		
		$ -
16. Interest cost incurred by redeveloper or other nongovernmental persons in connection with a redevelopment project.		
		$ -
17. Cost of day care services.		
		$ -
18. Other.		
		$ -

TOTAL ITEMIZED EXPENDITURES		$ 21,373,090

Section 3.2 B

FY 2021

TIF NAME: Tax Increment Financing District #15

Optional: Information in the following sections is not required by law, but would be helpful in creating fiscal transparency.

List all vendors, including other municipal funds, that were paid in excess of $10,000 during the current reporting year.

Name	Service	Amount
UMB Bank, NA	Principal, Interest, Professional Serv.	$ 20,430,084.00
Mascoutah Community Unit School District #19	Const. of Public Works & Improve.	$ 943,006.00

SECTION 3.3 - (65 ILCS 5/11-74.4-5 (d) (5d) 65 ILCS 5/11-74.6-22 (d) (5d)

Breakdown of the Balance in the Special Tax Allocation Fund At the End of the Reporting Period by source

FY 2021

TIF NAME: Tax Increment Financing District #15

FUND BALANCE BY SOURCE $ 1,274,277

1. Description of Debt Obligations

	Amount of Original Issuance	Amount Designated
Tax Increment & Sales Tax Refunding Revenue Bonds, Series 2021A & B	$ 15,150,000	$ 15,150,000

Total Amount Designated for Obligations	$ 15,150,000	$ 15,150,000

2. Description of Project Costs to be Paid

Total Amount Designated for Project Costs	$ -
TOTAL AMOUNT DESIGNATED	$ 15,150,000
SURPLUS/(DEFICIT)	$ (13,875,723)

SECTION 4 [65 ILCS 5/11-74.4-5 (d) (6) and 65 ILCS 5/11-74.6-22 (d) (6)]

FY 2021

TIF NAME: Tax Increment Financing District #15

Provide a description of all property purchased by the municipality during the reporting fiscal year within the redevelopment project area.

X	**Check here if no property was acquired by the Municipality within the Redevelopment Project Area.**

Property Acquired by the Municipality Within the Redevelopment Project Area.

Property (1):	
Street address:	
Approximate size or description of property:	
Purchase price:	
Seller of property:	

Property (2):	
Street address:	
Approximate size or description of property:	
Purchase price:	
Seller of property:	

Property (3):	
Street address:	
Approximate size or description of property:	
Purchase price:	
Seller of property:	

Property (4):	
Street address:	
Approximate size or description of property:	
Purchase price:	
Seller of property:	

Property (5):	
Street address:	
Approximate size or description of property:	
Purchase price:	
Seller of property:	

Property (6):	
Street address:	
Approximate size or description of property:	
Purchase price:	
Seller of property:	

Property (7):	
Street address:	
Approximate size or description of property:	
Purchase price:	
Seller of property:	

Property (8):	
Street address:	
Approximate size or description of property:	
Purchase price:	
Seller of property:	

SECTION 5 - 20 ILCS 620/4.7 (7)(F)
PAGE 1

FY 2021

TIF Name: Tax Increment Financing District #15

Page 1 is to be included with TIF report. Pages 2 and 3 are to be included **ONLY** if projects are listed.

Select ONE of the following by indicating an 'X':

1. NO projects were undertaken by the Municipality Within the Redevelopment Project Area.	

2. The Municipality **DID** undertake projects within the Redevelopment Project Area. (If selecting this option, complete 2a.)	X
2a. The total number of **ALL** activities undertaken in furtherance of the objectives of the redevelopment plan:	2

LIST ALL projects undertaken by the Municipality Within the Redevelopment Project Area:			
TOTAL:	**11/1/99 to Date**	**Estimated Investment for Subsequent Fiscal Year**	**Total Estimated to Complete Project**
Private Investment Undertaken (See Instructions)	$ 110,000,000	$ -	$ -
Public Investment Undertaken	$ 23,410,000	$ -	$ -
Ratio of Private/Public Investment	4 58/83		0

*PROJECT NAME TO BE LISTED AFTER PROJECT NUMBER

Project 1*: Green Mount Commons

Private Investment Undertaken (See Instructions)	$ 74,800,000		
Public Investment Undertaken	$ 23,410,000		
Ratio of Private/Public Investment	3 8/41		0

Project 2*: Green Mount Manor

Private Investment Undertaken (See Instructions)	$ 35,200,000		
Public Investment Undertaken			
Ratio of Private/Public Investment	0		0

Project 3*:

Private Investment Undertaken (See Instructions)			
Public Investment Undertaken			
Ratio of Private/Public Investment	0		0

Project 4*:

Private Investment Undertaken (See Instructions)			
Public Investment Undertaken			
Ratio of Private/Public Investment	0		0

Project 5*:

Private Investment Undertaken (See Instructions)			
Public Investment Undertaken			
Ratio of Private/Public Investment	0		0

Project 6*:

Private Investment Undertaken (See Instructions)			
Public Investment Undertaken			
Ratio of Private/Public Investment	0		0

Optional: Information in the following sections is not required by law, but would be helpful in evaluating the performance of TIF in Illinois.*even though optional MUST be included as part of the complete TIF report

SECTION 6
FY 2021

TIF NAME: **Tax Increment Financing District #15**

Provide the base EAV (at the time of designation) and the EAV for the year reported for the redevelopment project area

Year redevelopment project area was designated	Base EAV	Reporting Fiscal Year EAV

List all overlapping tax districts in the redevelopment project area.
If overlapping taxing district received a surplus, list the surplus.

______ Check if the overlapping taxing districts did not receive a surplus.

Overlapping Taxing District	Surplus Distributed from redevelopment project area to overlapping districts
	$ -
	$ -
	$ -
	$ -
	$ -
	$ -
	$ -
	$ -
	$ -
	$ -
	$ -
	$ -
	$ -

SECTION 7
Provide information about job creation and retention:

Number of Jobs Retained	Number of Jobs Created	Description and Type (Temporary or Permanent) of Jobs	Total Salaries Paid
			$ -
			$ -
			$ -
			$ -
			$ -
			$ -
			$ -

SECTION 8
Provide a general description of the redevelopment project area using only major boundaries:

Optional Documents	Enclosed
Legal description of redevelopment project area	
Map of District	

ATTACHMENT B

CITY OF BELLEVILLE, ILLINOIS

PATTY GREGORY, MAYOR
101 SOUTH ILLINOIS STREET
BELLEVILLE, ILLINOIS 62220-2105
(618) 233-6810

September 24, 2021

C.J. Schlosser & Company, L.L.C.
233 East Center Drive
P.O. Box 416
Alton, IL 62002

RE: Tax Increment Financing District #3, Tax Increment Financing District # 8 Downtown South, Tax Increment Financing District #9 Southwinds Estate, Tax Increment Financing District #10 Lower Richland Creek, Tax Increment Financing District #11 Industrial Jobs Recovery, Tax Increment Financing District #12 Sherman Street, Tax Increment Financing District #13 Drake Road, Tax Increment Financing District #14 Route 15 East, Tax Increment Financing District #15 Carlyle/Greenmount, Tax Increment Financing District #16 Route 15 West, Tax Increment Financing District #17 East Main Street, Tax Increment Financing District #18 Scheel Street, Tax Increment Financing District #19 Frank Scott Parkway, Tax Increment Financing District #20 Rt.15/South Greenmount, Tax Increment Financing District #21 Belle Valley Phase III, and Tax Increment Financing District #22 Route 15 North.

Dear Gentlemen / Ladies:

I, Patty Gregory, the duly elected Mayor of the City of Belleville, Illinois, County of St. Clair, and as such, do hereby certify that the City of Belleville has complied with all requirements pertaining to the Tax Increment Redevelopment Allocation Act during the municipal fiscal year ending May 1, 2020 - April 30, 2021 to the best of my knowledge and belief.

Sincerely,

Patty Gregory

Patty Gregory, Mayor
City of Belleville

ATTACHMENT C

CITY OF BELLEVILLE, ILLINOIS

GARRETT P. HOERNER, CITY ATTORNEY
5111 WEST MAIN STREET
BELLEVILLE, ILLINOIS 62226-4728
Phone: (618) 235-0020
Fax: (618) 235-8558
E-Mail: gphoerner@belleville.net

October 14, 2021

C.J. Schlosser
233 East Center Drive
P.O. Box 416
Alton, Illinois 62002

Re: Illinois Tax Increment Redevelopment Act:
Fiscal Year 2021 (May 1, 2020 through April 30, 2021)

Tax Increment Financing District #3, Tax Increment Financing District #8 Downtown South, Tax Increment Financing District #9 Southwinds Estate, Tax Increment Financing District #10 Lower Richland Creek, Tax Increment Financing District #11 Industrial Jobs Recovery, Tax Increment Financing District #12 Sherman Street, Tax Increment Financing District #13 Drake Road, Tax Increment Financing District #14, Route 15 East, Tax Increment Financing District #15 Carlyle/Greenmount, Tax Increment Financing District #16 Route 15 West, Tax Increment Financing District #17 East Main Street, Tax Increment Financing District #18 Scheel Street, Tax Increment Financing District #19 Frank Scott Parkway, Tax Increment Financing District #20 Rt.15/South Greenmount, Tax Increment Financing District #21 Belle Valley Phase III and Tax Increment Financing District #22 Route 15 North.

Mr. Schlosser:

As City Attorney for the City of Belleville, Illinois (City), I have reviewed all information provided to me by the Mayor and her staff for the period May 1, 2020 through April 30, 2021 (FY2021). I find that the City has conformed to all applicable requirements of the Illinois Tax Increment Redevelopment Allocation Act set forth thereunder, to the best of my knowledge and belief.

This opinion relates only to the time period set forth and is based upon information available to me.

By: [signature]
Garrett P. Hoerner

PART II - ACTIVITIES

During its Fiscal Year ending April 30, 2021, the City of Belleville undertook or assisted in the following activities within its Tax Increment Financing Districts:

TIF #3	This District paid $4,720,006 of tax incentive rebates to school districts for capital replacement costs and businesses for development agreement rebates. The District performed work on several infrastructure projects such as the Centreville Avenue street resurfacing, 6th to 12th Street streetscape, and Raab Ave. reconstruction. The District also purchased an excavator, a backhoe loader, several vehicles related to operations in the District, and property on Centreville Avenue.
TIF #8	This District paid $28,820 of tax incentive rebates to a business in addition to infrastructure improvements of $52,269.
TIF #9	Th District paid for a control panel and pump.
TIF #10	This District paid $911,150 developer to reimburse for costs incurred for improvements that are part of a developer agreement.
TIF #11	No Material Activity.
TIF #12	No Material Activity.
TIF #13	No Material Activity.
TIF #14	This District paid $27,443 of tax incentive rebates to a business.
TIF #15	This District paid tax incentive rebates of $943,006 for costs incurred for improvements that are part of a developer agreement related to a retail complex located near Greenmount Road. This District also refinanced bond debt related to the retail complex.
TIF #16	This District paid tax incentive rebates of $65,922 to a business.
TIF #17	No Material Activity.
TIF #18	No Material Activity.
TIF #19	This District paid tax incentive rebates of $529,279 to a business as part of a developer agreement and also retired bond debt related to that agreement.
TIF #20	This District paid tax incentive rebates of $66,590 to a business.
TIF #21	This District purchased salt storage doors.
TIF #22	No Material Activity.

NEW ISSUE
Book–Entry Only

NOT RATED

*In the opinion of Gilmore & Bell, P.C., Bond Counsel to the City, under existing law and assuming continued compliance with certain requirements of the Internal Revenue Code of 1986, as amended (the "Code"), the interest on the Series 2021B Bonds (including any original issue discount properly allocable to an owner thereof) is excludable from gross income for federal income tax purposes, and is not an item of tax preference for purposes of the federal alternative minimum tax. The interest on the Series 2021A Bonds is included in gross income for federal income tax purposes and the interest on the Bonds is not exempt from State of Illinois income taxation. The Series 2021B Bonds have not been designated as "qualified tax-exempt obligations" within the meaning of Section 265(b)(3) of the Code. See **"TAX MATTERS"** in this Official Statement.*

CITY OF BELLEVILLE, ILLINOIS

$4,850,000
Taxable Tax Increment and Sales Tax Refunding Revenue Bonds, Series 2021A
(Carlyle/Green Mount Redevelopment Project)

$10,300,000
Tax Increment and Sales Tax Refunding Revenue Bonds, Series 2021B
(Carlyle/Green Mount Redevelopment Project)

Dated: Date of Delivery **Due: See Inside Cover**

The Bonds are issuable only as fully-registered bonds and, when issued, will be registered in the name of Cede & Co., as registered owner and nominee for The Depository Trust Company ("DTC"), New York, New York. DTC will act as securities depository for the Bonds. Purchases of the Bonds will be made in book–entry form, in the denomination of $5,000 or any integral multiple thereof. Purchasers will not receive certificates representing their interests in the Bonds purchased. Principal of and semiannual interest on the Bonds will be paid from moneys available therefor under the Indenture (herein defined) by UMB Bank, N.A., St. Louis, Missouri, as Trustee (the "Trustee"). Interest on the Bonds will be payable semiannually on each January 1 and July 1, beginning January 1, 2022.

The Bonds are being issued by the City of Belleville, Illinois (the "City"), pursuant to a Trust Indenture dated as of April 1, 2021 by and between the City and the Trustee (the "Indenture"). The Bonds are special, limited obligations of the City, payable solely from Bond proceeds, Pledged Business District Revenues, Pledged TIF Revenues, Pledged Municipal Sales Tax Revenues (each as described herein), subject to the order of priority in the application of revenues and the limitations as described herein, and moneys on deposit in separate accounts of the Debt Service Reserve Fund.

THE BONDS AND THE INTEREST THEREON DO NOT CONSTITUTE A DEBT OF THE CITY, THE STATE OF ILLINOIS OR ANY POLITICAL SUBDIVISION THEREOF, AND DO NOT CONSTITUTE AN INDEBTEDNESS WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY DEBT LIMITATION OR RESTRICTION.

WHETHER OR NOT THE PRINCIPAL AMOUNT OR INTEREST ON THE BONDS HAS BEEN PAID IN FULL, THE OBLIGATIONS OF THE CITY TO TRANSFER (1) PLEDGED TIF REVENUES TERMINATES ON DECEMBER 31, 2030, (2) PLEDGED BUSINESS DISTRICT SALES TAX REVENUES TERMINATES ON JUNE 15, 2029, AND (3) PLEDGED MUNICIPAL SALES TAX REVENUES TERMINATES ON DECEMBER 15, 2041.

The Bonds involve a high degree of risk, and prospective purchasers should read the section herein captioned "OWNERS' RISKS." The Bonds may not be suitable investments for all persons. Prospective purchasers should carefully evaluate the risks and merits of an investment in the Bonds, should confer with their own legal and financial advisors and should be able to bear the risk of loss of their investment in the Bonds before considering a purchase of the Bonds.

The Bonds are subject to redemption prior to maturity in certain circumstances, as described herein. It is expected that a substantial portion of the Bonds will be redeemed prior to maturity. See **"THE BONDS – Redemption Provisions"** and **"PROJECTED AVERAGE LIFE OF THE BONDS"** herein.

The Bonds are offered when, as and if issued by the City, subject to the approval of legality by Gilmore & Bell, P.C., Edwardsville, Illinois, Bond Counsel. Certain legal matters related to this Official Statement will be passed upon by Gilmore & Bell, P.C., Edwardsville, Illinois. Certain legal matters will be passed upon for the City by Becker, Hoerner & Ysursa, P.C., Belleville, Illinois. Lewis Rice LLC, St. Louis, Missouri, serves as counsel to the Underwriter. It is expected that the Bonds will be available for delivery on or about April 7, 2021.

STIFEL

The date of this Official Statement is March 25, 2021.

MATURITY SCHEDULE

Series 2021A Bonds

Due	Principal Amount	Interest Rate	Price	CUSIP Number
7/1/2029	$4,850,000	4.75%	99.50%	078876 AA7

Series 2021B Bonds

Due	Principal Amount	Interest Rate	Price	CUSIP Number
7/1/2029	$5,500,000	3.25%	99.75%	078876 AB5
7/1/2041	4,800,000	3.75	99.50	078876 AC3

CITY OF BELLEVILLE, ILLINOIS
101 South Illinois Street
Belleville, Illinois 62220

MAYOR

Mark W. Eckert

CITY COUNCIL

Ken Kinsella
Joe Hazel
Carmen Duco
David Pusa
Kent Randle
Scott Ferguson
Johnnie Anthony
Raffi Ovian
Ed Dintelman
Michelle Schaefer
Mary Stiehl
Chris Rothweiler
Phil Elmore
Dennis C. Weygandt
Roger Wigginton
Roger W. Barfield

CITY CLERK
Jennifer Meyer

CITY TREASURER
Dean Hardt

DIRECTOR OF FINANCE
Jamie Maitret

CITY'S ATTORNEY

Becker, Hoerner & Ysursa, P.C.
Belleville, Illinois

TRUSTEE

UMB Bank, N.A.
St. Louis, Missouri

BOND COUNSEL

Gilmore & Bell, P.C.
Edwardsville, Illinois

UNDERWRITER

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

UNDERWRITER'S COUNSEL

Lewis Rice LLC
St. Louis, Missouri

No dealer, broker, salesman or other person has been authorized by the City to give any information or to make any representations with respect to the Bonds offered hereby other than those contained in this Official Statement, and, if given or made, such other information or representations must not be relied upon as having been authorized by any of the foregoing. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the Bonds offered hereby by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale. The information set forth herein has been furnished by the City and other sources which are believed to be reliable, but such information is not guaranteed as to accuracy or completeness and is not to be construed as a representation by the City. The information and expressions of opinion herein are subject to change without notice and neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the City since the date hereof.

The 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 responsibility 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.

The Bonds have not been registered with the Securities and Exchange Commission under the Securities Act of 1933, as amended, or under any state securities or "blue sky" laws. The Bonds are offered pursuant to an exemption from registration with the Securities and Exchange Commission. In making an investment decision, investors must rely on their own examination of the terms of this offering, including the merits and risks involved. These securities have not been recommended by any federal or state securities commission or regulatory authority. Furthermore, the foregoing authorities have not confirmed the accuracy or determined the adequacy of this document. Any representation to the contrary may be a criminal offense.

CAUTIONARY STATEMENTS REGARDING FORWARD-LOOKING STATEMENTS IN THIS OFFICIAL STATEMENT

Certain statements included or incorporated by reference in this Official Statement constitute "forward-looking statements" within the meaning of the United States Private Securities Litigation Reform Act of 1995, Section 21E of the United States Securities Exchange Act of 1934, as amended, and Section 27A of the United States Securities Act of 1933, as amended. Such statements are generally identifiable by the terminology used such as "plan," "expect," "estimate," "anticipate," "projected," "budget" or other similar words.

THE ACHIEVEMENT OF CERTAIN RESULTS OR OTHER EXPECTATIONS CONTAINED IN SUCH FORWARD-LOOKING STATEMENTS INVOLVE KNOWN AND UNKNOWN RISKS, UNCERTAINTIES AND OTHER FACTORS WHICH MAY CAUSE ACTUAL RESULTS, PERFORMANCE OR ACHIEVEMENTS DESCRIBED TO BE MATERIALLY DIFFERENT FROM ANY FUTURE RESULTS, PERFORMANCE OR ACHIEVEMENTS EXPRESSED OR IMPLIED BY SUCH FORWARD-LOOKING STATEMENTS. THESE FUTURE RISKS AND UNCERTAINTIES INCLUDE THOSE DISCUSSED IN THE **"OWNERS' RISKS"** AND "**PROJECTED AVERAGE LIFE OF THE BONDS"** SECTIONS OF THIS OFFICIAL STATEMENT. EXCEPT AS PROVIDED IN THE CONTINUING DISCLOSURE UNDERTAKING, THE FORM OF WHICH IS CONTAINED IN **APPENDIX B** HERETO, NEITHER THE CITY NOR ANY OTHER PARTY PLANS TO ISSUE ANY UPDATES OR REVISIONS TO THOSE FORWARD-LOOKING STATEMENTS IF OR WHEN THEIR EXPECTATIONS, OR EVENTS, CONDITIONS OR CIRCUMSTANCES UPON WHICH SUCH STATEMENTS ARE BASED OCCUR.

TABLE OF CONTENTS

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OFFICIAL STATEMENT

CITY OF BELLEVILLE, ILLINOIS

$4,850,000 **Taxable Tax Increment and Sales Tax Refunding Revenue Bonds, Series 2021A** **(Carlyle/Green Mount Redevelopment Project)**	**$10,300,000** **Tax Increment and Sales Tax Refunding Revenue Bonds, Series 2021B** **(Carlyle/Green Mount Redevelopment Project)**

INTRODUCTION

This introduction is only a brief description and summary of certain information contained in this Official Statement and is qualified in its entirety by reference to the more complete and detailed information contained in the entire Official Statement, including the cover page and appendices hereto, and the documents summarized or described herein. A full review should be made of the entire Official Statement.

Purpose of the Official Statement

The purpose of this Official Statement is to furnish information relating to (1) the City of Belleville, Illinois (the "City"), (2) the City's Taxable Tax Increment and Sales Tax Refunding Revenue Bonds, Series 2021A (Carlyle/Green Mount Redevelopment Project) (the "Series 2021A Bonds") and its Tax Increment and Sales Tax Refunding Revenue Bonds, Series 2021B (Carlyle/Green Mount Redevelopment Project) (the "Series 2021B Bonds" and, together with the Series 2021A Bonds, the "Bonds") and (3) a mixed use development consisting of (i) an approximately 400,000 square feet of retail development, anchored by a Lowe's Home Improvement Store and a Wal–Mart Supercenter, known as Green Mount Commons (the "Shopping Center") and (ii) residential housing development, currently consisting of 254 single-family residences. For the definition of certain capitalized terms used herein and not otherwise defined, see **"Appendix A – Definitions and Summary of the Indenture"** herein.

The City

The City, located in St. Clair County, Illinois (the "County"), is a home–rule unit of government and political subdivision of the State of Illinois (the "State"). See the caption **"THE CITY"** herein.

The Bonds

The Bonds are being issued pursuant to the Illinois Municipal Code, including specifically the Business District Development and Redevelopment Law, 65 ILCS 5/11-74.3 et seq., as amended (the "Business District Act") and the Tax Increment Allocation Redevelopment Act, 65 ILCS 5/11-74.4-1 *et seq.*, as amended and supplemented (the "TIF Act"), as such powers are supplemented by the Local Government Debt Reform Act, 30 ILCS 350/1 *et seq.*, and the City's home rule powers and the Trust Indenture dated as of April 1, 2021 (the "Indenture") between the City and UMB Bank, N.A., St. Louis, Missouri (the "Trustee"). The Bonds are being issued to (a) refund the Local Government Program Revenue Bonds, Series 2011A (City of Belleville - Carlyle/Green Mount Redevelopment Project - Tax Increment and Sales Tax) (the "Series 2011A Bonds"), the Local Government Program Revenue Bonds, Series 2011B (City of Belleville - Carlyle/Green Mount Redevelopment Project - Tax Increment and Sales Tax) (the "Series 2011B Bonds") and the Taxable Local Government Program Revenue Bonds, Series 2011C (City of Belleville - Carlyle/Green Mount Redevelopment Project - Business District) (the "Series 2011C Bonds" and, together with the Series 2011A Bonds and the Series 2011B Bonds, the "Refunded Bonds") issued by the Southwestern Illinois Development Authority to finance and refinance certain redevelopment project costs incurred pursuant to the Redevelopment Plan (as herein after defined), (b) fund separate debt service reserve accounts for each series of the Bonds and (c) pay the costs of issuance of the Bonds. A description of the Bonds is contained in this Official Statement under the caption **"THE BONDS."** All references to the Bonds are qualified in their entirety by the definitive form thereof and the provisions with respect thereto included in the Indenture.

The Bonds are subject to redemption prior to maturity as described herein. If the revenues are received as projected, a substantial portion of the Bonds will be redeemed prior to their stated maturity. See **"THE BONDS – Redemption Provisions"** and **"PROJECTED AVERAGE LIFE OF THE BONDS"** herein.

Security for the Bonds

The Series 2021A Bonds and the interest thereon are special, limited obligations of the City, payable solely from Series 2021A Bond proceeds, Pledged Business District Revenues, Pledged TIF Revenues, Pledged Municipal Sales Tax Revenues, subject to the order of priority in the application of revenues described herein, and moneys on deposit in an account in the debt service reserve fund for the Series 2021A Bonds, as provided in the Indenture. The Series 2021A Reserve Account will be funded in the amount of $345,562.50 as additional security for the Series 2021A Bonds.

The Series 2021B Bonds and the interest thereon are special, limited obligations of the City, payable solely from Series 2021B Bond proceeds, Pledged TIF Revenues, Pledged Municipal Sales Tax Revenues, Pledged Business District Revenues, subject to the order of priority in the application of revenues and the limitations described herein, and moneys on deposit in an account in the debt service reserve fund for the Series 2021B Bonds, as provided in the Indenture. The Series 2021B Reserve Account will be funded in the amount of $538,125.00 as additional security for the Series 2021B Bonds. The Indenture provides that in no event will Pledged Business District Revenues be applied in an amount that exceeds the Series 2021B Business District Revenue Limit.

See **"SOURCES OF PAYMENT AND SECURITY FOR THE BONDS"** herein.

"Pledged TIF Revenues" means fifty percent (50.0%) of TIF Revenues, which shall be deposited into the TIF Account of the Revenue Fund. "TIF Revenues" means the ad valorem taxes, if any, arising from the tax levies upon taxable real property in the Redevelopment Project Area by any and all taxing districts or municipal corporations having the power to tax real property in the Redevelopment Project Area, which taxes are attributable to the increase in the then-current equalized assessed valuation of each taxable lot, block, tract or parcel of real property in the Redevelopment Project Area over and above the initial equalized assessed value of each such piece of property, all as determined by the County Clerk in accordance with the TIF Act. On July 26, 2011, the County Clerk certified the initial equalized assessed value of the property in the Redevelopment Project Area to be $32,370.00.

"Pledged Municipal Sales Tax Revenues" means all Municipal Sales Tax Revenues less the Monthly Municipal Share. "Municipal Sales Tax Revenues" means all sales tax revenue the City is entitled to receive from the sales tax imposed by the State pursuant to the Illinois Retailers' Occupation Tax Act, 35 ILCS 120/1 *et seq*., the Illinois Service Occupation Tax Act, 35 ILCS 115/1 *et seq*., and such other authority as shall be applicable pursuant to any successor statutes that result from retail sales of all businesses located in the Redevelopment Project Area. "Monthly Municipal Share" means a monthly amount to be retained by the City equal to $66,000, which shall be retained from the first dollars of Municipal Sales Tax Revenues collected each month. The current rate of the State sales tax revenue received by the City is 1.0%.

"Pledged Business District Sales Tax Revenues" means all sales tax revenues received by the City from the one percent (1.0%) retailers' occupation tax and service occupation tax and the hotel operators' occupation tax imposed by the City pursuant to the Business District Act within the Business District. With respect to the Series 2021B Bonds, the Indenture imposes the Series 2021B Business District Revenue Limit on the repayment of the Series 2021B Bonds. "Series 2021B Business District Revenue Limit" means an amount not to exceed 9.5% of the sum of (a) the cumulative payments of interest on and principal (whether at maturity, redemption or otherwise) of the Series 2021B Bonds paid to date, and (b) the interest payable on and principal (whether at maturity, redemption or otherwise) of the Series 2021B Bonds on the next Interest

Payment Date. **Interest and principal payments on the Series 2021B Bonds from Pledged Business District Sales Tax Revenues may not exceed the Series 2021B Business District Revenue Limit.**

Generally, the Indenture provides that the Pledged Business District Revenues are to be applied, after payment of certain fees and expenses and the funding of an extraordinary costs fund, in the following order of priority:

(a) to the payment of interest due on the Series 2021A Bonds on the next Interest Payment Date and principal due on the Series 2021A Bonds on the next succeeding July 1 by reason of stated maturity;

(b) to the replenishment, if necessary, of the Series 2021A Reserve Account of the Debt Service Reserve Fund;

(c) to the redemption of Series 2021A Bonds subject to special mandatory redemption on the next Interest Payment Date;

(d) if no Series 2021A Bonds are Outstanding, to the payment of interest due on the Series 2021B Bonds on the next Interest Payment Date, subject to the Series 2021B Business District Revenue Limit; and

(e) if no Series 2021A Bonds are outstanding, to the redemption of Series 2021B Bonds subject to special mandatory redemption on the next Interest Payment Date, subject to the Series 2021B Business District Revenue Limit.

The Indenture further provides, generally, that Pledged TIF Revenues and Pledged Municipal Revenues are to be applied, after payment of any rebate obligation, payment of certain fees and expenses and the funding of an extraordinary costs fund, in the following order of priority, with Pledged TIF Revenues being so applied prior to Pledged Municipal Revenues:

(a) to the payment of interest due on the Series 2021B Bonds on the next Interest Payment Date and principal due on the Series 2021B Bonds on the next succeeding July 1 by reason of stated maturity;

(b) to the replenishment, if necessary, of the Series 2021B Reserve Account of the Debt Service Reserve Fund;

(c) if Series 2021A Bonds are Outstanding, after taking into account the Pledged Business District Revenues applied thereto, to the payment of interest becoming due on the Series 2021A Bonds on such Interest Payment Date and principal due on the Series 2021A Bonds on the next succeeding July 1 by reason of stated maturity;

(d) to the redemption of Series 2021A Bonds subject to special mandatory redemption on the next Interest Payment Date, after taking into account the Pledged Business District Revenues to be applied thereto, until such time as the Series 2021A Bonds have been redeemed on a cumulative basis to the amounts shown on an exhibit to the Indenture which conforms to "Case II" for the Series 2021A Bonds under the caption **"PROJECTED AVERAGE LIFE OF THE BONDS"**; and

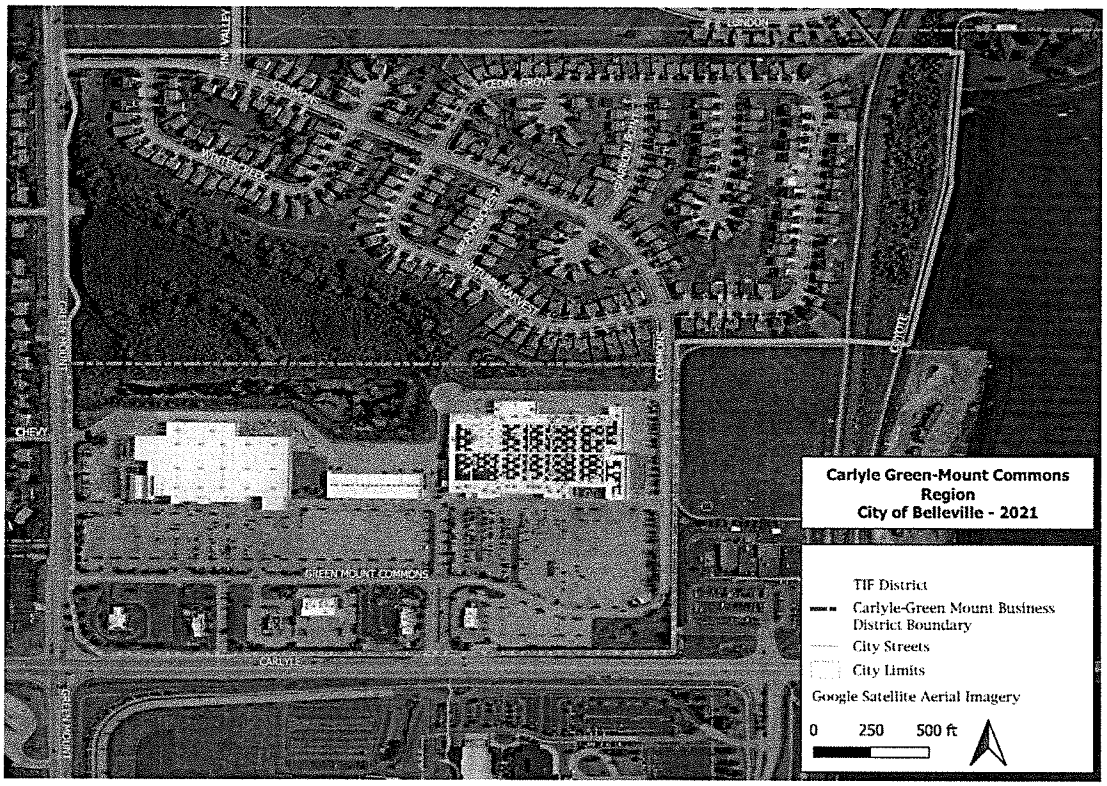
(e) to the redemption of Series 2021B Bonds subject to special mandatory redemption on the next Interest Payment Date.

See **"THE BONDS – Redemption Provisions"** and **"SOURCES OF PAYMENT AND SECURITY FOR THE BONDS – Indenture Funds and Accounts"** herein.

THE BONDS AND THE INTEREST THEREON DO NOT CONSTITUTE A DEBT OF THE CITY, THE STATE OR ANY POLITICAL SUBDIVISION THEREOF, AND DO NOT CONSTITUTE AN INDEBTEDNESS WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY DEBT LIMITATION OR RESTRICTION.

BECAUSE OF LIMITATIONS IMPOSED BY CURRENT STATE LAW, WHETHER OR NOT THE PRINCIPAL AMOUNT OR INTEREST ON THE BONDS HAS BEEN PAID IN FULL, THE OBLIGATIONS OF THE CITY UNDER THE INDENTURE TO TRANSFER (1) PLEDGED TIF REVENUES TERMINATES ON DECEMBER 31, 2030, (2) PLEDGED BUSINESS DISTRICT SALES TAX REVENUES TERMINATES ON JUNE 15, 2029, AND (3) PLEDGED MUNICIPAL SALES TAX REVENUES TERMINATES ON DECEMBER 15, 2041.

The following aerial, prepared in February 2021, shows the boundaries of the Redevelopment Project Area and the Business District:



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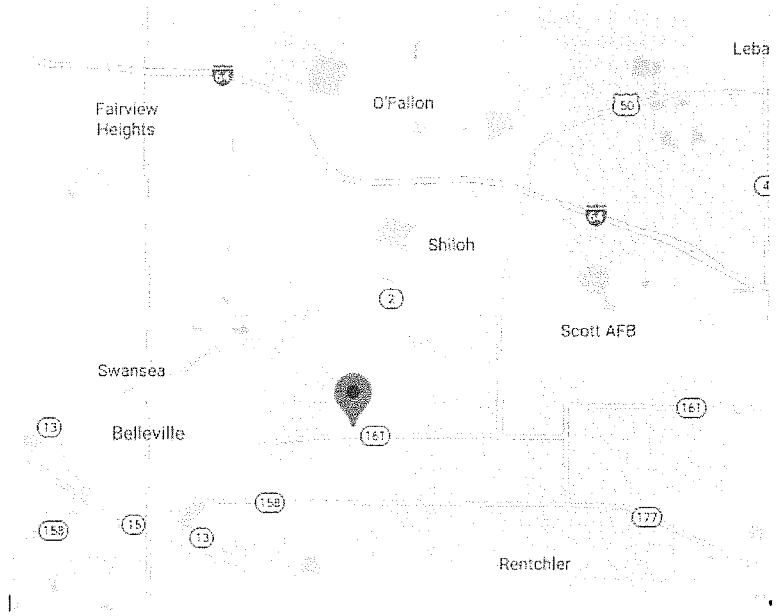
The following map shows the approximate location of the Shopping Center in the City and the surrounding area:



Owners' Risks

The Bonds involve a high degree of risk, and prospective purchasers should read the section herein captioned **"OWNERS' RISKS."** The Bonds may not be suitable investments for all persons, and prospective purchasers should carefully evaluate the risks and merits of an investment in the Bonds, should confer with their own legal and financial advisors and should be able to bear the risk of loss of their investment in the Bonds before considering a purchase of the Bonds.

Definitions and Summary of Documents

Definitions of certain words and terms used in this Official Statement and a summary of certain provisions of the Indenture are included in this Official Statement in **Appendix A** hereto. Such definitions and summaries do not purport to be comprehensive or definitive. All references herein to the Indenture are qualified in their entirety by reference to the definitive form of such document, a copy of which may be obtained from Stifel, Nicolaus & Company, Incorporated, 501 N. Broadway, 10th Floor, St. Louis, Missouri 63102. The form of Continuing Disclosure Undertaking is attached as **Appendix B** hereto.

Continuing Disclosure

The City covenants in the Continuing Disclosure Undertaking to provide (a) certain financial information relating to the City by not later than the last day of the sixth month following the end of each fiscal year of the City, commencing with the fiscal year ending April 30, 2021, (b) certain financial information on a semi–annual basis and (c) notices of the occurrence of certain enumerated events. See **Appendix B** hereto.

Except as described below, to the best of the City's knowledge and belief, the City has complied in all material respects with each of its disclosure obligations for the past five years including the timely filing of audited financial statements, operating data, and event notices. The City is aware of certain instances of noncompliance as described below:

The City issued its Tax Increment Refunding Revenue Bonds (Frank Scott Parkway Redevelopment Project), Series 2007A and Taxable Business District Revenue Bonds (Frank Scott Parkway Redevelopment Project), Series 2007B (collectively, the "Series 2007 Bonds") as part of incentives to a developer to develop blighted property within the City. The continuing disclosure agreement for the Series 2007 Bonds requires the City to request from the respective developer information relating to leases of the property in the applicable tax increment financing area and to then file the information on EMMA once it has been provided to the City. In connection with the Series 2007 Bonds, the City is aware of the following instances of non-compliance. The official statement for the Series 2007 Bonds incorrectly identified the fiscal year of the City as December 31. Based on the correct fiscal year end of the City of April 30, the City has complied with its continuing disclosure obligations relating to the Series 2007 Bonds, except as follows: lease and occupancy information was not filed in fiscal years 2017 and 2018 and was filed late in fiscal years 2016 and 2019; notices of the failure-to-file were not filed.

The continuing disclosure undertaking relating to the City's General Obligation Refunding Bonds, Series 2009 (the "Series 2009 Bonds") required annual filings to be made by July 1 of each year, which is approximately 2 months after the City's fiscal year end instead of 180 days similar to all other continuing disclosure undertakings of the City. Based on a filing deadline of 180 days after the City's fiscal year end, the City timely filed its audit and the required operating data for the Series 2009 Bonds. No failure-to-file notices were filed in connection with the Series 2009 Bonds.

In connection with the Refunded Bonds, the City filed information relating to Municipal Sales Tax Revenues and Business District Sales Tax Revenues in the aggregate, but was not reported on a series-by-series basis as required in the continuing disclosure agreement. For the semi-annual report due 60 days following April 30, 2019, the City timely provided operating data to its dissemination agent, but the dissemination agent did not post the information on EMMA until October 23, 2019.

The City has established policies to comply in the future.

THE BONDS

The following is a summary of certain terms and provisions of the Bonds. Reference is hereby made to the Bonds and the provisions with respect thereto in the Indenture for the detailed terms and provisions thereof.

Authorization; Description of the Bonds

The Bonds are being issued pursuant to and in full compliance with the Constitution and laws of the State. The Bonds will be issuable as fully-registered bonds. Purchases of the Bonds will be made in book–entry form only (as described below) in denominations of $5,000 or any integral multiple in excess thereof. Purchasers of the Bonds will not receive certificates representing their interests in the Bonds purchased. The Bonds will be dated as of the date of initial issuance and delivery thereof, and will mature on the dates and in the principal amounts set forth on the inside cover page of this Official Statement. The Bonds will bear interest at the rates per annum set forth on the inside cover page hereof, which interest will be payable semiannually on January 1 and July 1 in each year, beginning on January 1, 2022. Interest shall be calculated on the basis of a 360-day year of twelve 30-day months.

Registration, Transfer and Exchange of Bonds

Any Bond may be transferred only upon the Register upon surrender thereof to the Trustee duly endorsed for transfer or accompanied by an assignment duly executed by the Owner or his attorney or legal representative in such form as shall be satisfactory to the Trustee. Upon any such transfer, the City shall execute and the Trustee shall authenticate and deliver in exchange for such Bond a new fully-registered Bond or Bonds, registered in the name of the transferee, of the same series and maturity and of any Authorized Denomination.

Any Bond, upon surrender thereof at the principal corporate trust office of the Trustee or such other office as the Trustee shall designate, together with an assignment duly executed by the Owner or his attorney or legal representative in such form as shall be satisfactory to the Trustee, may, at the option of the Owner thereof, be exchanged for Bonds of the same series and maturity, of any Authorized Denomination or Denominations, bearing interest at the same rate, and registered in the name of the Owner.

The City or the Trustee may make a charge against each Owner requesting a transfer or exchange of Bonds for every such transfer or exchange of Bonds sufficient to reimburse it for any tax or other governmental charge required to be paid with respect to such transfer or exchange, the cost of printing, if any, each new Bond issued upon any transfer or exchange and the reasonable expenses of the City and the Trustee in connection therewith, and such charge shall be paid before any such new Bond shall be delivered. The City or the Trustee may levy a charge against an Owner sufficient to reimburse it for any governmental charge required to be paid in the event the Owner fails to provide a correct taxpayer identification number to the Trustee. Such charge may be deducted from amounts otherwise due to such Owner.

Redemption Provisions

Optional Redemption.

The Series 2021A Bonds are subject to optional redemption by the City in whole or in part at any time on or after July 1, 2028, at a redemption price equal to 100% of the principal amount of Series 2021A Bonds to be redeemed, plus accrued interest to the redemption date.

The Series 2021B Bonds are subject to optional redemption by the City in whole or in part at any time on or after July 1, 2028, at a redemption price equal to 100% of the principal amount of Series 2021B Bonds to be redeemed, plus accrued interest to the redemption date.

Special Mandatory Redemption.

The Series 2021A Bonds are subject to special mandatory redemption by the City on each Interest Payment Date at the redemption price of 100% of the principal amount being redeemed, plus accrued interest thereon to the redemption date, in an amount equal to the amount which, 40 days prior to each Interest Payment Date, is on deposit in the Series 2021A Redemption Account of the Debt Service Fund.

The Series 2021B Bonds, in order of maturity, are subject to special mandatory redemption by the City on each Interest Payment Date at the redemption price of 100% of the principal amount being redeemed, plus accrued interest thereon to the redemption date, in an amount equal to the amount which, 40 days prior to each Interest Payment Date, is on deposit in the Series 2021B Redemption Account of the Debt Service Fund.

The Series 2021A Bonds are subject to special mandatory redemption by the City, in whole but not in part, on any date in the event that moneys in the Series 2021A Debt Service Account of the Debt Service Fund, the Series 2021A Redemption Account of the Debt Service Fund, and the Series 2021A Reserve Account of the Debt Service Reserve Fund are sufficient to redeem all of the Series 2021A Bonds at a redemption price of 100% of the Series 2021A Bonds Outstanding, plus accrued interest thereon to the redemption date.

The Series 2021B Bonds are subject to special mandatory redemption by the City, in whole but not in part, on any date in the event that moneys in the Series 2021B Debt Service Account of the Debt Service Fund, the Series 2021B Redemption Account of the Debt Service Fund, and the Series 2021B

Reserve Account of the Debt Service Reserve Fund are sufficient to redeem all of the Series 2021B Bonds at a redemption price of 100% of the Series 2021B Bonds Outstanding, plus accrued interest thereon to the redemption date.

Selection of Bonds to be Redeemed. Bonds shall be redeemed only in Authorized Denominations. Except in the case of any special mandatory redemption of the Bonds, when less than all of the Outstanding Bonds are to be redeemed and paid prior to maturity, such Bonds or portions of Bonds to be redeemed shall be selected in Authorized Denominations by the Trustee by lot or in such other equitable manner as it may determine from such series and maturities and in such amounts as the City may determine. In the case of any special mandatory redemption of the Bonds, such Bonds or portions of Bonds to be redeemed shall be selected in Authorized Denominations by the Trustee by lot or in such other equitable manner as it may determine.

In the case of a partial redemption of Bonds when Bonds of denominations greater than the minimum Authorized Denomination are then Outstanding, then for all purposes in connection with such redemption each Authorized Denomination unit of face value shall be treated as though it was a separate Bond of the denomination of the minimum Authorized Denomination. If one or more, but not all, of the minimum Authorized Denomination units of principal amount represented by any Bond are selected for redemption, then upon notice of intention to redeem such minimum Authorized Denomination unit or units, the Owner of such Bond or his attorney or legal representative shall forthwith present and surrender such Bond to the Trustee (i) for payment of the redemption price (including the interest to the date fixed for redemption) of the minimum Authorized Denomination unit or units of principal amount called for redemption, and (ii) for exchange, without charge to the Owner thereof, for a new Bond or Bonds of the aggregate principal amount of the unredeemed portion of the principal amount of such Bond. If the Owner of any such Bond of a denomination greater than minimum Authorized Denomination fails to present such Bond to the Trustee for payment and exchange as aforesaid, said Bond shall, nevertheless, become due and payable on the redemption date to the extent of the minimum Authorized Denomination unit or units of principal amount called for redemption (and to that extent only) and shall cease to accrue interest on the principal amount so called for redemption.

Notice and Effect of Call for Redemption. Unless waived by any Owner of Bonds to be redeemed, official notice of the redemption of any Bond shall be given by the Trustee on behalf of the City by mailing a copy of an official redemption notice by first class mail, postage prepaid, at least 30 days and not more than 60 days prior to the date fixed for redemption to the Owner of the Bond or Bonds to be redeemed at the address shown on the Register; provided, however, that failure to give such notice by mailing as aforesaid to any Owner or any defect therein as to any particular Bond shall not affect the validity of any proceedings for the redemption of any other Bonds.

On or prior to the date fixed for redemption, the City shall deposit moneys or Government Securities with the Trustee as provided in the Indenture to pay the Bonds called for redemption and accrued interest thereon to the redemption date. Upon the happening of the above conditions, and notice having been given as provided in the Indenture, the Bonds or the portions of the principal amount of Bonds thus called for redemption shall cease to bear interest on the specified redemption date, provided moneys sufficient for the payment of the redemption price are on deposit at the place of payment at the time, and shall no longer be entitled to the protection, benefit or security of the Indenture and shall not be deemed to be Outstanding under the provisions of the Indenture.

Payment and Discharge Provisions

When the principal of and interest on all the Bonds have been paid in accordance with their terms or provision has been made for such payment, as provided in the Indenture, and provision also is made for paying all other sums payable under the Indenture, including the fees and expenses of the Trustee and the Paying Agent to the date of payment of the Bonds, then the right, title and interest of the Trustee under the Indenture shall thereupon cease, determine and be void, and thereupon the Trustee shall cancel, discharge and release the

Indenture and shall execute, acknowledge and deliver to the City such instruments of satisfaction and discharge or release as shall be required to evidence such release and the satisfaction and discharge of the Indenture, and shall assign and deliver to the City any property at the time subject to the Indenture which may then be in the Trustee's possession, except (1) amounts in the Debt Service Fund required to be paid to the Owners under the Indenture, (2) amounts set aside for the payment of arbitrage rebate, if any, and (3) except funds or securities in which such moneys are invested and held by the Trustee for the payment of the principal of and interest on the Bonds.

Defeasance Provisions

Bonds shall be deemed to be paid within the meaning of the Indenture when payment of the principal of such Bonds, plus premium, if any, plus interest thereon to the due date thereof (whether such due date is by reason of maturity or upon redemption as provided in the Indenture, or otherwise), either (1) has been made or caused to be made in accordance with the terms of the Indenture, or (2) provision therefor has been made by depositing with the Trustee, in trust and irrevocably setting aside exclusively for such payment, (i) moneys sufficient to make such payment or (ii) non-callable Government Securities maturing as to principal and interest in such amount and at such times as will ensure the availability of sufficient moneys to make such payment and, with respect to Series 2021B Bonds, the Trustee shall have received a written opinion of Bond Counsel (which opinion may be based upon a ruling or rulings of the Internal Revenue Service) to the effect that such deposit will not cause the interest on such Series 2021B Bonds to be included in gross income for purposes of federal income taxation. If the interest earnings on money or Government Securities are necessary to provide for the payment of the Bonds, the Trustee shall receive a verification report of a firm of independent certified public accountants that the moneys and Government Securities deposited with the Trustee are sufficient to pay when due the principal or redemption price, if any, and interest on the Bonds on or prior to the applicable redemption or maturity date. At such time as a Bond is deemed to be paid under the Indenture, such Bond shall no longer be secured by or be entitled to the benefits of the Indenture, except for the purposes of any such payment from such moneys or Government Securities.

Book–Entry Only System

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

DTC and its Participants

DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book–entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has a Standard & Poor's rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

Purchase of Ownership Interests

Purchases of Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Bonds on DTC's records. The ownership interest of each actual purchaser of each Bonds ("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.

Transfers

To facilitate subsequent transfers, all Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not 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.

Notices

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

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

Voting

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

Payments of Principal and Interest

Redemption proceeds, principal and interest 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 detail information from the City or the Trustee, on payable dates 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 Trustee or the City 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 Trustee or the City, 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.

Continuation of Book–Entry Only System

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

The information above concerning DTC and DTC's book-entry system has been obtained from sources that the City *believes to be reliable, but is not guaranteed as to accuracy or completeness by and is not to be construed as a representation by the City or the Underwriter. The City and the Underwriter make no assurances that DTC, Direct Participants, Indirect Participants or other nominees of the Beneficial Owners will act in accordance with the procedures described above or in a timely manner.*

SOURCES OF PAYMENT AND SECURITY FOR THE BONDS

Limited Obligations; Sources of Payment

The Series 2021A Bonds and the interest thereon are special, limited obligations of the City, payable solely from Series 2021A Bond proceeds, Pledged Business District Revenues, Pledged TIF Revenues, Pledged Municipal Sales Tax Revenues, subject to the order of priority in the application of revenues described herein, and moneys on deposit in an account in the debt service reserve fund for the Series 2021A Bonds, as provided in the Indenture. The Series 2021A Reserve Account will be funded in the amount of $345,562.50 as additional security for the Series 2021A Bonds.

The Series 2021B Bonds and the interest thereon are special, limited obligations of the City, payable solely from Series 2021B Bond proceeds, Pledged TIF Revenues, Pledged Municipal Sales Tax Revenues, Pledged Business District Revenues, subject to the order of priority in the application of revenues and the limitations described herein, and moneys on deposit in an account in the debt service reserve fund for the Series 2021B Bonds, as provided in the Indenture. The Series 2021B Reserve Account will be funded in the amount of $538,125.00 as additional security for the Series 2021B Bonds. **The Indenture provides that in no event will Pledged Business District Revenues be applied in an amount that exceeds the Series 2021B Business District Revenue Limit.**

Under the Indenture, the City will pledge and assign moneys in the TIF Account of the Revenue Fund, the Business District Account of the Revenue Fund, the Municipal Sales Tax Account of the Revenue Fund, the Debt Service Fund and the applicable account of the Debt Service Reserve Fund to the Trustee for the benefit of the Owners as security for the payment of the Bonds and the interest thereon. Pursuant to the Indenture, the City shall transfer to the Trustee all Pledged TIF Revenues, Pledged Municipal Sales Tax Revenues and Pledged Business District Tax Revenues.

THE BONDS AND THE INTEREST THEREON DO NOT CONSTITUTE A DEBT OF THE CITY, THE STATE OR ANY POLITICAL SUBDIVISION THEREOF, AND DO NOT CONSTITUTE AN INDEBTEDNESS WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY DEBT LIMITATION OR RESTRICTION.

The Bonds are not secured by a mortgage on any property. However, the Pledged TIF Revenues that are due and owing shall constitute a lien against the real estate from which they are derived, which may be foreclosed upon in the event of non–payment. See the caption **"TAX INCREMENT FINANCING IN ILLINOIS – Assessments and Collections of Ad Valorem Taxes"** herein.

Indenture Funds and Accounts

Revenue Fund

Deposits to the Revenue Fund

On or before the 10th calendar day of each month (or the next Business Day thereafter if the 10th day is not a Business Day) while the Bonds remain Outstanding, commencing on May 10, 2021, the City shall transfer:

(1) all Pledged TIF Revenues within the Special Tax Allocation Fund received from the State or the County in the prior month to the Trustee for deposit into the TIF Account;

(2) all Pledged Business District Sales Tax Revenues within the Business District Tax Allocation Fund received from the State or the County in the prior month to the Trustee for deposit into the Business District Account; and

(3) all Pledged Municipal Sales Tax Revenues within the Municipal Sales Tax Allocation Fund received from the State or the County in the prior month to the Trustee for deposit into the Municipal Sales Tax Account.

Each such transfer shall be accompanied by a written report in substantially the form attached as an exhibit to the Indenture. If the City has no moneys to transfer to the Trustee pursuant to this section, the City shall so notify the Trustee in writing. If the Trustee has not received moneys on or before the 12th calendar day of each month (or the next Business Day thereafter if the 12th is not a Business Day), then the Trustee shall notify the City and the Purchaser of such non-receipt.

Business District Account of the Revenue Fund

On the 40th day prior to each Interest Payment Date, or the immediately preceding Business Day if such day is not a Business Day and prior to the application of moneys on deposit in the TIF Account and the Municipal Sales Tax Account, moneys on deposit in the Business District Account shall be applied, paid, transferred or deposited by the Trustee for the purposes and in the amounts in the following order as follows:

(1) To (i) the Trustee, any Paying Agent and any dissemination agent, any fees, charges and expenses which are due and owing (not to exceed in the aggregate $6,600 per calendar year for ordinary fees and expenses), upon delivery to the City of an invoice for such amounts, (ii) the City, $7,500 for fees and expenses incurred by the City in the administration of the Redevelopment Project (not to exceed $15,000 per calendar year), and (iii) the Extraordinary Costs Fund, an amount not to exceed $10,000 per

calendar year, to fund or restore any deficiency in the Extraordinary Costs Fund if the amount on deposit in such fund is less than $50,000.

(2) To the Series 2021A Debt Service Account, an amount sufficient to pay interest becoming due on the Series 2021A Bonds on such Interest Payment Date and principal due on the Series 2021A Bonds on the next succeeding July 1 by reason of stated maturity.

(3) To the Series 2021A Reserve Account, an amount sufficient to restore any deficiency in the Series 2021A Reserve Account if the amount on deposit in such account is less than the Debt Service Reserve Requirement for the Series 2021A Bonds.

(4) To the Series 2021A Redemption Account, all moneys then remaining which shall be applied to the payment of the principal of and accrued interest on all Series 2021A Bonds which are subject to redemption on the next succeeding Interest Payment Date pursuant to the Indenture (see **"THE BONDS – Redemption Provisions – *Special Mandatory Redemption*"** herein).

(5) When no Series 2021A Bonds are Outstanding, to the Series 2021B Debt Service Account an amount sufficient to pay interest becoming due on the Series 2021B Bonds on such Interest Payment Date; provided such amount when added to all previous deposits to the Series 2021B Debt Service Account and the Series 2021B Redemption Account from moneys on deposit in the Business District Account shall not exceed the Series 2021B Business District Revenue Limit.

(6) When no Series 2021A Bonds are Outstanding, to the Series 2021B Redemption Account to be applied to the payment of the principal of and accrued interest on all Series 2021B Bonds which are subject to redemption on the next succeeding Interest Payment Date pursuant to the Indenture (see **"THE BONDS – Redemption Provisions– *Special Mandatory Redemption*"** herein); provided such amount when added to all previous deposits to the Series 2021B Debt Service Account and the Series 2021B Redemption Account from moneys on deposit in the Business District Account shall not exceed the Series 2021B Business District Revenue Limit.

(7) Any amount in excess of the Series 2021B Business District Revenue Limit shall be deposited in the Surplus Fund.

If necessary, on the Business Day prior to each Interest Payment Date, the Trustee shall transfer from the Business District Account to the Series 2021A Debt Service Account an amount sufficient to pay the principal of or interest on the Series 2021A Bonds due on the next Interest Payment Date.

TIF Account and Municipal Sales Tax Account of the Revenue Fund

Except with regard to the payment of any arbitrage rebate and as otherwise provided in the Indenture with respect to the Debt Service Reserve Fund, on the 40th day prior to each Interest Payment Date, or the immediately preceding Business Day if such day is not a Business Day and after the application of moneys on deposit in the Business District Account, moneys on deposit in the TIF Account and the Municipal Sales Tax Account shall be applied, paid, transferred or deposited by the Trustee, first from moneys on deposit in the TIF Account and then from moneys on deposit in the Municipal Sales Tax Account, for the purposes and in the amounts in the following order as follows:

(1) To the United States of America, when necessary, an amount sufficient to pay any arbitrage rebate owed under Section 148 of the Code, as directed in writing by the City in accordance with the Tax Compliance Agreement.

(2) To pay the expenses set forth, and subject to the limitations set forth, in the Indenture and described above in subparagraph (1) under the caption **"SOURCES OF PAYMENT AND SECURITY FOR THE BONDS - Indenture Funds and Accounts** – *Revenue Fund – Business District Account of the Revenue Fund"* if the amount applied from moneys on deposit in the Business District Account are insufficient or unavailable to pay such expenses.

(3) To the Series 2021B Debt Service Account, an amount sufficient to pay interest becoming due on the Series 2021B Bonds on such Interest Payment Date and principal due on the Series 2021B Bonds on the next succeeding July 1 by reason of stated maturity.

(4) To the Series 2021B Reserve Account, an amount sufficient to restore any deficiency in the Series 2021B Reserve Account if the amount on deposit in such account is less than the Debt Service Reserve Requirement for the Series 2021B Bonds.

(5) If Series 2021A Bonds are Outstanding and taking into account the application of moneys from the Business District Account, to the Series 2021A Debt Service Account, an amount sufficient to pay interest becoming due on the Series 2021A Bonds on such Interest Payment Date and principal due on the Series 2021A Bonds on the next succeeding July 1 by reason of stated maturity.

(6) If the cumulative redemptions of Series 2021A Bonds are less than the amount shown on an exhibit to the Indenture which conforms to "Case II" for the Series 2021A Bonds under the caption **"PROJECTED AVERAGE LIFE OF THE SERIES 2021 BONDS"** after taking into account the application of moneys from the Business District Account, to the Series 2021A Redemption Account to be applied to the redemption of Series 2021A Bonds which are subject to redemption pursuant to the Indenture (see **"THE BONDS – Redemption Provisions–** ***Special Mandatory Redemption*"** herein) until such time as the cumulative redemptions of Series 2021A Bonds equal the amount shown on such exhibit.

(7) To the Series 2021B Redemption Account, all moneys then remaining which shall be applied to the payment of the principal of and accrued interest on all Series 2021B Bonds which are subject to redemption on the next succeeding Interest Payment Date pursuant to the Indenture (see **"THE BONDS – Redemption Provisions–** ***Special Mandatory Redemption*"** herein).

(8) When no Series 2021B Bonds are Outstanding, to the Series 2021A Redemption Account to be applied to the payment of the principal of and accrued interest on all Series 2021A Bonds which are subject to redemption on the next succeeding Interest Payment Date pursuant to the Indenture (see **"THE BONDS – Redemption Provisions–** ***Special Mandatory Redemption*"** herein).

If necessary, on the Business Day prior to each Interest Payment Date, the Trustee shall transfer first from the TIF Account and then from the Municipal Sales Tax Account (i) to the Series 2021B Debt Service Account, an amount sufficient to pay the principal of or interest on the Series 2021B Bonds due on the next Interest Payment Date, and then (ii) to the Series 2021A Debt Service Account, an amount sufficient to pay the principal of or interest on the Series 2021A Bonds due on the next Interest Payment Date.

Debt Service Fund

Except as otherwise provided in the Indenture with respect to final balances, all amounts paid and credited to the Series 2021A Debt Service Account of the Debt Service Fund shall be expended solely for the payment of the principal of, redemption premium, if any, and interest on the Series 2021A Bonds as the same mature and become due or upon the redemption thereof.

Except as otherwise provided in the Indenture with respect to final balances, all amounts paid and credited to the Series 2021B Debt Service Account of the Debt Service Fund shall be expended solely for the payment of the principal of, redemption premium, if any, and interest on the Series 2021B Bonds as the same mature and become due or upon the redemption thereof.

The City authorizes and directs the Trustee to withdraw sufficient moneys from the Series 2021A Debt Service Account of the Debt Service Fund to pay the principal of and interest on the Series 2021A Bonds as the same become due and payable and to make said moneys so withdrawn available to the Paying Agent for the purpose of paying said principal of and interest on the Series 2021A Bonds.

The City authorizes and directs the Trustee to withdraw sufficient moneys from the Series 2021B Debt Service Account of the Debt Service Fund to pay the principal of and interest on the Series 2021B Bonds as the same become due and payable and to make said moneys so withdrawn available to the Paying Agent for the purpose of paying said principal of and interest on the Series 2021B Bonds.

The Trustee shall use any moneys remaining in the applicable account of the Debt Service Fund to redeem all or part of the applicable series of Bonds Outstanding and interest to accrue thereon prior to such redemption, in accordance with and to the extent permitted by the Indenture, so long as said moneys are in excess of the amount required for payment of the applicable series of Bonds theretofore matured or called for redemption. The Trustee, upon the written instructions from the City, signed by an Authorized Issuer Representative, shall use moneys in the applicable account of the Debt Service Fund on a best efforts basis for the purchase of the applicable series of Bonds in the open market to the extent practical for the purpose of cancellation at prices not exceeding the principal amount thereof plus accrued interest thereon to the date of such purchase.

Debt Service Reserve Fund

Except as otherwise provided in the Indenture, moneys in the applicable Accounts of the Debt Service Reserve Fund shall be used by the Trustee without further authorization solely for the payment of the principal of and interest on the applicable series of Bonds if moneys otherwise available for such purpose as provided in the Indenture are insufficient to pay the same as they become due and payable, and to make the final payment on such series of Bonds. The amount on deposit in each Account of the Debt Service Reserve Fund shall be valued by the Trustee 45 days prior to each Interest Payment Date (or if such date is not a Business Day, the immediately preceding Business Day) and the Trustee shall give prompt written notice to the City if such amount is less than the Debt Service Reserve Requirement for such Account. For the purpose of determining the amount on deposit in the Accounts of the Debt Service Reserve Fund, the value of any investments shall be valued at the lower of their original cost or their fair market value (exclusive of accrued interest thereon) on the date of valuation. Moneys in the Series 2021A Debt Service Reserve Account of the Debt Service Reserve Fund that are in excess of the Debt Service Reserve Requirement for the Series 2021A Bonds on any valuation date shall be deposited by the Trustee without further authorization in the Series 2021A Debt Service Account of the Debt Service Fund. Moneys in the Series 2021B Debt Service Reserve Account of the Debt Service Reserve Fund that are in excess of the Debt Service Reserve Requirement for the Series 2021B Bonds on any valuation date shall be deposited by the Trustee without further authorization in the Series 2021B Debt Service Account of the Debt Service Fund.

Project Fund

Moneys in the Refunding Account of the Project Fund shall be used by the City for the sole purpose of refunding and redeeming the Refunded Bonds. The Trustee is directed, without further authorization, on the date of issuance of the Bonds to forward all moneys in the Refunding Account of the Project Fund to UMB Bank, N.A., as trustee for the Refunded Bonds, which moneys shall be used to pay the principal of and interest on the Refunded Bonds on April 27, 2021.

Moneys in the Costs of Issuance Account of the Project Fund shall be disbursed from time to time by the Trustee, upon receipt of a written request of the City signed by an Authorized Issuer Representative and containing the statements, representations and certifications set forth in the form of such request attached as an exhibit to the Indenture and otherwise substantially in such form, for the sole purpose of paying costs of issuance of the Bonds. Any moneys remaining in the Costs of Issuance Account of the Project Fund on October 1, 2021 shall be deposited, without further authorization, on a pro rata basis based on the original principal amounts of the Series 2021A Bonds and the Series 2021B Bonds, into the applicable Redemption Account of the Debt Service Fund and used to redeem Bonds pursuant to the Indenture on the earliest possible date. See **"THE BONDS – Redemption Provisions – *Special Mandatory Redemption*"** herein.

In making such payments and disbursements, the Trustee may rely upon the written requests and accompanying certificates and statements. The Trustee is not required to make any independent inspection or investigation in connection with the matters set forth in the written requests. The approval of each disbursement request by an Authorized Issuer Representative shall constitute unto the Trustee an irrevocable determination that all conditions precedent to the payment of the specified amounts from the Costs of Issuance Account have been completed.

Rebate Fund

The Trustee shall deposit in the Rebate Fund such amounts as are required to be deposited therein pursuant to the Tax Compliance Agreement. Subject to the transfer provisions of the Indenture, all money at any time deposited in the Rebate Fund and any income earned thereon shall be held in trust, to the extent required to pay arbitrage rebate to the federal government of the United States of America, and neither the City nor the Owner of any Bonds shall have any rights in or claim to such money.

Extraordinary Costs Fund

Moneys in the Extraordinary Costs Fund may be used by the City, in its sole discretion, for the payment (including reimbursement to the City) of (a) extraordinary expenses related to the Redevelopment Plan, the Redevelopment Agreement, the Indenture or the Bonds, including but not limited to the costs of defending audits initiated by the Internal Revenue Service, assessed value contests concerning property within the Redevelopment Project Area, or other litigation initiated or threatened against the City or (b) debt service on the Bonds. Moneys in the Extraordinary Costs Fund shall be disbursed from time to time by the Trustee, upon receipt of a written request of the City signed by an Authorized Issuer Representative and containing the statements, representations and certifications set forth in the form of such request attached as an exhibit to the Indenture and otherwise substantially in such form.

Surplus Fund

Moneys in the Surplus Fund may be used by the City, in its sole discretion, for payment of (i) maintenance costs of assets refinanced with the Bonds and located within the Business District, or (ii) principal of and interest on the Series 2021B Bonds, including the payment of the principal of and accrued interest on all Series 2021B Bonds which are subject to redemption on the next succeeding Interest Payment Date pursuant to the Indenture (see **"THE BONDS – Redemption Provisions – *Special Mandatory Redemption*"** herein), so long as the City obtains an opinion of Bond Counsel (which opinion may be based upon a ruling or rulings of the Internal Revenue Service) to the effect that such payment of principal of and interest on the Series 2021B Bonds will not cause the interest on the Series 2021B Bonds to be included in gross income of the Owners thereof for purposes of federal income taxation. Moneys in the Surplus Fund shall be disbursed from time to time by the Trustee, upon receipt of a written request of the City signed by an Authorized Issuer Representative and containing the statements, representations and certifications set forth in the form of such request attached as an exhibit to the Indenture and otherwise substantially in such form.

ESTIMATED SOURCES AND USES OF FUNDS

Following is a summary of the anticipated sources and uses of funds in connection with the issuance of the Bonds:

Sources of Funds:

Net proceeds of the Bonds	$15,088,000.00
Available moneys under the indenture for the Refunded Bonds	3,547,484.32
Total sources of funds	$18,635,484.32

Uses of Funds:

Refund Refunded Bonds	$17,066,907.77
Deposit to the Series 2021A Reserve Account	345,562.50
Deposit to the Series 2021B Reserve Account	538,125.00
Deposit to the Extraordinary Costs Fund	50,000.00
Underwriter's Discount	416,625.00
Other Costs of Issuance	218,264.05
Total uses of funds	$18,635,484.32

OWNERS' RISKS

An investment in the Bonds is subject to a number of significant risk factors. The following is a discussion of certain risks that could affect payments to be made with respect to the Bonds. Such discussion is not, and is not intended to be, exhaustive and should be read in conjunction with all other parts of this Official Statement and should not be considered as a complete description of all risks that could affect such payments. Prospective purchasers of the Bonds should analyze carefully the information contained in this Official Statement, including the Appendices hereto, and additional information in the form of the complete documents summarized herein, copies of which are available as described herein.

Nature of the Obligations

The Bonds are special, limited obligations of the City and are payable solely from and secured by a pledge of Pledged TIF Revenues, Pledged Municipal Sales Tax Revenues, Pledged Business District Revenues subject to the order of priority in the application of revenues and the limitations as described herein, and moneys on deposit in separate accounts of the Debt Service Reserve Fund. The realization of such revenues is dependent upon, among other things, the capabilities of the Developer and future changes in economic and other conditions that are unpredictable and cannot be determined at this time.

THE BONDS AND THE INTEREST THEREON DO NOT CONSTITUTE A DEBT OF THE CITY, THE STATE OR ANY POLITICAL SUBDIVISION THEREOF, AND DO NOT CONSTITUTE AN INDEBTEDNESS WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY DEBT LIMITATION OR RESTRICTION.

WHETHER OR NOT THE PRINCIPAL AMOUNT OR INTEREST ON THE BONDS HAS BEEN PAID IN FULL, THE OBLIGATIONS OF THE CITY TO TRANSFER (1) PLEDGED TIF REVENUES TERMINATES ON DECEMBER 31, 2030, (2) PLEDGED BUSINESS DISTRICT SALES TAX REVENUES TERMINATES ON JUNE 15, 2029, AND (3) PLEDGED MUNICIPAL SALES TAX REVENUES TERMINATES ON DECEMBER 15, 2041.

Forward-Looking Statements

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

THE ACHIEVEMENT OF CERTAIN RESULTS OR OTHER EXPECTATIONS CONTAINED IN SUCH FORWARD-LOOKING STATEMENTS INVOLVE KNOWN AND UNKNOWN RISKS, UNCERTAINTIES AND OTHER FACTORS WHICH MAY CAUSE ACTUAL RESULTS, PERFORMANCE OR ACHIEVEMENTS DESCRIBED TO BE MATERIALLY DIFFERENT FROM ANY FUTURE RESULTS, PERFORMANCE OR ACHIEVEMENTS EXPRESSED OR IMPLIED BY SUCH FORWARD-LOOKING STATEMENTS. INCLUDED IN SUCH RISKS AND UNCERTAINTIES ARE (I) THOSE RELATING TO THE POSSIBLE INVALIDITY OF THE UNDERLYING ASSUMPTIONS AND ESTIMATES, (II) POSSIBLE CHANGES OR DEVELOPMENTS IN SOCIAL, ECONOMIC, BUSINESS, INDUSTRY, MARKET, LEGAL AND REGULATORY CIRCUMSTANCES, (III) A MORE SEVERE AND LONGER THAN ANTICIPATED REDUCTION OF ECONOMIC ACTIVITY CAUSED BY THE COVID-19 PUBLIC HEALTH CRISIS AND (IV) CONDITIONS AND ACTIONS TAKEN OR OMITTED TO BE TAKEN BY THIRD PARTIES, INCLUDING CUSTOMERS, SUPPLIERS, USERS, BUSINESS PARTNERS AND COMPETITORS, AND LEGISLATIVE, JUDICIAL AND OTHER GOVERNMENTAL AUTHORITIES AND OFFICIALS. ASSUMPTIONS RELATED TO THE FOREGOING INVOLVE JUDGMENTS WITH RESPECT TO, AMONG OTHER THINGS, FUTURE ECONOMIC, COMPETITIVE, AND MARKET CONDITIONS AND FUTURE BUSINESS DECISIONS, ALL OF WHICH ARE DIFFICULT OR IMPOSSIBLE TO PREDICT ACCURATELY. FOR THESE REASONS, THERE CAN BE NO ASSURANCE THAT THE FORWARD-LOOKING STATEMENTS INCLUDED IN THIS OFFICIAL STATEMENT WILL PROVE TO BE ACCURATE.

UNDUE RELIANCE SHOULD NOT BE PLACED ON FORWARD-LOOKING STATEMENTS. ALL FORWARD-LOOKING STATEMENTS INCLUDED IN THIS OFFICIAL STATEMENT ARE BASED ON INFORMATION AVAILABLE ON THE DATE HEREOF, AND THE CITY DOES NOT ASSUME ANY OBLIGATION TO UPDATE ANY SUCH FORWARD-LOOKING STATEMENTS IF OR WHEN EVENTS, CONDITIONS OR CIRCUMSTANCES ON WHICH SUCH STATEMENTS ARE BASED OCCUR OR FAIL TO OCCUR, OTHER THAN AS INDICATED IN THE CONTINUING DISCLOSURE UNDERTAKING IN APPENDIX B HERETO.

Financial Feasibility of the Shopping Center

The financial feasibility of the Shopping Center depends in large part upon the ability of the Developer, subsequent property owners and the manager of the Shopping Center to achieve and maintain substantial occupancy in the Shopping Center throughout the term of the Bonds. If such entities fail to maintain occupancy, there may be insufficient Pledged TIF Revenues, Pledged Municipal Sales Tax Revenues and Pledged Business District Revenues to pay the Bonds.

No assurance can be given that environmental conditions do not now or will not in the future exist at the Shopping Center which could become the subject of enforcement actions by governmental agencies. Additionally, there can be no assurance that future environmental conditions, if any, would not adversely impact the willingness of the public to frequent the Shopping Center. The amount of Pledged Municipal Sales Tax Revenues and Pledged Business District Revenues is dependent upon the purchase of goods at the Shopping Center.

Reliance on the Developer, Tenants and Subsequent Property Owners

The development of the Shopping Center was undertaken by the Developer and those parties contracting with the Developer. The Developer sold various portions of the Redevelopment Project to other entities. See **"THE REDEVELOPMENT PROJECT - Residential Component of the Redevelopment Project"** and **"SUMMARY OF SHOPPING CENTER LEASES; SHOPPING CENTER OCCUPANTS – Occupants"** herein. The Developer is under no obligation to own the Shopping Center for the life of the Bonds. The payment of debt service on the Bonds will be dependent, in part, on the current and future owners of the Shopping Center and the residential component of the Redevelopment Project to provide the payment of Pledged TIF Revenues for deposit into the Special Tax Allocation Fund.

The Shopping Center is currently managed by Western Skies Management, Inc., formerly known as THF Management, Inc., a Missouri corporation (the "Manager"), an entity related to the Developer. The Manager is under no obligation to continue to manage the Shopping Center. See the caption **"THE SHOPPING CENTER – The Manager."** Owners will be dependent on current and future managers of the Shopping Center to maintain occupancy in order to assure that Pledged TIF Revenues, Pledged Municipal Sales Tax Revenues and Pledged Business District Revenues will be generated.

The leases at the Shopping Center provide that each tenant is responsible for its pro rata share of any real estate taxes (including TIF Revenues) and certain other common area expenses. If any tenant defaults in paying its pro rata share of such taxes or other common area expenses, the Developer or any subsequent owner(s) of the Shopping Center will be responsible for such payments although the Developer would have the right to declare a default under the tenant's lease if the tenant failed to pay the same.

Not all of the leases require the tenants to continuously operate a business at the leased premises. Thus, a tenant may cease operations but continue to pay rent to the Developer. Under such circumstances, no Pledged Municipal Sales Tax Revenues or Pledged Business District Sales Tax Revenues would be generated by such tenant.

There is no obligation on the part of the Developer to lease all of the space at the Shopping Center to tenants which generate Pledged Municipal Sales Tax Revenues or Pledged Business District Sales Tax Revenues.

See the caption **"SUMMARY OF SHOPPING CENTER LEASES; SHOPPING CENTER OCCUPANTS"** herein.

No Mortgage of the Redevelopment Project

Payment of the principal of and interest on the Bonds is <u>not</u> secured by any deed of trust, mortgage or other lien on the Redevelopment Project or any other property. The Bonds are payable solely from the Pledged TIF Revenues, Pledged Municipal Sales Tax Revenues, Pledged Business District Revenues, subject to the order of priority in the application of revenues and the limitations as described herein, and the applicable account of the Debt Service Reserve Fund. However, the TIF Act provides that TIF Revenues that are due and owing shall constitute a lien against the real estate from which they are derived. Upon a default in the payment of any TIF Revenues, the lien for unpaid TIF Revenues may be enforced by the City as provided by State law.

Risk of Failure to Maintain Levels of Assessed Valuations

There can be no assurance that the assessed value of the Shopping Center and the residential component of the Redevelopment Project will equal or exceed the current assessed value. There can be no assurance that such assessed value will be maintained throughout the term of the Bonds. If at any time during the term of the Bonds the assessed value decreases, the amount of the TIF Revenues will be likely less than the TIF Revenues historically generated and there may not be sufficient TIF Revenues paid into the Special Tax Allocation Fund to meet the obligations to the Owners.

The Developer, Wal–Mart, Chick-Fil-A or successor owners of all or a portion of the Shopping Center and the property owners within the residential component of the Redevelopment Project have the right to appeal the assessed value determined by the County Assessor. Additionally, pursuant to certain leases, certain tenants have also been granted the right to appeal such determination should the Developer or successor owners decline to do so. If any such appeal is not resolved prior to the time when real estate taxes and TIF Revenues are due, the taxpayer may pay the taxes and TIF Revenues under protest. In such event, that portion of taxes and TIF Revenues being protested will not be available for deposit into the Special Tax Allocation Fund until the appeal has been concluded. If the appeal is resolved in favor of the taxpayer, the assessed value of the Redevelopment Project Area will be reduced, in which event the TIF Revenues may be less than forecasted. See the caption **"TAX INCREMENT FINANCING IN ILLINOIS – Assessments and Collections of Ad Valorem Taxes"** herein.

Changes in State and Local Tax Laws

Any change in the current system of collection and distribution of TIF Revenues, Municipal Sales Tax Revenues or Business District Sales Tax Revenues in the State, the County or the City, including without limitation the reduction or elimination of any such tax, judicial action concerning any such tax or voter initiative, referendum or action with respect to any such tax, could adversely affect the availability of revenues to pay the principal of and interest on the Bonds. There can be no assurances, however, that the current system of collection and distribution of TIF Revenues, Municipal Sales Tax Revenues or Business District Sales Tax Revenues in the State, County or the City will not be changed by any competent authority having jurisdiction to do so, including without limitation the State, the County, the City, school districts, the courts or the voters, and the Indenture does not limit the ability of the City to make any such changes with respect to City taxes and levies.

Reduction in State and Local Tax Rates

Any taxing district in the Redevelopment Project Area could lower its property tax rate, which would have the effect of reducing the TIF Revenues. Such a reduction in rates could be as a result of a desire of the governing body of the taxing district to lower tax rates, taxpayer initiative, or in response to State or local litigation or legislation affecting the broader taxing structure within the taxing district, such as litigation or legislation affecting the primary reliance on ad valorem property taxes to fund elementary and secondary education in the State.

The State could lower its sales tax rate or the percentage of sales tax revenues distributed to Illinois cities, villages or incorporated towns, which would have the effect of reducing the amount of Municipal Sales Tax Revenues received by the City. Such a reduction in rates or distribution percentage could be as a result of a desire of the State or taxpayer initiative.

Limitations on Remedies

The remedies available to the Owners upon a default under the Indenture are in many respects dependent upon judicial action, which is often subject to discretion and delay under existing constitutional and statutory law and judicial decisions, including specifically Title 11 of the United States Code (the "Federal Bankruptcy Code"). The various legal opinions to be delivered concurrently with delivery of the Bonds will be qualified as to enforceability of the various legal instruments by limitations imposed by bankruptcy, reorganization, insolvency or other similar laws affecting the rights of creditors generally, now or hereafter in effect; to usual equity principles which shall limit the specific enforcement under laws of the State as to certain remedies; to the exercise by the United States of America of the powers delegated to it by the United States Constitution; and to the reasonable and necessary exercise, in certain exceptional situations, of the police power inherent in the sovereignty of the State and its governmental bodies, in the interest of serving an important public purpose.

Early Redemption Prior to Maturity

Funds on deposit in the Series 2021A Redemption Account of the Debt Service Fund and funds on deposit in the Series 2021B Redemption Account of the Debt Service Fund are required to be used for the purpose of redeeming the applicable series of Bonds prior to maturity pursuant to the redemption provisions described in this Official Statement. See the section herein captioned **"THE BONDS – Redemption Provisions – *Special Mandatory Redemption*."** **It is anticipated that a substantial portion of the Bonds will be redeemed prior to their stated maturity.** See **"PROJECTED AVERAGE LIFE OF THE BONDS"** herein.

Changes in Market Conditions

Any changes in the market conditions for the City, as well as changes in general economic conditions, could adversely affect the rate of appreciation and/or inflation of the property in the Redevelopment Project Area and, consequently, the amount of TIF Revenues. Similar, changes in such market conditions or general economic conditions could adversely affect the amount of Municipal Sales Tax Revenues or Business District Sales Tax Revenues generated within the Redevelopment Project Area.

Factors Affecting Municipal Sales Tax Revenues and Business District Sales Tax Revenues

Municipal Sales Tax Revenues and Business District Sales Tax Revenues are contingent and may be adversely affected by a variety of factors, including without limitation economic conditions within the Redevelopment Project Area and the surrounding trade area and competition from other retail businesses, rental rates and occupancy rates in private developments in the Redevelopment Project Area, suitability of the Shopping Center for the local market, local unemployment, availability of transportation, neighborhood changes, crime levels in the area, vandalism and rising operating costs, interruption or termination of operation of the Shopping Center as a result of fire, natural disaster, strikes or similar events, among many other factors. As a result of all of the above factors, it is difficult to predict with certainty the expected amount of Pledged Municipal Sales Tax Revenues and Pledged Business District Sales Tax Revenues which will be available to pay the principal of and interest on the Bonds. The retail sales industry is highly competitive. Existing retail businesses outside of the Redevelopment Project Area and the future development of retail businesses outside of the Redevelopment Project Area, which are competitive with retail businesses in the Redevelopment Project Area, may be expanded or may be developed after the date of this Official Statement.

Municipal Sales Tax Revenues and Business District Sales Tax Revenues are currently not generated by purchases made over the internet, purchases made from catalogs unless the business has a nexus, such as a brick-and-mortar store, to the City, or purchases directly delivered to addresses outside the City. The future level of taxable retail sales which occurs within the Redevelopment Project Area may be affected by the future level of internet sales (also known as e-commerce). Such remote commerce vendors compete with local retail businesses and in the future could reduce the level of taxable retail sales which otherwise would occur within the Redevelopment Project Area. The use of the internet by consumers for their purchases is subject to various market factors as well as consumer behavior and preferences. The ultimate impact of internet sales on the level of taxable retail sales which occurs within the Redevelopment Project Area cannot be determined at this time. Additionally, the increasing popularity of gift cards, the sales and resulting taxes from which are not realized until the gifted amounts are spent by the recipient, may impact monthly sales tax receipts in a manner which cannot be determined at this time.

Products that are eligible for the federal Food Stamp program and pharmaceutical products that are purchased cannot, by law, be subject to state or local sales taxes. To the extent that there are retailers within the Redevelopment Project Area selling such products and such products are sold to shoppers who purchase goods with Food Stamps or purchase pharmaceutical items, the expected amount of Pledged Municipal Sales Tax Revenues and Pledged Business District Sales Tax Revenues that will be available for the payment of the principal of and interest on the Bonds would be reduced.

In addition to the foregoing, the partial or complete destruction of the Shopping Center, as a result of fire, natural disaster or similar casualty event or the temporary or permanent closing of one or more retail establishments in the Shopping Center due to strikes or failure of the business would adversely affect the Pledged Municipal Sales Tax Revenues and Pledged Business District Revenues derived from the Redevelopment Project Area and thereby adversely affect the revenues available to pay the Bonds and the interest thereon. Any insurance maintained by the owner of or the tenants in the Shopping Center for such casualty or business interruption is not likely to include coverage for sales taxes that otherwise would be generated by the establishment. Furthermore, there is no obligation of the Developer to rebuild the Shopping Center in the event of the partial or complete destruction of the Shopping Center, as a result of fire, natural disaster or similar casualty event.

With respect to the Series 2021B Bonds, the Indenture imposes the Series 2021B Business District Revenue Limit on the repayment of the Series 2021B Bonds. As a result, it is possible that Pledged Business District Revenues may be generated within the Redevelopment Project Area in excess of the Series 2021B Business District Revenue Limit. Under such circumstances, such Pledged Business District Sales Tax Revenues would **not** be available for repayment of the Series 2021B Bonds.

Risks to Collection of Pledged Municipal Sales Tax Revenues Associated with Failure to Fund Pensions

The Illinois Pension Code, as amended (the "Pension Code") requires the City to make certain annual payments into the City's Police Pension Fund and Firefighters Pension Fund and into the Illinois Municipal Retirement Fund ("IMRF"). The Pension Code requires the City to make annual payments to the City's Police Pension Fund and Firefighters Pension Fund equal to (1) the normal cost of the pension fund for the year involved, plus (2) an amount sufficient to bring the total assets of the pension fund up to 90% of the total actuarial liabilities of the pension fund by 2040, as annually updated and determined by an enrolled actuary. Pursuant to the Pension Code, if the City fails to transmit to its Police Pension Fund or its Firefighters Pension Fund the required contributions for more than 90 days after the date on which payment of those contributions is due under the Pension Code, the Police Pension Fund or the Firefighters Pension Fund may, after giving notice to the City, certify to the State Comptroller (the "Comptroller") the amounts of such delinquent payments. The Comptroller must then deduct from any payments of State funds to the City (including any Pledged Municipal Sales Taxes Revenues to be remitted by the Comptroller to the City) and remit the certified amounts to the Police Pension Fund and/or the Firefighters Pension Fund, as the case may be, provided that the Comptroller cannot deduct more than the amount certified by the Police Pension Fund and/or the Firefighters Pension Fund. In addition, if the City fails to transmit to the IMRF the required contributions for more than 60 days after the date on which payment of such contributions is due under the Pension Code, the IMRF, after giving notice to the City, may certify to the Comptroller the amounts of such delinquent payments. The Comptroller shall then deduct the amounts so certified or any part thereof from any payments of State funds to the municipality (including any Pledged Municipal Sales Tax Revenues to be remitted by the Comptroller to the City) and shall remit the amount so deducted to the IMRF. If State funds from which such deductions may be made are not available, the IMRF may proceed against the City to recover the amounts of such delinquent payments in the appropriate circuit court.

Although the City has made its required contributions to date, there can be no assurance that the City will never fail to make the required contributions into its Police Pension Fund, its Firefighters Pension Fund or the IMRF, nor can there be any assurance that, in the event the City fails to make any such required contribution, its Police Pension Fund, its Firefighters Pension Fund or the IMRF will not certify the amount of such delinquent payment to the Comptroller. Furthermore, there can be no assurance that, in such event, the Comptroller will not remit all or any portion of the Pledged Municipal Sales Tax Revenues to the City's Police Pension Fund, its Firefighters Pension Fund or the IMRF instead of remitting any such Pledged Municipal Sales Tax Revenues to the City. There can also be no assurance that the claims of either pension fund or the IMRF would not be deemed by an Illinois court to be liens on all or a portion of the Pledged Municipal Sales Tax Revenues which are superior to those of the City's bondholders.

Determination of Municipal Sales Tax Revenues

The City receives a monthly transfer from the State for the City's local share of the sales tax imposed by the State. The transfer includes all sales that occurred during the third preceding calendar month within the boundaries of the City. In order for the City to determine the amount of Municipal Sales Tax Revenues collected during such month, each retailer located in the Redevelopment Project Area must provide the City with a monthly report showing the amount of sales taxes paid. Every lease or sale contract entered into by the Developer and a retailer requires the retailer to provide such report. Without the report, the City has no way to determine the amount of Municipal Sales Tax Revenues collected. For a period of time after the opening of the Redevelopment Project, most but not all retailers timely submitted their reports; however, over time, fewer and fewer retailers have provided these reports, despite repeated requests from the City. In contrast, Walmart has consistently filed its reports with the City. As a result, in connection with its obligations with respect to the Refunded Bonds, rather than contribute Municipal Sales Tax Revenues only for those retailers who did file the monthly report, the City has contributed, as Municipal Sales Tax Revenues, an amount equal to (a) the Business District Sales Tax Revenues generated within the Redevelopment Project Area other than at Walmart, plus (b) the actual Municipal Sales Tax Revenues generated at Walmart. Recently, the State has made monthly reports available to a city, upon monthly request by such city, showing the sales taxes paid, by address, by each retailer within the city. In the Indenture, the City covenants to request such reports and will be able to compute, and contribute, Municipal Sales Tax Revenues based upon the information contained in such reports for so long as the State makes such reports available.

Coronavirus

The outbreak of COVID-19, a respiratory disease caused by a new strain of coronavirus, has been characterized as a pandemic by the World Health Organization and has led to emergency declarations by government authorities of the United States, the State and local governments.

The governor of the State (the "Governor") also signed various executive orders (each with 30-day periods of effectiveness which have been extended several times) to prevent the further spread of COVID-19 that, as originally issued, (i) required all Illinoisans (with certain exceptions) to stay in their homes; (ii) closed all bars and restaurants to dine-in customers, (iii) ceased operations for all non-essential businesses in the State and (iv) prohibited all public and private gatherings of 10 or more people. The Governor has implemented a five-phase approach to reopening the State's businesses, with each successive phase easing certain of the restrictions previously imposed by such executive orders. The State is currently in the fourth phase of this reopening plan, and the current executive orders extend through April 3, 2021.

Under this fourth phase of reopening, capacity limitations exist on various businesses, including restaurants, health and fitness facilities, museums, indoor recreational facilities, meetings and social events, offices and zoos. Indoor dining and drinking are permitted for parties of up to 10 people but standing areas in restaurants or bars are to be limited to not more than 25% of standing area capacity. Retail and service counters may operate at a capacity of not more than 50% occupancy. Residents are urged to stay home as much as possible and follow proper safety measures when out in public.

While this latest round of mitigations does not include a stay at home order, if the mitigations are not adhered to and cases continue to rise, additional restrictions may be imposed. To date, no additional restrictions have been separately imposed by the County or the City.

The long-term impact of the COVID-19 pandemic on the City's operations and financial performance is difficult to determine at this point. To date, the most negatively impacted businesses in the City have been bars and restaurants, especially ones without drive-up or drive-thru capabilities. Overall, the City's sales tax revenues are higher than the prior year, though at a lower rate of increase than anticipated before the COVID-19 pandemic. Additionally, the City has experienced delays in the County's collection and distribution of real estate taxes. The County delayed the due dates for the payment of real estate taxes in 2020 to provide relief to property owners during the COVID-19 pandemic.

The City cannot predict (a) the duration or extent of the COVID-19 pandemic; (b) the duration or expansion of related business closings, public health orders, regulations and legislation; (c) what effect the COVID-19 pandemic will continue to have on global, national, and local economies; (d) whether recent job losses resulting from COVID-19-related business closures will be temporary or permanent and what effect such losses will have on consumer confidence; or (e) the impact the COVID-19 pandemic will have on the revenues available for repayment of the Bonds. Developments regarding COVID-19 continue to occur on a daily basis and the extent to which COVID-19 will impact the revenues derived from the Redevelopment Project Area in the future is highly uncertain and cannot be predicted. Neither the City nor the Underwriter can predict the effect the spread of COVID-19 will have on the revenues available for repayment of the Bonds.

Cybersecurity

The City is cognizant of the importance of protecting the confidentiality of individuals' personal information, including employee information. Unauthorized release of such information, inappropriate access thereof, and failure to comply with certain required security safeguards with respect thereto, could result in materially adverse reputational and operational consequences, including possible legal actions and economic liability. The City has an IT department with two employees to monitor the City's technology and safeguard all areas of City technology.

It is possible that the City's security measures will not prevent improper or unauthorized access or disclosure of personally identifiable employee information or other confidential information resulting from cyberattacks in the future. If personal or otherwise protected information is improperly accessed, tampered with or distributed, the City may incur significant costs to remediate possible injury to the affected persons, and the City may be subject to sanctions and civil penalties if it is found to be in violation of federal or state laws or regulations. Security breaches, including electronic break-ins, computer viruses, attacks by hackers and similar breaches, can create disruptions or shutdowns of City services, including the potential delay of receipt or application of Pledged TIF Revenues, Pledged Municipal Sales Tax Revenues and Pledged Business District Sales Tax Revenues, or the unauthorized disclosure of confidential information. The City has acquired insurance which provides coverage for cybersecurity events.

Debt Service Reserve Accounts

At the time of issuance of the Bonds, the Series 2021A Reserve Account of the Debt Service Reserve Fund will be established in an amount equal to $345,562.50 (the "Series 2021A Debt Service Reserve Requirement") and the Series 2021B Reserve Account of the Debt Service Reserve Fund will be established in an amount equal to $538,125.00 (the "Series 2021B Debt Service Reserve Requirement" and each a "Debt Service Reserve Requirement"). There can be no assurance that the amounts on deposit in the applicable account of the Debt Service Reserve Fund will be available if needed for payment of the applicable series of Bonds in the full amount of the applicable Debt Service Reserve Requirement because (1) of fluctuations in the market value of the securities deposited therein and/or (2) if funds are transferred to the applicable account of the Debt Service Fund, sufficient revenues may not be available in the Revenue Fund to replenish the applicable account of the Debt Service Reserve Fund to the applicable Debt Service Reserve Requirement.

Acceleration; Debt Service Reserve Accounts

The Indenture permits the Trustee, upon the occurrence and continuance of an Event of Default, to declare the principal of and interest on the Bonds to be immediately due and payable. See **"SUMMARY OF THE INDENTURE – Events of Default; Acceleration"** in **Appendix A**. Because the Bonds are payable solely from and secured by a pledge of Pledged TIF Revenues, Pledged Municipal Sales Tax Revenues, Pledged Business District Revenues and from amounts in the applicable account of the Debt Service Reserve Fund, such declaration would not result in any additional revenues becoming available for the repayment of the Bonds. If the Trustee did not declare an acceleration, it would be possible that funds in the Series 2021B Reserve Account of the Debt Service Reserve Fund would be available to repay in full certain Series 2021B Bonds with an early stated maturity date, leaving no or insufficient funds in the Series 2021B Reserve Account of the Debt Service Reserve Fund for the remaining owners of the Series 2021B Bonds.

Determination of Taxability

The Series 2021B Bonds are not subject to redemption, nor are the interest rates on the Series 2021B Bonds subject to adjustment, in the event of a determination by the Internal Revenue Service (the "Service") or a court of competent jurisdiction that the interest paid or to be paid on any Series 2021B Bond is or was includible in the gross income of the Owner of a Series 2021B Bond for federal income tax purposes. Such determination may, however, result in a breach of the City's tax covenants set forth in the Tax Compliance Agreement, which may constitute an event of default under the Indenture. ***It may be that Owners would continue to hold their Series 2021B Bonds, receiving principal and interest as and when due, but would be required to include such interest payments in gross income for federal income tax purposes.***

Risk of Audit

The Service has established an ongoing program to audit tax-exempt obligations to determine whether interest on such obligations should be included in gross income for federal income tax purposes. No assurance can be given that the Service will not commence an audit of the Series 2021B Bonds. Owners of the Series 2021B Bonds are advised that, if an audit of the Series 2021B Bonds were commenced, in accordance with its current published procedures, the Service is likely to treat the City as the taxpayer, and the Owners of the Series 2021B Bonds may not have a right to participate in such audit. Public awareness of any audit could adversely affect the market value and liquidity of the Series 2021B Bonds during the pendency of the audit, regardless of the ultimate outcome of the audit.

Costs associated with such any audit inquiries or the settlement of a dispute with the Service regarding the tax-exempt status of interest on the Series 2021B Bonds, including but not limited to costs of legal professionals hired to represent the interest of the City, may be paid from Pledged TIF Revenues, Pledged Municipal Sales Tax Revenues and Pledged Business District Tax Revenues deposited into the Extraordinary Costs Fund and may reduce the amounts available to pay debt service on the Bonds. See the caption **"SOURCES OF PAYMENT AND SECURITY FOR THE BONDS – Indenture Funds and Accounts"** herein.

Lack of Rating and Market for the Bonds

The Bonds have not received any credit rating by any recognized rating agency. The absence of any such rating could adversely affect the ability of holders to sell the Bonds or the price at which the Bonds can be sold. No assurance can be given that a secondary market for the Bonds will develop following the completion of the offering of the Bonds.

TAX INCREMENT FINANCING IN ILLINOIS

General

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

The TIF Act

The TIF Act authorizes the use of tax increment financing as a means for municipalities, after the approval of a "redevelopment plan and project," to redevelop "blighted," "conservation" or "industrial park conservation" areas by financing redevelopment project costs with incremental real property tax revenues. Incremental real property tax revenues are derived from the increase in the equalized assessed valuation of real property within the redevelopment project area over and above the equalized assessed valuation in effect at the time the redevelopment project area is established. Any such increase in equalized assessed valuation above the certified initial equalized assessed valuation is then multiplied, on an annual basis, by the aggregate tax rate resulting from the levy of real property taxes by all units of local government having taxing power over that real property. The product of this calculation, net of loss in collection, is the amount of incremental real property tax revenues generated within a redevelopment project area. See the section herein captioned **"REAL PROPERTY TAX ASSESSMENT, LEVY AND COLLECTION."**

Tax increment financing does not generate revenues by increasing tax rates. Instead, it generates revenues by allowing a municipality to capture all tax revenues resulting from increases in the equalized assessed valuation within the area which has been designated for redevelopment. The incremental real property tax revenue is deposited into a special tax allocation fund from which redevelopment project costs and principal of and interest on obligations issued to finance the redevelopment are paid. Under tax increment financing, all overlapping taxing districts continue to receive real estate tax revenue from the redevelopment project area based on the certified initial equalized assessed value. When the amount of incremental real property tax revenue applicable to the redevelopment project area is greater than the amount required to pay for expected redevelopment project costs and principal of and interest on obligations issued to pay such costs, the municipality is required to return such money to the collecting authority for distribution to the overlapping taxing districts. If a redevelopment plan and project so provides, a municipality may use incremental real property tax revenue for eligible costs in a contiguous project area or one separated only by a public right of way.

To finance redevelopment project costs, a municipality may issue obligations secured by the anticipated tax increment revenue generated within the redevelopment project area. These redevelopment project costs include, but are not limited to, costs of studies and surveys, costs associated with the acquisition of land, costs of rehabilitation or repair of existing public or private buildings, costs of construction of public works or improvements, costs of job training and retraining programs and financing costs. Subject to certain limitations, tax increment financing may also apply to certain interest costs incurred by the developer of a project.

REDEVELOPMENT PROJECT AREA

The Redevelopment Project Area was approved by the City on January 11, 2006. The Shopping Center is located within the Redevelopment Project Area. TIF Revenues levied until 2029 within the Redevelopment Project Area may be captured and applied towards payment of the Bonds. Taxes levied in 2029 are due, and should be collected, in 2030. See the section herein captioned **"REAL PROPERTY TAX ASSESSMENT, LEVY AND COLLECTION — Collections."** The City's obligation to transfer Pledged TIF Revenues terminates on December 31, 2030.

REAL PROPERTY TAX ASSESSMENT, LEVY AND COLLECTION

General

All of the "Equalized Assessed Valuation" of taxable property in the City is located in the County. The laws of the State relating to real property taxation are contained in the Illinois Property Tax Code (the "Property Tax Code"). Information under this caption describes the current procedures for real property tax levy, assessment, and collection in the County. There can be no assurance that the procedures described herein will not change. See the section herein captioned **"OWNERS' RISKS — Changes in State and Local Tax Laws."**

"Pledged TIF Revenues" means fifty percent (50.0%) of TIF Revenues, which shall be deposited into the TIF Account of the Revenue Fund. "TIF Revenues" means the ad valorem taxes, if any, arising from the tax levies upon taxable real property in the Redevelopment Project Area by any and all taxing districts or municipal corporations having the power to tax real property in the Redevelopment Project Area, which taxes are attributable to the increase in the then-current equalized assessed valuation of each taxable lot, block, tract or parcel of real property in the Redevelopment Project Area over and above the initial equalized assessed value of each such piece of property, all as determined by the County Clerk in accordance with the TIF Act.

Real Property Assessment

General. The County Assessor is responsible for the assessment of all taxable real property within the County, including that in the City, except for certain railroad property and certified pollution control facilities which are assessed directly by the Illinois Department of Revenue (the "Department of Revenue"). Real estate in the County is generally reassessed every fourth year by the County Assessor. After the County Assessor establishes the fair market value of a parcel of land, the value, as revised by the County Supervisor of Assessments, is multiplied by 33-1/3% to arrive at the assessed valuation ("Assessed Valuation") for that parcel. The County Assessor and the County Supervisor of Assessments may revise the Assessed Valuation. Taxpayers may formally petition for review of their assessments by the St. Clair County Board of Review. In addition, taxpayers have the right to appeal the County Board of Review's decision to the State Property Tax Appeal Board or to the Circuit Court in a valuation objection proceeding.

Equalization. The Department of Revenue establishes an equalization factor (commonly called a "multiplier") for each township and county in the State. After the County Assessor and the County Supervisor of Assessments have established the Assessed Valuation for each parcel for a given year and the township multiplier has been established, and following the County Board of Review revisions, the Department of Revenue is required by statute to review the Assessed Valuations. The purpose of equalization is to provide a common basis of assessments among townships and counties by adjusting assessments to make all valuations uniform among the 102 counties in the State. Assessments are equalized at 33-1/3% of estimated fair market value.

Once the equalization factor is established, the Assessed Valuations determined by the assessor, as revised by the County Board of Review, are multiplied by the equalization factor to determine the "Equalized Assessed Valuations." The Equalized Assessed Valuations are the final property valuations used for the determination of tax liability.

The aggregate Equalized Assessed Valuation for all parcels in the County, including the City, including the valuation of certain railroad property and certified pollution control facilities assessed directly by the State and the valuation of farmland assessed under the direction of the State, constitutes the total real estate tax base for the County, and is the figure utilized to calculate tax rates (the "Assessment Base").

Tax Levy

As part of the annual budget process of each unit of local government in (or partly in) the County which has real estate taxing powers (the "Units"), ordinances are adopted by the governing body of each Unit in each year in which it determines to levy real estate taxes. These tax levy ordinances impose real estate taxes in terms of a dollar amount. Each Unit certifies its real estate tax levy, as established by ordinance, to the County Clerk's Office. The remaining administration and collection of the real estate taxes are statutorily assigned to the County Clerk and the St. Clair County Treasurer (the "County Treasurer") who also serves as the St. Clair County Collector (the "County Collector").

After the Units file their respective annual tax levies, the County Clerk computes the annual tax rate for each Unit. This computation is made by dividing the levy of each Unit by the Equalized Assessed Valuation of the respective Unit. If any tax rate calculated exceeds any applicable statutory rate limit, the County Clerk disregards the excessive rate and applies the maximum rate provided by law.

Once the necessary adjustments to the tax rates are made, the County Clerk then computes the total tax rate applicable to each parcel of real property by aggregating the tax rates of all of the taxing units having jurisdiction over that particular parcel. The County Clerk enters the tax determined by multiplying that total tax rate by the Equalized Assessed Valuation of the parcel in the books prepared for the County Collector (the "Judgment Books") along with the tax rates, the Assessed Valuation and the Equalized Assessed Valuation. The Judgment Books are the County Collector's authority for the collection of taxes and are used by the County Collector as the basis for issuing tax bills to all property owners.

The Illinois Truth in Taxation Act requires additional procedures in connection with the annual levying of property taxes. Notice in the prescribed form must be published if the annual aggregate levy is estimated to exceed 105% of the amount extended or estimated to be extended upon the final aggregate levy of the preceding year, exclusive of election costs and debt service costs. A public hearing must also be held, which may not be in conjunction with the budget hearing of the taxing district. No amount in excess of 105% of the amount, exclusive of election costs and debt service costs, which has been extended or is estimated to be extended upon the final aggregate levy of the preceding year may be extended unless the levy is accompanied by a certification of compliance with the foregoing procedures. The express purpose of the legislation is to require disclosure of a levy in excess of specified levels.

Collection

Property taxes are collected by the County Collector, who is also the County Treasurer, who remits to the Units their respective shares of the collections. Taxes levied in one calendar year become payable during the following calendar year in two approximately equal installments, the first on the later of June 1 or 30 days after the mailing of the tax bills and the second on the later of September 1 or 30 days after such mailing date.

At the end of each calendar year, the County Collector presents the Judgment Books to the Circuit Court, and applies for a judgment for all unpaid taxes. The court order resulting from that application for judgment provides for a sale of all property with unpaid taxes shown on that year's Judgment Books. A trustee holds a public sale (the "Annual Tax Sale"), at which time successful bidders pay the unpaid taxes plus penalties. Unpaid taxes accrue penalties at the rate of one and one-half percent (one percent for agricultural property) per month from their due date until the date of sale. Taxpayers can redeem their property by paying the tax buyer the amount paid at the sale, plus a penalty. If no redemption is made within specified time periods based upon the type of real estate involved, the tax buyer can receive a deed to the property. In addition, there are miscellaneous statutory provisions for foreclosure of tax liens.

If there is no sale of the tax lien on a parcel of property at the Annual Tax Sale, the trustee may purchase the property until another buyer purchases the property at an amount equal to all delinquent taxes and interest to the date of purchase. Redemption periods and procedures are the same as applicable to the Annual Tax Sale.

SALES TAX COLLECTION AND DISTRIBUTION IN ILLINOIS

Municipal sales tax revenues are derived solely from State sales taxes. The State sales taxes are derived from the 6.25% tax imposed on persons selling tangible personal property at retail and the 6.25% imposed on servicemen whenever they transfer tangible personal property incidental to a sale of a service.

The Illinois Department of Revenue pays 16% of those revenues into a special fund, the Local Government Tax Fund. The Illinois Department of Revenue distributes revenues in the Local Government Tax Fund to Illinois cities, villages and incorporated towns in an amount determined by the amount of sales which occur in each city, village and incorporated town. The remainder of the revenues are distributed to each county based upon the sales which occurred in the unincorporated area of that county. Local governments receive payments from the Local Government Tax Fund around the 10th day of each month. The amount paid is based on taxes imposed on sales during the third preceding calendar month.

"Pledged Municipal Sales Tax Revenues" means all Municipal Sales Tax Revenues less the Monthly Municipal Share. "Municipal Sales Tax Revenues" means all sales tax revenue the City is entitled to receive from the sales tax imposed by the State pursuant to the Illinois Retailers' Occupation Tax Act, 35 ILCS 120/1 *et seq*., the Illinois Service Occupation Tax Act, 35 ILCS 115/1 *et seq*., and such other authority as shall be applicable pursuant to any successor statutes that result from retail sales of all businesses located in the Redevelopment Project Area. "Monthly Municipal Share" means a monthly amount to be retained by the City equal to $66,000, which shall be retained from the first dollars of Municipal Sales Tax Revenues collected each month.

Pursuant to the State law, taxpayers who promptly pay their sales taxes are entitled to retain 1.75% of the amount of taxes owed.

The current rate of the State sales tax revenue received by the City is 1%.

BUSINESS DISTRICT SALES TAX COLLECTION AND DISTRIBUTION IN ILLINOIS

Pledged Business District Sales Tax Revenues are derived from the sales taxes imposed by the City in the Business District pursuant to the Business District Development and Redevelopment Law, 65 *Illinois Complied Statutes, 5/*11-74-.3-6 *et seq.*, as amended and supplemented (the "Business District Sales Tax Revenues"). A Business District Retailers' Occupation Tax, at the rate of 1.00%, has been imposed by the City upon all persons engaged in the business of selling tangible personal property, other than any item of tangible personal property titled or registered with an agency of the State, at retail within the Business District which encompasses the Shopping Center. Similarly, a Business District Service Occupation Tax, at the rate of 1.00%, has been imposed by the City upon all persons engaged, within the Business District, in the business of making sales of services who, as an incident to making those sales of service, transfer tangible personal property within the Business District, either in the form of tangible personal property or in the form of real estate as an incident to a sale of service. Neither tax may be imposed on food for human consumption that is to be consumed off the premises where it is sold (other than alcoholic beverages, soft drinks and food that has been prepared for immediate consumption), prescription and nonprescription medicines, drugs, medical appliances, modifications to a motor vehicle for the purpose of rendering it usable by a disabled person, and insulin, urine test materials, syringes, and needles used by diabetics, for human use. These taxes shall be imposed until all Business District project costs and all municipal obligations financing the Business District project costs, if any, have been paid but in no event longer than 23 years from January 11, 2006.

Vendors remit the Business District Sales Tax Revenues collected to the Illinois Department of Revenue on a monthly or quarterly basis. The Illinois Department of Revenue collects the Business District Sales Tax Revenues, retains 2% of the Business District Sales Tax Revenues as a collection fee, and certifies to the Illinois State Comptroller the disbursement of such Business District Sales Tax Revenues to the City on or before the 25th day of each month. Within 10 days after receipt by the Illinois State Comptroller of the disbursement certification, the Illinois State Comptroller shall cause the Business District Sales Tax Revenues to be paid to the City.

"Pledged Business District Sales Tax Revenues" means all sales tax revenues received by the City from the one percent (1.0%) retailers' occupation tax and service occupation tax and the hotel operators' occupation tax imposed by the City pursuant to the Business District Act within the Business District. With respect to the Series 2021B Bonds, the application of Pledged Business District Sales Tax Revenues is subject to the Series 2021B Business District Revenue Limit. The "Series 2021B Business District Revenue Limit" means an amount not to exceed 9.5% of the sum of (a) the cumulative payments of interest on and principal (whether at maturity, redemption or otherwise) of the Series 2021B Bonds paid to date, and (b) the interest payable on and principal (whether at maturity, redemption or otherwise) of the Series 2021B Bonds on the next Interest Payment Date.

The Business District consists of approximately 60 acres, being that portion of the Redevelopment Project Area in which the Shopping Center is located.

HISTORICAL REVENUES

Set forth below is information with respect to the Pledged TIF Revenues, Pledged Municipal Sales Tax Revenues and Pledged Business District Sales Tax Revenues remitted by the City under the indenture authorizing the issuance of the Refunded Bonds. Neither the City nor the Underwriter makes any representation regarding future collections of such revenues and there can be no assurance that such levels of remittances set forth below will be maintained in the future.

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Annual Remittance

The table below shows the Pledged TIF Revenues, Pledged Municipal Sales Tax Revenues and Pledged Business District Sales Tax Revenues remitted by the City to the trustee for the Refunded Bonds in the 12-month period from April to March **ending** in the years listed:

12-Month Period Ending March of the Listed Year	**Pledged TIF Revenues**	**Pledged Municipal Sales Tax Revenues[1]**	**Pledged Business District Sales Tax Revenues**	**Total**
2013	$ 686,371.98	$ 609,314.77	$ 881,613.17	$ 2,177,299.92
2014	657,858.35	589,423.68	864,684.95	2,111,966.98
2015	643,027.83	579,763.18	849,031.54	2,071,822.55
2016	737,471.86	620,541.89	884,447.30	2,242,461.05
2017	762,907.63	651,022.47	903,021.19	2,316,951.29
2018	834,554.89	663,995.97	892,353.32	2,390,904.18
2019	892,968.16	669,594.70	909,067.90	2,471,630.76
2020	899,682.78	758,888.19	920,515.99	2,579,086.96
2021[2]	942,941.87	746,509.08	994,990.32	2,684,441.27

Source: City.

1 Pursuant to the indenture under which the Refunded Bonds were issued, the City retained $54,000 per month from the first dollars of Municipal Sales Tax Revenues collected each month. The amounts shown above are net of this retention. Additionally, during much of the years listed above, the City has had to impute the amount of Pledged Municipal Sales Tax Revenues from its Business District Sales Tax Revenues because of retailers' failures to provide required monthly reports. See **"OWNERS' RISKS - Determination of Municipal Sales Tax Revenues"** herein. Pursuant to the Indenture, the City will now be retaining $66,000 per month from the first dollars of Municipal Sales Tax Revenues collected each month.

2 Delays in the collection and distribution by the County of real estate taxes, which include Pledged TIF Revenues, occurred in 2020 because of measures taken in response to the coronavirus. The City received the final distribution from the County of Pledged TIF Revenues attributable to the taxes levied in 2019 (payable in 2020) on March 24, 2021.

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With respect to Pledged TIF Revenues, based on the 2019 tax bills, payable in 2020, the commercial property within the Redevelopment Project Area constituted 45.96% of the total taxes billed and the residential property constituted 54.04% of the total.

Imputed Trailing Twelve Months

The following chart shows the trailing 12–month remittances of Pledged TIF Revenues, Pledged Municipal Sales Revenues and Pledged Business District Sales Tax Revenues **assuming that the City had retained $66,000 per month from the first dollars of Municipal Sales Tax Revenues collected each month** as authorized by the Indenture, as opposed to $54,000 per month as authorized by the indenture for the Refunded Bonds. Additionally, delays in the collection and distribution by the County of real estate taxes, which include Pledged TIF Revenues, occurred in 2020 because of measures taken in response to the coronavirus. The City's last receipt of Pledged TIF Revenues was on March 24, 2021 for Pledged TIF Revenues attributable to the taxes levied in 2019 (payable in 2020).

Month	Pledged TIF Revenues	Pledged Municipal Sales Tax Revenues	Pledged Business District Sales Tax Revenues	Total
April	$ 0.00	$ 30,084.87	$ 62,135.28	$ 92,220.15
May	0.00	33,081.32	66,172.62	99,253.94
June	0.00	58,021.01	82,219.85	140,240.86
July	105,449.57	65,645.11	90,890.45	261,985.13
August	204,407.12	69,975.31	102,542.24	376,924.67
September	63,287.36	64,315.26	99,532.13	227,134.75
October	244,378.00	45,065.83	79,963.25	369,407.08
November	47,821.13	36,984.06	72,264.37	157,069.56
December	31,971.84	49,086.54	85,648.59	166,706.97
January	0.00	43,531.76	78,062.00	121,593.76
February	0.00	44,348.34	79,274.39	123,622.73
March	245,626.85	62,369.67	96,285.15	404,794.28
Totals:	$942,941.87	$602,509.08	$994,990.32	$2,540,441.27

Source: City.

PROJECTED AVERAGE LIFE OF THE BONDS

Introduction

The following discussion describes the assumptions (the "Structuring Assumptions") used by the Underwriter to calculate the projected average life of the Bonds pursuant to the special mandatory redemption provisions under the various cases described below. Potential investors are cautioned that the information in this caption of the Official Statement represents "forward-looking statements" as described in the **"OWNERS' RISKS--Forward-Looking Statements." THERE IS NO ASSURANCE THAT ACTUAL EVENTS WILL CORRESPOND WITH THE ASSUMPTIONS MADE. NO GUARANTY OR ASSURANCES MAY BE MADE THAT SUCH PROJECTIONS WILL CORRESPOND WITH THE RESULTS ACHIEVED IN THE FUTURE.**

Structuring Assumptions

General. The Structuring Assumptions described under this heading were prepared by the Underwriter. Some assumptions inevitably will not materialize and unanticipated events and circumstances may occur. Therefore, actual results achieved will vary from the results based on the Structuring Assumptions, and the variations may be material. If actual results are materially different from those assumed, it will have a material effect on the projections set forth under this caption.

Case I. Assumes that revenues will be received in accordance with receipt of the amounts calculated for the trailing 12-month receipts under the caption **"Imputed Trailing Twelve Months"** on page 32, with 0% annual growth going forward.

Case II. Assumes that revenues will be received in accordance with receipt of only 80% of the amounts calculated for the trailing 12-month receipts under the caption **"Imputed Trailing Twelve Months"** on page 32, with 0% annual growth going forward.

Assumed Investment Earnings and Timely Payments. The amounts on deposit in the Revenue Fund and Debt Service Reserve Fund are assumed to earn no interest. Since the projected revenues are based on historical remittances to the Trustee, it is assumed that timely payment and collection fees, if applicable, have been netted in the amounts listed under the caption **"Imputed Trailing Twelve Months"** on page 32.

Lag. Certain lags between revenues generated and actually collected by the Trustee and available for debt service have been assumed. Additionally, because of limitations imposed by current state law, it is assumed that the City will cease transfers to the Trustee of Pledged TIF Revenues on December 31, 2030, Pledged Business District Sales Tax Revenues on June 15, 2029 and Pledged Municipal Sales Tax Revenues on December 15, 2041.

Pledged Municipal Sales Tax Revenues. It is assumed that the rate of the State sales tax revenue received by the City remains at 1% for the life of the Bonds. When calculating Municipal Sales Tax Revenues, it is assumed that the City retains $66,000 per month from the first dollars of Municipal Sales Tax Revenues collected each month.

Pledged TIF Revenues. It is assumed that (a) the delays experienced in 2020 in the receipt of Pledged TIF Revenues from the County will **not** continue, (b) Pledged TIF Revenues will be timely received by the City and (c) as a result such delayed portion of Pledged TIF Revenues will be available for the January 1 payments on the Bonds.

Series 2021B Business District Revenue Limit. The Indenture imposes a cap on the use of Pledged Business District Sales Tax Revenues to pay Series 2021B debt service. Interest and principal payments on the Series 2021B Bonds from Pledged Business District Sales Tax Revenues may not exceed the Series 2021B Business District Limit which means an amount not to exceed 9.5% of the sum of (a) the cumulative payments of interest on and principal (whether at maturity, redemption or otherwise) of the Series 2021B Bonds paid to date, and (b) the interest payable on and principal (whether at maturity, redemption or otherwise) of the Series 2021B Bonds on the next Interest Payment Date. The cases in this caption do factor in this limitation and each case is sized within the Series 2021B Business District Revenue Limit.

Assumed Annual Fees and Expenses. Annual fees and expenses of the Trustee, any Paying Agent and any Dissemination Agent, City administration of the Redevelopment Project, and Extraordinary Costs Fund have been outlined below. These amounts are as provided in the Indenture and applied pursuant to the flow of funds under the Indenture and the maximum allowed has been assumed unless otherwise indicated.

Trustee, any Paying Agent and any Dissemination Agent: $6,600 each January 1, beginning January 1, 2022.

City administration of the Redevelopment Project: $7,500 each January 1 and July 1, beginning January 1, 2022.

Extraordinary Costs Fund: It is assumed that $50,000 is funded at closing, funds are never drawn upon and therefore there is no annual replenishment.

The following table was prepared by the Underwriter based on the Structuring Assumptions as described above. The table shows projected redemptions as a result of revenues (based upon the assumptions above) applied pursuant to the flow of funds under the Indenture.

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SERIES 2021A BONDS MATURING ON JULY 1, 2029

As of	Case I		Case II	
	Redemption Amount	Cumulative Redemption	Redemption Amount	Cumulative Redemption
January 1, 2022	$ 400,000	$ 400,000	$ 280,000	$ 280,000
July 1, 2022	360,000	760,000	260,000	540,000
January 1, 2023	410,000	1,170,000	300,000	840,000
July 1, 2023	375,000	1,545,000	275,000	1,115,000
January 1, 2024	425,000	1,970,000	310,000	1,425,000
July 1, 2024	395,000	2,365,000	290,000	1,715,000
January 1, 2025	445,000	2,810,000	325,000	2,040,000
July 1, 2025	415,000	3,225,000	300,000	2,340,000
January 1, 2026	465,000	3,690,000	340,000	2,680,000
July 1, 2026	435,000	4,125,000	315,000	2,995,000
January 1, 2027	725,000[1]	4,850,000	355,000	3,350,000
July 1, 2027			335,000	3,685,000
January 1, 2028			375,000	4,060,000
July 1, 2028			350,000	4,410,000
January 1, 2029			440,000[1]	4,850,000
July 1, 2029				
Average Life	**3.459 years**		**4.488 years**	

SERIES 2021B BONDS MATURING ON JULY 1, 2029

As of	Case I		Case II	
	Redemption Amount	Cumulative Redemption	Redemption Amount	Cumulative Redemption
January 1, 2022	$ 965,000	$ 965,000	$ 630,000	$ 630,000
July 1, 2022	180,000	1,145,000	30,000	660,000
January 1, 2023	1,040,000	2,185,000	715,000	1,375,000
July 1, 2023	205,000	2,390,000	40,000	1,415,000
January 1, 2024	1,065,000	3,455,000	730,000	2,145,000
July 1, 2024	225,000	3,680,000	50,000	2,195,000
January 1, 2025	1,085,000	4,765,000	740,000	2,935,000
July 1, 2025	245,000	5,010,000	70,000	3,005,000
January 1, 2026	490,000	5,500,000	755,000	3,760,000
July 1, 2026			85,000	3,845,000
January 1, 2027			765,000	4,610,000
July 1, 2027			95,000	4,705,000
January 1, 2028			780,000	5,485,000
July 1, 2028			15,000	5,500,000
January 1, 2029				
July 1, 2029				
Average Life	**2.588 years**		**3.891 years**	

[1] Reflects application of the Series 2021A Reserve Account of the Debt Service Reserve Fund

SERIES 2021B BONDS MATURING ON JULY 1, 2041

As of	Case I Redemption Amount	Case I Cumulative Redemption	Case II Redemption Amount	Case II Cumulative Redemption
January 1, 2022	-	-	-	-
July 1, 2022	-	-	-	-
January 1, 2023	-	-	-	-
July 1, 2023	-	-	-	-
January 1, 2024	-	-	-	-
July 1, 2024	-	-	-	-
January 1, 2025	-	-	-	-
July 1, 2025	-	-	-	-
January 1, 2026	$ 615,000	$ 615,000	-	-
July 1, 2026	270,000	885,000	-	-
January 1, 2027	1,240,000	2,125,000	-	-
July 1, 2027	760,000	2,885,000	-	-
January 1, 2028	1,915,000[1]	4,800,000	-	-
July 1, 2028			$ 95,000	$ 95,000
January 1, 2029			1,090,000	1,185,000
July 1, 2029			185,000	1,370,000
January 1, 2030			800,000	2,170,000
July 1, 2030			140,000	2,310,000
January 1, 2031			820,000	3,130,000
July 1, 2031			95,000	3,225,000
January 1, 2032			145,000	3,370,000
July 1, 2032			100,000	3,470,000
January 1, 2033			155,000	3,625,000
July 1, 2033			100,000	3,725,000
January 1, 2034			160,000	3,885,000
July 1, 2034			105,000	3,990,000
January 1, 2035			160,000	4,150,000
July 1, 2035			650,000[1]	4,800,000
January 1, 2036				
July 1, 2036				
January 1, 2037				
July 1, 2037				
January 1, 2038				
July 1, 2038				
January 1, 2039				
July 1, 2039				
January 1, 2040				
July 1, 2040				
January 1, 2041				
July 1, 2041				
Average Life	**6.055 years**		**10.098 years**	

[1] Reflects application of the Series 2021B Account of the Debt Service Reserve Fund

THE REDEVELOPMENT PROJECT

With the exception of the information below under the heading **"– Overview"** and **" – Residential Component of the Redevelopment Project,"** the information under this caption has been provided by the Developer and neither the City nor the Underwriter make any representation or warranty (express or implied) as to the accuracy or completeness of any information or any estimates, projections, assumptions or expressions of opinion set forth under this caption.

Overview

Pursuant to the Tax Increment Allocation Redevelopment Act, as amended, 65 ILCS 5/11–74.4–1 *et seq.* (the "TIF Act"), the City designated a redevelopment area (the "Redevelopment Project Area") on January 11, 2006. The Redevelopment Project Area is located at the northeast corner of the intersection of Carlyle Avenue (Illinois Route 161) and Green Mount Road in the City. The Shopping Center is located within the Redevelopment Project Area.

On January 11, 2006, the City, by ordinance, determined that the Redevelopment Project qualified for assistance under 65 ILCS 5/8–11–20 (the "Economic Incentive Act") to share a portion of any retailer's occupation tax generated by the Redevelopment Project.

On January 11, 2006, the City entered into a redevelopment agreement with THF Green Mount Development, L.L.C., a Missouri limited liability company, and GMCR, L.L.C., a Missouri limited liability company (collectively, the "Developer"), which was amended and restated as of November 1, 2007 (as amended and restated, the "Redevelopment Agreement").

Pursuant to the Business District Act, the City created a business district (the "Business District") on January 11, 2006. The Business District consists of approximately 60 acres, being that portion of the Redevelopment Project Area in which the Shopping Center is located.

The following aerial, prepared in February 2021, shows the boundaries of the Redevelopment Project Area and the Business District:

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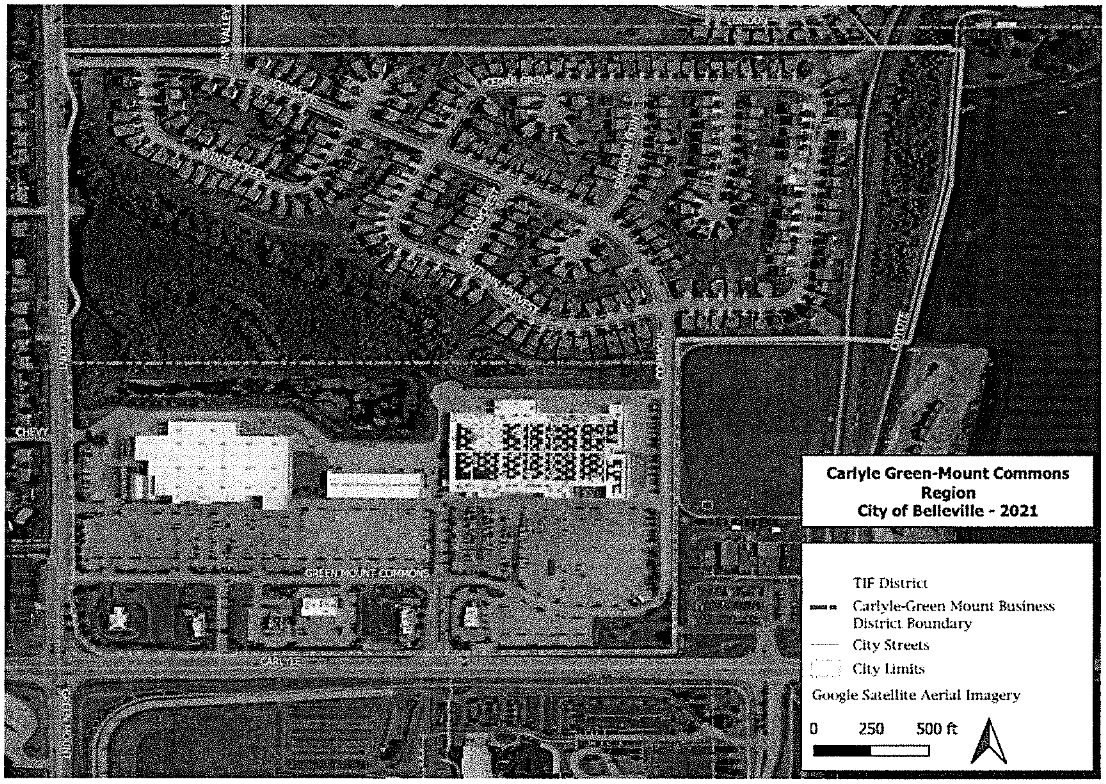

The Redevelopment Project Area contains approximately 140 acres. The Redevelopment Project consists of the construction of retail center, known as Green Mount Commons (as previously defined, the "Shopping Center") which is anchored by Lowe's and Wal–Mart and the construction of family residences.

The Shopping Center

The Shopping Center contains approximately 395,727 square feet and is anchored by Lowe's and Wal–Mart. Total parking for the Shopping Center is approximately 1,918 spaces (exclusive of parking associated with the outlots). Construction of the Lowe's building began in August 2006 and construction of the Wal–Mart building began in the Spring of 2007. Lowe's opened for business at the Shopping Center on January 13, 2007. Walmart opened for business at the Shopping Center on January 23, 2008. There are no construction or renovation activities currently occurring or contemplated at the Shopping Center. The site plan, as of February 23, 2021, is set forth below:

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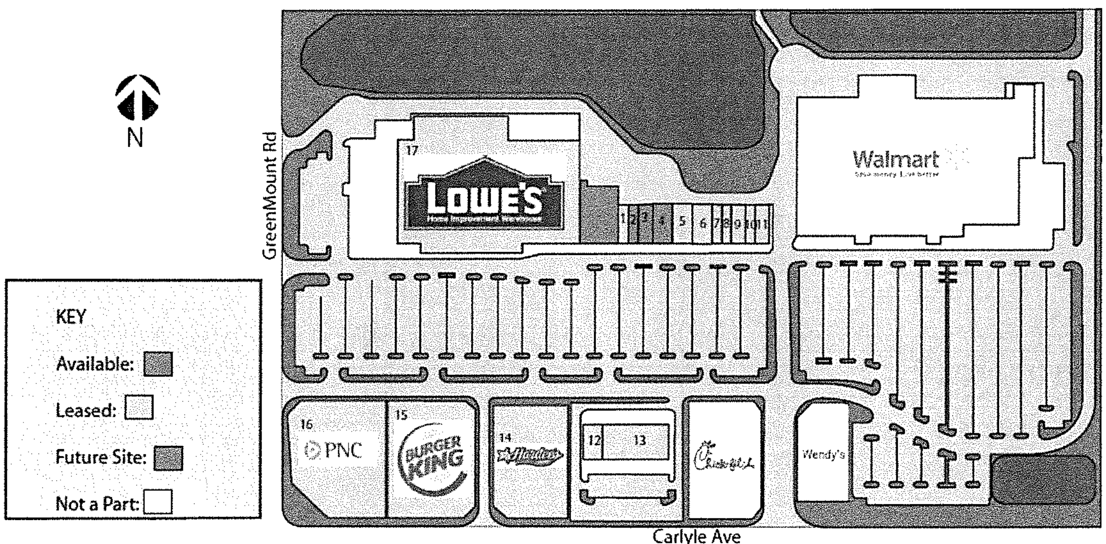
2505 Green Mt Commons Dr, Belleville, IL 62221



SITE SUMMARY
179,939 SQ. FT.

1. Clarkson Eyecare	2,000 sq. ft.	10. Advance America	1,500 sq. ft.
2. Available	2,600 sq. ft.	11. Marshall Wireless	2,000 sq. ft.
3. Available	5,500 sq. ft.	12. Jimmy John's	1,799 sq. ft.
4. Available	4,000 sq. ft.	13. Easy Buffet and Grill	6,130 sq. ft.
5. CATO	4,000 sq. ft.	14. Hardee's	
6. Mimi Beauty	6,000 sq. ft.	15. Burger King	
7. Super Cuts	1,500 sq. ft.	16. PNC	
8. Sammy Nails	1,500 sq. ft.	17. Lowe's	139,410 sq. ft.
9. GameStop	2,000 sq. ft.		

Note: "Not a Part," as referenced above, refers to real property owned by entities other than the Developer. Such properties **are included** within the boundaries of both the Redevelopment Project Area and the Business District.

The Developer

The Developer of the Shopping Center was, collectively, (a) THF Green Mount Development, L.L.C., a Missouri limited liability company formed in 2004 for the purpose of acquiring, constructing and operating the Redevelopment Project and (b) GMCR, L.L.C., a Missouri limited liability company formed in 2006 for the purpose of acquiring, constructing and operating the Redevelopment Project. GMCR, L.L.C. no longer owns any real estate in the Shopping Center. The members of THF Green Mount Development, L.L.C., current owner of the Shopping Center, include E. Stanley Kroenke and members of his family as well as other individuals.

Environmental Assessment

EBI Consulting, Burlington, Massachusetts, prepared a Phase I Site Assessment dated August 1, 2007 with respect to the Shopping Center. The assessment identified no evidence of recognized environmental conditions and no further action was recommended.

Midwest Testing, Bridgeton, Missouri, prepared a Phase I Environmental Assessment with respect to the Wal-Mart property at the Shopping Center, dated May 16, 2006. It revealed no evidence of recognized environmental conditions and concluded that no further environmental investigations need be performed.

The Manager

Western Skies Management, Inc., formerly known as THF Management, Inc., a Missouri corporation (the "Manager"), acts as the manager of the Shopping Center pursuant to a management agreement (the "Management Agreement") dated as of January 1, 2007. The term of the Management Agreement ended on December 31, 2007; provided that the term shall be automatically renewed for each successive calendar year unless the Manager elects to terminate the Management Agreement by written notice to the owner on or prior to December 1 of any calendar year. In addition, the Management Agreement terminates (a) upon the election of either party upon 30 days' notice in the event of substantial destruction of the Shopping Center, (b) if a petition for bankruptcy, reorganization or rearrangement is filed under state or federal insolvency statutes by or against either party or if either party shall make an assignment for the benefit of creditors to take advantage of any insolvency act upon 10 days written notice to the bankrupt, insolvent or assigning party, (c) if either party shall default in the performance of any of its obligations under the Management Agreement and such default shall continue for ten days with respect to monetary defaults and thirty days with respect to non–monetary defaults, upon 5 days written notice to the defaulting party, (d) if the condition of the Shopping Center or any act of the owner of the Shopping Center violates or does not comply with any law, ordinance or public requirement or if the Manager, in its reasonable judgment, determines that such condition or act may result in liability or expense of the Manager upon 5 days written notice from the manager, or (e) during the original term of the Management Agreement, the owner may terminate the Management Agreement without cause upon 30 days prior written notice.

Pursuant to the Management Agreement, the Manager receives a monthly management fee of $1,500 with respect to the Lowe's lease plus an amount equal to 4% of the rent and percentage rent collected from the remaining tenants (other than Lowe's) in the Shopping Center.

The Manager is an entity related to the Developer and current owner of the Shopping Center.

Competition

At the time of issuance of the Refunded Bonds, the Developer identified two shopping centers as competitors of the Shopping Center. The first was Carlyle Plaza, located west of the Shopping Center, on Carlyle Avenue. This shopping center was anchored by Schnuck's grocery store and Office Depot and contained the vacant, former Wal–Mart store that relocated to the Shopping Center. The second shopping center was Green Mount Crossing, located north of the Redevelopment Project at Green Mount Road and I–64. It was anchored by Dierberg's grocery store, Target and Michaels. The Developer stated in February 2021 that it is not aware of any material changes in the marketplace since the issuance of the Refunded Bonds.

Residential Component of the Redevelopment Project

The Developer sold approximately 80 acres within the Redevelopment Project Area to The Jones Company. Subsequently, The Jones Company sold approximately 15.13 acres to Westway Realty, Inc.

At the time of issuance of the Refunded Bonds, The Jones Company was developing Green Mount Manor which, upon completion, was to consist of 269 single–family detached residences, with lot sizes ranging from a minimum of 6,000 square feet to as much as 11,000 square feet.

Based solely on the number of residential occupancy permits issued by the City within the Redevelopment Project Area, as of December 31, 2020, there were a total of 254 residences within the Redevelopment Project Area.

At the time of issuance of the Refunded Bonds, the zoning established in connection with the Westway property was for up to 88 attached unit housing. The property remains undeveloped. City Code provides that substantial completion must occur within 12 months or the zoning permission becomes void. As a result, any future development of the site will require seeking zoning approval from the City. It is unknown when, if ever, such property will be developed.

The residential component of the Redevelopment Project will not, in and of itself, generate any Municipal Sales Tax Revenues or Business District Sales Tax Revenues.

SUMMARY OF SHOPPING CENTER LEASES; SHOPPING CENTER OCCUPANTS

The information under this caption has been provided by the Developer, and neither the City nor the Underwriter make any representation or warranty (express or implied) as to the accuracy or completeness of any information or any estimates, projections, assumptions or expressions of opinion set forth under this caption.

Leases

The lease summaries shown below are not intended to be complete summaries of all potentially material terms of such documents. The leases provide that the tenants shall pay a share of real estate taxes and assessments (which would include TIF Revenues) levied against the Shopping Center and the leased premises pursuant to specific formulas set forth in each lease (typically based on a ratio of the floor area of the leased premises versus the floor area of the Shopping Center). The leases also require the tenants to maintain varying levels of public liability and property damage insurance although self–insurance is permitted under certain circumstances. Certain tenants under specific conditions (as such conditions are set forth in the applicable lease) may assign their interests in their leases without the consent of the Developer.

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Tenant	Approximate Lease Termination Date	Approximate Rentable Square Footage	Permitted Use
Advance America, Cash Advance Centers of Illinois, Inc., d/b/a Advance America Cash Advance	5/31/2021	1,500	Operation of a cash advance center
Burger King Corporation, d/b/a Burger King	1/2/2048 (assuming the tenant exercises all renewal options)	1.46 acres[1]	Construction and operation of a free standing fast food drive–thru Burger King restaurant (or such other restaurant concept of Burger King Corporation or as another national chain quick service restaurant)
The Cato Corporation d/b/a Cato Fashions	1/31/2028 (assuming the tenant exercises all renewal options)	4,000	Display and sale of ladies' and girls' apparel, accessories and allied lines commonly sold from time to time in the tenant's affiliated stores
3F Vision, L.L.C. d/b/a Clarkson Eyecare	9/30/2022	2,000	Sale at retail of eyewear, including eyeglasses and contact lenses, sunglasses, eyecare medications and relating items including professional services done by an optometrist and/or ophthalmologist as well as refractive surgery "lasik."
Easy Buffet, Inc. d/b/a Easy Buffet and Grill	12/31/2021	6,130	Operating of a Chinese and Japanese restaurant including the incidental sale of wine and beer

[1] Ground lease; tenant has constructed an approximately 2,376 square foot Burger King

Gamestop, Inc., d/b/a Gamestop	7/31/2021	2,000	Sale at retail of new and pre-owned video games, video game related hardware and accessories, content and add-ons, other devices upon which video games are commonly played, entertainment related books, magazines, other periodicals, related supplies and services, peripherals, related gift items plus other items customarily sold by entertainment software/video stores, any other similar and related items to the above and technological evolutions thereof, other movie formats, games and items incidental thereto.
Hardee's Food Systems, Inc. d/b/a Hardee's	7/31/2048 (assuming the tenant exercises all renewal options)	1.46 acres[1]	Hardee's fast food, quick service restaurant featuring the sale of hamburgers and/or Mexican style food, for at least 1 year after commencement of business with, at tenant's option and subject to approval from the City, a drive–through facility and a playground. After the first year of operation by tenant as a Hardee's fast food, quick service restaurant, open to the public, tenant may use the premises for any other restaurant or retail use not otherwise prohibited by the lease.

[1] Ground lease; tenant has constructed an approximately 2,293 square foot Hardee's.

Kidds Restaurants, Inc. d/b/a Jimmy John's	4/30/2023	1,799	Operating of a typical Jimmy John's restaurant whose primary use is the sale of sandwiches
Lowe's Home Centers, Inc. d/b/a Lowe's	1/12/2057 (assuming the tenant exercises all renewal options)	15.54 acres[1]	Any retail business ordinarily found in shopping centers
Marshall ETC., Inc., d/b/a Marshall Wireless	7/31/2022	2,000	Sale at retail of cellular phones, accessories and cellular phone services
J&J Beauty Retail, LLC d/b/a Mimi Beauty Supply	6/30/2025	6,000	Sale at retail of beauty supply items
National City Bank of the Midwest d/b/a National City Bank (now PNC Bank)	4/25/2037 (tenant ceased doing business at this location on 9/20/20)	1.55 acres[2]	Operation of a retail banking facility which provides financial services to the public permitted for banks chartered by the United States Government with drive–thru service and automated teller machine
Thu Lo d/b/a Sammy Nails	3/31/2023	1,500	Maintenance and operation of a nail salon
Supercuts, Inc. d/b/a Supercuts	6/30/2023	1,500	Performance of unisex hairstyling, hair coloring and haircutting services and to perform other services customarily performed at hair salons

Occupants

The Developer sold approximately 21.18 acres within the Shopping Center to Wal–Mart Stores, Inc. ("Wal–Mart"). Wal–Mart constructed an approximately 203,819 square foot Wal–Mart Supercenter on such property, which opened for business on January 23, 2008. In addition, Wal–Mart leases a portion of such property on which a Wendy's restaurant has been constructed.

On February 23, 2012, the Developer sold approximately 1.491 acres within the Shopping Center to Chick–Fil–A upon which a Chick-Fil-A restaurant is located.

[1] Ground lease; tenant has constructed an approximately 139,410 square foot Lowe's.

[2] Ground lease; tenant constructed an approximately 2,983 square foot bank.

THE CITY

The information regarding the City is included herein solely to provide certain economic and demographic information regarding the larger area in which the Shopping Center is located. The Bonds and the interest thereon are special, limited obligations of the City, payable solely from the Trust Estate as defined in the Indenture. The Bonds are not an obligation of the City and do not constitute a debt of the City. See ***"SECURITY AND SOURCES OF PAYMENT FOR THE BONDS"*** *herein.*

General

The City was incorporated as a city in 1850. The City is a home-rule unit of government with a mayor/aldermen form of government, consisting of a mayor elected at large and eight wards which each elect two aldermen. The mayor and aldermen each serve a four–year term.

The current elected officials of the City are:

Title	Name	Term Expires
Mark W. Eckert	Mayor	April, 2021
Ken Kinsella	Alderman	April, 2021
Joe Hazel	Alderman	April, 2023
Carmen Duco	Alderman	April, 2023
David Pusa	Alderman	April, 2021
Kent Randle	Alderman	April, 2021
Scott Ferguson	Alderman	April, 2023
Johnnie Anthony	Alderman	April, 2021
Raffi Ovian	Alderman	April, 2023
Ed Dintelman	Alderman	April, 2023
Michelle Schaefer	Alderman	April, 2021
Mary Stiehl	Alderman	April, 2021
Chris Rothweiler	Alderman	April, 2023
Phil Elmore	Alderman	April, 2023
Dennis C. Weygandt	Alderman	April, 2021
Roger Wigginton	Alderman	April, 2023
Roger W. Barfield	Alderman	April, 2021

Policies and regulations are established and enacted by the Mayor and Aldermen; these policies and regulations are carried out by the following departments: Administration, Economic Development and Planning, Engineering, Finance, Fire, Health and Housing, Human Resources, Library, Parks & Recreation, Police, Sanitation, Streets, Waste Water Treatment and Walnut Hill Cemetery.

In addition to the above–listed elected officials, the voters of the City also elect a City Clerk and a City Treasurer for four year terms.

Population

The City had a population, as of the 2010 Census data, of 44,478 persons. The City's population, as of the 2000 Census data, was 41,410.

Age Distribution

The following table indicates the estimated current population by age categories in the City:

Age	Population	Percentage of Total
0 to 5 years old	2,988	7.2%
5 to 9 years old	2,681	6.4
10 to 14 years old	2,230	5.4
15 to 19 years old	2,530	6.1
20 to 24 years old	2,863	6.9
25 to 34 years old	6,383	15.3
35 to 44 years old	5,072	12.2
45 to 54 years old	5,476	13.2
55 to 59 years old	2,472	5.9
60 to 64 years old	2,837	6.8
65 to 74 years old	3,344	8.0
75 to 84 years old	1,763	4.2
Over 85 years old	946	2.3

Source: U.S. Census Bureau, 2015-2019 American Community Survey 5-year estimates; percentages do not total 100% because of rounding.

Employment

The City is home to industries that produce kitchen ranges, space heaters and porcelain parts. Memorial Hospital has a strong impact on the City's economy, offering high quality medical services. The City is situated near highways 15, 159, 177, 13 and 161 with easy access to I-255 and I-64. Belleville is the county seat for St. Clair County Government. The City's Economic Development Department offers incentives to businesses to locate in the City. Scott Air Force Base also has a positive impact on the City. It provides employment opportunities for residents and customers for area business.

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Listed below are the major employers located in the greater Belleville Area in 2018, the last year for which data is available, and the number employed by each:

Employer	Product or Service	Number of Full and Part–Time Employees
Scott Air Force Base	Government/Military	14,800
Memorial Hospital	Health care	2,275
Southwestern Illinois College	Education	1,600
St. Clair County	Government	900
Belleville School District 201	Education	775
Belleville School District 118	Education	580
Wal-Mart	Retail	450
Lindenwood University[1]	Education	420
Empire Comfort Systems	Heating systems	370

Source: City.
[1] Lindenwood University ceased operations in the City following the 2019-2020 school year.

Income Statistics

The following table sets forth information relating to income for the City and the County for the years 2010 and 2019:

Income Category	2010	2019
Median Household Income[1]		
City	$45,459	$48,099
County	$48,562	$55,179
Median Family Income[2]		
City	$58,935	$70,068
County	$61,042	$75,024
Per Capita Income[3]		
City	$24,796	$27,119
County	$24,770	$30,807

[1] Income for any group of people living in a housing unit.
[2] Income for households consisting of two or more related persons living in a housing unit.
[3] Income for all the households divided by the number of persons occupying the households.
Source: U.S. Census Bureau, 2006-2010 American Community Survey; U.S. Census Bureau 2015-2019 American Community Survey 5-year estimates.

ABSENCE OF LITIGATION

There is no controversy, suit or other proceeding of any kind pending or, to the City's knowledge, threatened wherein or whereby any question is raised or may be raised, questioning, disputing or affecting in any way the legal organization of the City or its boundaries, or the right or title of any of its officers to their respective offices, the Redevelopment Plan, the constitutionality or legality of the Refunded Bonds, or the legality of any official act shown to have been done in connection with the issuance of the Bonds, or the constitutionality or validity of the Bonds, or any of the proceedings had in relation to the authorization, issuance or sale thereof.

LEGAL MATTERS

Legal matters incident to the authorization, issuance and sale of the Bonds are subject to the approving legal opinion of Gilmore & Bell, P.C., Edwardsville, Illinois, Bond Counsel, whose approving opinion will be delivered with the Bonds. The expected form of such opinion is attached as **Appendix C** hereto. Certain legal matters related to this Official Statement will be passed upon by Gilmore & Bell, P.C., Edwardsville, Illinois. Certain legal matters will be passed upon for the City by Becker, Hoerner & Ysursa, P.C., Belleville, Illinois. Lewis Rice LLC, St. Louis, Missouri, serves as counsel to the Underwriter.

TAX MATTERS

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

Tax Status of the Series 2021A Bonds – Federal and State

No Federal or State Tax Exemption. The interest on the Series 2021A Bonds is *included* in gross income for federal income tax purposes, in accordance with an owner's normal method of accounting, and is *not* exempt from income taxation by the State.

No Opinions. Bond Counsel is expressing no opinion regarding federal, state or local tax consequences arising with respect to the Series 2021A Bonds. Purchasers of the Series 2021A Bonds should consult their tax advisors as to the applicability of these tax consequences and other income tax consequences of the purchase, ownership and disposition of the Series 2021A Bonds, including the possible application of state, local, foreign and other tax laws.

Series 2021A Bonds – Other Tax Consequences

Original Issue Discount. For federal income tax purposes, original issue discount is the excess of the stated redemption price at maturity of a Series 2021A Bond over its issue price. The issue price of a Series 2021A Bond is the first price at which a substantial amount of the Series 2021A Bonds of that maturity have been sold to the public. If the original issue discount on a Series 2021A Bond is more than a *de minimis* amount (generally ¼ of 1% of the stated redemption price at maturity of the Series 2021A Bond multiplied by the number of complete years to its maturity date), then that Series 2021A Bond will be treated as issued with original issue discount. The amount of original issue discount that accrues to an owner of a Series 2021A Bond during any accrual period generally equals (1) the issue price of that Series 2021A Bond, plus the amount of original issue discount accrued in all prior accrual periods, multiplied by (2) the yield to maturity on that Series 2021A Bond (determined on the basis of compounding at the close of each accrual period and properly adjusted for the length of the accrual period), minus (3) any interest payable on that Series 2021A Bond during that accrual period. The amount of original issue discount accrued in a particular accrual period will be considered to be received ratably on each day of the accrual period, will be included in gross income for federal income tax purposes, and will increase the owner's tax basis in that Series 2021A Bond.

Prospective investors should consult their own tax advisors concerning the calculation and accrual of original issue discount.

Original Issue Premium. For federal income tax purposes, premium is the excess of the issue price of a Series 2021A Bond over its stated redemption price at maturity. The issue price of a Series 2021A Bond is generally the first price at which a substantial amount of the Series 2021A Bonds of that maturity have been sold to the public. Under Section 171 of the Code, the owner of a Series 2021A Bond having bond premium may elect to amortize the premium over the term of the Series 2021A Bond using constant yield principles, based on the purchaser's yield to maturity. An owner of a Series 2021A Bond amortizes bond premium by offsetting the qualified stated interest allocable to an accrual period with the bond premium allocable to that accrual period. This offset occurs when the owner takes the qualified stated interest into income under the owner's regular method of accounting. If the premium allocable to an accrual period exceeds the qualified stated interest for that period, the excess is treated by the owner as a deduction under Section 171(a)(1) of the Code. As premium is amortized, the owner's basis in the Series 2021A Bond will be reduced by the amount of amortizable bond premium properly allocable to the owner. Prospective investors should consult their own tax advisors concerning the calculation and accrual of bond premium.

Sale, Exchange. Legal Defeasance or Retirement of Series 2021A Bonds. Upon the sale, exchange, legal defeasance or retirement (including redemption) of a Series 2021A Bond, an owner of the Series 2021A Bond generally will recognize gain or loss in an amount equal to the difference between the amount of cash and the fair market value of any property actually or constructively received on the sale, exchange, legal defeasance or retirement of the Series 2021A Bond (other than in respect of accrued and unpaid interest) and such owner's adjusted tax basis in the Series 2021A Bond. To the extent a Series 2021A Bond is held as a capital asset, such gain or loss will be capital gain or loss and will be long-term capital gain or loss if the Series 2021A Bond has been held for more than 12 months at the time of sale, exchange or retirement. Further, if the City establishes a legal defeasance of any Series 2021A Bond, that Series 2021A Bond may be deemed to be retired and "reissued" for U.S. federal income tax purposes as a result of the defeasance. In that event, in general, an owner will recognize taxable gain or loss equal to the difference between (i) the amount realized from the deemed sale, exchange or retirement (less any accrued qualified stated interest) and (ii) the owner's adjusted tax basis in the Series 2021A Bond.

Reporting Requirements. In general, information reporting requirements will apply to certain payments of principal, interest and premium paid on the Series 2021A Bonds, and to the proceeds paid on the sale of the Series 2021A Bonds, other than certain exempt recipients (such as corporations and foreign entities). A backup withholding tax will apply to such payments if the owner fails to provide a taxpayer identification number or certification of foreign or other exempt status or fails to report in full dividend and interest income. The amount of any backup withholding from a payment to an owner will be allowed as a credit against the owner's federal income tax liability.

Collateral Federal Income Tax Consequences. Prospective purchasers of the Series 2021A Bonds should be aware that ownership of the Series 2021A Bonds may result in collateral federal income tax consequences to certain taxpayers. Bond Counsel expresses no opinion regarding these tax consequences. Purchasers of Series 2021A Bonds should consult their tax advisors as to the applicability of these tax consequences and other federal income tax consequences of the purchase, ownership and disposition of the Series 2021A Bonds, including the possible application of state, local, foreign and other tax laws.

Tax Status of the Series 2021B Bonds – Opinion of Bond Counsel

In the opinion of Gilmore & Bell, P.C., Bond Counsel to the City, under the law existing as of the issue date of the Series 2021B Bonds:

Federal Tax Exemption. The interest on the Series 2021B Bonds (including any original issue discount properly allocable to an owner thereof) is excludable from gross income for federal income tax purposes.

Alternative Minimum Tax. The interest on the Series 2021B Bonds is not an item of tax preference for purposes of computing the federal alternative minimum tax.

Bank Qualification. The Series 2021B Bonds have not been designated as "qualified tax-exempt obligations" for purposes of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended (the "Code").

Bond Counsel's opinions are provided as of the date of the original issue of the Series 2021B Bonds, subject to the condition that the City comply with all requirements of the Code that must be satisfied subsequent to the issuance of the Series 2021B Bonds in order that interest thereon be, or continue to be, excludable from gross income for federal income tax purposes. The City has covenanted to comply with all of these requirements. Failure to comply with certain of these requirements may cause the inclusion of interest on the Series 2021B Bonds in gross income for federal income tax purposes retroactive to the date of issuance of the Series 2021B Bonds. Bond Counsel is expressing no opinion regarding other federal, state or local tax consequences arising with respect to the Series 2021B Bonds but has reviewed the discussion under this heading **"TAX MATTERS"**.

Series 2021B Bonds – Other Tax Consequences

No State Tax Exemption. The interest on the 2021B Bonds is *not* exempt from income taxation by the State.

Original Issue Discount. For federal income tax purposes, original issue discount is the excess of the stated redemption price at maturity of a Series 2021B Bond over its issue price. The issue price of a Series 2021B Bond is generally the first price at which a substantial amount of the Series 2021B Bonds of that maturity have been sold to the public. Under Section 1288 of the Code, original issue discount on tax-exempt bonds accrues on a compound basis. The amount of original issue discount that accrues to an owner of a Series 2021B Bond during any accrual period generally equals (1) the issue price of that Series 2021B Bond, plus the amount of original issue discount accrued in all prior accrual periods, multiplied by (2) the yield to maturity on that Series 2021B Bond (determined on the basis of compounding at the close of each accrual period and properly adjusted for the length of the accrual period), minus (3) any interest payable on that Series 2021B Bond during that accrual period. The amount of original issue discount accrued in a particular accrual period will be considered to be received ratably on each day of the accrual period, will be excludable from gross income for federal income tax purposes, and will increase the owner's tax basis in that Series 2021B Bond. Prospective investors should consult their own tax advisors concerning the calculation and accrual of original issue discount.

Sale, Exchange or Retirement of Series 2021B Bonds. Upon the sale, exchange or retirement (including redemption) of a Series 2021B Bond, an owner of the Series 2021B Bond generally will recognize gain or loss in an amount equal to the difference between the amount of cash and the fair market value of any property actually or constructively received on the sale, exchange or retirement of the Series 2021B Bond (other than in respect of accrued and unpaid interest) and such owner's adjusted tax basis in the Series 2021B Bond. To the extent a Series 2021B Bond is held as a capital asset, such gain or loss will be capital gain or loss and will be long-term capital gain or loss if the Series 2021B Bond has been held for more than 12 months at the time of sale, exchange or retirement.

Reporting Requirements. In general, information reporting requirements will apply to certain payments of principal, interest and premium paid on the Series 2021B Bonds, and to the proceeds paid on the sale of the Series 2021B Bonds, other than certain exempt recipients (such as corporations and foreign entities). A backup withholding tax will apply to such payments if the owner fails to provide a taxpayer identification number or certification of foreign or other exempt status or fails to report in full dividend and interest income. The amount of any backup withholding from a payment to an owner will be allowed as a credit against the owner's federal income tax liability.

Collateral Federal Income Tax Consequences. Prospective purchasers of the Series 2021B Bonds should be aware that ownership of the Series 2021B Bonds may result in collateral federal income tax consequences to certain taxpayers, including, without limitation, financial institutions, property and casualty insurance companies, individual recipients of Social Security or Railroad Retirement benefits, certain S corporations with "excess net passive income," foreign corporations subject to the branch profits tax, life insurance companies, and taxpayers who may be deemed to have incurred or continued indebtedness to purchase or carry or have paid or incurred certain expenses allocable to the Series 2021B Bonds. Bond Counsel expresses no opinion regarding these tax consequences. Purchasers of Series 2021B Bonds should consult their tax advisors as to the applicability of these tax consequences and other federal income tax consequences of the purchase, ownership and disposition of the Series 2021B Bonds, including the possible application of state, local, foreign and other tax laws.

UNDERWRITING

Stifel, Nicolaus & Company, Incorporated (the "Underwriter") has agreed, subject to certain conditions, to purchase the Series 2021A Bonds from the City at an aggregate purchase price of $4,692,375.00 (which takes into account an original issue discount of $24,250.00 and an Underwriter's discount of $133,375.00). The Underwriter has agreed, subject to certain conditions, to purchase the Series 2021B Bonds from the City at an aggregate purchase price of $9,979,000.00 (which takes into account an original issue discount of $37,750.00 and an Underwriter's discount of $283,250.00). The Underwriter will be obligated to accept delivery and pay for all of the Bonds if any are delivered.

The Bonds are being purchased by the Underwriter from the City in the normal course of the Underwriter's business activities. The Underwriter intends to offer the Bonds to the public at prices not in excess of the offering prices set forth on the inside cover page of this Official Statement. The Underwriter may allow concessions from the public offering price to certain dealers, banks and others. After the initial public offering, the public offering price may be varied from time to time by the Underwriter.

CERTAIN RELATIONSHIPS

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

MISCELLANEOUS

Information set forth in this Official Statement has been furnished or reviewed by certain officials of the City and other sources, as referred to herein, which are believed to be reliable. Any statements made in this Official Statement involving matters of opinion, estimates or projections, whether or not so expressly stated, are set forth as such and not as representations of fact, and no representation is made that any of the estimates or projections will be realized. The descriptions contained in this Official Statement of the Bonds do not purport to be complete and are qualified in their entirety by reference thereto.

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

CITY OF BELLEVILLE, ILLINOIS

By: /s/ Mark W. Eckert
Mayor

APPENDIX A

DEFINITIONS AND SUMMARY OF THE INDENTURE

DEFINITIONS

In addition to the words and terms defined elsewhere in this Official Statement, the following are definitions of certain words and terms as used in the Indenture and this Official Statement.

"Authorized Issuer Representative" means the Mayor, the City Clerk, the City Treasurer, the Finance Director or such other person at the time designated to act on behalf of the City as evidenced by written certificate furnished to the Trustee containing the specimen signature of such person and signed on behalf of the City by its Mayor. Such certificate may designate an alternate or alternates, each of whom shall be entitled to perform all duties of the Authorized Issuer Representative.

"Authorized Denominations" means $5,000 or any integral multiple thereof.

"Bond Counsel" means Gilmore & Bell, P.C. or any other attorney or firm of attorneys with a nationally recognized standing in matters pertaining to the tax-exempt nature of interest on obligations issued by states and their political subdivisions duly admitted to the practice of law before the highest court of any state of the United States of America or the District of Columbia.

"Bonds" means the Series 2021A Bonds and the Series 2021B Bonds.

"Business Day" means any day other than a Saturday, Sunday or any other day on which banking institutions in the city in which the principal corporate trust office of the Trustee is located are required or authorized by law to close.

"Business District" means the "Carlyle / Green Mount Business District" created by the City pursuant to the Business District Act and more particularly described in the Business District Plan.

"Business District Account" means the account within the Revenue Fund created in the Indenture.

"Business District Act" means the Business District Development and Redevelopment Law, 65 ILCS 5/11-74.3 *et seq.*, as supplemented and amended.

"Business District Plan" means the City's "Carlyle / Green Mount Business District Amended and Restated Business District Plan" dated November 5, 2007.

"Business District Tax Allocation Fund" means the fund created by the City pursuant to the Business District Act in which Business District Sales Tax Revenues are deposited.

"Code" means the Internal Revenue Code of 1986, as amended, and the applicable regulations, temporary regulations and proposed regulations thereunder.

"Debt Service Fund" means the fund by that name created in the Indenture.

"Debt Service Reserve Fund" means the fund by that name created in the Indenture.

"Debt Service Reserve Requirement" means (a) with respect to the Series 2021A Bonds, the sum of $345,562.50, and (b) with respect to the Series 2021B Bonds, the sum of $538,125.00.

"Developer" means THF Green Mount Development, L.L.C. and GMCR, L.L.C., and any successors or assigns thereto permitted under the Redevelopment Agreement.

"Event of Default" means any event or occurrence as defined in the Indenture.

"Government Securities" means direct obligations of, or obligations the payment of the principal of and interest on which are unconditionally guaranteed by, the United States of America and backed by the full faith and credit thereof.

"Immediate Notice" means notice given no later than the close of business on the date required by the provisions of the Indenture by telegram, telex, telecopier or other telecommunication device to such phone numbers or addresses as are specified in the Indenture or such other phone number or address as the addressee shall have directed in writing, the receipt of which is confirmed by telephone, promptly followed by written notice by first-class mail postage prepaid to such addressees.

"Indenture" means the Trust Indenture dated as of April 1, 2021, by and between the City and the Trustee, as supplemented and amended by Supplemental Indentures.

"Interest Payment Date" means each January 1 and July 1, commencing January 1, 2022.

"Investment Securities" means any of the following securities purchased in accordance with the Indenture, if and to the extent the same are at the time legal for investment of the funds being invested: (i) Government Securities; (ii) interest-bearing savings accounts, interest-bearing certificates of deposit or interest-bearing time deposits of any bank, as defined by the Illinois Banking Act, including without limitation the Trustee or any affiliate of the Trustee, which is (A) insured by the Federal Deposit Insurance Corporation (or any successor corporation) and (B) rated in one of the two highest long-term rating classifications established by a national rating service (without regard to any rating refinement or gradation by numerical or other modifier); (iii) short-term obligations of corporations organized in the United States of America with assets exceeding $500,000,000, if (A) such obligations are rated at the time of purchase within the three highest classifications established by at least two national rating services (without regard to any rating refinement or gradation by numerical or other modifier), and mature not later than 180 days from the date of purchase, and (B) such purchases do not exceed ten percent (10%) of such corporations' outstanding obligations; (iv) money market mutual funds registered under the Investment Company Act of 1940, as from time to time amended, provided that the portfolio of any such money market fund is limited to Government Securities or agreements to repurchase such Government Securities, including those for which the Trustee or an affiliate of the Trustee performs services for a fee, whether as a custodian, transfer agent, investment advisor or otherwise; (v) short-term discount obligations of the Federal National Mortgage Association; (vi) obligations issued by any state, unit of local government or school district, which obligations are rated at the time of purchase by a national rating service within the two highest ratings classifications established by such rating service (without regard to any rating refinement or gradation by numerical or other modifier); (vii) equity securities of an investment company registered under the Investment Company Act of 1940, as from time to time amended, whose sole assets, other than cash and other temporary investments, are obligations which are Investment Obligations, as defined in the Indenture; (viii) repurchase agreements, provided that (A) said repurchase agreements are continuously and fully secured by any Government Securities which have a value, exclusive of accrued interest, at all times at least equal to the principal amount of such repurchase agreement; (B) the securities securing such repurchase agreements are held by the Trustee or a third party acting solely as agent for the Trustee; (C) said repurchase agreements are free and clear of third party liens; and (D) the Trustee has a first perfected security interest in the collateral; (ix) investment agreements with any bank satisfying the criteria set forth in clause (ii) above or which constitute repurchase agreements satisfying the criteria in clause (viii) above; (x) U.S. denominated deposit accounts that are fully and continuously insured by the FDIC; and (xi) any other investments permitted by law if such investments are rated at the time of purchase within the three (3) highest classifications established by a national rating service.

"Local Government Debt Reform Act" means the Local Government Debt Reform Act, *30 Illinois Compiled Statutes 2010, 350/1 et seq.* as supplemented and amended.

"Monthly Municipal Share" means a monthly amount to be retained by the City equal to $66,000, which shall be retained from the first dollars of Municipal Sales Tax Revenues collected each month.

"Municipal Sales Tax Account" means the account within the Revenue Fund created in the Indenture.

"Municipal Sales Tax Allocation Fund" means the fund created by the City in which the Municipal Sales Tax Revenues are deposited.

"Municipal Sales Tax Revenues" means all sales tax revenue the City is entitled to receive from the sales tax imposed by the State pursuant to the Illinois Retailers' Occupation Tax Act, 35 ILCS 120/1 *et seq.*, the Illinois Service Occupation Tax Act, 35 ILCS 115/1 *et seq.*, and such other authority as shall be applicable pursuant to any successor statutes that result from retail sales of all businesses located in the Redevelopment Project Area.

"Opinion of Counsel" means a written opinion of an attorney or firm of attorneys addressed to the Trustee, who may be (except as otherwise expressly provided in the Indenture) counsel to the City, the Owners of the Bonds or the Trustee, and who is acceptable to the Trustee.

"Outstanding" means when used with reference to Bonds, as of a particular date, all Bonds theretofore authenticated and delivered under the Indenture except:

(a) Bonds theretofore cancelled by the Trustee or delivered to the Trustee for cancellation;

(b) Bonds which are deemed to have been paid in accordance with the Indenture;

(c) Bonds alleged to have been mutilated, destroyed, lost or stolen for which indemnity has been received as provided in the Indenture; and

(d) Bonds in exchange for or in lieu of which other Bonds have been authenticated and delivered pursuant to the Indenture.

"Owner" means the Person in whose name any Bond is registered on the Register.

"Paying Agent" means the Trustee or any other bank or trust institution organized under the laws of any state of the United States of America or any national banking association designated by the Indenture as paying agent for the Bonds at which the principal of and interest on such Bonds shall be payable.

"Person" means any natural person, firm, partnership, association, corporation, limited liability company or public body.

"Pledged Business District Sales Tax Revenues" means all sales tax revenues received by the City from the one percent (1.0%) retailers' occupation tax and service occupation tax and the hotel operators' occupation tax imposed by the City pursuant to the Business District Act within the Business District.

"Pledged Municipal Sales Tax Revenues" means all Municipal Sales Tax Revenues less the Monthly Municipal Share.

"Pledged TIF Revenues" means fifty percent (50.0%) of TIF Revenues, which shall be deposited into the TIF Account of the Revenue Fund.

"Project Fund" means the fund by that name created in the Indenture.

"Purchaser" means Stifel, Nicolaus & Company, Incorporated, as the original purchaser of the Bonds.

"Rebate Fund" means the fund by that name created in the Indenture.

"Record Date" for the interest payable on any Interest Payment Date means the fifteenth day, whether or not a Business Day, of the calendar month immediately preceding such Interest Payment Date.

"Redevelopment Agreement" means the Amended and Restated Redevelopment Agreement dated as of November 1, 2007, by and between the City and the Developer, as amended or supplemented from time to time.

"Redevelopment Plan" means the City's "Carlyle / Green Mount Redevelopment Project Area Tax Increment Financing Redevelopment Plan" dated October 17, 2005.

"Redevelopment Project" means the redevelopment project described in the Redevelopment Plan and the Business District Plan.

"Redevelopment Project Area" means the area legally described in an appendix to the Redevelopment Plan and described on an exhibit to the Indenture.

"Refunded Bonds" means all following bonds issued by the Southwestern Illinois Development Authority: (a) Local Government Program Revenue Bonds, Series 2011A (City of Belleville - Carlyle/Green Mount Redevelopment Project - Tax Increment and Sales Tax), (b) Local Government Program Revenue Bonds, Series 2011B (City of Belleville - Carlyle/Green Mount Redevelopment Project - Tax Increment and Sales Tax), and (c) Taxable Local Government Program Revenue Bonds, Series 2011C (City of Belleville - Carlyle/Green Mount Redevelopment Project - Business District).

"Register" means the registration books of the City kept by the Trustee to evidence the registration, transfer and exchange of Bonds.

"Registrar" means the Trustee when acting as such under the Indenture.

"Revenue Fund" means the fund by that name created in the Indenture.

"Series 2021A Bonds" means the City's Taxable Tax Increment and Sales Tax Refunding Revenue Bonds, Series 2021A (Carlyle/Green Mount Redevelopment Project), in the original principal amount of $4,850,000.

"Series 2021B Business District Revenue Limit" means an amount not to exceed 9.5% of the sum of (a) the cumulative payments of interest on and principal (whether at maturity, redemption or otherwise) of the Series 2021B Bonds paid to date, and (b) the interest payable on and principal (whether at maturity, redemption or otherwise) of the Series 2021B Bonds on the next Interest Payment Date.

"Series 2021B Bonds" means the City's Tax Increment and Sales Tax Refunding Revenue Bonds, Series 2021B (Carlyle/Green Mount Redevelopment Project), in the original principal amount of $10,300,000.

"Special Tax Allocation Fund" means the fund created by the City pursuant to the TIF Act for the deposit of TIF Revenues.

"State" means the State of Illinois.

"Supplemental Indenture" means any indenture supplemental or amendatory to the Indenture entered into by the City and the Trustee pursuant to the Indenture

"Tax Compliance Agreement" means the Tax Compliance Agreement dated as of April 1, 2021, between the City and the Trustee, as from time to time amended in accordance with the provisions thereof.

"TIF Account" means the account within the Revenue Fund created in the Indenture.

"TIF Act" means the Tax Increment Allocation Redevelopment Act, 65 ILCS 5/11-74.4-1 *et seq.*, as amended and supplemented.

"TIF Revenues" means the ad valorem taxes, if any, arising from the tax levies upon taxable real property in the Redevelopment Project Area by any and all taxing districts or municipal corporations having the power to tax real property in the Redevelopment Project Area, which taxes are attributable to the increase in the then-current equalized assessed valuation of each taxable lot, block, tract or parcel of real property in the Redevelopment Project Area over and above the initial equalized assessed value of each such piece of property, all as determined by the County Clerk in accordance with the TIF Act.

"Trust Estate" means the Trust Estate described in the granting clauses of the Indenture.

"Trustee" means UMB Bank, N.A., St. Louis, Missouri, and its successor or successors and any other association or corporation which at any time may be substituted in its place pursuant to and at the time serving as trustee under the Indenture.

SUMMARY OF THE INDENTURE

The following, in addition to the information contained above under the heading ***"THE BONDS,"*** *summarizes certain provisions of the Indenture. This summary does not purport to be complete, and reference is made to the Indenture for the complete provisions thereof.*

Creation of Funds and Accounts

The following funds of the City are created and established with the Trustee:

(1) Revenue Fund, which shall contain a TIF Account, a Business District Account and a Municipal Sales Tax Account.

(2) Debt Service Fund, which shall contain a Series 2021A Debt Service Account, a Series 2021B Debt Service Account, a Series 2021A Redemption Account, and a Series 2021B Redemption Account.

(3) Project Fund, which shall contain a Costs of Issuance Account and a Refunding Account.

(4) Debt Service Reserve Fund, which shall contain a Series 2021A Reserve Account and a Series 2021B Reserve Account.

(5) Rebate Fund.

(6) Extraordinary Costs Fund.

(7) Surplus Fund.

Each fund shall be maintained by the Trustee as a separate and distinct trust fund and the moneys therein shall be held, managed, invested, disbursed and administered as provided in the Indenture. All moneys deposited in the funds shall be used solely for the purposes set forth in the Indenture. The Trustee shall keep and maintain adequate records pertaining to each fund and all disbursements therefrom.

Nature of Obligations

The Bonds and the interest thereon shall be special, limited obligations of the City payable solely from (1) all or a portion of the Pledged TIF Revenues, the Pledged Municipal Sales Tax Revenues and the Pledged Business District Sales Tax Revenues as provided in the Indenture, and (2) other moneys pledged thereto and held by the Trustee as provided therein, and are secured by a transfer, pledge and assignment of and a grant of a security interest in the Trust Estate to the Trustee and in favor of the Owners of the Bonds, as provided in the Indenture.

The Bonds and the interest thereon do not constitute a debt of the City, the State or any political subdivision thereof, and do not constitute an indebtedness within the meaning of any constitutional or statutory debt limitation or restriction.

Revenue Fund

Deposits to the Revenue Fund

On or before the 10th calendar day of each month (or the next Business Day thereafter if the 10th day is not a Business Day) while the Bonds remain Outstanding, commencing on May 10, 2021, the City shall transfer:

(1) all Pledged TIF Revenues within the Special Tax Allocation Fund received from the State or the County in the prior month to the Trustee for deposit into the TIF Account;

(2) all Pledged Business District Sales Tax Revenues within the Business District Tax Allocation Fund received from the State or the County in the prior month to the Trustee for deposit into the Business District Account; and

(3) all Pledged Municipal Sales Tax Revenues within the Municipal Sales Tax Allocation Fund received from the State or the County in the prior month to the Trustee for deposit into the Municipal Sales Tax Account.

Each such transfer shall be accompanied by a written report in substantially the form attached as an exhibit to the Indenture. If the City has no moneys to transfer to the Trustee pursuant to this section, the City shall so notify the Trustee in writing. If the Trustee has not received moneys on or before the 12th calendar day of each month (or the next Business Day thereafter if the 12th is not a Business Day), then the Trustee shall notify the City and the Purchaser of such non-receipt.

Business District Account of the Revenue Fund

On the 40th day prior to each Interest Payment Date, or the immediately preceding Business Day if such day is not a Business Day and prior to the application of moneys on deposit in the TIF Account and the Municipal Sales Tax Account, moneys on deposit in the Business District Account shall be applied, paid, transferred or deposited by the Trustee, for the purposes and in the amounts in the following order as follows:

(1) To (i) the Trustee, any Paying Agent and any dissemination agent, any fees, charges and expenses which are due and owing (not to exceed in the aggregate $6,600 per calendar year for ordinary fees and expenses), upon delivery to the City of an invoice for such amounts, (ii) the City, $7,500 for fees and expenses incurred by the City in the administration of the Redevelopment Project (not to exceed $15,000 per calendar year), and (iii) the Extraordinary Costs Fund, an amount not to exceed $10,000 per calendar year, to fund or restore any deficiency in the Extraordinary Costs Fund if the amount on deposit in such fund is less than $50,000.

(2) To the Series 2021A Debt Service Account, an amount sufficient to pay interest becoming due on the Series 2021A Bonds on such Interest Payment Date and principal due on the Series 2021A Bonds on the next succeeding July 1 by reason of stated maturity.

(3) To the Series 2021A Reserve Account, an amount sufficient to restore any deficiency in the Series 2021A Reserve Account if the amount on deposit in such account is less than the Debt Service Reserve Requirement for the Series 2021A Bonds.

(4) To the Series 2021A Redemption Account, all moneys then remaining which shall be applied to the payment of the principal of and accrued interest on all Series 2021A Bonds which are subject to redemption on the next succeeding Interest Payment Date pursuant to the Indenture (see **"THE BONDS – Redemption Provisions –** ***Special Mandatory Redemption*****"** herein).

(5) When no Series 2021A Bonds are Outstanding, to the Series 2021B Debt Service Account an amount sufficient to pay interest becoming due on the Series 2021B Bonds on such Interest Payment Date; provided such amount when added to all previous deposits to the Series 2021B Debt Service Account and the Series 2021B Redemption Account from moneys on deposit in the Business District Account shall not exceed the Series 2021B Business District Revenue Limit.

(6) When no Series 2021A Bonds are Outstanding, to the Series 2021B Redemption Account to be applied to the payment of the principal of and accrued interest on all Series 2021B Bonds which are subject to redemption on the next succeeding Interest Payment Date pursuant to the Indenture (see **"THE BONDS – Redemption Provisions–** ***Special Mandatory Redemption*****"** herein); provided such amount when added to all previous deposits to the Series 2021B Debt Service Account and the Series 2021B Redemption Account from moneys on deposit in the Business District Account shall not exceed the Series 2021B Business District Revenue Limit.

(7) Any amount in excess of the Series 2021B Business District Revenue Limit shall be deposited in the Surplus Fund.

If necessary, on the Business Day prior to each Interest Payment Date, the Trustee shall transfer from the Business District Account to the Series 2021A Debt Service Account an amount sufficient to pay the principal of or interest on the Series 2021A Bonds due on the next Interest Payment Date.

TIF Account and Municipal Sales Tax Account of the Revenue Fund

Except with regard to the payment of any arbitrage rebate and as otherwise provided in the Indenture with respect to the Debt Service Reserve Fund, on the 40th day prior to each Interest Payment Date, or the immediately preceding Business Day if such day is not a Business Day and after the application of moneys on deposit in the Business District Account, moneys on deposit in the TIF Account and the Municipal Sales Tax Account shall be applied, paid, transferred or deposited by the Trustee, first from moneys on deposit in the TIF Account and then from moneys on deposit in the Municipal Sales Tax Account, for the purposes and in the amounts in the following order as follows:

(1) To the United States of America, when necessary, an amount sufficient to pay any arbitrage rebate owed under Section 148 of the Code, as directed in writing by the City in accordance with the Tax Compliance Agreement.

(2) To pay the expenses set forth, and subject to the limitations set forth, in the Indenture and described above in subparagraph (1) under the caption **"SUMMARY OF THE INDENTURE – Revenue Fund** – *Business District Account of the Revenue Fund"* if the amount applied from moneys on deposit in the Business District Account are insufficient or unavailable to pay such expenses.

(3) To the Series 2021B Debt Service Account, an amount sufficient to pay interest becoming due on the Series 2021B Bonds on such Interest Payment Date and principal due on the Series 2021B Bonds on the next succeeding July 1 by reason of stated maturity.

(4) To the Series 2021B Reserve Account, an amount sufficient to restore any deficiency in the Series 2021B Reserve Account if the amount on deposit in such account is less than the Debt Service Reserve Requirement for the Series 2021B Bonds.

(5) If Series 2021A Bonds are Outstanding and taking into account the application of moneys from the Business District Account, to the Series 2021A Debt Service Account, an amount sufficient to pay interest becoming due on the Series 2021A Bonds on such Interest Payment Date and principal due on the Series 2021A Bonds on the next succeeding July 1 by reason of stated maturity.

(6) If the cumulative redemptions of Series 2021A Bonds are less than the amount shown on an exhibit to the Indenture which conforms to "Case II" for the Series 2021A Bonds under the caption **"PROJECTED AVERAGE LIFE OF THE SERIES 2021 BONDS"** after taking into account the application of moneys from the Business District Account, to the Series 2021A Redemption Account to be applied to the redemption of Series 2021A Bonds which are subject to redemption pursuant to the Indenture (see **"THE BONDS – Redemption Provisions–** ***Special Mandatory Redemption*"** herein) until such time as the cumulative redemptions of Series 2021A Bonds equal the amount shown on such exhibit.

(7) To the Series 2021B Redemption Account, all moneys then remaining which shall be applied to the payment of the principal of and accrued interest on all Series 2021B Bonds which are subject to redemption on the next succeeding Interest Payment Date pursuant to the Indenture (see **"THE BONDS – Redemption Provisions–** ***Special Mandatory Redemption*"** herein).

(8) When no Series 2021B Bonds are Outstanding, to the Series 2021A Redemption Account to be applied to the payment of the principal of and accrued interest on all Series 2021A Bonds which are subject to redemption on the next succeeding Interest Payment Date pursuant to the Indenture (see **"THE BONDS – Redemption Provisions–** ***Special Mandatory Redemption*****"** herein).

If necessary, on the Business Day prior to each Interest Payment Date, the Trustee shall transfer first from the TIF Account and then from the Municipal Sales Tax Account (i) to the Series 2021B Debt Service Account, an amount sufficient to pay the principal of or interest on the Series 2021B Bonds due on the next Interest Payment Date, and then (ii) to the Series 2021A Debt Service Account, an amount sufficient to pay the principal of or interest on the Series 2021A Bonds due on the next Interest Payment Date.

Debt Service Fund

Except as otherwise provided in the Indenture with respect to final balances, all amounts paid and credited to the Series 2021B Debt Service Account of the Debt Service Fund shall be expended solely for the payment of the principal of, redemption premium, if any, and interest on the Series 2021B Bonds as the same mature and become due or upon the redemption thereof.

The City authorizes and directs the Trustee to withdraw sufficient moneys from the Series 2021A Debt Service Account of the Debt Service Fund to pay the principal of and interest on the Series 2021A Bonds as the same become due and payable and to make said moneys so withdrawn available to the Paying Agent for the purpose of paying said principal of and interest on the Series 2021A Bonds.

The City authorizes and directs the Trustee to withdraw sufficient moneys from the Series 2021B Debt Service Account of the Debt Service Fund to pay the principal of and interest on the Series 2021B Bonds as the same become due and payable and to make said moneys so withdrawn available to the Paying Agent for the purpose of paying said principal of and interest on the Series 2021B Bonds.

The Trustee shall use any moneys remaining in the applicable account of the Debt Service Fund to redeem all or part of the applicable series of Bonds Outstanding and interest to accrue thereon prior to such redemption, in accordance with and to the extent permitted by the Indenture, so long as said moneys are in excess of the amount required for payment of the applicable series of Bonds theretofore matured or called for redemption. The Trustee, upon the written instructions from the City, signed by an Authorized Issuer Representative, shall use moneys in the applicable account of the Debt Service Fund on a best efforts basis for the purchase of the applicable series of Bonds in the open market to the extent practical for the purpose of cancellation at prices not exceeding the principal amount thereof plus accrued interest thereon to the date of such purchase.

Project Fund

Moneys in the Refunding Account of the Project Fund shall be used by the City for the sole purpose of refunding and redeeming the Refunded Bonds. The Trustee is directed, without further authorization, on the date of issuance of the Bonds to forward all moneys in the Refunding Account of the Project Fund to UMB Bank, N.A., as trustee for the Refunded Bonds, which moneys shall be used to pay the principal of and interest on the Refunded Bonds on April 27, 2021.

Moneys in the Costs of Issuance Account of the Project Fund shall be disbursed from time to time by the Trustee, upon receipt of a written request of the City signed by an Authorized Issuer Representative and containing the statements, representations and certifications set forth in the form of such request attached as an exhibit to the Indenture and otherwise substantially in such form, for the sole purpose of paying costs of issuance of the Bonds. Any moneys remaining in the Costs of Issuance Account of the Project Fund on

October 1, 2021 shall be deposited, without further authorization, on a pro rata basis based on the original principal amounts of the Series 2021A Bonds and the Series 2021B Bonds, into the applicable Redemption Account of the Debt Service Fund and used to redeem Bonds pursuant to the Indenture on the earliest possible date. Se **"THE BONDS – Redemption Provisions – *Special Mandatory Redemption*"** herein.

In making such payments and disbursements, the Trustee may rely upon the written requests and accompanying certificates and statements. The Trustee is not required to make any independent inspection or investigation in connection with the matters set forth in the written requests. The approval of each disbursement request by an Authorized Issuer Representative shall constitute unto the Trustee an irrevocable determination that all conditions precedent to the payment of the specified amounts from the Costs of Issuance Account have been completed.

Debt Service Reserve Fund

Except as otherwise provided in the Indenture, moneys in the applicable Accounts of the Debt Service Reserve Fund shall be used by the Trustee without further authorization solely for the payment of the principal of and interest on the applicable series of Bonds if moneys otherwise available for such purpose as provided in the Indenture are insufficient to pay the same as they become due and payable, and to make the final payment on such series of Bonds. The amount on deposit in each Account of the Debt Service Reserve Fund shall be valued by the Trustee 45 days prior to each Interest Payment Date (or if such date is not a Business Day, the immediately preceding Business Day) and the Trustee shall give prompt written notice to the City if such amount is less than the Debt Service Reserve Requirement for such Account. For the purpose of determining the amount on deposit in the Accounts of the Debt Service Reserve Fund, the value of any investments shall be valued at the lower of their original cost or their fair market value (exclusive of accrued interest thereon) on the date of valuation. Moneys in the Series 2021A Debt Service Reserve Account of the Debt Service Reserve Fund that are in excess of the Debt Service Reserve Requirement for the Series 2021A Bonds on any valuation date shall be deposited by the Trustee without further authorization in the Series 2021A Debt Service Account of the Debt Service Fund. Moneys in the Series 2021B Debt Service Reserve Account of the Debt Service Reserve Fund that are in excess of the Debt Service Reserve Requirement for the Series 2021B Bonds on any valuation date shall be deposited by the Trustee without further authorization in the Series 2021B Debt Service Account of the Debt Service Fund.

Rebate Fund

The Trustee shall deposit in the Rebate Fund such amounts as are required to be deposited therein pursuant to the Tax Compliance Agreement. Subject to the transfer provisions of the Indenture, all money at any time deposited in the Rebate Fund and any income earned thereon shall be held in trust, to the extent required to pay arbitrage rebate to the federal government of the United States of America, and neither the City nor the Owner of any Bonds shall have any rights in or claim to such money.

Extraordinary Costs Fund

Moneys in the Extraordinary Costs Fund may be used by the City, in its sole discretion, for the payment (including reimbursement to the City) of (a) extraordinary expenses related to the Redevelopment Plan, the Redevelopment Agreement, the Indenture or the Bonds, including but not limited to the costs of defending audits initiated by the Internal Revenue Service, assessed value contests concerning property within the Redevelopment Project Area, or other litigation initiated or threatened against the City or (b) debt service on the Bonds. Moneys in the Extraordinary Costs Fund shall be disbursed from time to time by the Trustee, upon receipt of a written request of the City signed by an Authorized City Representative and containing the statements, representations and certifications set forth in the form of such request attached as an exhibit to the Indenture and otherwise substantially in such form.

Surplus Fund

Moneys in the Surplus Fund may be used by the City, in its sole discretion, for payment of (i) maintenance costs of assets refinanced with the Bonds and located within the Business District, or (ii) principal of and interest on the Series 2021B Bonds, including the payment of the principal of and accrued interest on all Series 2021B Bonds which are subject to redemption on the next succeeding Interest Payment Date pursuant to the Indenture (see **"THE BONDS – Redemption Provisions – *Special Mandatory Redemption*"** herein), so long as the City obtains an opinion of Bond Counsel (which opinion may be based upon a ruling or rulings of the Internal Revenue Service) to the effect that such payment of principal of and interest on the Series 2021B Bonds will not cause the interest on the Series 2021B Bonds to be included in gross income of the Owners thereof for purposes of federal income taxation. Moneys in the Surplus Fund shall be disbursed from time to time by the Trustee, upon receipt of a written request of the City signed by an Authorized Issuer Representative and containing the statements, representations and certifications set forth in the form of such request attached as an exhibit to the Indenture and otherwise substantially in such form.

Nonpresentment of Bonds

If any Bond is not presented for payment when the principal thereof becomes due, either at maturity or at the date fixed for redemption thereof, and provided the Trustee is holding sufficient funds for the payment thereof, all liability of the City to the Owner thereof for the payment of such Bond shall forthwith cease, terminate and be completely discharged, and thereupon it shall be the duty of the Trustee to hold such moneys, without liability for interest thereon, for the benefit of the Owner of such Bond who shall thereafter be restricted exclusively to such moneys, for any claim or whatever nature on such Owner's part under the Indenture or on, or with respect to, said Bond.

Any moneys so deposited with and held by the Trustee not so applied to the payment of Bonds within one year after the date on which the same have become due shall be paid by the Trustee to the City, free from the trusts created by the Indenture. Thereafter, Owners shall be entitled to look only to the City for payment, and then only to the extent of the amount so repaid by the Trustee. The City shall not be liable for any interest on the sums paid to it pursuant to this provision of the Indenture and shall not be regarded as a trustee of such money.

Investment of Moneys

Moneys in all funds and accounts under any provision of the Indenture (other than the Refunding Account of the Project Fund) shall be continuously invested and reinvested by the Trustee in Investment Securities at the written direction of the City or, if such written directions are not received, then the Trustee is authorized to invest such moneys in Investment Securities described in subparagraph (iv) of the definition thereof. The Trustee is specifically authorized to implement its automated cash investment system to assure that cash on hand is invested and to charge its normal cash management fees, which may be deducted from income earned on investments. Moneys on deposit in all funds and accounts may be invested only in Investment Securities which mature or are subject to redemption at the option of the owner thereof prior to the date such funds are expected to be needed. The Trustee may make investments through its investment division or short–term investment department.

All investments shall constitute a part of the fund or account from which the moneys used to acquire such investments have come. The Trustee shall sell and reduce to cash a sufficient amount of investments in a fund or account whenever the cash balance therein is insufficient to pay the amounts required to be paid therefrom. The Trustee may transfer investments from any fund or account to any other fund or account in lieu of cash when required or permitted by the provisions of the Indenture. In determining the balance in any fund or account, investments shall be valued at the lower of their original cost or their fair market value on the most recent Interest Payment Date, except as otherwise provided in the Indenture. The Trustee shall not be liable for any loss resulting from such investments.

Collection of Revenues

The City shall, at the expense of the Trust Estate, take (i) all lawful action within its control to cause the St. Clair County Supervisor of Assessments to assess the real property and improvements within the Redevelopment Project Area at the times and in the manner required by Illinois law, and (ii) such action as may be required to cause the Department of Revenue of the State and all other persons to pay all Pledged Business District Sales Tax Revenues and Pledged Municipal Sales Tax Revenues which are due to the City.

Within 5 days of receipt of sales tax revenue the City is entitled to receive from the sales taxes imposed by the State, the City shall, to determine the amount of Pledged Municipal Sales Tax Revenues, request each month from the Department of Revenue of the State the Allocation Remittance Report or similar monthly report showing the amount of sales taxes generated at each retailer located within the Redevelopment Project Area.

Events of Default; Acceleration

If any one or more of the following events occur, it is defined as and declared in the Indenture to be and to constitute an "Event of Default":

(a) Default in the performance or observance of any of the covenants, agreements or conditions on the part of the City contained in the Indenture or in the Bonds, and the continuance thereof for a period of 30 days after written notice thereof has been given (i) to the City by the Trustee, or (ii) to the Trustee (which notice of default the Trustee shall be required to accept) and the City by the Owners of not less than 25% in aggregate principal amount of Bonds then Outstanding; provided, however, if any default is such that it cannot be corrected within such 30-day period, it shall not constitute an Event of Default if corrective action is instituted by the City within such period and diligently pursued until the default is corrected; or

(b) The filing by the City of a voluntary petition in bankruptcy, or failure by the City to promptly lift any execution, garnishment or attachment of such consequence as would impair the ability of the City to carry on its operation, or adjudication of the City as a bankrupt, or assignment by the City for the benefit of creditors, or the entry by the City into an agreement of composition with creditors, or the approval by a court of competent jurisdiction of a petition applicable to the City in any proceedings instituted under the provisions of federal bankruptcy law, or under any similar acts which may hereafter be enacted.

The Trustee shall give written notice of any Event of Default to the City as promptly as practicable after the occurrence of an Event of Default becomes known to the Trustee as provided in the Indenture.

If an Event of Default has occurred and is continuing, the Trustee may, and shall upon the written request of a majority in aggregate principal amount of the Bonds then Outstanding, by notice in writing delivered to the City, declare the principal of all the Bonds then Outstanding and the interest accrued thereon immediately due and payable.

Exercise of Remedies by the Trustee

If an Event of Default has occurred and is continuing, the Trustee may pursue any available remedy at law or equity by suit, action, mandamus or other proceeding to enforce the payment of the principal of, premium, if any, and interest on the Bonds then Outstanding, and to enforce and compel the performance of the duties and obligations of the City as set forth in the Indenture.

If an Event of Default has occurred and is continuing, and if requested so to do by the Owners of not less than 25% in aggregate principal amount of the Bonds then Outstanding and indemnified as provided in the Indenture, the Trustee shall be obligated to exercise such one or more of the rights and powers conferred by the Indenture as the Trustee, being advised by counsel, deems most expedient in the interests of the Owners; provided, however, that the Trustee shall not be required to take any action which in its good faith conclusion could result in personal liability to it.

All rights of action under the Indenture or under any of the Bonds may be enforced by the Trustee without the possession of any of the Bonds or the production thereof in any trial or other proceedings relating thereto, and any such suit or proceeding instituted by the Trustee shall be brought in its name as Trustee without the necessity of joining as plaintiffs or defendants any Owner, and any recovery or judgment shall, subject to the provisions of the Indenture governing the application of moneys upon an Event of Default, be for the equal benefit of all the Owners of the Outstanding Bonds.

Limitation on Exercise of Remedies by Owners

No Owner shall have any right to institute any suit, action or proceeding in equity or at law for the enforcement of the Indenture or for the execution of any trust under the Indenture or for the appointment of a receiver or any other remedy under the Indenture, unless:

(i) a default has occurred of which the Trustee has notice or is deemed to have notice as provided in the Indenture, and

(ii) such default has become an Event of Default, and

(iii) the Owners of not less than 25% in aggregate principal amount of the Bonds then Outstanding shall have made written request to the Trustee, shall have offered it reasonable opportunity either to proceed to exercise the powers granted in the Indenture or to institute such action, suit or proceeding in its own name, and shall have provided to the Trustee indemnity as provided in the Indenture, and

(iv) the Trustee shall thereafter fail or refuse to exercise the powers granted in the Indenture or to institute such action, suit or proceeding in its own name;

and such notification, request and indemnity are declared in the Indenture in every case, at the option of the Trustee, to be conditions precedent to the execution of the powers and trusts of the Indenture, and to any action or cause of action for the enforcement of the Indenture, or for the appointment of a receiver or for any other remedy under the Indenture, it being understood and intended that no one or more Owners shall have any right in any manner whatsoever to affect, disturb or prejudice the Indenture by its, his or their action or to enforce any right under the Indenture except in the manner provided in the Indenture, and that all proceedings at law or in equity shall be instituted, had and maintained in the manner provided in the Indenture and for the equal benefit of the Owners of all Bonds then Outstanding. Nothing in the Indenture, however, shall affect or impair the right of any Owner to payment of the principal of and interest on any Bond at and after its maturity or the obligation of the City to pay the principal of and interest on each of the Bonds to the respective Owners thereof at the time, place, from the source and in the manner expressed in the Indenture and in such Bond.

Remedies Cumulative

No remedy conferred by the Indenture upon or reserved to the Trustee or to the Owners is intended to be exclusive of any other remedy, but each and every such remedy shall be cumulative and shall be in addition to any other remedy given to the Trustee or to the Owners under the Indenture or now or hereafter existing at law or in equity or by statute.

Supplemental Indentures

Without Consent of the Owners

The City and the Trustee may from time to time, without the consent of or notice to any of the Owners, enter into such Supplemental Indenture or Supplemental Indentures as are not inconsistent with the terms and provisions of the Indenture, for any one or more of the following purposes:

(a) To cure any ambiguity or formal defect or omission in the Indenture or to release property from the Trust Estate which was included by reason of an error or other mistake;

(b) To grant to or confer upon the Trustee for the benefit of the Owners any additional rights, remedies, powers or authority that may lawfully be granted to or conferred upon the Owners or the Trustee or either of them;

(c) To subject to the Indenture additional revenues, properties or collateral;

(d) To modify, amend or supplement the Indenture or any indenture supplemental thereto in such manner as to permit the qualification of the Indenture under the Trust Indenture Act of 1939, as then amended, or any similar federal statute hereafter in effect, or to permit the qualification of the Bonds for sale under the securities laws of any state of the United States;

(e) To evidence the appointment of a separate trustee or the succession of a new trustee under the Indenture; or

(f) To make any other change which, in the sole judgment of the Trustee, does not materially adversely affect the interests of the Owners. In exercising such judgment the Trustee may rely on an Opinion of Counsel.

With Consent of the Owners

In addition to Supplemental Indentures and Supplemental Financing Agreements permitted as described above and subject to the terms and provisions contained in the Indenture, and not otherwise, with the consent of the Owners of not less than a majority in aggregate principal amount of the Bonds then Outstanding, the City and the Trustee may from time to time enter into such other Supplemental Indenture or Supplemental Indentures as shall be deemed necessary and desirable by the City for the purpose of modifying, amending, adding to or rescinding, in any particular, any of the terms or provisions contained in the Indenture or in any Supplemental Indenture; provided, however, that nothing contained in the Indenture shall permit or be construed as permitting:

(a) an extension of the maturity of the principal of, any change in the optional or mandatory redemption of or the scheduled date of payment of interest on any Bond;

(b) a reduction in the principal amount, redemption premium or any interest payable on any Bond;

(c) a privilege or priority of any Bond or Bonds over any other Bond or Bonds except as provided in the Indenture;

(d) a reduction in the aggregate principal amount of Bonds the Owners of which are required for consent to any such Supplemental Indenture; or

(e) the modification of the rights, duties or immunities of the Trustee, without the written consent of the Trustee.

If at any time the City requests the Trustee to enter into any such Supplemental Indenture, the Trustee shall cause notice of the proposed execution of such Supplemental Indenture to be mailed by first-class mail, postage prepaid, to each Owner. Such notice shall briefly set forth the nature of the proposed Supplemental Indenture and shall state that copies thereof are on file at the principal corporate trust office of the Trustee for inspection by all Owners. If within 60 days or such longer period as shall be prescribed by the City following the mailing of such notice, the Owners of not less than a majority in aggregate principal amount of the Bonds Outstanding at the time of the execution of any such Supplemental Indenture have consented to and approved the execution thereof as provided in the Indenture, no Owner of any Bond shall have any right to object to any of the terms and provisions contained therein, or the operation thereof, or in any manner to question the propriety of the execution thereof, or to enjoin or restrain the Trustee or the City from executing the same or from taking any action pursuant to the provisions thereof. Upon the execution of any such Supplemental Indenture as permitted and provided in the Indenture, the Indenture shall be and be deemed to be modified and amended in accordance therewith.

Opinion of Bond Counsel

Notwithstanding anything to the contrary in the Indenture, before the City and the Trustee enter into any Supplemental Indenture there shall have been delivered to the Trustee an opinion of Bond Counsel stating that such Supplemental Indenture is authorized or permitted by the Indenture and the TIF Act or the Business District Act, as applicable, complies with their respective terms, will, upon the execution and delivery thereof, be valid and binding upon the City in accordance with its terms and will not adversely affect the exclusion from federal gross income of interest on any Series 2021B Bonds then Outstanding.

Resignation or Removal of the Trustee

The Trustee and any successor Trustee may at any time resign from the trusts created by the Indenture by giving 30 days' written notice to the City and the Owners. If at any time the Trustee ceases to be eligible in accordance with the provisions of the Indenture, it shall resign immediately in the manner provided in the Indenture. The Trustee may be removed for cause or without cause at any time by an instrument or concurrent instruments in writing delivered to the Trustee and signed by the Owners of a majority in aggregate principal amount of Bonds then Outstanding. If no Event of Default has occurred and is continuing, or no event exists that constitutes or with the giving of notice or passage of time would constitute a default or Event of Default, the Trustee may be removed for cause (including the failure of the Trustee and the City to agree on the reasonableness of the fees and expenses of the Trustee under the Indenture) at any time by an instrument or concurrent instruments in writing delivered to the Trustee and the Owners and signed by the City. The City or the Owners of a majority in aggregate principal amount of the Bonds then Outstanding may at any time petition any court of competent jurisdiction for the removal for cause of the Trustee. No resignation or removal of the Trustee shall become effective until the appointment of a successor Trustee pursuant to the Indenture and such successor Trustee has accepted its appointment under the Indenture.

Appointment of Successor Trustee

If the Trustee resigns or is removed, or otherwise becomes incapable of acting under the Indenture, or if it is taken under the control of any public officer or officers or of a receiver appointed by a court, a successor

Trustee may be appointed by the City (provided no Event of Default has occurred and is continuing) or the Owners of a majority in aggregate principal amount of Bonds then Outstanding, by an instrument or concurrent instruments in writing; provided, nevertheless, that in case of such vacancy the City, by an instrument executed and signed by an Authorized City Representative, may appoint a temporary Trustee to fill such vacancy until a successor Trustee is appointed by the Owners in the manner provided in the Indenture; and any such temporary Trustee so appointed by the City shall immediately and without further acts be superseded by the successor Trustee so appointed by such Owners. If a successor Trustee or a temporary Trustee has not been so appointed and accepted such appointment within 30 days of a notice of resignation or removal of the current Trustee, the Trustee may petition a court of competent jurisdiction for the appointment of a successor Trustee to act until such time, if any, as a successor has so accepted its appointment. No resignation or removal of the Trustee and no appointment of a successor Trustee shall become effective until the successor Trustee has accepted its appointment under the Indenture.

Qualifications of Trustee and Successor Trustees

Any trustee appointed in succession to the Trustee under the Indenture shall be a trust institution or commercial bank with a principal corporate trust office located in the State, shall be in good standing and qualified to accept such trusts, shall be subject to examination by a federal or state bank regulatory authority, and shall have a reported capital and surplus of not less than $50,000,000. If such institution publishes reports of conditions at least annually pursuant to law or regulation, then for the purposes of the Indenture the capital and surplus of such institution shall be deemed to be its capital and surplus as set forth in its most recent report of condition so published.

* * * * * * * * * *

APPENDIX B

FORM OF CONTINUING DISCLOSURE UNDERTAKING

CONTINUING DISCLOSURE UNDERTAKING

This CONTINUING DISCLOSURE UNDERTAKING dated as of April 1, 2021 (this "***Disclosure Undertaking***"), is executed and delivered by the City of Belleville, Illinois (the "***City***").

RECITALS

1. This Disclosure Undertaking is executed and delivered in connection with the issuance by the City of its $4,850,000 Taxable Tax Increment and Sales Tax Refunding Revenue Bonds, Series 2021A (Carlyle/Green Mount Redevelopment Project) (the "***Series 2021A Bonds***") and its $10,300,000 Tax Increment and Sales Tax Refunding Revenue Bonds, Series 2021B (Carlyle/Green Mount Redevelopment Project) (the "***Series 2021B Bonds***" and, together with the Series 2021A Bonds, the "***Bonds***"), pursuant to a Trust Indenture dated as of April 1, 2021 by and between the City and UMB Bank, N.A., as trustee (the "***Indenture***").

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

The City covenants as follows:

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

"***Annual Report***" means any Annual Report filed by the City pursuant to, and as described in, Section 2(a) of this Disclosure Undertaking.

"***Authorized Issuer Representative***" has the meaning given such term in the Indenture.

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

"***Developer***" means THF Green Mount Development, L.L.C.

"***EMMA***" means the Electronic Municipal Market Access system for municipal securities disclosures established and maintained by the MSRB, which can be accessed at www.emma.msrb.org or such other website(s) as may be designated by the MSRB from time to time.

"***Financial Obligation***" means a (a) debt obligation; (b) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or

(c) guarantee of (a) or (b) in this definition; *provided however*, the term Financial Obligation shall not include municipal securities as to which a final official statement has been provided to the MSRB consistent with the Rule.

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

"***Material Events***" means any of the events listed in Section 3(a) of this Disclosure Undertaking.

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

"***Participating Underwriter***" means the original underwriter of the Bonds required to comply with the Rule in connection with offering of the Bonds.

"***Rule***" means Rule 15c2-12(b)(5) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time.

"***Semi-Annual Date***" means each April 30 and October 31, commencing October 31, 2021.

"***Semi-Annual Report***" means a document or set of documents, in substantially the form attached as Exhibit A hereto.

"***Semi-Annual Report Date***" means each June 30 and December 31, commencing December 31, 2021.

Section 2. Provision of Annual Reports and Semi-Annual Reports.

(a) Annual Report.

(1) The City shall file with the MSRB, through EMMA, not later than the last day of the sixth month following the end of each of the City's Fiscal Years, commencing with the Fiscal Year ending April 30, 2021, the City's audited financial statements for such Fiscal Year, prepared in accordance with accounting principles generally accepted in the United States. The financial statements may be included by specific reference to other documents, including official statements of debt issues with respect to which the City is an "obligated person" (as defined by the Rule), which have been filed with the MSRB and are available through EMMA or the Securities and Exchange Commission. If the document included by reference is a final official statement, it must be available from the MSRB on EMMA. The City shall clearly identify each such other document so included by reference. If audited financial statements are not available by the time the Annual Report is required to be filed pursuant to this Section, the Annual Report shall contain the unaudited financial statements in a format similar to the financial statements filed by the City with the MSRB, through EMMA, for the preceding year, and the audited financial statements shall be filed in the same manner as the Annual Report promptly after they become available.

(2) The Annual Report may be submitted as a single document or as separate documents comprising a package, and may cross-reference other information as provided in this Section (a). If the City's Fiscal Year changes, it shall give notice of such change in the same manner as for a Material Event under Section 3.

(3) If the City fails to provide the Annual report to the MSRB, via EMMA, by the date set forth in subsection (a)(1), the City shall send a notice in a timely manner to the MSRB, through EMMA, in substantially the form attached as Exhibit B.

(b) Semi-Annual Report.

(1) The City acknowledges that the information required to complete Sections 1 – 5 of the Semi-Annual Report (attached as Exhibit A hereto) will be provided by the Trustee to the City. The City further acknowledges that the information required to complete Section 6 of the Semi-Annual Report will be provided by the Developer pursuant to the acknowledgement attached hereto and the City agrees to notify the Developer on or before June 1 and December 1 of each year commencing December 1, 2021 of its obligation to provide such information.

(2) The City shall provide a Semi-Annual Report to the MSRB, through EMMA, on or before each Semi-Annual Report Date. Each Semi-Annual Report shall include information as of the applicable dates set forth in the form of Semi-Annual Report attached as Exhibit A hereto.

(3) If the City fails to provide the Semi-Annual report to the MSRB, via EMMA, by the date set forth in subsection (b)(2), the City shall send a notice in a timely manner to the MSRB, through EMMA, in substantially the form attached as Exhibit C.

(c) In addition to the foregoing requirements of this Section, the City agrees to provide copies of the most recent Annual Report and Semi-Annual Report to any requesting Beneficial Owner, but only after the same have been delivered to the MSRB. Notwithstanding anything herein to the contrary, the Annual Report and the Semi-Annual Report shall be provided to the MSRB, through EMMA, in such manner and format as prescribed by the MSRB.

Section 3. Reporting of Material Events.

(a) No later than 10 Business Days after the occurrence of any of the following events, the City shall give to the MSRB, through EMMA, notice of the occurrence of any of the following events with respect to the Bonds ("***Material Events***"):

(1) principal and interest payment delinquencies;
(2) non-payment related defaults, if material;
(3) unscheduled draws on debt service reserves reflecting financial difficulties;
(4) unscheduled draws on credit enhancements reflecting financial difficulties;
(5) substitution of credit or liquidity providers, or their failure to perform;
(6) adverse tax opinions; the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds;
(7) modifications to rights of bondholders, if material;
(8) bond calls, if material, and tender offers;
(9) defeasances;

(10) release, substitution or sale of property securing repayment of the Bonds, if material;
(11) rating changes;
(12) bankruptcy, insolvency, receivership or similar event of the City;
(13) the consummation of a merger, consolidation, or acquisition involving the City or the sale of all or substantially all of the assets of the City, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;
(14) appointment of a successor or additional trustee or the change of name of the trustee, if material;
(15) incurrence of a Financial Obligation of the City, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the City, any of which affect security holders, if material; or
(16) default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the City, any of which reflect financial difficulties.

(b) Whenever the City obtains knowledge of the occurrence of a Material Event, the City shall report the occurrence pursuant to Section 3(a) so that notice is given no later than 10 Business Days after the occurrence of the event.

(c) If the Indenture provides that notice of either of the Material Events described in subsection (a)(8) be provided to the registered owners of affected Bonds, then notwithstanding the foregoing requirements of this subsection, notice of such Material Event need not be given under this subsection any earlier than the notice of the underlying event provided under the Indenture.

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

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

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

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

Section 7. Additional Information. Nothing in this Disclosure Undertaking shall be deemed to prevent the City from disseminating any other information, using the means of dissemination set forth in this Disclosure Undertaking or any other means of communication, or including any other information in any Semi-Annual Report or notice of occurrence of a Material Event, in addition to that which is required by this Disclosure Undertaking. If the City chooses to include any information in any Annual Report, Semi-Annual Report or notice of occurrence of a Material Event, in addition to that which is specifically required by this Disclosure Undertaking, the City shall not have any obligation under this Disclosure Undertaking to update such information or include it in any future Annual Report, Semi-Annual Report or notice of occurrence of a Material Event.

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

Section 9. Notices. Any notices or communications to the City may be given by registered or certified mail, return-receipt requested, by confirmed facsimile, or by confirmed electronic mail or delivered in person or by overnight courier, and will be deemed given on the second day following the date on which the notice or communication is so mailed, as follows:

City of Belleville
101 South Illinois Street
Belleville, Illinois 62220
Attention: Mayor
Facsimile: 618-233-6779
E-mail: meckert@belleville.net

Section 10. Beneficiaries. This Disclosure Undertaking shall inure solely to the benefit of the City and Beneficial Owners from time to time of the Bonds, and shall create no rights in any other person or entity.

Section 11. Severability. If any provision in this Disclosure Undertaking, the Indenture or the Bonds shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

Section 12. Electronic Transactions. The arrangement described herein may be conducted and related documents may be sent, received or stored by electronic means. Copies, facsimiles, electronic files and other reproductions of original documents shall be deemed to be authentic and valid counterparts of such original documents for all purposes, including the filing of any claim, action or suit in the appropriate court of law.

Section 13. **Governing Law.** This Disclosure Undertaking shall be governed by and construed in accordance with the laws of the State of Illinois.

Section 14. **No Pecuniary Liability.** Notwithstanding the language or implication of any provision, representation, covenant or agreement to the contrary, no provision, representation, covenant or agreement contained in this Disclosure Undertaking or any obligation herein imposed upon the City, or the breach thereof, shall constitute or give rise to or impose upon the City a pecuniary liability. No provision hereof shall be construed to impose a charge against the general credit of the City or any personal or pecuniary liability upon any official, director, officer, agent, or employee of the City. For purposes of this paragraph, "pecuniary liability" does not refer to the normal fees or expenses of the City incurred in connection with the performance of its obligations hereunder, including, without limitation, the fees or expenses of legal or financial advisors that may be incurred in connection with the preparation of Annual Reports or Semi-Annual Reports.

Signature appears on the following pages

IN WITNESS WHEREOF, the City has caused this Disclosure Undertaking to be executed as of the day and year first above written.

CITY OF BELLEVILLE, ILLINOIS

By: ________________________________
Mayor

EXHIBIT A

FORM OF SEMI-ANNUAL REPORT

CITY OF BELLEVILLE, ILLINOIS

$4,850,000 Taxable Tax Increment and Sales Tax Refunding Revenue Bonds, Series 2021A (Carlyle/Green Mount Redevelopment Project)	$10,300,000 Tax Increment and Sales Tax Refunding Revenue Bonds, Series 2021B (Carlyle/Green Mount Redevelopment Project)

This report is prepared and delivered pursuant to the Continuing Disclosure Undertaking dated as of April 1, 2021 by the City of Belleville, Illinois (the "City") with respect to the above-referenced bonds (the "Bonds").

Date of Semi-Annual Report: _____________ __, 20__.
Semi-Annual Reporting Period from [date of issuance of Bonds/May 1/November 1 20__] to [October 31/April 30], 20__.

1. **Pledged TIF Revenues**. The following is the amount by month of Pledged TIF Revenues transferred to the Trustee since the last Semi-Annual Reporting Period, or in the case of the first Semi-Annual Report, the date of issuance of the Bonds, as of the most recent Semi-Annual Date:

[Month]: $___________

[Month]: $___________

[Month]: $___________

[Month]: $___________

[Month]: $___________

[Month]: $___________

TOTAL: $___________

2. **Pledged Municipal Sales Tax Revenues**. The following is the amount by month of Pledged Municipal Sales Tax Revenues transferred to the Trustee since the last Semi-Annual Reporting Period, or in the case of the first Semi-Annual Report, the date of issuance of the Bonds, as of the most recent Semi-Annual Date:

[Month]: $___________

[Month]: $___________

[Month]: $___________

[Month]: $___________

[Month]: $___________

[Month]: $___________

TOTAL: $___________

3. **Pledged Business District Sales Tax Revenues**. The following is the amount by month of Pledged Business District Sales Tax Revenues transferred to the Trustee since the last Semi-Annual Reporting Period, or in the case of the first Semi-Annual Report, the date of issuance of the Bonds, as of the most recent Semi-Annual Date:

[Month]: $___________

[Month]: $___________

[Month]: $___________

[Month]: $___________

[Month]: $___________

[Month]: $___________

TOTAL: $___________

4. **Redemption of Series 2021A Bonds.**

The principal amount of Series 2021A Bonds redeemed since the last Semi-Annual Reporting Period, or in the case of the first Semi-Annual Report, the date of issuance of the Series 2021A Bonds, is $___________________.

The aggregate principal amount of Series 2021A Bonds redeemed since the date of issuance of the Series 2021A Bonds is $___________________.

5. **Redemption of Series 2021B Bonds.**

The principal amount of Series 2021B Bonds redeemed since the last Semi-Annual Reporting Period, or in the case of the first Semi-Annual Report, the date of issuance of the Series 2021B Bonds, is $___________________.

The aggregate principal amount of Series 2021B Bonds redeemed since the date of issuance of the Series 2021B Bonds is $___________________.

6. **Shopping Center Tenants and Occupants.**

The following is an updated list of the tenants and occupants located in the Shopping Center provided in the Official Statement dated March 25, 2021 under the heading "SUMMARY OF SHOPPING CENTER LEASES; SHOPPING CENTER OCCUPANTS" as of the most recent Semi-Annual Date:

[may insert "no change" if there have been no changes since the previous Semi-Annual Date]

CITY OF BELLEVILLE, ILLINOIS

By: ______________________________
Name: ______________________________
Title: ___________________________________

EXHIBIT B

NOTICE OF FAILURE TO FILE ANNUAL REPORT

Name of Issuer and Obligated Person:	City of Belleville, Illinois (the "City")
Name of Bond Issue:	$4,850,000 Taxable Tax Increment and Sales Tax Refunding Revenue Bonds, Series 2021A (Carlyle/Green Mount Redevelopment Project) $10,300,000 Tax Increment and Sales Tax Refunding Revenue Bonds, Series 2021B (Carlyle/Green Mount Redevelopment Project)
Date of Issuance:	April 7, 2021

NOTICE IS HEREBY GIVEN that the City has not filed an Annual Report with respect to the above-referenced Bonds as required by the Continuing Disclosure Undertaking dated as of April 1, 2021, by the City. [The City anticipates that the Annual Report will be filed by _____________.]

Dated: __________ ___, _____

CITY OF BELLEVILLE, ILLINOIS

By:____
Mayor

EXHIBIT C

NOTICE OF FAILURE TO FILE SEMI-ANNUAL REPORT

Name of Issuer and Obligated Person:	City of Belleville, Illinois (the "City")
Name of Bond Issue:	$4,850,000 Taxable Tax Increment and Sales Tax Refunding Revenue Bonds, Series 2021A (Carlyle/Green Mount Redevelopment Project) $10,300,000 Tax Increment and Sales Tax Refunding Revenue Bonds, Series 2021B (Carlyle/Green Mount Redevelopment Project)
Date of Issuance:	April 7, 2021

NOTICE IS HEREBY GIVEN that the City has not filed a Semi-Annual Report with respect to the above-referenced Bonds as required by the Continuing Disclosure Undertaking dated as of April 1, 2021, by the City. [The City anticipates that the Semi-Annual Report will be filed by ____________.]

Dated: __________ ___, _____

CITY OF BELLEVILLE, ILLINOIS

By:____
Mayor

ACKNOWLEDGEMENT OF
THF GREEN MOUNT DEVELOPMENT, L.L.C.

THF Green Mount Development, L.L.C. (the "Developer"), as owner of a portion of the shopping center known as Green Mount Commons located in Belleville, Illinois, acknowledges receipt of a copy of this Continuing Disclosure Undertaking and agrees, if notice has been given pursuant to Section 2(b)(1) of this Continuing Disclosure Undertaking, to update not later than June 15 and December 15 of each year, commencing December 15, 2021, the information required under Section 6 of the form of Semi-Annual Report attached to this Continuing Disclosure Undertaking; provided, however, the Developer's obligations hereunder shall terminate upon the sale or other conveyance of all or substantially all of its interest in Green Mount Commons. The Developer agrees to cause any purchaser or transferee of all or substantially all of its interest in Green Mount Commons to execute and deliver to the City a written acknowledgement and agreement, if notice has been given pursuant to Section 2(b)(1) of this Continuing Disclosure Undertaking, to update the information required under Section 6 of the form of Semi-Annual Report attached to this Continuing Disclosure Undertaking not later than June 15 and December 15 of each year (which acknowledgement and agreement shall be in form and substance similar to this Acknowledgement). If the Developer (or any successor in ownership of Green Mount Commons) fails to perform its obligations under this Acknowledgement, the sole remedy of the City shall be an action to compel performance.

Dated: April 7, 2021

THF GREEN MOUNT DEVELOPMENT, L.L.C.

By:______________________________
R. Otto Maly
Manager

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APPENDIX C

FORM OF OPINION OF BOND COUNSEL

Gilmore & Bell, P.C., Edwardsville, Illinois, Bond Counsel, proposes to issue its approving opinion upon the issuance of the Bonds in substantially the following form:

Mayor and City Council
Belleville, Illinois

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

UMB Bank, N.A., as Trustee
St. Louis, Missouri

Re: $4,850,000 Taxable Tax Increment and Sales Tax Refunding Revenue Bonds, Series 2021A (Carlyle/Green Mount Redevelopment Project) (the "Series 2021A Bonds") and $10,300,000 Tax Increment and Sales Tax Refunding Revenue Bonds, Series 2021B (Carlyle/Green Mount Redevelopment Project) (the "Series 2021B Bonds")

Ladies and Gentlemen:

We have acted as bond counsel in connection with the issuance by the City of Belleville, Illinois (the "City") of the above-captioned bonds (collectively, the Series 2021A Bonds and the Series 2021B Bonds are referred to herein as the "Bonds"), pursuant to a Trust Indenture dated as of April 1, 2021 (the "Indenture"), by and between the City and UMB Bank, N.A., as trustee (the "Trustee"). Capitalized terms used herein and not otherwise defined herein shall have the meanings assigned to such terms in the Indenture.

We have examined the law and such certified proceedings and other documents as we deem necessary to render this opinion. As to questions of fact material to our opinion we have relied upon the certified proceedings and other certifications of public officials furnished to us without undertaking to verify the same by independent investigation.

Based upon and subject to the foregoing, we are of the opinion, under existing law, as follows:

1. The Bonds have been duly authorized, executed and delivered by the City and are valid and legally binding special obligations of the City, payable solely from Pledged TIF Revenues, Pledged Municipal Sales Tax Revenues, Pledged Business District Revenues and other moneys pledged thereto and held by the Trustee pursuant to the Indenture.

2. The Indenture has been duly authorized, executed and delivered by the City and constitutes the valid and legally binding agreement of the City enforceable against the City in accordance with the provisions thereof.

3. The interest on the Series 2021B Bonds (including any original issue discount properly allocable to an owner thereof) (i) is excludable from gross income for federal income tax purposes and (ii) is not an item of tax preference for purposes of computing the federal alternative minimum tax. The opinions set forth in this paragraph are subject to the condition that the City complies with all requirements of the Code that must be satisfied subsequent to the issuance of the Series 2021B Bonds in order that interest thereon be, or continue to be, excludable from gross income for federal income tax purposes. The City has covenanted to comply with all of these requirements. Failure to comply with certain of these requirements may cause the

interest on the Series 2021B Bonds to be included in gross income for federal income tax purposes retroactive to the date of issuance of the Series 2021B Bonds. The Series 2021B Bonds have not been designated as "qualified tax-exempt obligations" for purposes of Section 265(b)(3) of the Code.

We express no opinion regarding the perfection or priority of the lien on revenues or other funds pledged under the Indenture or tax consequences arising with respect to the Bonds other than as expressly set forth herein.

The rights of the owners of the Bonds and the enforceability of the Bonds and the Indenture may be limited by bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights generally, and by equitable principles, whether considered at law or in equity.

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.

Very truly yours,

City of Belleville, Illinois
Tax Increment and Sales Tax Refunding Revenue Bonds
Taxable Series 2021A & Tax Exempt Series 2021B
(Carlyle/Green Mount Redevelopment Project)
Final Numbers

Bonds Dated and Closed:	April 7, 2021
Optional Call:	July 1, 2028 @ par
Stated Maturity (Taxable - t1):	July 1, 2029
Stated Maturity (Tax Exempt - t2):	July 1, 2029
Stated Maturity (Tax Exempt - t3):	July 1, 2041

Sources and Uses of Funds

Sources				Series A Taxable Bonds	Series B Tax Exempt Bonds	Total
Par Value (t1)				4,850,000.00	-	4,850,000.00
Original Issue Discount (t1)		0.500%		(24,250.00)	-	(24,250.00)
Par Value (t2)				-	5,500,000.00	5,500,000.00
Original Issue Discount (t2)		0.250%		-	(13,750.00)	(13,750.00)
Par Value (t3)				-	4,800,000.00	4,800,000.00
Original Issue Discount (t3)		0.500%		-	(24,000.00)	(24,000.00)
Underwriter's Discount		2.750%		(133,375.00)	(283,250.00)	(416,625.00)
Purchase Price				4,692,375.00	9,979,000.00	14,671,375.00
Prior Issue Reserve Fund Transfer	Sr A				1,615,532.18	1,615,532.18
Prior Issue Debt Service Fund Transfer	Sr A				440,957.68	440,957.68
Prior Issue Redemption Account Transfer	Sr A				3,558.51	3,558.51
Prior Issue Revenue Fund Transfers	Sr A				485,989.49	485,989.49
Prior Issue Revenue Fund Transfers	Sr B				40,015.70	40,015.70
Prior Issue Debt Service Fund Transfer	Sr B				0.24	0.24
Prior Issue Reserve Fund Transfer	Sr C			570,187.95		570,187.95
Prior Issue Debt Service Fund Transfer	Sr C			0.12		0.12
Prior Issue Redemption Account Transfer	Sr C			1,779.66		1,779.66
Prior Issue Revenue Fund Transfers	Sr C			339,462.79		339,462.79
Extraordinary Costs Fund					50,000.00	50,000.00
Total Sources				**5,603,805.52**	**12,615,053.80**	**18,218,859.32**
						-
Uses						-
Deposit to Refunding Account		Sr A Principal		3,020,000.00	9,975,000.00	12,995,000.00
		Sr A Current Interest (thru)	27-Apr-21		282,814.44	282,814.44
		Sr B Principal			1,560,000.00	1,560,000.00
		Sr B Accrued Interest Balance			22,518.33	22,518.33
		Sr B Current Interest (thru)	27-Apr-21		43,983.33	43,983.33
		Sr C Principal		2,100,000.00		2,100,000.00
		Sr C Current Interest (thru)	27-Apr-21	62,591.67		62,591.67
Deposit to Extraordinary Costs Fund					50,000.00	50,000.00
Deposit to Debt Service Reserve Fund (sized to 18 months of initial interest)				345,562.50	538,125.00	883,687.50
Deposit to Costs of Issuance Account						
2021 Redevelopment Project Administration amount due				7,500.00	-	7,500.00
Bond/Disclosure Counsel				52,821.78	112,178.22	165,000.00
Underwriter's Counsel				8,003.30	16,996.70	25,000.00
Trustee				960.40	2,039.60	3,000.00
2021 Trustee annual amount due				1,272.00	-	1,272.00
Printing				960.40	2,039.60	3,000.00
Lumesis, DTC, IPREO, CUSIPs				838.67	1,410.47	2,249.14
Miscellaneous				2,500.00	2,500.00	5,000.00
Rounding				794.80	5,448.11	6,242.91
Total Uses				**5,603,805.52**	**12,615,053.80**	**18,218,859.32**

Stifel Nicolaus
March 24, 2021

$15,150,000

City of Belleville, Illinois

Tax Increment and Sales Tax Refunding Revenue Bonds

Series 2021

Pricing Summary

Maturity	Type of Bond	Coupon	Yield	Maturity Value	Price	Dollar Price
07/01/2029	Series A Taxable	4.750%	4.823%	4,850,000.00	99.500%	4,825,750.00
07/01/2029	Series B Tax Exempt	3.250%	3.284%	5,500,000.00	99.750%	5,486,250.00
07/01/2041	Series B Tax Exempt	3.750%	3.785%	4,800,000.00	99.500%	4,776,000.00
Total	-	-	-	**$15,150,000.00**	-	**$15,088,000.00**

Bid Information

Par Amount of Bonds	$15,150,000.00
Reoffering Premium or (Discount)	(62,000.00)
Gross Production	$15,088,000.00
Total Underwriter's Discount (2.750%)	$(416,625.00)
Bid (96.841%)	14,671,375.00
Total Purchase Price	$14,671,375.00
Bond Year Dollars	$60,077.50
Average Life	3.966 Years
Average Coupon	3.9107715%

City of Belleville, Illinois
Tax Increment and Sales Tax Refunding Revenue Bonds
Taxable Series 2021A & Tax Exempt Series 2021B
(Carlyle/Green Mount Redevelopment Project)

Case I - Projected Debt Service Payments (based on trailing 12 month receipts with no annual growth going forward)

Bonds Dated and Closed:	7-Apr-21
Beginning Cash:	883,688
Interest Rate (t1):	4.750%
Interest Rate (t2):	3.250%
Interest Rate (t3):	3.750%

Date	Series A Interest Due	Series B Interest Due	Redev Project Administration	Trustee	TIF Revenues	Municipal Revenues	Municipal Share 66,000	Business District	Series A Redemptions	Series B Redemptions	Ending Cash	Term 1 Ending Princ.	Term 2 Ending Princ.	Term 3 Ending Princ
closing											883,688	4,850,000	5,500,000	4,800,000
1-Jan-22	(168,942)	(263,083)	(7,500)	(6,600)	863,149	828,189	(462,000)	583,456	(400,000)	(965,000)	885,356	4,450,000	4,535,000	4,800,000
1-Jul-22	(105,688)	(163,694)	(7,500)		79,793	662,405	(396,000)	473,670	(360,000)	(180,000)	888,343	4,090,000	4,355,000	4,800,000
1-Jan-23	(97,138)	(160,769)	(7,500)	(6,600)	863,149	732,104	(396,000)	521,321	(410,000)	(1,040,000)	886,910	3,680,000	3,315,000	4,800,000
1-Jul-23	(87,400)	(143,869)	(7,500)		79,793	662,405	(396,000)	473,670	(375,000)	(205,000)	888,009	3,305,000	3,110,000	4,800,000
1-Jan-24	(78,494)	(140,538)	(7,500)	(6,600)	863,149	732,104	(396,000)	521,321	(425,000)	(1,065,000)	885,451	2,880,000	2,045,000	4,800,000
1-Jul-24	(68,400)	(123,231)	(7,500)		79,793	662,405	(396,000)	473,670	(395,000)	(225,000)	886,188	2,485,000	1,820,000	4,800,000
1-Jan-25	(59,019)	(119,575)	(7,500)	(6,600)	863,149	732,104	(396,000)	521,321	(445,000)	(1,085,000)	884,067	2,040,000	735,000	4,800,000
1-Jul-25	(48,450)	(101,944)	(7,500)		79,793	662,405	(396,000)	473,670	(415,000)	(245,000)	886,041	1,625,000	490,000	4,800,000
1-Jan-26	(38,594)	(97,963)	(7,500)	(6,600)	863,149	732,104	(396,000)	521,321	(465,000)	(1,105,000)	885,959	1,160,000	-	4,185,000
1-Jul-26	(27,550)	(78,469)	(7,500)		79,793	662,405	(396,000)	473,670	(435,000)	(270,000)	887,308	725,000	-	3,915,000
1-Jan-27	(17,219)	(73,406)	(7,500)	(6,600)	863,149	732,104	(396,000)	521,321	(725,000)	(1,240,000)	538,156	-	-	2,675,000
1-Jul-27	-	(50,156)	(7,500)		79,793	662,405	(396,000)	473,670		(760,000)	540,368	-	-	1,915,000
1-Jan-28	-	(35,906)	(7,500)	(6,600)	863,149	732,104	(396,000)	521,321		(1,915,000)	295,935	-	-	-
1-Jul-28														
1-Jan-29														
1-Jul-29														
1-Jan-30														
1-Jul-30														
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1-Jul-41														
	(796,892)	(1,552,602)	(97,500)	(46,200)	6,520,800	9,195,243	(5,214,000)	6,553,398	(4,850,000)	(10,300,000)				
Average Life (yrs)		3.459	t1	2.588 t2		6.055 t3								

C. J. SCHLOSSER
& COMPANY, L.L.C.
CERTIFIED PUBLIC ACCOUNTANTS

CITY OF BELLEVILLE, ILLINOIS

TAX INCREMENT FINANCING DISTRICTS
ANNUAL REPORT

FINANCIAL STATEMENTS

FOR THE YEAR ENDED
APRIL 30, 2021

233 East Center Drive, P.O. Box 416
Alton, Illinois 62002
(618) 465-7717 Fax (618) 465-7710

80 Edwardsville Professional Park
Edwardsville, Illinois 62025
(618) 656-2146 Fax (618) 656-2147

CITY OF BELLEVILLE, ILLINOIS

TABLE OF CONTENTS
APRIL 30, 2021

PART I – FINANCIAL INFORMATION

C. J. SCHLOSSER
& COMPANY, L.L.C.
CERTIFIED PUBLIC ACCOUNTANTS

David M. Bartosiak
Cindy A. Tefteller
Kevin J. Tepen

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH TAX INCREMENT FINANCING ACT

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

We have audited the financial statements of the City of Belleville, Illinois' Tax Increment Financing District #3, Tax Increment Financing District #8 Downtown South, Tax Increment Financing District #9 Southwinds Estate, Tax Increment Financing District #10 Lower Richland Creek, Tax Increment Financing District #11 Industrial Jobs Recovery, Tax Increment Financing District #12 Sherman Street, Tax Increment Financing District #13 Drake Road, Tax Increment Financing District #14 Route 15 East, Tax Increment Financing District #15 Carlyle/Greenmount, Tax Increment Financing District #16 Route 15 Corridor, Tax Increment Financing District #17 East Main Street, Tax Increment Financing District #18 Scheel Street, Tax Increment Financing District #19 Frank Scott Parkway, Tax Increment Financing District #20 Route 15/South Green Mount Road, Tax Increment Financing District #21 Belle Valley III, and Tax Increment Financing District #22 Route 15 North as of and for the year ended April 30, 2021, as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including assessment of the risks of material misstatement of the financial

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statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant estimates made by management, as well as evaluating the overall financial statement presentation.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the City of Belleville, Illinois' Tax Increment Financing Districts, as referred to in the first paragraph, as of April 30, 2021 and the respective changes in financial position, and where applicable, cash flows thereof for the year ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Supplementary Information
Our audit was conducted for the purpose of forming an opinion on the financial statements of the City of Belleville, Illinois' Tax Increment Financing Districts taken as a whole. The other supplementary data on pages 14 and 15 is presented for the purpose of additional analysis and is not a required part of the basic financial statements. This other supplementary information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole. This other supplementary information was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements themselves, and other procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements taken as a whole.

The supplementary information on Pages 16 through 25 is presented for purposes of additional analysis and is not a required part of the financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the financial statements and accordingly, we express no opinion on it.

Compliance with Laws and Regulations
The management of the City of Belleville, Illinois is responsible for the government's compliance with laws and regulations. In connection with our audit, referred to above, we selected and tested transactions and records to determine the government's compliance with 65 ILCS 5/11-74.1-3, "Tax Increment Allocation Redevelopment Act".

The results of our tests indicate that for the items tested, the City of Belleville, Illinois, complied with Subsection (q) of 65 ILCS 5/11-74.4-3, "Tax Increment Allocation Redevelopment Act". Nothing came to our attention that caused us to believe that, for the items not tested, the City of Belleville, Illinois was not in compliance with Subsection (q) of 65 ILCS 5/11-74.4-3, "Tax Increment Allocation Redevelopment Act".

C.J. Schlosser & Company LLC
Certified Public Accountants
Alton, Illinois

September 24, 2021

CITY OF BELLEVILLE, ILLINOIS
TAX INCREMENT FINANCING DISTRICTS

COMBINING BALANCE SHEET
ALL TAX INCREMENT FINANCING DISTRICTS
APRIL 30, 2021

	Tax Increment Financing								
	District #3	District #8	District #9	District #10	District #11	District #12	District #13	District #14	Carlyle/ Greenmount
Assets									
Cash and Investments	$ 5,585,389	$ 218,848	$ 188,026	$ 967,344	$ 125,750	$ 453,950	$ 113,090	$ 263,540	$ 965,980
Receivables (Net of allowance for uncollectible):									
Property Tax	13,525,100	197,000	91,400	1,360,600	37,700	216,000	32,500	157,600	1,937,500
Intergovernmental	25,000	-	-	-	-	-	-	-	440,589
Due Between TIF Funds	283,000	-	-	-	-	-	-	-	-
Total Assets	$ 19,418,489	$ 415,848	$ 279,426	$ 2,327,944	$ 163,450	$ 669,950	$ 145,590	$ 421,140	$ 3,344,069
Liabilities, Deferred Inflows of Resources, and Fund Balance									
Liabilities:									
Accounts Payable	$ 815,957	$ -	$ -	$ 11,226	$ -	$ -	$ -	$ -	$ -
Deferred Inflows of Resources:									
Unearned Revenue	13,525,100	197,000	91,400	1,360,600	37,700	216,000	32,500	157,600	2,069,792
Fund Balance:									
Restricted for Debt Service	-	-	-	-	-	-	-	-	1,274,277
Restricted	5,077,432	218,848	188,026	956,118	125,750	453,950	113,090	263,540	-
Total Fund Balance	5,077,432	218,848	188,026	956,118	125,750	453,950	113,090	263,540	1,274,277
Total Liabilities, Deferred Inflows of Resources, and Fund Balance	$ 19,418,489	$ 415,848	$ 279,426	$ 2,327,944	$ 163,450	$ 669,950	$ 145,590	$ 421,140	$ 3,344,069

See the accompanying independent auditor's report and notes to combining financial statements

CITY OF BELLEVILLE, ILLINOIS
TAX INCREMENT FINANCING DISTRICTS

COMBINING BALANCE SHEET
ALL TAX INCREMENT FINANCING DISTRICTS
APRIL 30, 2021

	Tax Increment Financing								
	District #16	District #17	District #18	Frank Scott Parkway	District #20	District #21	District #22	Debt Service Fund	Total
Assets									
Cash and Investments	$ 350,597	$ 107,297	$ 349,497	$ 2,794,863	$ 211,022	$ 13,075	$ 259,667	$ 147,686	$ 13,115,621
Receivables (Net of allowance for uncollectible):									
Property Tax	279,600	88,700	77,800	1,098,700	80,600	8,500	72,900	-	19,262,200
Intergovernmental	-	-	-	507,425	5,589	-	-	-	978,603
Due Between TIF Funds	-	(231,000)	-	-	-	(52,000)	-	-	-
Total Assets	$ 630,197	$ (35,003)	$ 427,297	$ 4,400,988	$ 297,211	$ (30,425)	$ 332,567	$ 147,686	$ 33,356,424
Liabilities, Deferred Inflows of Resources, and Fund Balance									
Liabilities:									
Accounts Payable	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 827,183
Deferred Inflows of Resources:									
Unearned Revenue	279,600	88,700	77,800	1,279,759	83,244	8,500	72,900	-	19,578,195
Fund Balance:									
Restricted for Debt Service	-	-	-	3,121,229	-	-	-	147,686	4,543,192
Restricted	350,597	(123,703)	349,497	-	213,967	(38,925)	259,667	-	8,407,854
Total Fund Balance	350,597	(123,703)	349,497	3,121,229	213,967	(38,925)	259,667	147,686	12,951,046
Total Liabilities, Deferred Inflows of Resources, and Fund Balance	$ 630,197	$ (35,003)	$ 427,297	$ 4,400,988	$ 297,211	$ (30,425)	$ 332,567	$ 147,686	$ 33,356,424

See the accompanying independent auditor's report and notes to combining financial statements

CITY OF BELLEVILLE, ILLINOIS
TAX INCREMENT FINANCING DISTRICTS

COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
ALL TAX INCREMENT FINANCING DISTRICTS
FOR THE YEAR ENDED APRIL 30, 2021

	Tax Increment Financing								
	District #3	District #8	District #9	District #10	District #11	District #12	District #13	District #14	Carlyle/ Greenmount
Revenues:									
Property Taxes	$ 13,129,288	$ 201,496	$ 94,202	$ 1,301,643	$ 40,550	$ 184,189	$ 31,995	$ 169,707	$ 1,886,012
Intergovernmental	25,000	-	-	-	-	-	-	-	1,725,244
Interest	24,710	528	388	15,330	1,135	1,752	1,290	2,154	2,870
Reimbursements/Other	894,833	-	-	-	-	-	-	-	-
Total Revenues	14,073,831	202,024	94,590	1,316,973	41,685	185,941	33,285	171,861	3,614,126
Expenditures:									
Contractual Services	1,035,752	52,269	8,085	44,434	-	2,628	-	-	18,936
Tax Rebates	4,720,006	28,820	-	-	-	-	-	27,443	943,006
Capital Outlay	2,759,581	-	19,477	11,740	-	13,890	-	-	-
Debt Service:									
Principal	304,559	-	-	-	-	-	-	-	17,915,000
Interest and Fiscal Charges	31,349	-	-	911,150	-	-	-	-	2,496,148
Total Expenditures	8,851,247	81,089	27,562	967,324	-	16,518	-	27,443	21,373,090
Excess of Revenues Over (Under) Expenditures	5,222,584	120,935	67,028	349,649	41,685	169,423	33,285	144,418	(17,758,964)
Other Financing Sources (Uses)									
Proceeds of Debt	-	-	-	-	-	-	-	-	15,150,000
Payment to Refunded Bond Escrow Agent	-	-	-	-	-	-	-	-	-
Operating Transfers In (Out)	(2,685,737)	(100,000)	(50,000)	(350,000)	(25,000)	(50,000)	(25,000)	(100,609)	-
Total Other Financing Sources (Uses)	(2,685,737)	(100,000)	(50,000)	(350,000)	(25,000)	(50,000)	(25,000)	(100,609)	15,150,000
Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Financing Uses	2,536,847	20,935	17,028	(351)	16,685	119,423	8,285	43,809	(2,608,964)
Fund Balance, Beginning of Year	2,540,585	197,913	170,998	956,469	109,065	334,527	104,805	219,731	3,883,241
Fund Balance, End of Year	$ 5,077,432	$ 218,848	$ 188,026	$ 956,118	$ 125,750	$ 453,950	$ 113,090	$ 263,540	$ 1,274,277

See the accompanying independent auditor's report and notes to combining financial statements

CITY OF BELLEVILLE, ILLINOIS
TAX INCREMENT FINANCING DISTRICTS

COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
ALL TAX INCREMENT FINANCING DISTRICTS
FOR THE YEAR ENDED APRIL 30, 2021

	Tax Increment Financing								
	District #16	District #17	District #18	Frank Scott Parkway	District #20	District #21	District #22	Debt Service Fund	Total
Revenues:									
Property Taxes	$ 303,428	$ 65,016	$ 64,748	$ 1,058,558	$ 71,790	$ 8,116	$ 129,160	$ -	$ 18,739,898
Intergovernmental	-	-	-	1,649,778	30,905	-	-	-	3,430,927
Interest	391	146	1,340	1,407	355	39	435	2,950	57,220
Reimbursements/Other	-	24,800	-	-	-	-	-	-	919,633
Total Revenues	303,819	89,962	66,088	2,709,743	103,050	8,155	129,595	2,950	23,147,678
Expenditures:									
Contractual Services	6,651	15,118	2,368	12,420	-	4,702	-	-	1,203,363
Tax Rebates	65,922	-	4,993	529,279	66,590	-	-	-	6,386,059
Capital Outlay	-	10,640	-	-	-	17,041	-	-	2,832,369
Debt Service:									
Principal	-	-	-	795,000	-	-	-	-	19,014,559
Interest and Fiscal Charges	-	-	-	1,187,281	-	-	-	197,191	4,823,119
Total Expenditures	72,573	25,758	7,361	2,523,980	66,590	21,743	-	197,191	34,259,469
Excess of Revenues Over (Under) Expenditures	231,246	64,204	58,727	185,763	36,460	(13,588)	129,595	(194,241)	(11,111,791)
Other Financing Sources (Uses)									
Proceeds of Debt	-	-	-	-	-	-	-	5,185,000	20,335,000
Payment to Refunded Bond Escrow Agent	-	-	-	-	-	-	-	(5,126,900)	(5,126,900)
Operating Transfers In (Out)	-	-	-	-	-	-	-	16,458	(3,369,888)
Total Other Financing Sources (Uses)	-	-	-	-	-	-	-	74,558	11,838,212
Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Financing Uses	231,246	64,204	58,727	185,763	36,460	(13,588)	129,595	(119,683)	726,421
Fund Balance, Beginning of Year	119,351	(187,907)	290,770	2,935,466	177,507	(25,337)	130,072	267,369	12,224,625
Fund Balance, End of Year	$ 350,597	$ (123,703)	$ 349,497	$ 3,121,229	$ 213,967	$ (38,925)	$ 259,667	$ 147,686	$ 12,951,046

See the accompanying independent auditor's report and notes to combining financial statements

CITY OF BELLEVILLE, ILLINOIS
TAX INCREMENT FINANCING DISTRICTS

NOTES TO FINANCIAL STATEMENTS
APRIL 30, 2021

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounts of the City are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund balance, revenues, and expenditures or expenses as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purpose for which they are to be spent and the means by which spending activities are controlled. Special Revenue Funds are used to account for the financing of public improvements or services deemed to benefit properties within a specific area. The City established the Tax Increment Financing Districts in the fiscal years ended April 30 as follows:

District #3	1986
Districts #8, #9, #10 and #11	2000
District #12	2003
District #13	2004
District #14	2006
Districts #15, #16, #17, #18 and #19	2008
District #20	2009
District #21	2010
District #22	2018

The statements are prepared on the modified accrual basis of accounting.

The accompanying financial statements were prepared for the Tax Increment Financing Districts only, to reflect their financial position as of April 30, 2021 and revenues and expenditures for the year then ended. These statements are not intended to present the financial position and results of operations of the entire City of Belleville, Illinois as of April 30, 2021.

NOTE 2: CASH

The City is authorized by state statute to invest in: obligations of the United States of America; interest bearing accounts of banks; savings and loan associations or credit unions which are insured by the Federal Deposit Insurance Corporation, the Savings Association Insurance Fund or other applicable law, respectively; certain short-term obligations of corporations organized in the United States; money market mutual funds; and in a fund managed, operated and administered by a bank.

NOTE 2: CASH (continued)

The carrying amounts and the bank balances of the Tax Increment Financing Districts' deposits were $13,115,621 and are entirely insured or collateralized by securities held by the City's agent in the City's name.

NOTE 3: LONG-TERM DEBT

Outstanding bonds payable and notes payable for the Tax Increment Financing Districts are presented in the City's combined financial statements.

The following is a summary of Tax Increment Financing bonds outstanding for the year ended April 30, 2021:

Tax Increment Refunding Revenue Bonds, Series 2007A Bonds, dated September 28, 2007, interest at 5.70% payable May 1 and November 1, with scheduled principal payments of $295,000 through $1,955,000 due on May 1 and November 1 through 2024. The balance due on these bonds as of April 30, 2021 is $12,595,000.

Taxable Business District Revenue Bonds, Series 2007B Bonds, dated September 28, 2007, interest at 7.875% payable May 1 and November 1, with scheduled principal payments of $375,000 to $790,000 due on May 1 and November 1 through 2029. The balance due on these bonds as of April 30, 2021 is $5,670,000.

General Obligation Refunding Bonds, Series 2020, dated October 5, 2020, interest ranging from .75% to 1.55% payable January 1 and July 1, with scheduled principal payments of $50,000 to $1,010,000 beginning in January 2022 through 2031. The balance due on these bonds as of April 30, 2021 is $5,185,000. These bonds were issued to refund the General Obligation Bonds, Series 2011.

Tax Increment and Sales Tax Refunding Revenue Bonds, Series 2021A and 2021B, dated April 7, 2021, interest ranging from 3.25% to 4.75% payable January 1 and July 1, with scheduled principal payments of $1,050,000 to $2,025,000 due on January 1 and July 1 through 2028. The balances due on these bonds as of April 30, 2021 are $4,850,000 for the Series 2021A and $10,300,000 for the Series 2021B. These bonds were issued to refinance Local Government Program Revenue Bonds, Series 2011A, Series 2011B, and Series 2011C.

NOTE 3: LONG-TERM DEBT (Continued)

The following is a summary of Tax Increment Financing notes and capital leases outstanding for the year ended April 30, 2021:

Capital Lease for a fire truck, dated July 19, 2012, interest rate of 2.55 percent payable in ten annual installments of $56,061 through July 20, 2022. The balance due on this lease as of April 30, 2021 is $107,928.

Capital Lease for energy improvements, dated February 11, 2013, interest rate of 3.278 percent payable in twenty-four semiannual installments of $19,910 through January 11, 2025. The balance due on this lease as of April 30, 2021 is $148,075.

Capital Lease for an E-One custom pumper, dated November 21, 2017, interest rate of 2.97 percent payable in twenty semiannual installments of $26,470 through November 22, 2027. The balance due on this lease as of April 30, 2021 is $332,376.

Capital Lease for a Vactor truck, dated July 30, 2018, interest rate of 1.73 percent payable in ten semi-annual installments of $43,156 through January 31, 2023. The balance due on this lease as of April 30, 2021 is $165,974.

Promissory note for street department vehicles, dated January 24, 2020, interest rate of 2.19 percent payable in six annual installments of $23,614 and one final payment of $22,013 on February 24, 2023. The balance due on this note payable as of April 30, 2021 is $90,404.

The annual requirements to amortize Tax Increment Financing related debt as of April 30, 2021 are as follows:

Year Ending April 30,	Principal	Interest	Totals
2022	$ 3,349,040	$ 1,340,881	$ 4,689,921
2023	4,129,956	1,323,509	5,453,465
2024	4,203,627	1,124,860	5,328,487
2025	11,001,255	916,375	11,917,630
2026	2,858,818	667,885	3,526,703
2027-2031	13,902,061	1,215,191	15,117,252
	$ 39,444,757	$ 6,588,701	$ 46,033,458

NOTE 4: REDEVELOPMENT AGREEMENT

The City entered into a redevelopment agreement to develop an area within a tax increment financing boundary by which the developer would incur reimbursable costs which would be submitted for payment through Tax Increment Finance Notes. The debt would then be retired with tax revenues generated from the increase in values of the developed properties. The notes are payable solely from the new revenues and do not constitute a debt of the City.

The City made payments of $278,562 to reduce the principal amount of the Tax Increment Financing notes for the Reunion Development Project agreement during the year ended April 30, 2021. The City made interest payments of $632,590 related to these notes. Note balances related to this project in the total amount of $21,145,040 are still outstanding and not reflected in the debt of the City as of April 30, 2021.

CITY OF BELLEVILLE, ILLINOIS
TAX INCREMENT FINANCING DISTRICTS

ANALYSIS OF SPECIAL ALLOCATION FUNDS
FOR THE YEAR ENDED APRIL 30, 2021

	District #3	District #8	District #9	District #10	District #11	District #12	District #13	District #14	Carlyle/ Greenmount
Beginning Balance - Adjusted	$ 2,807,954	$ 197,913	$ 170,998	$ 956,469	$ 109,065	$ 334,527	$ 104,805	$ 219,731	$ 3,883,241
Receipts:									
Property Taxes	13,129,288	201,496	94,202	1,301,643	40,550	184,189	31,995	169,707	1,886,012
Local Sales Tax	-	-	-	-	-	-	-	-	1,725,244
Grant Revenue	25,000	-	-	-	-	-	-	-	-
Interest	27,660	528	388	15,330	1,135	1,752	1,290	2,154	2,870
Reimbursements/Other	894,833	-	-	-	-	-	-	-	-
Total Receipts	14,076,781	202,024	94,590	1,316,973	41,685	185,941	33,285	171,861	3,614,126
Disbursements:									
Professional Fees/Plan Administration/Development	1,035,752	52,269	8,085	44,434	-	2,628	-	-	18,936
Financing Costs	533,099	-	-	911,150	-	-	-	-	20,411,148
Capital Costs	2,759,581	-	19,477	11,740	-	13,890	-	-	-
Tax Rebates	4,720,006	28,820	-	-	-	-	-	27,443	943,006
Total Disbursements	9,048,438	81,089	27,562	967,324	-	16,518	-	27,443	21,373,090
Other Financing Sources (Uses)									
Proceeds of Debt	5,185,000	-	-	-	-	-	-	-	15,150,000
Payment to Refund Bonds	(5,126,900)	-	-	-	-	-	-	-	-
Operating Transfer In (Out)	(2,669,279)	(100,000)	(50,000)	(350,000)	(25,000)	(50,000)	(25,000)	(100,609)	-
Total Other Financing Sources (Uses)	(2,611,179)	(100,000)	(50,000)	(350,000)	(25,000)	(50,000)	(25,000)	(100,609)	15,150,000
Excess of Receipts Over (Under) Disbursements	2,417,164	20,935	17,028	(351)	16,685	119,423	8,285	43,809	(2,608,964)
Ending Fund Balance (Deficit) - Unadjusted	5,225,118	218,848	188,026	956,118	125,750	453,950	113,090	263,540	1,274,277
Less: Appropriated for Debt Service	(6,437,504)	-	-	(20,704,292)	-	-	-	(206,516)	(17,499,494)
Ending Fund Balance (Deficit) - Adjusted	$ (1,212,386)	$ 218,848	$ 188,026	$ (19,748,174)	$ 125,750	$ 453,950	$ 113,090	$ 57,024	$ (16,225,217)
Property Tax	$ -	$ 218,848	$ 188,026	$ -	$ 125,750	$ 453,950	$ 113,090	$ 57,024	$ -
State Sales Tax	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Local Sales Tax	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -

CITY OF BELLEVILLE, ILLINOIS
TAX INCREMENT FINANCING DISTRICTS

ANALYSIS OF SPECIAL ALLOCATION FUNDS
FOR THE YEAR ENDED APRIL 30, 2021

	District #16	District #17	District #18	Frank Scott Parkway	District #20	District #21	District #22	Total
Beginning Balance - Adjusted	$ 119,351	$ (187,907)	$ 290,770	$ 2,935,466	$ 177,507	$ (25,337)	$ 130,072	$ 12,224,625
Receipts:								
Property Taxes	303,428	65,016	64,748	1,058,558	71,790	8,116	129,160	18,739,898
Local Sales Tax	-	-	-	1,649,778	30,905	-	-	3,405,927
Grant Revenue	-	-	-	-	-	-	-	25,000
Interest	391	146	1,340	1,407	355	39	435	57,220
Reimbursements/Other	-	24,800	-	-	-	-	-	919,633
Total Receipts	303,819	89,962	66,088	2,709,743	103,050	8,155	129,595	23,147,678
Disbursements:								
Professional Fees/Plan Administration/Development	6,651	15,118	2,368	12,420	-	4,702	-	1,203,363
Financing Costs	-	-	-	1,982,281	-	-	-	23,837,678
Capital Costs	-	10,640	-	-	-	17,041	-	2,832,369
Tax Rebates	65,922	-	4,993	529,279	66,590	-	-	6,386,059
Total Disbursements	72,573	25,758	7,361	2,523,980	66,590	21,743	-	34,259,469
Other Financing Sources (Uses)								
Proceeds of Debt	-	-	-	-	-	-	-	20,335,000
Payment to Refund Bonds	-	-	-	-	-	-	-	(5,126,900)
Operating Transfer In (Out)	-	-	-	-	-	-	-	(3,369,888)
Total Other Financing Sources (Uses)	-	-	-	-	-	-	-	11,838,212
Excess of Receipts Over (Under) Disbursements	231,246	64,204	58,727	185,763	36,460	(13,588)	129,595	726,421
Ending Fund Balance (Deficit) - Unadjusted	350,597	(123,703)	349,497	3,121,229	213,967	(38,925)	259,667	12,951,046
Less: Appropriated for Debt Service	-	-	-	(19,311,473)	-	-	-	(64,159,279)
Ending Fund Balance (Deficit) - Adjusted	$ 350,597	$ (123,703)	$ 349,497	$ (16,190,244)	$ 213,967	$ (38,925)	$ 259,667	(51,208,233)
Property Tax	$ 350,597	$ -	$ 349,497	$ -	$ 149,576	$ -	$ 259,667	$ 2,266,025
State Sales Tax	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Local Sales Tax	$ -	$ -	$ -	$ -	$ 64,391	$ -	$ -	$ 64,391

CITY OF BELLEVILLE, ILLINOIS
TAX INCREMENT FINANCING DISTRICTS

ANALYSIS OF FUND BALANCE BY SOURCE
(UNAUDITED)
APRIL 30, 2021

	District #3	District #8	District #9	District #10	District #11	District #12	District #13	District #14
Ending Fund Balance (Deficit) - Unadjusted	5,225,118	218,848	188,026	956,118	125,750	453,950	113,090	263,540
Less: Appropriated for Debt Service	(6,437,504)	-	-	(20,704,292)	-	-	-	(206,516)
Ending Fund Balance (Deficit) - Adjusted	$ (1,212,386)	$ 218,848	$ 188,026	$ (19,748,174)	$ 125,750	$ 453,950	$ 113,090	$ 57,024
Property Tax	$ -	$ 218,848	$ 188,026	$ -	$ 125,750	$ 453,950	$ 113,090	$ 57,024
State Sales Tax	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Local Sales Tax	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -

	Carlyle/ Greenmount	District #16	District #17	District #18	Frank Scott Parkway	District #20	District #21	District #22
Ending Fund Balance (Deficit) - Unadjusted	1,274,277	350,597	(123,703)	349,497	3,121,229	213,967	(38,925)	259,667
Less: Appropriated for Debt Service	(17,499,494)	-	-	-	(19,311,473)	-	-	-
Ending Fund Balance (Deficit) -	$ (16,225,217)	$ 350,597	$ (123,703)	$ 349,497	$ (16,190,244)	$ 213,967	$ (38,925)	$ 259,667
Property Tax	$ -	$ 350,597	$ -	$ 349,497	$ -	$ 149,576	$ -	$ 259,667
State Sales Tax	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Local Sales Tax	$ -	$ -	$ -	$ -	$ -	$ 64,391	$ -	$ -

CITY OF BELLEVILLE, ILLINOIS
TAX INCREMENT FINANCING DISTRICTS

ANALYSIS OF FUND BALANCE BY SOURCE
(UNAUDITED)
APRIL 30, 2020

	District #3	District #8	District #9	District #10	District #11	District #12	District #13	District #14
Ending Fund Balance (Deficit) - Unadjusted	2,807,954	197,913	170,998	956,469	109,065	334,527	104,805	219,731
Less: Appropriated for Debt Service	(8,295,269)	-	-	(20,982,853)	-	-	-	(263,349)
Ending Fund Balance (Deficit) - Adjusted	$ (5,487,315)	$ 197,913	$ 170,998	$ (20,026,384)	$ 109,065	$ 334,527	$ 104,805	$ (43,618)
Property Tax	$ -	$ 197,913	$ 170,998	$ -	$ 109,065	$ 334,527	$ 104,805	$ -
State Sales Tax	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Local Sales Tax	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -

	Carlyle/ Greenmount	District #16	District #17	District #18	Frank Scott Parkway	District #20	District #21	District #22
Ending Fund Balance (Deficit) - Unadjusted	3,883,241	119,351	(187,907)	290,770	2,935,466	177,507	(25,337)	130,072
Less: Appropriated for Debt Service	(22,007,715)	-	-	-	(20,665,049)	-	-	-
Ending Fund Balance (Deficit) -	$ (18,124,474)	$ 119,351	$ (187,907)	$ 290,770	$ (17,729,583)	$ 177,507	$ (25,337)	$ 130,072
Property Tax	$ -	$ 119,351	$ -	$ 290,770	$ -	$ 112,163	$ -	$ 130,072
State Sales Tax	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Local Sales Tax	$ -	$ -	$ -	$ -	$ -	$ 65,344	$ -	$ -

CITY OF BELLEVILLE, ILLINOIS
TAX INCREMENT FINANCING DISTRICTS

ANALYSIS OF FUND BALANCE BY SOURCE
(UNAUDITED)
APRIL 30, 2019

	District #3	District #8	District #9	District #10	District #11	District #12	District #13	District #14
Ending Fund Balance (Deficit) - Unadjusted	1,479,681	179,523	127,619	911,889	93,575	210,931	105,598	192,758
Less: Appropriated for Debt Service	(8,688,522)	-	-	(20,537,371)	-	-	-	(272,486)
Ending Fund Balance (Deficit) - Adjusted	$ (7,208,841)	$ 179,523	$ 127,619	$ (19,625,482)	$ 93,575	$ 210,931	$ 105,598	$ (79,728)
Property Tax	$ -	$ 179,523	$ 127,619	$ -	$ 93,575	$ 210,931	$ 105,598	$ -
State Sales Tax	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Local Sales Tax	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -

	Carlyle/ Greenmount	District #16	District #17	District #18	Frank Scott Parkway	District #20	District #21	District #22
Ending Fund Balance (Deficit) - Unadjusted	3,706,041	(31,303)	(221,506)	232,202	2,598,899	139,366	(20,465)	34,759
Less: Appropriated for Debt Service	(24,116,058)	-	-	-	(21,827,953)	-	-	-
Ending Fund Balance (Deficit) -	$ (20,410,017)	$ (31,303)	$ (221,506)	$ 232,202	$ (19,229,054)	$ 139,366	$ (20,465)	$ 34,759
Property Tax	$ -	$ -	$ -	$ 232,202	$ -	$ 88,453	$ -	$ 34,759
State Sales Tax	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Local Sales Tax	$ -	$ -	$ -	$ -	$ -	$ 50,913	$ -	$ -

CITY OF BELLEVILLE, ILLINOIS
TAX INCREMENT FINANCING DISTRICTS

ANALYSIS OF FUND BALANCE BY SOURCE
(UNAUDITED)
APRIL 30, 2018

	District #3	District #8	District #9	District #10	District #11	District #12	District #13	District #14
Ending Fund Balance (Deficit) - Unadjusted	1,324,176	163,527	118,500	901,916	78,832	77,492	192,700	206,436
Less: Appropriated for Debt Service	(8,837,893)	-	-	(19,938,426)	-	-	-	(281,623)
Ending Fund Balance (Deficit) - Adjusted	$ (7,513,717)	$ 163,527	$ 118,500	$ (19,036,510)	$ 78,832	$ 77,492	$ 192,700	$ (75,187)
Property Tax	$ -	$ 163,527	$ 118,500	$ -	$ 78,832	$ 77,492	$ 192,700	$ -
State Sales Tax	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Local Sales Tax	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -

	Carlyle/ Greenmount	District #16	District #17	District #18	Frank Scott Parkway	District #20	District #21	District #22
Ending Fund Balance (Deficit) - Unadjusted	3,796,969	13,653	(263,470)	172,085	2,548,988	108,284	(20,203)	16,326
Less: Appropriated for Debt Service	(26,596,951)	-	-	-	(23,264,059)	-	-	-
Ending Fund Balance (Deficit) -	$ (22,799,982)	$ 13,653	$ (263,470)	$ 172,085	$ (20,715,071)	$ 108,284	$ (20,203)	$ 16,326
Property Tax	$ -	$ 13,653	$ -	$ 172,085	$ -	$ 64,272	$ -	$ 16,326
State Sales Tax	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Local Sales Tax	$ -	$ -	$ -	$ -	$ -	$ 44,012	$ -	$ -

CITY OF BELLEVILLE, ILLINOIS
TAX INCREMENT FINANCING DISTRICTS

ANALYSIS OF FUND BALANCE BY SOURCE
(UNAUDITED)
APRIL 30, 2017

	District #3	District #8	District #9	District #10	District #11	District #12	District #13	District #14
Ending Fund Balance (Deficit) - Unadjusted	1,216,430	(19,016)	127,275	904,711	65,835	(64,533)	260,592	139,637
Less: Appropriated for Debt Service	(8,750,506)	-	-	(19,594,832)	-	-	-	(290,759)
Ending Fund Balance (Deficit) - Adjusted	$ (7,534,076)	$ (19,016)	$ 127,275	$ (18,690,121)	$ 65,835	$ (64,533)	$ 260,592	$ (151,122)
Property Tax	$ -	$ -	$ 127,275	$ -	$ 65,835	$ -	$ 260,592	$ -
State Sales Tax	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Local Sales Tax	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -

	Carlyle/ Greenmount	District #16	District #17	District #18	Frank Scott Parkway	District #20	District #21
Ending Fund Balance (Deficit) - Unadjusted	3,459,923	196,022	(253,348)	106,516	2,249,964	71,115	(27,079)
Less: Appropriated for Debt Service	(28,902,191)	-	-	-	(24,666,606)	-	-
Ending Fund Balance (Deficit) -	$ (25,442,268)	$ 196,022	$ (253,348)	$ 106,516	$ (22,416,642)	$ 71,115	$ (27,079)
Property Tax	$ -	$ 196,022	$ -	$ 106,516	$ -	$ 71,115	$ -
State Sales Tax	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Local Sales Tax	$ -	$ -	$ -	$ -	$ -	$ -	$ -

CITY OF BELLEVILLE, ILLINOIS
TAX INCREMENT FINANCING DISTRICTS

ANALYSIS OF FUND BALANCES BY SOURCE
(UNAUDITED)
APRIL 30, 2016

	Tax Increment Financing									
	District #1	District #2	District #3	District #4	District #8	District #9	District #10	District #11	District #12	District #13
Ending Fund Balance (Deficit) - Unadjusted	$ (129,429)	$ 84,442	$ 2,324,710	$ 34,491	$ (89,799)	$ 89,444	$ 867,288	$ 63,664	$ (22,588)	$ 213,958
Less: Appropriated for Debt Service	-	-	(8,924,133)	-	-	-	(19,402,382)	-	-	-
Ending Fund Balance (Deficit) - Adjusted	$ (129,429)	$ 84,442	$ (6,599,423)	$ 34,491	$ (89,799)	$ 89,444	$ (18,535,094)	$ 63,664	$ (22,588)	$ 213,958
Property Tax	$ -	$ 84,442	$ -	$ 34,491	$ -	$ 89,444	$ -	$ 63,664	$ -	$ 213,958
Local Sales Tax	-	-	-	-	-	-	-	-	-	-
State Sales Tax	-	-	-	-	-	-	-	-	-	-
	$ -	$ 84,442	$ -	$ 34,491	$ -	$ 89,444	$ -	$ 63,664	$ -	$ 213,958

	District #14	Carlyle/ Greenmount	District #16	District #17	District #18	Frank Scott Parkway	District #20	District #21
Ending Fund Balance (Deficit) - Unadjusted	$ 206,644	$ 3,170,189	$ 117,822	$ (262,655)	$ 144,350	$ 2,174,296	$ 49,093	$ (32,666)
Less: Appropriated for Debt Service	(299,896)	(30,965,088)	-	-	-	(26,071,340)	-	-
Ending Fund Balance (Deficit) - Adjusted	$ (93,252)	$ (27,794,899)	$ 117,822	$ (262,655)	$ 144,350	$ (23,897,044)	$ 49,093	$ (32,666)
Property Tax	$ -	$ -	$ 117,822	$ -	$ 144,350	$ -	$ 49,093	$ -
Local Sales Tax	-	-	-	-	-	-	-	-
State Sales Tax	-	-	-	-	-	-	-	-
	$ -	$ -	$ 117,822	$ -	$ 144,350	$ -	$ 49,093	$ -

NOTE: Schedules for the ten years ended April 30, 2007 through 2016 are being included to report which surplus funds had been generated prior to April 30, 2017.

CITY OF BELLEVILLE, ILLINOIS
TAX INCREMENT FINANCING DISTRICTS

ANALYSIS OF FUND BALANCES BY SOURCE
(UNAUDITED)
APRIL 30, 2015

	Tax Increment Financing									
	District #1	District #2	District #3	District #4	District #8	District #9	District #10	District #11	District #12	District #13
Ending Fund Balance (Deficit) - Unadjusted	$ (168,617)	$ 49,743	$ 4,163,053	$ 31,616	$ 55,489	$ 96,618	$ 740,812	$ 62,567	$ 215,916	$ 171,603
Less: Appropriated for Debt Service	-	-	(9,174,131)	-	-	-	(19,207,627)	-	-	-
Ending Fund Balance (Deficit) - Adjusted	$ (168,617)	$ 49,743	$ (5,011,078)	$ 31,616	$ 55,489	$ 96,618	$ (18,466,815)	$ 62,567	$ 215,916	$ 171,603
Property Tax	$ -	$ 49,746	$ -	$ 31,616	$ 55,489	$ 96,618	$ -	$ 62,567	$ 215,916	$ 171,603
Local Sales Tax	-	-	-	-	-	-	-	-	-	-
State Sales Tax	-	-	-	-	-	-	-	-	-	-
	$ -	$ 49,746	$ -	$ 31,616	$ 55,489	$ 96,618	$ -	$ 62,567	$ 215,916	$ 171,603

	District #14	Carlyle/ Greenmount	District #16	District #17	District #18	Frank Scott Parkway	District #20	District #21
Ending Fund Balance (Deficit) - Unadjusted	$ 118,310	$ 2,840,824	$ (39,743)	$ (279,829)	$ 117,293	$ 2,229,711	$ 27,803	$ (37,698)
Less: Appropriated for Debt Service	(309,033)	(32,905,475)	-	-	-	(27,590,234)	-	-
Ending Fund Balance (Deficit) - Adjusted	$ (190,723)	$ (30,064,651)	$ (39,743)	$ (279,829)	$ 117,293	$ (25,360,523)	$ 27,803	$ (37,698)
Property Tax	$ -	$ -	$ -	$ -	$ 117,293	$ -	$ 27,803	$ -
Local Sales Tax	-	-	-	-	-	-	-	-
State Sales Tax	-	-	-	-	-	-	-	-
	$ -	$ -	$ -	$ -	$ 117,293	$ -	$ 27,803	$ -

CITY OF BELLEVILLE, ILLINOIS
TAX INCREMENT FINANCING DISTRICTS

ANALYSIS OF FUND BALANCES BY SOURCE
(UNAUDITED)
APRIL 30, 2014

	Tax Increment Financing									
	District #1	District #2	District #3	District #4	District #8	District #9	District #10	District #11	District #12	District #13
Ending Fund Balance (Deficit) - Unadjusted	$ (149,520)	$ 107,489	$ 4,337,509	$ 25,881	$ 282,142	$ 167,198	$ 717,985	$ 96,854	$ 255,439	$ 120,805
Less: Appropriated for Debt Service	-	-	(9,619,124)	-	-	-	(18,999,531)	-	-	-
Ending Fund Balance (Deficit) - Adjusted	$ (149,520)	$ 107,489	$ (5,281,615)	$ 25,881	$ 282,142	$ 167,198	$ (18,281,546)	$ 96,854	$ 255,439	$ 120,805
Property Tax	$ -	$ 107,489	$ -	$ 25,881	$ 282,142	$ 167,198	$ -	$ 96,854	$ 255,439	$ 120,805
Local Sales Tax	-	-	-	-	-	-	-	-	-	-
State Sales Tax	-	-	-	-	-	-	-	-	-	-
	$ -	$ 107,489	$ -	$ 25,881	$ 282,142	$ 167,198	$ -	$ 96,854	$ 255,439	$ 120,805

	District #14	Carlyle/ Greenmount	District #16	District #17	District #18	Frank Scott Parkway	District #20	District #21	Sales Tax District
Ending Fund Balance (Deficit) - Unadjusted	$ 137,066	$ 3,327,363	$ (194,945)	$ (8,218)	$ 82,834	$ 2,186,559	$ 12,473	$ (15,447)	$ 255,350
Less: Appropriated for Debt Service	(318,170)	(35,451,999)	-	(99,950)	-	(28,985,331)	-	-	-
Ending Fund Balance (Deficit) - Adjusted	$ (181,104)	$ (32,124,636)	$ (194,945)	$ (108,168)	$ 82,834	$ (26,798,772)	$ 12,473	$ (15,447)	$ 255,350
Property Tax	$ -	$ -	$ -	$ -	$ 82,834	$ -	$ 12,473	$ -	$ 253,135
Local Sales Tax	-	-	-	-	-	-	-	-	1,697
State Sales Tax	-	-	-	-	-	-	-	-	518
	$ -	$ -	$ -	$ -	$ 82,834	$ -	$ 12,473	$ -	$ 255,350

CITY OF BELLEVILLE, ILLINOIS
TAX INCREMENT FINANCING DISTRICTS

ANALYSIS OF FUND BALANCES BY SOURCE
(UNAUDITED)
APRIL 30, 2013

	Tax Increment Financing									
	District #1	District #2	District #3	District #4	District #8	District #9	District #10	District #11	District #12	District #13
Ending Fund Balance (Deficit) - Unadjusted	$ 64,414	$ 74,946	$ 3,956,494	$ 20,017	$ 311,624	$ 282,198	$ 686,196	$ 70,083	$ 101,783	$ 95,342
Less: Appropriated for Debt Service	-	-	(11,187,390)	-	-	-	(18,802,639)	-	-	-
Ending Fund Balance (Deficit) - Adjusted	$ 64,414	$ 74,946	$ (7,230,896)	$ 20,017	$ 311,624	$ 282,198	$ (18,116,443)	$ 70,083	$ 101,783	$ 95,342
Property Tax	$ 63,521	$ 74,946	$ -	$ 20,017	$ 311,624	$ 282,198	$ -	$ 70,083	$ 101,783	$ 95,342
Local Sales Tax	161	-	-	-	-	-	-	-	-	-
State Sales Tax	732	-	-	-	-	-	-	-	-	-
	$ 64,414	$ 74,946	$ -	$ 20,017	$ 311,624	$ 282,198	$ -	$ 70,083	$ 101,783	$ 95,342

	District #14	Carlyle/ Greenmount	District #16	District #17	District #18	Frank Scott Parkway	District #20	District #21	Sales Tax District
Ending Fund Balance (Deficit) - Unadjusted	$ 200,878	$ 3,336,089	$ (125,345)	$ 148,941	$ 62,953	$ 2,184,119	$ 41,530	$ 3,872	$ 2,367,293
Less: Appropriated for Debt Service	(327,307)	(37,678,710)	(200,000)	-	-	(30,409,766)	-	-	(244,400)
Ending Fund Balance (Deficit) - Adjusted	$ (126,429)	$ (34,342,621)	$ (325,345)	$ 148,941	$ 62,953	$ (28,225,647)	$ 41,530	$ 3,872	$ 2,122,893
Property Tax	$ -	$ -	$ -	$ 148,941	$ 62,953	$ -	$ 41,530	$ 3,872	$ 2,103,469
Local Sales Tax	-	-	-	-	-	-	-	-	14,881
State Sales Tax	-	-	-	-	-	-	-	-	4,543
	$ -	$ -	$ -	$ 148,941	$ 62,953	$ -	$ 41,530	$ 3,872	$ 2,122,893

CITY OF BELLEVILLE, ILLINOIS
TAX INCREMENT FINANCING DISTRICTS

ANALYSIS OF FUND BALANCES BY SOURCE
(UNAUDITED)
APRIL 30, 2012

	Tax Increment Financing									
	District #1	District #2	District #3	District #4	District #8	District #9	District #10	District #11	District #12	District #13
Ending Fund Balance (Deficit) - Unadjusted	$ 53,402	$ 34,465	$ 6,199,486	$ 16,744	$ 169,491	$ 247,859	$ 656,380	$ 67,987	$ 104,523	$ 40,419
Less: Appropriated for Debt Service	-	-	(11,045,686)	-	-	-	(18,636,929)	-	-	-
Ending Fund Balance (Deficit) - Adjusted	$ 53,402	$ 34,465	$ (4,846,200)	$ 16,744	$ 169,491	$ 247,859	$ (17,980,549)	$ 67,987	$ 104,523	$ 40,419
Property Tax	$ 52,528	$ 34,465	$ -	$ 16,744	$ 169,491	$ 247,859	$ -	$ 67,987	$ 104,523	$ 40,419
Local Sales Tax	158	-	-	-	-	-	-	-	-	-
State Sales Tax	716	-	-	-	-	-	-	-	-	-
	$ 53,402	$ 34,465	$ -	$ 16,744	$ 169,491	$ 247,859	$ -	$ 67,987	$ 104,523	$ 40,419

	District #14	Carlyle/ Greenmount	District #16	District #17	District #18	Frank Scott Parkway	District #20	District #21	Sales Tax District
Ending Fund Balance (Deficit) - Unadjusted	$ 112,619	$ 3,285,076	$ 64,148	$ 238,766	$ 24,984	$ 2,364,221	$ 19,686	$ 125	$ 4,463,830
Less: Appropriated for Debt Service	(336,443)	(39,599,317)	(400,000)	-	-	(32,132,906)	-	-	(487,350)
Ending Fund Balance (Deficit) - Adjusted	$ (223,824)	$ (36,314,241)	$ (335,852)	$ 238,766	$ 24,984	$ (29,768,685)	$ 19,686	$ 125	$ 3,976,480
Property Tax	$ -	$ -	$ -	$ 238,766	$ 24,984	$ -	$ 19,686	$ 125	$ 3,931,391
Local Sales Tax	-	-	-	-	-	-	-	-	34,544
State Sales Tax	-	-	-	-	-	-	-	-	10,545
	$ -	$ -	$ -	$ 238,766	$ 24,984	$ -	$ 19,686	$ 125	$ 3,976,480

PART II - ACTIVITIES

During its Fiscal Year ending April 30, 2021, the City of Belleville undertook or assisted in the following activities within its Tax Increment Financing Districts:

TIF #3	This District paid $4,720,006 of tax incentive rebates to school districts for capital replacement costs and businesses for development agreement rebates. The District performed work on several infrastructure projects such as the Centreville Avenue street resurfacing, 6th to 12th Street streetscape, and Raab Ave. reconstruction. The District also purchased an excavator, a backhoe loader, several vehicles related to operations in the District, and property on Centreville Avenue.
TIF #8	This District paid $28,820 of tax incentive rebates to a business in addition to infrastructure improvements of $52,269.
TIF #9	Th District paid for a control panel and pump.
TIF #10	This District paid $911,150 developer to reimburse for costs incurred for improvements that are part of a developer agreement.
TIF #11	No Material Activity.
TIF #12	No Material Activity.
TIF #13	No Material Activity.
TIF #14	This District paid $27,443 of tax incentive rebates to a business.
TIF #15	This District paid tax incentive rebates of $943,006 for costs incurred for improvements that are part of a developer agreement related to a retail complex located near Greenmount Road. This District also refinanced bond debt related to the retail complex.
TIF #16	This District paid tax incentive rebates of $65,922 to a business.
TIF #17	No Material Activity.
TIF #18	No Material Activity.
TIF #19	This District paid tax incentive rebates of $529,279 to a business as part of a developer agreement and also retired bond debt related to that agreement.
TIF #20	This District paid tax incentive rebates of $66,590 to a business.
TIF #21	This District purchased salt storage doors.
TIF #22	No Material Activity.

PART III - OBLIGATIONS

During the fiscal year ending April 30, 2021, the City of Belleville issued new bonds to refinance or refund previous outstanding bonds. The new bonds were issued to provide improved rates and payment terms. Further descriptions of outstanding debt and future debt service requirements are detailed in the notes to financial statements.

C. J. SCHLOSSER
& COMPANY, L.L.C.
CERTIFIED PUBLIC ACCOUNTANTS

David M. Bartosiak
Cindy A. Tefteller
Kevin J. Tepen

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH TAX INCREMENT FINANCING ACT

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

We have audited the financial statements of the City of Belleville, Illinois' Tax Increment Financing District #3, Tax Increment Financing District #8 Downtown South, Tax Increment Financing District #9 Southwinds Estate, Tax Increment Financing District #10 Lower Richland Creek, Tax Increment Financing District #11 Industrial Jobs Recovery, Tax Increment Financing District #12 Sherman Street, Tax Increment Financing District #13 Drake Road, Tax Increment Financing District #14 Route 15 East, Tax Increment Financing District #15 Carlyle/Greenmount, Tax Increment Financing District #16 Route 15 Corridor, Tax Increment Financing District #17 East Main Street, Tax Increment Financing District #18 Scheel Street, Tax Increment Financing District #19 Frank Scott Parkway, Tax Increment Financing District #20 Route 15/South Green Mount Road, Tax Increment Financing District #21 Belle Valley III, and Tax Increment Financing District #22 Route 15 North as of and for the year ended April 30, 2021, as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including assessment of the risks of material misstatement of the financial

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statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant estimates made by management, as well as evaluating the overall financial statement presentation.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the City of Belleville, Illinois' Tax Increment Financing Districts, as referred to in the first paragraph, as of April 30, 2021 and the respective changes in financial position, and where applicable, cash flows thereof for the year ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Supplementary Information
Our audit was conducted for the purpose of forming an opinion on the financial statements of the City of Belleville, Illinois' Tax Increment Financing Districts taken as a whole. The other supplementary data on pages 14 and 15 is presented for the purpose of additional analysis and is not a required part of the basic financial statements. This other supplementary information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole. This other supplementary information was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements themselves, and other procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements taken as a whole.

The supplementary information on Pages 16 through 25 is presented for purposes of additional analysis and is not a required part of the financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the financial statements and accordingly, we express no opinion on it.

Compliance with Laws and Regulations
The management of the City of Belleville, Illinois is responsible for the government's compliance with laws and regulations. In connection with our audit, referred to above, we selected and tested transactions and records to determine the government's compliance with 65 ILCS 5/11-74.1-3, "Tax Increment Allocation Redevelopment Act".

The results of our tests indicate that for the items tested, the City of Belleville, Illinois, complied with Subsection (q) of 65 ILCS 5/11-74.4-3, "Tax Increment Allocation Redevelopment Act". Nothing came to our attention that caused us to believe that, for the items not tested, the City of Belleville, Illinois was not in compliance with Subsection (q) of 65 ILCS 5/11-74.4-3, "Tax Increment Allocation Redevelopment Act".

C. J. Schlosser & Company LLC
Certified Public Accountants
Alton, Illinois

September 24, 2021

Attachment M

Name: City of Belleville
TIF District: 15

INTERGOVERNMENTAL AGREEMENTS
FY 2021

A list of all intergovernmental agreements in effect from FY 2010, to which the municipality is a part, and an accounting of any money transferred or received by the municipality during that fiscal year pursuant to those intergovernmental agreements. [65 ILCS 5/11-74.4-5 (d) (10)]

Name of Agreement	Description of Agreement	Amount Transferred Out	Amount Received
Mascoutah Community Unit School District #19		$ 943,005.86	