

Winnetka Village Council
REGULAR MEETING
Village Hall
510 Green Bay Road
Tuesday, October 15, 2013
7:00 p.m.

Emails regarding any agenda item are welcomed. Please email contactcouncil@winnetka.org, and your email will be relayed to the Council members. Emails for the Tuesday Council meeting must be received by Monday at 4 p.m. Any email may be subject to disclosure under the Freedom of Information Act.

AGENDA

- 1) Call to Order
- 2) Pledge of Allegiance
- 3) Quorum
 - a) October 30, 2013 Budget Meeting
 - b) November 5, 2013 Regular Meeting
 - c) November 12, 2013 Study Session
 - d) November 19, Regular Meeting
- 4) Approval of Agenda
- 5) Consent Agenda
 - a) Approval of Village Council Minutes
 - i) October 1, 2013 Regular Meeting3
 - ii) October 8, 2013 Study Session 10
 - b) Approval of Warrant Lists 1817 and 181812
 - c) Bid 013-028: Concrete Repairs to Clearwell #313
- 6) Stormwater
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 - b) Northeast Winnetka Stormwater Improvements – Tower/Old Green Bay Relief Sewer: Contract Award.....24
- 7) Ordinances and Resolutions
 - a) Stormwater Financing, General Obligation Bonds Series 2013 & 201429
 - i) Ordinance M-15-2013: Series 2013 – Introduction33
 - ii) Ordinance M-16-2013: Series 2014 – Introduction82
- 8) Public Comment
- 9) Old Business: None.

10) New Business
 a) Public Safety Video Security System180
11) Appointments
12) Reports
13) Executive Session
14) Adjournment

NOTICE

All agenda materials are available at villageofwinnetka.org (*Council > Current Agenda*); the Reference Desk at the Winnetka Library; or in the Manager’s Office at Village Hall (2nd floor).

Broadcasts of the Village Council meetings are televised on Channel 10 and AT&T Uverse Channel 99 every night at 7 PM. Webcasts of the meeting may also be viewed on the Internet via a link on the Village’s web site: villageofwinnetka.org

The Village of Winnetka, in compliance with the Americans with Disabilities Act, requests that all persons with disabilities who require certain accommodations to allow them to observe and/or participate in this meeting or have questions about the accessibility of the meeting or facilities, contact the Village ADA Coordinator – Megan Pierce, at 510 Green Bay Road, Winnetka, Illinois 60093, 847.716.3543; T.D.D. 847.501.6041.

**MINUTES
WINNETKA VILLAGE COUNCIL
REGULAR MEETING
October 1, 2013**

(Approved: xx)

A record of a legally convened meeting of the Council of the Village of Winnetka, which was held in the Council Chambers on Tuesday, October 1, 2013, at 7:00 p.m.

- 1) Call to Order. President Greable called the meeting to order at 7:00 p.m. Present: Trustees Arthur Braun, Jack Buck, Richard Kates, and Stuart McCrary. Absent: Trustees Joe Adams and Patrick Corrigan. Also present: Village Manager Robert Bahan, Assistant to the Village Manager Megan Pierce, Village Attorney Katherine Janega, Finance Director Ed McKee, Director of Public Works Steve Saunders, Director of Community Development Mike D’Onofrio, Assistant Planner Ann Klaassen, Cub Scout Den 7 from Crow Island School, and approximately 25 persons in the audience.
- 2) Pledge of Allegiance. President Greable led the group in the Pledge of Allegiance.
- 3) Quorum.
 - a) October 8, 2013 Study Session. All of the Council members present indicated that they expected to attend.
 - b) October 10, 2013 Budget Meeting. All of the Council members present indicated that they expected to attend.
 - c) October 14, 2013 Budget Meeting. All of the Council members present indicated that they expected to attend.
 - d) October 15, 2013 Regular Meeting. All of the Council members present indicated that they expected to attend.
 - e) October 30, 2013 Budget Meeting. All of the Council members present indicated that they expected to attend.
- 4) Approval of the Agenda. President Greable welcomed the members of Cub Scout Den 7 who were in attendance, after which Trustee Braun, seconded by Trustee Buck, moved to approve the Agenda. By roll call vote the motion carried. Ayes: Trustees Braun, Buck, Kates and McCrary. Nays: None. Absent: Trustees Adams and Corrigan.
- 5) Consent Agenda
 - a) Village Council Minutes.
 - i) September 10, 2013 Study Session.
 - ii) September 17, 2013 Regular Meeting.
 - b) Warrant Lists Nos. 1815 and 1816. Approving Warrant List No. 1815 in the amount of \$2,808,817.94, and Warrant List No. 1816 in the amount of \$471,476.31.
 - c) State Bid – Salt Purchase. Approval of the purchase of rock salt through the State of Illinois Cooperative purchasing program for \$51.69 per ton.

- d) Ordinance M-13-2013: 672 Maple Street Zoning Variation – Adoption. An Ordinance granting zoning variations to allow the replacement of the nonconforming screened porch and detached garage on the Subject Property.
- e) Resolution R-29-2013: Second Amendment to New Cingular Cell Site Agreement at 410 Green Bay Road – Adoption. A Resolution approving the second amendment to the 1996 license agreement with New Cingular Wireless PCS, for the use of the Public Safety Building monopole.

Trustee Braun, seconded by Trustee Buck, moved to approve the foregoing items on the Consent Agenda by omnibus vote. By roll call vote, the motion carried. Ayes: Trustees Braun, Buck, Kates and McCrary. Nays: None. Absent: Trustees Adams and Corrigan.

- 6) 2013 Winnetka Preservation Awards. Landmark Preservation Commission (LPC) Chair Louise Holland introduced her fellow Commissioners, Susan Curry, Beth Ann Papoutsis and Anne Grubb. She explained that the Preservation Awards program honors construction projects in the Village that preserve the character of the Village’s housing stock. This year’s winners are all rehabilitation projects that were sympathetic to each home’s original design and honored the building styles and materials.

Chair Holland presented the awards to: Tom and Georgie Geraghty, 661 Blackthorn; John and Tory Raith, 577 Cherry; and Mark and Melissa Iserloth, 823 Humboldt. Ms. Holland encouraged all Winnetkans who are engaged in a home rehabilitation to apply for a Preservation Award.

Trustee Kates congratulated the homeowners on their efforts to preserve their homes.

- 7) Stormwater Update.
 - a) Stormwater Utility Implementation. President Greable explained that in May, the Village Council formally endorsed a Stormwater Improvement Program at an estimated cost of \$41.4 million, proposed to be funded with a combination of General Fund reserves and bonds, to be repaid with a stormwater utility fee. The Village has engaged Municipal & Financial Services Group (MFSG) to assist with policies and procedures related to the stormwater utility. MFSG has prepared a report identifying the major policy issues that are unresolved and require guidance from the Village Council.

Village Engineer Steve Saunders said implementation of the stormwater utility requires a number of policy decisions from the Council, which have been laid out on page 37 of the agenda packet. He introduced MFSG’s David Hyder, to review the report and discuss the open issues with the Council.

Mr. Hyder gave a presentation explaining the outstanding policy questions that need to be resolved, along with MFSG’s recommendations.

- 1. **Impervious area.** Method for assessing stormwater fees.
Policy issue: What impervious area features should be included for billing?
Recommendation: Capture all impervious features.
- 2. **Semi-pervious area.** Inclusion of areas comprised of uncompacted stone, dirt or similar material.
Policy issue: Should semi-pervious features be addressed in stormwater billing file?
Recommendation: Not recommended, given the uncertainty of the data available.

3. **Billing for multi-family and commercial properties.** Multi-family and commercial properties have meters for either electric, water, or both services together.
Policy issue: How should the Village bill for these properties?
Recommendation: Place stormwater fee for all Village parcels on the water bill.
4. **Billing for parcels with no utility service.** There are properties in the Village with impervious area that do not have water and/or electric service.
Policy issue: How should the Village bill these properties?
Recommendation: Generate separate stormwater bills for such parcels.
5. **Impervious area for private roads.** Allocation among parcels within the Village.
Policy issue: How should impervious area be allocated on private roads?
Recommendation: Allocate based on the amount of road area within each parcel's boundaries.
6. **Impervious area allocation for multifamily and commercial properties with individual water service.** Some of these properties are on the same parcel but have multiple water meters.
Policy issue: How should allocation be handled for these properties?
Recommendation: Divide impervious area allocation equally for multi-family and commercial properties that have multiple water service meters.
7. **Exemptions.** Most utilities include all property types, except public roads and rights-of-way.
Policy issue: Should any properties be exempt from the stormwater fee?
Recommendation: Exempt only public roads and rights-of-way.
8. **Parcels with minimal or no impervious area.** Limited areas within the Village that have little amount or are vacant.
Policy issue: Should these parcels be assessed a stormwater fee?
Recommendation: Assess only parcels with impervious area over 170 square feet (1/10 ERU).
9. **Stormwater fee credits.** A reduction in the fee charged to a qualifying property in return for on-site stormwater management that may reduce the Village's stormwater expenditures.
Policy issues: Should the Village offer stormwater fee credits?
Recommendation: Offer credits to: (i) non-residential parcels that provide on-site stormwater management exceeding the current Village standards, with a maximum credit of 25%; and (ii) any parcel that directly discharges outside the Village system, with a maximum credit of 50%.

10. **Incentives.** These are one-time reimbursements/rebates for the installation of stormwater credits such as rain barrels, rain gardens, permeable pavement, etc., to encourage participation in stormwater management.

Policy Issue: Should the Village offer stormwater incentives?

Recommendation: Offer an incentives program for parcel owners on a first-come, first-served basis, beginning in 2015.

Responding to a question about private roads, Mr. Saunders explained that private roads are not considered stormwater conveyances like public streets are, because private roads lack curbs and gutters, and are not maintained like public streets.

In answer to questions from the Council, Mr. Saunders recalled that at the last discussion on the issue of credits and incentives, the Council requested more information about how the mechanisms fit into a stormwater utility vs. a tax, and also how other stormwater utilities address the issue. He noted that credits encourage practices that reduce impacts on the stormwater system, and incentives foster behavior that is beneficial for stormwater quality.

Bob Footlik, speaking for his mother Sylvia Footlik at 1548 Tower Road: Mr. Footlik said believes the Northwest Winnetka stormwater project will exacerbate flooding in his mother's neighborhood.

Mr. Saunders said concerns of the Northwest Winnetka neighbors were heard at the last Stormwater Town Hall meeting, and that Christopher B. Burke Engineering, Ltd. (CBBEL) has been asked to reconfirm their hydraulic modeling. In addition, a meeting will be held with these neighbors to respond to their concerns, and no construction is scheduled to start in the area before spring of 2014.

Marc Hecht, 1096 Spruce Street: Mr. Hecht had questions about the credit and incentive aspects: i) clarify what a direct discharge to the lake is; ii) define "first-come, first-serve" and clarify whether there is dollar cap to an incentive program; and iii) how will the Village determine that detention ponds are actually working?

Mr. Hyder explained that direct discharge to the lake can be either a natural process or accomplished with pipes and an engineer would determine if 100% of the runoff drains to the lake; "first-come, first-served" means exactly what it says, and a dollar cap is proposed for any incentive program.

With regard to retention ponds, Mr. Saunders explained that the Village would confirm the calculated volume of detention, check the grading and water flow, and perform final inspections to measure that the restrictor pipe is in place correctly. He noted that credits are provided for volumes above the requirement on the building permit.

Martin Hirsch, 1578 Hazel Lane: Mr. Hirsch thought the incentives will be a loss leader for the Village and he added that the activities would be difficult for the Village to verify.

Geoff Higgins, 329 Woodland Avenue: Mr. Higgins asked if an incentive would be awarded to a property where the water goes into the gardens and not into the stormwater system.

Mr. Saunders answered in the affirmative, in the event that the Village offers an incentive program that includes rain gardens that are designed to absorb water.

Penny Lanphier, 250 Birch Street: Ms. Lanphier asked the Council if a final decision was being made tonight or if there would be more opportunity for public discussion.

Manager Bahan explained that Village Staff needs Council direction to proceed with the utility database so sample calculations could be provided to residents. Final approval of the utility will come before the Council at a future date, at which time there will be further opportunity for public discussion.

Trustees McCrary and Buck suggested that private road associations receive the utility bill for their roads and divide it among their members.

Mr. Saunders said that method would involve a more complicated computation, but that as long as it's a one-time only project and the Village does not get involved in a disagreement with a private road association, it should be possible.

The Council discussed the other open policy issues, finding consensus in all but the issues of credits and incentives. They agreed to proceed as recommended by MFSG on policy questions 1 through 8, and to tweak some components later, if necessary.

The Council discussed the credit and incentive options with Messrs. Hyder and Saunders, directing staff to defer these issues so staff could gather additional information. The fee calculator will be based on the other eight policy questions.

8) Ordinances and Resolutions.

a) Ordinance MC-6-2013: Adding Code Chapter 4.23 – Natural Gas Tax – Adoption.

Finance Director Ed McKee explained that a drop-off in natural gas revenues in the last few years, in conjunction with findings from a revenue audit performed Azavar, led to consideration of eliminating a tax differential that exists between the Village's natural gas users. Azavar recommended implementing a natural gas use tax for customers of out-of-state natural gas suppliers, so these users pay taxes similar to those paid by customers that use local suppliers.

Council discussion centered on the fee Azavar would collect as part of their contract with the Village for performing the audit and locating missing revenue. They did not feel the natural gas tax is something new that was uncovered, and should not be subject to Azavar's fee.

Mr. McKee said he would discuss the contract with the Village Attorney, do some additional research and bring the issue back to the Council.

9) Public Comment and Questions.

Mimi Turney, 854 Boal Parkway: Ms. Turney spoke on behalf of the 16 homeowners on Boal, who unanimously oppose the stormwater project for Northwest Winnetka as they believe it will increase flooding in their neighborhood.

Matthew Wendt, 607 Willow Road: Mr. Wendt urged the Council to ensure that building the tunnel will not further pollute the lake, as he believes beaches will be degraded by the stormwater outfall. He said a referendum is needed and commented that the Village has proposed minimal green infrastructure to mitigate stormwater pollution. He suggested using the post office land along with other Village open spaces to store stormwater.

Jim Haft, 850 Heather Lane: Mr. Haft spoke on behalf of the homeowners associations of Heather, Hickory and Hazel Lanes, who are all opposed to the Northwest Winnetka Project as they believe it will harm the natural habitat of the area; he also suggested minimal use of salt on the roads in winter.

Marc Hecht, 1096 Spruce Street: Mr. Hecht asked when President Greable's speeches from the Stormwater Town Hall meetings will be posted on the Village website, and he protested the format that Council agenda packets are placed on the website so that pages cannot be extracted.

Manager Bahan said Village Staff is in the process of compiling all of the information from the Stormwater Town Hall meetings for posting to the web and that information is being coordinated according to the Village President's direction.

Bob Gibson, 1550 Hazel Lane: Mr. Gibson asked the Council to re-evaluate the Northwest Winnetka Project.

Mr. Saunders reiterated that the Village has heard the concerns of neighbors in Northwest Winnetka, and will meet with them and look into their concerns to ensure that problems do not worsen in their area as a result of the Project. He explained that the purpose of tonight's meeting was to get guidance from the Council to be able to move forward with the stormwater utility calculator for residents.

Trustee Kates acknowledged that stormwater pollution to the lake was a concern raised at both Stormwater Town Hall meetings, and he suggested the Council examine the issue of coal tar sealant, which has been outlawed in several communities.

Trustee Braun said the Council takes residents' concerns very seriously and he encouraged the community to provide feedback. Regarding the issue of the tunnel polluting the lake, he asked for facts, not opinion, to be brought before the Council for its consideration. He noted that the Stormwater Implementation Plan has been two years in the making, and was undertaken after residents came to the Council after the July 2011 storm demanding a solution to flooding.

10) Old Business. None.

11) New Business. None.

12) Appointments.

- a) Trustee McCrary, seconded by Trustee Braun, moved to appoint Chuck Dowding as the Chair of the Environmental & Forestry Commission, effective immediately. By voice vote, the motion carried.
- b) Trustee Braun, seconded by Trustee McCrary, moved to re-appoint Lawson Whitesides to the Environmental & Forestry Commission, effective immediately. By voice vote, the motion carried.

13) Reports.

- a) Village President. No report.
- b) Trustees.
 - i) Trustee McCrary reported that at the Fire Pension Board last week, it was revealed that the return on investments over the last six months, one year, five years, and ten years was above the actuarial assumptions.
- c) Attorney. No report.
- d) Manager. No report.

14) Executive Session. None.

15) Adjournment. Trustee Braun, seconded by Trustee Buck, moved to adjourn the meeting. By voice vote, the motion carried. The meeting adjourned at 9:15 p.m.

Recording Secretary

MINUTES
WINNETKA VILLAGE COUNCIL STUDY SESSION

October 8, 2013

(Approved: xx)

A record of a legally convened meeting of the Council of the Village of Winnetka, which was held in the Village Hall Council Chambers on Tuesday, October 8, 2013 at 7:00 p.m.

- 1) Call to Order. President Greable called the meeting to order at 7:04 p.m. Present: Trustees Joe Adams, Arthur Braun, Patrick Corrigan, Richard Kates and Stuart McCrary. Absent: Trustee Jack Buck (arrived late). Also in attendance: Village Manager Robert Bahan, Assistant to the Village Manager Megan Pierce, Village Attorney Katherine Janega, and Community Development Director Michael D’Onofrio and approximately 14 persons in the audience.

President Greable noted that the agenda had been amended to include Item 4, Executive Session. Trustee Braun, seconded by Trustee Corrigan, moved to amend the agenda to include Item 4, Executive Session, for discussion of Personnel Matters, Pending and Probable Litigation and the Sale or Lease of Property, pursuant to Sections 2(c)(1), 2(c)(11) and 2(c)(5) respectively, of the Open Meetings Act. By roll call vote the motion carried. Ayes: Trustees Adams, Braun, Corrigan, Kates and McCrary. Nays: None. Absent: Trustee Buck.

- 2) Urban Land Institute Recommendations—Strategic Planning. President Greable noted this is the Council’s first opportunity to discuss the full ULI report, hear the Council’s views in determining next steps, and then provide necessary direction to Staff to proceed. Each member of the Council summarized their thoughts on the report and highlighted items they believed were a priority to address in the short-term. Items were also noted that may or may not be desirable to pursue.

Trustee Buck arrived at 7:40 p.m.

Two members of the Business Community Development Commission (BCDC), Jim Sayegh and Terry Dason, presented several areas the Commission wishes to help the Council evaluate as part of the ULI implementation. Mr. Sayegh noted that the criteria they used to select recommendations were items that would have the most immediate impact and be a stimulus to prospective development or to remedy known problems. The ULI items the BCDC suggested it could further study and make formal recommendations to the Council included: liquor licensing, parking requirements for multi-family residential or mixed-use development, below-grade parking, building height, the Overlay District, and creation of an Economic Development Team.

The Council asked several questions of Mr. Sayegh and Ms. Dason, including how important the recommendations are to the businesses and the timeline on which they might be able to move these items forward.

President Greable called for comments and questions from the audience related to ULI’s recommendations.

Glenn Weaver, property owner at 574 Lincoln Avenue: Mr. Weaver indicated that he has fought the Village for over 6 years on its regulations. He said the Village does not need more reports; it needs to get something done. He believes prospective businesses go elsewhere because of the Overlay District and Special Use requirements. The first concern is cost, especially of the fire sprinkler requirement that is triggered by a change of use.

Jeffrey Liss, 1464 Edgewood Lane: Mr. Liss inquired about the differences between TAP 1 and TAP 2. He said the Village should look at what the library is doing for guidance in the areas of marketing and outreach. He believes the Village should allow developers to come to them with their needs and thought easing the height requirements would be more consistent for developers in modern community planning.

Penny Lanphier, 250 Birch Street: Ms. Lanphier said the ULI report contained great ideas, but that the Council should look at the context in which things are recommended. She thought the Village should use its internal resources to better understand plans. She noted the Village’s liquor licensing requirements have progressed slowly over the years with community desire. Additionally, she said it makes sense to work closely with the Plan Commission and the Comprehensive Plan to implement recommendations.

Ultimately, Manager Robert Bahan and the Council outlined a list of priority recommendations, which can be acted on, refined for future consideration or assignment by the Council. These recommendations included:

- Gathering further information on the Overlay District and potential financial impacts of a change in the current regulation;
- Streamlining of the Village’s regulatory process, with a top to bottom process review and attention to the fire sprinkler ordinance;
- Drafting a revised ordinance related to Village liquor licensing;
- Pursuing improvements to the Hubbard Woods Parking Deck, as outlined in the 2014 budget;
- Advancing repairs and maintenance to the Village’s streetscape as provided for in the 2014 budget;
- Evaluating the potential roles and responsibilities of an economic development staff person;
- And looking at the Village’s current parking inventory and restrictions.

The Council also directed the BCDC to proceed with its review of identified recommendations.

3) Public Comment. None.

4) Executive Session. Trustee Braun moved to adjourn into Executive Session to discuss Personnel Matters, Pending and Probable Litigation and Sale or Lease of Property, pursuant to Sections 2(c)(1), 2(c)(11) and 2(c)(5) respectively, of the Illinois Open Meetings Act. Trustee Kates seconded the motion. By roll call vote, the motion carried. Ayes: Trustees Adams, Braun, Buck, Corrigan, Kates and McCrary. Nays: None. Absent: None. The Council adjourned into Executive Session at 8:48 p.m.

The Council reconvened into Regular Session at 9:50 p.m. Present: President Greable, Trustees Adams, Braun, Buck, Corrigan, Kates and McCrary. Absent: None. Also present: Village Manager Robert Bahan, Assistant to the Village Manager Megan Pierce, and Village Attorney Katherine Janega.

5) Adjournment. Trustee Kates, seconded by Trustee Braun, moved to adjourn the meeting. By voice vote, the motion carried. The meeting adjourned at 9:51 p.m.

Recording Secretary



Agenda Item Executive Summary

Title: Warrant Lists Nos. 1817 and 1818

Presenter: Robert M. Bahan, Village Manager

Agenda Date: 10/15/2013

Consent: YES NO

<input type="checkbox"/>	Ordinance
<input type="checkbox"/>	Resolution
<input type="checkbox"/>	Bid Authorization/Award
<input type="checkbox"/>	Policy Direction
<input checked="" type="checkbox"/>	Informational Only

Item History:

None.

Executive Summary:

Warrant Lists Nos. 1817 and 1818 were emailed to each Village Council member.

Recommendation / Suggested Action:

Consider approving Warrant Lists Nos. 1817 and 1818

Attachments:

None.



Agenda Item Executive Summary

Title: Bid 013-028; Concrete Repairs to Clearwell #3

Presenter: Brian Keys, Director of Water & Electric

Agenda Date: 10/15/2013

Consent: YES NO

- | | |
|-------------------------------------|-------------------------|
| <input type="checkbox"/> | Ordinance |
| <input type="checkbox"/> | Resolution |
| <input checked="" type="checkbox"/> | Bid Authorization/Award |
| <input type="checkbox"/> | Policy Direction |
| <input type="checkbox"/> | Informational Only |

Item History:

The Water Plant utilizes three concrete clearwells as part of the distribution system for potable water. Clearwell No. 3 was constructed in 1931 with a capacity of 1,290,000 gallons. An inspection and repair report was completed in December 2010 for this structure. The inspection found the clearwell to be in excellent condition, but identified some sites with cracks and spalling that should be addressed.

Executive Summary:

Bid #013-028 was issued for the concrete repairs to Clearwell #3. The scope of the work includes addressing wall cracks, spalling on the ceiling, and two locations with deteriorated wall surfaces and climbing rungs. The bid notice was published in the Pioneer Press. Notices were sent to five contractors. Seven companies attended the mandatory pre-bid meeting at the Water Plant on September 26, 2013. Four bids were received.

The lowest qualified bid was submitted by Keno & Sons Construction Company in the amount of \$36,845. The contractor has performed prior projects for the Water & Electric Department in a satisfactory manner.

The FYE 2014 Budget contains \$100,000 allocated toward clearwell repairs in capital account #52-66-640-323.

Recommendation / Suggested Action:

Consider authorizing the Village Manager to award the work to Keno & Sons Construction Company in the amount of \$36,845 for concrete repairs to Clearwell #3 in accordance with the terms and conditions in Bid #013-028.

Attachments:

Agenda Report dated October 9, 2013.

AGENDA REPORT

Subject: Bid 013-028; Concrete Repairs to Water Plant Clearwell #3

Prepared by: Brian Keys, Director Water & Electric

Ref: February 23, 2013 Budget Presentation

Date: October 9, 2013

The Water Plant utilizes three concrete clearwells as part of the distribution system for potable water. Treated water is temporarily held in the clearwells until it is pumped into the water distribution system by the high lift pumps. Clearwell No. 3 was constructed in 1931 with a capacity of 1,290,000 gallons. The basin's structure is steel reinforced, cast-in-place concrete. An inspection and repair report was completed in December 2010 for this structure. The inspection found the clearwell to be in excellent condition, but identified some sites with cracks and spalling that should be addressed.

Bid #013-028 was issued for the concrete repairs to Clearwell #3. The scope of the work includes addressing wall cracks, spalling on the ceiling, and two locations with deteriorated wall surfaces and climbing rungs. The bid notice was published in the Pioneer Press. Notices were sent to five contractors. Seven companies attended the mandatory pre-bid meeting at the Water Plant on September 26, 2013. Four bids were received and summarized as follows:

Contractor	Project Cost
Keno & Sons Construction Company	\$36,845.00
Continental Construction Company	\$42,400.00
MAG Construction ⁽¹⁾	\$42,753.00
Lifco Construction	\$47,600.00

Note (1): MAG Construction's bid is shown for reference. Contractor's bid submittal did not include revised work scope issued at Pre-Bid Meeting and bid clarifications issued in the Bid Addendum. As such, bidder is deemed non-responsive.

The low bidder, Keno & Sons, has performed other construction projects such as the Water Plant's filter effluent extension and the Electric Plant's diesel storage tank addition for the Water & Electric Department. The work was performed in a satisfactory manner. The contractor's prior experience on the filter effluent extension project is particularly relevant as this contractor has demonstrated their ability to clean and disinfect the clearwell following construction activities. Staff recommends accepting the lowest qualified bid submitted by Keno & Sons Construction Company.

The FYE 2014 Budget contains \$100,000 allocated toward clearwell repairs in capital account #52-66-640-323. At the time of the inspection report, the engineer's estimate for the construction activities was \$50,000. Based on the additional work tasks associated with concrete repairs in the clearwell such as: de-watering, heating, cleaning, and dis-

infecting the basin, the budgeted amount was increased. Staff will incur an additional amount of expense estimated at \$7,500 for professional engineer services, paint, and de-chlorinating chemicals.

Recommendation:

Consider authorizing the Village Manager to award the work to Keno & Sons Construction Company in the amount of \$36,845 for concrete repairs to Clearwell #3 in accordance with the terms and conditions in Bid #013-028.



Agenda Item Executive Summary

Title: Stormwater Monthly Summary Report

Presenter: Steven M. Saunders, Director of Public Works/Village Engineer

Agenda Date: 10/15/2013

Consent: YES NO

<input type="checkbox"/>	Ordinance
<input type="checkbox"/>	Resolution
<input type="checkbox"/>	Bid Authorization/Award
<input type="checkbox"/>	Policy Direction
<input checked="" type="checkbox"/>	Informational Only

Item History:

Monthly Report

Executive Summary:

The Village's Stormwater Project Manager has prepared a monthly report for the Village Council that brings together status, cost, and schedule information, for each separate stormwater project, in one place. The report consists of four documents, explained below:

AT Group Project Summary Report (Attachment #1)

This report provides a brief outline and summary of each major stormwater project currently being undertaken by the Village.

One Year Look-Ahead Schedule (Attachment #2)

This document provides an overview schedule for each project.

Program Budget (Attachment #3)

This report provides financial information for the stormwater and sanitary sewer improvement programs.

Program Organization Chart (Attachment #4)

This document presents a one-page "snapshot" view of the status of each project, and how each project fits into the overall stormwater and sanitary sewer management program.

Recommendation / Suggested Action:

Informational Report

Attachments:

1. AT Group Project Summary Report
2. One Year Look-Ahead Schedule
3. Program Budget
4. Program Organization Chart



MEMORANDUM

DATE: October 8, 2013
TO: Steven Saunders, P.E.
Village of Winnetka
SUBJECT: Project Summary

Spruce Outlet (Tower)

Activity Summary The Village opened bids for the project on September 26, and will be presenting the results and a recommendation for authorization at the October 15 Council meeting. Tentatively, construction is scheduled to begin in the fall of 2013 and be completed in spring, 2014.

Budget Summary The Village budgeted \$90,000 for engineering and committed \$111,429. The total project cost estimate remains \$1,162,853.

6-Month Look Ahead The project team will:

1. Award the contract with Village Council approval
2. Conduct a neighborhood pre-construction meeting on the project
3. Construct the project

Spruce Outlet (Lloyd)

Activity Summary The Village Council authorized a contract with Lenny Hoffman Excavating for the project. The Village held a pre-construction meeting on October 4. Lenny Hoffman Excavating plans to start construction the week of October 28 and estimates a 4-week project.

Budget Summary The Village budgeted \$90,000 for engineering and committed \$37,143. The bid award was for \$251,488. Based on the bid award, the total project cost estimate has been reduced from \$398,786 to \$344,354.

6-Month Look Ahead The project team will:

1. Construct the project

Winnetka Avenue Pump Station

Activity Summary The Village opened bids for the project on September 10, 2013, and the Village Council awarded the contract on September 15. Boller Construction was the low responsible bidder with a bid of \$1,038,300. Construction is scheduled for late 2013 and will continue to spring 2014.

Budget Summary The adjusted project budget is \$1,188,562 for the engineering and construction.

6-Month Look Ahead The project team will:
1. Construct the project

NW Winnetka (Greenwood/Forest Glen)

Activity Summary CBBEL is collecting additional field data to confirm the engineering as it pertains to the pond. The Village received the USACE and IEPA permits and is finalizing the permit with the FPDCC. The Village is in the process of scheduling a neighborhood meeting to discuss resident concerns about the use of the Forest Preserve pond.

Budget Summary The Village budgeted \$250,000 for engineering and committed \$226,874 for engineering. The total project cost estimate – including the Forest Glen improvements - remains \$4,266,924.

6-Month Look Ahead The project team will:
1. Hold a resident meeting for areas adjacent to the Forest Preserve pond
2. Complete the permit process
3. Let the contract with Village Council approval
4. Conduct a neighborhood meeting on the project
5. Construct the project

Willow Road Tunnel

Activity Summary The Village received two responses to the RFQ and is preparing an RFP for distribution.

Budget Summary The Village budgeted \$800,000 for engineering and committed \$70,350. The total project cost estimate remains \$34,369,048.

6-Month Look Ahead The project team will:
1. Issue the RFP, review the submittals and conduct interviews
2. Present the recommended firm to the Village Council for approval
3. Process the engineering services agreement



Stormwater Master Plan

Activity Summary Village staff continues to meet monthly with Baxter & Woodman (B&W) representatives to discuss the status of the project. B&W has completed their review of the Village's stormwater-related development regulations, the new MWRD regulations, and select other community regulations. The results of this review will be presented to the Council in November, 2013.

Budget Summary The Village budgeted \$50,000 and committed \$101,220.

6-Month Look Ahead The project team will:

1. Review the Village's stormwater-related development regulations with the Council
2. Prepare the draft Stormwater Master Plan
3. Present the draft Stormwater Master Plan to the Council

Stormwater Utility Feasibility Study

Activity Summary The Village Council approved the stormwater utility and directed staff to proceed with implementation. Municipal & Financial Services Group (MFSG) was retained for the implementation phase. The Village Council reviewed and provided policy direction on several implementation issues associated with the stormwater utility.

Budget Summary The Village has awarded agreements in the amount of \$167,316 for the feasibility study and implementation assistance.

6-Month Look Ahead The project team will:

1. Complete the on-line bill estimator
2. Proceed with implementation

Sanitary Sewer Evaluation

Activity Summary B&W is proceeding with the detailed I/I evaluation in select areas of the Village to identify specific system repairs and corrections needed.

Budget Summary The Village has budgeted \$150,000 and committed \$152,157.

6-Month Look Ahead The project team will:

1. Complete detailed evaluations
2. Report findings to the Council
3. Complete design engineering of initial system improvements



Public Outreach

Activity Summary The project team continues to update the website and monitor the activity. The team distributed a special edition for the Winnetka newsletter in late August. The Village hosted two Town Hall meetings with Winnetka residents in September.

Budget Summary There is no separate budget associated with this project.

6-Month Look Ahead The project team will continue to update the website and monitor activity.

Ravine/Sheridan Road Improvements

Activity Summary IDOT is planning pavement and drainage improvements for the area with paving, tentatively scheduled for 2014. Due to the need for easement acquisition, the drainage improvement is scheduled for 2015. Staff met with IDOT to review the preliminary plans and discuss the project in general.

Budget Summary This project is funded in its entirety by IDOT

6-Month Look Ahead The project team will:
1. Monitor IDOT activities
2. Update the Council as needed

Ash Street Pump Station

Activity Summary CBBEL completed plans and specifications for the station to include pump and electrical equipment replacement. Village will include the project in the upcoming budget discussions. Construction is tentatively scheduled for 2014.

Budget Summary This project is funded within the PW Department Operations Budget.

6-Month Look Ahead The project team will:
1. Budget for the project
2. Proceed with final engineering and construction

Attached are the following documents:

1. One-Year Look-Ahead Schedule including Council Meeting Presentations
2. Program Budget
3. Program Organization Chart



AT Group, Inc.

Village of Winnetka
Stormwater Management Program

One-Year Look Ahead Schedule

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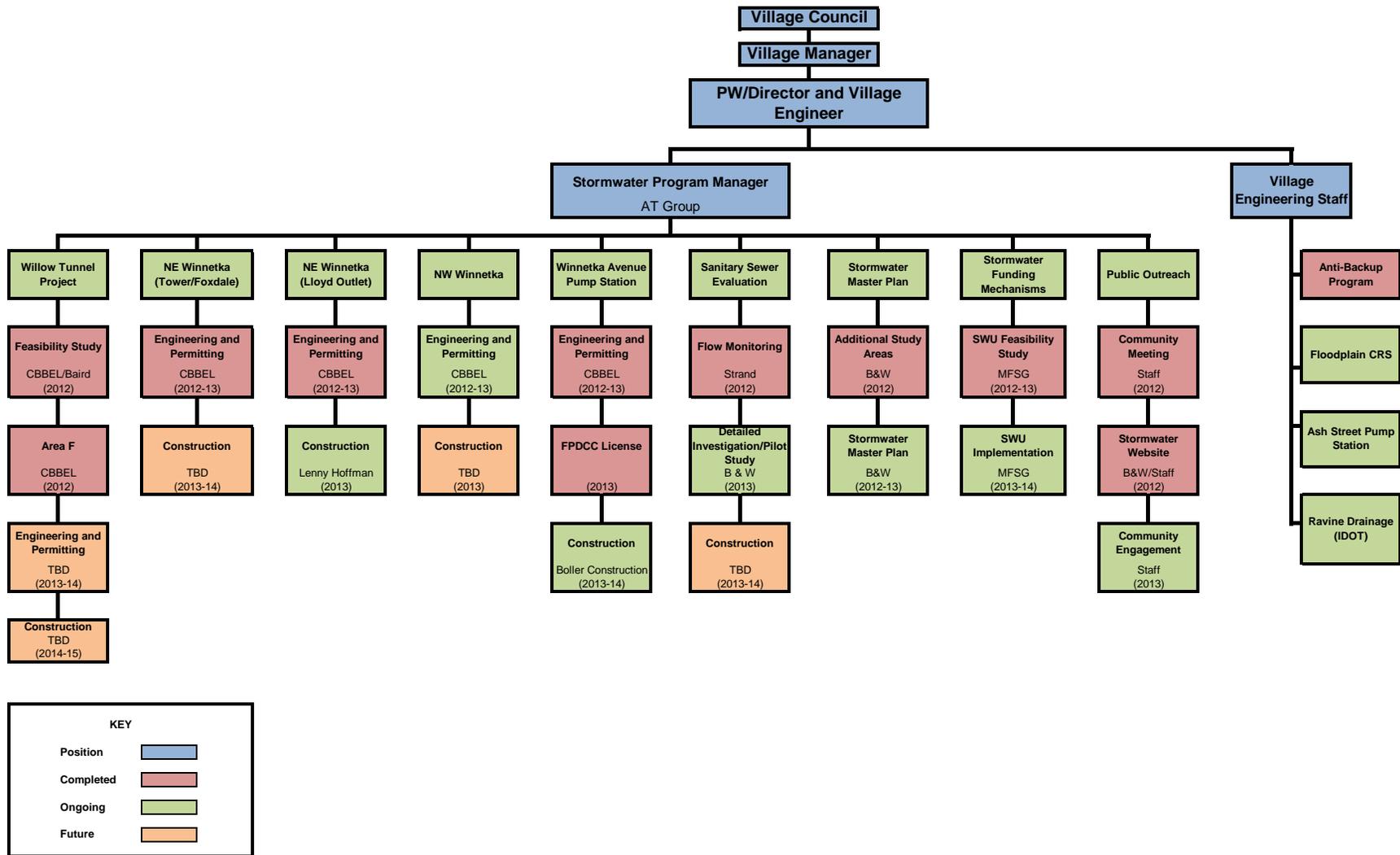
	Oct 13	Nov 13	Dec 13	Jan 14	Feb 14	Mar 14	Apr 14	May 14	Jun 14	Jul 14	Aug 14	Sep 14
Tower/Foxdale												
Bid Authorization/Bidding												
Construction												
Lloyd Outlet												
Construction												
Tunnel (Willow North, Willow South, Provident, Cherry Outlet, Underpass)												
Engineering RFP												
Preliminary Engineering												
NW Winnetka (Greenwood/Forest Glen)												
Bid Authorization/Bidding												
Construction												
Winnetka Avenue Pump Station												
Construction												
Sanitary Sewer												
Engineering												
Construction												
Stormwater Master Plan												
Develop SMP												
Community Outreach												
Program Financing												
Bond 1 - Authorization/Processing (\$9.0MM)												
Bond 1 - Proceeds (\$9.0MM)												
Bond 2 - Authorization/Processing (\$9.5MM)												
Bond 2 - Proceeds (\$9.5MM)												
Village Council Meeting Presentations												
Stormwater Monthly Report												
NE Winnetka Bid Awards - Tower/Foxdale												
Stormwater Development Regulations												
Stormwater Monthly Report												
NW Winnetka Bid Authorization												
Stormwater Monthly Report												
Stormwater Master Plan Draft Report												
Willow Road Tunnel RFP												
NW Winnetka Bid Approval												
Willow Road Tunnel CM RFQ												
Stormwater Monthly Report												
Stormwater Monthly Report												
Willow Road Tunnel CM RFP												
Stormwater Monthly Report												
Stormwater Monthly Report												



**Village of Winnetka
Stormwater Management Program Budget**

Project	Initial Estimated Project Costs	Curent Estimated Project Costs	2013/2014 Budget	Council Authorized	Spent	Comments
<u>Stormwater Fund</u>						
<u>58.75.640.601</u>						
Winnetka Ave. pump station	\$ 1,188,562	\$ 1,188,562	\$ 750,000	\$ 1,067,600	\$ 24,899	Contract awarded 9/15/2013
Tower Road/Foxdale	\$ 1,419,544	\$ 1,162,853	\$ 1,000,000	\$ 111,429	\$ 104,300	Decrease based on 65% construction drawings
Lloyd Park/Spruce Street	\$ 601,030	\$ 344,354	\$ 414,000	\$ 288,631	\$ 34,766	Contract awarded 8/20/2013
NW Winnetka Greenwood/Forest Glen	\$ 2,880,887	\$ 4,266,924	\$ 4,040,000	\$ 226,874	\$ 210,117	Added Forest Glen and included utilities from different line item
Willow Rd tunnel <i>Proposed Area F</i>	\$ 32,498,697	\$ 34,369,048	\$ 800,000	\$ 37,750	\$ 17,407	CBBEL October 2011 budget w/Kenny and Baird estimates
Stormwater rate study	\$ 50,000	\$ 167,316	\$ 10,000	\$ 167,316	\$ 98,600	DPW 2011/12 Budget vs proposal. Additional fee for fifth workshop.
Stormwater master plan	\$ 50,000	\$ 101,220	\$ 60,000	\$ 101,220	\$ 89,603	DPW 2011/12 Budget vs proposal (added 6 drainage areas)
Total Stormwater Costs	\$ 38,688,720	\$ 41,600,277	\$ 7,074,000	\$ 2,018,420	\$ 617,397	
<u>Sanitary Sewer Fund</u>						
<u>54.70.640.201</u>						
Sanitary Sewer Studies/Engineering	\$ 150,000	\$ 152,157	\$ 50,000	\$ 152,157	\$ 112,947	Additional monitoring
System I & I repairs	\$ 1,000,000	\$ 1,000,000	\$ 300,000	\$ -	\$ -	
Total Sanitary Sewer Costs	\$ 1,150,000	\$ 1,152,157	\$ 350,000	\$ 152,157	\$ 112,947	







Agenda Item Executive Summary

Title: Northeast Winnetka Stormwater Improvements – Tower/Old Green Bay Relief Sewer: Contract Award

Presenter: Steven M. Saunders, Director of Public Works/Village Engineer

Agenda Date: 10/15/2013

Consent: YES NO

<input type="checkbox"/>	Ordinance
<input type="checkbox"/>	Resolution
<input checked="" type="checkbox"/>	Bid Authorization/Award
<input type="checkbox"/>	Policy Direction
<input type="checkbox"/>	Informational Only

Item History:

Executive Summary:

On Thursday, September 26, the Village opened bids for the Tower Road – Old Green Bay Road storm sewer improvements, the second contract of the Northeast Winnetka Improvements included in the Village's comprehensive stormwater improvement program. Bidding was very competitive, with 10 bids received. The low bid was submitted by Copenhagen Construction, of Gilberts, IL. The low bid is \$111,532 below the estimate. Christopher B. Burke Engineering, Ltd. (CBBEL) completed a detailed review of the bids. Based on this review, and CBBEL's checks of Copenhagen's references, staff recommends awarding a construction contract for the Northeast Winnetka Stormwater Improvements – Tower/Old Green Bay Relief Sewer to Copenhagen Construction, of Gilberts, IL, for \$976,036.

Recommendation / Suggested Action:

Consider awarding a construction contract for the Northeast Winnetka Stormwater Improvements – Tower/Old Green Bay Relief Sewer to Copenhagen Construction, of Gilberts, IL, for \$976,036.

Attachments:

1. Agenda Report
2. Bid Tabulation

Agenda Report

Subject: Northeast Winnetka Stormwater Improvements – Tower/Old Green Bay Relief Sewer: Contract Award

Prepared By: Steven M. Saunders, Director of Public Works/Village Engineer

Date: October 8, 2013

On Thursday, September 26, the Village opened bids for the Tower Road – Old Green Bay Road storm sewer improvements, the second contract of the Northeast Winnetka Improvements included in the Village’s comprehensive stormwater improvement program. Bidding was very competitive, with 10 bids received. The four lowest bids were all at or below the Village’s current construction estimate for the project. The bids are summarized below:

Bidder	Amount
Copenhaver Construction	\$976,036.00
A. Lamp Concrete Contractors	\$982,277.00
MQ Construction	\$1,035,264.42
Bolder Contractors	\$1,052,012.50
Glenbrook Excavating	\$1,098,560.15
Maneval Construction	\$1,133,363.00
American Underground	\$1,218,322.91
Lenny Hoffman Excavating	\$1,218,870.00
R.A. Mancini Contractors	\$1,403,157.00
Berger Excavating	\$1,694,215.25

The engineer’s construction cost estimate for this project was \$1,087,568.00, and the low bid was submitted by Copenhaver Construction, of Gilberts, IL. The low bid is \$111,532 below the estimate.

Christopher B. Burke Engineering, Ltd. (CBBEL) completed a detailed review of the bids and identified two items to be clarified with Copenhaver’s bid. Specifically, unit prices for two of the items – Mobilization and the 32-foot deep Drop Manhole in Old Green Bay Road – appeared questionable, based on CBBEL’s cost estimates, and the unit prices bid by other contractors. CBBEL contacted Copenhaver Construction to review their bid numbers, and Copenhaver confirmed their understanding of these two construction items. Copenhaver Construction has indicated that their bid prices will be sufficient for these items and confirms their intent to construct the project based on their bid.

Based on this additional clarification, and CBBEL’s checks of Copenhaver’s references, staff recommends awarding a construction contract for the Northeast Winnetka Stormwater Improvements – Tower/Old Green Bay Relief Sewer to Copenhaver Construction, of Gilberts, IL, for \$976,036.

Recommendation:

Consider awarding a construction contract for the Northeast Winnetka Stormwater Improvements – Tower/Old Green Bay Relief Sewer to Copenhaver Construction, of Gilberts, IL, for \$976,036.

Attachments:

1. Bid Tabulation

TOWER ROAD/OLD GREEN BAY ROAD STORM SEWER IMPROVEMENTS BID TAB
VILLAGE OF WINNETKA
SEPTEMBER 26, 2013

Item Number	Items	Unit	Quantity	American Underground		Bolder Contractors		Copenhagen Construction		Alamp Concrete Contractors		RA Mancini Contractors	
				Unit Price	Total Cost	Unit Price	Total Cost	Unit Price	Total Cost	Unit Price	Total Cost	Unit Price	Total Cost
1	TRENCH BACKFILL	CU YD	4240	\$37.68	159,763.20	\$20.00	84,800.00	\$36.00	152,640.00	\$25.00	106,000.00	\$102.00	432,480.00
2	HOT-MIX ASPHALT SURFACE REMOVAL, 1 1/2"	SQ YD	3390	\$5.12	17,356.80	\$4.75	16,102.50	\$5.00	16,950.00	\$3.00	10,170.00	\$6.00	20,340.00
3	HOT-MIX ASPHALT BINDER COURSE, IL-19.0, N50	TON	555	\$95.54	53,024.70	\$110.00	61,050.00	\$100.00	55,500.00	\$80.00	44,400.00	\$107.00	59,385.00
4	HOT-MIX ASPHALT SURFACE COURSE, MIX "D", N50	TON	470	\$97.90	46,013.00	\$93.00	43,710.00	\$100.00	47,000.00	\$85.00	39,950.00	\$109.00	51,230.00
5	PAVEMENT REMOVAL	SQ YD	2210	\$30.43	67,250.30	\$5.00	11,050.00	\$15.00	33,150.00	\$12.00	26,520.00	\$13.00	28,730.00
6	STORM SEWER REMOVAL, 8"	FOOT	140	\$11.50	1,610.00	\$1.00	140.00	\$10.00	1,400.00	\$1.00	140.00	\$3.00	420.00
7	STORM SEWER REMOVAL, 12"	FOOT	202	\$17.25	3,484.50	\$1.00	202.00	\$15.00	3,030.00	\$1.00	202.00	\$3.00	606.00
8	STORM SEWER REMOVAL, 18"	FOOT	660	\$17.25	11,385.00	\$1.00	660.00	\$17.00	11,220.00	\$1.00	660.00	\$3.00	1,980.00
9	REMOVING MANHOLES	EACH	6	\$563.00	3,378.00	\$200.00	1,200.00	\$400.00	2,400.00	\$400.00	2,400.00	\$520.00	3,120.00
10	CATCH BASINS, TYPE C, R-3015 (TYPE L) FRAME AND GRATE	EACH	4	\$1,473.00	5,892.00	\$1,500.00	6,000.00	\$2,500.00	10,000.00	\$1,550.00	6,200.00	\$1,430.00	5,720.00
11	CATCH BASINS, TYPE A, 4'-DIAMETER, R-3015 (TYPE L) FRAME AND GRATE	EACH	10	\$2,682.45	26,824.50	\$2,500.00	25,000.00	\$2,400.00	24,000.00	\$2,500.00	25,000.00	\$1,980.00	19,800.00
12	CATCH BASINS, TYPE A, 4'-DIAMETER, R-3015 (TYPE R) FRAME AND GRATE	EACH	7	\$2,682.45	18,777.15	\$2,500.00	17,500.00	\$2,600.00	18,200.00	\$2,500.00	17,500.00	\$1,980.00	13,860.00
13	CATCH BASINS, TYPE A, 4'-DIAMETER, TYPE 1 FRAME , OPEN LID	EACH	1	\$2,682.45	2,682.45	\$2,500.00	2,500.00	\$2,600.00	2,600.00	\$2,500.00	2,500.00	\$1,720.00	1,720.00
14	DELETED		0	\$0.00	0.00	\$0.00	0.00	\$0.00	0.00	\$0.00	0.00	\$0.00	0.00
15	MANHOLES, TYPE A, 5'-DIAMETER, TYPE 1 FRAME, CLOSED LID	EACH	11	\$3,652.70	40,179.70	\$3,000.00	33,000.00	\$2,700.00	29,700.00	\$4,000.00	44,000.00	\$3,300.00	36,300.00
16	MANHOLES, TYPE A, 6'-DIAMETER, TYPE 1 FRAME, CLOSED LID	EACH	3	\$6,705.00	20,115.00	\$5,000.00	15,000.00	\$4,100.00	12,300.00	\$7,000.00	21,000.00	\$3,830.00	11,490.00
17	CONFLICT MANHOLES, TYPE A, 5'-DIAMETER, TYPE 1 FRAME, CLOSED LID	EACH	3	\$5,278.95	15,836.85	\$3,000.00	9,000.00	\$3,200.00	9,600.00	\$5,000.00	15,000.00	\$4,090.00	12,270.00
18	DROP MANHOLE, TYPE A, 5'-DIAMETER, TYPE 1 FRAME, CLOSED LID	EACH	1	\$300,000.00	300,000.00	\$100,000.00	100,000.00	\$7,000.00	7,000.00	\$42,500.00	42,500.00	\$133,900.00	133,900.00
19	STORM SEWER (WATER MAIN REQUIREMENTS), 12"	FOOT	177	\$83.53	14,784.81	\$100.00	17,700.00	\$105.00	18,585.00	\$145.00	25,665.00	\$86.00	15,222.00
20	STORM SEWER (WATER MAIN REQUIREMENTS), 15"	FOOT	50	\$133.11	6,655.50	\$110.00	5,500.00	\$130.00	6,500.00	\$160.00	8,000.00	\$114.00	5,700.00
21	STORM SEWERS (WATER MAIN REQUIREMENTS) 18"	FOOT	140	\$119.07	16,669.80	\$120.00	16,800.00	\$140.00	19,600.00	\$180.00	25,200.00	\$115.00	16,100.00
22	STORM SEWERS, CLASS A, TYPE 1, 12"	FOOT	26	\$73.06	1,899.56	\$80.00	2,080.00	\$55.00	1,430.00	\$90.00	2,340.00	\$55.00	1,430.00
23	STORM SEWERS, CLASS A, TYPE 2, 12"	FOOT	62	\$73.06	4,529.72	\$80.00	4,960.00	\$55.00	3,410.00	\$105.00	6,510.00	\$55.00	3,410.00
24	STORM SEWERS, CLASS A, TYPE 2, 30"	FOOT	432	\$84.62	36,555.84	\$160.00	69,120.00	\$76.00	32,832.00	\$135.00	58,320.00	\$90.00	38,880.00
25	STORM SEWERS, CLASS A, TYPE 2, 36"	FOOT	1453	\$108.66	157,882.98	\$180.00	261,540.00	\$89.00	129,317.00	\$155.00	225,215.00	\$104.00	151,112.00
26	SANITARY SEWER REMOVAL AND REPLACEMENT (WM REQUIREMENTS)	FOOT	55	\$70.41	3,872.55	\$225.00	12,375.00	\$87.00	4,785.00	\$100.00	5,500.00	\$340.00	18,700.00
27	COMBINATION CONCRETE CURB AND GUTTER REMOVAL AND REPLACEMENT	FOOT	300	\$35.31	10,593.00	\$42.00	12,600.00	\$28.00	8,400.00	\$20.00	6,000.00	\$48.00	14,400.00
28	PCC SIDEWALK REMOVAL AND REPLACEMENT	SQ FT	200	\$9.53	1,906.00	\$15.00	3,000.00	\$9.00	1,800.00	\$6.00	1,200.00	\$16.00	3,200.00
29	PORTLAND CEMENT CONCRETE DRIVEWAY PAVEMENT, 6"	SQ YD	46	\$62.87	2,892.02	\$75.00	3,450.00	\$60.00	2,760.00	\$60.00	2,760.00	\$91.00	4,186.00
30	DRIVEWAY PAVEMENT REMOVAL	SQ YD	86	\$5.76	495.36	\$12.00	1,032.00	\$15.00	1,290.00	\$20.00	1,720.00	\$10.00	860.00
31	HOT-MIX ASPHALT DRIVEWAY PAVEMENT, 3"	SQ YD	40	\$40.46	1,618.40	\$175.00	7,000.00	\$35.00	1,400.00	\$50.00	2,000.00	\$42.00	1,680.00
32	TRAFFIC CONTROL AND PROTECTION	L SUM	1	\$27,500.00	27,500.00	\$30,000.00	30,000.00	\$42,000.00	42,000.00	\$35,000.00	35,000.00	\$20,020.00	20,020.00
33	EXPLORATION TRENCH	FOOT	25	\$40.46	1,011.50	\$125.00	3,125.00	\$25.00	625.00	\$20.00	500.00	\$200.00	5,000.00
34	DETECTABLE WARNINGS	SQ FT	18	\$33.00	594.00	\$35.00	630.00	\$30.00	540.00	\$100.00	1,800.00	\$25.00	450.00
35	ADJUSTING WATER MAIN, 12" OR LESS	FOOT	100	\$193.59	19,359.00	\$100.00	10,000.00	\$150.00	15,000.00	\$65.00	6,500.00	\$291.00	29,100.00
36	ADJUSTING WATER SERVICE LINES	FOOT	150	\$69.00	10,350.00	\$50.00	7,500.00	\$80.00	12,000.00	\$35.00	5,250.00	\$59.00	8,850.00
37	TEMPORARY PAVEMENT PATCHING	SQ YD	200	\$33.64	6,728.00	\$45.00	9,000.00	\$40.00	8,000.00	\$10.00	2,000.00	\$64.00	12,800.00
38	MOBILIZATION	L SUM	1	\$23,000.00	23,000.00	\$60,000.00	60,000.00	\$124,000.00	124,000.00	\$62,500.00	62,500.00	\$40,000.00	40,000.00
39	TEMPORARY ACCESS (PRIVATE ENTRANCE)	EACH	4	\$2,200.00	8,800.00	\$100.00	400.00	\$250.00	1,000.00	\$25.00	100.00	\$557.00	2,228.00
40	CONSTRUCTION LAYOUT	L SUM	1	\$5,500.00	5,500.00	\$7,500.00	7,500.00	\$21,000.00	21,000.00	\$15,000.00	15,000.00	\$12,300.00	12,300.00
41	SANITARY SEWER ADJUSTMENT	EACH	5	\$157.05	785.25	\$1,600.00	8,000.00	\$2,500.00	12,500.00	\$450.00	2,250.00	\$3,670.00	18,350.00
42	STONE RIPRAP, CLASS A3	TON	17	\$119.75	2,035.75	\$155.00	2,635.00	\$70.00	1,190.00	\$135.00	2,295.00	\$216.00	3,672.00
43	STONE RIPRAP, CLASS A4	TON	34	\$119.75	4,071.50	\$160.00	5,440.00	\$75.00	2,550.00	\$150.00	5,100.00	\$219.00	7,446.00
44	STONE RIPRAP, CLASS A6	TON	25	\$119.75	2,993.75	\$165.00	4,125.00	\$80.00	2,000.00	\$165.00	4,125.00	\$281.00	7,025.00
45	STONE RIPRAP, CLASS A7	TON	7	\$131.25	918.75	\$260.00	1,820.00	\$100.00	700.00	\$350.00	2,450.00	\$681.00	4,767.00
46	FILTER FABRIC	SQ YD	110	\$4.59	504.90	\$4.00	440.00	\$3.00	330.00	\$10.00	1,100.00	\$13.00	1,430.00
47	BITUMINOUS MATERIALS (PRIME COAT)	GALLON	2800	\$0.01	28.00	\$0.01	28.00	\$1.00	2,800.00	\$0.01	28.00	\$0.01	28.00
48	AGGREGATE (PRIME COAT)	TON	11	\$12.10	133.10	\$8.00	88.00	\$90.00	990.00	\$1.00	11.00	\$1.00	11.00
49	THERMOPLASTIC PAVEMENT MARKING - LINE 4"	FOOT	484	\$1.38	667.92	\$2.50	1,210.00	\$2.00	968.00	\$3.50	1,694.00	\$4.00	1,936.00
50	THERMOPLASTIC PAVEMENT MARKING - LINE 6"	FOOT	364	\$2.20	800.80	\$3.75	1,365.00	\$8.00	2,912.00	\$5.00	1,820.00	\$6.00	2,184.00
51	THERMOPLASTIC PAVEMENT MARKING - LINE 12"	FOOT	36	\$8.25	297.00	\$7.50	270.00	\$12.00	432.00	\$12.00	432.00	\$11.00	396.00
52	THERMOPLASTIC PAVEMENT MARKING - LINE 24"	FOOT	41	\$5.00	205.00	\$15.00	615.00	\$20.00	820.00	\$25.00	1,025.00	\$22.00	902.00
53	SHORT TERM PAVEMENT MARKING	FOOT	200	\$1.65	330.00	\$3.00	600.00	\$2.00	400.00	\$0.50	100.00	\$2.00	400.00
54	TEMPORARY PAVEMENT MARKING-LINE 4"	EACH	500	\$1.38	690.00	\$2.00	1,000.00	\$2.00	1,000.00	\$0.50	250.00	\$2.00	1,000.00
55	SANITARY MANHOLES TO BE ADJUSTED	EACH	9	\$460.00	4,140.00	\$400.00	3,600.00	\$700.00	6,300.00	\$450.00	4,050.00	\$600.00	5,400.00
56	MANHOLES TO BE ADJUSTED	EACH	1	\$460.00	460.00	\$400.00	400.00	\$800.00	800.00	\$400.00	400.00	\$330.00	330.00
57	VALVE VAULTS TO BE ADJUSTED	EACH	9	\$460.00	4,140.00	\$400.00	3,600.00	\$500.00	4,500.00	\$400.00	3,600.00	\$330.00	2,970.00
58	CATCH BASINS TO BE ADJUSTED	EACH	3	\$460.00	1,380.00	\$400.00	1,200.00	\$600.00	1,800.00	\$400.00	1,200.00	\$330.00	990.00
59	STORM SEWER 18" (DIRECTIONAL BORE)	FOOT	92	\$192.50	17,710.00	\$250.00	23,000.00	\$290.00	26,680.00	\$375.00	34,500.00	\$923.00	84,916.00
60	SODDING, SPECIAL	SQ YD	50	\$13.20	660.00	\$35.00	1,750.00	\$20.00	1,000.00	\$20.00	1,000.00	\$44.00	2,200.00
61	POROUS CONCRETE UNIT PAVER	SQ FT	775	\$24.00	18,600.00	\$24.00	18,600.00	\$16.00	12,400.00	\$15.00	11,625.00	\$23.00	17,825.00
Total					<u>1,218,322.91</u>		<u>1,052,012.50</u>		<u>976,036.00</u>		<u>982,277.00</u>		<u>1,403,157.00</u>

TOWER ROAD/OLD GREEN BAY ROAD STORM SEWER IMPROVEMENTS BID TAB
VILLAGE OF WINNETKA
SEPTEMBER 26, 2013

Item Number	Items	Unit	Quantity	Glenbrook Excavating		Berger Excavating		Maneval Construction		MQ Construction		Lenny Hoffman Excavating	
				Unit Price	Total Cost	Unit Price	Total Cost	Unit Price	Total Cost	Unit Price	Total Cost	Unit Price	Total Cost
1	TRENCH BACKFILL	CU YD	4240	\$40.00	169,600.00	\$38.00	161,120.00	\$33.03	140,047.20	\$18.00	76,320.00	\$48.00	203,520.00
2	HOT-MIX ASPHALT SURFACE REMOVAL, 1 1/2"	SQ YD	3390	\$4.65	15,763.50	\$4.65	15,763.50	\$3.73	12,644.70	\$5.00	16,950.00	\$5.00	16,950.00
3	HOT-MIX ASPHALT BINDER COURSE, IL-19.0, N50	TON	555	\$95.55	53,030.25	\$86.85	48,201.75	\$98.67	54,761.85	\$89.50	49,672.50	\$87.00	48,285.00
4	HOT-MIX ASPHALT SURFACE COURSE, MIX "D", N50	TON	470	\$89.00	41,830.00	\$89.00	41,830.00	\$111.32	52,320.40	\$92.00	43,240.00	\$89.00	41,830.00
5	PAVEMENT REMOVAL	SQ YD	2210	\$7.00	15,470.00	\$13.00	28,730.00	\$6.43	14,210.30	\$5.50	12,155.00	\$4.50	9,945.00
6	STORM SEWER REMOVAL, 8"	FOOT	140	\$15.00	2,100.00	\$12.00	1,680.00	\$20.82	2,914.80	\$0.01	1.40	\$9.00	1,260.00
7	STORM SEWER REMOVAL, 12"	FOOT	202	\$15.00	3,030.00	\$12.00	2,424.00	\$40.71	8,223.42	\$0.01	2.02	\$13.00	2,626.00
8	STORM SEWER REMOVAL, 18"	FOOT	660	\$16.00	10,560.00	\$116.00	76,560.00	\$51.63	34,075.80	\$2.00	1,320.00	\$14.00	9,240.00
9	REMOVING MANHOLES	EACH	6	\$500.00	3,000.00	\$575.00	3,450.00	\$1,381.78	8,290.68	\$300.00	1,800.00	\$658.00	3,948.00
10	CATCH BASINS, TYPE C, R-3015 (TYPE L) FRAME AND GRATE	EACH	4	\$2,000.00	8,000.00	\$1,900.00	7,600.00	\$1,563.45	6,253.80	\$1,600.00	6,400.00	\$1,437.00	5,748.00
11	CATCH BASINS, TYPE A, 4'-DIAMETER, R-3015 (TYPE L) FRAME AND GRATE	EACH	10	\$3,000.00	30,000.00	\$3,150.00	31,500.00	\$2,735.30	27,353.00	\$2,825.00	28,250.00	\$2,800.00	28,000.00
12	CATCH BASINS, TYPE A, 4'-DIAMETER, R-3015 (TYPE R) FRAME AND GRATE	EACH	7	\$2,900.00	20,300.00	\$3,150.00	22,050.00	\$2,615.81	18,310.67	\$2,825.00	19,775.00	\$2,887.00	20,209.00
13	CATCH BASINS, TYPE A, 4'-DIAMETER, TYPE 1 FRAME , OPEN LID	EACH	1	\$2,700.00	2,700.00	\$3,150.00	3,150.00	\$2,406.85	2,406.85	\$2,725.00	2,725.00	\$2,511.00	2,511.00
14	DELETED		0	\$0.00	0.00	\$0.00	0.00	\$0.00	0.00	\$0.00	0.00	\$0.00	0.00
15	MANHOLES, TYPE A, 5'-DIAMETER, TYPE 1 FRAME, CLOSED LID	EACH	11	\$4,300.00	47,300.00	\$4,275.00	47,025.00	\$3,994.18	43,935.98	\$4,500.00	49,500.00	\$5,153.00	56,683.00
16	MANHOLES, TYPE A, 6'-DIAMETER, TYPE 1 FRAME, CLOSED LID	EACH	3	\$5,300.00	15,900.00	\$6,000.00	18,000.00	\$5,625.80	16,877.40	\$5,900.00	17,700.00	\$6,171.00	18,513.00
17	CONFLICT MANHOLES, TYPE A, 5'-DIAMETER, TYPE 1 FRAME, CLOSED LID	EACH	3	\$7,300.00	21,900.00	\$10,000.00	30,000.00	\$5,226.30	15,678.90	\$4,700.00	14,100.00	\$6,193.00	18,579.00
18	DROP MANHOLE, TYPE A, 5'-DIAMETER, TYPE 1 FRAME, CLOSED LID	EACH	1	\$145,000.00	145,000.00	\$160,000.00	160,000.00	\$46,744.99	46,744.99	\$93,000.00	93,000.00	\$141,000.00	141,000.00
19	STORM SEWER (WATER MAIN REQUIREMENTS), 12"	FOOT	177	\$80.00	14,160.00	\$54.00	9,558.00	\$93.21	16,498.17	\$50.00	8,850.00	\$101.00	17,877.00
20	STORM SEWER (WATER MAIN REQUIREMENTS), 15"	FOOT	50	\$100.00	5,000.00	\$230.00	11,500.00	\$139.44	6,972.00	\$60.00	3,000.00	\$134.00	6,700.00
21	STORM SEWERS (WATER MAIN REQUIREMENTS) 18"	FOOT	140	\$120.00	16,800.00	\$240.00	33,600.00	\$155.91	21,827.40	\$80.00	11,200.00	\$139.00	19,460.00
22	STORM SEWERS, CLASS A, TYPE 1, 12"	FOOT	26	\$45.00	1,170.00	\$65.00	1,690.00	\$111.73	2,904.98	\$25.00	650.00	\$60.00	1,560.00
23	STORM SEWERS, CLASS A, TYPE 2, 12"	FOOT	62	\$50.00	3,100.00	\$105.00	6,510.00	\$135.95	8,428.90	\$40.00	2,480.00	\$73.00	4,526.00
24	STORM SEWERS, CLASS A, TYPE 2, 30"	FOOT	432	\$95.00	41,040.00	\$265.00	114,480.00	\$147.16	63,573.12	\$161.00	69,552.00	\$115.00	49,680.00
25	STORM SEWERS, CLASS A, TYPE 2, 36"	FOOT	1453	\$120.00	174,360.00	\$275.00	399,575.00	\$183.44	266,538.32	\$223.00	324,019.00	\$150.00	217,950.00
26	SANITARY SEWER REMOVAL AND REPLACEMENT (WM REQUIREMENTS)	FOOT	55	\$50.00	2,750.00	\$200.00	11,000.00	\$129.09	7,099.95	\$350.00	19,250.00	\$178.00	9,790.00
27	COMBINATION CONCRETE CURB AND GUTTER REMOVAL AND REPLACEMENT	FOOT	300	\$35.00	10,500.00	\$55.00	16,500.00	\$26.25	7,875.00	\$25.00	7,500.00	\$35.00	10,500.00
28	PCC SIDEWALK REMOVAL AND REPLACEMENT	SQ FT	200	\$8.00	1,600.00	\$25.00	5,000.00	\$10.50	2,100.00	\$9.00	1,800.00	\$16.00	3,200.00
29	PORTLAND CEMENT CONCRETE DRIVEWAY PAVEMENT, 6"	SQ YD	46	\$50.00	2,300.00	\$105.00	4,830.00	\$68.25	3,139.50	\$50.00	2,300.00	\$90.00	4,140.00
30	DRIVEWAY PAVEMENT REMOVAL	SQ YD	86	\$9.00	774.00	\$6.00	516.00	\$20.79	1,787.94	\$12.00	1,032.00	\$9.50	817.00
31	HOT-MIX ASPHALT DRIVEWAY PAVEMENT, 3"	SQ YD	40	\$50.00	2,000.00	\$34.35	1,374.00	\$89.03	3,561.20	\$40.00	1,600.00	\$56.00	2,240.00
32	TRAFFIC CONTROL AND PROTECTION	L SUM	1	\$20,950.00	20,950.00	\$34,000.00	34,000.00	\$11,445.00	11,445.00	\$10,000.00	10,000.00	\$39,014.00	39,014.00
33	EXPLORATION TRENCH	FOOT	25	\$22.60	565.00	\$250.00	6,250.00	\$59.00	1,475.00	\$75.00	1,875.00	\$49.80	1,245.00
34	DETECTABLE WARNINGS	SQ FT	18	\$33.00	594.00	\$25.00	450.00	\$36.75	661.50	\$40.00	720.00	\$50.00	900.00
35	ADJUSTING WATER MAIN, 12" OR LESS	FOOT	100	\$200.00	20,000.00	\$325.00	32,500.00	\$134.53	13,453.00	\$150.00	15,000.00	\$100.00	10,000.00
36	ADJUSTING WATER SERVICE LINES	FOOT	150	\$60.00	9,000.00	\$170.00	25,500.00	\$65.25	9,787.50	\$20.00	3,000.00	\$42.00	6,300.00
37	TEMPORARY PAVEMENT PATCHING	SQ YD	200	\$40.00	8,000.00	\$55.00	11,000.00	\$44.89	8,978.00	\$40.00	8,000.00	\$39.00	7,800.00
38	MOBILIZATION	L SUM	1	\$50,000.00	50,000.00	\$50,000.00	50,000.00	\$22,538.00	22,538.00	\$51,000.00	51,000.00	\$38,344.00	38,344.00
39	TEMPORARY ACCESS (PRIVATE ENTRANCE)	EACH	4	\$350.00	1,400.00	\$335.00	1,340.00	\$852.18	3,408.72	\$100.00	400.00	\$302.00	1,208.00
40	CONSTRUCTION LAYOUT	L SUM	1	\$5,000.00	5,000.00	\$7,850.00	7,850.00	\$7,874.96	7,874.96	\$2,400.00	2,400.00	\$5,600.00	5,600.00
41	SANITARY SEWER ADJUSTMENT	EACH	5	\$500.00	2,500.00	\$6,500.00	32,500.00	\$2,649.57	13,247.85	\$1,500.00	7,500.00	\$1,889.00	9,445.00
42	STONE RIPRAP, CLASS A3	TON	17	\$85.00	1,445.00	\$355.00	6,035.00	\$121.69	2,068.73	\$50.00	850.00	\$119.00	2,023.00
43	STONE RIPRAP, CLASS A4	TON	34	\$90.00	3,060.00	\$200.00	6,800.00	\$110.55	3,758.70	\$50.00	1,700.00	\$124.00	4,216.00
44	STONE RIPRAP, CLASS A6	TON	25	\$100.00	2,500.00	\$225.00	5,625.00	\$261.43	6,535.75	\$75.00	1,875.00	\$134.00	3,350.00
45	STONE RIPRAP, CLASS A7	TON	7	\$110.00	770.00	\$900.00	6,300.00	\$209.27	1,464.89	\$100.00	700.00	\$152.00	1,064.00
46	FILTER FABRIC	SQ YD	110	\$3.00	330.00	\$15.00	1,650.00	\$6.97	766.70	\$4.00	440.00	\$5.00	550.00
47	BITUMINOUS MATERIALS (PRIME COAT)	GALLON	2800	\$0.01	28.00	\$0.01	28.00	\$3.54	9,912.00	\$0.01	28.00	\$0.01	28.00
48	AGGREGATE (PRIME COAT)	TON	11	\$1.00	11.00	\$1.00	11.00	\$1.18	12.98	\$1.00	11.00	\$1.00	11.00
49	THERMOPLASTIC PAVEMENT MARKING - LINE 4"	FOOT	484	\$2.65	1,282.60	\$3.50	1,694.00	\$2.78	1,345.52	\$3.00	1,452.00	\$3.25	1,573.00
50	THERMOPLASTIC PAVEMENT MARKING - LINE 6"	FOOT	364	\$3.95	1,437.80	\$5.25	1,911.00	\$4.15	1,510.60	\$4.50	1,638.00	\$4.75	1,729.00
51	THERMOPLASTIC PAVEMENT MARKING - LINE 12"	FOOT	36	\$8.00	288.00	\$10.50	378.00	\$8.40	302.40	\$9.25	333.00	\$9.50	342.00
52	THERMOPLASTIC PAVEMENT MARKING - LINE 24"	FOOT	41	\$16.00	656.00	\$21.00	861.00	\$16.80	688.80	\$18.50	758.50	\$19.00	779.00
53	SHORT TERM PAVEMENT MARKING	FOOT	200	\$1.50	300.00	\$1.50	300.00	\$1.05	210.00	\$2.00	400.00	\$1.00	200.00
54	TEMPORARY PAVEMENT MARKING-LINE 4"	EACH	500	\$0.75	375.00	\$4.00	2,000.00	\$1.05	525.00	\$1.00	500.00	\$1.00	500.00
55	SANITARY MANHOLES TO BE ADJUSTED	EACH	9	\$300.00	2,700.00	\$750.00	6,750.00	\$770.28	6,932.52	\$800.00	7,200.00	\$644.00	5,796.00
56	MANHOLES TO BE ADJUSTED	EACH	1	\$300.00	300.00	\$500.00	500.00	\$1,652.00	1,652.00	\$500.00	500.00	\$469.00	469.00
57	VALVE VAULTS TO BE ADJUSTED	EACH	9	\$300.00	2,700.00	\$500.00	4,500.00	\$504.78	4,543.02	\$300.00	2,700.00	\$469.00	4,221.00
58	CATCH BASINS TO BE ADJUSTED	EACH	3	\$300.00	900.00	\$500.00	1,500.00	\$668.67	2,006.01	\$200.00	600.00	\$469.00	1,407.00
59	STORM SEWER 18" (DIRECTIONAL BORE)	FOOT	92	\$615.00	56,580.00	\$995.00	91,540.00	\$664.39	61,123.88	\$120.00	11,040.00	\$807.00	74,244.00
60	SODDING, SPECIAL	SQ YD	50	\$12.00	600.00	\$25.00	1,250.00	\$36.70	1,835.00	\$20.00	1,000.00	\$90.00	4,500.00
61	POROUS CONCRETE UNIT PAVER	SQ FT	775	\$30.00	23,250.00	\$49.00	37,975.00	\$20.57	15,941.75	\$20.00	15,500.00	\$19.00	14,725.00
Total					<u>1,098,560.15</u>		<u>1,694,215.25</u>		<u>1,133,363.00</u>		<u>1,035,264.42</u>		<u>1,218,870.00</u>



Agenda Item Executive Summary

Title: Stormwater Financing: GO Bond Series 2013 and 2014 - Introduction

Presenter: Edward F. McKee, Finance Director

Agenda Date: 10/15/2013

Consent: YES NO

- | | |
|-------------------------------------|-------------------------|
| <input checked="" type="checkbox"/> | Ordinance |
| <input type="checkbox"/> | Resolution |
| <input type="checkbox"/> | Bid Authorization/Award |
| <input type="checkbox"/> | Policy Direction |
| <input type="checkbox"/> | Informational Only |

Item History:

- May 14, 2013 - Council Meeting: Stormwater Feasibility Study - MFSG Final Report
- May 21, 2013 - Council Meeting: NE & NW Winnetka Study Areas, Winnetka Avenue Underpass
- July 9, 2013 - Study Session: Draft Stormwater Master Plan
- July 11, 2013 - Special Study Session: Stormwater Financing

Executive Summary:

In May, June and July of this year, after several years of study, the Village Council considered consultant reports and recommendations pertaining to stormwater management, and provided policy direction regarding the construction and financing of stormwater system improvements throughout the Village. Key documents considered were a Draft Stormwater Master Plan for improvements that would be constructed over the next five years, at an estimated cost of \$41.4 million, and a Stormwater Utility Feasibility Study, which addresses various funding and financing scenarios, including a mixture of bonds, user fees and accumulated reserves.

At the July 11, 2013, Study Session, the Council considered financing methods and conferred with the Village's Financial Advisor Kevin McCanna of Speer Financial, Inc. It is anticipated that the Village will need to issue \$30 to \$35 million in bonds to finance all of the improvements, some of which are ready to go to contract. Therefore, because of favorable interest rates for bank qualified tax exempt bonds, the Village Council directed staff to prepare the documents necessary to issue \$18,500,000 in general obligation ("G.O.") bonds. Pursuant to that directive, the Village's Manager, Finance Director/Treasurer and Attorney have been working with Mr. McCanna and with Timothy McGree and Julie Kelly of Chapman and Cutler, the Village's bond counsel, to determine the structure of the bond issues and to prepare the necessary ordinances and supporting documentation for the two transactions.

The bonds will be structured in two series, each authorized by a separate ordinance and each subject to a different time schedule, as follows:

Action	Ordinance M-15-2013 - Series 2013 (\$9,000,000)	Ordinance M-16-2013 - Series 2014 (\$9,500,000)
Introduce Bond Ordinance	October 15, 2013, Council Meeting	October 15, 2013, Council Meeting
Bond sale	November 5, 2013	December 3, 2013
Amend and pass Bond Ordinance	November 5, 2013, Council Meeting	December 3, 2013 Council Meeting
Settlement / Closing Date	November 20, 2013	January 7, 2014

A copy of the Preliminary Official Statement ("OS") for the Series 2013 bonds is attached, as is a copy of page 1 of the Preliminary OS for Series 2014, which reflects the different bond amounts and maturity dates of the Series 2014 bonds. (The remainder of the Series 2014 OS will follow the same format as the Series 2013 OS.) Potential purchasers use the OS to determine the Village's creditworthiness and evaluate the sale. The final numbers in each ordinance and OS are subject to change following the sale.

Recommendation / Suggested Action:

- 1) Consider a motion to introduce Ordinance M-15-2013, An Ordinance providing for the issuance of \$9,000,000 G.O. Bonds, Series 2013.
- 2) Consider a motion to introduce Ordinance M-16-2013, An Ordinance providing for the issuance of \$9,500,000 G.O. Bonds, Series 2014.

Attachments:

Agenda Report

Attachment 1 - Ordinance M-15-2013

Attachment 2 - Ordinance M-16-2013

Attachment 3 - Preliminary Official Statement for the \$9,000,000 G.O. Bonds, Series 2013

Attachment 4 - Page 1 of the Preliminary Official Statement for the \$9,500,000 G.O. Bonds, Series 2014

AGENDA REPORT

SUBJECT: Stormwater Financing
M-15-2013 - \$9,000,000 General Obligation Bonds, Series 2013
M-16-2013 - \$9,500,000 General Obligation Bonds, Series 2014

PREPARED BY: Edward F. McKee, Finance Director and Village Treasurer
Katherine S. Janega, Village Attorney

REF:

May 14, 2013	Council Meeting	Agenda pp. 2 - 256
May 21, 2013	Council Meeting	Agenda pp. 23 - 57
July 9, 2013	Study Session	Agenda pp. 47 - 66
July 11, 2013	Special Study Session	Agenda pp. 2 - 16

DATE: October 9, 2013

Immediately following the severe flooding of September 2008, the Village began developing a series of comprehensive flood risk reduction improvements aimed at reducing flooding from 100-year storm events in eight areas throughout the Village.

The Village was primarily assisted by two professional firms: Christopher B. Burke Engineering, Ltd. (CBBEL) and Municipal & Financial Services Group (MFSG). CBBEL worked on developing the proposed engineering solutions and estimating their costs, while MFSG analyzed options and methods for financing the improvements, including evaluating the feasibility of funding improvements via a Stormwater Utility.

At its May Study Session, the Village Council considered MFSG's Stormwater Feasibility Study Final Report, which addressed various funding and financing scenarios, including a mixture of bonds, user fees and accumulated reserves. Subsequently, at its regular Study Session in July, the Council considered CBBEL's Draft Stormwater Master Plan, which provides for the construction of stormwater system improvements throughout the Village over the next five years, at an estimated cost of \$41.4 million. It is anticipated that the Village will need to issue \$30 to \$35 million in bonds to finance all of the improvements, some of which are ready to go to contract.

On July 11th, the Village Council held a Special Study Session, at which it conferred with the Village's Financial Advisor, Kevin McCanna of Speer Financial, Inc., and considered financing methods and the possible issuance of bonds. Because of favorable interest rates for bank qualified tax exempt bonds, the Village Council directed staff to prepare the documents necessary to issue \$18,500,000 in general obligation ("G.O.") bonds.

Pursuant to that directive, the Village's Manager, Finance Director/Treasurer and Attorney have been working with Mr. McCanna and with Timothy McGree and Julie Kelly of Chapman

and Cutler, the Village's bond counsel, to determine the structure of the bond issues and to prepare the necessary ordinances and supporting documentation for the two transactions.

The bonds will be structured in two series, each authorized by a separate ordinance. Ordinance M-15-2013 authorizes issuance of \$9,00,000 in GO Bonds, Series 2013. Ordinance M-16-2013 authorizes \$9,500,000 GO Bonds, Series 2014. The sale of the Series 2013 bonds would be sold in November and would close during the same month, while the Series 2014 bonds would be sold in December and would close in January of 2014.

Copies of the two Ordinances are attached to this Agenda Report. As is the case for all bond issues, the ordinances that are presented for introduction contain some blank spaces, because the final terms are determined by the results of the bond sale. The bond sale is held on the morning of the Council meeting at which the ordinance is scheduled for final action, so the Ordinance can be updated for amendment before passage.

The following table lists the relevant dates for both bond Ordinances, and the related steps.

Ordinance M-15-2013 – \$9,000,000 GO Bond - Series 2013	
Introduce Bond Ordinance	October 15, 2013 Council Meeting
Bond Sale	November 5, 2013
Amend Bond Ordinance to reflect terms of bond sale	November 5, 2013 Council Meeting
Pass Bond Ordinance, as amended	November 15, 2013 Council Meeting
Settlement / Closing Date	November 20, 2013

Ordinance M-16-2013 – \$9,500,000 GO Bond - Series 2014	
Introduce Bond Ordinance	October 15, 2013 Council Meeting
Bond Sale	December 3, 2013
Amend Bond Ordinance to reflect terms of bond sale	December 3, 2013 Council Meeting
Pass Bond Ordinance, as amended	December 3, 2013 Council Meeting
Settlement / Closing Date	January 7, 2014

For each bond issue, Speer Financial prepares an Official Statement (“OS”), which provides information about the bond issue and the Village. Potential purchasers use the OS to determine the Village’s credit-worthiness. A copy of the Preliminary OS for the Series 2013 bonds is attached. The Preliminary OS for Series 2014 will be similar, with differences reflecting the different amounts and maturity dates. A copy of the first page of the Preliminary OS for Series 2014 is also attached. As with the bond ordinances, the final numbers in the OS for each bond issue are subject to change following the sale.

Attachments:

- Attachment 1: Ordinance M-15-2013, \$9,000,000 GO Bonds, Series 2013
- Attachment 2: Ordinance M-16-2013, \$9,500,000 GO Bonds, Series 2014
- Attachment 3: Preliminary Official Statement for the \$9,000,000 G.O. Bonds, Series 2013
- Attachment 4: Page 1 of the Preliminary Official Statement for the \$9,500,000 G.O. Bonds, Series 2014

Recommendation:

- 1) Consider a motion to introduce Ordinance M-15-2013, An Ordinance providing for the issuance of \$9,000,000 General Obligation Bonds, Series 2013.
- 2) Consider a motion to introduce Ordinance M-16-2013, An Ordinance providing for the issuance of \$9,500,000 General Obligation Bonds, Series 2014.

Attachment 1

Ordinance M-15-2013

\$9,000,000 GO Bonds, Series 2013

ORDINANCE NUMBER M-15-2013

AN ORDINANCE providing for the issuance of \$9,000,000* General Obligation Bonds, Series 2013, of the Village of Winnetka, Cook County, Illinois, for the financing of certain improvements to the stormwater system of the Village, and providing for the levy and collection of a direct annual tax for the payment of the principal of and interest on said bonds.

Enacted by the President and Board of Trustees of the Village of Winnetka on the ____ day of _____ 2013.

Published in Pamphlet Form by Authority of the President and Board of Trustees of the Village of Winnetka on the ____ day of _____ 2013.

* Preliminary, subject to change.

October 15, 2013

M-15-2013

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LIST OF EXHIBITS

A—CONTINUING DISCLOSURE UNDERTAKING

ORDINANCE NUMBER M-15-2013

AN ORDINANCE providing for the issuance of \$9,000,000^{*} General Obligation Bonds, Series 2013, of the Village of Winnetka, Cook County, Illinois, for the financing of certain improvements to the stormwater system of the Village, and providing for the levy and collection of a direct annual tax for the payment of the principal of and interest on said bonds.

PREAMBLES

WHEREAS

A. The Village of Winnetka, Cook County, Illinois (the “*Village*”), pursuant to a referendum held on April 5, 2005, and pursuant to the provisions of the 1970 Constitution of the State of Illinois and particularly Article VII, Section 6(a) thereof, is a home rule unit and as such may exercise any power or perform any function pertaining to its government and affairs, including, but not limited to, the power to tax and to incur debt.

B. Pursuant to the home rule provisions of Section 6, the Village has the power to incur debt payable from ad valorem property tax receipts or from any other lawful source and maturing within 40 years from the time it is incurred without prior referendum approval.

C. The Council of the Village, consisting of the President and Board of Trustees (the “*Corporate Authorities*”) has previously considered the needs of the Village and has determined and does hereby determine that it is advisable, necessary and in the best interests of the Village to finance certain improvements relating to the Village’s stormwater system (the “*Project*”).

D. The Corporate Authorities have determined the total cost of the Project and costs and expenses incidental thereto, including in such costs and expenses all items of cost permitted under the home rule powers of the Village, and without limitation, costs of issuance of bonds,

* Preliminary, subject to change.

capitalized interest, and reserves, to be not less than \$_____; and there are not moneys of the Village on hand and available for the purpose of providing for the payment of such costs.

E. This Ordinance has been placed on the agenda of the Corporate Authorities and made available for public inspection at Village Hall and on the Village's web site, in accordance with Sections 2.04.040 and 2.16.040 of the Winnetka Village Code and applicable law.

NOW THEREFORE Be It Ordained by the President and Board of Trustees of the Village of Winnetka, Cook County, Illinois, in the exercise of its home rule powers, as follows:

Section 1. Definitions. Words and terms used in this Ordinance shall have the meanings given them, unless the context or use clearly indicates another or different meaning is intended. Words and terms defined in the singular may be used in the plural and vice-versa. Reference to any gender shall be deemed to include the other and also inanimate persons such as corporations, where applicable.

A. The following words and terms are as defined in the preambles.

Corporate Authorities

Project

Village

B. The following words and terms are defined as set forth.

“Act” means the Illinois Municipal Code, as supplemented and amended, as supplemented by the Local Government Debt Reform Act, and as further supplemented by the home rule powers of the Village under Section 6 of Article VII of the Illinois Constitution of 1970; and in the event of conflict between the provisions of the code and home rule powers, the home rule powers shall be deemed to supersede the provisions of the code.

“Ad Valorem Property Taxes” means the real property taxes levied to pay the Bonds as described and levied in (Section 13 of) this Ordinance.

“Bond Counsel” means Chapman and Cutler LLP, Chicago, Illinois.

“Bond Fund” means the Bond Fund established and defined in (Section 17 of) this Ordinance.

“Bond Moneys” means the Ad Valorem Property Taxes and any other moneys deposited into the Bond Fund and investment income held in the Bond Fund.

“Bond Purchase Agreement” means the contract for the sale of the Bonds by and between the Village and the Purchaser, as evidenced by the executed Official Bid Form, in response to an Official Notice of Sale given by the Village in connection with the public competitive sale of the Bonds.

“Bond Register” means the books of the Village kept by the Bond Registrar to evidence the registration and transfer of the Bonds.

“Bond Registrar” means Amalgamated Bank of Chicago, or successor thereto, as bond registrar and paying agent for the Bonds, which bond registrar is a bank or trust company routinely in the business of providing such services and with a banking or corporate trust office currently located in the City of Chicago, Illinois.

“Bonds” means the \$_____ General Obligation Bonds, Series 2013 authorized to be issued by this Ordinance.

“Book Entry Form” means the form of the Bonds as fully registered and available in physical form only to the Depository.

“Code” means the Internal Revenue Code of 1986, as amended.

“*Continuing Disclosure Undertaking*” means the undertaking by the Village for the benefit of the Purchaser as authorized in (Section 16 of) this Ordinance and substantially in the form as attached hereto as *Exhibit A*.

“*County*” means The County of Cook, Illinois.

“*County Clerk*” means the County Clerk of the County.

“*Depository*” means The Depository Trust Company, a limited purpose trust company organized under the laws of the State of New York, its successors, or a successor depository qualified to clear securities under applicable state and federal laws.

“*Ordinance*” means this Ordinance, numbered as set forth on the title page, and passed by the Corporate Authorities on the 5th day of November 2013.

“*Purchase Price*” means the purchase price of the Bonds, to-wit: \$_____ (being equal to the par amount of the Bonds, plus original issue premium in the amount of \$_____ and net of an underwriter’s discount of \$_____), plus accrued interest to the date of delivery, if any.

“*Purchaser*” means the purchaser of the Bonds, as the winning bidder at competitive sale, namely, _____.

“*Record Date*” means the first day of the month of any interest payment date.

“*Tax-exempt*” means the status of interest paid and received thereon as excludable from gross income of the owners thereof for federal income tax purposes and as not included as an item of tax preference in computing the alternative minimum tax for individuals and corporations under the Code, but as taken into account in computing an adjustment used in determining the federal alternative minimum tax for certain corporations.

C. Definitions also appear in the above preambles or in specific sections, as appearing below. The table of contents preceding and the headings in this Ordinance are for the convenience of the reader and are not a part of this Ordinance.

Section 2. Incorporation of Preambles. The Corporate Authorities hereby find that all of the recitals contained in the preambles to this Ordinance are true, correct and complete and do incorporate them into this Ordinance by this reference.

Section 3. Determination To Issue Bonds. It is necessary and in the best interests of the Village to provide for the Project, to pay all necessary or advisable related costs, and to borrow money and issue the Bonds for the purpose of paying a part of such costs. It is hereby found and determined that such borrowing of money is for a proper public purpose or purposes and is in the public interest, and is authorized pursuant to the Act; and these findings and determinations shall be deemed conclusive.

Section 4. Bond Details. There shall be issued and sold the Bonds in the aggregate principal amount of \$_____. The Bonds shall each be designated “*General Obligation Bond, Series 2013*”; be dated the date of delivery thereof (the “*Dated Date*”); and shall also bear the date of authentication thereof. The Bonds shall be fully registered and in Book Entry Form, shall be in denominations of \$5,000 or integral multiples thereof (but no single Bond shall represent principal maturing on more than one date), and shall be numbered consecutively from one (1) upwards in such fashion as shall be determined by the Bond Registrar. The Bonds shall become due (subject to right of prior redemption) and payable serially on December 15 of the years and in the amounts and bearing interest at the rates percent per annum as follows:

YEAR	AMOUNT (\$)	RATE
2015		
2016		
2017		
2018		
2019		
***	***	***
2044		
2045		
2046		

Each Bond shall bear interest from the later of its Dated Date as herein provided or from the most recent interest payment date to which interest has been paid or duly provided for, until the principal amount of such Bond is paid or duly provided for, such interest (computed upon the basis of a 360-day year of twelve 30-day months) being payable on June 15 and December 15 of each year, commencing on June 15, 2014. Interest on each Bond shall be paid by check or draft of the Bond Registrar, payable upon presentation thereof in lawful money of the United States of America, to the person in whose name such Bond is registered at the close of business on the applicable Record Date and mailed to the registered owner of the Bond as shown in the Bond Register or at such other address furnished in writing by such Registered Owner, or as otherwise may be agreed with the Depository for so long as the Depository is the registered owner as of a given Record Date. The principal of or redemption price of the Bonds shall be payable in lawful money of the United States of America upon presentation thereof at the office of the Bond Registrar maintained for the purpose, located in the Chicago, Illinois, or at successor Bond Registrar or locality.

Section 5. Registration of Bonds; Persons Treated as Owners. The Village shall cause books (the “Bond Register” as defined) for the registration and for the transfer of the Bonds as provided in this Ordinance to be kept at the office of the Bond Registrar maintained for such purpose, which is hereby constituted and appointed the registrar of the Village for the Bonds. The Village shall prepare, and the Bond Registrar or such other agent as the Village may

designate shall keep custody of, multiple Bond blanks executed by the Village for use in the transfer and exchange of Bonds. Subject to the provisions of this Ordinance relating to the Bonds in Book Entry Form, any Bond may be transferred or exchanged, but only in the manner, subject to the limitations, and upon payment of the charges as set forth in this Ordinance. Upon surrender for transfer or exchange of any Bond at the office of the Bond Registrar maintained for the purpose, duly endorsed by or accompanied by a written instrument or instruments of transfer or exchange in form satisfactory to the Bond Registrar and duly executed by the registered owner or an attorney for such owner duly authorized in writing, the Village shall execute and the Bond Registrar shall authenticate, date and deliver in the name of the transferee or transferees or, in the case of an exchange, the registered owner, a new fully registered Bond or Bonds of like tenor, of the same maturity, bearing the same interest rate, of authorized denominations, for a like aggregate principal amount. The Bond Registrar shall not be required to transfer or exchange any Bond during the period from the close of business on the Record Date for an interest payment to the opening of business on such interest payment date. The execution by the Village of any fully registered Bond shall constitute full and due authorization of such Bond, and the Bond Registrar shall thereby be authorized to authenticate, date and deliver such Bond; *provided, however*, the principal amount of Bonds of each maturity authenticated by the Bond Registrar shall not at any one time exceed the authorized principal amount of Bonds for such maturity less the amount of such Bonds which have been paid. The person in whose name any Bond shall be registered shall be deemed and regarded as the absolute owner thereof for all purposes, and payment of the principal of or interest on any Bond shall be made only to or upon the order of the registered owner thereof or his legal representative. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid. No service charge shall be made to any registered owner of Bonds for any transfer or exchange of Bonds, but the Village or the Bond Registrar may require payment of a sum sufficient to cover

any tax or other governmental charge that may be imposed in connection with any transfer or exchange of Bonds.

Section 6. Book Entry Provisions. The Bonds shall be initially issued in the form of a separate single fully registered Bond for each maturity bearing the same interest rate. Upon initial issuance, the ownership of each such Bond shall be registered in the Bond Register in the name of the Depository or a designee or nominee of the Depository (such depository or nominee being the “*Book Entry Owner*”). Except as otherwise expressly provided, all of the outstanding Bonds from time to time shall be registered in the Bond Register in the name of the Book Entry Owner (and accordingly in Book Entry Form as such term is used in this Ordinance). Any Village officer, as representative of the Village, is hereby authorized, empowered, and directed to execute and deliver or utilize a previously executed and delivered Letter of Representations or Blanket Letter of Representations (either being the “*Letter of Representations*”) substantially in the form common in the industry, or with such changes therein as the officer executing the Letter of Representations on behalf of the Village shall approve, his or her execution thereof to constitute conclusive evidence of approval of such changes, as shall be necessary to effectuate Book Entry Form. Without limiting the generality of the authority given with respect to entering into such Letter of Representations, it may contain provisions relating to (a) payment procedures, (b) transfers of the Bonds or of beneficial interests therein, (c) redemption notices and procedures unique to the Depository, (d) additional notices or communications, and (e) amendment from time to time to conform with changing customs and practices with respect to securities industry transfer and payment practices. With respect to Bonds registered in the Bond Register in the name of the Book Entry Owner, none of the Village, any Village officer, or the Bond Registrar shall have any responsibility or obligation to any broker-dealer, bank, or other financial institution for which the Depository holds Bonds from time to time as securities depository (each

such broker-dealer, bank, or other financial institution being referred to herein as a “*Depository Participant*”) or to any person on behalf of whom such a Depository Participant holds an interest in the Bonds. Without limiting the meaning of the immediately preceding sentence, the Village, any Village officer, and the Bond Registrar shall have no responsibility or obligation with respect to (a) the accuracy of the records of the Depository, the Book Entry Owner, or any Depository Participant with respect to any ownership interest in the Bonds, (b) the delivery to any Depository Participant or any other person, other than a registered owner of a Bond as shown in the Bond Register or as otherwise expressly provided in the Letter of Representations, of any notice with respect to the Bonds, including any notice of redemption, or (c) the payment to any Depository Participant or any other person, other than a registered owner of a Bond as shown in the Bond Register, of any amount with respect to principal of or interest on the Bonds. No person other than a registered owner of a Bond as shown in the Bond Register shall receive a Bond certificate with respect to any Bond. In the event that (a) the Village determines that the Depository is incapable of discharging its responsibilities described herein and in the Letter of Representations, (b) the agreement among the Village, the Bond Registrar, and the Depository evidenced by the Letter of Representations shall be terminated for any reason, or (c) the Village determines that it is in the best interests of the Village or of the beneficial owners of the Bonds either that they be able to obtain certificated Bonds or that another depository is preferable, the Village shall notify the Depository and the Depository shall notify the Depository Participants of the availability of Bond certificates, and the Bonds shall no longer be restricted to being registered in the Bond Register in the name of the Book Entry Owner. Alternatively, at such time, the Village may determine that the Bonds shall be registered in the name of and deposited with a successor depository operating a system accommodating Book Entry Form, as may be acceptable to the Village, or such depository’s agent or designee, but if the Village does not select such alternate

book entry system, then the Bonds shall be registered in whatever name or names registered owners of Bonds transferring or exchanging Bonds shall designate, in accordance with the provisions of this Ordinance.

Section 7. Execution; Authentication. The Bonds shall be executed on behalf of the Village by the manual or duly authorized facsimile signature of its President and attested by the manual or duly authorized facsimile signature of its Village Clerk, as they may determine, and shall be impressed or imprinted with the corporate seal or facsimile seal of the Village. In case any such officer whose signature shall appear on any Bond shall cease to be such officer before the delivery of such Bond, such signature shall nevertheless be valid and sufficient for all purposes, the same as if such officer had remained in office until delivery. All Bonds shall have thereon a certificate of authentication, substantially in the form provided, duly executed by the Bond Registrar as authenticating agent of the Village and showing the date of authentication. No Bond shall be valid or obligatory for any purpose or be entitled to any security or benefit under this Ordinance unless and until such certificate of authentication shall have been duly executed by the Bond Registrar by manual signature, and such certificate of authentication upon any such Bond shall be conclusive evidence that such Bond has been authenticated and delivered under this Ordinance.

Section 8. Term Bonds; Mandatory Redemption. The Bonds due on December 15 of the years 20__, 20__ and 20__ are Term Bonds and are subject to mandatory redemption by operation of the Bond Fund at a price of par and accrued interest, without premium, on December 15 of the years and in the amounts as follows:

FOR THE TERM BONDS DUE DECEMBER 15, 20__:

YEAR	REDEMPTION AMOUNT (\$)
------	---------------------------

with \$_____ remaining to be paid at maturity in 20__.

FOR THE TERM BONDS DUE DECEMBER 15, 20__:

YEAR	REDEMPTION AMOUNT (\$)
------	---------------------------

with \$_____ remaining to be paid at maturity in 20__.

FOR THE TERM BONDS DUE DECEMBER 15, 20__:

YEAR	REDEMPTION AMOUNT (\$)
------	---------------------------

with \$_____ remaining to be paid at maturity in 20__.

Those of the Bonds denominated Term Bonds shall be subject to mandatory redemption by operation of the Bond Fund at a price of par and accrued interest, without premium, on December 15 of the years and in the amounts set forth for same. The Village covenants that it will redeem Term Bonds pursuant to the mandatory redemption requirement for such Term Bonds. Proper provision for mandatory redemption having been made, the Village covenants that the Term Bonds so selected for redemption shall be payable as at maturity. If the Village redeems pursuant to optional redemption as provided for the Bonds or purchases Term Bonds of any maturity and cancels the same from Bond Moneys as hereinafter described, then an amount equal to the principal amount of Term Bonds so redeemed or purchased shall be deducted from

the mandatory redemption requirements provided for Term Bonds of such maturity, first, in the current year of such requirement, until the requirement for the current year has been fully met, and then in any order of such Term Bonds as due at maturity or subject to mandatory redemption in any year, as the Village shall determine. If the Village redeems pursuant to optional redemption or purchases Term Bonds of any maturity and cancels the same from moneys other than Bond Moneys, then an amount equal to the principal amount of Term Bonds so redeemed or purchased shall be deducted from the amount of such Term Bonds as due at maturity or subject to mandatory redemption requirement in any year, as the Village shall determine.

Section 9. Optional Redemption. The Bonds due on and after December 15, 2044 are subject to redemption prior to maturity at the option of the Village, from any available funds, in whole or in part, on any date on or after December 15, 2021, and if in part, in any order of maturity, as selected by the Village, and if less than an entire maturity, in integral multiples of \$5,000, selected by lot by the Bond Registrar as hereinafter provided, and as applicable to any mandatory redemption requirement of Term Bonds, if any, as the Village shall determine, at the redemption price of par plus accrued interest to the date fixed for redemption.

Section 10. Redemption Procedure. Bonds subject to redemption shall be identified, notice given, and paid and redeemed pursuant to the procedures as follows:

A. *Notice to Registrar.* For a mandatory redemption, the Bond Registrar shall proceed to redeem Bonds without any further order or direction from the Village whatsoever. For an optional redemption, the Village shall, at least 45 days prior to a redemption date (unless a shorter time period shall be satisfactory to the Bond Registrar), notify the Bond Registrar of such redemption date and of the maturities and principal amounts of Bonds to be redeemed, and, if Term Bonds are to be redeemed, the

application of the amount redeemed to the mandatory redemption schedule for such Term Bonds.

B. Selection of Bonds within a Maturity. For purposes of any redemption of less than all of the Bonds of a single maturity, the particular Bonds or portions of Bonds to be redeemed shall be selected by lot by the Bond Registrar for the Bonds of such series and maturity by such method of lottery as the Bond Registrar shall deem fair and appropriate; *provided*, that such lottery shall provide for the selection for redemption of Bonds or portions thereof so that any \$5,000 Bond or \$5,000 portion of a Bond shall be as likely to be called for redemption as any other such \$5,000 Bond or \$5,000 portion. The Bond Registrar shall make such selection upon the earlier of the irrevocable receipt of funds sufficient to pay the redemption price of the Bonds to be redeemed or the time of the giving of official notice of redemption.

C. Official Notice of Redemption. The Bond Registrar shall promptly notify the Village in writing of the Bonds or portions of Bonds selected for redemption and, in the case of any Bond selected for partial redemption, the principal amount thereof to be redeemed. Unless waived by the registered owner of Bonds to be redeemed, official notice of any such redemption shall be given by the Bond Registrar on behalf of the Village by mailing the redemption notice by first class U.S. mail not less than 30 days and not more than 60 days prior to the date fixed for redemption to each registered owner of the Bond or Bonds to be redeemed at the address shown on the Bond Register or at such other address as is furnished in writing by such registered owner to the Bond Registrar. All official notices of redemption shall include the name of the Bonds and at least the information as follows:

- (1) the redemption date;

(2) the redemption price;

(3) if less than all of the outstanding Bonds of a particular maturity are to be redeemed, the identification (and, in the case of partial redemption of Bonds within such maturity, the respective principal amounts) of the Bonds to be redeemed;

(4) a statement that on the redemption date the redemption price will become due and payable upon each such Bond or portion thereof called for redemption and that interest thereon shall cease to accrue from and after said date; and

(5) the place where such Bonds are to be surrendered for payment of the redemption price, which place of payment shall be the office of the Bond Registrar maintained for that purpose.

D. Conditional Redemption. Unless moneys sufficient to pay the redemption price of the Bonds to be redeemed shall have been received by the Bond Registrar prior to the giving of such notice of redemption, such notice may, at the option of the Village, state that said redemption shall be conditional upon the receipt of such moneys by the Bond Registrar on or prior to the date fixed for redemption. If such moneys are not received, such notice shall be of no force and effect, the Village shall not redeem such Bonds, and the Bond Registrar shall give notice, in the same manner in which the notice of redemption was given, that such moneys were not so received and that such Bonds will not be redeemed.

E. Bonds Shall Become Due. Subject to the stated condition in paragraph (D) immediately preceding, official notice of redemption having been given as described, the Bonds or portions of Bonds so to be redeemed shall, on the redemption date, become due

and payable at the redemption price therein specified, and from and after such date (unless the Village shall default in the payment of the redemption price) such Bonds or portions of Bonds shall cease to bear interest. Upon surrender of such Bonds for redemption in accordance with said notice, such Bonds shall be paid by the Bond Registrar at the redemption price. The procedure for the payment of interest due as part of the redemption price shall be as herein provided for payment of interest otherwise due.

F. Insufficiency in Notice Not Affecting Other Bonds; Failure to Receive Notice; Waiver. Neither the failure to mail such redemption notice, nor any defect in any notice so mailed, to any particular registered owner of a Bond, shall affect the sufficiency of such notice with respect to other registered owners. Notice having been properly given, failure of a registered owner of a Bond to receive such notice shall not be deemed to invalidate, limit or delay the effect of the notice or redemption action described in the notice. Such notice may be waived in writing by a registered owner of a Bond entitled to receive such notice, either before or after the event, and such waiver shall be the equivalent of such notice. Waivers of notice by registered owners shall be filed with the Bond Registrar, but such filing shall not be a condition precedent to the validity of any action taken in reliance upon such waiver. *In lieu of the foregoing official notice, so long as the Bonds are held in Book Entry Form, notice may be given as provided in the Representations Letter, and the giving of such notice shall constitute a waiver by the Depository and the Book Entry Owner, as registered owner, of the foregoing notice.*

G. New Bond in Amount Not Redeemed. Upon surrender for any partial redemption of any Bond, there shall be prepared for the registered owner a new Bond or Bonds of like tenor, of authorized denominations, of the same maturity, and bearing the same rate of interest in the amount of the unpaid principal.

H. Effect of Nonpayment upon Redemption. If any Bond or portion of Bond called for redemption shall not be so paid upon surrender thereof for redemption, the principal shall, until paid or duly provided for, bear interest from the redemption date at the rate borne by the Bond or portion of Bond so called for redemption.

I. Bonds to Be Cancelled; Payment to Identify Bonds. All Bonds which have been redeemed shall be cancelled and destroyed by the Bond Registrar and shall not be reissued. Upon the payment of the redemption price of Bonds being redeemed, each check or other transfer of funds issued for such purpose shall bear the CUSIP number identifying, by issue and maturity, the Bonds being redeemed with the proceeds of such check or other transfer.

J. Additional Notice. The Village agrees to provide such additional notice of redemption as it may deem advisable at such time as it determines to redeem Bonds, taking into account any requirements or guidance of the Securities and Exchange Commission, the Municipal Securities Rulemaking Board, the Government Accounting Standards Board, or any other federal or state agency having jurisdiction or authority in such matters; *provided, however,* that such additional notice (1) shall be advisory in nature, (2) shall be solely in the discretion of the Village, and (3) shall not be a condition precedent of a valid redemption or a part of the Bond contract and *provided further* that any failure or defect in such notice shall not delay or invalidate the redemption of Bonds for which proper official notice shall have been given. Reference is also made to the provisions of the Continuing Disclosure Undertaking of the Village with respect to the Bonds, which may contain other provisions relating to notice of redemption of Bonds.

K. Bond Registrar to Advise Village. As part of its duties hereunder, the Bond Registrar shall prepare and forward to the Village a statement as to notices given with respect to each redemption together with copies of the notices as mailed.

Section 11. Form of Bonds. The Bonds shall be in substantially the form hereinafter set forth; *provided, however,* that if the text of the Bonds is to be printed in its entirety on the front side of the Bonds, then the second paragraph on the front side and the legend “See Reverse Side for Additional Provisions” shall be omitted and the text of paragraphs set forth for the reverse side shall be inserted immediately after the first paragraph.

maintained by the Bond Registrar at the close of business on the applicable Record Date. The Record Date shall be the first day of the month of any interest payment date. Interest shall be paid by check or draft of the Bond Registrar, payable upon presentation in lawful money of the United States of America, mailed to the address of such Registered Owner as it appears on such registration books, or at such other address furnished in writing by such Registered Owner to the Bond Registrar, or as otherwise agreed by the Village and the Bond Registrar for so long as this Bond is held by a qualified securities clearing corporation as depository, or nominee, in Book Entry Form as provided for same.

Reference is hereby made to the further provisions of this Bond set forth on the reverse hereof, and such further provisions shall for all purposes have the same effect as if set forth at this place.

It is hereby certified and recited that all conditions, acts and things required by the constitution and laws of the State of Illinois to exist or to be done precedent to and in the issuance of this Bond, including the authorizing act, have existed and have been properly done, happened, and been performed in regular and due form and time as required by law; that the indebtedness of the Village, represented by the Bonds, and including all other indebtedness of the Village, howsoever evidenced or incurred, does not exceed any constitutional or statutory or other lawful limitation; and that provision has been made for the collection of a direct annual tax, in addition to all other taxes, on all of the taxable property in the Village sufficient to pay the interest hereon as the same falls due and also to pay and discharge the principal hereof at maturity.

This Bond shall not be valid or become obligatory for any purpose until the certificate of authentication hereon shall have been signed by the Bond Registrar.

IN WITNESS WHEREOF the Village of Winnetka, Cook County, Illinois, by its Council, has caused this Bond to be executed by the manual or duly authorized facsimile signature of its President and attested by the manual or duly authorized facsimile signature of its Village Clerk and its corporate seal or a facsimile thereof to be impressed or reproduced hereon, all as appearing hereon and as of the Dated Date identified above.

President, Village of Winnetka
Cook County, Illinois

ATTEST:

Village Clerk, Village of Winnetka
Cook County, Illinois

[SEAL]

[FORM OF AUTHENTICATION]

CERTIFICATE OF AUTHENTICATION

This Bond is one of the Bonds described in the within-mentioned Ordinance and is one of the General Obligation Bonds, Series 2013, having a Dated Date of _____, 2013, of the Village of Winnetka, Cook County, Illinois.

AMALGAMATED BANK OF CHICAGO
Chicago, Illinois
as Bond Registrar

Date of Authentication: _____, 2013

By _____
Authorized Officer

[FORM OF BONDS - REVERSE SIDE]

This bond is one of a series of bonds (the “*Bonds*”) in the aggregate principal amount of \$_____ issued by the Village for the purpose of paying a part of the costs of the Project, as defined in the hereinafter defined Ordinance, and of paying expenses incidental thereto, all as described and defined in the bond ordinance of the Village (Ordinance Number M-15-2013), passed by the Council thereof on the 5th day of November 2013, authorizing the Bonds (the “*Ordinance*”), pursuant to and in all respects in compliance with the applicable provisions of the Illinois Municipal Code, as supplemented and amended, as supplemented by the Local Government Debt Reform Act, as amended, and as further supplemented and, where necessary, superseded, by the powers of the Village as a home rule unit under the provisions of Section 6 of Article VII of the Illinois Constitution of 1970, (collectively, the “*Act*”), and with the Ordinance, which has been duly approved by the President, and published, in all respects as by law required.

This Bond is subject to provisions relating to redemption and terms and notice of redemption, registration, transfer, and exchange and such other terms and provisions relating to security and payment as are set forth in the Ordinance, to which reference is hereby expressly made, and to all the terms of which the registered owner hereof is hereby notified and shall be subject.

The Village and the Bond Registrar may deem and treat the Registered Owner hereof as the absolute owner hereof for the purpose of receiving payment of or on account of principal hereof and interest due hereon and for all other purposes, and neither the Village nor the Bond Registrar shall be affected by any notice to the contrary.

THE VILLAGE HAS DESIGNATED THIS BOND AS A “QUALIFIED TAX-EXEMPT OBLIGATION” PURSUANT TO SECTION 265(B)(3) OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED.

[FORM OF ASSIGNMENT]

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned sells, assigns and transfers unto

Here insert Social Security Number,
Employer Identification Number or
other Identifying Number

(Name and Address of Assignee)

the within Bond and does hereby irrevocably constitute and appoint

as attorney to transfer the said Bond on the books kept for registration thereof with full power of substitution in the premises.

Dated: _____

Signature guaranteed: _____

NOTICE: The signature to this transfer and assignment must correspond with the name of the Registered Owner as it appears upon the face of the within Bond in every particular, without alteration or enlargement or any change whatever.

Section 12. Security for the Bonds. The Bonds are a general obligation of the Village, for which the full faith and credit of the Village are irrevocably pledged, and are payable from the levy of the Ad Valorem Property Taxes on all of the taxable property in the Village, without limitation as to rate or amount. It is the current intent of the Village to provide for the payment of principal and interest on the Bonds from certain fees and revenues from the stormwater system of the Village, and to then abate the Ad Valorem Property Taxes accordingly, as set forth in (Section 13 of) this Ordinance.

Section 13. Tax Levy; Abatements. For the purpose of providing funds required to pay the interest on the Bonds promptly when and as the same falls due, and to pay and discharge the principal thereof at maturity, *there is hereby levied upon all of the taxable property within the Village, in the years for which any of the Bonds are outstanding, a direct annual tax sufficient for that purpose;* and there is hereby levied on all of the taxable property in the Village, in addition to all other taxes, the following direct annual taxes (the “*Ad Valorem Property Taxes*”):

FOR THE YEAR		A TAX SUFFICIENT TO PRODUCE THE DOLLAR (\$) SUM OF:
2013	\$	for interest up to and including December 15, 2014
2014	\$	for interest and principal
2015	\$	for interest and principal
2016	\$	for interest and principal
2017	\$	for interest and principal
2018	\$	for interest and principal
2019	\$	for interest
2020	\$	for interest
2021	\$	for interest
2022	\$	for interest
2023	\$	for interest
2024	\$	for interest
2025	\$	for interest
2026	\$	for interest
2027	\$	for interest
2028	\$	for interest
2029	\$	for interest
2030	\$	for interest
2031	\$	for interest
2032	\$	for interest
2033	\$	for interest
2034	\$	for interest
2035	\$	for interest
2036	\$	for interest
2037	\$	for interest
2038	\$	for interest
2039	\$	for interest
2040	\$	for interest
2041	\$	for interest
2042	\$	for interest

FOR THE YEAR	A TAX SUFFICIENT TO PRODUCE THE DOLLAR (\$) SUM OF:	
2043	\$	for interest and principal
2044	\$	for interest and principal
2045	\$	for interest and principal

The Ad Valorem Property Taxes and other moneys on deposit (collectively, the “*Bond Moneys*”) in the Bond Fund shall be applied to pay principal of and interest on the Bonds as follows:

(i) Bond Moneys shall be applied to the payment of interest when due and principal or redemption price when due at maturity or as redeemed pursuant to mandatory redemption from the Bond Fund, or

(ii) In each calendar year preceding a December 15 mandatory redemption date in such calendar year, Bond Moneys up to the amount of the redemption requirement on such mandatory redemption date plus interest due on Term Bonds on such date may be applied (a) to the purchase of Term Bonds of the maturity for which such mandatory redemption requirement was established at prices (including commissions and charges, if any) not exceeding par and accrued interest to such December 1 or (b) to the redemption of such Bonds, without premium, pursuant to optional redemption provisions applicable thereto. Upon the purchase or redemption of Term Bonds of any maturity pursuant to this paragraph (ii), an amount equal to the principal amount of such Bonds or applicable portion thereof so purchased or redeemed shall be deducted from the next mandatory redemption requirement thereafter to become due on such Bonds and any excess over the amount of such requirement shall be deducted from the future requirement for such Bonds as the Village shall determine.

Interest or principal coming due at any time when there are insufficient funds on hand from the Ad Valorem Property Taxes to pay the same shall be paid promptly when due from current funds on hand in advance of the collection of the Ad Valorem Property Taxes herein levied; and when

the Ad Valorem Property Taxes shall have been collected, reimbursement shall be made to said funds in the amount so advanced. The Village covenants and agrees with the purchasers and registered owners of the Bonds that so long as any of the Bonds remain outstanding the Village will take no action or fail to take any action which in any way would adversely affect the ability of the Village to levy and collect the Ad Valorem Property Taxes. The Village and its officers will comply with all present and future applicable laws in order to assure that the Ad Valorem Property Taxes may lawfully be levied, extended, and collected as provided herein. In the event that funds from any other lawful source are made available for the purpose of paying any principal of or interest on the Bonds so as to enable the abatement of the taxes levied herein for the payment of same, the Corporate Authorities shall, by proper proceedings, direct the transfer of such funds to the Bond Fund, and shall then direct the abatement of the taxes by the amount so deposited. The Village covenants and agrees that it will not direct the abatement of taxes until money has been deposited into the Bond Fund in the amount of such abatement. A certified copy or other notification of any such proceedings abating taxes may then be filed with the County Clerk in a timely manner to effect such abatement.

Section 14. Filing with County Clerk. Promptly, after this Ordinance becomes effective, a copy hereof, certified by the Village Clerk, shall be filed with the County Clerk. Under authority of this Ordinance, the County Clerk shall in and for each of the years as set forth herein, ascertain the rate percent required to produce the aggregate Ad Valorem Property Taxes levied in each of such years; and the County Clerk shall extend the same for collection on the tax books in connection with other taxes levied in such years in and by the Village for general corporate purposes of the Village; and in each of those years such annual tax shall be levied and collected by and for and on behalf of the Village in like manner as taxes for general corporate

purposes for such years are levied and collected, without limit as to rate or amount, and in addition to and in excess of all other taxes.

Section 15. Sale of Bonds; Official Statement. The Bonds shall be executed as in this Ordinance provided as soon after the passage hereof as may be, shall be deposited with the Village Treasurer, and shall be by the Treasurer delivered to the Purchaser upon payment of the Purchase Price. The contract for the sale of the Bonds to the Purchaser, as evidenced by an “*Official Notice of Sale*” and an “*Official Bid Form*,” as submitted to and presented to the Corporate Authorities at this meeting, as executed by the Purchaser, is hereby in all respects approved and confirmed, and the officer(s) of the Village designated therein are authorized and directed to execute the contract (bid form) on behalf of the Village, it being hereby declared that, to the best of the knowledge and belief of the members of the Corporate Authorities so voting hereon, after due inquiry, no person holding any office of the Village, either by election or appointment, is in any manner financially interested, either directly in his own name or indirectly in the name of any other person, association, trust or corporation, in such contract for the sale of the Bonds to the Purchaser. The Preliminary “Deemed Final” Official Statement of the Village, relating to the Bonds, presented to the Corporate Authorities is hereby ratified and approved. The Official Statement of the Village, to be provided within seven business days hereof, relating to the Bonds (the “*Official Statement*”), is hereby authorized, and the Purchaser is hereby authorized on behalf of the Village to distribute copies of the Official Statement to the ultimate purchasers of the Bonds. Such officer or officers of the Village as are designated therein are hereby authorized to execute and deliver the Official Statement on behalf of the Village.

Section 16. Continuing Disclosure Undertaking. An authorized official of the Village is hereby authorized, empowered, and directed to execute and deliver the Continuing Disclosure Undertaking in substantially the same form as now before the Village as *Exhibit A* to this

Ordinance, or with such changes therein as the officer executing the Continuing Disclosure Undertaking on behalf of the Village shall approve, his or her execution thereof to constitute conclusive evidence of his or her approval of such changes. When the Continuing Disclosure Undertaking is executed and delivered on behalf of the Village as herein provided, the Continuing Disclosure Undertaking will be binding on the Village and the officers, employees, and agents of the Village, and the officers, employees, and agents of the Village are hereby authorized, empowered, and directed to do all such acts and things and to execute all such documents as may be necessary to carry out and comply with the provisions of the Continuing Disclosure Undertaking as executed. Notwithstanding any other provision of this Ordinance, the sole remedies for failure to comply with the Continuing Disclosure Undertaking shall be the ability of the beneficial owner of any Bond to seek mandamus or specific performance by court order, to cause the Village to comply with its obligations under the Continuing Disclosure Undertaking.

Section 17. Creation of Funds and Appropriation.

A. There is hereby created a “*General Obligation Bonds, Series 2013, Bond Fund*” (the “*Bond Fund*”), which shall be the fund for the payment of principal of and interest on the Bonds. Accrued interest, if any, and the sum of \$_____, received upon delivery of the Bonds shall be deposited into the Bond Fund and be applied to pay first interest coming due on the Bonds.

B. The Ad Valorem Property Taxes shall either be deposited into the Bond Fund and used for paying the principal of and interest on the Bonds or be used to reimburse a fund or account from which advances to the Bond Fund may have been made to pay principal of or interest on the Bonds prior to receipt of Ad Valorem Property Taxes. Interest income or investment profit earned in the Bond Fund shall be retained in the Bond Fund for payment of the

principal of or interest on the Bonds on the interest payment date next after such interest or profit is received or, to the extent lawful and as determined by the Corporate Authorities, transferred to such other fund as may be determined. The Village hereby pledges, as equal and ratable security for the Bonds, all Bond Moneys on deposit in the Bond Fund for the sole benefit of the registered owners of the Bonds, subject to the reserved right of the Corporate Authorities to transfer certain interest income or investment profit earned in the Bond Fund to other funds of the Village, as described in the preceding sentence.

C. The amount necessary from the proceeds of the Bonds shall be either used to pay expenses directly at the time of issuance of the Bonds or be deposited into a separate fund, hereby created, designated the “*Expense Fund*” to be used to pay expenses of issuance of the Bonds. Disbursements from such fund shall be made from time to time as necessary. Moneys not disbursed from the Expense Fund within six (6) months shall be transferred by the Village Treasurer for deposit into the Project Fund, and any deficiencies in the Expense Fund shall be paid from other lawfully available Village funds.

D. The remaining proceeds of the Bonds shall be set aside in a separate fund, hereby created, and designated as the “*Series 2013 Project Fund*” (the “*Project Fund*”), hereby created as the fund to provide for the receipt and disbursement of proceeds of the Bonds for the Project. The Corporate Authorities reserve the right, as it becomes necessary or advisable from time to time, to revise the list of expenditures for the Project, to change priorities, to revise cost allocations between expenditures and to substitute projects, in order to meet current needs of the Village; *subject, however*, to the various covenants set forth in this Ordinance and in related certificates given in connection with delivery of the Bonds.

E. Alternatively to the creation of such funds and accounts, the Village Treasurer may allocate the funds or accounts for payment of the Bonds and the Bond proceeds to one or

more related funds or accounts of the Village already in existence; *provided, however*, that this shall not relieve the Treasurer of the duty to account for the funds for payment of the Bonds and the Bond proceeds as herein provided.

Section 18. General Tax Covenants. The Village hereby covenants that it will not take any action, omit to take any action or permit the taking or omission of any action within its control (including, without limitation, making or permitting any use of the proceeds of the Bonds) if taking, permitting, or omitting to take such action would cause any of the Bonds to be an arbitrage bond or a private activity bond within the meaning of the Code, would otherwise cause the interest on the Bonds to be includable in the gross income of the recipients thereof for federal income tax purposes. The Village acknowledges that, in the event of an examination by the Internal Revenue Service of the exemption from Federal income taxation for interest paid on the Bonds under present rules, the Village may be treated as a “taxpayer” in such examination and agrees that it will respond in a commercially reasonable manner to any inquiries from the Internal Revenue Service in connection with such an examination. In furtherance of the foregoing provisions, but without limiting their generality, the Village agrees: (a) through its officers, to make such further specific covenants, representations as shall be truthful, and assurances as may be necessary or advisable; (b) to comply with all representations, covenants, and assurances contained in certificates or agreements as may be prepared by Bond Counsel; (c) to consult with such Bond Counsel and to comply with such advice as may be given; (d) to file such forms, statements, and supporting documents as may be required and in a timely manner; and (e) if deemed necessary or advisable by its officers, to employ and pay fiscal agents, financial advisors, attorneys, and other persons to assist the Village in such compliance.

Section 19. Certain Specific Tax Covenants.

A. None of the Bonds shall be a “private activity bond” as defined in Section 141(a) of the Code; and the Village certifies, represents, and covenants as follows:

(1) Not more than 5% of the net proceeds and investment earnings of the Bonds is to be used, directly or indirectly, in any activity carried on by any person other than a state or local governmental unit.

(2) Not more than 5% of the amounts necessary to pay the principal of and interest on the Bonds will be derived, directly or indirectly, from payments with respect to any private business use by any person other than a state or local governmental unit.

(3) None of the proceeds of the Bonds is to be used, directly or indirectly, to make or finance loans to persons other than a state or local governmental unit.

(4) No user of the infrastructure of the Village to be improved as part of the Project other than the Village or another governmental unit, will use the same on any basis other than the same basis as the general public; and no person, other than the Village or another governmental unit, will be a user of such infrastructure as a result of (i) ownership or (ii) actual or beneficial use pursuant to a lease, a management or incentive payment contract other than as expressly permitted by the Code, or (iii) any other arrangement.

B. The Bonds shall not be “arbitrage bonds” under Section 148 of the Code; and the Village certifies, represents, and covenants as follows:

(1) With respect to the Project, the Village has heretofore incurred or within six months after delivery of the Bonds expects to incur substantial binding obligations to be paid for with money received from the sale of the Bonds, said binding obligations

comprising binding contracts for the Project in not less than the amount of 5% of the proceeds of the Bonds allocable to the Project.

(2) More than 85% of the proceeds of the Bonds allocable to the Project will be expended on or before three years for the purpose of paying the costs of the Project.

(3) All of the principal proceeds of the Bonds allocable to the Project and investment earnings thereon will be used, needed, and expended for the purpose of paying the costs of the Project including expenses incidental thereto.

(4) Work on the Project is expected to proceed with due diligence to completion.

(5) Except for the Bond Fund, the Village has not created or established and will not create or establish any sinking fund reserve fund or any other similar fund to provide for the payment of the Bonds. The Bond Fund has been established and will be funded in a manner primarily to achieve a proper matching of revenues and debt service and will be depleted at least annually to an amount not in excess of 1/12th the particular annual debt service on the Bonds. Money deposited into the Bond Fund will be spent within a 13-month period beginning on the date of deposit, and investment earnings in the Bond Fund will be spent or withdrawn from the Bond Fund within a one-year period beginning on the date of receipt.

(6) Amounts of money related to the Bonds required to be invested at a yield not materially higher than the yield on the Bonds, as determined pursuant to such tax certifications or agreements as the Village officers may make in connection with the issuance of the Bonds, shall be so invested; and appropriate Village officers are hereby authorized to make such investments.

(7) Unless an applicable exception to Section 148(f) of the Code, relating to the rebate of “excess arbitrage profits” to the United States Treasury (the “*Rebate Requirement*”) is available to the Village, the Village will meet the Rebate Requirement.

(8) Relating to such applicable exceptions, any Village officer charged with issuing the Bonds is hereby authorized to make such elections under the Code as such officer shall deem reasonable and in the best interests of the Village.

C. None of the proceeds of the Bonds will be used to pay, directly or indirectly, in whole or in part, for an expenditure that has been paid by the Village prior to the date hereof except architectural or engineering costs incurred prior to commencement of any of the Project or expenditures for which an intent to reimburse it as properly declared under Treasury Regulations Section 1.103-18. This Ordinance is in itself a declaration of official intent under Treasury Regulations Section 1.103-18 as to all costs of the Project paid after the date hereof and prior to issuance of the Bonds.

D. The Village reserves the right to use or invest moneys in connection with the Bonds in any manner or to make changes in the Project list or to use the Village infrastructure acquired, constructed, or improved as part of the Project in any manner, notwithstanding the representations and covenants in (Sections 18 and 19 of) this Ordinance, *provided* it shall first have received an opinion from Bond Counsel or from another attorney or a firm of attorneys of nationally recognized standing in matters pertaining to Tax-exempt bonds to the effect that use or investment of such moneys or the changes in or use of such infrastructure as contemplated will not result in loss or impairment of Tax-exempt status for the Bonds.

E. Each Bond is hereby designated as a “qualified tax-exempt obligation” for the purposes and within the meaning of Section 265(b)(3) of the Code. In connection therewith the Village hereby affirms that: (i) none of the Bonds will be at any time a “private activity bond” (as

defined in Section 141 of the Code), (ii) as of the date hereof in calendar year 2013, other than the Bonds, no Tax-exempt obligations of any kind have been issued (A) by or on behalf of the Village, (B) by other issuers, any of the proceeds of which have been or will be used to make any loans to the Village or (C) any portion of which has been allocated to the Village for purposes of Section 265(b) of the Code and (iii) not more than \$10,000,000 of obligations of any kind (including the Bonds) issued (A) by or on behalf of the Village (B) by other issuers any of the proceeds of which have been or will be used to make any loans to the Village or (C) any portion of which has been allocated to the Village for purposes of Section 265(b) of the Code during calendar year 2013 will be designated for purposes of Section 265(b)(3) of the Code. The Village is not subject to control by any entity, and there are no entities subject to control by the Village.

Section 20. Municipal Bond Insurance. In the event the payment of principal of and interest on the Bonds is insured pursuant to a municipal bond insurance policy (a “*Municipal Bond Insurance Policy*”) issued by a bond insurer (a “*Bond Insurer*”), and as long as such Municipal Bond Insurance Policy shall be in full force and effect, the Village and the Bond Registrar agree to comply with such usual and reasonable provisions regarding presentment and payment of such Bonds, subrogation of the rights of the Bondholders to the Bond Insurer when holding such Bonds, amendment hereof, or other terms, as approved by any of the Village Officers on advice of counsel, his or her approval to constitute full and complete acceptance by the Village of such terms and provisions under authority of this Section.

Section 21. Rights and Duties of Bond Registrar. If requested by the Bond Registrar, any officer of the Village is authorized to execute standard form of agreements between the Village and the Bond Registrar with respect to the obligations and duties of the Bond Registrar under this Ordinance. In addition to the terms of such agreements and subject to modification

thereby, the Bond Registrar by acceptance of duties under this Ordinance agrees (a) to act as bond registrar, paying agent, authenticating agent, and transfer agent as provided herein; (b) to maintain a list of Bondholders as set forth herein and to furnish such list to the Village upon request, but otherwise to keep such list confidential to the extent permitted by law; (c) to give notice of redemption of Bonds as provided herein; (d) to cancel and/or destroy Bonds which have been paid at maturity, upon redemption or submitted for exchange or transfer; (e) to furnish the Village at least annually a certificate with respect to Bonds cancelled and/or destroyed; and (f) to furnish the Village at least annually an audit confirmation of Bonds paid, Bonds outstanding and payments made with respect to interest on the Bonds. The Village covenants with respect to the Bond Registrar, and the Bond Registrar further covenants and agrees as follows:

(A) The Village shall at all times retain a Bond Registrar with respect to the Bonds; it will maintain at the designated office(s) of such Bond Registrar a place or places where Bonds may be presented for payment, registration, transfer or exchange; and it will require that the Bond Registrar properly maintain the Bond Register and perform the other duties and obligations imposed upon it by this Ordinance in a manner consistent with the standards, customs and practices of the municipal securities industry.

(B) The Bond Registrar shall signify its acceptance of the duties and obligations imposed upon it by this Ordinance by executing the certificate of authentication on any Bond, and by such execution the Bond Registrar shall be deemed to have certified to the Village that it has all requisite power to accept and has accepted such duties and obligations not only with respect to the Bond so authenticated but with respect to all the Bonds. Any Bond Registrar shall be the agent of the Village and shall not be liable in connection with the performance of its duties except for its own negligence or willful

wrongdoing. Any Bond Registrar shall, however, be responsible for any representation in its certificate of authentication on Bonds.

(C) The Village may remove the Bond Registrar at any time. In case at any time the Bond Registrar shall resign, shall be removed, shall become incapable of acting, or shall be adjudicated a bankrupt or insolvent, or if a receiver, liquidator, or conservator of the Bond Registrar or of the property thereof shall be appointed, or if any public officer shall take charge or control of the Bond Registrar or of the property or affairs thereof, the Village covenants and agrees that it will thereupon appoint a successor Bond Registrar. The Village shall give notice of any such appointment made by it to each registered owner of any Bond within twenty days after such appointment in any reasonable manner as the Village shall select. Any Bond Registrar appointed under the provisions of this Section shall be a bank, trust company, or national banking association maintaining a corporate trust office in Illinois or New York, and having capital and surplus and undivided profits in excess of \$100,000,000. The Village Clerk of the Village is hereby directed to file a certified copy of this Ordinance with the Bond Registrar.

Section 22. Defeasance. Any Bond or Bonds which (a) are paid and cancelled, (b) which have matured and for which sufficient sums have been deposited with the Bond Registrar to pay all principal and interest due thereon, or (c) for which sufficient funds and Defeasance Obligations have been deposited with the Bond Registrar or similar institution to pay, taking into account investment earnings on such obligations, all principal of and interest on such Bond or Bonds when due at maturity, pursuant to an irrevocable escrow or trust agreement, shall cease to have any lien on or right to receive or be paid from the Ad Valorem Property Taxes and shall no longer have the benefits of any covenant for the registered owners of outstanding Bonds as set forth herein as such relates to lien and security of the outstanding Bonds. All

covenants relative to the Tax-exempt status of the Tax-exempt Bonds; and payment, registration, transfer, and exchange; are expressly continued for all Bonds whether outstanding Bonds or not. For purposes of this Section, “*Defeasance Obligations*” means (a) direct and general full faith and credit obligations of the United States Treasury (“*Directs*”), (b) certificates of participation or trust receipts in trusts comprised wholly of Directs or (c) other obligations unconditionally guaranteed as to timely payment by the United States Treasury.

Section 23. Publication of Ordinance. A full, true, and complete copy of this Ordinance shall be published within ten days after passage in pamphlet form by authority of the Corporate Authorities.

Section 24. Severability. If any section, paragraph, clause, or provision of this Ordinance shall be held invalid, the invalidity of such section, paragraph, clause, or provision shall not affect any of the other provisions of this Ordinance.

Section 25. Superseder and Effective Date. All ordinances, resolutions, and orders, or parts thereof, in conflict with this Ordinance, are to the extent of such conflict hereby superseded; and this Ordinance shall be in full force and effect immediately upon its passage, approval and publication.

Section 26. Passage. This Ordinance is passed by the Council of the Village of Winnetka in the exercise of its home rule powers pursuant to Section 6 of Article VII of the Illinois Constitution of 1970.

PASSED: this ____ day of _____ 2013, by the following roll call vote:

AYES: _____

NAYS: _____

ABSENT: _____

APPROVED: _____, 2013

President, Village of Winnetka
Cook County, Illinois

Published by authority of the President and Board of Trustees of the Village of Winnetka, Illinois, this ____ day of _____, 2013.

ATTEST:

Village Clerk, Village of Winnetka
Cook County, Illinois

Introduced: October 15, 2013
Passed and Approved: _____, 2013

- EXHIBIT A -

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

This Continuing Disclosure Undertaking (the “*Agreement*”) is executed and delivered by Village of Winnetka, Cook County, Illinois (the “*Village*”) in connection with the issuance of \$_____ General Obligation Bonds, Series 2013 (the “*Bonds*”). The Bonds are being issued pursuant to an Ordinance, as enacted by the President and Board of Trustees of the Village on November 5, 2013 (the “*Ordinance*”).

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

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

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

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

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

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

Commission means the Securities and Exchange Commission.

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

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

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

MSRB means the Municipal Securities Rulemaking Board.

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

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

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

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

State means the State of Illinois.

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

3. CUSIP NUMBER/FINAL OFFICIAL STATEMENT. The CUSIP Numbers of the Bonds as set forth in *Exhibit III*. The Final Official Statement relating to the Bonds is dated November 5, 2013 (the "*Final Official Statement*"). The Village will include the CUSIP Number in all disclosure described in Sections 4 and 5 of this Agreement.

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

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

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

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

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

In the event of a failure of the Village to comply with any provision of this Agreement, the beneficial owner of any Bond may seek mandamus or specific performance by court order, to cause the Village to comply with its obligations under this Agreement. The beneficial owners of 25% or more in principal amount of the Bonds outstanding may challenge the adequacy of the information provided under this Agreement and seek specific performance by court order to cause the Village to provide the information as required by this Agreement. A default under this Agreement shall not be deemed a default under the Ordinance, and the sole remedy under this Agreement in the event of any failure of the Village to comply with this Agreement shall be an action to compel performance.

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

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

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

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

In the event that the Commission or the MSRB or other regulatory authority shall approve or require Annual Financial Information Disclosure or Reportable Events Disclosure to be made

to a central post office, governmental agency or similar entity other than EMMA or in lieu of EMMA, the Village shall, if required, make such dissemination to such central post office, governmental agency or similar entity without the necessity of amending this Agreement.

8. **TERMINATION OF UNDERTAKING.** The Undertaking of the Village shall be terminated hereunder if the Village shall no longer have any legal liability for any obligation on or relating to repayment of the Bonds under the Ordinance. The Village shall give notice to EMMA in a timely manner if this Section is applicable.

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

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

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

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

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

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

VILLAGE OF WINNETKA, COOK COUNTY,
ILLINOIS

By: _____

Its: Treasurer/Finance Director

Address: 510 Green Bay Road

Winnetka, Illinois 60093

Date: November 20, 2013

EXHIBIT I

ANNUAL FINANCIAL INFORMATION AND TIMING AND AUDITED FINANCIAL STATEMENTS

“*Annual Financial Information*” means financial information and operating data of the type contained in the Official Statement under the following captions:

1. The table under the headings of **“Retailers’ Occupation, Service Occupation and Use Tax”**;
2. All of the tables under the heading **“PROPERTY ASSESSMENT AND TAX INFORMATION”**;
3. All of the tables under the heading **“DEBT INFORMATION”**; and
4. All of the tables under the heading **“FINANCIAL INFORMATION.”**

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

Annual Financial Information exclusive of Audited Financial Statements will be submitted to EMMA by 210 days after the last day of the Village’s fiscal year. Audited Financial Statements as described below should be filed at the same time as the Annual Financial Information. If Audited Financial Statements are not available when the Annual Financial Information is filed, unaudited financial statements shall be included.

Audited Financial Statements will be prepared according to Generally Accepted Accounting Principles as applicable to governmental units (*i.e.*, as subject to the pronouncements of the Governmental Standards Accounting Board and subject to any express requirements of State law). Audited Financial Statements will be submitted to EMMA within 30 days after availability to Village.

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

EXHIBIT II

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

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

NOTE: DO NOT DELETE ANY EVENT, EVEN IF IT IS INAPPLICABLE TO YOUR TRANSACTION.

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

EXHIBIT III

CUSIP NUMBERS

BASE NUMBER IS 974790

YEAR	SUFFIX
2015	
2016	
2017	
2018	
2019	
***	***
2044	
2045	
2046	

Attachment 2

Ordinance M-16-2013

\$9,500,000 GO Bonds, Series 2014

ORDINANCE NUMBER M-16-2013

AN ORDINANCE providing for the issuance of \$9,500,000* General Obligation Bonds, Series 2014, of the Village of Winnetka, Cook County, Illinois, for the financing of certain improvements to the stormwater system of the Village, and providing for the levy and collection of a direct annual tax for the payment of the principal of and interest on said bonds.

Enacted by the President and Board of Trustees of the Village of Winnetka on the ___ day of _____ 2013.

Published in Pamphlet Form by Authority of the President and Board of Trustees of the Village of Winnetka on the ___ day of _____ 2013.

* Preliminary, subject to change.

October 15, 2013

M-16-2013

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LIST OF EXHIBITS

A—CONTINUING DISCLOSURE UNDERTAKING

ORDINANCE NUMBER M-16-2013

AN ORDINANCE providing for the issuance of \$9,500,000^{*} General Obligation Bonds, Series 2014, of the Village of Winnetka, Cook County, Illinois, for the financing of certain improvements to the stormwater system of the Village, and providing for the levy and collection of a direct annual tax for the payment of the principal of and interest on said bonds.

PREAMBLES

WHEREAS

A. The Village of Winnetka, Cook County, Illinois (the “*Village*”), pursuant to a referendum held on April 5, 2005, and pursuant to the provisions of the 1970 Constitution of the State of Illinois and particularly Article VII, Section 6(a) thereof, is a home rule unit and as such may exercise any power or perform any function pertaining to its government and affairs, including, but not limited to, the power to tax and to incur debt.

B. Pursuant to the home rule provisions of Section 6, the Village has the power to incur debt payable from ad valorem property tax receipts or from any other lawful source and maturing within 40 years from the time it is incurred without prior referendum approval.

C. The Council of the Village, consisting of the President and Board of Trustees (the “*Corporate Authorities*”) has previously considered the needs of the Village and has determined and does hereby determine that it is advisable, necessary and in the best interests of the Village to finance certain improvements relating to the Village’s stormwater system (the “*Project*”).

D. The Corporate Authorities have determined the total cost of the Project and costs and expenses incidental thereto, including in such costs and expenses all items of cost permitted under the home rule powers of the Village, and without limitation, costs of issuance of bonds,

* Preliminary, subject to change.

capitalized interest, and reserves, to be not less than \$_____; and there are not moneys of the Village on hand and available for the purpose of providing for the payment of such costs.

E. This Ordinance has been placed on the agenda of the Corporate Authorities and made available for public inspection at Village Hall and on the Village's website, in accordance with Sections 2.04.040 and 2.16.040 of the Winnetka Village Code and applicable law.

NOW THEREFORE Be It Ordained by the President and Board of Trustees of the Village of Winnetka, Cook County, Illinois, in the exercise of its home rule powers, as follows:

Section 1. Definitions. Words and terms used in this Ordinance shall have the meanings given them, unless the context or use clearly indicates another or different meaning is intended. Words and terms defined in the singular may be used in the plural and vice-versa. Reference to any gender shall be deemed to include the other and also inanimate persons such as corporations, where applicable.

A. The following words and terms are as defined in the preambles.

Corporate Authorities

Project

Village

B. The following words and terms are defined as set forth.

“Act” means the Illinois Municipal Code, as supplemented and amended, as supplemented by the Local Government Debt Reform Act, and as further supplemented by the home rule powers of the Village under Section 6 of Article VII of the Illinois Constitution of 1970; and in the event of conflict between the provisions of the code and home rule powers, the home rule powers shall be deemed to supersede the provisions of the code.

“Ad Valorem Property Taxes” means the real property taxes levied to pay the Bonds as described and levied in (Section 13 of) this Ordinance.

“Bond Counsel” means Chapman and Cutler LLP, Chicago, Illinois.

“Bond Fund” means the Bond Fund established and defined in (Section 17 of) this Ordinance.

“Bond Moneys” means the Ad Valorem Property Taxes and any other moneys deposited into the Bond Fund and investment income held in the Bond Fund.

“Bond Purchase Agreement” means the contract for the sale of the Bonds by and between the Village and the Purchaser, as evidenced by the executed Official Bid Form, in response to an Official Notice of Sale given by the Village in connection with the public competitive sale of the Bonds.

“Bond Register” means the books of the Village kept by the Bond Registrar to evidence the registration and transfer of the Bonds.

“Bond Registrar” means Amalgamated Bank of Chicago, or successor thereto, as bond registrar and paying agent for the Bonds, which bond registrar is a bank or trust company routinely in the business of providing such services and with a banking or corporate trust office currently located in the City of Chicago, Illinois.

“Bonds” means the \$_____ General Obligation Bonds, Series 2014 authorized to be issued by this Ordinance.

“Book Entry Form” means the form of the Bonds as fully registered and available in physical form only to the Depository.

“Code” means the Internal Revenue Code of 1986, as amended.

“*Continuing Disclosure Undertaking*” means the undertaking by the Village for the benefit of the Purchaser as authorized in (Section 16 of) this Ordinance and substantially in the form as attached hereto as *Exhibit A*.

“*County*” means The County of Cook, Illinois.

“*County Clerk*” means the County Clerk of the County.

“*Depository*” means The Depository Trust Company, a limited purpose trust company organized under the laws of the State of New York, its successors, or a successor depository qualified to clear securities under applicable state and federal laws.

“*Ordinance*” means this Ordinance, numbered as set forth on the title page, and passed by the Corporate Authorities on the 3rd day of December 2013.

“*Purchase Price*” means the purchase price of the Bonds, to-wit: \$_____ (being equal to the par amount of the Bonds, plus original issue premium in the amount of \$_____ and net of an underwriter’s discount of \$_____), plus accrued interest to the date of delivery, if any.

“*Purchaser*” means the purchaser of the Bonds, as the winning bidder at competitive sale, namely, _____.

“*Record Date*” means the first day of the month of any interest payment date.

“*Tax-exempt*” means the status of interest paid and received thereon as excludable from gross income of the owners thereof for federal income tax purposes and as not included as an item of tax preference in computing the alternative minimum tax for individuals and corporations under the Code, but as taken into account in computing an adjustment used in determining the federal alternative minimum tax for certain corporations.

C. Definitions also appear in the above preambles or in specific sections, as appearing below. The table of contents preceding and the headings in this Ordinance are for the convenience of the reader and are not a part of this Ordinance.

Section 2. Incorporation of Preambles. The Corporate Authorities hereby find that all of the recitals contained in the preambles to this Ordinance are true, correct and complete and do incorporate them into this Ordinance by this reference.

Section 3. Determination To Issue Bonds. It is necessary and in the best interests of the Village to provide for the Project, to pay all necessary or advisable related costs, and to borrow money and issue the Bonds for the purpose of paying a part of such costs. It is hereby found and determined that such borrowing of money is for a proper public purpose or purposes and is in the public interest, and is authorized pursuant to the Act; and these findings and determinations shall be deemed conclusive.

Section 4. Bond Details. There shall be issued and sold the Bonds in the aggregate principal amount of \$_____. The Bonds shall each be designated “*General Obligation Bond, Series 2014*”; be dated the date of delivery thereof (the “*Dated Date*”); and shall also bear the date of authentication thereof. The Bonds shall be fully registered and in Book Entry Form, shall be in denominations of \$5,000 or integral multiples thereof (but no single Bond shall represent principal maturing on more than one date), and shall be numbered consecutively from one (1) upwards in such fashion as shall be determined by the Bond Registrar. The Bonds shall become due (subject to right of prior redemption) and payable serially on December 15 of the years and in the amounts and bearing interest at the rates percent per annum as follows:

YEAR	AMOUNT (\$)	RATE
2020		
2021		
2022		
2023		
****	****	****
2039		
2040		
2041		
2042		
2043		

Each Bond shall bear interest from the later of its Dated Date as herein provided or from the most recent interest payment date to which interest has been paid or duly provided for, until the principal amount of such Bond is paid or duly provided for, such interest (computed upon the basis of a 360-day year of twelve 30-day months) being payable on June 15 and December 15 of each year, commencing on June 15, 2014. Interest on each Bond shall be paid by check or draft of the Bond Registrar, payable upon presentation thereof in lawful money of the United States of America, to the person in whose name such Bond is registered at the close of business on the applicable Record Date and mailed to the registered owner of the Bond as shown in the Bond Register or at such other address furnished in writing by such Registered Owner, or as otherwise may be agreed with the Depository for so long as the Depository is the registered owner as of a given Record Date. The principal of or redemption price of the Bonds shall be payable in lawful money of the United States of America upon presentation thereof at the office of the Bond Registrar maintained for the purpose, located in the Chicago, Illinois, or at successor Bond Registrar or locality.

Section 5. Registration of Bonds; Persons Treated as Owners. The Village shall cause books (the “Bond Register” as defined) for the registration and for the transfer of the Bonds as provided in this Ordinance to be kept at the office of the Bond Registrar maintained for such purpose, which is hereby constituted and appointed the registrar of the Village for the Bonds.

The Village shall prepare, and the Bond Registrar or such other agent as the Village may designate shall keep custody of, multiple Bond blanks executed by the Village for use in the transfer and exchange of Bonds. Subject to the provisions of this Ordinance relating to the Bonds in Book Entry Form, any Bond may be transferred or exchanged, but only in the manner, subject to the limitations, and upon payment of the charges as set forth in this Ordinance. Upon surrender for transfer or exchange of any Bond at the office of the Bond Registrar maintained for the purpose, duly endorsed by or accompanied by a written instrument or instruments of transfer or exchange in form satisfactory to the Bond Registrar and duly executed by the registered owner or an attorney for such owner duly authorized in writing, the Village shall execute and the Bond Registrar shall authenticate, date and deliver in the name of the transferee or transferees or, in the case of an exchange, the registered owner, a new fully registered Bond or Bonds of like tenor, of the same maturity, bearing the same interest rate, of authorized denominations, for a like aggregate principal amount. The Bond Registrar shall not be required to transfer or exchange any Bond during the period from the close of business on the Record Date for an interest payment to the opening of business on such interest payment date. The execution by the Village of any fully registered Bond shall constitute full and due authorization of such Bond, and the Bond Registrar shall thereby be authorized to authenticate, date and deliver such Bond; *provided, however*, the principal amount of Bonds of each maturity authenticated by the Bond Registrar shall not at any one time exceed the authorized principal amount of Bonds for such maturity less the amount of such Bonds which have been paid. The person in whose name any Bond shall be registered shall be deemed and regarded as the absolute owner thereof for all purposes, and payment of the principal of or interest on any Bond shall be made only to or upon the order of the registered owner thereof or his legal representative. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid. No service charge shall be made to any registered owner of Bonds for any transfer or exchange of

Bonds, but the Village or the Bond Registrar may require payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in connection with any transfer or exchange of Bonds.

Section 6. Book Entry Provisions. The Bonds shall be initially issued in the form of a separate single fully registered Bond for each maturity bearing the same interest rate. Upon initial issuance, the ownership of each such Bond shall be registered in the Bond Register in the name of the Depository or a designee or nominee of the Depository (such depository or nominee being the “*Book Entry Owner*”). Except as otherwise expressly provided, all of the outstanding Bonds from time to time shall be registered in the Bond Register in the name of the Book Entry Owner (and accordingly in Book Entry Form as such term is used in this Ordinance). Any Village officer, as representative of the Village, is hereby authorized, empowered, and directed to execute and deliver or utilize a previously executed and delivered Letter of Representations or Blanket Letter of Representations (either being the “*Letter of Representations*”) substantially in the form common in the industry, or with such changes therein as the officer executing the Letter of Representations on behalf of the Village shall approve, his or her execution thereof to constitute conclusive evidence of approval of such changes, as shall be necessary to effectuate Book Entry Form. Without limiting the generality of the authority given with respect to entering into such Letter of Representations, it may contain provisions relating to (a) payment procedures, (b) transfers of the Bonds or of beneficial interests therein, (c) redemption notices and procedures unique to the Depository, (d) additional notices or communications, and (e) amendment from time to time to conform with changing customs and practices with respect to securities industry transfer and payment practices. With respect to Bonds registered in the Bond Register in the name of the Book Entry Owner, none of the Village, any Village officer, or the Bond Registrar shall have any responsibility or obligation to any broker-dealer, bank, or other financial institution for which the Depository holds Bonds from time to time as securities depository (each

such broker-dealer, bank, or other financial institution being referred to herein as a “*Depository Participant*”) or to any person on behalf of whom such a Depository Participant holds an interest in the Bonds. Without limiting the meaning of the immediately preceding sentence, the Village, any Village officer, and the Bond Registrar shall have no responsibility or obligation with respect to (a) the accuracy of the records of the Depository, the Book Entry Owner, or any Depository Participant with respect to any ownership interest in the Bonds, (b) the delivery to any Depository Participant or any other person, other than a registered owner of a Bond as shown in the Bond Register or as otherwise expressly provided in the Letter of Representations, of any notice with respect to the Bonds, including any notice of redemption, or (c) the payment to any Depository Participant or any other person, other than a registered owner of a Bond as shown in the Bond Register, of any amount with respect to principal of or interest on the Bonds. No person other than a registered owner of a Bond as shown in the Bond Register shall receive a Bond certificate with respect to any Bond. In the event that (a) the Village determines that the Depository is incapable of discharging its responsibilities described herein and in the Letter of Representations, (b) the agreement among the Village, the Bond Registrar, and the Depository evidenced by the Letter of Representations shall be terminated for any reason, or (c) the Village determines that it is in the best interests of the Village or of the beneficial owners of the Bonds either that they be able to obtain certificated Bonds or that another depository is preferable, the Village shall notify the Depository and the Depository shall notify the Depository Participants of the availability of Bond certificates, and the Bonds shall no longer be restricted to being registered in the Bond Register in the name of the Book Entry Owner. Alternatively, at such time, the Village may determine that the Bonds shall be registered in the name of and deposited with a successor depository operating a system accommodating Book Entry Form, as may be acceptable to the Village, or such depository’s agent or designee, but if the Village does not select such alternate

book entry system, then the Bonds shall be registered in whatever name or names registered owners of Bonds transferring or exchanging Bonds shall designate, in accordance with the provisions of this Ordinance.

Section 7. Execution; Authentication. The Bonds shall be executed on behalf of the Village by the manual or duly authorized facsimile signature of its President and attested by the manual or duly authorized facsimile signature of its Village Clerk, as they may determine, and shall be impressed or imprinted with the corporate seal or facsimile seal of the Village. In case any such officer whose signature shall appear on any Bond shall cease to be such officer before the delivery of such Bond, such signature shall nevertheless be valid and sufficient for all purposes, the same as if such officer had remained in office until delivery. All Bonds shall have thereon a certificate of authentication, substantially in the form provided, duly executed by the Bond Registrar as authenticating agent of the Village and showing the date of authentication. No Bond shall be valid or obligatory for any purpose or be entitled to any security or benefit under this Ordinance unless and until such certificate of authentication shall have been duly executed by the Bond Registrar by manual signature, and such certificate of authentication upon any such Bond shall be conclusive evidence that such Bond has been authenticated and delivered under this Ordinance.

Section 8. Term Bonds; Mandatory Redemption. The Bonds due on December 15 of the years 20__, 20__ and 20__ are Term Bonds and are subject to mandatory redemption by operation of the Bond Fund at a price of par and accrued interest, without premium, on December 15 of the years and in the amounts as follows:

FOR THE TERM BONDS DUE DECEMBER 15, 20__:

YEAR	REDEMPTION AMOUNT (\$)
------	---------------------------

with \$_____ remaining to be paid at maturity in 20__.

FOR THE TERM BONDS DUE DECEMBER 15, 20__:

YEAR	REDEMPTION AMOUNT (\$)
------	---------------------------

with \$_____ remaining to be paid at maturity in 20__.

FOR THE TERM BONDS DUE DECEMBER 15, 20__:

YEAR	REDEMPTION AMOUNT (\$)
------	---------------------------

with \$_____ remaining to be paid at maturity in 20__.

Those of the Bonds denominated Term Bonds shall be subject to mandatory redemption by operation of the Bond Fund at a price of par and accrued interest, without premium, on December 15 of the years and in the amounts set forth for same. The Village covenants that it will redeem Term Bonds pursuant to the mandatory redemption requirement for such Term Bonds. Proper provision for mandatory redemption having been made, the Village covenants that the Term Bonds so selected for redemption shall be payable as at maturity. If the Village redeems pursuant to optional redemption as provided for the Bonds or purchases Term Bonds of any maturity and cancels the same from Bond Moneys as hereinafter described, then an amount equal to the principal amount of Term Bonds so redeemed or purchased shall be deducted from

the mandatory redemption requirements provided for Term Bonds of such maturity, first, in the current year of such requirement, until the requirement for the current year has been fully met, and then in any order of such Term Bonds as due at maturity or subject to mandatory redemption in any year, as the Village shall determine. If the Village redeems pursuant to optional redemption or purchases Term Bonds of any maturity and cancels the same from moneys other than Bond Moneys, then an amount equal to the principal amount of Term Bonds so redeemed or purchased shall be deducted from the amount of such Term Bonds as due at maturity or subject to mandatory redemption requirement in any year, as the Village shall determine.

Section 9. Optional Redemption. The Bonds due on and after December 15, 20__ are subject to redemption prior to maturity at the option of the Village, from any available funds, in whole or in part, on any date on or after December 15, 20__, and if in part, in any order of maturity, as selected by the Village, and if less than an entire maturity, in integral multiples of \$5,000, selected by lot by the Bond Registrar as hereinafter provided, and as applicable to any mandatory redemption requirement of Term Bonds, if any, as the Village shall determine, at the redemption price of par plus accrued interest to the date fixed for redemption.

Section 10. Redemption Procedure. Bonds subject to redemption shall be identified, notice given, and paid and redeemed pursuant to the procedures as follows:

A. *Notice to Registrar.* For a mandatory redemption, the Bond Registrar shall proceed to redeem Bonds without any further order or direction from the Village whatsoever. For an optional redemption, the Village shall, at least 45 days prior to a redemption date (unless a shorter time period shall be satisfactory to the Bond Registrar), notify the Bond Registrar of such redemption date and of the maturities and principal amounts of Bonds to be redeemed, and, if Term Bonds are to be redeemed, the

application of the amount redeemed to the mandatory redemption schedule for such Term Bonds.

B. Selection of Bonds within a Maturity. For purposes of any redemption of less than all of the Bonds of a single maturity, the particular Bonds or portions of Bonds to be redeemed shall be selected by lot by the Bond Registrar for the Bonds of such series and maturity by such method of lottery as the Bond Registrar shall deem fair and appropriate; *provided*, that such lottery shall provide for the selection for redemption of Bonds or portions thereof so that any \$5,000 Bond or \$5,000 portion of a Bond shall be as likely to be called for redemption as any other such \$5,000 Bond or \$5,000 portion. The Bond Registrar shall make such selection upon the earlier of the irrevocable receipt of funds sufficient to pay the redemption price of the Bonds to be redeemed or the time of the giving of official notice of redemption.

C. Official Notice of Redemption. The Bond Registrar shall promptly notify the Village in writing of the Bonds or portions of Bonds selected for redemption and, in the case of any Bond selected for partial redemption, the principal amount thereof to be redeemed. Unless waived by the registered owner of Bonds to be redeemed, official notice of any such redemption shall be given by the Bond Registrar on behalf of the Village by mailing the redemption notice by first class U.S. mail not less than 30 days and not more than 60 days prior to the date fixed for redemption to each registered owner of the Bond or Bonds to be redeemed at the address shown on the Bond Register or at such other address as is furnished in writing by such registered owner to the Bond Registrar. All official notices of redemption shall include the name of the Bonds and at least the information as follows:

- (1) the redemption date;

(2) the redemption price;

(3) if less than all of the outstanding Bonds of a particular maturity are to be redeemed, the identification (and, in the case of partial redemption of Bonds within such maturity, the respective principal amounts) of the Bonds to be redeemed;

(4) a statement that on the redemption date the redemption price will become due and payable upon each such Bond or portion thereof called for redemption and that interest thereon shall cease to accrue from and after said date; and

(5) the place where such Bonds are to be surrendered for payment of the redemption price, which place of payment shall be the office of the Bond Registrar maintained for that purpose.

D. Conditional Redemption. Unless moneys sufficient to pay the redemption price of the Bonds to be redeemed shall have been received by the Bond Registrar prior to the giving of such notice of redemption, such notice may, at the option of the Village, state that said redemption shall be conditional upon the receipt of such moneys by the Bond Registrar on or prior to the date fixed for redemption. If such moneys are not received, such notice shall be of no force and effect, the Village shall not redeem such Bonds, and the Bond Registrar shall give notice, in the same manner in which the notice of redemption was given, that such moneys were not so received and that such Bonds will not be redeemed.

E. Bonds Shall Become Due. Subject to the stated condition in paragraph (D) immediately preceding, official notice of redemption having been given as described, the Bonds or portions of Bonds so to be redeemed shall, on the redemption date, become due

and payable at the redemption price therein specified, and from and after such date (unless the Village shall default in the payment of the redemption price) such Bonds or portions of Bonds shall cease to bear interest. Upon surrender of such Bonds for redemption in accordance with said notice, such Bonds shall be paid by the Bond Registrar at the redemption price. The procedure for the payment of interest due as part of the redemption price shall be as herein provided for payment of interest otherwise due.

F. Insufficiency in Notice Not Affecting Other Bonds; Failure to Receive Notice; Waiver. Neither the failure to mail such redemption notice, nor any defect in any notice so mailed, to any particular registered owner of a Bond, shall affect the sufficiency of such notice with respect to other registered owners. Notice having been properly given, failure of a registered owner of a Bond to receive such notice shall not be deemed to invalidate, limit or delay the effect of the notice or redemption action described in the notice. Such notice may be waived in writing by a registered owner of a Bond entitled to receive such notice, either before or after the event, and such waiver shall be the equivalent of such notice. Waivers of notice by registered owners shall be filed with the Bond Registrar, but such filing shall not be a condition precedent to the validity of any action taken in reliance upon such waiver. *In lieu of the foregoing official notice, so long as the Bonds are held in Book Entry Form, notice may be given as provided in the Representations Letter, and the giving of such notice shall constitute a waiver by the Depository and the Book Entry Owner, as registered owner, of the foregoing notice.*

G. New Bond in Amount Not Redeemed. Upon surrender for any partial redemption of any Bond, there shall be prepared for the registered owner a new Bond or Bonds of like tenor, of authorized denominations, of the same maturity, and bearing the same rate of interest in the amount of the unpaid principal.

H. Effect of Nonpayment upon Redemption. If any Bond or portion of Bond called for redemption shall not be so paid upon surrender thereof for redemption, the principal shall, until paid or duly provided for, bear interest from the redemption date at the rate borne by the Bond or portion of Bond so called for redemption.

I. Bonds to Be Cancelled; Payment to Identify Bonds. All Bonds which have been redeemed shall be cancelled and destroyed by the Bond Registrar and shall not be reissued. Upon the payment of the redemption price of Bonds being redeemed, each check or other transfer of funds issued for such purpose shall bear the CUSIP number identifying, by issue and maturity, the Bonds being redeemed with the proceeds of such check or other transfer.

J. Additional Notice. The Village agrees to provide such additional notice of redemption as it may deem advisable at such time as it determines to redeem Bonds, taking into account any requirements or guidance of the Securities and Exchange Commission, the Municipal Securities Rulemaking Board, the Government Accounting Standards Board, or any other federal or state agency having jurisdiction or authority in such matters; *provided, however,* that such additional notice (1) shall be advisory in nature, (2) shall be solely in the discretion of the Village, and (3) shall not be a condition precedent of a valid redemption or a part of the Bond contract and *provided further* that any failure or defect in such notice shall not delay or invalidate the redemption of Bonds for which proper official notice shall have been given. Reference is also made to the provisions of the Continuing Disclosure Undertaking of the Village with respect to the Bonds, which may contain other provisions relating to notice of redemption of Bonds.

K. Bond Registrar to Advise Village. As part of its duties hereunder, the Bond Registrar shall prepare and forward to the Village a statement as to notices given with respect to each redemption together with copies of the notices as mailed.

Section 11. Form of Bonds. The Bonds shall be in substantially the form hereinafter set forth; *provided, however,* that if the text of the Bonds is to be printed in its entirety on the front side of the Bonds, then the second paragraph on the front side and the legend “See Reverse Side for Additional Provisions” shall be omitted and the text of paragraphs set forth for the reverse side shall be inserted immediately after the first paragraph.

maintained by the Bond Registrar at the close of business on the applicable Record Date. The Record Date shall be the first day of the month of any interest payment date. Interest shall be paid by check or draft of the Bond Registrar, payable upon presentation in lawful money of the United States of America, mailed to the address of such Registered Owner as it appears on such registration books, or at such other address furnished in writing by such Registered Owner to the Bond Registrar, or as otherwise agreed by the Village and the Bond Registrar for so long as this Bond is held by a qualified securities clearing corporation as depository, or nominee, in Book Entry Form as provided for same.

Reference is hereby made to the further provisions of this Bond set forth on the reverse hereof, and such further provisions shall for all purposes have the same effect as if set forth at this place.

It is hereby certified and recited that all conditions, acts and things required by the constitution and laws of the State of Illinois to exist or to be done precedent to and in the issuance of this Bond, including the authorizing act, have existed and have been properly done, happened, and been performed in regular and due form and time as required by law; that the indebtedness of the Village, represented by the Bonds, and including all other indebtedness of the Village, howsoever evidenced or incurred, does not exceed any constitutional or statutory or other lawful limitation; and that provision has been made for the collection of a direct annual tax, in addition to all other taxes, on all of the taxable property in the Village sufficient to pay the interest hereon as the same falls due and also to pay and discharge the principal hereof at maturity.

This Bond shall not be valid or become obligatory for any purpose until the certificate of authentication hereon shall have been signed by the Bond Registrar.

IN WITNESS WHEREOF the Village of Winnetka, Cook County, Illinois, by its Council, has caused this Bond to be executed by the manual or duly authorized facsimile signature of its President and attested by the manual or duly authorized facsimile signature of its Village Clerk and its corporate seal or a facsimile thereof to be impressed or reproduced hereon, all as appearing hereon and as of the Dated Date identified above.

President, Village of Winnetka
Cook County, Illinois

ATTEST:

Village Clerk, Village of Winnetka
Cook County, Illinois

[SEAL]

[FORM OF AUTHENTICATION]

CERTIFICATE OF AUTHENTICATION

This Bond is one of the Bonds described in the within-mentioned Ordinance and is one of the General Obligation Bonds, Series 2014, having a Dated Date of _____, 2014, of the Village of Winnetka, Cook County, Illinois.

AMALGAMATED BANK OF CHICAGO
Chicago, Illinois
as Bond Registrar

Date of Authentication: _____, 2014

By _____
Authorized Officer

[FORM OF BONDS - REVERSE SIDE]

This bond is one of a series of bonds (the “*Bonds*”) in the aggregate principal amount of \$_____ issued by the Village for the purpose of paying a part of the costs of the Project, as defined in the hereinafter defined Ordinance, and of paying expenses incidental thereto, all as described and defined in the bond ordinance of the Village (Ordinance Number M-16-2013), passed by the Council thereof on the 3rd day of December 2013, authorizing the Bonds (the “*Ordinance*”), pursuant to and in all respects in compliance with the applicable provisions of the Illinois Municipal Code, as supplemented and amended, as supplemented by the Local Government Debt Reform Act, as amended, and as further supplemented and, where necessary, superseded, by the powers of the Village as a home rule unit under the provisions of Section 6 of Article VII of the Illinois Constitution of 1970, (collectively, the “*Act*”), and with the Ordinance, which has been duly approved by the President, and published, in all respects as by law required.

This Bond is subject to provisions relating to redemption and terms and notice of redemption, registration, transfer, and exchange and such other terms and provisions relating to security and payment as are set forth in the Ordinance, to which reference is hereby expressly made, and to all the terms of which the registered owner hereof is hereby notified and shall be subject.

The Village and the Bond Registrar may deem and treat the Registered Owner hereof as the absolute owner hereof for the purpose of receiving payment of or on account of principal hereof and interest due hereon and for all other purposes, and neither the Village nor the Bond Registrar shall be affected by any notice to the contrary.

THE VILLAGE HAS DESIGNATED THIS BOND AS A “QUALIFIED TAX-EXEMPT OBLIGATION” PURSUANT TO SECTION 265(B)(3) OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED.

[FORM OF ASSIGNMENT]

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned sells, assigns and transfers unto

Here insert Social Security Number,
Employer Identification Number or
other Identifying Number

(Name and Address of Assignee)

the within Bond and does hereby irrevocably constitute and appoint

as attorney to transfer the said Bond on the books kept for registration thereof with full power of substitution in the premises.

Dated: _____

Signature guaranteed: _____

NOTICE: The signature to this transfer and assignment must correspond with the name of the Registered Owner as it appears upon the face of the within Bond in every particular, without alteration or enlargement or any change whatever.

Section 12. Security for the Bonds. The Bonds are a general obligation of the Village, for which the full faith and credit of the Village are irrevocably pledged, and are payable from the levy of the Ad Valorem Property Taxes on all of the taxable property in the Village, without limitation as to rate or amount. It is the current intent of the Village to provide for the payment of principal and interest on the Bonds from certain fees and revenues from the stormwater system of the Village, and to then abate the Ad Valorem Property Taxes accordingly, as set forth in (Section 13 of) this Ordinance.

Section 13. Tax Levy; Abatements. For the purpose of providing funds required to pay the interest on the Bonds promptly when and as the same falls due, and to pay and discharge the principal thereof at maturity, *there is hereby levied upon all of the taxable property within the Village, in the years for which any of the Bonds are outstanding, a direct annual tax sufficient for that purpose;* and there is hereby levied on all of the taxable property in the Village, in addition to all other taxes, the following direct annual taxes (the “*Ad Valorem Property Taxes*”):

FOR THE YEAR		A TAX SUFFICIENT TO PRODUCE THE DOLLAR (\$) SUM OF:
2013	\$	for interest up to and including December 15, 2014
2014	\$	for interest and principal
2015	\$	for interest and principal
2016	\$	for interest and principal
2017	\$	for interest and principal
2018	\$	for interest and principal
2019	\$	for interest and principal
2020	\$	for interest and principal
2021	\$	for interest and principal
2022	\$	for interest and principal
2023	\$	for interest and principal
2024	\$	for interest and principal
2025	\$	for interest and principal
2026	\$	for interest and principal
2027	\$	for interest and principal
2028	\$	for interest and principal
2029	\$	for interest and principal
2030	\$	for interest and principal
2031	\$	for interest and principal
2032	\$	for interest and principal
2033	\$	for interest and principal
2034	\$	for interest and principal
2035	\$	for interest and principal
2036	\$	for interest and principal
2037	\$	for interest and principal
2038	\$	for interest and principal
2039	\$	for interest and principal
2040	\$	for interest and principal
2041	\$	for interest and principal
2042	\$	for interest and principal

The Ad Valorem Property Taxes and other moneys on deposit (collectively, the “*Bond Moneys*”) in the Bond Fund shall be applied to pay principal of and interest on the Bonds as follows:

(i) Bond Moneys shall be applied to the payment of interest when due and principal or redemption price when due at maturity or as redeemed pursuant to mandatory redemption from the Bond Fund, or

(ii) In each calendar year preceding a December 15 mandatory redemption date in such calendar year, Bond Moneys up to the amount of the redemption requirement on such mandatory redemption date plus interest due on Term Bonds on such date may be applied (a) to the purchase of Term Bonds of the maturity for which such mandatory redemption requirement was established at prices (including commissions and charges, if any) not exceeding par and accrued interest to such December 1 or (b) to the redemption of such Bonds, without premium, pursuant to optional redemption provisions applicable thereto. Upon the purchase or redemption of Term Bonds of any maturity pursuant to this paragraph (ii), an amount equal to the principal amount of such Bonds or applicable portion thereof so purchased or redeemed shall be deducted from the next mandatory redemption requirement thereafter to become due on such Bonds and any excess over the amount of such requirement shall be deducted from the future requirement for such Bonds as the Village shall determine.

Interest or principal coming due at any time when there are insufficient funds on hand from the Ad Valorem Property Taxes to pay the same shall be paid promptly when due from current funds on hand in advance of the collection of the Ad Valorem Property Taxes herein levied; and when the Ad Valorem Property Taxes shall have been collected, reimbursement shall be made to said funds in the amount so advanced. The Village covenants and agrees with the purchasers and registered owners of the Bonds that so long as any of the Bonds remain outstanding the Village

will take no action or fail to take any action which in any way would adversely affect the ability of the Village to levy and collect the Ad Valorem Property Taxes. The Village and its officers will comply with all present and future applicable laws in order to assure that the Ad Valorem Property Taxes may lawfully be levied, extended, and collected as provided herein. In the event that funds from any other lawful source are made available for the purpose of paying any principal of or interest on the Bonds so as to enable the abatement of the taxes levied herein for the payment of same, the Corporate Authorities shall, by proper proceedings, direct the transfer of such funds to the Bond Fund, and shall then direct the abatement of the taxes by the amount so deposited. The Village covenants and agrees that it will not direct the abatement of taxes until money has been deposited into the Bond Fund in the amount of such abatement. A certified copy or other notification of any such proceedings abating taxes may then be filed with the County Clerk in a timely manner to effect such abatement.

Section 14. Filing with County Clerk. Promptly, after this Ordinance becomes effective, a copy hereof, certified by the Village Clerk, shall be filed with the County Clerk. Under authority of this Ordinance, the County Clerk shall in and for each of the years as set forth herein, ascertain the rate percent required to produce the aggregate Ad Valorem Property Taxes levied in each of such years; and the County Clerk shall extend the same for collection on the tax books in connection with other taxes levied in such years in and by the Village for general corporate purposes of the Village; and in each of those years such annual tax shall be levied and collected by and for and on behalf of the Village in like manner as taxes for general corporate purposes for such years are levied and collected, without limit as to rate or amount, and in addition to and in excess of all other taxes.

Section 15. Sale of Bonds; Official Statement. The Bonds shall be executed as in this Ordinance provided as soon after the passage hereof as may be, shall be deposited with the

Village Treasurer, and shall be by the Treasurer delivered to the Purchaser upon payment of the Purchase Price. The contract for the sale of the Bonds to the Purchaser, as evidenced by an “*Official Notice of Sale*” and an “*Official Bid Form*,” as submitted to and presented to the Corporate Authorities at this meeting, as executed by the Purchaser, is hereby in all respects approved and confirmed, and the officer(s) of the Village designated therein are authorized and directed to execute the contract (bid form) on behalf of the Village, it being hereby declared that, to the best of the knowledge and belief of the members of the Corporate Authorities so voting hereon, after due inquiry, no person holding any office of the Village, either by election or appointment, is in any manner financially interested, either directly in his own name or indirectly in the name of any other person, association, trust or corporation, in such contract for the sale of the Bonds to the Purchaser. The Preliminary “Deemed Final” Official Statement of the Village, relating to the Bonds, presented to the Corporate Authorities is hereby ratified and approved. The Official Statement of the Village, to be provided within seven business days hereof, relating to the Bonds (the “*Official Statement*”), is hereby authorized, and the Purchaser is hereby authorized on behalf of the Village to distribute copies of the Official Statement to the ultimate purchasers of the Bonds. Such officer or officers of the Village as are designated therein are hereby authorized to execute and deliver the Official Statement on behalf of the Village.

Section 16. Continuing Disclosure Undertaking. An authorized official of the Village is hereby authorized, empowered, and directed to execute and deliver the Continuing Disclosure Undertaking in substantially the same form as now before the Village as *Exhibit A* to this Ordinance, or with such changes therein as the officer executing the Continuing Disclosure Undertaking on behalf of the Village shall approve, his or her execution thereof to constitute conclusive evidence of his or her approval of such changes. When the Continuing Disclosure Undertaking is executed and delivered on behalf of the Village as herein provided, the

Continuing Disclosure Undertaking will be binding on the Village and the officers, employees, and agents of the Village, and the officers, employees, and agents of the Village are hereby authorized, empowered, and directed to do all such acts and things and to execute all such documents as may be necessary to carry out and comply with the provisions of the Continuing Disclosure Undertaking as executed. Notwithstanding any other provision of this Ordinance, the sole remedies for failure to comply with the Continuing Disclosure Undertaking shall be the ability of the beneficial owner of any Bond to seek mandamus or specific performance by court order, to cause the Village to comply with its obligations under the Continuing Disclosure Undertaking.

Section 17. Creation of Funds and Appropriation.

A. There is hereby created a “*General Obligation Bonds, Series 2014, Bond Fund*” (the “*Bond Fund*”), which shall be the fund for the payment of principal of and interest on the Bonds. Accrued interest, if any, and the sum of \$_____, received upon delivery of the Bonds shall be deposited into the Bond Fund and be applied to pay first interest coming due on the Bonds.

B. The Ad Valorem Property Taxes shall either be deposited into the Bond Fund and used for paying the principal of and interest on the Bonds or be used to reimburse a fund or account from which advances to the Bond Fund may have been made to pay principal of or interest on the Bonds prior to receipt of Ad Valorem Property Taxes. Interest income or investment profit earned in the Bond Fund shall be retained in the Bond Fund for payment of the principal of or interest on the Bonds on the interest payment date next after such interest or profit is received or, to the extent lawful and as determined by the Corporate Authorities, transferred to such other fund as may be determined. The Village hereby pledges, as equal and ratable security for the Bonds, all Bond Moneys on deposit in the Bond Fund for the sole benefit of the registered

owners of the Bonds, subject to the reserved right of the Corporate Authorities to transfer certain interest income or investment profit earned in the Bond Fund to other funds of the Village, as described in the preceding sentence.

C. The amount necessary from the proceeds of the Bonds shall be either used to pay expenses directly at the time of issuance of the Bonds or be deposited into a separate fund, hereby created, designated the "*Expense Fund*" to be used to pay expenses of issuance of the Bonds. Disbursements from such fund shall be made from time to time as necessary. Moneys not disbursed from the Expense Fund within six (6) months shall be transferred by the Village Treasurer for deposit into the Project Fund, and any deficiencies in the Expense Fund shall be paid from other lawfully available Village funds.

D. The remaining proceeds of the Bonds shall be set aside in a separate fund, hereby created, and designated as the "*Series 2014 Project Fund*" (the "*Project Fund*"), hereby created as the fund to provide for the receipt and disbursement of proceeds of the Bonds for the Project. The Corporate Authorities reserve the right, as it becomes necessary or advisable from time to time, to revise the list of expenditures for the Project, to change priorities, to revise cost allocations between expenditures and to substitute projects, in order to meet current needs of the Village; *subject, however*, to the various covenants set forth in this Ordinance and in related certificates given in connection with delivery of the Bonds.

E. Alternatively to the creation of such funds and accounts, the Village Treasurer may allocate the funds or accounts for payment of the Bonds and the Bond proceeds to one or more related funds or accounts of the Village already in existence; *provided, however*, that this shall not relieve the Treasurer of the duty to account for the funds for payment of the Bonds and the Bond proceeds as herein provided.

Section 18. General Tax Covenants. The Village hereby covenants that it will not take any action, omit to take any action or permit the taking or omission of any action within its control (including, without limitation, making or permitting any use of the proceeds of the Bonds) if taking, permitting, or omitting to take such action would cause any of the Bonds to be an arbitrage bond or a private activity bond within the meaning of the Code, would otherwise cause the interest on the Bonds to be includable in the gross income of the recipients thereof for federal income tax purposes. The Village acknowledges that, in the event of an examination by the Internal Revenue Service of the exemption from Federal income taxation for interest paid on the Bonds under present rules, the Village may be treated as a “taxpayer” in such examination and agrees that it will respond in a commercially reasonable manner to any inquiries from the Internal Revenue Service in connection with such an examination. In furtherance of the foregoing provisions, but without limiting their generality, the Village agrees: (a) through its officers, to make such further specific covenants, representations as shall be truthful, and assurances as may be necessary or advisable; (b) to comply with all representations, covenants, and assurances contained in certificates or agreements as may be prepared by Bond Counsel; (c) to consult with such Bond Counsel and to comply with such advice as may be given; (d) to file such forms, statements, and supporting documents as may be required and in a timely manner; and (e) if deemed necessary or advisable by its officers, to employ and pay fiscal agents, financial advisors, attorneys, and other persons to assist the Village in such compliance.

Section 19. Certain Specific Tax Covenants.

A. None of the Bonds shall be a “private activity bond” as defined in Section 141(a) of the Code; and the Village certifies, represents, and covenants as follows:

(1) Not more than 5% of the net proceeds and investment earnings of the Bonds is to be used, directly or indirectly, in any activity carried on by any person other than a state or local governmental unit.

(2) Not more than 5% of the amounts necessary to pay the principal of and interest on the Bonds will be derived, directly or indirectly, from payments with respect to any private business use by any person other than a state or local governmental unit.

(3) None of the proceeds of the Bonds is to be used, directly or indirectly, to make or finance loans to persons other than a state or local governmental unit.

(4) No user of the infrastructure of the Village to be improved as part of the Project other than the Village or another governmental unit, will use the same on any basis other than the same basis as the general public; and no person, other than the Village or another governmental unit, will be a user of such infrastructure as a result of (i) ownership or (ii) actual or beneficial use pursuant to a lease, a management or incentive payment contract other than as expressly permitted by the Code, or (iii) any other arrangement.

B. The Bonds shall not be “arbitrage bonds” under Section 148 of the Code; and the Village certifies, represents, and covenants as follows:

(1) With respect to the Project, the Village has heretofore incurred or within six months after delivery of the Bonds expects to incur substantial binding obligations to be paid for with money received from the sale of the Bonds, said binding obligations comprising binding contracts for the Project in not less than the amount of 5% of the proceeds of the Bonds allocable to the Project.

(2) More than 85% of the proceeds of the Bonds allocable to the Project will be expended on or before three years for the purpose of paying the costs of the Project.

(3) All of the principal proceeds of the Bonds allocable to the Project and investment earnings thereon will be used, needed, and expended for the purpose of paying the costs of the Project including expenses incidental thereto.

(4) Work on the Project is expected to proceed with due diligence to completion.

(5) Except for the Bond Fund, the Village has not created or established and will not create or establish any sinking fund reserve fund or any other similar fund to provide for the payment of the Bonds. The Bond Fund has been established and will be funded in a manner primarily to achieve a proper matching of revenues and debt service and will be depleted at least annually to an amount not in excess of 1/12th the particular annual debt service on the Bonds. Money deposited into the Bond Fund will be spent within a 13-month period beginning on the date of deposit, and investment earnings in the Bond Fund will be spent or withdrawn from the Bond Fund within a one-year period beginning on the date of receipt.

(6) Amounts of money related to the Bonds required to be invested at a yield not materially higher than the yield on the Bonds, as determined pursuant to such tax certifications or agreements as the Village officers may make in connection with the issuance of the Bonds, shall be so invested; and appropriate Village officers are hereby authorized to make such investments.

(7) Unless an applicable exception to Section 148(f) of the Code, relating to the rebate of “excess arbitrage profits” to the United States Treasury (the “*Rebate Requirement*”) is available to the Village, the Village will meet the Rebate Requirement.

(8) Relating to such applicable exceptions, any Village officer charged with issuing the Bonds is hereby authorized to make such elections under the Code as such officer shall deem reasonable and in the best interests of the Village.

C. None of the proceeds of the Bonds will be used to pay, directly or indirectly, in whole or in part, for an expenditure that has been paid by the Village prior to the date hereof except architectural or engineering costs incurred prior to commencement of any of the Project or expenditures for which an intent to reimburse it as properly declared under Treasury Regulations Section 1.103-18. This Ordinance is in itself a declaration of official intent under Treasury Regulations Section 1.103-18 as to all costs of the Project paid after the date hereof and prior to issuance of the Bonds.

D. The Village reserves the right to use or invest moneys in connection with the Bonds in any manner or to make changes in the Project list or to use the Village infrastructure acquired, constructed, or improved as part of the Project in any manner, notwithstanding the representations and covenants in (Sections 18 and 19 of) this Ordinance, *provided* it shall first have received an opinion from Bond Counsel or from another attorney or a firm of attorneys of nationally recognized standing in matters pertaining to Tax-exempt bonds to the effect that use or investment of such moneys or the changes in or use of such infrastructure as contemplated will not result in loss or impairment of Tax-exempt status for the Bonds.

E. Each Bond is hereby designated as a “qualified tax-exempt obligation” for the purposes and within the meaning of Section 265(b)(3) of the Code. In connection therewith the Village hereby affirms that: (i) none of the Bonds will be at any time a “private activity bond” (as defined in Section 141 of the Code), (ii) as of the date hereof in calendar year 2014, other than the Bonds, no Tax-exempt obligations of any kind have been issued (A) by or on behalf of the Village, (B) by other issuers, any of the proceeds of which have been or will be used to make any

loans to the Village or (C) any portion of which has been allocated to the Village for purposes of Section 265(b) of the Code and (iii) not more than \$10,000,000 of obligations of any kind (including the Bonds) issued (A) by or on behalf of the Village (B) by other issuers any of the proceeds of which have been or will be used to make any loans to the Village or (C) any portion of which has been allocated to the Village for purposes of Section 265(b) of the Code during calendar year 2014 will be designated for purposes of Section 265(b)(3) of the Code. The Village is not subject to control by any entity, and there are no entities subject to control by the Village.

Section 20. Municipal Bond Insurance. In the event the payment of principal of and interest on the Bonds is insured pursuant to a municipal bond insurance policy (a “*Municipal Bond Insurance Policy*”) issued by a bond insurer (a “*Bond Insurer*”), and as long as such Municipal Bond Insurance Policy shall be in full force and effect, the Village and the Bond Registrar agree to comply with such usual and reasonable provisions regarding presentment and payment of such Bonds, subrogation of the rights of the Bondholders to the Bond Insurer when holding such Bonds, amendment hereof, or other terms, as approved by any of the Village Officers on advice of counsel, his or her approval to constitute full and complete acceptance by the Village of such terms and provisions under authority of this Section.

Section 21. Rights and Duties of Bond Registrar. If requested by the Bond Registrar, any officer of the Village is authorized to execute standard form of agreements between the Village and the Bond Registrar with respect to the obligations and duties of the Bond Registrar under this Ordinance. In addition to the terms of such agreements and subject to modification thereby, the Bond Registrar by acceptance of duties under this Ordinance agrees (a) to act as bond registrar, paying agent, authenticating agent, and transfer agent as provided herein; (b) to maintain a list of Bondholders as set forth herein and to furnish such list to the Village upon

request, but otherwise to keep such list confidential to the extent permitted by law; (c) to give notice of redemption of Bonds as provided herein; (d) to cancel and/or destroy Bonds which have been paid at maturity, upon redemption or submitted for exchange or transfer; (e) to furnish the Village at least annually a certificate with respect to Bonds cancelled and/or destroyed; and (f) to furnish the Village at least annually an audit confirmation of Bonds paid, Bonds outstanding and payments made with respect to interest on the Bonds. The Village covenants with respect to the Bond Registrar, and the Bond Registrar further covenants and agrees as follows:

(A) The Village shall at all times retain a Bond Registrar with respect to the Bonds; it will maintain at the designated office(s) of such Bond Registrar a place or places where Bonds may be presented for payment, registration, transfer or exchange; and it will require that the Bond Registrar properly maintain the Bond Register and perform the other duties and obligations imposed upon it by this Ordinance in a manner consistent with the standards, customs and practices of the municipal securities industry.

(B) The Bond Registrar shall signify its acceptance of the duties and obligations imposed upon it by this Ordinance by executing the certificate of authentication on any Bond, and by such execution the Bond Registrar shall be deemed to have certified to the Village that it has all requisite power to accept and has accepted such duties and obligations not only with respect to the Bond so authenticated but with respect to all the Bonds. Any Bond Registrar shall be the agent of the Village and shall not be liable in connection with the performance of its duties except for its own negligence or willful wrongdoing. Any Bond Registrar shall, however, be responsible for any representation in its certificate of authentication on Bonds.

(C) The Village may remove the Bond Registrar at any time. In case at any time the Bond Registrar shall resign, shall be removed, shall become incapable of acting,

or shall be adjudicated a bankrupt or insolvent, or if a receiver, liquidator, or conservator of the Bond Registrar or of the property thereof shall be appointed, or if any public officer shall take charge or control of the Bond Registrar or of the property or affairs thereof, the Village covenants and agrees that it will thereupon appoint a successor Bond Registrar. The Village shall give notice of any such appointment made by it to each registered owner of any Bond within twenty days after such appointment in any reasonable manner as the Village shall select. Any Bond Registrar appointed under the provisions of this Section shall be a bank, trust company, or national banking association maintaining a corporate trust office in Illinois or New York, and having capital and surplus and undivided profits in excess of \$100,000,000. The Village Clerk of the Village is hereby directed to file a certified copy of this Ordinance with the Bond Registrar.

Section 22. Defeasance. Any Bond or Bonds which (a) are paid and cancelled, (b) which have matured and for which sufficient sums have been deposited with the Bond Registrar to pay all principal and interest due thereon, or (c) for which sufficient funds and Defeasance Obligations have been deposited with the Bond Registrar or similar institution to pay, taking into account investment earnings on such obligations, all principal of and interest on such Bond or Bonds when due at maturity, pursuant to an irrevocable escrow or trust agreement, shall cease to have any lien on or right to receive or be paid from the Ad Valorem Property Taxes and shall no longer have the benefits of any covenant for the registered owners of outstanding Bonds as set forth herein as such relates to lien and security of the outstanding Bonds. All covenants relative to the Tax-exempt status of the Tax-exempt Bonds; and payment, registration, transfer, and exchange; are expressly continued for all Bonds whether outstanding Bonds or not. For purposes of this Section, “*Defeasance Obligations*” means (a) direct and general full faith and credit obligations of the United States Treasury (“*Directs*”), (b) certificates of participation

or trust receipts in trusts comprised wholly of Directs or (c) other obligations unconditionally guaranteed as to timely payment by the United States Treasury.

Section 23. Publication of Ordinance. A full, true, and complete copy of this Ordinance shall be published within ten days after passage in pamphlet form by authority of the Corporate Authorities.

Section 24. Severability. If any section, paragraph, clause, or provision of this Ordinance shall be held invalid, the invalidity of such section, paragraph, clause, or provision shall not affect any of the other provisions of this Ordinance.

Section 25. Superseder and Effective Date. All ordinances, resolutions, and orders, or parts thereof, in conflict with this Ordinance, are to the extent of such conflict hereby superseded; and this Ordinance shall be in full force and effect immediately upon its passage, approval and publication.

Section 26. Passage. This Ordinance is passed by the Council of the Village of Winnetka in the exercise of its home rule powers pursuant to Section 6 of Article VII of the Illinois Constitution of 1970.

PASSED: this ____ day of _____ 2013, by the following roll call vote:

AYES: _____

NAYS: _____

ABSENT: _____

APPROVED: _____, 2013

President, Village of Winnetka
Cook County, Illinois

Published by authority of the President and Board of Trustees of the Village of Winnetka, Illinois, this ____ day of _____ 2013.

ATTEST:

Village Clerk, Village of Winnetka
Cook County, Illinois

Introduced: October 15, 2013

Passed and Approved: _____, 2013

- EXHIBIT A -

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

This Continuing Disclosure Undertaking (the “*Agreement*”) is executed and delivered by Village of Winnetka, Cook County, Illinois (the “*Village*”) in connection with the issuance of \$_____ General Obligation Bonds, Series 2014 (the “*Bonds*”). The Bonds are being issued pursuant to an Ordinance, as enacted by the President and Board of Trustees of the Village on December 3, 2013 (the “*Ordinance*”).

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

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

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

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

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

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

Commission means the Securities and Exchange Commission.

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

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

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

MSRB means the Municipal Securities Rulemaking Board.

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

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

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

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

State means the State of Illinois.

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

3. CUSIP NUMBER/FINAL OFFICIAL STATEMENT. The CUSIP Numbers of the Bonds as set forth in *Exhibit III*. The Final Official Statement relating to the Bonds is dated December 3, 2013 (the "*Final Official Statement*"). The Village will include the CUSIP Number in all disclosure described in Sections 4 and 5 of this Agreement.

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

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

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

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

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

In the event of a failure of the Village to comply with any provision of this Agreement, the beneficial owner of any Bond may seek mandamus or specific performance by court order, to cause the Village to comply with its obligations under this Agreement. The beneficial owners of 25% or more in principal amount of the Bonds outstanding may challenge the adequacy of the information provided under this Agreement and seek specific performance by court order to cause the Village to provide the information as required by this Agreement. A default under this Agreement shall not be deemed a default under the Ordinance, and the sole remedy under this Agreement in the event of any failure of the Village to comply with this Agreement shall be an action to compel performance.

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

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

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

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

In the event that the Commission or the MSRB or other regulatory authority shall approve or require Annual Financial Information Disclosure or Reportable Events Disclosure to be made

to a central post office, governmental agency or similar entity other than EMMA or in lieu of EMMA, the Village shall, if required, make such dissemination to such central post office, governmental agency or similar entity without the necessity of amending this Agreement.

8. **TERMINATION OF UNDERTAKING.** The Undertaking of the Village shall be terminated hereunder if the Village shall no longer have any legal liability for any obligation on or relating to repayment of the Bonds under the Ordinance. The Village shall give notice to EMMA in a timely manner if this Section is applicable.

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

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

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

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

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

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

VILLAGE OF WINNETKA, COOK COUNTY,
ILLINOIS

By: _____

Its: Treasurer/Finance Director

Address: 510 Green Bay Road

Winnetka, Illinois 60093

Date: January 7, 2014

EXHIBIT I

ANNUAL FINANCIAL INFORMATION AND TIMING AND AUDITED FINANCIAL STATEMENTS

“*Annual Financial Information*” means financial information and operating data of the type contained in the Official Statement under the following captions:

1. The table under the headings of **“Retailers’ Occupation, Service Occupation and Use Tax”**;
2. All of the tables under the heading **“PROPERTY ASSESSMENT AND TAX INFORMATION”**;
3. All of the tables under the heading **“DEBT INFORMATION”**; and
4. All of the tables under the heading **“FINANCIAL INFORMATION.”**

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

Annual Financial Information exclusive of Audited Financial Statements will be submitted to EMMA by 210 days after the last day of the Village’s fiscal year. Audited Financial Statements as described below should be filed at the same time as the Annual Financial Information. If Audited Financial Statements are not available when the Annual Financial Information is filed, unaudited financial statements shall be included.

Audited Financial Statements will be prepared according to Generally Accepted Accounting Principles as applicable to governmental units (*i.e.*, as subject to the pronouncements of the Governmental Standards Accounting Board and subject to any express requirements of State law). Audited Financial Statements will be submitted to EMMA within 30 days after availability to Village.

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

EXHIBIT II

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

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

NOTE: DO NOT DELETE ANY EVENT, EVEN IF IT IS INAPPLICABLE TO YOUR TRANSACTION.

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

EXHIBIT III

CUSIP NUMBERS

BASE NUMBER IS 974790

YEAR	SUFFIX
2020	
2021	
2022	
2023	
***	***
2039	
2040	
2041	
2042	
2043	

Attachment 3

Preliminary Official Statement

\$9,000,000 G.O. Bonds, Series 2013

New Issue

Date of Sale: Tuesday, November 5, 2013
10:00 – 10:15 A.M., C.S.T.
(Open Speer Auction)

DRAFT 10/10/13

Investment Rating:
Moody's Investors Service ...
(Rating Requested)

Official Statement

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



\$9,000,000*

VILLAGE OF WINNETKA

Cook County, Illinois

General Obligation Bonds, Series 2013

Dated Date of Delivery Book-Entry Bank Qualified Due Serially December 15, 2015-2019 and 2044-2046

The \$9,000,000* General Obligation Bonds, Series 2013 (the "Bonds"), are being issued by the Village of Winnetka, Cook County, Illinois (the "Village"). Interest is payable semiannually on June 15 and December 15 of each year, commencing June 15, 2014. Interest is calculated based on a 360-day year of twelve 30-day months. The Bonds will be issued using a book-entry system. The Depository Trust Company ("DTC"), New York, New York, will act as securities depository for the Bonds. The ownership of one fully registered Bond for each maturity will be registered in the name of Cede & Co., as nominee for DTC and no physical delivery of Bonds will be made to purchasers. The Bonds will mature on December 15, in the following years and amounts.

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

Principal Amount*	Due Dec. 15	Interest Rate	Yield or Price	CUSIP Number	Principal Amount*	Due Dec. 15	Interest Rate	Yield or Price	CUSIP Number
\$675,000	2015	%	%		*****	****	%	%	
680,000	2016	%	%		1,775,000	2044	%	%	
685,000	2017	%	%		1,855,000	2045	%	%	
695,000	2018	%	%		1,930,000	2046	%	%	
705,000	2019	%	%						

Any consecutive maturities may be aggregated into term bonds at the option of the bidder, in which case the mandatory redemption provisions shall be on the same schedule as above.

OPTIONAL REDEMPTION

The Bonds due on and after December 15, 2044, are callable in whole or in part on any date on or after December 15, 2021, at a price of par plus accrued interest. If less than all the Bonds are called, they shall be redeemed in such principal amounts and from such maturities as determined by the Village and within any maturity by lot. See "OPTIONAL REDEMPTION" herein.

PURPOSE, LEGALITY AND SECURITY

The proceeds of the Bonds will be used to finance certain improvements relating to the Village's stormwater system and to pay the costs of issuing the Bonds. See "THE PROJECT" herein.

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

The Bonds are "qualified tax-exempt obligations" pursuant to the small issuer exception provided by Section 265(b)(3) of the Internal Revenue Code of 1986, as amended.

This Official Statement is dated October __, 2013, and has been prepared under the authority of the Village. An electronic copy of this Official Statement is available from the www.speerfinancial.com web site under "Debt Auction Center/Official Statement Sales - Competitive". Additional copies may be obtained from Mr. Edward F. McKee, Jr., Treasurer/Finance Director, Village of Winnetka, 510 Green Bay Road, Winnetka, Illinois 60093, or from the Independent Public Finance Consultants to the Village:

Established 1954

Speer Financial, Inc.

INDEPENDENT PUBLIC FINANCE CONSULTANTS
ONE NORTH LASALLE STREET, SUITE 4100 • CHICAGO, ILLINOIS 60602
Telephone: (312) 346-3700; Facsimile: (312) 346-8833
www.speerfinancial.com



*Subject to change.

For purposes of compliance with Rule 15c2-12 of the Securities and Exchange Commission, this document, as the same may be supplemented or corrected by the Village from time to time (collectively, the “Official Statement”), may be treated as an Official Statement with respect to the Bonds described herein that is deemed near final as of the date hereof (or the date of any such supplement or correction) by the Village.

The Official Statement, when further supplemented by an addendum or addenda specifying the maturity dates, principal amounts and interest rates of the Bonds, together with any other information required by law or deemed appropriate by the Village, shall constitute a “Final Official Statement” of the Village with respect to the Bonds, as that term is defined in Rule 15c2-12. Any such addendum shall, on and after the date thereof, be fully incorporated herein and made a part hereof by reference.

No dealer, broker, salesman or other person has been authorized by the Village to give any information or to make any representations with respect to the Bonds other than as contained in the Official Statement or the Final Official Statement and, if given or made, such other information or representations must not be relied upon as having been authorized by the Village. Certain information contained in the Official Statement and the Final Official Statement may have been obtained from sources other than records of the Village and, while believed to be reliable, is not guaranteed as to completeness. **THE INFORMATION AND EXPRESSIONS OF OPINION IN THE OFFICIAL STATEMENT AND THE FINAL OFFICIAL STATEMENT ARE SUBJECT TO CHANGE, AND NEITHER THE DELIVERY OF THE OFFICIAL STATEMENT OR THE FINAL OFFICIAL STATEMENT NOR ANY SALE MADE UNDER EITHER SUCH DOCUMENT SHALL CREATE ANY IMPLICATION THAT THERE HAS BEEN NO CHANGE IN THE AFFAIRS OF THE VILLAGE SINCE THE RESPECTIVE DATES THEREOF.**

References herein to laws, rules, regulations, ordinances, resolutions, agreements, reports and other documents do not purport to be comprehensive or definitive. All references to such documents are qualified in their entirety by reference to the particular document, the full text of which may contain qualifications of and exceptions to statements made herein. Where full texts have not been included as appendices to the Official Statement or the Final Official Statement they will be furnished on request. This Official Statement does not constitute an offer to sell, or solicitation of an offer to buy, any securities to any person in any jurisdiction where such offer or solicitation of such offer would be unlawful.

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OFFICIAL BID FORM
 OFFICIAL NOTICE OF SALE

BOND ISSUE SUMMARY

This Bond Issue Summary is expressly qualified by the entire Official Statement, including the Official Notice of Sale and the Official Bid Form, which are provided for the convenience of potential investors and which should be reviewed in their entirety by potential investors.

Issuer:	Village of Winnetka, Cook County, Illinois.
Issue:	\$9,000,000* General Obligation Bonds, Series 2013.
Dated Date:	Date of delivery (expected to be on or about November 20, 2013).
Interest Due:	Each June 15 and December 15, commencing June 15, 2014.
Principal Due:	Serially each December 15, commencing December 15, 2015 through 2019 and 2044 through 2046, as detailed on the front page of this Official Statement.
Optional Redemption:	Bonds due on and after December 15, 2044, are callable at the option of the Village on any date on or after December 15, 2021, at a price of par plus accrued interest. See “ OPTIONAL REDEMPTION ” herein.
Authorization:	The Village is a home rule unit under the Illinois Constitution and as such has no debt limitation and is not required to seek referendum approval to issue the Bonds.
Security:	The Bonds will constitute valid and legally binding obligations of the Village payable both as to principal and interest from ad valorem taxes levied against all taxable property therein without limitation as to rate or amount.
Credit Rating:	A credit rating for the Bonds has been requested from Moody's Investors Service, New York, New York (“Moody’s”).
Purpose:	The proceeds of the Bonds will be used to finance certain improvements relating to the Village’s stormwater system and to pay the costs of issuing the Bonds. See “ THE PROJECT ” herein.
Tax Exemption:	Chapman and Cutler LLP, Chicago, Illinois, Bond Counsel, will provide an opinion as to the federal tax exemption of the interest on the Bonds as discussed under “ TAX EXEMPTION ” in this Official Statement. Interest on the Bonds is not exempt from present State of Illinois income taxes. See also APPENDIX C for the proposed form of Bond Counsel opinion.
Bank Qualification:	The Bonds are “qualified tax-exempt obligations” under Section 265(b)(3) of the Internal Revenue Code of 1986, as amended. See “ QUALIFIED TAX-EXEMPT OBLIGATIONS ” herein.
Bond Registrar/Paying Agent:	Amalgamated Bank of Chicago, Chicago, Illinois.
Delivery:	The Bonds are expected to be delivered on or about November 20, 2013.
Book-Entry Form:	The Bonds will be registered in the name of Cede & Co. as nominee for The Depository Trust Company (“DTC”), New York, New York. DTC will act as securities depository of the Bonds. See APPENDIX B herein.
Denomination:	\$5,000 or integral multiples thereof.
Financial Advisor:	Speer Financial, Inc., Chicago, Illinois.

VILLAGE OF WINNETKA
Cook County, Illinois

Village Council

E. Gene Greable
President

Village Trustees

Joseph S. Adams
Patrick J. Corrigan

Arthur Braun
Richard M. Kates

John A. Buck III
Stuart McCrary

Officials

Edward F. McKee, Jr.
Treasurer/Finance Director

Robert M. Bahan
Village Manager

Katherine S. Janega, Esq.
Village Attorney

THE BONDS

The General Obligation Bonds, Series 2013 (the “Bonds”), are being issued pursuant to the home rule powers of the Village of Winnetka, Cook County, Illinois (the “Village”), under Article VII, Section 6, of the 1970 Constitution of the State of Illinois. The Bonds are issuable pursuant to a bond ordinance adopted by the Village Council of the Village on the 5th day of November, 2013 (the “Bond Ordinance”). The Bonds constitute valid and legally binding full faith and credit general obligations of the Village, payable from ad valorem taxes levied on all taxable property in the Village, without limitation as to rate or amount, except that the rights of the owners of the Bonds and the enforceability of the Bonds may be limited by bankruptcy, insolvency, moratorium, reorganization and other similar laws affecting creditors’ rights and by equitable principles, whether considered at law or in equity, including the exercise of judicial discretion. The Bond Ordinance provides for the levy of ad valorem taxes, unlimited as to rate or amount, upon all taxable property within the Village in amounts sufficient to pay, as and when due, all principal of and interest on the Bonds. The Bond Ordinance will be filed with the County Clerk of The County of Cook, Illinois, and will serve as authorization to said County Clerk to extend and collect the property taxes as set forth in the Bond Ordinance.

THE VILLAGE

The Village is a high-income Chicago suburb bordered by Glencoe to the north, Northfield to the west, Wilmette and Kenilworth to the south and Lake Michigan to the east. It is primarily a residential community, sixteen miles north of Chicago along the western shore of Lake Michigan. It contains 3.89 square miles within its borders.

Village Government and Services

Winnetka was granted a special charter of incorporation in 1869 by the Illinois General Assembly. In 2005, pursuant to referendum, the Village adopted Home Rule status, which provides additional legislative and revenue raising powers. The Village has been administered under the council-manager form of government since 1915, one of the first council-manager communities in the State. The corporate authority is the Village Council, which is composed of the Village President and six trustees, who are elected to two-year terms and serve without pay.

The six Village departments are overseen by the Village Manager. These departments include the water and electric department, public works department, police department, fire department, finance department and Community Development department. The Village employs 154 full-time personnel. The Winnetka Police and Fire Departments operate out of one station. The Police Department employs 27 full-time police officers and 9 civilian personnel. Fire protection services are provided by the Winnetka Fire Department employing 24 full-time firefighters who are aided by 1 civilian.

Village sewage is treated by the Metropolitan Water Reclamation District of Greater Chicago. The Winnetka Park District is a separate local governmental entity which, operates 235 acres of park land, including two golf courses, five beaches, eight indoor tennis courts, twelve lighted outdoor tennis courts, and an indoor ice facility.

Other Community Services

Hospitals serving the Village area include North Shore Skokie Hospital (234 beds and approximately 600 medical staff); North Shore Highland Park Hospital (201 beds and approximately 450 medical staff); Lutheran General Hospital (645 beds and approximately 800 medical staff). North Shore Evanston Hospital with 800 physicians on staff is a 400 bed Level I Regional Trauma Center and includes the Kellogg Cancer Center. St. Francis Hospital with 450 physicians on staff and 375 beds, is known for its cardiac care.

Northwestern University, established in 1851, maintains one of its two lakefront locations on a 240 acre site in Evanston and is a major private research university with 12 academic divisions. Approximately 1,850 full-time faculty are associated with Northwestern of which half are on the Evanston campus. Total enrollment is some 18,000 full-time students of which approximately half are undergraduates on the Evanston campus. The University maintains a 3.6 million volume library and six major undergraduate schools including the College of Arts and Sciences, the School of Education and Social Policy, the McCormick School of Engineering and Applied Science (with 750,000 square feet of classrooms, office laboratories and research facilities), the Medill School of Journalism, the School of Music and the School of Speech (with two sound stages, off- and on-line editing suites, computer graphics and interactive video modules). The University also offers numerous graduate programs, including the acclaimed Kellogg School of Management and professional schools including law, medicine and dentistry.

SOCIOECONOMIC INFORMATION

The following statistics pertain principally to the Village. Additional comparisons are made with Cook County (the “County”) and the State of Illinois (the “State”).

Employment

The following is a list of large employers located in the Village. Additional employment opportunities are available to Village residents throughout the Chicago Metropolitan area.

Major Village Employers(1)

Name	Product/Service	Approximate Employment
New Trier Township High School District 203.....	High School - Winnetka Campus	483
School District 36	Elementary School	221
Village of Winnetka	Municipality	154
Dyson, Dyson & Dunn	Manufacturing	150
North Shore Country Day School	Private School	115
Coldwell Banker	Real Estate Agency	113
BMO Harris Bank	Banking Services	65
Killian Co., V.J.	Residential Plumbing and Heating	45
Sacred Heart School	Catholic School	45
Faith, Hope & Charity School	Catholic School	43
Northern Trust Bank/Winnetka	Banking, Investment and Trust Services	33
Charmyr Ltd.	Residential and Post Construction Cleaning Services	24
Cambridge Financial Group	Management Consulting Services	20
Curran & Connors	Annual Reports, Corporate Literature and Publishing	20

Note: (1) Source: 2013 Illinois Manufacturers Directory, 2013 Illinois Services Directory and selective telephone survey.

Major Area Employers(1)

Location	Name	Product/Service	Approximate Employment
Northbrook	Allstate Insurance Co.	Company Headquarters and Insurance	8,000
Evanston	Northwestern University	College	5,200
Evanston	Northshore University Health System ..	General Hospital	2,661
Northbrook	Underwriters Laboratories, Inc.	Corporate Headquarters and Noncommercial Research Organizations ...	2,000
Skokie	Federal-Mogul Sealing Systems	Rubber Products	1,500
Northbrook	CVS Caremark	Intermediate Care Facilities	1,400
Northfield	Kraft Foods Group, Inc.	Corporate Headquarters and Food Preparations	1,300
Skokie	North Shore Skokie Hospital	General Hospital	1,200
Northbrook	Astellas Pharma US, Inc.	Corporate Headquarters and Wholesale Pharmaceutical Products	1,150
Evanston	St. Francis Hospital	General Hospital	1,100
Glenview	Abt Electronics, Inc.	Retail Consumer Electronics	1,000
Glenview	Kraft Foods Technology Center	Commercial Physical Research	1,000
Skokie	Woodward, Inc.	Electricity Measuring Instruments	900
Glenview	Anixter, Inc.	Corporate Headquarters and Electrical Equipment	700
Evanston	Presbyterian Homes/McGaw Care Center ..	Apartment Building Operators	600
Glenview	North Shore Glenbrook Hospital	General Hospital	600
Northfield	College of American Pathologists	Pathologists' Association	575

Note: (1) Source: 2013 Illinois Manufacturers Directory, 2013 Illinois Services Directory and selective telephone survey.

The following tables show employment by industry and by occupation for the Village, Cook County (the “County”) and the State of Illinois (the “State”) as reported by the U.S. Census Bureau 2007-2011 American Community Survey 5-year estimated values.

Employment By Industry(I)

Classification	The Village		Cook County		State of Illinois	
	Number	Percent	Number	Percent	Number	Percent
Agriculture, Forestry, Fishing and Hunting, and Mining.....	7	0.1%	4,316	0.2%	63,960	1.1%
Construction.....	38	0.8%	123,469	5.1%	343,232	5.7%
Manufacturing.....	396	8.4%	267,783	11.0%	775,663	12.8%
Wholesale Trade.....	165	3.5%	71,321	2.9%	196,738	3.3%
Retail Trade.....	269	5.7%	240,683	9.9%	659,708	10.9%
Transportation and Warehousing, and Utilities.....	57	1.2%	152,899	6.3%	355,486	5.9%
Information.....	136	2.9%	61,250	2.5%	135,688	2.2%
Finance and Insurance, and Real Estate and Rental and Leasing.....	1,037	21.9%	210,438	8.7%	466,468	7.7%
Professional, Scientific, and Management, Administrative, and Waste Management Services.....	1,120	23.7%	322,649	13.3%	662,987	11.0%
Educational Services and Health Care and Social Assistance....	860	18.2%	530,526	21.8%	1,337,455	22.1%
Arts, Entertainment and Recreation and Accommodation and Food Services.....	314	6.6%	231,014	9.5%	524,925	8.7%
Other Services, Except Public Administration.....	188	4.0%	121,008	5.0%	288,538	4.8%
Public Administration.....	140	3.0%	91,913	3.8%	232,923	3.9%
Total.....	4,727	100.0%	2,429,269	100.0%	6,043,771	100.0%

Note: (1) Source: U.S. Bureau of the Census, American Community Survey 5-year estimates 2007 to 2011.

Employment By Occupation(I)

Classification	The Village		Cook County		State of Illinois	
	Number	Percent	Number	Percent	Number	Percent
Management, Business, Science and Arts.....	3,376	71.4%	900,655	37.1%	2,167,571	35.9%
Service.....	258	5.5%	424,830	17.5%	1,007,434	16.7%
Sales and Office.....	911	19.3%	617,135	25.4%	1,550,202	25.6%
Natural Resources, Construction, and Maintenance.....	67	1.4%	162,266	6.7%	474,566	7.9%
Production, Transportation, and Material Moving.....	115	2.4%	324,383	13.4%	843,998	14.0%
Total.....	4,727	100.0%	2,429,269	100.0%	6,043,771	100.0%

Note: (1) Source: U.S. Bureau of the Census, American Community Survey 5-year estimates 2007 to 2011.

Unemployment Rates

The following shows the annual average unemployment rates for the Village, the County and the State.

Annual Average Unemployment Rates(I)

Calendar Year	The Village	Cook County	State of Illinois
2004.....	3.3%	6.7%	6.2%
2005.....	3.3%	6.4%	5.8%
2006.....	2.4%	4.8%	4.6%
2007.....	2.7%	5.2%	5.1%
2008.....	3.4%	6.4%	6.4%
2009.....	5.9%	10.4%	10.0%
2010.....	5.9%	10.8%	10.4%
2011.....	6.1%	10.3%	9.7%
2012.....	5.8%	9.3%	8.9%
2013(2).....	N/A	10.2%	9.6%

Notes: (1) Source: Illinois Department of Employment Security.
 (2) Preliminary rates for July 2013.

Building Permits

Village Building Permits(1) (Excludes the Value of Land)

Calendar Year	Single-Family New Homes		Average Cost of Construction
	Units	Value	
2008.....	28	\$26,946,000	\$ 962,357
2009.....	18	25,759,000	1,431,056
2010.....	17	14,656,000	862,118
2011.....	26	19,263,000	740,885
2012.....	30	28,266,000	942,200
2013(2)....	16	25,662,000	1,603,875

Notes: (1) Source: the Village.
 (2) As of August 31, 2013.

Housing

The U.S. Census Bureau 5-year estimated values reported that the median value of the Village's owner-occupied homes was \$992,800. This compares to \$256,900 for the County and \$198,500 for the State. The following table represents the five year average market value of specified owner-occupied units for the Village, the County and the State at the time of the 2007-2011 American Community Survey.

Specified Owner-Occupied Units(1)

Value	The Village		Cook County		State of Illinois	
	Number	Percent	Number	Percent	Number	Percent
Under \$50,000	0	0.0%	32,251	2.8%	218,208	6.7%
\$50,000 to \$99,999	24	0.7%	58,161	5.0%	451,967	13.8%
\$100,000 to \$149,999	13	0.4%	115,458	10.0%	464,158	14.2%
\$150,000 to \$199,999	0	0.0%	181,081	15.7%	518,957	15.8%
\$200,000 to \$299,999	92	2.6%	310,631	26.9%	725,004	22.1%
\$300,000 to \$499,999	295	8.2%	303,331	26.2%	613,486	18.7%
\$500,000 to \$999,999	1,396	38.9%	125,991	10.9%	234,600	7.2%
\$1,000,000 or more	<u>1,771</u>	<u>49.3%</u>	<u>29,748</u>	<u>2.6%</u>	<u>53,191</u>	<u>1.6%</u>
Total	3,591	100.0%	1,156,652	100.0%	3,279,571	100.0%

Note: (1) Source: U.S. Bureau of the Census, American Community Survey 5-year estimates 2007 to 2011.

Mortgage Status(1)

	The Village		Cook County		State of Illinois	
	Number	Percent	Number	Percent	Number	Percent
Housing Units with a Mortgage	2,427	67.6%	825,981	71.4%	2,272,745	69.3%
Housing Units Without a Mortgage ..	1,164	32.4%	330,671	28.6%	1,006,826	30.7%
Total	3,591	100.0%	1,156,652	100.0%	3,279,571	100.0%

Note: (1) Source: U.S. Bureau of the Census, American Community Survey 5-year estimates 2007 to 2011.

Income

The U.S. Census Bureau 5-year estimated values reported that the Village had a median family income of \$238,393. This compares to \$65,842 for the County and \$69,658 for the State. The following table represents the distribution of family incomes for the Village, the County and the State at the time of the 2007-2011 American Community Survey.

Median Family Income(I)

Value	The Village		Cook County		State of Illinois	
	Number	Percent	Number	Percent	Number	Percent
Under \$10,000	70	2.1%	63,241	5.3%	131,841	4.2%
\$10,000 to \$14,999	6	0.2%	39,634	3.3%	86,610	2.7%
\$15,000 to \$24,999	0	0.0%	100,077	8.4%	224,421	7.1%
\$25,000 to \$34,999	62	1.9%	105,831	8.8%	260,262	8.3%
\$35,000 to \$49,999	60	1.8%	147,041	12.3%	389,862	12.4%
\$50,000 to \$74,999	182	5.5%	213,790	17.9%	606,737	19.2%
\$75,000 to \$99,999	140	4.3%	166,870	13.9%	486,151	15.4%
\$100,000 to \$149,999	516	15.7%	192,184	16.1%	547,784	17.4%
\$150,000 to \$199,999	291	8.9%	78,924	6.6%	212,016	6.7%
\$200,000 or more	1,954	59.6%	89,204	7.5%	207,841	6.6%
Total	3,281	100.0%	1,196,796	100.0%	3,153,525	100.0%

Note: (1) Source: U.S. Bureau of the Census, American Community Survey 5-year estimates 2007 to 2011.

The U.S. Census Bureau 5-year estimated values reported that the Village had a median household income of \$208,750. This compares to \$54,598 for the County and \$56,576 for the State. The following table represents the distribution of household incomes for the Village, the County and the State at the time of the 2007-2011 American Community Survey.

Median Household Income(I)

Value	The Village		Cook County		State of Illinois	
	Number	Percent	Number	Percent	Number	Percent
Under \$10,000	109	2.8%	155,944	8.1%	324,506	6.8%
\$10,000 to \$14,999	34	0.9%	95,215	4.9%	225,927	4.7%
\$15,000 to \$24,999	67	1.7%	201,175	10.4%	480,204	10.1%
\$25,000 to \$34,999	147	3.7%	187,616	9.7%	462,115	9.7%
\$35,000 to \$49,999	98	2.5%	251,609	13.0%	628,998	13.2%
\$50,000 to \$74,999	290	7.3%	345,130	17.8%	884,623	18.5%
\$75,000 to \$99,999	201	5.1%	238,954	12.4%	627,813	13.2%
\$100,000 to \$149,999	627	15.9%	252,033	13.0%	656,199	13.7%
\$150,000 to \$199,999	316	8.0%	98,215	5.1%	243,765	5.1%
\$200,000 or more	2,062	52.2%	108,880	5.6%	238,852	5.0%
Total	3,951	100.0%	1,934,771	100.0%	4,773,002	100.0%

Note: (1) Source: U.S. Bureau of the Census, American Community Survey 5-year estimates 2007 to 2011.

Retail Activity

The table below shows sales tax receipts collected by the Village over the past ten years as an indicator of commercial activity.

Retailers' Occupation, Service Occupation and Use Tax(1)

State Fiscal Year Ending June 30	State Sales Tax Distribution (2)	Annual Percent Change + (-)
2004	\$1,201,221	5.19%(3)
2005	1,169,865	(2.61%)
2006	1,298,881	11.03%
2007	1,382,068	6.40%
2008	1,319,169	(4.55%)
2009	1,135,584	(13.92%)
2010	1,037,130	(8.67%)
2011	1,046,930	0.94%
2012	1,146,805	9.54%
2013	1,214,961	5.94%
Growth from 2004 to 2013		1.14%

- Notes: (1) Source: Illinois Department of Revenue. Includes home rule sales tax.
 (2) Tax distributions are based on records of the Illinois Department of Revenue relating to the 1% municipal portion of the Retailers' Occupation, Service Occupation and Use Tax, collected on behalf of the Village, less a State administration fee. The municipal 1% includes tax receipts from the sale of food and drugs which are not taxed by the State.
 (3) The 2004 percentage is based on a 2003 sales tax of \$1,141,920.

THE PROJECT

The proceeds of the Bonds will be used to finance certain improvements relating to the Village's stormwater system and to pay the costs of issuing the Bonds. The entire program is expected to cost over \$40,000,000 over five years. An additional series of bonds totaling approximately \$16,000,000 is expected to be issued in the future, with cash on hand used for the remaining costs. The program consists of various improvements, the primary improvement being a tunnel to drain storm water into Lake Michigan.

DEBT INFORMATION

After issuance of the Bonds, the Village will have outstanding \$9,580,000* principal amount of general obligation debt.

The Village will sell approximately \$9,500,000 of bonds related to the Project in December of 2013 for 2014 delivery.

*Subject to change.

Village General Obligation Bonded Debt(1)
(Principal Only)

Calendar Year	Series 1999	Series 2003	The Bonds(2)	Total Debt(2)	Cumulative	
					Principal Amount	Retired(2) Percent
2013	\$120,000	\$ 0	\$ 0	\$ 120,000	\$ 120,000	1.25%
2014	125,000	335,000	0	460,000	580,000	6.05%
2015	0	0	675,000	675,000	1,255,000	13.10%
2016	0	0	680,000	680,000	1,935,000	20.20%
2017	0	0	685,000	685,000	2,620,000	27.35%
2018	0	0	695,000	695,000	3,315,000	34.60%
2019	0	0	705,000	705,000	4,020,000	41.96%
2020	0	0	0	0	4,020,000	41.96%
2021	0	0	0	0	4,020,000	41.96%
2022	0	0	0	0	4,020,000	41.96%
2023	0	0	0	0	4,020,000	41.96%
2024	0	0	0	0	4,020,000	41.96%
2025	0	0	0	0	4,020,000	41.96%
2026	0	0	0	0	4,020,000	41.96%
2027	0	0	0	0	4,020,000	41.96%
2028	0	0	0	0	4,020,000	41.96%
2029	0	0	0	0	4,020,000	41.96%
2030	0	0	0	0	4,020,000	41.96%
2031	0	0	0	0	4,020,000	41.96%
2032	0	0	0	0	4,020,000	41.96%
2033	0	0	0	0	4,020,000	41.96%
2034	0	0	0	0	4,020,000	41.96%
2035	0	0	0	0	4,020,000	41.96%
2036	0	0	0	0	4,020,000	41.96%
2037	0	0	0	0	4,020,000	41.96%
2038	0	0	0	0	4,020,000	41.96%
2039	0	0	0	0	4,020,000	41.96%
2040	0	0	0	0	4,020,000	41.96%
2041	0	0	0	0	4,020,000	41.96%
2042	0	0	0	0	4,020,000	41.96%
2043	0	0	0	0	4,020,000	41.96%
2044	0	0	1,775,000	1,775,000	5,795,000	60.49%
2045	0	0	1,855,000	1,855,000	7,650,000	79.85%
2046	0	0	1,930,000	1,930,000	9,580,000	100.00%
Total	\$245,000	\$335,000	\$9,000,000	\$9,580,000		

Notes: (1) Source: the Village.
 (2) Subject to change.

Detailed Overlapping Bonded Debt(1)
(As of June 3, 2013)

	Outstanding Debt	Applicable to the Village	
		Percent(2)	Amount
Schools:			
School District Number 36	\$ 51,915,789	97.94%	\$ 50,846,324
School District Number 37	1,838,895	6.49%	119,344
School District Number 38	9,610,000	9.34%	897,574
High School District Number 203	17,836,456	26.44%	4,715,959
Oakton Community College Number 535	24,540,000	6.19%	1,519,026
Total Schools			\$ 58,098,227
Others:			
Cook County	\$3,616,435,000	0.98%	\$ 35,441,063
Cook County Forest Preserve District	187,950,000	0.98%	1,841,910
Metropolitan Water Reclamation District	2,185,397,538	1.00%	21,853,975
Glencoe Park District	10,400,000	0.83%	86,320
Winnetka Park District	1,760,000	93.59%	1,647,184
Total Other			\$ 60,870,452
Total Schools and Other Overlapping Bonded Debt			\$118,968,679

Notes: (1) Source: Cook County Clerk.
 (2) Percentages based on 2012 EAV, the most current available.

Statement of Bonded Indebtedness(1)

	Amount Applicable	Ratio To		Per Capita (2010 Census 12,187)
		Equalized Assessed	Estimated Actual	
Village EAV of Taxable Property, 2012	\$1,337,599,518	100.00%	33.33%	\$109,756.26
Estimated Actual Value, 2012	\$4,012,798,554	300.00%	100.00%	\$329,268.77
Total Direct Bonded Debt(2)	\$ 9,580,000	0.72%	0.24%	\$ 786.08
Overlapping Bonded Debt:(3)				
Schools	\$ 58,098,227	4.34%	1.45%	\$ 4,767.23
Other	60,870,452	4.55%	1.52%	\$ 4,994.70
Total Overlapping Bonded Debt	\$ 118,968,679	8.89%	2.96%	\$ 9,761.93
Total Direct and Overlapping Bonded Debt(2).....	\$ 128,548,679	9.61%	3.20%	\$ 10,548.02

- Notes: (1) Source: Cook County Clerk.
 (2) Includes the Bonds. Subject to change.
 (3) As of June 3, 2013.

PROPERTY ASSESSMENT AND TAX INFORMATION

The Village's 2011 EAV, the most recent for which detailed information is available, is comprised of 95% residential, 4% commercial and less than 1% of industrial and railroad valuations.

Village Equalized Assessed Valuation(1)

Property Class	Levy Years				
	2008	2009	2010(2)	2011	2012
Residential	\$1,687,972,130	\$1,794,991,734	\$1,527,772,751	\$1,374,421,539	Detail
Commercial	75,156,391	72,103,545	71,278,854	59,890,282	Not
Industrial	4,351,536	4,415,767	6,179,959	5,560,414	Available
Railroad	239,890	288,245	359,555	381,855	
Total	\$1,767,719,947	\$1,871,799,291	\$1,605,591,119	\$1,440,254,090	\$1,337,599,518
Percent change +(-) ..	5.69%(3)	5.89%	(14.22%)	(10.30%)	(7.13%)

- Notes: (1) Source: Cook County Clerk.
 (2) Triennial reassessment year.
 (3) Percent change based on a 2007 EAV of \$1,672,540,169.

Representative Tax Rates(1)
 (Per \$100 Equalized Assessed Valuation)

	Levy Years				
	2008	2009	2010	2011	2012
The Village:					
Corporate	\$0.5134	\$0.4838	\$0.5862	\$0.7035	\$0.7803
Bonds and Interest	0.0078	0.0074	0.0087	0.0096	0.0103
Garbage	0.0750	0.0588	0.0685	0.0764	0.0822
Police Pension	0.0414	0.0538	0.0598	0.0689	0.0754
Fire Pension	0.0472	0.0500	0.0586	0.0770	0.0890
IMRF	0.0147	0.0182	0.0234	0.0000	0.0000
Social Security	0.0096	0.0091	0.0112	0.0000	0.0000
Total Village Rates	\$0.7100	\$0.6820	\$0.8170	\$0.9360	\$1.0380
Cook County	0.4150	0.3940	0.4230	0.4620	\$0.5310
Cook County Forest Preserve District	0.0510	0.0490	0.0510	0.0580	0.0630
Consolidated Elections	0.0000	0.0210	0.0000	0.0250	0.0000
Metropolitan Water Reclamation District	0.2520	0.2610	0.2740	0.3200	0.3700
North Shore Mosquito Abatement	0.0080	0.0080	0.0090	0.0100	0.0100
New Trier Township	0.0340	0.0330	0.0410	0.0470	0.0530
Winnetka Park District	0.2390	0.2280	0.2710	0.3100	0.3470
Winnetka Public Library District	0.1200	0.1390	0.1640	0.1870	0.2030
School District Number 36	2.0850	1.9850	2.4320	2.7820	3.0940
High School District Number 203	1.2900	1.2370	1.4740	1.6740	1.8640
Community College District Number 535	0.1400	0.1400	0.1600	0.1960	0.2190
Total Tax Rates(2)	\$5.3440	\$5.1770	\$6.1160	\$7.0070	\$7.7920

Notes: (1) Source: Cook County Clerk's Office.
 (4) Representative tax rates for other government units are from New Trier. Township tax code 23008, which represents 90.32% of the Village's 2012 EAV

Village Tax Extensions and Collections(1)

Levy Year	Coll. Year	Taxes Extensions(2)	Current Collections	
			Amount	Percent
2007	2008	\$11,966,028	\$11,910,130	99.53%
2008	2009	12,535,304	12,046,185	96.10%
2009	2010	12,748,404	12,570,984	98.61%
2010	2011	13,105,359	12,932,664	98.68%
2011	2012	13,465,786	13,341,410	99.08%
2012	2013(2)	13,884,283	7,372,363	53.10%

Notes: (1) Source: Cook County Treasurer's Office and the Village.
 (2) As of March 31, 2013

Principal Village Taxpayers(1)

Taxpayer Name	Business/Service	2012 EAV(2)
Winnetka I,II,III & IV, LLC	Real Property	\$ 3,963,000
Individual	Real Property	3,329,192
ICG Inc.	Real Property	3,281,806
Individual	Real Property	2,709,432
319 Sheridan LLC	Real Property	2,570,695
Individual	Real Property	2,532,068
Individual	Real Property	2,369,954
Individual	Real Property	2,253,671
Hulsizer & Makowiec	Real Property	2,084,375
T.J. Cullen Jewelers	Jewelers	2,029,366
Total		\$27,123,559
Ten Largest Taxpayers as Percent of Village's 2012 EAV (\$1,337,599,518)		2.03%

Notes: (1) Source: Lake County Clerk.
 (2) Every effort has been made to seek out and report the largest taxpayers. However, many of the taxpayers listed contain multiple parcels and it is possible that some parcels and their valuations have been overlooked. The 2012 EAV is the most current available.

REAL PROPERTY ASSESSMENT, TAX LEVY AND COLLECTION PROCEDURES

Real Property Assessment

The County Assessor (the "Assessor") is responsible for the assessment of all taxable real property within Cook County (the "County"), including that in the Village, except for certain railroad property and pollution control facilities, which are assessed directly by the Illinois Department of Revenue (the "Department of Revenue"). For triennial reassessment purposes, Cook County is divided into three districts: west and south suburbs (the "South Tri"), north and northwest suburbs (the "North Tri"), and the City of Chicago (the "City Tri"). The Village is located in the North Tri and was reassessed for the 2010 tax levy year.

Real property in the County is separated into classes for assessment purposes. After the County Assessor establishes the fair market value of a parcel of property, that value is multiplied by the appropriate classification percentage to arrive at the assessed valuation (the "Assessed Valuation") for the parcel. Prior to the 2009 tax levy year, the classification percentages ranged from 16% for certain residential, commercial and industrial property to 36% and 38%, respectively, for other industrial and commercial property. On October 15, 2008, the Cook County Board of Commissioners approved changes to the property classification ordinance. The changes reduced the percentages used to calculate the assessed value of real property in the County for real estate tax purposes. These reductions take effect in the 2009 tax levy year. Such new classification percentages range from 10% for certain residential, commercial and industrial property to 25% for other industrial and commercial property.

Property is currently classified for assessment into six basic categories, each of which is assessed (beginning with the 2009 tax levy year) at various percentages of fair market value as follows: Class 1) unimproved real estate - 10%; Class 2) residential - 10%; Class 3) rental-residential - 16%, in tax year 2009, 13% in assessment year 2010, and 10% in assessment year 2011 and subsequent years; Class 4) not-for-profit - 25%; Class 5a) commercial - 25%; Class 5b) industrial - 25%. There are also currently seven additional categories. Newly constructed industrial properties or substantially rehabilitated sections of existing industrial properties within the County may qualify for a Class 6b assessment level, which assessment level is 10% for the first 10 years and for any subsequent 10-year renewal periods. However, if the incentive is not renewed, the 6b assessment level is 15% in year 11 and 20% in year 12, hereafter reverting to Class 5b. Real estate, which is to be used for industrial or commercial purposes where such real estate has undergone environmental testing and remediation, may be eligible for a Class C assessment level. The Class C assessment level for industrial properties is 10% for the first 10 years, 15% in year 11 and 20% in year 12, thereafter reverting to Class 5b. Class C commercial properties are assessed at 10% for the first 10 years, 15% in year 11 and 20% in year 12, thereafter reverting to Class 5a. Commercial properties that are newly constructed or substantially rehabilitated and are within an area determined to be an area in need of commercial development may be classified as Class 7a or 7b property, and will then be assessed at a level of 10% for the first 10 years, 15% in year 11 and 20% in year 12, thereafter reverting to Class 5a. Certain commercial and industrial properties located in zones determined to be in need of substantial revitalization or in an enterprise community could be eligible for Class 8 assessments. The Class 8 assessment level for industrial properties is 10% for the first 10 years and for any subsequent 10-year renewal periods. If the incentive is not renewed, the Class 8 assessment level for industrial properties is 15% in year 11 and 20% in year 12, thereafter reverting to Class 5b. The Class 8 assessment level for commercial properties is 10% for the first 10 years, 15% in year 11 and 20% in year 12, thereafter reverting to Class 5a. Substantially rehabilitated or new construction multi-family residential properties within certain target areas, empowerment or enterprise zones may be eligible for Class 9 categorization. The Class 9 assessment level is 10% for an initial 10-year period, renewable upon application for additional 10-year periods. When the Class 9 assessment level expires, the assessment level reverts to the applicable classification. Rental-residential (Class 3) properties subject to a Section 8 contract that has been renewed under the "Mark Up To Market" option may qualify for a Class S assessment level. The Class S assessment level is 10% for the term of the Section 8 contract renewal under the Mark Up To Market option, and for any additional terms of renewal of the Section 8 contract under the Mark Up To Market option. When the Class S assessment level expires, the assessment level reverts to Class 3. Substantially rehabilitated properties which are designated as Class 3, Class 4, Class 5a or Class 5b and which qualify as Landmark or Contributing buildings may qualify for a Class L assessment level. The Class L assessment level for Class 3, 4 or 5b properties is 10% for the first 10 years and for any subsequent 10-year renewal periods. If the incentive is not renewed, the Class L assessment level is 15% in year 11 and 20% in year 12, thereafter reverting to Class 3, 4 or 5b. Class L commercial properties are assessed at 10% for the first 10 years, 15% in year 11 and 20% in year 12, thereafter reverting to Class 5a.

Property Tax Appeals

The Assessor has established procedures enabling taxpayers to contest their proposed Assessed Valuations. Once the Assessor certifies its final Assessed Valuations, a taxpayer can seek review of its assessment by appealing to the Cook County Board of Review, which consists of three commissioners elected by the voters of the County. The Board of Review has the power to adjust the Assessed Valuations set by the Assessor.

Owners of residential property having six or fewer units and owners of real estate other than residential property with six or fewer units are able to appeal decisions of the Board of Review to the Illinois Property Tax Appeal Board (the "PTAB"), a statewide administrative body. The PTAB has the power to determine the Assessed Valuation of real property based on equity and the weight of the evidence. Taxpayers may appeal the decision of PTAB to either the Circuit Court of Cook County or the Illinois Appellate Court under the Illinois Administrative Review Law.

As an alternative to seeking review of Assessed Valuations by PTAB, taxpayers who have first exhausted their remedies before the Board of Review may file an objection in the Circuit Court of Cook County similar to the previous judicial review procedure but with a different standard of proof than that previously required. In addition, in cases where the Assessor agrees that an assessment error has been made after tax bills have been issued, the Assessor can correct any factual error, and thus reduce the amount of taxes due, by issuing a Certificate of Error. Certificates of Error are not issued in cases where the only issue is the opinion of the valuation of the property.

Appeals to the PTAB have been increasing in recent years. In a number of cases, the PTAB has significantly reduced assessments for commercial or industrial property on the basis of either appraisals submitted by the claimants and/or on the basis of equity, as claimants provide evidence that their effective assessment level is greater than 2.5 times the assessment level of the lowest assessed property in the Cook County. If such appeals at the PTAB level are successful, property taxes are reduced (based on a lower assessed value) and, in some cases, taxing districts may be required to return to the County certain previously collected property taxes.

Equalization

After the County Assessor has established the Assessed Valuation for each parcel for a given year, and following any revisions by the Board of Review or PTAB, the Department of Revenue is required by statute to review the Assessed Valuations. The Department of Revenue establishes an equalization factor (the "Equalization Factor"), commonly called the "multiplier," for each county to make all valuations uniform among the 102 counties in the State. Under State law, the aggregate of the assessments within each county is to be equalized at 33-1/3% of the estimated fair cash value of real property located within the county prior to any applicable exemptions. One multiplier is applied to all property in Cook County, regardless of its assessment category, except for some farmland property which is not subject to equalization.

Once the Equalization Factor is established, the Assessed Valuation, as revised by the Board of Review or PTAB, is multiplied by the Equalization Factor to determine the equalized assessed valuation (the "EAV") of that parcel. The EAV for each parcel is the final property valuation used for determination of tax liability. The aggregate EAV for all parcels in any taxing body's jurisdiction, plus the valuation of property assessed directly by the State, constitutes the total real estate tax base for the taxing body and is the figure used to calculate tax rates (the "Assessment Base"). The following table sets forth the Equalization Factor for Cook County for the last 10 tax levy years.

<u>Tax Levy Year</u>	<u>Equalization Factor</u>
2003	2.4598
2004	2.5757
2005	2.7320
2006	2.7076
2007	2.8439
2008	2.9786
2009	3.3701
2010	3.3000
2011	2.9706
2012	2.8056

Exemptions

Public Act 95-644, effective October 17, 2007, made changes to and added a number of property tax exemptions taken by residential property owners. These changes are discussed below.

An annual General Homestead Exemption provides that the EAV of certain property owned and used for residential purposes (“Residential Property”) may be reduced by \$5,000 for assessment years 2004 through assessment year 2007. Additionally, the reduction may be \$5,500 for assessment year 2008, and \$6,000 for assessment years 2009 and forward (the “General Homestead Exemption”).

The Alternative General Homestead Exemption (the “Alternative General Homestead Exemption”) caps EAV increases for homeowners (who also reside on the property as their principal place of residence) at 7% a year, up to a certain maximum each year as defined by the statute. Any amount of increase that exceeds the maximum exemption as defined is added to the 7% increase and is part of that property’s taxable EAV. Homes that do not increase by at least 7% a year are entitled, in the alternative, to the General Homestead Exemption as discussed above.

The Base Year for purposes of calculation of the Alternative General Homestead Exemption is 2002 for properties located in the City Tri, 2003 for properties located in the North Tri and 2004 for properties located in the South Tri. The Base Homestead Value is the EAV of the homestead property minus the General Homestead Exemption for that year: \$4,500 for years prior to 2004; \$5,000 for 2004 through 2007; \$5,500 for 2008 and \$6,000 for the year 2009 and thereafter.

For properties in the City Tri, the Alternative General Homestead Exemption cannot exceed \$33,000 for assessment year 2006 (except as noted below), \$26,000 for assessment year 2007, \$20,000 for assessment year 2008 and \$6,000 thereafter. For properties in the North Tri, the Alternative General Homestead Exemption cannot exceed \$20,000 for assessment year 2006, \$33,000 for assessment year 2007, \$26,000 for assessment year 2008, \$20,000 for assessment year 2009 and \$6,000 thereafter. For properties in the South Tri, the Alternative General Homestead Exemption cannot exceed \$20,000 for assessment years 2006 and 2007, \$33,000 for assessment year 2008, \$26,000 for assessment year 2009, \$20,000 for assessment year 2010 and \$6,000 thereafter.

Furthermore, only in the City Tri and only for assessment year 2006, the maximum exemption amount may be increased to: (i) \$40,000, provided that the EAV of the property for assessment year 2006 exceeds the EAV of that property for assessment year 2002 by an amount equal to or greater than 100%, or (ii) \$35,000 provided that the EAV of the property for assessment year 2006 exceeds the EAV of that property for assessment year 2002 by an amount greater than 80% but not more than 100%.

Finally, the Long-Time Occupant Homestead Exemption applies to those counties subject to the Alternative General Homestead Exemption, including Cook County. Beginning with assessment year 2007 and thereafter, the EAV of homestead property of a taxpayer who has owned the property for at least 10 years (or 5 years if purchased with certain government assistance) and who has a household income of \$100,000 or less (“Qualified Homestead Property”) may increase by no more than 10% per year. If the taxpayer’s annual income is \$75,000 or less, the EAV of the Qualified Homestead Property may increase by no more than 7% per year. There is no exemption limit for Qualified Homestead Properties. Individuals applying for this exemption must comply with the following guidelines: (i) continuously occupy their property for 10 years, as of January 1st of the assessment year, and occupy such property as their principal residence or, (ii) continuously occupy their property as their principal place of residence for 5 years, as of January 1st of the assessment year, provided that the property was purchased with certain government assistance.

In addition, the Homestead Improvement Exemption (“Homestead Improvement Exemption”) applies to residential properties that have been improved and to properties that have been rebuilt in the two years following a catastrophic event. The exemption is limited to \$45,000 through December 31, 2003, and \$75,000 per year beginning January 1, 2004, and thereafter, to the extent the assessed value is attributable solely to such improvements or rebuilding.

Additional exemptions exist for senior citizens. The Senior Citizens Homestead Exemption (“Senior Citizens Homestead Exemption”) operates annually to reduce the EAV on a senior citizen’s home by \$3,500 in all counties. In addition, for assessment year 2008 and thereafter, the maximum reduction is \$4,000 for all counties. Furthermore, property that is first occupied as a residence after January 1 of any assessment year by a person who is eligible for the Senior Citizens Homestead Exemption must be granted a prorata exemption for the assessment year based on the number of days during the assessment year that the property is occupied as a residence by a person eligible for the exemption.

A Senior Citizens Assessment Freeze Homestead Exemption (“Senior Citizens Assessment Freeze Homestead Exemption”) freezes property tax assessments for homeowners who are 65 and older, reside in their property as their principal place of residence and receive a household income not in excess of the maximum income limitation. The maximum income limitation is \$50,000 for assessment years 2006 and 2007; for assessment years 2008 and after, the maximum income limitation is \$55,000. In general, the exemption grants qualifying senior citizens an exemption based upon a “freeze” of their home’s Assessed Valuation.

Another exemption, available to disabled veterans, may be applied annually to exempt up to \$70,000 of the Assessed Valuation of property owned and used exclusively by such veterans or their spouses for residential purposes. However, individuals claiming exemption under the Disabled Persons’ Homestead Exemption (“Disabled Persons’ Homestead Exemption”) or the hereinafter defined Disabled Veterans Standard Homestead Exemption cannot claim the aforementioned exemption.

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

The Homeowner Exemption for Long-term Properties (“H.E.L.P.”) provides relief to certain longtime homeowners facing a dramatic rise in property taxes attributable to gentrification in established neighborhoods. H.E.L.P. exempts from property tax an amount equal to the current EAV for an eligible property which exceeds the sum of: (i) the EAV for the year prior to reassessment, plus (ii) the prior-year EAV multiplied by a factor equal to 150% of the average assessment increase for the most current reassessment of the assessment district. In order to qualify for the exemption, a homeowner must own and occupy Class 2 property for ten years or more as their principal residence, or five years or more if the owner received governmental assistance in acquiring the property.

Furthermore, beginning with assessment year 2007, the Disabled Persons' Homestead Exemption provides an annual homestead exemption in the amount of \$2,000 for property that is owned and occupied by certain persons with a disability. However, individuals claiming exemption as a disabled veteran or claiming exemption under the Disabled Veterans Standard Homestead Exemption cannot claim the Disabled Persons' Homestead Exemption.

In addition, the Disabled Veterans Standard Homestead Exemption ("Disabled Veterans Standard Homestead Exemption") provides disabled veterans an annual homestead exemption starting with assessment year 2007 and thereafter. Specifically, (i) those veterans with a service-connected disability of 75% are granted an exemption of \$5,000 and (ii) those veterans with a service-connected disability of less than 75%, but at least 50%, are granted an exemption of \$2,500. Furthermore, the veteran's surviving spouse is entitled to the benefit of the exemption, provided that the spouse has legal or beneficial title of the homestead, resides permanently on the homestead and does not remarry. Moreover, if the property is sold by the surviving spouse, then an exemption amount not to exceed the amount specified by the current property tax roll may be transferred to the spouse's new residence, provided that it is the spouse's primary residence and the spouse does not remarry. However, individuals claiming exemption as a disabled veteran or claiming an exemption under the Disabled Persons' Homestead Exemption cannot claim the aforementioned exemption.

Also, beginning with assessment year 2007, the Returning Veterans' Homestead Exemption ("Returning Veterans' Homestead Exemption") is available for property owned and occupied as the principal residence of a veteran in the assessment year the veteran returns from an armed conflict while on active duty in the United States armed forces. This provision grants a homestead exemption of \$5,000, which is applicable in all counties. In order to apply for this exemption, the individual must pay real estate taxes on the property, own the property or have either a legal or an equitable interest in the property, subject to some limitations. Those individuals eligible for this exemption may claim the exemption in addition to other homestead exemptions, unless otherwise noted.

Tax Levy

As part of the annual budgetary process of governmental units (the "Units") with power to levy taxes in the County, proceedings are adopted by the designated body for each Unit each year in which it determines to levy real estate taxes. The administration and collection of real estate taxes is statutorily assigned to the County Clerk and the County Treasurer. After the Units file their annual tax levies, the County Clerk computes the annual tax rate for each Unit. The Cook County Clerk uses the prior year's EAV to compute the taxing district's maximum allowable levy. The maximum levy that can be raised for a Unit is the maximum tax rate for that Unit multiplied by the prior year, EAV for all property currently in the district. The prior year's EAV includes the prior year's EAV plus the EAV of any new property, the current year value of any annexed property, and any recovered tax increment value, minus any disconnected property for the current year under the Property Tax Extension Limitation Law ("Limitation Law"). The tax rate for a Unit is computed by dividing the lesser of the maximum allowable levy or the actual levy by the current year's EAV.

Property Tax Extension Limitation Law

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

Home rule units, including the Village, are exempt from the limitations contained in the Limitation Law. If the Limitation Law were to apply in the future to the Village, the limitations set forth therein would not apply to any taxes levied by the Village to pay the principal of and interest on the Bonds.

Extensions

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 Units having jurisdiction over the particular parcel. The County Clerk extends the tax by entering the tax (determined by multiplying the total tax rate by the EAV of that parcel for the current assessment year) in the books prepared for the County Collector (the “Warrant Books”) along with the tax rates, the Assessed Valuation and the EAV. The Warrant 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.

Collections

Property taxes are collected by the County Collector, who is also the County Treasurer, who remits to each Unit its share of the collections. Taxes levied in one year become payable during the following year in two installments, the first due on March 1 and the second on the later of August 1 or 30 days after the mailing of the tax bills. A payment due is deemed to be paid on time if the payment is postmarked on the due date. The first installment is equal to one-half of the prior years’ tax bill. However, if a Certificate of Error is approved by a court or certified on or before November 30 of the preceding year and before the estimated tax bills are prepared, then the first installment is instead equal to one-half of the corrected prior year’s tax bill. The second installment is for the balance of the current year’s tax bill, and is based on the then current tax year levy, assessed value and Equalization Factor, and reflects any changes from the prior year in those factors. The following table sets forth the second installment penalty date for the last 10 tax levy years in Cook County; the first installment penalty date has been March 1 for all such years.

<u>Tax Levy Year</u>	<u>Second Installment Penalty Date</u>
2003	November 15, 2004
2004	November 2, 2005
2005	September 1, 2006
2006	December 3, 2007
2007	November 3, 2008
2008	December 1, 2009
2009	December 13, 2010
2010	November 1, 2011
2011	August 1, 2012
2012	August 1, 2013

It is possible that the changes to the assessment appeals process described above will cause delays similar to those experienced in past years in preparation and mailing of the second installment in future years. The County may provide for tax bills to be payable in four installments instead of two. However, the County has not required payment of tax bills in four installments. During the periods of peak collections, tax receipts are forwarded to each Unit on a weekly basis. Upon receipt of taxes from the County Collector, the Village promptly credits the taxes received to the funds for which they were levied.

At the end of each collection year, the County Collector presents the Warrant Books to the Circuit Court and applies for a judgment for all unpaid taxes. The court orders resulting from the application for judgment provides for an Annual Tax Sale (the “Annual Tax Sale”) of unpaid taxes shown on that year’s Warrant Books. A public sale is held, at which time successful tax buyers pay the unpaid taxes plus penalties. In each such public sale, the collector can use any “automated means.” Unpaid taxes accrue penalties at the rate of 1.5% per month from their due date until the date of sale. Taxpayers can redeem their property by paying the amount paid at the sale, plus a maximum of 12% for each six-month period after the sale. If no redemption is made within the applicable redemption period (ranging from six months to two and one-half years depending on the type and occupancy of the property) and the tax buyer files a petition in the Circuit Court, notifying the necessary parties in accordance with the applicable law, the tax buyer receives 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 taxes are forfeited and the property becomes eligible to be purchased at any time thereafter at an amount equal to all delinquent taxes and interest accrued to the date of purchase. Redemption periods and procedures are the same as applicable to the Annual Tax Sale.

The Scavenger Sale (the “Scavenger Sale”), like the Annual Tax Sale, is a sale of unpaid taxes. The Scavenger Sale is held every two years on all property on which two or more years’ taxes are delinquent. The sale price of the unpaid taxes is the amount bid at such sale, which may be less than the amount of delinquent taxes. Redemption periods vary from six months to two and a half years depending upon the type and occupancy of the property.

Truth in Taxation Law

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

FINANCIAL INFORMATION

Budgeting

Budgets are adopted on a basis consistent with generally accepted accounting principles. All departments of the Village submit requests for their department to the Village's Manager so that a budget may be prepared. The budget is prepared by fund, function, and activity, and includes information on the past year, current year estimates, and requested expenditures for the next fiscal year. The proposed budget is presented to the Village Council for review. The Village Council holds public hearings and may add to, subtract from, or change designations, but may not change the form of the budget.

The Village Manager is authorized to transfer budgeted amounts between departments within any fund; however, any revisions that alter the total expenditures of any fund must be approved by the Village Council. Expenditures may not legally exceed budgeted expenses at the fund level. For the current year, no amendments were necessary.

Investment Policy

The Village maintains a cash and investment pool that is available for use by all funds except the pension trust funds. Each fund type's portion of this pool is displayed on the financial statements as "cash and investments". In addition, investments are separately held by several of the Village's funds. The deposits and investments of the pension trust funds are held separately from those of other funds.

Permitted Deposits and Investments - Statutes authorize the Village to make deposits in commercial banks and savings and loan institutions, and to invest in obligations of the U.S. Treasury and U.S. Agencies, obligations of States and their political subdivisions, credit union shares, repurchase agreements, commercial paper rated within the three highest classifications by at least two standard rating services, and the Illinois Funds.

No Consent or Updated Information Requested of the Auditor

The tables and excerpts (collectively, the "Excerpted Financial Information") contained in this "**FINANCIAL INFORMATION**" section and in **APPENDIX A** are from the audited financial statements of the Village, including the audited financial statements for the fiscal year ended March 31, 2013 (the "2013 Audit"). The 2013 Audit has been prepared by Lauterbach & Amen, LLP, Independent Certified Public Accountant, Warrenville, Illinois (the "Auditor"), and accepted by formal action of the Village Council. The Village has not requested the Auditor to update information contained in the Excerpted Financial Information; nor has the Village requested that the Auditor consent to the use of the Excerpted Financial Information in this Official Statement. Other than as expressly set forth in this Official Statement, the financial information contained in the Excerpted Financial Information has not been updated since the date of the 2013 Audit. The inclusion of the Excerpted Financial Information in this Official Statement in and of itself is not intended to demonstrate the fiscal condition of the Village since the date of the 2013 Audit. Questions or inquiries relating to financial information of the Village since the date of the 2013 Audit should be directed to the Village.

Summary Financial Information

The Village's financial statements are audited annually by certified public accountants. The Village has received the Governmental Finance Officers Association Certificate of Achievement for Excellence in Financial Reporting for its published financial reports for the fiscal year ended March 31, 2012. The following reports are summaries and do not purport to be the complete audits, copies of which are available upon request. To date, revenues and expenditures are generally within budgeted amounts for fiscal year 2014. As of January 1, 2014, the Village will be operating on a calendar-based fiscal year. See **APPENDIX A** for excerpts of the Village's 2013 Comprehensive Annual Financial Report.

Statement of Net Position Governmental Activities

	Audited As of March 31:				
	2009	2010	2011	2012	2013
ASSETS:					
Cash and Cash Equivalents	\$ 31,731,636	\$ 34,072,775	\$ 32,500,414	\$ 34,735,316	\$ 36,720,833
Taxes	6,524,076	6,212,533	10,185,944	6,390,282	6,604,711
Accounts	295,919	259,839	179,353	552,655	383,223
Accrued Interest	396,198	494,766	540,159	550,286	123,986
Notes	125,000	125,000	125,000	375,000	184,020
Prepays/Inventories	28,027	14,001	21,717	19,977	26,210
Due from other governments	563,767	804,683	713,138	798,913	766,980
Total Assets	\$ 39,664,623	\$ 41,983,597	\$ 44,265,725	\$ 43,422,429	\$ 44,809,963
Noncurrent Assets:					
Capital Assets:					
Nondepreciable	\$ 13,700,000	\$ 13,700,000	\$ 14,423,843	\$ 16,945,263	\$ 17,812,722
Depreciable	42,846,727	43,669,801	44,775,261	45,311,481	46,828,017
Accumulated Depreciable	(15,301,386)	(15,661,336)	(16,196,214)	(16,722,608)	(17,459,954)
Total Noncurrent Assets	\$ 41,245,341	\$ 41,708,465	\$ 43,002,890	\$ 45,534,136	\$ 47,180,785
Other Assets:					
Net Pension Assets	\$ 611,683	\$ 296,480	\$ 785,894	\$ 808,097	\$ 828,234
Total Noncurrent Assets	\$ 41,857,024	\$ 42,004,945	\$ 43,788,784	\$ 46,342,233	\$ 48,009,019
Total Assets	\$ 81,521,647	\$ 83,988,542	\$ 88,054,509	\$ 89,764,662	\$ 92,818,982
LIABILITIES:					
Current:					
Accounts and Retainage Payable	\$ 172,975	\$ 920,037	\$ 1,207,164	\$ 593,870	\$ 611,077
Accrued Payroll	0	14,577	14,622	380,820	0
Accrued Interest Payable	38,863	33,060	27,015	20,642	3,941
Deposits Payable	1,480,737	1,615,115	1,572,982	1,420,407	1,495,540
Claims Payable	1,745,497	1,805,324	719,086	1,019,244	1,239,007
Unearned Property Tax Revenue	6,196,812	5,785,113	6,328,100	6,142,397	0
Current Portion of Long-Term Liabilities	742,605	764,388	760,387	757,589	792,170
Total Current Liabilities	\$ 10,377,489	\$ 10,937,614	\$ 10,629,356	\$ 10,334,969	\$ 4,141,735
Non Current:					
Compensated Absences	\$ 1,450,420	\$ 1,497,550	\$ 1,401,549	\$ 1,350,356	\$ 1,408,682
Claims Payable	0	0	719,085	554,244	700,825
General Obligation Bonds	575,000	470,000	360,000	245,000	125,000
Alternate Revenue Bonds	1,545,000	1,260,000	960,000	655,000	335,000
Benefit Obligation	1,175,674	1,397,818	1,570,178	1,785,461	1,881,521
Total Noncurrent Liabilities	\$ 4,746,094	\$ 4,625,368	\$ 5,010,812	\$ 4,590,061	\$ 4,451,028
Total Liabilities	\$ 15,123,583	\$ 15,562,982	\$ 15,640,168	\$ 14,925,030	\$ 8,592,763
DEFERRED INFLOWS OF RESOURCES:					
Property Taxes	\$ 0	\$ 0	\$ 0	\$ 0	\$ 6,428,006
Total Liabilities and Deferred Inflows of Resources ..	\$ 0	\$ 0	\$ 0	\$ 0	\$ 15,020,769
NET POSITION:					
Invested in Capital Assets - Net of Related Debt.....	\$ 38,745,341	\$ 39,588,465	\$ 41,272,890	\$ 44,214,136	\$ 46,280,785
Restricted - Highways and Streets	1,365,985	1,302,956	1,442,060	1,738,230	2,168,396
Restricted - Debt Service	308,315	330,709	345,512	362,824	389,638
Restricted - Awards	716	716	716	716	716
Restricted - Tax Escrow	86,128	73,413	71,956	84,130	68,944
Unrestricted	25,891,579	27,129,301	29,281,207	28,439,596	28,889,734
Total Net Position	\$ 66,398,064	\$ 68,425,560	\$ 72,414,341	\$ 74,839,632	\$ 77,798,213

**Statement of Activities
 Governmental Activities
 Net (Expense) Revenue and Change in Net Position**

	Audited Fiscal Year Ended March 31:				
	2009	2010	2011	2012	2013
Functions Programs (1):					
Primary Government:					
Governmental Activities:					
General Government	\$ (945,446)	\$ 217,258	\$ 1,204,116	\$ (754,580)	\$ (504,672)
Public Safety	(8,784,737)	(9,484,791)	(9,450,288)	(9,260,017)	(9,786,188)
Community Development	(119,259)	(384,666)	26,928	(40,746)	(1,007,450)
Public Works	(5,249,859)	(5,298,604)	(4,442,981)	(4,982,303)	(1,829,564)
Interest on Long-Term Debt	(91,789)	(79,805)	(65,255)	(51,007)	(26,102)
Total Governmental Activities	<u>\$(15,191,090)</u>	<u>\$(15,030,608)</u>	<u>\$(12,727,480)</u>	<u>\$(15,088,653)</u>	<u>\$(13,153,976)</u>
General Revenues:					
Taxes:					
Property	\$ 10,830,205	\$ 11,838,012	\$ 11,398,782	\$ 12,437,894	\$ 12,318,740
Sales	1,300,836	1,183,995	1,231,060	1,321,062	1,397,198
Income	1,175,044	991,336	935,697	979,922	1,091,189
Personal Property Replacement	139,324	129,632	137,053	124,253	122,845
Telecommunications	725,308	724,186	666,106	638,596	1,465,846
Natural Gas	698,905	462,104	442,334	458,790	295,395
Other	390,133	377,086	433,162	369,074	357,352
Investment Income	973,020	652,287	464,175	364,513	342,022
Miscellaneous	194,107	67,305	140,572	79,240	64,442
Total General Fund Revenues	<u>\$ 16,426,882</u>	<u>\$ 16,425,943</u>	<u>\$ 15,848,941</u>	<u>\$ 16,773,344</u>	<u>\$ 17,455,029</u>
Transfers	522,760	632,160	867,320	740,600	(1,342,472)
Changes in Net Position	<u>\$ 1,758,552</u>	<u>\$ 2,027,495</u>	<u>\$ 3,988,781</u>	<u>\$ 2,425,291</u>	<u>\$ 2,958,581</u>
Net Position Beginning	<u>\$ 64,639,512</u>	<u>\$ 66,398,065</u>	<u>\$ 68,425,560</u>	<u>\$ 72,414,341</u>	<u>\$ 74,839,632</u>
Net Position Ending	<u>\$ 66,398,064</u>	<u>\$ 68,425,560</u>	<u>\$ 72,414,341</u>	<u>\$ 74,839,632</u>	<u>\$ 77,798,213</u>

**General Fund
 Balance Sheet**

	Audited As of March 31:				
	2009	2010	2011	2012	2013
ASSETS:					
Cash and Investments	\$18,067,561	\$21,862,399	\$19,866,333	\$23,870,241	\$25,504,523
Property Taxes Receivable	6,443,779	6,139,224	10,067,724	6,322,556	6,533,629
Accounts Receivable	119,961	102,294	143,792	343,697	183,630
Accrued Interest Receivable	260,302	341,041	359,973	367,423	92,002
Due From Other Governments	537,143	779,212	686,678	774,478	742,359
Due From Other Funds	198,017	127,785	0	433,897	444,327
Notes	125,000	125,000	125,000	375,000	184,020
Inventory	0	0	0	1,979	268
Total Assets	<u>\$25,751,763</u>	<u>\$29,476,955</u>	<u>\$31,249,500</u>	<u>\$32,489,271</u>	<u>\$33,684,758</u>
LIABILITIES:					
Accounts Payable	\$ 154,921	\$ 819,686	\$ 610,183	\$ 239,946	\$ 486,841
Deposits	1,480,737	1,615,115	1,572,982	1,420,407	1,495,540
Due To Other Funds	0	0	462,950	0	0
Retainage Payable	0	0	0	0	44,004
Accrued Payroll	0	0	0	366,295	0
Deferred Tax Revenue	6,120,582	5,716,965	6,254,103	6,077,349	0
Total Liabilities	<u>\$ 7,756,240</u>	<u>\$ 8,151,766</u>	<u>\$ 8,900,218</u>	<u>\$ 8,103,997</u>	<u>\$ 2,026,385</u>
DEFERRED INFLOWS OF RESOURCES:					
Property Taxes	\$ 0	\$ 0	\$ 0	\$ 0	\$ 6,356,924
Total Liabilities and Deferred Inflows of Resources	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 8,383,309</u>
FUND BALANCES:					
Reserved for Award Fund	\$ 716	\$ 716	\$ 0	\$ 0	\$ 0
Reserved for Tax Escrow	86,128	73,413	0	0	0
Unreserved - Undesignated	17,908,679	21,251,060	0	0	0
Nonspendable	0	0	0	1,979	268
Restricted	0	0	72,672	84,846	69,660
Unassigned	0	0	22,276,610	24,298,449	25,231,521
Total Fund Balances	<u>\$17,995,523</u>	<u>\$21,325,189</u>	<u>\$22,349,282</u>	<u>\$24,385,274</u>	<u>\$25,301,449</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$25,751,763</u>	<u>\$29,476,955</u>	<u>\$31,249,500</u>	<u>\$32,489,271</u>	<u>\$33,684,758</u>

General Fund Revenues and Expenditures

	Audited Fiscal Year Ended March 31:				
	2009	2010	2011	2012	2013
REVENUES:					
Taxes	\$12,119,619	\$12,880,811	\$12,377,525	\$13,395,683	\$13,887,211
Licenses and Permits	1,829,281	1,815,124	2,329,913	2,003,172	2,378,429
Intergovernmental	2,833,741	2,478,221	2,438,670	2,598,460	2,766,817
Charges for Services	3,352,175	3,559,413	3,660,154	3,656,488	3,652,741
Fines	260,678	278,401	212,415	214,809	215,280
Interest	553,981	409,452	272,626	235,331	249,725
Miscellaneous	194,107	67,305	140,572	79,240	64,442
Total Revenues	<u>\$21,143,582</u>	<u>\$21,488,727</u>	<u>\$21,431,875</u>	<u>\$22,183,183</u>	<u>\$23,214,645</u>
EXPENDITURES:					
Current:					
General Government	\$2,724,881	\$2,935,744	\$3,160,342	\$2,738,434	\$ 3,001,449
Public Safety	10,031,367	10,512,961	11,073,179	10,433,116	11,024,520
Community Development	1,557,858	1,548,051	1,586,969	1,509,051	1,443,413
Public Works	5,528,798	5,486,565	4,565,552	5,117,430	4,446,311
Total Expenditures	<u>\$19,842,904</u>	<u>\$20,483,321</u>	<u>\$20,386,042</u>	<u>\$19,798,031</u>	<u>\$19,915,693</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	\$ 1,300,678	\$ 1,005,406	\$ 1,045,833	\$ 2,385,152	\$ 3,298,952
Other Financing Sources (Uses):					
Operating Transfers In (Out)	\$ 86,360	\$ 2,324,260	\$ (21,740)	\$ (349,160)	\$ (2,382,777)
Excess of Revenues and Other Sources Over (Under) Expenditures	\$ 1,387,038	\$ 3,329,666	\$ 1,024,093	\$ 2,035,992	\$ 916,175
FUND BALANCES:					
Beginning of Year	\$16,608,485	\$17,995,523	\$21,325,189	\$22,349,282	\$24,385,274
End of Year	<u>\$17,995,523</u>	<u>\$21,325,189</u>	<u>\$22,349,282</u>	<u>\$24,385,274</u>	<u>\$25,301,449</u>

General Fund Budgeted Financial Information

	Budget Twelve Months Ending 3/31/2014
REVENUES:	
Taxes	\$15,917,173
Licenses and Permits	1,609,000
Charges for Services	1,505,604
Fines	200,000
Interest	80,000
Miscellaneous	600,046
Total Revenues	<u>\$19,911,823</u>
Transfers In	<u>\$ 3,130,956</u>
Total Revenues and Transfers	<u>\$23,042,779</u>
EXPENDITURES:	
Current:	
Administration	\$ 2,815,139
Police Department	6,525,452
Fire Department	4,877,494
Community Development	1,595,740
Public Works	3,951,792
Total Operating Expenditures	<u>\$19,765,617</u>
Capital Outlay:	
Administration/Debt	\$ 804,585
Police Department	285,000
Public Works	1,775,000
Total Capital Outlay	<u>\$ 2,864,585</u>
Transfers Out	<u>\$ 7,050,000</u>
Total Expenditures and Transfers	<u>\$29,680,202</u>

EMPLOYEE RETIREMENT BENEFIT OBLIGATIONS

The Village contributes to three defined benefit pension plans, the Illinois Municipal Retirement Fund (IMRF), an agent multiple-employer public employee retirement system; the Police Pension Plan which is a single-employer pension plan; and the Firefighters' Pension Plan which is also a single-employer pension plan. The benefits, benefit levels, employee contributions and employer contributions for the plans are governed by Illinois Compiled Statutes (ILCS) and can only be amended by the Illinois General Assembly. IMRF issues a publicly available report that includes financial statements and supplementary information for the plan as a whole, but not for individual employers. As of the most recent actuarial valuation date, the pension plans each had an unfunded liability.

See **APPENDIX D** herein for a discussion of the Village's employee retirement benefit obligations.

REGISTRATION, TRANSFER AND EXCHANGE

See also **APPENDIX B** for information on registration, transfer and exchange of book-entry bonds. The Bonds will be initially issued as book-entry bonds.

The Village shall cause books (the "Bond Register") for the registration and for the transfer of the Bonds to be kept at the principal office maintained for the purpose of the Bond Registrar in Chicago, Illinois. The Village will authorize to be prepared, and the Bond Registrar shall keep custody of, multiple bond blanks executed by the Village for use in the transfer and exchange of Bonds.

Any Bond may be transferred or exchanged, but only in the manner, subject to the limitations, and upon payment of the charges as set forth in the Bond Ordinance. Upon surrender for transfer or exchange of any Bond at the principal office maintained for the purpose of the Bond Registrar, duly endorsed by, or accompanied by a written instrument or instruments of transfer in form satisfactory to the Bond Registrar and duly executed by the registered owner or such owner's attorney duly authorized in writing, the Village shall execute and the Bond Registrar shall authenticate, date and deliver in the name of the registered owner, transferee or transferees (as the case may be) a new fully registered Bond or Bonds of the same maturity and interest rate of authorized denominations, for a like aggregate principal amount.

The execution by the Village of any fully registered Bond shall constitute full and due authorization of such Bond, and the Bond Registrar shall thereby be authorized to authenticate, date and deliver such Bond, provided, however, the principal amount of outstanding Bonds of each maturity authenticated by the Bond Registrar shall not exceed the authorized principal amount of Bonds for such maturity less Bonds previously paid.

The Bond Registrar shall not be required to transfer or exchange any Bond following the close of business on the 1st day of the month in which an interest payment date occurs on such Bond (known as the record date), nor to transfer or exchange any Bond after notice calling such Bond for redemption has been mailed, nor during a period of fifteen days next preceding mailing of a notice of redemption of any Bonds.

The person in whose name any Bond shall be registered shall be deemed and regarded as the absolute owner thereof for all purposes, and payment of the principal of or interest on any Bonds shall be made only to or upon the order of the registered owner thereof or such owner's legal representative. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid.

No service charge shall be made for any transfer or exchange of Bonds, but the Village or the Bond Registrar may require payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in connection with any transfer or exchange of Bonds except in the case of the issuance of a Bond or Bonds for the unredeemed portion of a Bond surrendered for redemption.

TAX EXEMPTION

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

Subject to the Village's compliance with the above-referenced covenants, under present law, in the opinion of Bond Counsel, interest on the Bonds is excludable from the gross income of the owners thereof for federal income tax purposes and is not included as an item of tax preference in computing the federal alternative minimum tax for individuals and corporations, but interest on the Bonds is taken into account, however, in computing an adjustment used in determining the federal alternative minimum tax for certain corporations.

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

The Internal Revenue Code of 1986, as amended (the "Code"), includes provisions for an alternative minimum tax ("AMT") for corporations in addition to the corporate regular tax in certain cases. The AMT, if any, depends upon the corporation's alternative minimum taxable income ("AMTI"), which is the corporation's taxable income with certain adjustments. One of the adjustment items used in computing the AMTI of a corporation (with certain exceptions) is an amount equal to 75% of the excess of such corporation's "adjusted current earnings" over an amount equal to its AMTI (before such adjustment item and the alternative tax net operating loss deduction). "Adjusted current earnings" would include certain tax-exempt interest, including interest on the Bonds.

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

The issue price (the "Issue Price") for each maturity of the Bonds is the price at which a substantial amount of such maturity of the Bonds is first sold to the public. The Issue Price of a maturity of the Bonds may be different from the price set forth, or the price corresponding to the yield set forth, on the cover page hereof.

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

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

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

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

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

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

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

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

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

See **APPENDIX C** for the form of Bond Counsel's opinion for the Bonds.

QUALIFIED TAX EXEMPT OBLIGATIONS

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

CONTINUING DISCLOSURE

The Village will enter into a Continuing Disclosure Undertaking (the "Undertaking") for the benefit of the beneficial owners of the Bonds to send certain information annually and to provide notice of certain events to the Municipal Securities Rulemaking Board (the "MSRB") pursuant to the requirements of Section (b)(5) of Rule 15c2-12 (the "Rule") adopted by the Securities and Exchange Commission (the "Commission") under the Securities Exchange Act of 1934. No person, other than the Village, has undertaken, or is otherwise expected, to provide continuing disclosure with respect to the Bonds. The information to be provided on an annual basis, the events which will be noticed on an occurrence basis and a summary of other terms of the Undertaking, including termination, amendment and remedies, are set forth below under "**THE UNDERTAKING.**"

There have been no instances in the previous five years in which the Village failed to comply, in all material respects, with any undertaking previously entered into by it pursuant to the Rule. A failure by the Village to comply with the Undertaking will not constitute a default under the Bond Ordinance and beneficial owners of the Bonds are limited to the remedies described in the Undertaking. See "**THE UNDERTAKING - Consequences of Failure of the Village to Provide Information.**" The Village must report any failure to comply with the Undertaking in accordance with the Rule. Any broker, dealer or municipal securities dealer must consider such report before recommending the purchase or sale of the Bonds in the secondary market. Consequently, such a failure may adversely affect the transferability and liquidity of the Bonds and their market price.

THE UNDERTAKING

The following is a brief summary of certain provisions of the Undertaking of the Village and does not purport to be complete. The statements made under this caption are subject to the detailed provisions of the Undertaking, a copy of which is available upon request from the Village.

Annual Financial Information Disclosure

The Village covenants that it will disseminate its Annual Financial Information and its Audited Financial Statements, if any (as described below) to the MSRB in such manner and format and accompanied by identifying information as is prescribed by the MSRB or the Commission at the time of delivery of such information. The Village is required to deliver such information within 210 days after the last day of the Village's fiscal year (currently on March 31). If Audited Financial Statements are not available when the Annual Financial Information is filed, the Village will file unaudited financial statements. The Village will submit Audited Financial Statements to the MSRB's Electronic Municipal Market Access ("EMMA") system within 30 days after availability to the Village. MSRB Rule G-32 requires all EMMA filings to be in word-searchable PDF format. This requirement extends to all documents to be filed with EMMA, including financial statements and other externally prepared reports.

“Annual Financial Information” means

1. The table under the heading of **Retailers’ Occupation, Service Occupation and Use Tax** within this Official Statement;
2. All of the tables under the heading **PROPERTY ASSESSMENT AND TAX INFORMATION** within this Official Statement;
3. All of the tables under the heading **DEBT INFORMATION** within this Official Statement; and
4. All of the tables under the heading **FINANCIAL INFORMATION** within this Official Statement.

“Audited Financial Statements” means financial statements of the Village as audited annually by independent certified public accountants. Audited Financial Statements are expected to continue to be prepared according to Generally Accepted Accounting Principles as applicable to governmental units (i.e., as subject to the pronouncements of the Governmental Accounting Standards Board and subject to any express requirements of State law).

Reportable Events Disclosure

The Village covenants that it will disseminate in a timely manner (not in excess of ten business days after the occurrence of the Reportable Event) Reportable Events Disclosure to the MSRB in such manner and format and accompanied by identifying information as is prescribed by the MSRB or the Commission at the time of delivery of such information. MSRB Rule G-32 requires all EMMA filings to be in word-searchable PDF format. This requirement extends to all documents to be filed with EMMA, including financial statements and other externally prepared reports. The “Events” are:

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

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

Consequences of Failure of the Village to Provide Information

The Village shall give notice in a timely manner to the MSRB of any failure to provide disclosure of Annual Financial Information and Audited Financial Statements when the same are due under the Undertaking.

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

Amendment; Waiver

Notwithstanding any other provision of the Undertaking, the Village by ordinance authorizing such amendment or waiver, may amend the Undertaking, and any provision of the Undertaking may be waived, if:

- (a) (i) The amendment or the waiver is made in connection with a change in circumstances that arises from a change in legal requirements, including, without limitation, pursuant to a “no-action” letter issued by the Commission, a change in law, or a change in the identity, nature, or status of the Village, or type of business conducted; or
- (ii) The Undertaking, as amended, or the provision, as waived, would have complied with the requirements of the Rule at the time of the primary offering, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and
- (b) The amendment or waiver does not materially impair the interests of the beneficial owners of the Bonds, as determined by parties unaffiliated with the Village (such as Bond Counsel).

In the event that the Commission or the MSRB or other regulatory authority approves or requires Annual Financial Information or notices of a Reportable Event to be filed with a central post office, governmental agency or similar entity other than the MSRB or in lieu of the MSRB, the Village shall, if required, make such dissemination to such central post office, governmental agency or similar entity without the necessity of amending the Undertaking.

Termination of Undertaking

The Undertaking shall be terminated if the Village shall no longer have any legal liability for any obligation on or relating to repayment of the Bonds under the Bond Ordinance. The Village shall give notice to the MSRB in a timely manner if this paragraph is applicable.

Additional Information

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

Dissemination of Information; Dissemination Agent

When filings are required to be made with the MSRB in accordance with the Undertaking, such filings are required to be made through its EMMA system for municipal securities disclosure or through any other electronic format or system prescribed by the MSRB for purposes of the Rule.

The Village may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under the Undertaking, and may discharge any such Agent, with or without appointing a successor Dissemination Agent.

OPTIONAL REDEMPTION

The Bonds due on and after December 15, 2044, are callable in whole or in part on any date on or after December 15, 2021, at a price of par plus accrued interest. If less than all the Bonds are called, they shall be redeemed in such principal amounts and from such maturities as determined by the Village and within any maturity by lot.

The Bond Registrar will give notice of redemption, identifying the Bonds (or portions thereof) to be redeemed, by mailing a copy of the redemption notice by first class mail not less than thirty (30) days nor more than sixty (60) days prior to the date fixed for redemption to the registered owner of each Bond (or portion thereof) to be redeemed at the address shown on the registration books maintained by the Bond Registrar. Unless moneys sufficient to pay the redemption price of the Bonds to be redeemed are received by the Bond Registrar prior to the giving of such notice of redemption, such notice may, at the option of the Village, state that said redemption will be conditional upon the receipt of such moneys by the Bond Registrar on or prior to the date fixed for redemption. If such moneys are not received, such notice will be of no force and effect, the Village will not redeem such Bonds, and the Bond Registrar will give notice, in the same manner in which the notice of redemption has been given, that such moneys were not so received and that such Bonds will not be redeemed. Otherwise, prior to any redemption date, the Village will deposit with the Bond Registrar an amount of money sufficient to pay the redemption price of all the Bonds or portions of Bonds which are to be redeemed on the date.

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

LITIGATION

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

CERTAIN LEGAL MATTERS

Certain legal matters incident to the authorization, issuance and sale of the Bonds are subject to the approving legal opinion of Chapman and Cutler LLP, Chicago, Illinois, as Bond Counsel (the “Bond Counsel”), who has been retained by, and acts as, Bond Counsel to the Village. Bond Counsel has not been retained or consulted on disclosure matters and has not undertaken to review or verify the accuracy, completeness or sufficiency of this Official Statement or other offering material relating to the Bonds and assumes no responsibility for the statements or information contained in or incorporated by reference in this Official Statement, except that in its capacity as Bond Counsel, Chapman and Cutler LLP, has, at the request of the Village, reviewed only those portions of this Official Statement involving the description of the Bonds, the security for the Bonds (excluding forecasts, projections, estimates or any other financial or economic information in connection therewith), the description of the federal tax exemption of interest on the Bonds and the “bank-qualified” status of the Bonds. This review was undertaken solely at the request and for the benefit of the Village and did not include any obligation to establish or confirm factual matters set forth herein.

OFFICIAL STATEMENT AUTHORIZATION

This Official Statement has been authorized for distribution to prospective purchasers of the Bonds. All statements, information, and statistics herein are believed to be correct but are not guaranteed by the consultants or by the Village, and all expressions of opinion, whether or not so stated, are intended only as such.

INVESTMENT RATING

The Village has applied for an investment rating on the Bonds from Moody’s Investors Service, New York, New York (“Moody’s”). No application was made to any other rating agency for the purpose of obtaining an additional rating on the Bonds. Generally, rating agencies base their ratings on such information and materials and investigations, studies and assumptions by the respective rating agency. There is no assurance that such rating will continue for any given period of time or that it will not be revised downward or withdrawn entirely by such rating agency if, in its judgment, circumstances so warrant. Any such downward revision or withdrawal of such rating may have an adverse effect on the market price of the Bonds. The Village and the Underwriters have undertaken no responsibility either to bring to the attention of the registered owners of the Bonds any proposed change in or withdrawal of such rating or to oppose any such revision or withdrawal (other than to comply with any applicable continuing disclosure requirements). An explanation of the significance of investment ratings may be obtained from the rating agency: Moody’s Investors Service, 7 World Trade Center at 250 Greenwich Street, New York, New York 10007, telephone 212-553-1658.

DEFEASANCE

The Bonds are subject to legal defeasance by the irrevocable deposit of full faith and credit obligations of the United States of America, obligations the timely payment of which are guaranteed by the United States Treasury, or certificates of participation in a trust comprised solely of full faith and credit obligations of the United States of America (collectively, the “Government Obligations”) with a bank or trust company acting as escrow agent. Any such deposit must be of sufficient amount that the receipts from the Government Obligations plus any cash on deposit will be sufficient to pay debt service on the Bonds when due or as called for redemption.

UNDERWRITING

The Bonds were offered for sale by the Village at a public, competitive sale on November 5, 2013. The best bid submitted at the sale was submitted by _____ (the “Underwriter”). The Village awarded the contract for sale of the Bonds to the Underwriter at a price of \$ _____. The Underwriter has represented to the Village that the Bonds have been subsequently re-offered to the public initially at the yields or prices set forth in the addendum to this Official Statement.

FINANCIAL ADVISOR

The Village has engaged Speer Financial, Inc. as financial advisor (the “Financial Advisor”) in connection with the issuance and sale of the Bonds. The Financial Advisor is a Registered Municipal Advisor in accordance with the rules of the Municipal Securities Rulemaking Board (the “MSRB”). The Financial Advisor will not participate in the underwriting of the Bonds. The financial information included in the Official Statement has been compiled by the Financial Advisor. Such information does not purport to be a review, audit or certified forecast of future events and may not conform with accounting principles applicable to compilations of financial information. The Financial Advisor is not a firm of certified public accountants and does not serve in that capacity or provide accounting services in connection with the Bonds. The Financial Advisor is not obligated to undertake any independent verification of or to assume any responsibility for the accuracy, completeness or fairness of the information contained in this Official Statement, nor is the Financial Advisor obligated by the Village’s continuing disclosure undertaking.

CERTIFICATION

We have examined this Official Statement dated October __, 2013, for the \$9,000,000* General Obligation Bonds, Series 2013, believe it to be true and correct and will provide to the purchaser of the Bonds at the time of delivery a certificate confirming to the purchaser that to the best of our knowledge and belief information in the Official Statement was at the time of acceptance of the bid for the Bonds and, including any addenda thereto, was at the time of delivery of the Bonds true and correct in all material respects and does not include any untrue statement of a material fact, nor does it omit the statement of any material fact required to be stated therein, or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.

/s/ **E. GENE GREABLE**
President
VILLAGE OF WINNETKA
Cook County, Illinois

/s/ **EDWARD F. MCKEE, JR.**
Treasurer/Finance Director
VILLAGE OF WINNETKA
Cook County, Illinois

*Subject to change.

APPENDIX A

VILLAGE OF WINNETKA, COOK COUNTY, ILLINOIS

EXCERPTS OF FISCAL YEAR 2013 AUDITED FINANCIAL STATEMENTS

APPENDIX B
DESCRIBING BOOK-ENTRY-ONLY ISSUANCE

1. The Depository Trust Company (“DTC”), New York, New York, will act as securities depository for the Bonds (the “Securities”). The Securities 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 Security certificate will be issued for each issue of the Securities, each in the aggregate principal amount of such issue, and will be deposited with DTC.

2. 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 Standard & Poor’s rating: 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.

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

4. To facilitate subsequent transfers, all Securities 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 Securities with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Securities; DTC’s records reflect only the identity of the Direct Participants to whose accounts such Securities 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.

5. 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 Securities may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Securities, such as redemptions, tenders, defaults, and proposed amendments to the Security documents. For example, Beneficial Owners of Securities may wish to ascertain that the nominee holding the Securities 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.

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

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

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

9. A Beneficial Owner shall give notice to elect to have its Securities purchased or tendered, through its Participant, to any Tender/Remarketing Agent, and shall effect delivery of such Securities by causing the Direct Participant to transfer the Participant's interest in the Securities, on DTC's records, to any Tender/Remarketing Agent. The requirement for physical delivery of Securities in connection with an optional tender or a mandatory purchase will be deemed satisfied when the ownership rights in the Securities are transferred by Direct Participants on DTC's records and followed by a book-entry credit of tendered Securities to any Tender/Remarketing Agent's DTC account.

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

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

12. The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the Village believes to be reliable, but the Village takes no responsibility for the accuracy thereof.

**APPENDIX C
PROPOSED FORM OF OPINION OF BOND COUNSEL**

PROPOSED FORM OF OPINION OF BOND COUNSEL

[LETTERHEAD OF CHAPMAN AND CUTLER LLP]

[TO BE DATED CLOSING DATE]

We hereby certify that we have examined certified copy of the proceedings (the “*Proceedings*”) of the President and Board of Trustees of the Village of Winnetka, Cook County, Illinois (the “*Village*”), passed preliminary to the issue by the Village of its fully registered General Obligation Bonds, Series 2013 (the “*Bonds*”) to the amount of \$_____, dated the date hereof, of the denomination of \$5,000 or authorized integral multiples thereof, and due serially on December 15 of the years and in the amounts and bearing interest at the rates percent per annum as follows:

YEAR	AMOUNT (\$)	RATE (%)
2034		
2055		
2036		
2037		
2038		
2039		
2040		
2041		
2042		
2043		
2044		
2045		
2046		

Each Bond bears interest from the later of the dated date as stated above or from the most recent interest payment date to which interest has been paid or duly provided for, until the principal amount of each Bond, respectively, is paid or duly provided for, such interest (computed upon the basis of a 360-day year of twelve 30-day months) being payable on June 15 and December 15 of each year, commencing on June 15, 2014.

[The Bonds coming due on December 15 of the year 20__ and 20__, are subject to mandatory redemption prior to maturity at a price of par, without premium, plus accrued interest to the date fixed for redemption, on December 1 of the years and in the amounts as follows:

FOR THE 20__ TERM BOND:

<u>YEAR</u>	<u>AMOUNT (\$)</u>
20__	_____
20__	_____ (stated maturity)

FOR THE 20__ TERM BOND:

<u>YEAR</u>	<u>AMOUNT (\$)</u>
20__	_____
20__	_____ (stated maturity)]

The Bonds are subject to redemption prior to maturity at the option of the Village, from any available moneys, on December 15, 2021, and any date thereafter, in whole or in part, and if in part in such principal amounts and from such maturities as determined by the Village and within any maturity by lot, at a redemption price of par plus accrued interest to the date fixed for redemption.

The Bonds have been issued for the purpose of financing certain improvements relating to the Village's stormwater system.

From such examination, we are of the opinion that the Proceedings show lawful authority for the issuance of the Bonds under the laws of the State of Illinois now in force.

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

It is our opinion that, subject to the Village's compliance with certain covenants, under present law, interest on the Bonds is excludable from gross income of the owners thereof for federal income tax purposes and is not included as an item of tax preference in computing the alternative minimum tax for individuals and corporations under the Internal Revenue Code of 1986, as amended, but is taken into account in computing an adjustment used in determining the federal alternative minimum tax for certain corporations. Failure to comply with certain of such Village covenants could cause interest on the Bonds to be includible in gross income for federal income tax purposes retroactively to the date of issuance of the Bonds. Ownership of the Bonds may result in other federal tax consequences to certain taxpayers, and we express no opinion regarding any such collateral consequences arising with respect to the Bonds.

We express no opinion herein as to the accuracy, adequacy or completeness of the Official Statement relating to the Bonds.

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

APPENDIX D

**VILLAGE OF WINNETKA
COOK COUNTY, ILLINOIS**

**EXCERPTS OF FISCAL YEAR 2013 AUDITED FINANCIAL STATEMENTS
RELATING TO THE VILLAGE'S PENSION PLANS AND OTHER POSTEMPLOYMENT BENEFITS**

OFFICIAL BID FORM
(Open Speer Auction)

Village of Winnetka
510 Green Bay Road
Winnetka, Illinois 60093

November 5, 2013
Speer Financial, Inc.

Village Council:

For the \$9,000,000* General Obligation Bonds, Series 2013 (the "Bonds"), of the Village of Winnetka, Cook County, Illinois (the "Village"), as described in the annexed Official Notice of Sale, which is expressly made a part of this bid, we will pay you \$_____ (no less than \$8,928,000) for Bonds bearing interest as follows (each rate a multiple of 1/8 or 1/100 of 1%). The dated date and delivery date for the Bonds is expected to be on or about November 20, 2013. **The premium or discount, if any, is subject to adjustment allowing the same \$_____ gross spread per \$1,000 bond as bid herein.**

MATURITIES* - DECEMBER 15

\$675,000	2015 _____%	\$695,000.....	2018 _____%	\$1,775,000	2044 _____%
680,000	2016 _____%	705,000.....	2019 _____%	1,855,000	2045 _____%
685,000	2017 _____%	*****.....	**** _____%	1,930,000	2046 _____%

Any consecutive maturities may be aggregated into term bonds at the option of the bidder, in which case the mandatory redemption provisions shall be on the same schedule as above.

Maturities: _____ Term Maturity _____ Maturities: _____ Term Maturity _____

Maturities: _____ Term Maturity _____ Maturities: _____ Term Maturity _____

The Bonds are to be executed and delivered to us in accordance with the terms of this bid accompanied by the approving legal opinion of Chapman and Cutler LLP, Chicago, Illinois. The Village will pay for the legal opinion. The underwriter agrees to **apply for CUSIP numbers within 24 hours** and pay the fee charged by the CUSIP Service Bureau and will accept the Bonds with the CUSIP numbers as entered on the Bonds.

As evidence of our good faith, we have wire transferred or enclosed herewith a check or Surety Bond payable to the order of the Treasurer of the Village in the amount of **TWO PERCENT OF PAR** (the "Deposit") under the terms provided in your Official Notice of Sale. Attached hereto is a list of members of our account on whose behalf this bid is made.

Form of Deposit

Check One:

- Certified/Cashier's Check
- Financial Surety Bond
- Wire Transfer

Amount: \$180,000

Account Manager Information

Name _____

Address _____

By _____

Village _____ State/Zip _____

Direct Phone (_____) _____

FAX Number (_____) _____

E-Mail Address _____

The foregoing bid was accepted and the Bonds sold by the Village on November 5, 2013, and receipt is hereby acknowledged of the good faith Deposit which is being held in accordance with the terms of the annexed Official Notice of Sale.

VILLAGE OF WINNETKA, COOK COUNTY, ILLINOIS

President

*Subject to change.

----- **NOT PART OF THE BID** -----
(Calculation of true interest cost)

	Bid	Post Sale Revision
Gross Interest	\$	
Less Premium/Plus Discount	\$	
True Interest Cost	\$	
True Interest Rate	%	%
TOTAL BOND YEARS	192.535.00	
AVERAGE LIFE	21.393 Years	Years

OFFICIAL NOTICE OF SALE

\$9,000,000*

VILLAGE OF WINNETKA

Cook County, Illinois

General Obligation Bonds, Series 2013

(Open Speer Auction)

The Village of Winnetka, Cook County, Illinois (the "Village"), will receive **open auction** electronic bids on the SpeerAuction ("SpeerAuction") website address "www.SpeerAuction.com" for its \$9,000,000* General Obligation Bonds, Series 2013 (the "Bonds"), on an all or none basis between 10:00 A.M. and 10:15 A.M., C.S.T., Tuesday, November 5, 2013. To bid, bidders must have: (1) completed the registration form on the SpeerAuction website, and (2) requested and received admission to the Village's sale (as described below). Award will be made or all bids rejected at a meeting of the Village Council on that date. The Village reserves the right to change the date or time for receipt of bids. Any such change shall be made not less than twenty-four (24) hours prior to the revised date and time for receipt of the bids for the Bonds and shall be communicated by publishing the changes in the Amendments Page of the SpeerAuction webpage and through *Thompson Municipal News*.

The Bonds will constitute valid and legally binding obligations of the Village payable both as to principal and interest from ad valorem taxes levied against all taxable property therein without limitation as to rate or amount, except that the rights of the owners of the Bonds and the enforceability of the Bonds may be limited by bankruptcy, insolvency, moratorium, reorganization and other similar laws affecting creditors' rights and by equitable principles, whether considered at law or in equity, including the exercise of judicial discretion.

Bidding Details

Bidders should be aware of the following bidding details associated with the sale of the Bonds.

- (1) All bids must be submitted on the SpeerAuction website at www.SpeerAuction.com. **No telephone, telefax or personal delivery bids will be accepted.** The use of SpeerAuction shall be at the bidder's risk and expense and the Village shall have no liability with respect thereto, including (without limitation) liability with respect to incomplete, late arriving and non-arriving bid. Any questions regarding bidding on the SpeerAuction website should be directed to the Auction Administrator, Grant Street Group, at (412) 391-5555 x 370.
- (2) If any new bid in the auction becomes a leading bid two (2) minutes prior to the end of the auction, then the auction will be automatically extended by two (2) minutes from the time such bid was received by SpeerAuction. The auction end time will continue to be extended, indefinitely, until a single leading bid remains the leading bid for at least two minutes.
- (3) Bidders may change and submit bids as many times as they like during the bidding time period; provided, however, each and any bid submitted subsequent to a bidder's initial bid must result in a lower true interest cost ("TIC") with respect to a bid, when compared to the immediately preceding bid of such bidder. In the event that the revised bid does not produce a lower TIC with respect to a bid, the prior bid will remain valid.
- (4) The last bid submitted by a bidder before the end of the bidding time period will be compared to all other final bids submitted by others to determine the winning bidder or bidders.
- (5) During the bidding, no bidder will see any other bidder's bid, but bidders will be able to see the ranking of their bid relative to other bids (i.e., "Leader", "Cover", "3rd" etc.)
- (6) On the Auction Page, bidders will be able to see whether a bid has been successfully submitted.

Rules of SpeerAuction

Bidders must comply with the Rules of SpeerAuction in addition to the requirements of this Official Notice of Sale. To the extent there is a conflict between the Rules of SpeerAuction and this Official Notice of Sale, this Official Notice of Sale shall control.

**Subject to change.*

Rules

- (1) A bidder (“Bidder”) submitting a winning bid (“Winning Bid”) is irrevocably obligated to purchase the Bonds at the rates and prices of the winning bid, if acceptable to the Village, as set forth in the related Official Notice of Sale. Winning Bids are not officially awarded to Winning Bidders until formally accepted by the Village.
- (2) **Neither the Village, Speer Financial, Inc., nor Grant Street Group (the “Auction Administrator”) is responsible for technical difficulties that result in the loss of the Bidder’s internet connection with SpeerAuction, slowness in transmission of bids, or other technical problems.**
- (3) If for any reason a Bidder is disconnected from the Auction Page during the auction after having submitted a Winning Bid, such bid is valid and binding upon such Bidder, unless the Village exercises its right to reject bids, as set forth herein.
- (4) Bids which generate error messages are not accepted until the error is corrected and the bid is received prior to the deadline.
- (5) Bidders accept and agree to abide by all terms and conditions specified in the Official Notice of Sale (including amendments, if any) related to the auction.
- (6) Neither the Village, Speer Financial, Inc., nor the Auction Administrator is responsible to any bidder for any defect or inaccuracy in the Official Notice of Sale, amendments, or Preliminary Official Statement as they appear on SpeerAuction.
- (7) Only Bidders who request and receive admission to an auction may submit bids. SpeerAuction and the Auction Administrator reserve the right to deny access to SpeerAuction website to any Bidder, whether registered or not, at any time and for any reason whatsoever, in their sole and absolute discretion.
- (8) Neither the Village, Speer Financial, Inc., nor the Auction Administrator is responsible for protecting the confidentiality of a Bidder’s SpeerAuction password.
- (9) If two bids submitted in the same auction by two or more different Bidders result in same True Interest Cost, the first confirmed bid received by SpeerAuction prevails. Any change to a submitted bid constitutes a new bid, regardless of whether there is a corresponding change in True Interest Cost.
- (10) Bidders must compare their final bids to those shown on the Observation Page immediately after the bidding time period ends, and if they disagree with the final results shown on the Observation Page they must report them to the Auction Administrator within 15 minutes after the bidding time period ends. Regardless of the final results reported by SpeerAuction, Bonds are definitively awarded to the winning bidder only upon official award by the Village. If, for any reason, the Village fails to: (i) award Bonds to the winner reported by SpeerAuction, or (ii) deliver Bonds to winning bidder at settlement, neither the Village, Speer Financial, Inc., nor the Auction Administrator will be liable for damages.

The Village reserves the right to reject all proposals, to reject any bid proposal not conforming to this Official Notice of Sale, and to waive any irregularity or informality with respect to any proposal. Additionally, the Village reserves the right to modify or amend this Official Notice of Sale; however, any such modification or amendment shall not be made less than twenty-four (24) hours prior to the date and time for receipt of bids on the Bonds and any such modification or amendment will be announced on the Amendments Page of the SpeerAuction webpage and through *Thompson Municipal News*.

The Bonds will be in fully registered form in the denominations of \$5,000 and integral multiples thereof in the name of Cede & Co. as nominee of The Depository Trust Company (“DTC”), New York, New York, to which principal and interest payments on the Bonds will be paid. Individual purchases will be in book-entry only form. Interest on each Bond shall be paid by check or draft of the Bond Registrar to the person in whose name such bond is registered at the close of business on the first day of the month in which an interest payment date occurs. The principal of the Bonds shall be payable in lawful money of the United States of America at the principal corporate trust office of the Bond Registrar in Chicago, Illinois. Semiannual interest is due June 15 and December 15 of each year commencing June 15, 2014, and is payable by Amalgamated Bank of Chicago, Chicago, Illinois (the “Bond Registrar”). The Bonds are dated as of the date of delivery (expected to be on or about November 20, 2013).

MATURITIES* – DECEMBER 15

\$675,000	2015	\$695,000	2018	\$1,775,000	2044
680,000	2016	705,000	2019	1,855,000	2045
685,000	2017	*****	****	1,930,000	2046

Any consecutive maturities may be aggregated into term bonds at the option of the bidder, in which case the mandatory redemption provisions shall be on the same schedule as above.

The Bonds due on and after December 15, 2044, are callable in whole or in part on any date on or after December 15, 2021, at a price of par plus accrued interest. If less than all the Bonds are called, they shall be redeemed in such principal amounts and from such maturities as determined by the Village and within any maturity by lot.

All interest rates must be in multiples of one-eighth or one one-hundredth of one percent (1/8 or 1/100 of 1%), and not more than one rate for a single maturity shall be specified. The rates bid shall be in non-descending order. The differential between the highest rate bid and the lowest rate bid shall not exceed three percent (3%). All bids must be for all of the Bonds, and must be for not less than \$8,928,000.

*Subject to change.

Award of the Bonds: The Bonds will be awarded on the basis of true interest cost, determined in the following manner. True interest cost shall be computed by determining the annual interest rate (compounded semi-annually) necessary to discount the debt service payments on the Bonds from the payment dates thereof to the dated date and to the bid price. For the purpose of calculating true interest cost, the Bonds shall be deemed to become due in the principal amounts and at the times set forth in the table of maturities set forth above. In the event two or more qualifying bids produce the identical lowest true interest cost, the winning bid shall be the bid that was submitted first in time on the SpeerAuction webpage.

The Bonds will be awarded to the bidder complying with the terms of this Official Notice of Sale whose bid produces the lowest true interest cost rate to the Village as determined by the Village's Financial Advisor, which determination shall be conclusive and binding on all bidders; *provided*, that the Village reserves the right to reject all bids or any non-conforming bid and reserves the right to waive any informality in any bid. Bidders should verify the accuracy of their final bids and compare them to the winning bids reported on the SpeerAuction Observation Page immediately after the bidding.

The premium or discount, if any, is subject to pro rata adjustment if the maturity amounts of the Bonds are changed, allowing the same dollar amount of profit per \$1,000 bond as submitted on the Official Bid Form.

The true interest cost of each bid will be computed by SpeerAuction and reported on the Observation Page of the SpeerAuction webpage immediately following the date and time for receipt of bids. These true interest costs are subject to verification by the Village's Financial Advisor, will be posted for information purposes only and will not signify an actual award of any bid or an official declaration of the winning bid. The Village or its Financial Advisor will notify the bidder to whom the Bonds will be awarded, if and when such award is made.

The winning bidder will be required to make the standard filings and maintain the appropriate records routinely required pursuant to MSRB Rules G-8 and G-11. The winning bidder will be required to pay the standard MSRB charge for Bonds purchased. In addition, the winning bidder who is a member of the Securities Industry and Financial Markets Association ("SIFMA") will be required to pay SIFMA's standard charge per bond.

Each bid shall be accompanied by a certified or cashier's check on, or a wire transfer from, a solvent bank or trust company or a Financial Surety Bond for **TWO PERCENT OF PAR** payable to the Treasurer of the Village as evidence of good faith of the bidder (the "Deposit"). The Deposit of the successful bidder will be retained by the Village pending delivery of the Bonds and all others will be promptly returned. Should the successful bidder fail to take up and pay for the Bonds when tendered in accordance with this Notice of Sale and said bid, said Deposit shall be retained as full and liquidated damages to the Village caused by failure of the bidder to carry out the offer of purchase. Such Deposit will otherwise be applied on the purchase price upon delivery of the Bonds. No interest on the Deposit will accrue to the purchaser.

If a wire transfer is used for the Deposit, it must be sent according to the following wire instructions:

Amalgamated Bank of Chicago
Corporate Trust
One West Monroe
Chicago, IL 60603
ABA # 071003405
Credit To: 3281 Speer Bidding Escrow
RE: Village of Winnetka, Cook County, Illinois
bid for the \$9,000,000* General Obligation Bonds, Series 2013

The wire shall arrive in such account no later than 30 minutes prior to the date and time of the sale of the Bonds. Contemporaneously with such wire transfer, the bidder shall send an email to biddingscrows@aboc.com with the following information: (1) indication that a wire transfer has been made, (2) the amount of the wire transfer, (3) the issue to which it applies, and (4) the return wire instructions if such bidder is not awarded the Bonds. The Village and any bidder who chooses to wire the Deposit hereby agree irrevocably that Speer Financial, Inc. ("Speer") shall be the escrow holder of the Deposit wired to such account subject only to these conditions and duties: (i) if the bid is not accepted, Speer shall, at its expense, promptly return the Deposit amount to the unsuccessful bidder; (ii) if the bid is accepted, the Deposit shall be forwarded to the Village; (iii) Speer shall bear all costs of maintaining the escrow account and returning the funds to the bidder; (iv) Speer shall not be an insurer of the Deposit amount and shall have no liability except if it willfully fails to perform, or recklessly disregards, its duties specified herein; and (v) income earned on the Deposit, if any, shall be retained by Speer.

If a Financial Surety Bond is used for the Deposit, it must be from an insurance company licensed to issue such a bond in the State of Illinois and such bond must be submitted to Speer prior to the opening of the bids. The Financial Surety Bond must identify each bidder whose deposit is guaranteed by such Financial Surety Bond. If the Bonds are awarded to a bidder using a Financial Surety Bond, then that purchaser is required to submit its Deposit to the Village in the form of a certified or cashier's check or wire transfer as instructed by Speer, or the Village not later than 3:00 P.M. on the next business day following the award. If such Deposit is not received by that time, the Financial Surety Bond may be drawn by the Village to satisfy the Deposit requirement.

The Village covenants and agrees to enter into a written agreement or contract, constituting an undertaking (the "Undertaking") to provide ongoing disclosure about the Village for the benefit of the beneficial owners of the Bonds on or before the date of delivery of the Bonds as required under Section (b)(5) of Rule 15c2-12 (the "Rule") adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934. The Undertaking shall be as described in the Official Statement, with such changes as may be agreed in writing by the Underwriter. The Village is in compliance with each and every undertaking previously entered into by it pursuant to the Rule.

The Underwriter's obligation to purchase the Bonds shall be conditioned upon the Village delivering the Undertaking on or before the date of delivery of the Bonds.

The winning bidder shall provide a certificate, in form as drafted by or acceptable to Bond Counsel, to evidence the issue price of each maturity of the Bonds, the form of which certificate is available upon request.

The Underwriter will be required to make a *bona fide* public offering of all of the Bonds at the offering price or prices set forth or corresponding to the yield or yields set forth on the cover page of the Official Statement (the "Price") to persons other than bond houses, brokers, or similar persons or organizations acting in the capacity of underwriters or wholesalers. If any portion of any maturity of the Bonds is sold at a price in excess of the Price for such maturity of the Bonds prior to the closing, as determined by the Village, based on information available from the Municipal Securities Rulemaking Board's Electronic Municipal Market Access website, then upon request of the Village, the Underwriter will provide a written explanation as to why any such Bonds were sold or were able to be sold at prices in excess of the initial offering prices to the extent within the control or knowledge (including knowledge of the bond market) of the Underwriter.

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

The Bonds will be delivered to the successful purchaser against full payment in immediately available funds as soon as they can be prepared and executed, which is expected to be on or about November 20, 2013. Should delivery be delayed beyond sixty (60) days from the date of sale for any reason beyond the control of the Village except failure of performance by the purchaser, the Village may cancel the award or the purchaser may withdraw the good faith deposit and thereafter the purchaser's interest in and liability for the Bonds will cease.

The Official Statement, when further supplemented by an addendum or addenda specifying the maturity dates, principal amounts, and interest rates of the Bonds, and any other information required by law or deemed appropriate by the Village, shall constitute a "Final Official Statement" of the Village with respect to the Bonds, as that term is defined in the Rule. By awarding the Bonds to any underwriter or underwriting syndicate, the Village agrees that, no more than seven (7) business days after the date of such award, it shall provide, without cost to the senior managing underwriter of the syndicate to which the Bonds are awarded, up to 100 copies of the Final Official Statement to permit each "Participating Underwriter" (as that term is defined in the Rule) to comply with the provisions of such Rule. The Village shall treat the senior managing underwriter of the syndicate to which the Bonds are awarded as its designated agent for purposes of distributing copies of the Final Official Statement to each Participating Underwriter. Any underwriter executing and delivering an Official Bid Form with respect to the Bonds agrees thereby that if its bid is accepted by the Village it shall enter into a contractual relationship with all Participating Underwriters of the Bonds for purposes of assuring the receipt by each such Participating Underwriter of the Final Official Statement.

By submission of its bid, the senior managing underwriter of the successful bidder agrees to supply all necessary pricing information and any Participating Underwriter identification necessary to complete the Official Statement within 24 hours after award of the Bonds. Additional copies of the Final Official Statement may be obtained by Participating Underwriters from the printer at cost.

The Village will, at its expense, deliver the Bonds to the purchaser through the facilities of DTC and will pay for the bond attorney's opinion. At the time of closing, the Village will also furnish to the purchaser the following documents, each dated as of the date of delivery of the Bonds: (1) the unqualified opinion of Chapman and Cutler LLP, that the Bonds are lawful and enforceable obligations of the Village in accordance with their terms and are payable from ad valorem taxes levied against all taxable property of the Village, except that the rights of the owners of the Bonds and the enforceability of the Bonds may be limited by bankruptcy, insolvency, moratorium, reorganization and other similar laws affecting creditors' rights and by equitable principles, whether considered at law or in equity, including the exercise of judicial discretion; (2) the opinion of said attorneys that the interest on the Bonds is exempt from federal income taxes as and to the extent set forth in the Official Statement for the Bonds and (3) a no litigation certificate by the Village.

The Village intends to designate the Bonds as "qualified tax-exempt obligations" pursuant to the small issuer exception provided by Section 265(b)(3) of the Internal Revenue Code of 1986, as amended.

The Village has authorized the printing and distribution of an Official Statement containing pertinent information relative to the Village and the Bonds. Copies of such Official Statement or additional information may be obtained from Mr. Edward F. McKee, Jr., Treasurer/Finance Director, Village of Winnetka, 510 Green Bay Road, Winnetka, Illinois 60093 or an electronic copy of this Official Statement is available from the www.speerfinancial.com web site under "Debt Auction Center/Official Statement Sales - Competitive" from the Independent Public Finance Consultants to the Village, Speer Financial, Inc., One North LaSalle Street, Suite 4100, Chicago, Illinois 60602, telephone (312) 346-3700.

/s/ **E. GENE GREABLE**
President
VILLAGE OF WINNETKA
Cook County, Illinois

/s/ **EDWARD F. MCKEE, JR.**
Treasurer/Finance Director
VILLAGE OF WINNETKA
Cook County, Illinois

Attachment 4

Preliminary Official Statement (Page 1 only)

\$9,500,000 G.O. Bonds, Series 2014

New Issue

Date of Sale: Tuesday, December 3, 2013
10:00 – 10:15 A.M., C.S.T.
(Open Speer Auction)

DRAFT 10/8/13

Investment Rating:
Moody's Investors Service ...
(Rating Requested)

Official Statement

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



\$9,500,000*

VILLAGE OF WINNETKA

Cook County, Illinois

General Obligation Bonds, Series 2014

Dated Date of Delivery Book-Entry Bank Qualified Due Serially December 15, 2020-2023 and 2039-2043

The \$9,500,000* General Obligation Bonds, Series 2014 (the "Bonds"), are being issued by the Village of Winnetka, Cook County, Illinois (the "Village"). Interest is payable semiannually on June 15 and December 15 of each year, commencing June 15, 2014. Interest is calculated based on a 360-day year of twelve 30-day months. The Bonds will be issued using a book-entry system. The Depository Trust Company ("DTC"), New York, New York, will act as securities depository for the Bonds. The ownership of one fully registered Bond for each maturity will be registered in the name of Cede & Co., as nominee for DTC and no physical delivery of Bonds will be made to purchasers. The Bonds will mature on December 15, in the following years and amounts.

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

Principal Amount*	Due Dec. 15	Interest Rate	Yield or Price	CUSIP Number	Principal Amount*	Due Dec. 15	Interest Rate	Yield or Price	CUSIP Number
\$720,000	2020	— %	— %	—	\$ 140,000	2039	— %	— %	—
735,000	2021	— %	— %	—	1,485,000	2040	— %	— %	—
755,000	2022	— %	— %	—	1,550,000	2041	— %	— %	—
780,000	2023	— %	— %	—	1,630,000	2042	— %	— %	—
*****	****	— %	— %	—	1,705,000	2043	— %	— %	—

Any consecutive maturities may be aggregated into term bonds at the option of the bidder, in which case the mandatory redemption provisions shall be on the same schedule as above.

OPTIONAL REDEMPTION

The Bonds due on or after December 15, 2022, are callable in whole or in part on any date on or after December 15, 2021, at a price of par plus accrued interest. If less than all the Bonds are called, they shall be redeemed in such principal amounts and from such maturities as determined by the Village and within any maturity by lot. See "OPTIONAL REDEMPTION" herein.

PURPOSE, LEGALITY AND SECURITY

The proceeds of the Bonds will be used to finance certain improvements relating to the Village's stormwater system and to pay the costs of issuing the Bonds. See "THE PROJECT" herein.

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

The Bonds are "qualified tax-exempt obligations" pursuant to the small issuer exception provided by Section 265(b)(3) of the Internal Revenue Code of 1986, as amended.

This Official Statement is dated November __, 2013, and has been prepared under the authority of the Village. An electronic copy of this Official Statement is available from the www.speerfinancial.com web site under "Debt Auction Center/Official Statement Sales - Competitive". Additional copies may be obtained from Mr. Edward F. McKee, Jr., Treasurer/Finance Director, Village of Winnetka, 510 Green Bay Road, Winnetka, Illinois 60093, or from the Independent Public Finance Consultants to the Village:

Established 1954

Speer Financial, Inc.

INDEPENDENT PUBLIC FINANCE CONSULTANTS
ONE NORTH LASALLE STREET, SUITE 4100 • CHICAGO, ILLINOIS 60602
Telephone: (312) 346-3700; Facsimile: (312) 346-8833
www.speerfinancial.com



*Subject to change.



Agenda Item Executive Summary

Title: Public Safety Video Security System

Presenter: Patrick Kreis, Chief of Police

Agenda Date: 10/15/2013

Consent: YES NO

<input type="checkbox"/>	Ordinance
<input type="checkbox"/>	Resolution
<input checked="" type="checkbox"/>	Bid Authorization/Award
<input type="checkbox"/>	Policy Direction
<input type="checkbox"/>	Informational Only

Item History:

The Police Department operates a video security system covering the inside and outside of the Public Safety Building. The analog system originally installed in 1997 has reached the end of its useful life and its operational shortcomings have become increasing difficult to overcome. The system's capabilities have fallen significantly behind those available by modern systems.

Executive Summary:

The Police Department has developed a strategy to modernize the current video security system. The aim of the strategy is to modernize video security at the Public Safety Building and invest in a system capable of expanding video security measures to other village owned facilities and other public areas in the village particularly susceptible to criminal activity.

The Police Department has identified a viable solution to replace and upgrade the existing video security system protecting the Public Safety Building. The proposed solution will also include the installation of the cameras at two other locations. Ground floor public areas of the Village Hall and select public areas of the Elm Street Metra Station will be covered by this proposal. Included in the recommended proposal is the real-time connectivity of video recordings from those areas back to the Police Station Communications Center.

Recommendation / Suggested Action:

Consider authorizing the Village Manager to enter an agreement with Phoenix Systems & Service for defined video security products and services in the amount of \$92,614.00 and an additional allowance of up to \$15,000.00 for additional products & services to be identified and selected during the execution of the project.

Attachments:

- 1) Memorandum further describing the purchase recommendation
- 2) Comparison table of the nine responses

AGENDA REPORT

TO: Village Council
Rob Bahan, Village Manager

PREPARED BY: Patrick Kreis, Chief of Police

DATE: October 15, 2013

SUBJECT: Public Safety Video Security System

Since the Public Safety Building (PSB) was modernized in 1997, the video security system has been essential in protecting the police and fire facilities and staff. Although infrequent, criminal offenses occurring at the building have been quickly resolved with the aid of video recordings. Recordings have also helped protect personnel from false allegations in regards to the handling of arrestees while they are processed and detained. Although the current system has received incremental updates and repairs, it has come to the end of its useful life cycle. The current system uses old technology, including analog cameras and an obsolete video server system. The system has several shortcomings including limited clarity, limited storage capacity and the inability to receive digital signals. In recent years it has become labor intensive to maintain as staff has struggled to overcome problems with wiring, camera failures and power disruptions. The current system is not expandable or capable of receiving video signals from external locations.

Although a couple of village facilities other than the PSB have some video cameras, those cameras are disjointed and offer differing levels of effectiveness. Several key village facilities lack any video security and other public areas could benefit significantly from video protection. For example, crimes occur at each of the three train stations, most commonly theft and damage to property. Additionally, criminals will sometimes use Metra trains for travel to and from the village. Other public locations can enjoy similar safety enhancements through the use of video security. Our success in detecting and investigating crimes increases significantly when usable video images are available.

Over the last year Police Department staff has researched the best approach for replacing the PSB video security system. Foremost in mind is the desire for a new system capable of viewing video at other public locations in the village. Staff identified the best method is an expandable Network Video Recorder (NVR) system located at the PSB. The new system would offer a common control interface from cameras located both at the PSB and future cameras located elsewhere. The Police Department requested \$100,000 in the 2013 budget to enable such replacement.

Staff researched various modern technologies offered by several manufacturers in order to gain a better understanding of potential strategies. A Request for Proposals (RFP) was developed and published for the new video system. The RFP process included a mandatory vendor's meeting where potential suppliers could view the facilities and ask

questions in order to properly form proposals. Twenty potential vendors attended the meeting and nine provided written proposals. A comparison of these proposals is presented in Table 1. Staff evaluated these proposals. In addition, staff attended a large private security conference in Chicago in order to meet with manufacture representatives and see demonstrations from each of the technologies offered in the submissions. Such an opportunity to “kick the tires” of each of the systems helped identify the strongest proposals.

After comparing prices, technologies and references, three proposals surfaced for top consideration. Those three vendors were interviewed by staff in order to gain a thorough understanding of their offerings. Staff also examined each vendor’s ability to conceptualize solutions for potential future installations.

Following the interviews and all considerations, staff is recommending the Village accept the proposal offered by Phoenix Systems & Service. Their proposal presents the best overall solution with an NVR system manufactured by Salient Systems and cameras made by AXIS Communications. With the desired options, the system price is \$92,614. The options include an expandable NVR system; complete replacement and enhancement of cameras at the PSB; cameras for the Village Hall and Elm Street Metra Station, as well as a three year maintenance and update warranty on the system.

It is hard in this case to make an exact “apples to apples” comparison of each of the other vendor’s proposals as many of their responses offered differing solutions. However the attached proposal comparison sheet is somewhat illustrative. Although a couple of the proposals offered a lower price, none were deemed complete solutions. Some proposals failed to specify critical factors such as connectivity to the Village Hall and Metra station. This is a key issue for further expansion capabilities. In another case one of the low priced vendors offered a manufacturer’s system that was deemed unacceptable after viewing its offerings at the security conference. The most comparable alternative solution is offered by Midco. Their proposal is suitable but slightly less desirable and priced 12% higher than Phoenix.

The Police Department has worked with Phoenix in the past (as it has with some of the other vendors and manufacturers). Although not on a project of this scale, Phoenix has provided a high quality of service for the PSB door access control system. Phoenix has also worked with Winnetka Public School District #36, receiving a favorable recommendation from their project manager.

While Staff has endeavored to accurately select the system and components needed to meet the needs of the Village, a project as complex as this usually requires changes during installation and implementation. Changes may be as simple as a camera type or location but might also be more significant due to unforeseen circumstances. As such a contingency allowance of \$15,000 is requested for this project.

Table 1: Proposal Comparisons

<i>Vendor → Item ↓</i>	Phoenix	Blue Lion	Current	Griffon	Huen	Midco	Scientel	Siemens	V&S
Base System	73,870	59,149	116,855	62,408	54,997	79,700	79,995	109,395	86,153
3 yr. Extended Warranty	5,904	2,500	8,759 per year	3 yr included	0	6,500	3 yr. included	3,355 per year	4,750 per year
VH Cameras	4,100	2,440	3,620	1,800	6,005	2,900	2,623	6,145	3,000
Elm Depot system	8,740	6,780	13,317	4,500	27,000	15,000	9,521 + wireless	19,094	4,000
Total	92,614	70,869	151,310	68,708	88,002	104,100	92,139	141,344	102,653
Staff Rating	★★★★	No Stars	No Stars	★★	No Stars	★★★	★	★★	★★