

**Winnetka Village Council**  
**SPECIAL VIRTUAL MEETING**

Zoom  
October 13, 2020  
7:00 PM

**AGENDA**

In accordance with social distancing requirements and Governor Pritzker’s Executive Orders 2020-43 and 2020-44, and Section 7(e) of the Illinois Open Meetings Act, the Winnetka Village Council meeting on Tuesday, October 13, 2020 will be held virtually. The meeting will be livestreamed via the Zoom platform. At least one representative from the Village will be present at Village Hall in compliance with Section 7(e) of the Illinois Open Meetings Act, and the virtual meeting will be simulcast at Village Hall for members of the public who do not wish to view the virtual meeting from another location. Pursuant to Executive Orders 2020-43 and 2020-44 issued by the Governor, the number of people who may gather at Village Hall for the meeting is limited due to the mandated social distancing guidelines. Accordingly, the opportunity to view the virtual meeting at Village Hall is available on a “first come, first-served” basis.

The public has two options for observing and participating in this virtual Village Council meeting including the ability to provide oral comments during the meeting. To facilitate an efficient meeting, public comments submitted in advance are encouraged.

- 1) Telephone (audio only Call 312-626-6799), when prompted enter the Meeting ID – 94846854146 (Please note there is no additional password or attendee ID required)
- 2) Livestream (both audio and video feed) Download the Zoom meetings app to your smartphone, tablet or computer and then join Meeting ID:94846854146. Event Password: VC101320

**Public comments should be emailed to [contactcouncil@winnetka.org](mailto:contactcouncil@winnetka.org).** Public comments received by 6:45 p.m. on Tuesday, October 13, 2020 will be read at the appropriate time during the meeting. General comments for matters not on the agenda will be read at the beginning of the meeting under the Public Comment agenda item. Comments specific to a particular agenda item will be read during the discussion of that agenda item. The Village will attempt to have comments received after the meeting has started read at the end of the meeting. Public comment is limited to 200 words or less. Public comments should contain the following information:

- In the subject line – “Village Council Meeting Public Comment”
- Name
- Address (optional)
- Phone (optional)
- Organization or agency representing, if applicable
- General comment or comment on topic of specific agenda item number

All emails received will be acknowledged either during or after the meeting, depending on when they are received. If you do not have access to email, you may leave a message with your public comment at the Village Manager’s office at 847-716-3541 or mail to Village Clerk, Village of Winnetka, 510 Green Bay Road, Winnetka, IL 60093.



**NOTICE OF SPECIAL MEETING OF  
THE PRESIDENT AND BOARD OF TRUSTEES OF  
THE VILLAGE OF WINNETKA, COOK COUNTY, ILLINOIS**

PUBLIC NOTICE IS HEREBY GIVEN that the President and Board of Trustees of the Village of Winnetka, Cook County, Illinois (the "*Village Council*"), will hold a special meeting of the Village Council on the 13th day of October, 2020, at 7:00 o'clock P.M., in the Council Chambers of Village Hall, 510 Green Bay Road, Winnetka, Illinois; and via Zoom.

The Agenda for the Meeting is as follows:

1. Call to Order
2. Pledge of Allegiance
3. Public Comment
4. Ordinance No. M-16-2020, An ordinance providing for the issuance of not to exceed \$12,750,000 Taxable General Obligation Refunding Bonds of the Village, authorizing the sale of the bonds to the purchaser thereof, providing for the levy and collection of a direct annual tax sufficient for the payment of the principal of and interest on the bonds, and further providing for the execution of an escrow agreement in connection with such issuance. (Introduction & Adoption).
5. Old Business: None
6. New Business: None
7. Closed Session
8. Adjournment

DATED the 8<sup>th</sup> day of October, 2020.

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Village Clerk, Village of Winnetka,  
Cook County, Illinois



## Agenda Item Executive Summary

**Title:** Ordinance No. M-16-2020: An Ordinance providing for the issuance of \$12,750,00 Taxable G.O. Bonds (Introduction & Adoption) +

**Presenter:** Timothy J. Sloth, Director of Finance

**Agenda Date:** 10/13/20

- Ordinance
- Resolution
- Bid Authorization/Award
- Policy Direction
- Informational Only

**Consent:**     YES         NO

### Item History:

In 2013 / 2014 the Village issued two series of tax-exempt stormwater municipal bonds totaling \$16.5 million and has been paying the debt service as scheduled on the outstanding bonds. On September 8, Staff presented options to Council to do an advance refunding of these bonds and Council provided direction to proceed with a refunding at either a 20-year or 25-year duration.

### Executive Summary:

Since the September 8 Village Council meeting, Staff and the Village’s Financial Advisor (Kevin McCanna, Chairman - Speer Financial Inc.) have completed the following:

- Secured Chapman and Cutler as Village Bond Council.
- Worked with Chapman and Cutler to prepare a parameters based bond ordinance.
- Prepared a preliminary offering statement.
- Participated in a rating call with Moody’s financial - Rating Due by October 14th.
- Prepared updated analysis statements.

Rates on municipal debt have decreased substantially and doing an advanced refunding (re-financing) at this time could save the Village a significant amount of money. The Village has worked with Speer Financial to identify and analyze two options for an advance refunding of our current bonds. These options along with Staff’s recommendation are summarized in the attached memo and will be presented in detail at the Council meeting.

The Series 2020 Taxable General Obligation Refunding Bonds are being issued to refund the outstanding Series 2013 and Series 2014. By doing this advanced refunding the Village will generate Net Present Value Savings estimated between \$2,969,454 - \$3,611,911 depending on the duration of the newly issued bonds. Kevin McCann, Chairman of Speer Financial will be present at the meeting to assist in fielding any questions in regards to this issuance.

Please Note: All numbers are subject to change due to the fact that final pricing has not been set and interest rates change on a daily basis.

**Executive Summary (continued):**

Staff is recommending proceeding with Option #1, the 20-year taxable bond refunding as this option generates the most savings. By going with the 20-year time horizon the Village will be locking in longer term debt at a historically competitive average interest rate of 2.26%. This will provide significant present value savings estimated at \$3.6 million and annual debt service savings of over \$500,000 per year.

In order to proceed with a 20-year taxable bond refunding the Village Council must adopt the attached bond parameters ordinance authorizing the sale of bonds at a future date, as long as certain parameters are met. The ordinance also designates certain elected and appointed officials to complete the sale on behalf of the Village Council if the terms of the ordinance are met. A parameters ordinance allows more flexibility in setting a sale date for the bonds. The key parameters of the ordinance are listed below:

Maximum issue size: \$12,750,000

Purpose: Realizing net debt service savings from the Refunding

Maximum maturity date: December 15, 2046

Authorization to sell Bonds expires: April 13, 2021

Maximum interest rate: 5.00%

Minimum Net Present Value Savings: Not less than 5% of the Par amount of the Refunded Bonds.

Optional call dates: Allowed, will set forth in Bond Notification

Designated Officers: Village President, Village Manager, and Village Finance Director.

Method of Sale: Competitive Sale by Speer Financial, Inc.

If Council approves the bond ordinance on October 13th, the bond sale will take place sometime the week of October 26th, with a target date of October 29th. The bonds are scheduled to close on November 12th.

**Recommendation:**

Consider waiving introduction and adoption of Ordinance No. M-16-2020, an ordinance providing for the issuance of not to exceed \$12,750,000 Taxable General Obligation Refunding Bonds, Series 2020, of the Village of Winnetka, Cook County, Illinois, authorizing the sale of said bonds to the purchaser thereof, providing for the levy and collection of a direct annual tax sufficient for the payment of the principal of and interest on said bonds, and further providing for the execution of an escrow agreement in connection with such issuance.

**Attachments:**

Attachment 1: Staff Memo including Speer Financial Analysis - (20-Year / 25-Year Duration) and timetable for the sale.

Attachment 2: Ordinance No. M-16-2020

Attachment 3: Preliminary Official Statement

# Attachment #1

# VILLAGE OF WINNETKA

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## MEMORANDUM

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**TO:** ROBERT BAHAN, VILLAGE MANAGER  
**FROM:** TIMOTHY J. SLOTH, FINANCE DIRECTOR  
**DATE:** OCTOBER 7, 2020  
**SUBJECT:** DURATION ANALYSIS - 2013/2014 G.O. BOND REFUNDING

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During the September 8<sup>th</sup> Study Session, Staff presented an analysis and a recommendation for an advance refunding of the 2013/2014 tax-exempt stormwater municipal bonds that originally totaled \$16.5 million. At that meeting Council provided direction for staff to proceed with an advanced refunding of the Series 2013/2014 bonds and return with options for either a 20-year or 25-year duration. The remainder of this memo serves as an analysis of these two options, and a brief overview of the bond parameters ordinance.

### **Duration Analysis**

The final decision point on the advanced bond refunding is to pick the time duration of the new taxable bonds. The chart below summarizes the relevant information for both the 20- and 25-year options.

	<b>Option #1</b>	<b>Option #2</b>
Issuance Amount	\$12,315,000	\$12,315,000
Duration	20 - Years	25 - Years
Average Coupon	2.26%	2.58%
Net Present Value Benefit	\$3,611,911	\$2,969,454
Average Annual Debt Service	\$787,000	\$680,000
Total Interest Paid	\$3,157,422	\$4,542,011
Payoff Date	12/15/2040	12/15/2045

While the interest rate (average coupon) for both bond issuances is similar, the primary advantage of Option #1 is that it generates greater savings compared to Option #2 and is paid off a full five years sooner. The Net Present Value Benefit of Option #1 totals \$3.61 million versus only \$2.97 million provided by Option #2. Total interest paid over the duration of the bonds on a 20-year horizon is \$3.2 million versus \$4.5 million in interest paid over a 25-year period.

The advantage to Option #2 is that the annual debt service amount (principal and interest) is lower, \$680,000 compared to \$787,000 for Option 1. This lower annual debt service amount could be utilized as additional annual payment capacity for potential future debt issuances. It should be noted that both options provide annual debt service savings compared to the \$1.3 million the Village is currently paying.

### **Timetable**

Included with this memo is the Timetable for the bond sale (Exhibit C) that Speer prepared following the September 8<sup>th</sup> study session. If Council approves the bond ordinance on October 13<sup>th</sup>, the bond sale will take place sometime the week of October 26<sup>th</sup>, with a target date of October 29<sup>th</sup>. The bonds are scheduled to close on November 12<sup>th</sup>.

### **Bond Parameters Ordinance**

A parameters ordinance allows the Village Council to adopt an ordinance authorizing the sale of bonds at a future date, as long as certain parameters are met. These would include maximum par amount, interest rate, maturity date, etc. The ordinance also designates certain elected and appointed officials to complete the sale on behalf of the Village Council if the terms of the ordinance are met. A parameters ordinance allows more flexibility in setting a sale date for the bonds.

### **Series 2020 Bond Issue Parameters**

Maximum issue size: \$12,750,000

Purpose: Realizing net debt service savings from the Refunding

Maximum maturity date: December 15, 2046

Authorization to sell Bonds expires: April 13, 2021

Maximum interest rate: 5.00%

Minimum Net Present Value Savings: Not less than 5% of the Par amount of the Refunded Bonds.

Optional call dates: Allowed, will set forth in Bond Notification

Designated Officers: Village President, Village Manager, and Village Finance Director.

Method of Sale: Competitive Sale by Speer Financial, Inc.

### **Recommendation**

Staff is recommending proceeding with Option #1, the 20-year taxable bond refunding. The primary purpose of refunding the existing bonds is to achieve savings and Option #1 generates the most savings. While Option #2 provides additional annual debt service capacity, it is Staff's opinion that this additional capacity of \$107,000 a year is not enough to justify the nearly \$1.4 million in additional interest and five extra years of debt service. By going with the 20-year time horizon the Village will be locking in longer term debt at a historically competitive average interest rate of 2.26%. This will provide significant present value savings estimated at \$3.6 million and annual debt service savings of over \$500,000 per year.

### **Attachments**

Memo Exhibit A: Option #1 - Speer Financial Taxable G.O. Ref. Bonds, Series 2020 Prelim. Analysis – 20 Year

Memo Exhibit B: Option #2 - Speer Financial Taxable G.O. Ref. Bonds, Series 2020 Prelim. Analysis – 25 Year

Memo Exhibit C: Timetable of Issuance

**Village of Winnetka, Cook County, Illinois****Taxable General Obligation Refunding Bonds, Series 2020****\*\*Advance Refunding of Series 2013 and 2014\*\*****\*\*Preliminary, 20 Years, As of October 6, 2020\*\*****Sources & Uses****Dated 12/01/2020 | Delivered 12/01/2020****Sources Of Funds**

Par Amount of Bonds	\$12,315,000.00
Transfers from Prior Issue Debt Service Funds	265,075.00

<b>Total Sources</b>	<b>\$12,580,075.00</b>
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**Uses Of Funds**

Total Underwriter's Discount (0.800%)	98,520.00
Costs of Issuance	90,000.00
Deposit to Net Cash Escrow Fund	12,386,523.61
Rounding Amount	5,031.39

<b>Total Uses</b>	<b>\$12,580,075.00</b>
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**Village of Winnetka, Cook County, Illinois****Taxable General Obligation Refunding Bonds, Series 2020****\*\*Advance Refunding of Series 2013 and 2014\*\*****\*\*Preliminary, 20 Years, As of October 6, 2020\*\*****Debt Service Schedule**

<b>Date</b>	<b>Principal</b>	<b>Coupon</b>	<b>Interest</b>	<b>Total P+I</b>
12/15/2020	-	-	-	-
12/15/2021	285,000.00	0.500%	244,203.82	529,203.82
12/15/2022	550,000.00	0.550%	233,637.50	783,637.50
12/15/2023	560,000.00	0.700%	230,612.50	790,612.50
12/15/2024	560,000.00	0.900%	226,692.50	786,692.50
12/15/2025	565,000.00	1.050%	221,652.50	786,652.50
12/15/2026	570,000.00	1.300%	215,720.00	785,720.00
12/15/2027	580,000.00	1.450%	208,310.00	788,310.00
12/15/2028	585,000.00	1.675%	199,900.00	784,900.00
12/15/2029	595,000.00	1.775%	190,101.26	785,101.26
12/15/2030	605,000.00	1.900%	179,540.02	784,540.02
12/15/2031	620,000.00	2.025%	168,045.02	788,045.02
12/15/2032	635,000.00	2.125%	155,490.02	790,490.02
12/15/2033	645,000.00	2.225%	141,996.26	786,996.26
12/15/2034	655,000.00	2.325%	127,645.00	782,645.00
12/15/2035	675,000.00	2.375%	112,416.26	787,416.26
12/15/2036	690,000.00	2.450%	96,385.00	786,385.00
12/15/2037	705,000.00	2.550%	79,480.00	784,480.00
12/15/2038	725,000.00	2.650%	61,502.50	786,502.50
12/15/2039	745,000.00	2.750%	42,290.00	787,290.00
12/15/2040	765,000.00	2.850%	21,802.50	786,802.50
<b>Total</b>	<b>\$12,315,000.00</b>	<b>-</b>	<b>\$3,157,422.66</b>	<b>\$15,472,422.66</b>

**Yield Statistics**

Bond Year Dollars	\$139,823.92
Average Life	11.354 Years
Average Coupon	2.2581421%
Net Interest Cost (NIC)	2.3286021%
True Interest Cost (TIC)	2.3136644%
Bond Yield for Arbitrage Purposes	-
All Inclusive Cost (AIC)	2.3893391%

**IRS Form 8038**

Net Interest Cost	2.2581421%
Weighted Average Maturity	11.354 Years

## Village of Winnetka, Cook County, Illinois

### Taxable General Obligation Refunding Bonds, Series 2020

\*\*Advance Refunding of Series 2013 and 2014\*\*

\*\*Preliminary, 20 Years, As of October 6, 2020\*\*

## Debt Service Comparison

Date	Total P+I	Existing D/S	Net New D/S	Old Net D/S	Savings
12/15/2020	-	749,100.00	749,100.00	749,100.00	-
12/15/2021	529,203.82	764,400.00	1,293,603.82	1,294,550.00	946.18
12/15/2022	783,637.50	-	783,637.50	1,285,150.00	501,512.50
12/15/2023	790,612.50	-	790,612.50	1,279,950.00	489,337.50
12/15/2024	786,692.50	-	786,692.50	468,750.00	(317,942.50)
12/15/2025	786,652.50	-	786,652.50	468,750.00	(317,902.50)
12/15/2026	785,720.00	-	785,720.00	468,750.00	(316,970.00)
12/15/2027	788,310.00	-	788,310.00	468,750.00	(319,560.00)
12/15/2028	784,900.00	-	784,900.00	468,750.00	(316,150.00)
12/15/2029	785,101.26	-	785,101.26	468,750.00	(316,351.26)
12/15/2030	784,540.02	-	784,540.02	468,750.00	(315,790.02)
12/15/2031	788,045.02	-	788,045.02	468,750.00	(319,295.02)
12/15/2032	790,490.02	-	790,490.02	468,750.00	(321,740.02)
12/15/2033	786,996.26	-	786,996.26	468,750.00	(318,246.26)
12/15/2034	782,645.00	-	782,645.00	468,750.00	(313,895.00)
12/15/2035	787,416.26	-	787,416.26	468,750.00	(318,666.26)
12/15/2036	786,385.00	-	786,385.00	468,750.00	(317,635.00)
12/15/2037	784,480.00	-	784,480.00	468,750.00	(315,730.00)
12/15/2038	786,502.50	-	786,502.50	468,750.00	(317,752.50)
12/15/2039	787,290.00	-	787,290.00	468,750.00	(318,540.00)
12/15/2040	786,802.50	-	786,802.50	468,750.00	(318,052.50)
12/15/2041	-	-	-	1,643,750.00	1,643,750.00
12/15/2042	-	-	-	2,040,000.00	2,040,000.00
12/15/2043	-	-	-	2,033,500.00	2,033,500.00
12/15/2044	-	-	-	2,018,250.00	2,018,250.00
12/15/2045	-	-	-	2,020,593.76	2,020,593.76
12/15/2046	-	-	-	2,014,437.50	2,014,437.50
<b>Total</b>	<b>\$15,472,422.66</b>	<b>\$1,513,500.00</b>	<b>\$16,985,922.66</b>	<b>\$24,348,031.26</b>	<b>\$7,362,108.60</b>

### PV Analysis Summary (Net to Net)

Gross PV Debt Service Savings	3,871,954.47
Net PV Cashflow Savings @ 2.389%(AIC)	3,871,954.47
Transfers from Prior Issue Debt Service Fund	(265,075.00)
Contingency or Rounding Amount	5,031.39
Net Present Value Benefit	\$3,611,910.86
Net PV Benefit / \$11,605,000 Refunded Principal	31.124%
Net PV Benefit / \$12,315,000 Refunding Principal	29.329%

### Refunding Bond Information

Refunding Dated Date	12/01/2020
Refunding Delivery Date	12/01/2020

## Village of Winnetka, Cook County, Illinois

### Taxable General Obligation Refunding Bonds, Series 2020

\*\*Advance Refunding of Series 2013 and 2014\*\*

\*\*Preliminary, 25 Years, As of October 6, 2020\*\*

## Sources & Uses

Dated 12/01/2020 | Delivered 12/01/2020

### Sources Of Funds

Par Amount of Bonds	\$12,315,000.00
Transfers from Prior Issue Debt Service Funds	265,075.00
<b>Total Sources</b>	<b>\$12,580,075.00</b>

### Uses Of Funds

Total Underwriter's Discount (0.800%)	98,520.00
Costs of Issuance	90,000.00
Deposit to Net Cash Escrow Fund	12,386,523.61
Rounding Amount	5,031.39
<b>Total Uses</b>	<b>\$12,580,075.00</b>

## Village of Winnetka, Cook County, Illinois

### Taxable General Obligation Refunding Bonds, Series 2020

\*\*Advance Refunding of Series 2013 and 2014\*\*

\*\*Preliminary, 25 Years, As of October 6, 2020\*\*

## Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+I
12/15/2020	-	-	-	-
12/15/2021	255,000.00	0.500%	280,427.29	535,427.29
12/15/2022	415,000.00	0.550%	268,655.02	683,655.02
12/15/2023	415,000.00	0.700%	266,372.52	681,372.52
12/15/2024	415,000.00	0.900%	263,467.52	678,467.52
12/15/2025	420,000.00	1.050%	259,732.52	679,732.52
12/15/2026	425,000.00	1.300%	255,322.52	680,322.52
12/15/2027	430,000.00	1.450%	249,797.52	679,797.52
12/15/2028	435,000.00	1.675%	243,562.52	678,562.52
12/15/2029	445,000.00	1.775%	236,276.26	681,276.26
12/15/2030	455,000.00	1.900%	228,377.50	683,377.50
12/15/2031	460,000.00	2.025%	219,732.50	679,732.50
12/15/2032	470,000.00	2.125%	210,417.50	680,417.50
12/15/2033	480,000.00	2.225%	200,430.02	680,430.02
12/15/2034	490,000.00	2.325%	189,750.02	679,750.02
12/15/2035	500,000.00	2.375%	178,357.50	678,357.50
12/15/2036	515,000.00	2.450%	166,482.50	681,482.50
12/15/2037	525,000.00	2.550%	153,865.00	678,865.00
12/15/2038	540,000.00	2.650%	140,477.50	680,477.50
12/15/2039	550,000.00	2.750%	126,167.50	676,167.50
12/15/2040	570,000.00	2.850%	111,042.50	681,042.50
12/15/2041	585,000.00	2.950%	94,797.50	679,797.50
12/15/2042	600,000.00	3.000%	77,540.00	677,540.00
12/15/2043	620,000.00	3.050%	59,540.00	679,540.00
12/15/2044	640,000.00	3.100%	40,630.00	680,630.00
12/15/2045	660,000.00	3.150%	20,790.00	680,790.00
<b>Total</b>	<b>\$12,315,000.00</b>	<b>-</b>	<b>\$4,542,011.23</b>	<b>\$16,857,011.23</b>

### Yield Statistics

Bond Year Dollars	\$175,803.92
Average Life	14.276 Years
Average Coupon	2.5835666%
Net Interest Cost (NIC)	2.6396063%
True Interest Cost (TIC)	2.6132531%
Bond Yield for Arbitrage Purposes	-
All Inclusive Cost (AIC)	2.6771706%

### IRS Form 8038

Net Interest Cost	2.5835666%
Weighted Average Maturity	14.276 Years

## Village of Winnetka, Cook County, Illinois

### Taxable General Obligation Refunding Bonds, Series 2020

\*\*Advance Refunding of Series 2013 and 2014\*\*

\*\*Preliminary, 25 Years, As of October 6, 2020\*\*

## Debt Service Comparison

Date	Total P+I	Existing D/S	Net New D/S	Old Net D/S	Savings
12/15/2020	-	749,100.00	749,100.00	749,100.00	-
12/15/2021	535,427.29	764,400.00	1,299,827.29	1,294,550.00	(5,277.29)
12/15/2022	683,655.02	-	683,655.02	1,285,150.00	601,494.98
12/15/2023	681,372.52	-	681,372.52	1,279,950.00	598,577.48
12/15/2024	678,467.52	-	678,467.52	468,750.00	(209,717.52)
12/15/2025	679,732.52	-	679,732.52	468,750.00	(210,982.52)
12/15/2026	680,322.52	-	680,322.52	468,750.00	(211,572.52)
12/15/2027	679,797.52	-	679,797.52	468,750.00	(211,047.52)
12/15/2028	678,562.52	-	678,562.52	468,750.00	(209,812.52)
12/15/2029	681,276.26	-	681,276.26	468,750.00	(212,526.26)
12/15/2030	683,377.50	-	683,377.50	468,750.00	(214,627.50)
12/15/2031	679,732.50	-	679,732.50	468,750.00	(210,982.50)
12/15/2032	680,417.50	-	680,417.50	468,750.00	(211,667.50)
12/15/2033	680,430.02	-	680,430.02	468,750.00	(211,680.02)
12/15/2034	679,750.02	-	679,750.02	468,750.00	(211,000.02)
12/15/2035	678,357.50	-	678,357.50	468,750.00	(209,607.50)
12/15/2036	681,482.50	-	681,482.50	468,750.00	(212,732.50)
12/15/2037	678,865.00	-	678,865.00	468,750.00	(210,115.00)
12/15/2038	680,477.50	-	680,477.50	468,750.00	(211,727.50)
12/15/2039	676,167.50	-	676,167.50	468,750.00	(207,417.50)
12/15/2040	681,042.50	-	681,042.50	468,750.00	(212,292.50)
12/15/2041	679,797.50	-	679,797.50	1,643,750.00	963,952.50
12/15/2042	677,540.00	-	677,540.00	2,040,000.00	1,362,460.00
12/15/2043	679,540.00	-	679,540.00	2,033,500.00	1,353,960.00
12/15/2044	680,630.00	-	680,630.00	2,018,250.00	1,337,620.00
12/15/2045	680,790.00	-	680,790.00	2,020,593.76	1,339,803.76
12/15/2046	-	-	-	2,014,437.50	2,014,437.50
<b>Total</b>	<b>\$16,857,011.23</b>	<b>\$1,513,500.00</b>	<b>\$18,370,511.23</b>	<b>\$24,348,031.26</b>	<b>\$5,977,520.03</b>

### PV Analysis Summary (Net to Net)

Gross PV Debt Service Savings	3,229,497.46
Net PV Cashflow Savings @ 2.677%(AIC)	3,229,497.46
Transfers from Prior Issue Debt Service Fund	(265,075.00)
Contingency or Rounding Amount	5,031.39
Net Present Value Benefit	\$2,969,453.85
Net PV Benefit / \$11,605,000 Refunded Principal	25.588%
Net PV Benefit / \$12,315,000 Refunding Principal	24.112%

### Refunding Bond Information

Refunding Dated Date	12/01/2020
Refunding Delivery Date	12/01/2020



SUITE 2630 • 230 WEST MONROE STREET • CHICAGO, ILLINOIS 60606 • (312) 346-3700 • FAX (312) 346-8833

**VILLAGE OF WINNETKA, ILLINOIS**  
Taxable General Obligation Refunding Bonds, Series 2020

**Preliminary Timetable**  
(September 9, 2020)

<u>Task</u>	<u>Party Responsible</u>	<u>Date</u>
First Draft of POS Distributed	Speer	Week of September 14
Distribute Rating Package	Speer	Week of September 14
Rating Agency Call	Village and Speer	Week of September 28
Comments Received on POS	All Parties	Week of October 5
Receive Bond Rating	Village and Speer	By October 12
Finalize and Post POS	Village and Speer	Week of October 12
Parameters Bond Ordinance Adopted Village		October 13
Bond Sale	All Parties	Week of October 26
Bond Closing	All Parties	November 12

*All Village Council Actions are Highlighted in BLUE*

# Attachment #2

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ORDINANCE NUMBER M-16-2020

AN ORDINANCE providing for the issuance of not to exceed \$12,750,000 Taxable General Obligation Refunding Bonds, Series 2020, of the Village of Winnetka, Cook County, Illinois, authorizing the sale of said bonds to the purchaser thereof, providing for the levy and collection of a direct annual tax sufficient for the payment of the principal of and interest on said bonds, and further providing for the execution of an escrow agreement in connection with such issuance.

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Adopted by the Village Council on  
the 13th day of October, 2020.

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This Table of Contents is for convenience only and is not a part of the Ordinance.

**ORDINANCE NUMBER M-16-2020**

AN ORDINANCE providing for the issuance of not to exceed \$12,750,000 Taxable General Obligation Refunding Bonds, Series 2020, of the Village of Winnetka, Cook County, Illinois, authorizing the sale of said bonds to the purchaser thereof, providing for the levy and collection of a direct annual tax sufficient for the payment of the principal of and interest on said bonds, and further providing for the execution of an escrow agreement in connection with such issuance.

WHEREAS the Village of Winnetka, Cook County, Illinois (the “*Village*”), pursuant to a referendum held on April 5, 2005, and pursuant to the provisions of Section 6 of Article VII of the Constitution of the State of Illinois, is a home rule unit and 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; and

WHEREAS pursuant to the provisions of said 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; and

WHEREAS the Village has heretofore issued the following outstanding and validly subsisting and unpaid general obligation bonds:

**GENERAL OBLIGATION BONDS, SERIES 2013**

Original Principal Amount: \$9,000,000

Dated: November 20, 2013

Due December 15 as follows:

<u>YEAR</u>	<u>AMOUNT (\$)</u>	<u>RATE (%)</u>
2046	5,560,000	4.375

which bonds due may be called for redemption on December 15, 2021, at the redemption price of par plus accrued interest (the “*2013 Bonds*”); and

WHEREAS the Village has also heretofore issued the following outstanding and validly subsisting and unpaid general obligation bonds:

**GENERAL OBLIGATION BONDS, SERIES 2014**

Original Principal Amount: \$7,500,000

Dated: January 7, 2014

Due December 15 as follows:

<u>YEAR</u>	<u>AMOUNT (\$)</u>	<u>RATE (%)</u>
2020	720,000	4.000
2021	735,000	4.000
2022	755,000	4.000
2023	780,000	4.000
2043	4,510,000	5.000

which bonds due on and after December 15, 2022, may be called for redemption on December 15, 2021, at the redemption price of par plus accrued interest (together with the 2013 Bonds, the “*Prior Bonds*”); and

WHEREAS the Prior Bonds bear interest at higher rates than those currently available in the bond markets and may be refunded for net debt service savings; and

WHEREAS pursuant to the hereinafter defined Act, the Village is authorized to issue general obligation bonds to accomplish the refunding of all or a selected portion of the Prior Bonds (the “*Refunding*”) and it is necessary and desirable to provide for the issuance of not to exceed \$12,750,000 principal amount general obligation bonds for such purpose and for the purpose of realizing such net debt service savings from the Refunding; and

WHEREAS the Council of the Village, consisting of the President and Board of Trustees (the “*Village Council*”), does hereby determine that it is necessary and desirable to borrow not to exceed \$12,750,000 at this time pursuant to the Act to provide for the Refunding and, in evidence

of such borrowing, issue its full faith and credit bonds in the principal amount of not to exceed \$12,750,000; and

WHEREAS the Village Council does hereby further determine that it is necessary and desirable that certain officials of the Village be authorized to sell such bonds and, accordingly, it is necessary that such officials be so authorized within certain parameters as hereinafter set forth:

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, as follows:

*Section 1. Definitions.* In addition to such other words and terms used and defined in this Ordinance, the following 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.

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

Prior Bonds

Refunding

Village

Village Council

2013 Bonds

2014 Bonds

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

“Act” means, collectively, the Illinois Municipal Code, as supplemented and amended, 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 said code and home rule powers, the home rule powers shall be deemed to supersede the provisions of said code.

“Bond” or “Bonds” means one or more, as applicable, of the not to exceed \$12,750,000 General Obligation Refunding Bonds, Series 2020, authorized to be issued by this Ordinance.

“*Bond Fund*” means the Bond Fund established and defined in Section 15 of this Ordinance.

“*Bond Notification*” means the Bond Notification as authorized to be executed by the Designated Officials of the Village in Section 14 of this Ordinance and by which the final terms of the Bonds will be established.

“*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, Chicago, Illinois, or a successor thereto or a successor designated as Bond Registrar hereunder.

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

“*Designated Officials*” means the President, the Village Manager of the Village and the Finance Director of the Village, acting together.

“*Escrow Agent*” means Amalgamated Bank of Chicago, Chicago, Illinois, or a successor thereto or a successor designated as Escrow Agent under the Escrow Agreement.

“*Escrow Agreement*” means the agreement by and between the Village and the Escrow Agent as authorized in Section 15 hereof and set forth as *Exhibit A*.

“*Ordinance*” means this Ordinance, numbered as set forth on the title page hereof, and passed by the Village Council on the 13th day of October, 2020.

“*Paying Agent*” means Amalgamated Bank of Chicago, Chicago, Illinois, or a successor thereto or a successor designated as Paying Agent hereunder.

“*Pledged Taxes*” means the taxes levied on the taxable property within the Village to pay principal of and interest on the Bonds as made in Section 12 hereof.

“*President*” means the Village President.

“*Purchaser*” means the best bidder for the Bonds at a competitive sale conducted by the Village’s independent municipal advisor, Speer Financial, Inc., Chicago, Illinois (“*Speer*”).

“*Refunded Bonds*” means those of the Prior Bonds actually selected to be refunded pursuant to the Escrow Agreement.

“*Term Bonds*” means Bonds subject to mandatory redemption and designated as term bonds in the Bond Notification.

“*Treasurer*” means the Treasurer of the Village.

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

*Section 2. Incorporation of Preambles.* The Village Council hereby finds that all of the recitals contained in the preambles to this Ordinance are true, correct and complete and does incorporate them into this Ordinance by this reference.

*Section 3. Determination to Issue Bonds.* It is necessary and desirable to provide for the Refunding, to pay all related costs and expenses incidental thereto, and to borrow money and issue the Bonds for such purposes. It is hereby found and determined that such borrowing of money is necessary for the welfare of the government and affairs of the Village, is for a proper public purpose and is in the public interest, and is authorized pursuant to the home rule powers of the Village under Section 6 of Article VII of the Illinois Constitution of 1970, and the Act; and these findings and determinations shall be deemed conclusive.

*Section 4. Bond Details.* For the purpose of providing for such costs, there shall be issued and sold the Bonds, in one or more series as may be specified in the Bond Notification, in the aggregate principal amount of not to exceed \$12,750,000. The Bonds shall each be designated “*Taxable General Obligation Refunding Bond, Series 2020*” or such other name or names or series designation as may be appropriate and as stated in the Bond Notification. The Bonds, if issued, shall be dated such date (not prior to October 1, 2020, and not later than April 1, 2021) (the “*Dated*”

*Date*”) as set forth in the Bond Notification, and shall also bear the date of authentication, shall be in fully registered form, shall be in denominations of \$5,000 each or authorized integral multiples thereof (but no single Bond shall represent installments of principal maturing on more than one date), and shall be numbered 1 and upward. The Bonds shall become due and payable serially or be subject to mandatory redemption (subject to prior redemption as hereinafter described) as shall be set forth in the Bond Notification, and in such principal amounts as shall be set forth therein; *provided, however*, that the final maturity shall be due on or before December 15, 2046, and each maturity or sinking fund payment shall not exceed \$800,000. Each Bond shall bear interest, at a rate not to exceed 5.0% per annum, from the later of the Dated Date 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, 2021, or as provided in the Bond Notification.

Interest on each Bond shall be paid by check or draft of the Paying Agent, 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 (the “*Record Date*”), and mailed to the registered owner of the Bond as shown in the Bond Registrar or at such other address furnished in writing by such Registered Owner. The Record Date shall be the 1st day of the month of any regular or other interest payment date occurring on the 15th day of any month and 15 days next preceding any interest payment date occasioned by the redemption of Bonds on other than the 15th day of a month. The principal of or redemption price due on the Bonds shall be payable in lawful money of the United States of America upon presentation thereof at the principal corporate trust office of the Paying Agent, or at successor Paying Agent and locality.

*Section 5. Global Book-Entry System.* The Bonds shall be initially issued in the form of a separate single fully registered Bond for each of the maturities of the Bonds as provided in Section 4 hereof, and the ownership of each such Bond shall be registered in the Bond Register in the name of Cede & Co., or any successor thereto (“*Cede*”), as nominee of The Depository Trust Company, New York, New York, and its successors and assigns (“*DTC*”). All of the outstanding Bonds shall be registered in the Bond Register in the name of Cede, as nominee of DTC, except as hereinafter provided. The President, the Treasurer and the Village Clerk are hereby authorized to execute and deliver on behalf of the Village such letters to or agreements with DTC and the Bond Registrar as shall be necessary to effectuate such book-entry system (any such letter or agreement being referred to herein as the “*Representation Letter*”).

With respect to the Bonds registered in the Bond Register in the name of Cede, as nominee of DTC, the Village and the Bond Registrar shall have no responsibility or obligation to any broker-dealer, bank or other financial institution for which DTC holds Bonds from time to time as securities depository (each such broker-dealer, bank or other financial institution being referred to herein as a “*DTC Participant*”) or to any person on behalf of whom such a DTC Participant holds an interest in the Bonds. Without limiting the immediately preceding sentence, the Village and the Bond Registrar shall have no responsibility or obligation with respect to (i) the accuracy of the records of DTC, Cede or any DTC Participant with respect to any ownership interest in the Bonds, (ii) the delivery to any DTC Participant or any other person, other than a registered owner of a Bond as shown in the Bond Register, of any notice with respect to the Bonds, including any notice of redemption, or (iii) the payment to any DTC 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. The Village and the Bond Registrar may treat and consider the person in whose name each Bond is registered in the Bond Register as the holder and absolute owner of

such Bond for the purpose of payment of principal and interest with respect to such Bond, for the purpose of giving notices of redemption and other matters with respect to such Bond, for the purpose of registering transfers with respect to such Bond, and for all other purposes whatsoever. The Bond Registrar shall pay all principal of and interest on the Bonds only to or upon the order of the respective registered owners of the Bonds, as shown in the Bond Register, or their respective attorneys duly authorized in writing, and all such payments shall be valid and effective to fully satisfy and discharge the Village's obligations with respect to payment of principal of and interest on the Bonds to the extent of the sum or sums so paid. No person other than a registered owner of a Bond as shown in the Bond Register, shall receive a Bond certificate evidencing the obligation of the Village to make payments of principal and interest with respect to any Bond. Upon delivery by DTC to the Bond Registrar of written notice to the effect that DTC has determined to substitute a new nominee in place of Cede, the name "*Cede*" in this Ordinance shall refer to such new nominee of DTC.

In the event that (i) the Village determines that DTC is incapable of discharging its responsibilities described herein and in the Representation Letter, (ii) the agreement among the Village, the Bond Registrar and DTC evidenced by the Representation Letter shall be terminated for any reason or (iii) the Village determines that it is in the best interests of the beneficial owners of the Bonds that they be able to obtain certificated Bonds, the Village shall notify DTC and DTC Participants of the availability through DTC of Bond certificates and the Bonds shall no longer be restricted to being registered in the Bond Register in the name of Cede, as nominee of DTC. At the time, the Village may determine that the Bonds shall be registered in the name of and deposited with such other depository operating a global book-entry system, as may be acceptable to the Village, or such depository's agent or designee, and if the Village does not select such alternate global book-entry system, then the Bonds may be registered in whatever name or names registered

owners of Bonds transferring or exchanging Bonds shall designate, in accordance with the provisions of Section 10 hereof.

Notwithstanding any other provision of this Ordinance to the contrary, so long as any Bond is registered in the name of Cede, as nominee of DTC, all payments with respect to principal of and interest on such Bond and all notices with respect to such Bond shall be made and given, respectively, in the manner provided in the Representation Letter.

*Section 6. Execution; Authentication.* The Bonds shall be executed on behalf of the Village by the manual or facsimile signature of the President and attested by the manual or facsimile signature of the Village Clerk, as they may determine, and shall have impressed or imprinted thereon the corporate seal or facsimile thereof 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 hereinafter set forth, 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. The certificate of authentication on any Bond shall be deemed to have been executed by it if signed by an authorized officer of the Bond Registrar, but it shall not be necessary that the same officer sign the certificate of authentication on all of the Bonds issued hereunder.

*Section 7. Optional Redemption, Term Bonds, Mandatory Redemption and Covenants.* The Bonds may be 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 the date provided in the Bond Notification, and if in part, in such order of maturities (and, if applicable, order of mandatory redemption payments) as shall be specified in the Bond Notification, and if less than an entire maturity, in integral multiples of \$5,000, selected by lot by the Bond Registrar as hereinafter provided, at the redemption price of par plus accrued interest to the redemption date.

The Bonds may also be subject to mandatory redemption (as Term Bonds) as provided in the Bond Notification; *provided, however*, that in such event the amounts due as provided for under such mandatory redemption shall be the amount set forth in Section 4 of this Ordinance for the maximum amount of principal due on the Bonds in any given period. Bonds designated as Term Bonds shall be made subject to mandatory redemption by operation of the Bond Fund at a price of not to exceed par and accrued interest, without premium, on a given date of the years and in the amounts as shall be determined in the Bond Notification.

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, and taxes shall be levied and collected as provided herein accordingly.

*Section 8. Term Bonds Purchase or Redemption.* If the Village redeems pursuant to optional redemption as hereinabove provided 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 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. Redemption Procedure.* For a mandatory redemption of Term Bonds, the Bond Registrar shall proceed without further authorization or direction to provide for such redemption. For optional redemptions, the Village shall, at least 45 days prior to the redemption date (unless a shorter time period shall be satisfactory to the Bond Registrar), notify the Bond Registrar for the Bonds of such redemption date and of the series, maturities and principal amounts of Bonds to be redeemed. In the event of an optional redemption of less than all of a given maturity of a series of Term Bonds, the Village shall also notify the Bond Registrar of the allocation of the amount to be redeemed to the mandatory redemption requirements for such Term Bonds. 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 not more than 60 days prior to the redemption date by the Bond Registrar for the Bonds of such maturity by such method of lottery as the Bond Registrar shall deem fair and appropriate; *provided, however*, 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 promptly notify the Village and the Paying Agent 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 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 full name of the Bonds to be redeemed and at least the information as follows:

- (a) the redemption date;
- (b) the redemption price;
- (c) 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;
- (d) 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;
- (e) the place where such Bonds are to be surrendered for payment of the redemption price, which place of payment shall be the principal corporate trust office of the Paying Agent; and
- (f) such other information then required by custom, practice or industry standard.

Unless moneys sufficient to pay the redemption price of the Bonds to be redeemed at the option of the Village shall have been received by the Paying Agent 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 Paying Agent 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 shall have 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 shall deposit with the Paying Agent an amount of money sufficient to pay the redemption price of all the Bonds or portions of Bonds which are to be redeemed on that date.

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

If any Bond or portion of a 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. All Bonds which have been redeemed shall be cancelled and destroyed by the Bond Registrar and shall not be reissued.

As part of their respective duties hereunder, the Bond Registrar and Paying Agent shall prepare and forward to the Village a statement as to notice given with respect to each redemption together with copies of the notices as mailed and published.

*Section 10. Registration and Exchange or Transfer of Bonds; Persons Treated as Owners.* The Village shall cause books (the “*Bond Register*”) for the registration and for the

transfer of the Bonds as provided in this Ordinance to be kept at the principal corporate trust office of the Bond Registrar, which is hereby constituted and appointed the registrar of the Village for the Bonds. The Village is authorized to 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.

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 principal corporate trust office of the Bond Registrar, 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 or during the period of 15 days preceding the giving of notice of redemption of Bonds or to transfer or exchange any Bond all or a portion of which has been called for redemption.

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,* that 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 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.

*Section 11. Form of Bond.* 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.



as bond registrar (the “*Bond Registrar*”), at the close of business on the applicable Record Date (the “*Record Date*”). The Record Date shall be the 1st day of the month of any regular or other interest payment date occurring on the 15th day of any month and 15 days next preceding any interest payment date occasioned by the redemption of Bonds on other than the 15th day of a month. Interest shall be paid by check or draft of the Paying Agent, 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 Cede & Co., as nominee, or successor, for so long as this Bond is held by The Depository Trust Company, New York, New York, the depository, or nominee, in book-entry only 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 Village Council, has caused this Bond to be executed by the manual or duly authorized facsimile signature of its Village 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.

\_\_\_\_\_  
Village President, Village of  
Winnetka  
Cook County, Illinois

ATTEST:

\_\_\_\_\_  
Village Clerk, Village of Winnetka  
Cook County, Illinois

[SEAL]

Date of Authentication: \_\_\_\_\_, 2020

CERTIFICATE  
OF  
AUTHENTICATION

Bond Registrar and Paying Agent:  
Amalgamated Bank of Chicago  
Chicago, Illinois

This Bond is one of the Bonds described in the within-mentioned Ordinance and is one of the Taxable General Obligation Refunding Bonds, Series 2020, having a Dated Date of \_\_\_\_\_, 2020, of the Village of Winnetka, Cook County, Illinois.

AMALGAMATED BANK OF CHICAGO,  
as Bond Registrar

By \_\_\_\_\_  
Authorized Officer

[FORM OF BOND - REVERSE SIDE]

This bond is one of a series of bonds (the “*Bonds*”) in the aggregate principal amount of \$\_\_\_\_\_,000 issued by the Village for the purpose of refunding certain outstanding bonds of the Village, and of paying expenses incidental thereto, all as described and defined in the ordinance 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, 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 (such code and powers, collectively, being the “*Act*”), and with the Ordinance, which has been duly passed by the Village Council of the Village, approved by the Village President, in all respects as by law required.

Subject to the provisions relating to this Bond remaining in book-entry only form, this 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 Ordinance. Upon surrender for transfer or exchange of this Bond at the principal corporate trust office of the Bond Registrar in the City of Chicago, Illinois, 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 or during the period of 15 days preceding the giving of

notice of redemption of Bonds or to transfer or exchange any Bond all or a portion of which has been called for redemption.

[The Bonds may be subject to [optional][and][mandatory] redemption, and the holder of this Bond shall refer to the provisions of the Ordinance for the terms and provision for notice of redemption.]

The Village, the Bond Registrar and the Paying Agent 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 the Village, the Bond Registrar and the Paying Agent shall not be affected by any notice to the contrary.

**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. Tax Levy.* 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 (namely, levy years 2020 through 2045), a direct annual tax sufficient for that purpose in a yearly amount not to exceed \$850,000 (the “Pledged Taxes”). Such levy shall be fully set forth in the Bond Notification.*

The Pledged Taxes and other moneys (excepting proceeds of the Bonds) on deposit (collectively, the “*Bond Moneys*”) in the Bond Fund shall be applied to pay principal of and interest on the Bonds.

Interest or principal coming due at any time when there are insufficient funds on hand from the Pledged Taxes to pay the same shall be paid promptly when due from current funds on hand in advance of the collection of the Pledged Taxes herein levied; and when the Pledged 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 foregoing tax levy. The Village and its officers will comply with all present and future applicable laws in order to assure that the Pledged Taxes may be levied, extended and collected as provided herein and deposited into the Bond Fund.

Whenever other funds from any 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 Pledged Taxes levied for the payment of same, the Village Council may, by proper proceedings, direct the deposit of such funds into the Bond Fund and further shall direct the abatement of the taxes by the amount

so deposited. A certified copy or other notification of any such proceedings abating Pledged Taxes shall be filed with the County Clerk in a timely manner to effect such abatement.

*Section 13. Filing with County Clerk.* Promptly, as soon as this Ordinance becomes effective, a copy hereof, certified by the Village Clerk, shall be filed with the County Clerk; and the County Clerk shall in and for each of the years 2020 to 2045, inclusive, ascertain the rate percent required to produce the aggregate tax hereinbefore provided to be levied as set forth in each of said years; and the County Clerk shall (to the extent said tax has not been abated as provided herein) extend the same for collection on the tax books in connection with other taxes levied in said years in and by the Village for general corporate purposes of the Village; and in said 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 said years are levied and collected, and in addition to and in excess of all other taxes.

*Section 14. Sale of Bonds; Bond Notification; Bond Series.* The Designated Officials are hereby authorized to proceed, without any further authorization or direction whatsoever from the Village Council, to sell and deliver the Bonds upon the terms as prescribed in this Section, pursuant to the Bond Notification. The Bonds shall be sold and delivered to the Purchaser at the price set forth in the Bond Notification, plus accrued interest, if any, to the date of delivery. Such sale shall be made upon the advice (in the form of a written certificate or report) of Speer that the terms of the Bonds are fair and reasonable in view of current conditions in the bond markets. As additional limitations on the sale of the Bonds, the Designated Officials shall find and determine that the Bonds have been sold at such price and bear interest at such rates that either the true interest cost (yield) or the net interest rate received upon the sale of the Bonds does not exceed the maximum rate otherwise authorized by applicable law and that the Refunding will provide net present value debt service savings to the Village in an amount not less than 5.0% of the par amount of the

Refunded Bonds. The Designated Officials may choose all or any lesser portion of the Prior Bonds to be refunded, in such manner as will provide such savings. Nothing in this Section shall require the Designated Officials to sell any of the Bonds if in their judgment the conditions in the bond markets shall have deteriorated from the time of adoption of this Ordinance or the sale of all or any portion of the Bonds shall for some other reason not be deemed advisable, but the Designated Officials shall have the authority to sell the Bonds in any event so long as the limitations set forth in this Ordinance and the conditions of this Section shall have been met. As a further exercise of this authority, the Designated Officials may sell the Bonds in more than one series; and, in such event, shall be authorized to change the name of the Bonds for each such series so that such series may properly be identified separately. Further, in such event, the provisions for registration, redemption and exchange of Bonds shall be read as applying to Bonds only of each series, respectively, and not as between series. Upon the sale of the Bonds or any series of the Bonds, the Designated Officials and any other officers of the Village as shall be appropriate, shall be and are hereby authorized and directed to approve or execute, or both, such documents of sale of the Bonds as may be necessary, including, without limitation, the Bond Notification, Preliminary Official Statement, Official Statement, Bond Purchase Contract (as hereinafter defined), and closing documents. The Designated Officials must find and determine in the Bond Notification that no person holding any office of the Village either by election or appointment, is in any manner financially interested either directly, in his or her own name, or indirectly in the name of any other person, association, trust or corporation in said Bond Purchase Contract with the Purchaser for the purchase of the Bonds. The distribution of the Preliminary Official Statement relating to the Bonds is hereby in all respects authorized and approved, and the proposed use by the Purchaser of an Official Statement (in substantially the form of the Preliminary Official Statement but with appropriate variations to reflect the final terms of the Bonds) is hereby approved. The Designated

Officials are hereby authorized to execute the contract for the sale of Bonds, as evidenced by an Official Notice of Sale and an Official Bid Form submitted to the Village and executed by the Purchaser (the “*Bond Purchase Contract*”). Upon the sale of the Bonds, the Designated Officials shall prepare the Bond Notification, which shall include the pertinent details of sale as provided herein, and such shall be entered into the records of the Village and made available to all Trustees at the next public meeting thereof. The Designated Officials shall also file with the Bond Notification with the County Clerk. The authority granted in this Ordinance to the Designated Officials to sell Bonds as provided herein shall expire on April 13, 2021.

*Section 15. Creation of Funds and Appropriations.*

A. There is hereby created the “*Taxable General Obligation Refunding Bonds, Series 2020, 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, 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 Pledged Taxes shall either be deposited into the Bond Fund and used solely and only 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 Pledged 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 Village Council, transferred to such other fund as may be determined. The Village hereby pledges, as equal and ratable security for the Bonds, all present and future proceeds of the Pledged Taxes for the sole benefit of the registered owners of the Bonds, subject to the reserved right of the Village Council 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 sum of principal proceeds of the Bonds as is necessary, together with such money in the debt service funds for the Prior Bonds as may be advisable for the purpose, shall be used to provide for the Refunding and the payment of costs of issuance of the Bonds and that portion thereof not needed to pay such costs of issuance is hereby ordered deposited in escrow with the Escrow Agent pursuant to the provisions of an Escrow Agreement, substantially in the form attached hereto as *Exhibit A* to this Ordinance, made a part hereof by this reference, and hereby approved; the officers appearing signatory to such Escrow Agreement are hereby authorized and directed to execute same, their execution to constitute conclusive proof of action in accordance with this Ordinance, and approval of all completions or revisions necessary or appropriate to effect the Refunding. The Village expressly authorizes the use of the Government Obligations as set forth in the Escrow Account as set forth in the Escrow Agreement. At the time of the issuance of the Bonds, the costs of issuance of the Bonds may be paid by the Purchaser on behalf of the Village from the proceeds of the Bonds.

*Section 16. Registered Form.* The Bonds shall be issued in fully registered form and the Village agrees that it will not take any action to permit the Bonds to be issued in, or converted into, bearer or coupon form.

*Section 17. Rights and Duties of Bond Registrar and Paying Agent.* If requested by the Bond Registrar or the Paying Agent, or both, any officer of the Village is authorized to execute standard forms of agreements between the Village and the Bond Registrar or Paying Agent with respect to the obligations and duties of the Bond Registrar or Paying Agent hereunder. In addition to the terms of such agreements and subject to modification thereby, the Bond Registrar and Paying Agent by acceptance of duties hereunder agree:

- (a) to act as bond registrar, paying agent, authenticating agent, and transfer agent as provided herein;

(b) as to the Bond Registrar, 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) as to the Bond Registrar, to give notice of redemption of Bonds as provided herein;

(d) as to the Bond Registrar, to cancel and/or destroy Bonds which have been paid at maturity or submitted for exchange or transfer;

(e) as to the Bond Registrar, 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 Clerk is hereby directed to file a certified copy of this Ordinance with the Bond Registrar and the Paying Agent.

*Section 18. Defeasance.* Any Bond or Bonds which (a) are paid and cancelled, (b) which have matured and for which sufficient sums been deposited with the Paying Agent to pay all principal and interest due thereon, or (c) for which sufficient U.S. funds and direct U.S. Treasury obligations have been deposited with the Paying Agent 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 or as called for redemption, pursuant to an irrevocable escrow or trust agreement, shall cease to have any lien on or right to receive or be paid from the Bond Moneys or Pledged Taxes hereunder 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 payment, registration, transfer, and exchange are expressly continued for all Bonds whether outstanding Bonds or not.

*Section 19. Continuing Disclosure Undertaking.* The President or the Treasurer is hereby authorized, empowered and directed to execute and deliver the Continuing Disclosure Undertaking (the “*Continuing Disclosure Undertaking*”) in substantially the same form as now before the Village Council, or with such changes therein as the individual executing the Continuing Disclosure Undertaking on behalf of the Village shall approve, the official’s execution thereof to constitute conclusive evidence of the 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 20. Call of Refunded Bonds.* In accordance with the redemption provisions of the bond ordinances authorizing the Prior Bonds, the Village by the Village Council does hereby make provision for the payment of and does hereby call (subject only to the delivery of the Bonds) the Refunded Bonds for redemption and payment prior to maturity on the earliest practical call date therefor, the same being the date set forth in the Escrow Agreement.

*Section 21. Purchase of the Government Securities.* The Escrow Agent and the Purchaser be and the same are each hereby authorized to act as agent for the Village in the purchase of the Government Obligations described and set forth in the Escrow Agreement.

*Section 22. Municipal Bond Insurance.* In the event the payment of principal and interest on the Bonds is insured pursuant to a municipal bond insurance policy (the “*Municipal Bond Insurance Policy*”) issued by a bond insurer (the “*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 the Bonds, subrogation of the rights of the Bondholders to the Bond Insurer when holding Bonds, amendment hereof, or other terms, as approved by the Village Council on advice of counsel, their approval to constitute full and complete acceptance by the Village of such terms and provisions under authority of this Section.

*Section 23. 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.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

*Section 24. Superseder and Effective Date.* All ordinances, resolutions and orders, or parts thereof, in conflict herewith, are to the extent of such conflict hereby superseded; and this Ordinance shall be in full force and effect immediately upon its passage and approval.

AYES: \_\_\_\_\_

\_\_\_\_\_

NAYS: \_\_\_\_\_

ABSENT: \_\_\_\_\_

ADOPTED: October 13, 2020

APPROVED: October 13, 2020

\_\_\_\_\_  
Village President, Village of Winnetka  
Cook County, Illinois

Recorded In Village Records: October 13, 2020.

ATTEST:

\_\_\_\_\_  
Village Clerk, Village of Winnetka  
Cook County, Illinois

**EXHIBIT A**

**FORM OF ESCROW AGREEMENT**

## ESCROW AGREEMENT

This Escrow Agreement, dated \_\_\_\_\_, 2020, by and between the Village of Winnetka, Cook County, Illinois (the “*Village*”), and Amalgamated Bank of Chicago, a banking corporation having trust powers, organized and operating under the laws of the State of Illinois, located in Chicago, Illinois (the “*Escrow Agent*”), in consideration of the mutual promises and agreements herein set forth:

### WITNESSETH:

#### ARTICLE I

##### DEFINITIONS

The following words and terms used in this Agreement shall have the following meanings unless the context or use clearly indicates another or different meaning:

*Section 1.01.* “*Agreement*” means this Agreement between the Village and the Escrow Agent.

*Section 1.02.* “*Bond Ordinance*” means the ordinance adopted on the 13th day of October, 2020, by the Village Council entitled:

AN ORDINANCE providing for the issuance of not to exceed \$12,750,000 Taxable General Obligation Refunding Bonds, Series 2020, of the Village of Winnetka, Cook County, Illinois, authorizing the sale of said bonds to the purchaser thereof, providing for the levy and collection of a direct annual tax sufficient for the payment of the principal of and interest on said bonds, and further providing for the execution of an escrow agreement in connection with such issuance.

authorizing the issuance of the Bonds.

*Section 1.03.* “*Bonds*” means the \$ \_\_\_\_\_ Taxable General Obligation Refunding Bonds, Series 2020, dated \_\_\_\_\_, 2020, authorized to be issued by the Bond Ordinance.

*Section 1.04.* “*Code*” means Section 148 of the Internal Revenue Code of 1986, and all lawful regulations promulgated thereunder.

Section 1.05. “Escrow Account” means the trust account established under this Agreement by the deposit of the Government Securities and the beginning cash.

Section 1.06. “Escrow Agent” means Amalgamated Bank of Chicago, a banking corporation having trust powers, organized and operating under the laws of the State of Illinois, located in Chicago, Illinois, not individually but in the capacity for the uses and purposes hereinafter mentioned, or any successor thereto.

Section 1.07. “Government Securities” means the non-callable direct obligations of or non-callable obligations guaranteed by the full faith and credit of the United States of America as to principal and interest deposited hereunder as more particularly described in Exhibit A to this Agreement and also including any direct obligations purchased pursuant to Section 3.02.

Section 1.08. “Paying Agent” means Amalgamated Bank of Chicago, Chicago, Illinois, as bond registrar and paying agent for the Refunded Bonds, and any successor thereto.

Section 1.09. “Refunded Bonds” means, collectively, the outstanding bonds of the Village as follows:

\$ \_\_\_\_\_ General Obligation Bonds, Series 2013, dated November 20, 2013, being [a portion][all] of the bonds outstanding from an issue in the original principal amount of \$9,000,000, fully registered and without coupons, due serially on December 15 of the year, in the amount and bearing interest at the rate per annum as follows:

YEAR OF MATURITY	PRINCIPAL AMOUNT	RATE OF INTEREST
2046	\$5,560,000	4.375%

\$ \_\_\_\_\_ General Obligation Bonds, Series 2014, dated January 7, 2014, being [a portion][all] of the bonds outstanding from an issue in the original principal amount of \$7,500,000, fully registered and without coupons, due serially on December 15 of the years, in the amounts and bearing interest at the rates per annum as follows:

YEAR OF MATURITY	PRINCIPAL AMOUNT	RATE OF INTEREST
2020	\$ 720,000	4.000%
2021	735,000	4.000%
2022	755,000	4.000%
2023	780,000	4.000%
2043	4,510,000	5.000%

*Section 1.10.* “*Treasurer*” means the Village Treasurer of the Village.

*Section 1.11.* “*Village*” means the Village of Winnetka, Cook County, Illinois.

*Section 1.12.* “*Village Council*” means the Village Council of the Village

## ARTICLE II

### CREATION OF ESCROW

*Section 2.01.* The Village, by the Bond Ordinance, has authorized the issue and delivery of the Bonds, proceeds of which, together with certain funds of the Village on hand and legally available for such purpose, are to be used to refund the Refunded Bonds by the deposit on demand and to purchase on behalf of the Village the Government Securities. Such deposit and securities will provide all moneys necessary to pay the principal of and interest on the Refunded Bonds when due and upon redemption prior to maturity.

*Section 2.02.* The Village deposits \$ \_\_\_\_\_ from the proceeds of the Bonds, \$0.00 from the proceeds of the Refunded Bonds and \$ \_\_\_\_\_ from funds on hand and legally available for the purchase of Government Securities and the funding of a beginning cash escrow deposit on demand in the amount of \$ \_\_\_\_\_. The beginning deposit and the Government Securities are held in an irrevocable trust fund account for the Village to the benefit of the holders of the Refunded Bonds to pay the principal of and interest on the Refunded Bonds when due and upon redemption prior to maturity.

*Section 2.03.* The Escrow Agent and the Village have each received the report of Stanley P. Stone & Associates, New York, New York, attached hereto as *Exhibit B* (the “*Verification*”

*Report*”), that the principal of and income and profit to be received from the Government Securities, when paid at maturity, and the cash held in accordance with Section 2.02 hereof, will be sufficient, at all times pending the final payment of the Refunded Bonds, to pay all interest on and all principal of the Refunded Bonds when due and upon redemption prior to maturity as evidenced by said Report.

### ARTICLE III

#### COVENANTS OF ESCROW AGENT

The Escrow Agent covenants and agrees with the Village as follows:

*Section 3.01.* The Escrow Agent will hold the Government Securities and all interest income or profit derived therefrom and all uninvested cash in an irrevocable segregated and separate trust fund account for the sole and exclusive benefit of the holders of the Refunded Bonds until final payment thereof.

*Section 3.02.* The beginning cash escrow deposit shall not be invested by the Escrow Agent.

The Escrow Agent shall hold the beginning cash escrow deposit and all available uninvested balances in the Escrow Account on demand and in trust for the purposes hereof and shall secure same in accordance with applicable Illinois law for the securing of public funds.

*Section 3.03.* The Escrow Agent will promptly collect the principal, interest or profit from the Government Securities and promptly apply the same as necessary to the payment of principal and interest on the Refunded Bonds when due and upon redemption prior to maturity as herein provided.

*Section 3.04.* The Escrow Agent will remit to the Paying Agent, in good funds on or before each principal or interest payment or redemption date on the Refunded Bonds, moneys sufficient to pay such principal, interest and redemption price as will meet the requirements for the retirement

of the Refunded Bonds, and such remittances shall fully release and discharge the Escrow Agent from any further duty or obligation thereto under this Agreement.

*Section 3.05.* The Escrow Agent will make no payment of fees, charges or expenses due or to become due, of the Paying Agent or the bond registrar and paying agent on the Bonds, and the Village either paid such fees, charges and expenses in advance as set forth in Section 3.07 hereof or covenants to pay the same as they become due.

*Section 3.06.* The charges, fees and expenses of the Escrow Agent (other than any charges, fees and expenses incurred pursuant to Section 3.08 hereof) have been paid in advance, and all charges, fees or expenses of the Escrow Agent in carrying out any of the duties, terms or provisions of this Agreement shall be paid solely therefrom. The Escrow Agent is also providing bond registrar and paying agent services for the Bonds, and the acceptance fee and first annual fee of the Escrow Agent for such bond registrar and paying agent services have been paid in advance, and all remaining charges, fees or expenses of the Escrow Agent for such services shall be paid by the Village upon receipt of invoices therefor.

*Section 3.07.* The Village has called the Refunded Bonds [due on and after December 15, 2022,], for redemption and payment prior to maturity on December 15, 2021. The Escrow Agent will cause the Paying Agent to provide for and give timely notice of the call for redemption of [such] [the] Refunded Bonds. In the event the Escrow Agent determines that the Paying Agent will not give such timely notice, the Escrow Agent will give such notice. The form and time of the giving of such notice regarding [such] [the] Refunded Bonds shall be as specified in the ordinance authorizing the issuance of the Refunded Bonds. The Village shall reimburse the Escrow Agent for any actual out of pocket expenses incurred in the giving of such notice, but the failure of the Village to make such payment shall not in any respect whatsoever relieve the Escrow Agent from carrying out any of the duties, terms or provisions of this Agreement.

The Escrow Agent shall also give, or shall cause the Paying Agent to give, notice of the call of the Refunded Bonds, on or before the date the notice of such redemption is given to the holders of the Refunded Bonds, to the Municipal Securities Rulemaking Board (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 Rule 15c2-12 adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended. Information with respect to procedures for submitting notice can be found at <https://msrb.org>.

*Section 3.08.* The Escrow Agent has all the powers and duties herein set forth with no liability in connection with any act or omission to act hereunder, except for its own negligence or willful breach of trust, and shall be under no obligation to institute any suit or action or other proceeding under this Agreement or to enter any appearance in any suit, action or proceeding in which it may be defendant or to take any steps in the enforcement of its, or any, rights and powers hereunder, nor shall be deemed to have failed to take any such action, unless and until it shall have been indemnified by the Village to its satisfaction against any and all costs and expenses, outlays, counsel fees and other disbursements, including its own reasonable fees, and if any judgment, decree or recovery be obtained by the Escrow Agent, payment of all sums due it, as aforesaid, shall be a first charge against the amount of any such judgment, decree or recovery.

*Section 3.09.* The Escrow Agent may in good faith buy, sell or hold and deal in any of the Bonds or the Refunded Bonds.

*Section 3.10.* The Escrow Agent will submit to the Treasurer a statement within forty-five (45) days after June 16 and December 16 of each calendar year, commencing December 16, 2020, itemizing all moneys received by it and all payments made by it under the provisions of this Agreement during the preceding six (6) month period (or, for the first period, from the date of delivery of the Bonds to December 16, 2020), and also listing the Government Securities on

deposit therewith on the date of said report, including all moneys held by it received as interest on or profit from the collection of the Government Securities.

*Section 3.11.* If at any time it shall appear to the Escrow Agent that the available proceeds of the Government Securities and deposits on demand in the Escrow Account will not be sufficient to make any payment due to the holders of any of the Refunded Bonds, the Escrow Agent shall notify the Treasurer, not less than five (5) days prior to such date, and the Village agrees that it will from any funds legally available for such purpose make up the anticipated deficit so that no default in the making of any such payment will occur.

#### **ARTICLE IV**

##### **COVENANTS OF VILLAGE**

The Village covenants and agrees with the Escrow Agent as follows:

*Section 4.01.* The Escrow Agent shall have no responsibility or liability whatsoever for (a) any of the recitals of the Village herein, (b) the performance of or compliance with any covenant, condition, term or provision of the Bond Ordinance, and (c) any undertaking or statement of the Village hereunder or under the Bond Ordinance.

*Section 4.02.* All payments to be made by, and all acts and duties required to be done by, the Escrow Agent under the terms and provisions of this Agreement, shall be made and done by the Escrow Agent without any further direction or authority of the Village or the Treasurer.

#### **ARTICLE V**

##### **AMENDMENTS, REINVESTMENT OF FUNDS, IRREVOCABILITY OF AGREEMENT**

*Section 5.01.* Except as provided in Section 5.04 hereof, all of the rights, powers, duties and obligations of the Escrow Agent hereunder shall be irrevocable and shall not be subject to amendment by the Escrow Agent and shall be binding on any successor to the Escrow Agent during the term of this Agreement.

EXHIBIT A

*Section 5.02.* Except as provided in Section 5.04 hereof, all of the rights, powers, duties and obligations of the Village hereunder shall be irrevocable and shall not be subject to amendment by the Village and shall be binding on any successor to the officials now comprising the Village Council during the term of this Agreement.

*Section 5.03.* Except as provided in Section 5.04 hereof, all of the rights, powers, duties and obligations of the Treasurer hereunder shall be irrevocable and shall not be subject to amendment by the Treasurer and shall be binding on any successor to said official now in office during the term of this Agreement.

*Section 5.04.* This Agreement may be amended or supplemented, and the Government Securities or any portion thereof may be sold, redeemed, invested or reinvested, in any manner provided (any such amendment, supplement, or direction to sell, redeem, invest or reinvest to be referred to as a “*Subsequent Action*”), upon submission to the Escrow Agent of each of the following:

(1) Certified copy of proceedings of the Village Council authorizing the Subsequent Action and copy of the document effecting the Subsequent Action signed by duly designated officers of the Village.

(2) An opinion of nationally recognized bond counsel or tax counsel nationally recognized as having an expertise in the area of tax-exempt municipal bonds that the Subsequent Action has been duly authorized by the Village Council and does not materially adversely affect the legal rights of the holders of the Bonds and the Refunded Bonds.

(3) An opinion of a firm of nationally recognized independent certified public accountants or consultants nationally recognized as having an expertise in the area of refunding escrows that the amounts (which will consist of cash or deposits on demand held in trust or receipts from non-callable direct obligations of or non-callable obligations guaranteed by the full faith and credit of the United States of America, all of which shall

be held hereunder) available or to be available for payment of the Refunded Bonds will remain sufficient to pay when due all principal and interest on the Refunded Bonds after the taking of the Subsequent Action.

## **ARTICLE VI**

### **MERGER, CONSOLIDATION OR RESIGNATION OF ESCROW AGENT**

Any banking association or corporation into which the Escrow Agent may be merged, converted or with which the Escrow Agent may be consolidated, or any corporation resulting from any merger, conversion or consolidation to which the Escrow Agent shall be a party, or any banking association or corporation to which all or substantially all of the corporate trust business of the Escrow Agent shall be transferred, shall succeed to all the Escrow Agent's rights, obligations and immunities hereunder without the execution or filing of any paper or any further act on the part of any of the parties hereto, anything herein to the contrary notwithstanding. The Escrow Agent may at any time resign as Escrow Agent under this Agreement by giving 30 days' written notice to the Village, and such resignation shall take effect upon the appointment of a successor Escrow Agent by the Village. The Village may select as successor Escrow Agent any financial institution with capital, surplus and undivided profits of at least \$75,000,000 and having a corporate trust office within the State of Illinois, and which is authorized to maintain trust accounts for municipal corporations in Illinois under applicable law.

## **ARTICLE VII**

### **NOTICES TO THE VILLAGE, THE TREASURER AND THE ESCROW AGENT**

*Section 7.01.* All notices and communications to the Village and the Village Council shall be addressed in writing to: Village Council, Village of Winnetka, 510 Green Bay Road, Winnetka, Illinois 60093.

*Section 7.02.* All notices and communications to the Treasurer shall be addressed in writing to: Village Treasurer, Village of Winnetka, 510 Green Bay Road, Winnetka, Illinois 60093.

*Section 7.03.* All notices and communications to the Escrow Agent shall be addressed in writing to: Corporate Trust Department, Amalgamated Bank of Chicago, 30 North LaSalle Street, Chicago, Illinois 60602.

## **ARTICLE VIII**

### **TERMINATION OF AGREEMENT**

*Section 8.01.* That, upon final disbursement of funds sufficient to pay the principal and interest of the Refunded Bonds as hereinabove provided for, the Escrow Agent will transfer any balance remaining in the Escrow Account to the Treasurer with due notice thereof mailed to the Village Council, and thereupon this Agreement shall terminate.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the Village of Winnetka, Cook County, Illinois, has caused this Agreement to be signed in its name by the Village President and to be attested by the Village Clerk of the Village; and Amalgamated Bank of Chicago, Chicago, Illinois, not individually, but in the capacity as hereinabove described, has caused this Agreement to be signed in its corporate name by one of its officers and attested by one of its officers under its corporate seal hereunto affixed, all as of the \_\_\_\_\_ day of \_\_\_\_\_, 2020.

VILLAGE OF WINNETKA, COOK COUNTY,  
ILLINOIS

By \_\_\_\_\_  
Village President

Attest:

\_\_\_\_\_  
Village Clerk

AMALGAMATED BANK OF CHICAGO,  
Chicago, Illinois

By \_\_\_\_\_  
Its \_\_\_\_\_

Attest:

\_\_\_\_\_  
Its \_\_\_\_\_

[BANK SEAL]

This Escrow Agreement received and acknowledged by me this \_\_\_\_\_ day of \_\_\_\_\_, 2020.

\_\_\_\_\_  
Village Treasurer

This Escrow Agreement received and acknowledged by The Bank of New York Mellon Trust Company, National Association, in its corporate name by one of its officers, this \_\_\_\_\_ day of \_\_\_\_\_, 2020.

THE BANK OF NEW YORK MELLON TRUST  
COMPANY, NATIONAL ASSOCIATION

By \_\_\_\_\_  
Its \_\_\_\_\_

**EXHIBIT A**  
**GOVERNMENT SECURITIES**

**EXHIBIT B**  
**VERIFICATION REPORT**

# **Attachment #3**

New Issue

Date of Sale: Thursday, October 29, 2020  
Between 10:30-10:45 A.M., C.D.T.  
(Open Speer Auction)

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

**Official Statement – DRAFT – 10/2/2020**

In the opinion of Chapman and Cutler LLP, Chicago, Illinois ("Bond Counsel"), interest on the Bonds is includible in gross income of the owners thereof for federal income tax purposes. Interest on the Bonds is not exempt from present State of Illinois income taxes. See "TAX MATTERS" herein for a more complete discussion.



**\$12,315,000\***  
**VILLAGE OF WINNETKA**  
**Cook County, Illinois**  
**Taxable General Obligation Refunding Bonds, Series 2020**

**Dated Date of Delivery**

**Book-Entry**

**Due Serially December 15, 2021-2040**

The \$12,315,000\* Taxable General Obligation Refunding Bonds, Series 2020 (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, 2021. 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, New York, New York ("DTC"), 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, YIELDS OR PRICES AND CUSIP NUMBERS<sup>(1)</sup>**

Principal Amount*	Due Dec. 15	Interest Rate	Price or Yield	CUSIP Number <sup>(1)</sup>	Principal Amount*	Due Dec. 15	Interest Rate	Price or Yield	CUSIP Number <sup>(1)</sup>
\$275,000	2021	%	%		\$620,000	2031	%	%	
550,000	2022	%	%		635,000	2032	%	%	
560,000	2023	%	%		645,000	2033	%	%	
560,000	2024	%	%		655,000	2034	%	%	
570,000	2025	%	%		675,000	2035	%	%	
575,000	2026	%	%		685,000	2036	%	%	
580,000	2027	%	%		705,000	2037	%	%	
590,000	2028	%	%		725,000	2038	%	%	
600,000	2029	%	%		740,000	2039	%	%	
610,000	2030	%	%		760,000	2040	%	%	

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 December 15, 2021-2028, inclusive, are not subject to optional redemption. The Bonds due December 15, 2029-2040, inclusive, are callable in whole or in part on any date on or after December 15, 2028, at a price of par and 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**

Bond proceeds will be used to (i) refund a portion of the Village's outstanding General Obligation Bonds, Series 2013, and General Obligation Bonds, Series 2014, and (ii) pay the costs of issuing the Bonds. See "PLAN OF FINANCING" herein.

In the opinion of 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.

This Official Statement is dated October \_\_, 2020, and has been prepared under the authority of the Village. An electronic copy of this Official Statement is available from the [www.speerfinancial.com](http://www.speerfinancial.com) web site under "Debt Auction Center/Official Statement Sales - Competitive". Additional copies may be obtained from Mr. Timothy Sloth, Treasurer/Finance Director, Village of Winnetka, 510 Green Bay Road, Winnetka, Illinois 60093, or from the Independent Public Finance Consultants to the Village:



\*Subject to change.

(1) CUSIP numbers appearing in this Official Statement have been provided by the CUSIP Service Bureau, which is managed on behalf of the American Bankers Association by S&P Global Ratings. The Village is not responsible for the selection of CUSIP numbers and makes no representation as to their correctness on the Bonds or as set forth on the cover of this Official Statement.

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 or addenda shall, on and after the date thereof, be fully incorporated herein and made a part hereof by reference. Alternatively, such final terms of the Bonds and other information may be included in a separate document entitled “Final Official Statement” rather than through supplementing the Official Statement by an addendum or addenda.

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 is provided for the convenience of potential investors and which should be reviewed in its entirety by potential investors.

<b>Issuer:</b>	Village of Winnetka, Cook County, Illinois.
<b>Issue:</b>	\$12,315,000* Taxable General Obligation Refunding Bonds, Series 2020.
<b>Dated Date:</b>	Date of delivery, expected to be on or about November 12, 2020.
<b>Interest Due:</b>	Each June 15 and December 15, commencing June 15, 2021.
<b>Principal Due:</b>	Serially each December 15, commencing December 15, 2021 through 2040, as detailed on the front page of this Official Statement.
<b>Optional Redemption:</b>	The Bonds maturing on or after December 15, 2029, are callable at the option of the Village on any date on or after December 15, 2028, at a price of par plus accrued interest. See “ <b>OPTIONAL REDEMPTION</b> ” herein.
<b>Authorization:</b>	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.
<b>Security:</b>	The Bonds are 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.
<b>Investment Rating:</b>	A credit rating for the Bonds has been requested from Moody’s Investors Service, Inc., New York, New York.
<b>Purpose:</b>	Bond proceeds will be used to (i) refund a portion of the Village’s outstanding General Obligation Bonds, Series 2013 and General Obligation Bonds, Series 2014, and (ii) pay the costs of issuing the Bonds. See “ <b>PLAN OF FINANCING</b> ” herein.
<b>Tax Matters:</b>	Interest on the Bonds is includible in gross income for federal income tax purposes. Interest on the Bonds is not exempt from present State of Illinois income taxes. See “ <b>TAX MATTERS</b> ” herein.
<b>Bond Registrar/Paying Agent/ Escrow Agent:</b>	Amalgamated Bank of Chicago, Chicago, Illinois.
<b>Verification Agent:</b>	Stanley P. Stone & Associates, New York, New York.
<b>Delivery:</b>	The Bonds are expected to be delivered on or about November 12, 2020.
<b>Book-Entry Form:</b>	The Bonds will be registered in the name of Cede & Co., as nominee for The Depository Trust Company, New York, New York (“DTC”). DTC will act as securities depository of the Bonds. See <b>APPENDIX B</b> herein.
<b>Denomination:</b>	\$5,000 or integral multiples thereof.
<b>Municipal Advisor:</b>	Speer Financial, Inc., Chicago, Illinois.

**VILLAGE OF WINNETKA**  
**Cook County, Illinois**

**Village Council**

Chris Rintz  
*President*

**Village Trustees**

Rob Apatoff  
Bob Dearborn

Jack Coladarci  
Penny Lanphier

Andrew Cripe  
John Swierk

---

**Officials**

Timothy J. Sloth  
*Treasurer/Finance Director*

Robert M. Bahan  
*Village Manager*

Peter M. Friedman Esq.  
*Village Attorney*

**THE BONDS**

The Taxable General Obligation Refunding Bonds, Series 2020 (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 President and Board of Trustees of the Village (the “Village Council”), on the 13th day of October, 2020 (as supplemented by a notification of sale, 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 (the “County Clerk”), and will serve as authorization to the County Clerk to extend and collect the property taxes as set forth in the Bond Ordinance.

Whenever other funds from any 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 property taxes levied for the payment of same, the Village Council may, by proper proceedings, direct the deposit of such funds into the bond fund established by the Village for repayment of the Bonds and further direct the abatement of such property taxes by the amount so deposited. A certified copy or other notification of any such proceedings abating such property taxes must be filed with the County Clerk in a timely manner to effect such abatement.

## RISK FACTORS

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

### Finances of the State of Illinois

The State of Illinois (the “State”) has experienced adverse fiscal conditions resulting in significant shortfalls between the State’s general fund revenues and spending demands. The State’s long-term general obligation bonds are rated at the lowest investment grade rating level and are the lowest bond ratings among the states.

The State failed to enact a full budget for the State fiscal years ending June 30, 2016, and June 30, 2017, which had a significant, negative impact on the State’s finances, although certain spending occurred through statutory transfers, statutory continuing appropriations, court orders and consent decrees, including spending for elementary and secondary education. The State enacted full budgets for the State fiscal years ending June 30, 2018 (the “Fiscal Year 2018 Budget”), June 30, 2019 (the “Fiscal Year 2019 Budget”), June 30, 2020 (the “Fiscal Year 2020 Budget”) and June 30, 2021 (the “Fiscal Year 2021 Budget”).

Under current law, the State shares a portion of sales tax, income tax and motor fuel tax revenue with municipalities, including the Village. The State’s general fiscal condition and the underfunding of the State’s pension systems have materially adversely affected the State’s financial condition and may result in decreased or delayed revenues allocated to the Village. In addition, the Fiscal Year 2018 Budget, the Fiscal Year 2019 Budget and the Fiscal Year 2020 Budget contained a provision reducing the amount of income tax revenue to be deposited into the Local Government Distributive Fund for distribution to municipalities, like the Village, by 10% for State Fiscal Year 2018 and by 5% for State Fiscal Year 2019 and State Fiscal Year 2020. The Fiscal Year 2021 Budget did not include any such reduction. The Fiscal Year 2018 Budget, the Fiscal Year 2019 Budget, the Fiscal Year 2020 Budget and the Fiscal Year 2021 Budget also include a service fee for collection and processing of local-imposed sales taxes. Such fee was 2% of such sales taxes for State Fiscal Year 2018 and was reduced to 1.5% of such sales taxes for State Fiscal Year 2019, State Fiscal Year 2020 and State Fiscal Year 2021. The Village cannot determine at this time the financial impact of these provisions on its overall financial condition, but such provisions may result in lower income tax revenues and sales tax revenues distributed to the Village.

The Village can give no assurance that there will not be additional changes in applicable law modifying the manner in which local revenue sharing is allocated by the State, nor can the Village predict the effect the State’s financial problems, including those caused by the continued spread of the Novel Coronavirus 2019 (“COVID-19”) or the various governmental or private actions in reaction thereto, may have on the Village’s future finances. In response to the COVID-19 pandemic, the rating agencies have lowered their respective rating outlooks on the State’s long-term general obligation bonds to negative from stable. See “**Potential Impact of COVID-19**” below.

## Potential Impact of COVID-19

The COVID-19 pandemic, along with various governmental measures taken to protect public health in light of the pandemic, has had an adverse impact on global financial markets and economies, including financial markets and economic conditions in the United States. The impact of the COVID-19 pandemic on the U.S. economy is expected to be broad based and to negatively impact national, state and local economies.

In response to such expectations, President Trump declared a “national emergency” and Illinois as a disaster area, which, among other effects, allows the executive branch to disburse disaster relief funds to address the COVID-19 pandemic and related economic dislocation. On March 27, 2020, President Trump signed the Coronavirus Aid, Relief and Economic Security Act (the “CARES Act”), which is directed at mitigating the economic downturn and health care crisis caused by COVID-19. The CARES Act allocates approximately \$4.9 billion to the State for expenditures incurred due to the public health emergency with respect to COVID-19, split between the State (\$2.7 billion) and local governments (the City of Chicago and Illinois counties with populations that exceed 500,000) (\$2.2 billion).

The Governor has signed various executive orders (each with 30-day periods of effectiveness which have been extended several times) to prevent the further spread of COVID-19 that, as originally issued, (i) required all Illinoisans (with certain exceptions) to stay in their homes; (ii) closed all bars and restaurants to dine-in customers, (iii) ceased operations for all non-essential businesses in the State and (iv) prohibited all public and private gatherings of 10 or more people. The Governor has implemented a five-phase approach to reopening the State’s businesses, with each successive phase easing certain of the restrictions previously imposed by such executive orders. The State is currently in the fourth phase of this reopening plan, and the current executive orders extend through September 19, 2020. Under the current executive orders, Illinoisans are no longer required to stay in their homes, bars and restaurants are allowed to partially open, public and private gatherings of 50 or fewer people are allowed and some additional businesses are allowed to resume operations.

Despite moneys the State is expected to receive from the federal government, including from the CARES Act, the spread of COVID-19 and the actions taken in response thereto have had, and are expected to continue to have, a significant negative impact on the State’s economy, which could affect the revenues received by the Village from the State. The State is not yet able to assess the severity of the economic impact of the COVID-19 pandemic. The State’s initial estimates projected revenues for fiscal year 2020 to be approximately \$2.7 billion less than previously projected, and fiscal year 2021 revenues to be approximately \$4.6 billion less than previously projected. In addition, the State borrowed \$1.2 billion from the Federal Reserve’s Municipal Liquidity Facility on June 5, 2020, which provided additional revenues in fiscal year 2020, but must be repaid out of the State’s general revenues during fiscal year 2021. The State is expected to continue to develop economic forecasts and revenue estimates as circumstances change and additional information becomes available. It is possible that actual results will vary, and perhaps vary widely, from the amounts described in this paragraph.

The adverse impact on the State’s finances may, in turn, adversely affect the Village’s finances due to delays or reductions in the amount received by the Village from the State. Likewise, the Village’s finances may be adversely affected in manners separate and apart from the impact on the State. The Village, however, cannot predict the effect the spread of COVID-19 or the various governmental or private actions in reaction thereto will have on its finances or operations, including receipt of sales, income and utility taxes and real estate tax collections. If there is a negative impact on the receipt of such taxes and/or extension and collection of real estate taxes, the Village may have difficulty paying debt service on the Bonds.

## **Future Pension Plan Funding Requirements**

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

The Pension Code allows the State Comptroller, after proper procedures have taken place, to divert State payments intended for the Village to the Police Pension Plan and the Firefighters' Pension Plan to satisfy contribution shortfalls by the Village. If the Village does not make 100% of its annual required contributions to the Police Pension Plan and Firefighters' Pension Plan, the Village may have revenues withheld by the State Comptroller. Such withholdings by the State Comptroller could adversely affect the Village's financial health and operations. See **"EMPLOYEE RETIREMENT PLANS"** herein for a more complete discussion.

## **Cybersecurity**

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

## **Local Economy**

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

## **Loss or Change of Bond Rating**

The Bonds have received a credit rating from Moody's Investors Service, Inc., New York, New York ("Moody's"). The rating can be changed or withdrawn at any time for reasons both under and outside the Village's control. Any change, withdrawal or combination thereof could adversely affect the ability of investors to sell the Bonds or may affect the price at which they can be sold.

## **Secondary Market for the Bonds**

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

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

## **Continuing Disclosure**

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

## **Suitability of Investment**

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

## **Future Changes in Laws**

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

## **Bankruptcy**

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

## **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, 16 miles north of Chicago along the western shore of Lake Michigan. The 2010 Census reported 12,187 residents. 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 151 full-time personnel. The Winnetka Police and Fire Departments operate out of one station. The Police Department employs 26 full-time police officers and 8 civilian personnel. Fire protection services are provided by the Winnetka Fire Department employing 23 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)

<u>Name</u>	<u>Product/Service</u>	<u>Approximate Employment</u>
New Trier Township High School District 203.....	High School - Winnetka Campus .....	694
School District 36.....	Elementary School .....	340
Village of Winnetka.....	Municipality.....	155
Coldwell Banker.....	Real Estate Agency.....	130
North Shore Country Day School.....	Private School .....	115
BMO Harris Bank.....	Banking Services .....	65
Baird & Warner Inc.....	Real Estate Agency.....	65
Sacred Heart School.....	Catholic School.....	45
Faith, Hope & Charity School.....	Catholic School .....	43
Infodata Corp.....	Management Consulting Services .....	41

Note: (1) Source: 2020 Illinois Manufacturers Directory, 2020 Illinois Services Directory. The COVID-19 pandemic, and the response thereto, has negatively impacted businesses through the State and may have had an adverse impact on these employers. The Village makes no prediction as to the effect of COVID-19 on the information set forth in this table. See “RISK FACTORS - Potential Impact of COVID-19” herein.

#### Major Area Employers(1)

<u>Location</u>	<u>Name</u>	<u>Product/Service</u>	<u>Approximate Employment</u>
Northbrook....	Allstate Insurance Co. ....	Company Headquarters and Insurance .....	8,000
Evanston.....	Northshore University Health System ...	General Hospital .....	5,660
Evanston.....	Northwestern University .....	College .....	5,200
Northfield....	Medline Industries, Inc. ....	Medical Equipment and Supplies .....	5,000
Evanston.....	@properties .....	Real Estate Agency.....	1,847
Northbrook....	UL, LLC .....	Testing and Inspection Laboratories .....	1,700
Glenview.....	Abt Electronics, Inc. ....	Retail Consumer Electronics .....	1,600
Skokie.....	Federal Mogul Motorparts .....	Gaskets .....	1,300
Northfield....	Kraft Foods Group, Inc. ....	Corporate Headquarters and Food Preparations .....	1,300
Skokie.....	Skokie Hospital .....	General Hospital .....	1,200
Evanston.....	Amita Health St. Francis Hospital ....	General Hospital .....	1,200
Northbrook....	Astellas Pharma US, Inc. ....	Corporate Headquarters and Wholesale Pharmaceutical Products .....	1,150
Glenview.....	Kraft Foods Technology Center .....	Commercial Physical Research .....	1,000
Glenview.....	Anixter, Inc. ....	Corporate Headquarters and Electrical Equipment .....	1,000

Note: (1) Source: 2020 Illinois Manufacturers Directory, 2020 Illinois Services Directory. The COVID-19 pandemic, and the response thereto, has negatively impacted businesses through the State and may have had an adverse impact on these employers. The Village makes no prediction as to the effect of COVID-19 on the information set forth in this table. See “RISK FACTORS - Potential Impact of COVID-19” herein.

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 2014-2018 American Community Survey 5-year estimated values.

**Employment By Industry(1)**

Classification	The Village		Cook County		State of Illinois	
	Number	Percent	Number	Percent	Number	Percent
Agriculture, Forestry, Fishing and Hunting, and Mining.....	17	0.3%	4,403	0.2%	66,259	1.1%
Construction.....	57	1.2%	119,212	4.7%	328,620	5.3%
Manufacturing.....	477	9.7%	247,352	9.7%	753,276	12.1%
Wholesale Trade.....	183	3.7%	72,063	2.8%	188,536	3.0%
Retail Trade.....	227	4.6%	248,700	9.8%	669,968	10.8%
Transportation and Warehousing, and Utilities.....	59	1.2%	180,343	7.1%	394,511	6.3%
Information.....	142	2.9%	55,804	2.2%	120,002	1.9%
Finance and Insurance, and Real Estate and Rental and Leasing..	1,187	24.1%	205,038	8.0%	453,391	7.3%
Professional, Scientific, and Management, and Administrative and Waste Management Services.....	1,325	26.9%	371,057	14.6%	735,339	11.8%
Educational Services and Health Care and Social Assistance....	800	16.3%	578,789	22.7%	1,426,656	22.9%
Arts, Entertainment and Recreation and Accommodation and Food Services.....	221	4.5%	251,206	9.9%	568,457	9.1%
Other Services, Except Public Administration.....	148	3.0%	125,739	4.9%	294,078	4.7%
Public Administration.....	75	1.5%	89,290	3.5%	226,871	3.6%
Total.....	4,918	100.0%	2,548,996	100.0%	6,225,964	100.0%

Note: (1) Source: U.S. Bureau of the Census, American Community Survey 5-year estimates 2014 to 2018.

**Employment By Occupation(1)**

Classification	The Village		Cook County		State of Illinois	
	Number	Percent	Number	Percent	Number	Percent
Management, Business, Science and Arts .....	3,496	71.1%	1,019,892	40.0%	2,370,095	38.1%
Service .....	213	4.3%	455,103	17.9%	1,072,423	17.2%
Sales and Office .....	1,008	20.5%	564,569	22.1%	1,393,893	22.4%
Natural Resources, Construction, and Maintenance .....	85	1.7%	151,460	5.9%	448,917	7.2%
Production, Transportation, and Material Moving.....	116	2.4%	357,972	14.0%	940,636	15.1%
Total.....	4,918	100.0%	2,548,996	100.0%	6,225,964	100.0%

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

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## Unemployment Rates

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

### Annual Average Unemployment Rates(1)

Calendar Year	The Village	Cook County	State of Illinois
2011 .....	6.4%	10.4%	9.8%
2012 .....	6.2%	9.3%	8.9%
2013 .....	6.3%	9.6%	9.2%
2014 .....	4.5%	7.4%	7.1%
2015 .....	4.2%	6.1%	5.9%
2016 .....	4.1%	6.2%	5.9%
2017 .....	3.5%	5.2%	5.0%
2018 .....	2.8%	4.0%	4.3%
2019 .....	2.7%	3.8%	4.0%
2020(2) .....	N/A	13.6%	11.3%

- Notes: (1) Source: Illinois Department of Employment Security.  
 (2) Preliminary rates for the month of July 2020. The Village attributes the increase in unemployment rates to the various stay at home orders, issued by the Governor, related to the COVID-19 pandemic. See "RISK FACTORS - Potential Impact of COVID-19" herein.

## Building Permits

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

Calendar Year	Single-Family New Homes	
	Units	Value
2015 .....	28	\$ 810,714
2016 .....	19	842,632
2017 .....	21	821,480
2018 .....	18	898,556
2019 .....	25	1,291,859

Note: (1) Source: the Village.

## Housing

The U.S. Census Bureau 5-year estimated values reported that the median value of the Village's owner-occupied homes was \$1,076,000. This compares to \$237,200 for the County and \$187,200 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 2014-2018 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 .....	40	1.1%	42,174	3.8%	214,345	6.7%
\$50,000 to \$99,999 .....	0	0.0%	92,694	8.3%	476,898	15.0%
\$100,000 to \$149,999 .....	13	0.4%	140,730	12.6%	499,362	15.7%
\$150,000 to \$199,999 .....	38	1.0%	178,057	15.9%	513,220	16.1%
\$200,000 to \$299,999 .....	110	3.0%	261,678	23.4%	668,842	21.0%
\$300,000 to \$499,999 .....	266	7.2%	248,248	22.2%	537,360	16.9%
\$500,000 to \$999,999 .....	1,201	32.6%	119,262	10.7%	223,197	7.0%
\$1,000,000 or more .....	<u>2,012</u>	<u>54.7%</u>	<u>33,916</u>	<u>3.0%</u>	<u>55,811</u>	<u>1.8%</u>
Total .....	3,680	100.0%	1,116,759	100.0%	3,189,035	100.0%

Note: (1) Source: U.S. Bureau of the Census, American Community Survey 5-year estimates 2014 to 2018.

### Mortgage Status(1)

	The Village		Cook County		State of Illinois	
	Number	Percent	Number	Percent	Number	Percent
Housing Units with a Mortgage .....	2,474	67.2%	730,775	65.4%	2,034,106	63.8%
Housing Units without a Mortgage ...	<u>1,206</u>	<u>32.8%</u>	<u>385,984</u>	<u>34.6%</u>	<u>1,154,929</u>	<u>36.2%</u>
Total .....	3,680	100.0%	1,116,759	100.0%	3,189,035	100.0%

Note: (1) Source: U.S. Bureau of the Census, American Community Survey 5-year estimates 2014 to 2018.

## Income

### Per Capita Personal Income for the Highest Income Counties in the State(1)

Rank		2014 to 2018
1	Lake County .....	\$44,287
2	DuPage County .....	43,982
3	Monroe County .....	39,988
4	McHenry County .....	38,047
5	<b>Cook County .....</b>	<b>35,575</b>
6	Will County .....	35,259
7	Woodford County .....	35,104
8	Kane County .....	34,924
9	Sangamon County .....	34,548
10	Menard County .....	34,495
11	Kendall County .....	34,423
12	Putnam County .....	34,144

Note: (1) Source: U.S. Bureau of the Census, American Community Survey 5-Year estimates 2014 to 2018.

The following shows the median family income for counties in the Chicago metropolitan area.

**Ranking of Median Family Income(1)**

County	Family Income	Rank
DuPage County	\$108,865	1
Lake County	105,329	2
Kendall County	99,365	3
McHenry County	97,998	4
Monroe County	97,965	5
Will County	97,733	6
Kane County	90,558	7
Cook County	76,327	21

Note: (1) Source: U.S. Bureau of the Census, American Community Survey 5-Year estimates 2014 to 2018.

**Income**

The U.S. Census Bureau 5-year estimated values reported that the Village had a median family income of \$250,000+. This compares to \$76,327 for the County and \$79,747 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 2014-2018 American Community Survey.

**Family Income(1)**

Value	The Village		Cook County		State of Illinois	
	Number	Percent	Number	Percent	Number	Percent
Under \$10,000	60	1.8%	54,063	4.6%	118,179	3.8%
\$10,000 to \$14,999	0	0.0%	30,998	2.6%	70,168	2.3%
\$15,000 to \$24,999	9	0.3%	83,940	7.1%	186,491	6.0%
\$25,000 to \$34,999	34	1.0%	92,649	7.8%	216,864	7.0%
\$35,000 to \$49,999	96	2.8%	131,608	11.1%	340,169	10.9%
\$50,000 to \$74,999	226	6.7%	190,037	16.1%	538,213	17.3%
\$75,000 to \$99,999	98	2.9%	151,271	12.8%	444,134	14.2%
\$100,000 to \$149,999	354	10.5%	205,838	17.4%	598,534	19.2%
\$150,000 to \$199,999	336	10.0%	107,166	9.1%	286,266	9.2%
\$200,000 or more	2,157	64.0%	136,236	11.5%	318,315	10.2%
Total	3,370	100.0%	1,183,806	100.0%	3,117,333	100.0%

Note: (1) Source: U.S. Bureau of the Census, American Community Survey 5-year estimates 2014 to 2018.

The U.S. Census Bureau 5-year estimated values reported that the Village had a median household income of \$220,577. This compares to \$62,088 for the County and \$63,575 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 2014-2018 American Community Survey.

**Median Household Income(1)**

Value	The Village		Cook County		State of Illinois	
	Number	Percent	Number	Percent	Number	Percent
Under \$10,000.....	152	3.7%	150,136	7.6%	314,802	6.5%
\$10,000 to \$14,999.....	57	1.4%	82,860	4.2%	194,284	4.0%
\$15,000 to \$24,999.....	86	2.1%	185,110	9.4%	431,405	8.9%
\$25,000 to \$34,999.....	73	1.8%	169,860	8.7%	415,960	8.6%
\$35,000 to \$49,999.....	211	5.1%	227,406	11.6%	577,213	12.0%
\$50,000 to \$74,999.....	307	7.4%	318,622	16.2%	828,597	17.2%
\$75,000 to \$99,999.....	184	4.5%	234,678	12.0%	613,917	12.7%
\$100,000 to \$149,999.....	464	11.2%	289,976	14.8%	751,099	15.6%
\$150,000 to \$199,999.....	367	8.9%	136,558	7.0%	335,066	6.9%
\$200,000 or more.....	<u>2,233</u>	<u>54.0%</u>	<u>167,864</u>	<u>8.6%</u>	<u>367,695</u>	<u>7.6%</u>
Total.....	4,134	100.0%	1,963,070	100.0%	4,830,038	100.0%

Note: (1) Source: U.S. Bureau of the Census. American Community Survey 5-year estimates 2014 to 2018.

**Retail Activity**

The table below shows the distribution of the municipal portion and Home Rule portion of the Retailer's Occupation, Service Occupation and Use Tax ("Sales Tax") collected by the State Department of Revenue from retailers within the Village. The table indicates the level of retail activity in the Village.

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

State Fiscal Year Ending June 30	State Sales Tax Distribution(2)	Annual Percent Change + (-)
2011.....	\$1,046,930	0.94%(3)
2012.....	1,146,805	9.54%
2013.....	1,214,961	5.94%
2014.....	1,331,210	9.57%
2015.....	1,322,251	(0.67%)
2016.....	1,182,959	(10.53%)
2017.....	1,219,298	3.07%
2018.....	1,138,648	(6.61%)
2019.....	1,254,359	10.16%
2020.....	1,308,840	4.34%
Growth from 2011 to 2020.....		25.02%

- 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 2011 percentage is based on a 2010 sales tax of \$1,037,130.

Public Act 101-0009, effective June 5, 2019, included the "Leveling the Playing Field for Illinois Retailers Act." This legislation requires certain remote retailers to collect and remit state and locally-imposed sales taxes for the jurisdiction where the product is delivered (destination) starting on July 1, 2020. Information from the Illinois Municipal League (IML) indicates that "local governments could receive \$92 million per state fiscal year." There will, however, be a decrease in collections of Use Tax. Ultimately, the IML anticipates that municipalities will experience a net increase as a result of Public Act 101-0009.

## PLAN OF FINANCING

Bond proceeds will be used to fund an escrow to refund a portion of the Village’s outstanding General Obligation Bonds, Series 2013 (the “Series 2013 Bonds”) and the Village’s outstanding General Obligation Bonds, Series 2014 (the “Series 2014 Bonds”), as further described below (the “Refunded Bonds”):

### General Obligation Bonds, Series 2013

Maturities	Outstanding Amount	Amount Refunded	Redemption Price	Redemption Date
12/15/2044 .....	\$1,775,000(1)	\$1,775,000	100.00%	12/15/2021
12/15/2045 .....	1,855,000(1)	1,855,000	100.00%	12/15/2021
12/15/2046 .....	<u>1,930,000</u>	<u>1,930,000</u>	100.00%	12/15/2021
Total .....	\$5,560,000	\$5,560,000		

Note: (1) Mandatory redemption amount.

### General Obligation Bonds, Series 2014

Maturities	Outstanding Amount	Amount Refunded	Redemption Price	Redemption Date
12/15/2020 .....	\$ 720,000	\$ 0	N/A	N/A
12/15/2021 .....	735,000	0	N/A	N/A
12/15/2022 .....	755,000	755,000	100.00%	12/15/2021
12/15/2023 .....	780,000	780,000	100.00%	12/15/2021
12/15/2041 .....	1,175,000(1)	1,175,000	100.00%	12/15/2021
12/15/2042 .....	1,630,000(1)	1,630,000	100.00%	12/15/2021
12/15/2043 .....	<u>1,705,000</u>	<u>1,705,000</u>	100.00%	12/15/2021
Total .....	\$7,500,000	\$6,045,000		

Note: (1) Mandatory redemption amount.

Bond proceeds will be used to purchase direct full faith and credit obligations of the United States of America (the “Government Securities”), the principal of which, together with interest to be earned thereon and an initial cash deposit, will be sufficient (i) to pay when due the interest on the Refunded Bonds, and (ii) to pay principal of the Refunded Bonds on the redemption date. The remaining Bond proceeds will be used to pay the costs of issuing the Bonds.

The Government Securities and the initial cash deposit will be held in an escrow account (the “Escrow Account”) created pursuant to an escrow agreement (the “Escrow Agreement”) dated November 12, 2020, between the Village and Amalgamated Bank of Chicago, Chicago, Illinois, as Escrow Agent (the “Escrow Agent”).

The mathematical calculations of the adequacy of the maturing principal of and interest earnings on the Government Securities, together with the initial cash deposit in the Escrow Account, to provide for the payment of the interest and principal on the Refunded Bonds will be verified by Stanley P. Stone & Associates, New York, New York, Independent Certified Public Accountant, at the time of delivery of the Bonds.

### SOURCES AND USES

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

SOURCES:	
Principal Amount .....	\$ _____
[Net] Original Issue Premium [Discount] .....	_____
Total Sources .....	\$ _____
USES:	
Deposit to Escrow Account .....	\$ _____
Costs of Issuance(1) .....	_____
Total Uses .....	\$ _____

Note: (1) Includes estimated costs including underwriter's discount, fixed costs of issuance and contingencies.

### DEFAULT RECORD

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

### SHORT-TERM BORROWING

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

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## DEBT INFORMATION

### Village General Obligation Bonded Debt(I) (Principal Only)

Calendar Year	Series 2013	Series 2014	The Bonds(2)	Less: The Refunded Bonds(2)	Total Debt(2)	Cumulative Principal Retired(2)	
						Amount	Percent
2020	\$ 0	\$ 720,000	\$ 0	\$ 0	\$ 720,000	\$ 720,000	5.23%
2021	0	735,000	275,000	0	1,010,000	1,730,000	12.56%
2022	0	755,000	550,000	(755,000)	550,000	2,280,000	16.56%
2023	0	780,000	560,000	(780,000)	560,000	2,840,000	20.62%
2024	0	0	560,000	0	560,000	3,400,000	24.69%
2025	0	0	570,000	0	570,000	3,970,000	28.83%
2026	0	0	575,000	0	575,000	4,545,000	33.01%
2027	0	0	580,000	0	580,000	5,125,000	37.22%
2028	0	0	590,000	0	590,000	5,715,000	41.50%
2029	0	0	600,000	0	600,000	6,315,000	45.86%
2030	0	0	610,000	0	610,000	6,925,000	50.29%
2031	0	0	620,000	0	620,000	7,545,000	54.79%
2032	0	0	635,000	0	635,000	8,180,000	59.40%
2033	0	0	645,000	0	645,000	8,825,000	64.09%
2034	0	0	655,000	0	655,000	9,480,000	68.85%
2035	0	0	675,000	0	675,000	10,155,000	73.75%
2036	0	0	685,000	0	685,000	10,840,000	78.72%
2037	0	0	705,000	0	705,000	11,545,000	83.84%
2038	0	0	725,000	0	725,000	12,270,000	89.11%
2039	0	0	740,000	0	740,000	13,010,000	94.48%
2040	0	0	760,000	0	760,000	13,770,000	100.00%
2041	0	1,175,000	0	(1,175,000)	0		
2042	0	1,630,000	0	(1,630,000)	0		
2043	0	1,705,000	0	(1,705,000)	0		
2044	1,775,000	0	0	(1,775,000)	0		
2045	1,855,000	0	0	(1,855,000)	0		
2046	1,930,000	0	0	(1,930,000)	0		
<b>Total</b>	<b>\$5,560,000</b>	<b>\$7,500,000</b>	<b>\$12,315,000</b>	<b>\$(11,605,000)</b>	<b>\$13,770,000</b>		

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

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**Detailed Overlapping Bonded Debt(1)**  
 (As of December 31, 2019)

	<u>Outstanding Debt</u>	<u>Applicable to the Village</u>	<u>Amount</u>
		Percent(2)	
<u>Schools:</u>			
School District Number 36.....	\$ 5,495,000	98.08%	\$ 5,389,256
School District Number 37.....	8,865,000	6.38%	565,676
School District Number 38.....	7,940,000	9.22%	732,379
High School District Number 203.....	82,670,000	26.00%	21,495,667
Oakton Community College Number 535.....	30,000,000	5.86%	<u>1,756,600</u>
Total Schools.....			\$29,939,579
Cook County.....	\$2,803,851,750	0.90%	\$25,117,412
Cook County Forest Preserve District.....	131,815,000	0.90%	1,180,823
Metropolitan Water Reclamation District.....	2,274,859,669	0.91%	20,723,001
Glencoe Park District.....	5,675,000	0.89%	50,461
Winnetka Park District.....	5,640,000	93.38%	<u>5,266,724</u>
Total Other.....			<u>\$52,338,421</u>
Total Schools and Other Overlapping Bonded Debt.....			\$82,278,000

- Notes: (1) Source: Cook County Clerk.  
 (2) Percentages based on 2019 EAV, the most current available.

**Statement of Bonded Indebtedness(1)**

	<u>Amount Applicable</u>	<u>Ratio To</u>	<u>Per Capita</u>
		Equalized Assessed	Estimated Actual (2010 Census 12,187)
Village EAV of Taxable Property, 2019.....	\$1,495,278,223	100.00%	\$122,694.53
Estimated Actual Value, 2019.....	\$4,485,834,669	300.00%	\$368,083.59
Total Direct Bonded Debt(2).....	\$ 13,770,000	0.92%	\$ 1,129.89
Overlapping Bonded Debt:(3)			
Schools.....	\$ 29,939,579	2.00%	\$ 2,456.68
Other.....	<u>52,338,421</u>	<u>3.50%</u>	<u>4,294.61</u>
Total Overlapping Bonded Debt.....	<u>\$ 82,278,000</u>	<u>5.50%</u>	<u>\$ 6,751.29</u>
Total Direct and Overlapping Bonded Debt(2).....	\$ 96,048,000	6.42%	\$ 7,881.18

- Notes: (1) Source: Cook County Clerk.  
 (2) Subject to change.  
 (3) As of December 31, 2019.

**PROPERTY ASSESSMENT AND TAX INFORMATION**

For the 2018 levy year, the Village's EAV was comprised of 96.91% residential, 3.35% commercial, and less than 1% railroad property valuations.

**Village Equalized Assessed Valuation(1)**

Property Class	Levy Years				
	<u>2015</u>	<u>2016(2)</u>	<u>2017</u>	<u>2018</u>	<u>2019(2)</u>
Residential.....	\$1,154,165,002	\$1,392,060,810	\$1,429,205,958	\$1,378,919,469	Details
Commercial.....	44,404,930	48,201,322	49,909,110	49,003,297	Not
Industrial.....	0	0	0	0	Available
Railroad.....	<u>665,627</u>	<u>677,213</u>	<u>690,858</u>	<u>742,090</u>	
Total.....	\$1,199,235,559	\$1,440,939,345	\$1,479,805,926	\$1,428,664,856	\$1,495,278,223
Percent change +(-) ...	(3.25%)(3)	20.15%	2.70%	(3.46%)	4.66%

- Notes: (1) Source: Cook County Clerk.  
 (2) Triennial reassessment year.  
 (3) Percent change based on a 2014 EAV of \$1,239,548,988.

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

	Levy Years				
	2015	2016	2017	2018	2019
<b>The Village:</b>					
Corporate.....	\$0.8803	\$0.7162	\$0.6988	\$0.8049	\$0.7596
Garbage.....	0.0917	0.0763	0.0743	0.0000	0.0000
Police Pension.....	0.1091	0.1004	0.1006	0.1064	0.1150
Fire Pension.....	<u>0.1210</u>	<u>0.1196</u>	<u>0.1200</u>	<u>0.1273</u>	<u>0.1317</u>
Total Village Rates.....	\$1.2030	\$1.0130	\$0.9940	\$1.0390	\$1.0070
<b>Cook County:</b>					
Cook County.....	\$0.5520	\$0.5330	\$0.4960	\$0.4890	\$0.4540
Cook County Forest Preserve District.....	0.0690	0.0630	0.0620	0.0600	0.0590
Consolidated Elections.....	0.0340	0.0000	0.0310	0.0000	0.0300
Metropolitan Water Reclamation District.....	0.4260	0.4060	0.4020	0.3960	0.3890
North Shore Mosquito Abatement.....	0.0120	0.0100	0.0100	0.0100	0.0110
New Trier Township.....	0.0660	0.0560	0.0570	0.0610	0.0590
Winnetka Park District.....	0.4190	0.3540	0.3570	0.3830	0.3750
Winnetka Public Library District.....	0.2460	0.2090	0.2100	0.2250	0.2170
School District Number 36.....	3.5420	3.0490	3.0020	3.2200	3.1490
High School District Number 203.....	2.3800	1.9740	1.9930	2.1110	2.0280
Community College District Number 535.....	<u>0.2710</u>	<u>0.2310</u>	<u>0.2320</u>	<u>0.2460</u>	<u>0.2210</u>
Total Tax Rates(2).....	\$9.2200	\$7.8980	\$7.8460	\$8.2400	\$7.9970

Notes: (1) Source: Cook County Clerk's Office.  
 (2) Representative tax rates for other government units are from New Trier Township tax code 23008, which represents the largest tax code of the Village's 2019 EAV.

**Village Tax Extensions and Collections(1)**

Levy Year	Coll. Year	Taxes Extensions(2)	Current Collections	
			Amount	Percent
2014.....	2015.....	\$14,302,483	\$13,907,922	97.24%
2015.....	2016.....	14,416,903	14,164,385	98.25%
2016.....	2017.....	14,589,906	14,264,609	97.77%
2017.....	2018.....	14,709,271	14,501,268	98.59%
2018.....	2019.....	14,843,828	14,609,390	98.42%
2019.....	2020.....	15,057,452	----	In Collection ----

Note: (1) Source: Cook County Treasurer's Office and the Village.

**Principal Village Taxpayers(1)**

Taxpayer Name	Business/Service	2019 EAV(2)
Individual.....	Real Property.....	\$ 8,446,747
Individual.....	Real Property.....	6,123,237
Individual.....	Real Property.....	4,405,359
Individual.....	Real Property.....	4,228,200
Individual.....	Real Property.....	3,975,041
Individual.....	Real Property.....	3,591,260
Individual.....	Real Property.....	3,489,200
Individual.....	Real Property.....	3,457,593
Individual.....	Real Property.....	3,207,600
Individual.....	Real Property.....	<u>2,843,033</u>
Total.....		\$43,767,270
Ten Largest Taxpayers as Percent of Village's 2019 EAV (\$1,495,278,223).....		3.06%

Notes: (1) Source: Cook 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 2019 EAV is the most current available.

## REAL PROPERTY ASSESSMENT, TAX LEVY AND COLLECTION PROCEDURES

### Summary of Property Assessment, Tax Levy and Collection Procedures

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

### Real Property Assessment

The County Assessor (the "Assessor") is responsible for the assessment of all taxable real property within the County, including such property located within the boundaries of the Village, except for certain railroad property, pollution control facilities and low sulfur dioxide emission coal-fueled devices, which are assessed directly by the Department. 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 last reassessed for the 2019 tax levy year. The Village will next be reassessed for the 2022 levy year.

Real property in the County is separated into classes for assessment purposes. After the 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. Such classification percentages range from 10% for certain residential, commercial and industrial property to 25% for other industrial and commercial property.

Property is classified for assessment into six basic categories, each of which is assessed 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 tax year 2010, and 10% in tax year 2011 and subsequent years); Class 4 - not-for-profit (25%); Class 5a - commercial (25%); and Class 5b - industrial (25%).

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In addition, property may be temporarily classified into one of eight additional assessment classification categories. Upon expiration of such classification, property so classified will revert to one of the basic six assessment classifications described above. The additional assessment classifications are as follows:

CLASS	DESCRIPTION OF QUALIFYING PROPERTY	ASSESSMENT PERCENTAGE	REVERTS TO CLASS
6b	Newly constructed industrial properties or substantially rehabilitated sections of existing industrial properties	10% for first 10 years and any 10 year renewal; if not renewed, 15% in year 11, 20% in year 12	5b
C	Industrial property that has undergone environmental testing and remediation	10% for first 10 years, 15% in year 11, 20% in year 12	5b
	Commercial property that has undergone environmental testing and remediation	10% for first 10 years, 15% in year 11, 20% in year 12	5a
7a/7b	Newly constructed or substantially rehabilitated commercial properties in an area in need of commercial development	10% for first 10 years, 15% in year 11, 20% in year 12	5a
7c	Newly constructed or rehabilitated commercial buildings and acquisition of abandoned property and rehabilitation of buildings thereon including the land upon which the buildings are situated and the land related to the rehabilitation	10% for first 3 years and any 3 year renewal; if not renewed, 15% in year 4, 20% in year 5	5a
8	Industrial properties in enterprise communities or zones in need of substantial revitalization	10% for first 10 years and any 10-year renewal; if not renewed, 15% in year 11, 20% in year 12	5b
	Commercial properties in enterprise communities or zones in need of substantial revitalization	10% for first 10 years, 15% in year 11, 20% in year 12	5a
9	New or substantially rehabilitated multi-family residential properties in target areas, empowerment or enterprise zones	10% for first 10 years and any 10 year renewal	As Applicable
S	Class 3 properties subject to Section 8 contracts renewed under the “Mark up to Market” option	10% for term of Section 8 contract renewal and any subsequent renewal	3
L	Substantially rehabilitated Class 3, 4 or 5b properties qualifying as “Landmark” or “Contributing” buildings	10% for first 10 years and any 10-year renewal; if not renewed, 15% in year 11, 20% in year 12	3, 4, or 5b
	Substantially rehabilitated Class 5a properties qualifying as “Landmark” or “Contributing” buildings	10% for first 10 years, 15% in year 11, 20% in year 12	5a

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 (the “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 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 (the “Circuit Court”) 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. The procedure under this alternative is similar to the judicial review procedure described in the immediately preceding paragraph, however, the standard of proof differs. 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.

### **Equalization**

After the 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 is required by statute to review the Assessed Valuations. The Department 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 the County, regardless of its assessment category, except for certain farmland property and wind energy assessable property, which are 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 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 Department, constitute the total real estate tax base for the taxing body, which is used to calculate tax rates (the “Assessment Base”). The following table sets forth the Equalization Factor for the County for the last 10 tax levy years.

<u>TAX LEVY YEAR</u>	<u>EQUALIZATION FACTOR</u>
2010	3.3000
2011	2.9706
2012	2.8056
2013	2.6621
2014	2.7253
2015	2.6685
2016	2.8032
2017	2.9627
2018	2.9109
2019	2.9160

## Exemptions

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

An annual General Homestead Exemption provides that the EAV of certain property owned and used for residential purposes (“Residential Property”) may be reduced by the amount of any increase over the 1977 EAV, up to a maximum reduction of \$10,000 for tax year 2017 and thereafter.

The Long-Time Occupant Homestead Exemption limits the increase in EAV of a taxpayer’s homestead property to 10% per year if such taxpayer has owned the property for at least 10 years as of January 1 of the assessment year (or 5 years if purchased with certain government assistance) and has a household income of \$100,000 or less (“Qualified Homestead Property”). 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.

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

The Senior Citizens Homestead Exemption annually reduces the EAV on residences owned and occupied by senior citizens. Beginning with tax year 2017, the maximum exemption is \$8,000.

The Senior Citizens Assessment Freeze Homestead Exemption freezes property tax assessments for homeowners who are 65 and older, reside in their property as their principal place of residence and receive a household income not in excess of (i) \$55,000 through assessment year 2016 and (ii) \$65,000 beginning in assessment year 2017. This exemption grants to qualifying senior citizens an exemption equal to the difference between (a) the current EAV of the residence and (b) the EAV of a senior citizen’s residence for the year prior to the year in which he or she first qualifies and applies for the exemption, plus the EAV of improvements since such year. Beginning in tax year 2017, the amount of the exemption is equal to the greater of the amount calculated as described in the previous sentence (as more completely set forth in the Property Tax Code) or \$2,000.

Beginning January 1, 2015 purchasers of certain single family homes and residences of one to six units located in certain targeted areas (as defined in the Property Tax Code) can apply for the Community Stabilization Assessment Freeze Pilot Program. To be eligible the purchaser must meet certain requirements for rehabilitating the property, including expenditures of at least \$5 per square foot, adjusted by the Consumer Price Index (“CPI”). Upon meeting the requirements, the assessed value of the improvements is reduced by (a) 90% in the first seven years, (b) 65% in the eighth year and (c) 35% in the ninth year. The benefit ceases in the tenth year. The program will be phased out by June 30, 2029.

The Natural Disaster Homestead Exemption (the “Natural Disaster Exemption”) applies to homestead properties containing a residential structure that has been rebuilt following a natural disaster occurring in taxable year 2012 or any taxable year thereafter. A natural disaster is an occurrence of widespread or severe damage or loss of property resulting from any catastrophic cause including but not limited to fire, flood, earthquake, wind, or storm. The Natural Disaster Exemption is equal to the EAV of the residence in the first taxable year for which the taxpayer applies for the exemption minus the base amount. To be eligible for the Natural Disaster Exemption, the residential structure must be rebuilt within two years after the date of the natural disaster, and the square footage of the rebuilt residential structure may not be more than 110% of the square footage of the original residential structure as it existed immediately prior to the natural disaster. The Natural Disaster Exemption remains at a constant amount until the taxable year in which the property is sold or transferred.

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

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

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

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

## **Tax Levy**

As part of the annual budgetary process of governmental units (the "Units") with power to levy taxes in the County, the designated body for each Unit annually adopts proceedings 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 County Clerk computes the Unit's maximum allowable levy by multiplying the maximum tax rate for that Unit by the prior year's EAV for all property currently in the Village. The prior year's EAV includes 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 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 CPI during the calendar year preceding the levy year. Currently, the Limitation Law applies only to and is a limitation upon all non-home rule taxing bodies 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 will 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. Beginning with the first installment payable in 2010, the first installment is equal to 55% of the prior year’s 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 based on the certain percentage 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 the County; the first installment penalty date has been March 1 for all such years. However, for 2010, the first installment penalty date was established as April 1 by statute.

<u>TAX LEVY YEAR</u>	<u>SECOND INSTALLMENT PENALTY DATE</u>
2010	November 1, 2011
2011	August 1, 2012
2012	August 1, 2013
2013	August 1, 2014
2014	August 3, 2015
2015	August 1, 2016
2016	August 1, 2017
2017	August 1, 2018
2018	August 1, 2019
2019(1)	October 1, 2020

Note: (1) Due to the impact of COVID-19, the County approved an ordinance declaring that no interest will accrue on the second installment of 2019 taxes, due on August 3, 2020, provided the taxes are paid on or before October 1, 2020.  
 Source: Cook County Clerk’s Office.

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.

With 90 days following the second installment due date, 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. The provisions of the Law do not apply to levies made to pay principal of and interest on the Bonds. The Village covenanted in the Bond Ordinance that it will not take any action or fail to take any action which would adversely affect the ability of the Village to levy and collect the taxes levied by the Village for payment of principal of and interest on the Bonds, other than as described under "**THE BONDS**" herein. The Village also covenanted that it and its officers will comply with all present and future laws concerning the levy, extension and collection of such taxes levied by the Village, collected and deposited as provided in the Bond Ordinance.

## 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 December 31, 2019 (the "2019 Audit") which was approved 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 2019 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 2019 Audit. Questions or inquiries relating to financial information of the Village since the date of the 2019 Audit should be directed to the Village.

### Summary Financial Information

The following tables are summaries and do not purport to be the complete audits, copies of which are available upon request. See **APPENDIX A** for the Village's 2019 Audit.

## Statement of Net Position Governmental Activities

	Audited as of December 31				
	2015	2016	2017	2018	2019
<b>ASSETS:</b>					
Cash and Cash Equivalents.....	\$ 29,008,492	\$ 30,868,685	\$ 32,183,732	\$ 32,620,232	\$ 35,882,201
Taxes.....	13,361,817	13,526,244	13,654,343	14,859,254	15,047,473
Accounts.....	1,928,411	1,690,516	101,495	201,525	72,519
Notes.....	250,000	250,000	247,100	236,700	226,300
Internal Balances.....	0	0	1,000,000	1,000,000	1,000,000
Prepays/Inventories.....	14,670	26,189	29,255	213,833	236,420
Due From Other Governments.....	701,513	609,734	602,922	566,072	607,091
Total Assets.....	<u>\$ 45,264,903</u>	<u>\$ 46,971,368</u>	<u>\$ 47,818,847</u>	<u>\$ 49,697,616</u>	<u>\$ 53,072,004</u>
Noncurrent Assets:					
Capital Assets:					
Nondepreciable.....	\$ 13,700,000	\$ 13,700,000	\$ 13,700,000	\$ 13,700,000	\$ 13,700,000
Depreciable.....	58,055,628	60,152,900	62,816,017	65,271,225	68,100,546
Accumulated Depreciation.....	(22,378,710)	(24,533,008)	(27,077,546)	(29,722,585)	(32,285,518)
Total Noncurrent Assets.....	<u>\$ 49,376,918</u>	<u>\$ 49,319,892</u>	<u>\$ 49,438,471</u>	<u>\$ 49,248,640</u>	<u>\$ 49,515,028</u>
Total Assets.....	\$ 94,641,821	\$ 96,291,260	\$ 97,257,318	\$ 98,946,256	\$102,587,032
<b>DEFERRED OUTFLOWS OF RESOURCES:</b>					
Deferred Items - IMRF.....	\$ 4,619,980	\$ 2,474,440	\$ 2,140,925	\$ 4,032,021	\$ 885,036
Deferred Items - Police Pension.....	3,145,077	3,058,779	2,360,814	3,189,558	1,575,395
Deferred Items - Firefighters' Pension.....	4,589,431	4,205,229	3,125,946	3,863,034	2,667,227
Deferred Items - RBP.....	0	0	0	199,024	229,930
Total Deferred Outflows of Resources.....	<u>\$ 12,354,488</u>	<u>\$ 9,738,448</u>	<u>\$ 7,627,685</u>	<u>\$ 11,283,637</u>	<u>\$ 5,357,588</u>
Total Assets and Deferred Outflows of Resources.....	\$106,996,309	\$106,029,708	\$104,885,003	\$110,229,893	\$107,944,620
<b>LIABILITIES:</b>					
Current:					
Accounts and Retainage Payable.....	\$ 901,238	\$ 1,193,513	\$ 1,826,298	\$ 916,218	\$ 1,996,838
Accrued Payroll.....	422,388	183,352	190,353	130,962	122,107
Deposits Payable.....	1,424,034	1,397,135	1,177,694	1,129,058	885,996
Claims Payable.....	1,159,549	941,588	1,061,473	793,029	663,189
Current Portion of Long - Term Liabilities.....	158,387	146,691	140,282	134,475	138,607
Total Current Liabilities.....	<u>\$ 4,065,596</u>	<u>\$ 3,862,279</u>	<u>\$ 4,396,100</u>	<u>\$ 3,103,742</u>	<u>\$ 3,806,737</u>
Non Current:					
Compensated Absences.....	\$ 1,425,484	\$ 1,320,224	\$ 1,262,542	\$ 1,210,276	\$ 1,247,461
Claims Payable.....	1,246,883	772,523	625,440	793,028	663,189
Net Pension Liability - IMRF.....	8,343,388	5,648,042	1,936,152	7,140,376	3,075,324
Net Pension Liability - Police Pension.....	16,271,633	14,117,309	13,004,609	16,207,860	15,073,845
Net Pension Liability - Firefighters' Pension.....	18,722,635	16,574,503	14,733,970	17,373,242	15,771,919
Total OPEB Liability - RBP.....	0	0	0	2,758,990	2,900,660
Benefit Obligation.....	3,099,630	3,142,602	3,142,817	0	0
Total Noncurrent Liabilities.....	<u>\$ 49,109,653</u>	<u>\$ 41,575,203</u>	<u>\$ 34,705,530</u>	<u>\$ 45,483,772</u>	<u>\$ 38,732,398</u>
Total Liabilities.....	\$ 53,175,249	\$ 45,437,482	\$ 39,101,630	\$ 48,587,514	\$ 42,539,135
<b>DEFERRED INFLOWS OF RESOURCES:</b>					
Property Taxes.....	\$ 13,316,903	\$ 13,489,906	\$ 13,606,625	\$ 14,838,985	\$ 15,047,473
Deferred Items - Police Pension.....	0	2,581,096	3,135,310	1,327,511	1,352,874
Deferred Items - Firefighters' Pension.....	0	2,493,361	3,363,363	1,925,960	2,647,492
Deferred Items - IMRF.....	309,473	206,654	4,109,892	703,982	2,264,615
Deferred Items - RBP.....	0	0	0	82,372	71,475
Total Liabilities and Deferred Inflows of Resources.....	<u>\$ 66,801,625</u>	<u>\$ 64,208,499</u>	<u>\$ 63,316,820</u>	<u>\$ 67,466,324</u>	<u>\$ 63,923,064</u>
<b>NET POSITION:</b>					
Invested in Capital Assets - Net of Related Debt.....	\$ 49,376,918	\$ 49,319,892	\$ 49,438,471	\$ 49,248,640	\$ 49,515,028
Restricted - Debt Service.....	0	0	0	2,836,911	3,167,739
Restricted - Awards.....	716	0	0	0	0
Restricted - Tax Escrow.....	90,495	0	0	0	0
Restricted - Foreign Fire Tax.....	88,205	103,549	129,034	124,594	146,626
Unrestricted.....	(11,611,807)	(10,163,480)	(10,808,641)	(9,446,576)	(8,807,837)
Total Net Position.....	<u>\$ 40,194,684</u>	<u>\$ 41,821,209</u>	<u>\$ 41,568,183</u>	<u>\$ 42,763,569</u>	<u>\$ 44,021,556</u>

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

	Audited Fiscal Year Ended December 31				
	2015	2016	2017	2018	2019
Functions Programs(1):					
Primary Government:					
Governmental Activities:					
General Government.....	\$ (2,191,153)	\$ 915,584	\$ (912,538)	\$ (163,069)	\$ (1,268,949)
Public Safety.....	(15,232,090)	(12,360,544)	(11,761,239)	(12,572,896)	(12,925,976)
Community Development.....	280,825	285,461	(236,614)	(88,642)	92,599
Public Works.....	(5,425,534)	(5,388,004)	(5,794,256)	(6,132,544)	(6,089,369)
Interest on Long-Term Debt.....	0	0	0	0	0
Total Governmental Activities.....	<u>\$(22,567,952)</u>	<u>\$(16,547,503)</u>	<u>\$(18,704,647)</u>	<u>\$(18,957,151)</u>	<u>\$(20,191,695)</u>
General Revenues:					
Taxes:					
Property.....	\$ 12,864,238	\$ 13,105,829	\$ 13,204,094	\$ 13,289,056	\$ 14,612,543
Sales.....	1,510,357	1,420,554	1,512,020	1,605,438	1,701,426
Income.....	1,292,669	1,179,341	1,190,908	1,167,101	1,297,173
Personal Property Replacement.....	150,010	131,783	149,725	136,117	169,227
Telecommunications.....	528,637	460,692	419,153	408,315	343,120
Natural Gas.....	487,513	328,044	436,323	404,394	393,381
Other.....	369,855	383,275	388,781	391,113	392,259
Investment Income.....	20,904	258,993	234,975	606,137	954,462
Miscellaneous.....	265,142	83,273	25,616	209,752	124,195
Total General Fund Revenues.....	<u>\$ 17,489,325</u>	<u>\$ 17,351,784</u>	<u>\$ 17,561,595</u>	<u>\$ 18,217,423</u>	<u>\$ 19,987,786</u>
Transfers.....	849,044	822,244	890,026	1,418,311	1,461,896
Changes in Net Position.....	<u>\$ (4,229,583)</u>	<u>\$ 1,626,525</u>	<u>\$ (253,026)</u>	<u>\$ 678,583</u>	<u>\$ 1,257,987</u>
Net Position Beginning.....	<u>\$ 44,424,267(1)</u>	<u>\$ 40,194,684</u>	<u>\$ 41,821,209</u>	<u>\$ 42,084,986</u>	<u>\$ 42,763,569</u>
Net Position Ending.....	<u>\$ 40,194,684</u>	<u>\$ 41,821,209</u>	<u>\$ 41,568,183</u>	<u>\$ 42,763,569</u>	<u>\$ 44,021,556</u>

Notes: (1) Expenses less program revenues of charges for services, operating grants/contributions and capital grants/contributions.  
 (2) As restated.

**General Fund  
 Balance Sheet**

	Audited as of December 31				
	2015	2016	2017	2018	2019
<b>ASSETS:</b>					
Cash and Investments.....	\$18,737,637	\$20,372,080	\$21,718,836	\$22,460,462	\$25,067,261
Property Taxes Receivable.....	13,361,817	13,526,244	13,654,343	13,759,254	15,047,473
Accounts Receivable.....	146,489	129,425	98,168	82,007	56,894
Due from Other Governments.....	674,008	580,823	575,993	539,602	553,594
Due from Other Funds.....	1,860,228	1,644,101	1,064,883	1,031,801	32,012
Advances from Other Funds.....	0	0	0	0	1,000,000
Notes.....	250,000	250,000	247,100	236,700	226,300
Total Assets.....	<u>\$35,030,179</u>	<u>\$36,502,673</u>	<u>\$37,359,323</u>	<u>\$38,109,826</u>	<u>\$41,983,534</u>
<b>LIABILITIES:</b>					
Accounts Payable.....	\$ 848,835	\$ 1,129,200	\$ 1,707,562	\$ 836,543	\$ 1,295,914
Deposits.....	1,424,034	1,397,135	1,177,694	1,129,058	885,996
Accrued Payroll.....	407,130	169,233	180,368	117,380	108,385
Due To Other Funds.....	0	0	12,719	7,058	0
Total Liabilities.....	<u>\$ 2,679,999</u>	<u>\$ 2,695,568</u>	<u>\$ 3,078,343</u>	<u>\$ 2,090,039</u>	<u>\$ 2,290,295</u>
<b>DEFERRED INFLOWS OF RESOURCES:</b>					
Property Taxes.....	\$13,316,903	\$13,489,906	\$13,606,625	\$13,738,985	\$15,047,473
Total Liabilities and Deferred Inflows of Resources.....	<u>\$15,996,902</u>	<u>\$16,185,474</u>	<u>\$16,684,968</u>	<u>\$15,829,024</u>	<u>\$17,337,768</u>
<b>FUND BALANCES:</b>					
Restricted.....	\$ 91,211	\$ 0	\$ 0	\$ 0	\$ 0
Unassigned.....	18,942,066	20,317,199	20,674,355	22,280,802	24,645,766
Total Fund Balances.....	<u>\$19,033,277</u>	<u>\$20,317,199</u>	<u>\$20,674,355</u>	<u>\$22,280,802</u>	<u>\$24,645,766</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances.....	<u>\$35,030,179</u>	<u>\$36,502,673</u>	<u>\$37,359,323</u>	<u>\$38,109,826</u>	<u>\$41,983,534</u>

## General Fund Revenues and Expenditures

	Audited Fiscal Year Ended December 31				
	2015	2016	2017	2018	2019
<b>REVENUES:</b>					
Taxes.....	\$13,840,516	\$13,853,235	\$14,028,958	\$14,072,337	\$15,320,553
Licenses and Permits.....	2,289,140	2,240,851	1,866,741	1,785,951	1,948,625
Intergovernmental.....	3,021,904	2,869,816	2,933,772	3,085,860	3,399,771
Charges for Services.....	3,814,244	4,030,475	4,182,256	4,217,114	4,143,423
Fines.....	166,776	191,582	187,852	235,728	193,748
Interest.....	14,229	185,783	179,648	463,334	706,911
Miscellaneous.....	<u>265,142</u>	<u>83,273</u>	<u>25,616</u>	<u>209,752</u>	<u>124,195</u>
Total Revenues.....	\$23,411,951	\$23,455,015	\$23,404,843	\$24,070,076	\$25,837,226
<b>EXPENDITURES:</b>					
Current:					
General Government.....	\$ 3,304,296	\$ 2,956,361	\$ 3,016,519	\$ 2,814,898	\$ 2,994,684
Public Safety.....	12,607,682	12,533,536	13,220,157	13,096,151	13,550,984
Community Development.....	1,465,059	1,374,119	1,513,155	1,412,091	1,438,439
Public Works.....	<u>5,322,591</u>	<u>5,989,321</u>	<u>6,112,882</u>	<u>6,224,138</u>	<u>5,318,492</u>
Total Expenditures.....	\$22,699,628	\$22,853,337	\$23,862,713	\$23,547,278	\$23,302,599
Excess (Deficiency) of Revenues Over (Under) Expenditures.....	\$ 712,323	\$ 601,678	\$ (457,870)	\$ 522,798	\$ 2,534,627
<b>OTHER FINANCING SOURCES (USES):</b>					
Operating Transfers In (Out).....	\$ 149,044	\$ 682,244	\$ 815,026	\$ 1,083,649	\$ (169,663)
Excess of Revenues and Other Sources Over (Under) Expenditures.....	\$ 861,367	\$ 1,283,922	\$ 357,156	\$ 1,606,447	\$ 2,364,964
<b>FUND BALANCES:</b>					
Beginning of Year.....	<u>\$18,171,910</u>	<u>\$19,033,277</u>	<u>\$20,317,199</u>	<u>\$20,674,355</u>	<u>\$22,280,802</u>
End of Year.....	\$19,033,277	\$20,317,199	\$20,674,355	\$22,280,802	\$24,645,766

## General Fund Budgeted Financial Information

	Budget Twelve Months Ending <u>12/31/2020</u>	Preliminary Eight Months Ending <u>8/31/2020</u>
<b>REVENUES:</b>		
Taxes.....	\$15,837,473	\$13,788,973
Licenses and Permits.....	1,921,500	1,144,451
Charges for Services.....	7,333,719	5,220,855
Fines.....	217,500	67,298
Miscellaneous.....	<u>323,357</u>	<u>424,600</u>
Total Revenues.....	\$25,633,549	\$20,646,177
Transfers In.....	<u>\$ 1,894,847</u>	<u>\$ 1,483,665</u>
Total Revenues and Transfers.....	\$27,528,396	\$22,129,842
<b>EXPENDITURES:</b>		
Current:		
Administration.....	\$ 3,434,545	\$ 1,901,544
Police Department.....	7,847,431	4,850,747
Fire Department.....	6,383,881	4,054,459
Community Development.....	1,738,381	977,811
Public Works.....	<u>4,190,292</u>	<u>2,439,448</u>
Total Operating Expenditures.....	\$23,594,530	\$14,224,009
Capital Outlay:		
Administration/Debt.....	\$ 0	\$ 0
Police Department.....	60,000	57,123
Fire Department.....	110,000	76,052
Public Works.....	<u>2,290,000</u>	<u>520,152</u>
Total Capital Outlay.....	\$ 2,460,000	\$ 653,327
Transfers Out.....	<u>\$ 1,650,000</u>	<u>\$ 1,650,000</u>
Total Expenditures and Transfers.....	\$27,704,530	\$16,527,336

## **EMPLOYEE RETIREMENT AND OTHER POSTEMPLOYMENT BENEFITS OBLIGATIONS**

See **APPENDIX D** herein for a discussion of the Village's employee retirement and other postemployment benefits 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 corporate trust office 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 corporate trust office 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 beginning at the close of business on the first day of the month in which an interest payment date occurs on such Bond (known as the record date) and ending at the opening of business on such interest payment date, nor to transfer or exchange any Bond after notice calling such Bond for redemption has been mailed, nor during a period of fifteen 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 MATTERS

Interest on the Bonds is includible in gross income of the owners thereof for federal income tax purposes. Ownership of the Bonds may result in other federal income tax consequences to certain taxpayers. Holders of the Bonds should consult their tax advisors with respect to the inclusion of interest on the Bonds in gross income for federal income tax purposes and any collateral tax consequences.

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.

## 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.

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## 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 within 210 days after the last day of the Village's fiscal year (currently December 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**" (only as it relates to direct debt) within this Official Statement; and
4. All of the tables under the heading "**FINANCIAL INFORMATION**" (**Excluding Budget and Interim 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).

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## 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;
15. Incurrence of a Financial Obligation of the Village, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the Village, any of which affect Bondholders, if material\*\*; and
16. Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the Village, any of which reflect financial difficulties.\*\*

\* 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.

\*\*The term “financial obligation” means a: (i) debt obligation; (ii) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (iii) a guarantee of (i) or (ii). The term “financial obligation” does not include municipal securities as to which a final official statement has been provided to the MSRB consistent with the Rule.

## **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 resolution or 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.

## **Future Changes to the Rule**

Notwithstanding anything in the Undertaking to the contrary, in the event the Commission, the MSRB or other regulatory authority approves or requires changes to the requirements of the Rule, the Village is permitted, but is not required, to unilaterally modify the covenants in of the Undertaking, without complying with the requirements described in “- **Termination of Undertaking**” above, in order to comply with, or conform to, such changes. In the event of any such modification of the Undertaking, the Village will file a copy of the Undertaking, as revised, on EMMA in a timely manner.

## **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 December 15, 2021-2028, inclusive, are not subject to optional redemption. The Bonds due December 15, 2029-2040, inclusive, are callable in whole or in part on any date on or after December 15, 2028, at a price of par and 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, and notwithstanding failure to receive such notice, the Bonds or portions of Bonds so to be redeemed will, on the redemption date, become due and payable at the redemption price therein specified, and from and after such date (unless the 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. There is no litigation now pending, or to the knowledge of the Village, threatened against the Village that is expected to materially impact the financial condition of the Village.

## 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 treatment of the interest on the Bonds. This review was undertaken solely at the request and for the benefit of the Village and did not include any obligation to establish or confirm factual matters set forth herein.

## 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 supplied certain information and material concerning the Bonds and the Village to the rating service shown on the cover page, including certain information and materials which may not have been included in this Official Statement, as part of its application for an investment rating on the Bonds. A rating reflects only the views of the rating agency assigning such rating and an explanation of the significance of such rating may be obtained from such rating agency. Generally, such rating service bases its rating on such information and material, and also on such investigations, studies and assumptions that it may undertake independently. There is no assurance that such rating will continue for any given period of time or that it may not be lowered or withdrawn entirely by such rating service if, in its judgment, circumstances so warrant. Any such downward change in or withdrawal of such rating may have an adverse effect on the secondary market price of the Bonds. Except as may be required by the Undertaking described under the heading "**CONTINUING DISCLOSURE**", the form of which is attached hereto as **APPENDIX D**, neither the Village nor the Underwriter undertakes responsibility to bring to the attention of the owners of the Bonds any proposed change in or withdrawal of the rating or to oppose any such revision or withdrawal. An explanation of the significance of the investment rating may be obtained from the rating agency: Moody's Investors Service, Inc., 7 World Trade Center at 250 Greenwich Street, New York, New York 10007, telephone 212-553-1658. The Village will provide appropriate periodic credit information to the rating service to maintain a rating on the Bonds.

## 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 October 29, 2020. The best bid submitted at the sale was submitted by \_\_\_\_\_ (the “Underwriter”). The Village awarded the contract for sale of the Bonds to the Underwriter at a price of \$ \_\_\_\_\_ (reflecting the par amount of \$ \_\_\_\_\_, plus a reoffering premium of \$ \_\_\_\_\_, and less an Underwriter’s discount 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 Final Official Statement.

## MUNICIPAL ADVISOR

The Village has engaged Speer Financial, Inc. as municipal advisor (the “Municipal Advisor”) in connection with the issuance and sale of the Bonds. The Municipal Advisor is a Registered Municipal Advisor in accordance with the rules of the MSRB. The Municipal Advisor will not participate in the underwriting of the Bonds. The financial information included in this Official Statement has been compiled by the Municipal 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 Municipal 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 Municipal 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 Municipal Advisor obligated by the Village’s continuing disclosure undertaking.

## CERTIFICATION

I have examined this Official Statement dated October \_\_, 2020, for the \$12,315,000\* Taxable General Obligation Refunding Bonds, Series 2020, 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 my 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 light of the circumstances under which they were made, not misleading.

/s/ **TIMOTHY J. SLOTH**  
*Treasurer/Finance Director*  
VILLAGE OF WINNETKA  
Cook County, Illinois

\*Subject to change.

**APPENDIX A**

**VILLAGE OF WINNETKA  
COOK COUNTY, ILLINOIS**

**FISCAL YEAR 2019 AUDITED FINANCIAL STATEMENTS**

## APPENDIX B

### DESCRIBING BOOK-ENTRY-ONLY ISSUANCE

The Depository Trust Company, New York, New York (“DTC”), 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.

1. 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 an S&P Global Ratings rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at [www.dtcc.com](http://www.dtcc.com).

2. 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.

3. 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.

4. 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 bond registrar and request that copies of notices be provided directly to them.

5. 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.

6. 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).

7. 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.

8. 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.

9. 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.

10. 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.

11. 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**

**APPENDIX D**

**VILLAGE OF WINNETKA  
COOK COUNTY, ILLINOIS**

**EXCERPTS OF FISCAL YEAR 2019 AUDITED FINANCIAL STATEMENTS**

**OFFICIAL BID FORM**  
(Open Speer Auction)

Village of Winnetka  
510 Green Bay Road  
Winnetka, Illinois 60093

October 29, 2020  
Speer Financial, Inc.

President and Board of Trustees:

For the \$12,315,000\* Taxable General Obligation Refunding Bonds, Series 2020 of the Village of Winnetka, Cook County, Illinois, 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 \$12,191,850). The Bonds are dated the date of delivery, expected to be on or about November 12, 2020. The Bonds will bear interest as follows (each rate a multiple of 1/8 or 1/100 of 1%). **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**

\$275,000 .....	2021	\$620,000 .....	2031
550,000 .....	2022	635,000 .....	2032
560,000 .....	2023	645,000 .....	2033
560,000 .....	2024	655,000 .....	2034
570,000 .....	2025	675,000 .....	2035
575,000 .....	2026	685,000 .....	2036
580,000 .....	2027	705,000 .....	2037
590,000 .....	2028	725,000 .....	2038
600,000 .....	2029	740,000 .....	2039
610,000 .....	2030	760,000 .....	2040

*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 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, if we are the winning bidder, we will wire transfer the amount of **TWO PERCENT OF PAR** (the "Deposit") **WITHIN TWO HOURS** after the bid opening time to the Village's good faith bank and under the terms provided in the Official Notice of Sale for the Bonds. Alternatively, we have wire transferred or enclosed herewith a check payable to the order of the Treasurer of the Village in the amount of the Deposit under the terms provided in the Official Notice of Sale for the Bonds.

**Form of Deposit (Check One)**

Prior to Bid Opening:

Certified/Cashier's Check   
Wire Transfer

Within TWO hours of Bidding:

Wire Transfer

Amount: \$246,300

**Account Manager Information**

Name \_\_\_\_\_

Address \_\_\_\_\_

By \_\_\_\_\_

City \_\_\_\_\_ State/Zip \_\_\_\_\_

Direct Phone (\_\_\_\_\_) \_\_\_\_\_

FAX Number (\_\_\_\_\_) \_\_\_\_\_

E-Mail Address \_\_\_\_\_

**Bidders Option Insurance**

**We have purchased insurance from:**

**Name of Insurer**  
*(Please fill in)*

**Premium:** \_\_\_\_\_

**Maturities: (Check One)**

\_\_\_\_\_ Years

**All**

The foregoing bid was accepted and the Bonds sold by an ordinance and adopted by the President and Board of Trustees of the Village on October 13, 2020, as supplemented by a notification of sale, 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

\*Subject to change.

\_\_\_\_\_  
President

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

	<b>Bid</b>	<b>Post Sale Revision</b>
Gross Interest	\$	
Less Premium/Plus Discount	\$	
True Interest Cost	\$	
True Interest Rate	%	
TOTAL BOND YEARS	140,618.33	
AVERAGE LIFE	11.418 Years	

**OFFICIAL NOTICE OF SALE**  
**2,315,000\***  
**VILLAGE OF WINNETKA**  
**Cook County, Illinois**  
**Taxable General Obligation Refunding Bonds, Series 2020**  
*(Open Speer Auction)*

The Village of Winnetka, Cook County, Illinois (the "Village"), will receive electronic bids on the SpeerAuction ("*SpeerAuction*") website address "[www.SpeerAuction.com](http://www.SpeerAuction.com)" for its \$12,315,000\* Taxable General Obligation Refunding Bonds, Series 2020 (the "Bonds"), on an all or none basis between 10:30 A.M. and 10:45 A.M., C.D.T., Thursday, October 29, 2020. 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 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 *Thomson Municipal News*.

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.

### **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](http://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 Grant Street Group at (412) 391-5555 x 370.
- (2) 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.
- (3) If any 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.
- (4) The last valid 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 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.

### **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, nor Grant Street Group (the "Auction Administrator") is responsible for technical difficulties that result in loss of 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 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, nor the Auction Administrator is responsible to any bidder for any defect or inaccuracy in the Official Notice of Sale, amendments, or Official Statement as they appear on SpeerAuction.

\*Subject to change.

- (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, 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 the same or 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 SpeerAuction 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, 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 *Thomson 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, New York, New York ("DTC"), 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 office maintained for the purpose by the Bond Registrar in Chicago, Illinois. Semiannual interest is due June 15 and December 15 of each year commencing June 15, 2021, and is payable by Amalgamated Bank of Chicago, Chicago, Illinois (the "Bond Registrar"). The Bonds are dated the date of delivery, expected to be on or about November 12, 2020.

If the winning bidder is not a direct participant of DTC and does not have clearing privileges with DTC, the Bonds will be issued as Registered Bonds in the name of the purchaser. At the request of such winning bidder, the Village will assist in the timely conversion of the Registered Bonds into book-entry bonds with DTC as described herein.

**MATURITIES\* - DECEMBER 15**

\$275,000 .....	2021	\$620,000 .....	2031
550,000 .....	2022	635,000 .....	2032
560,000 .....	2023	645,000 .....	2033
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590,000 .....	2028	725,000 .....	2038
600,000 .....	2029	740,000 .....	2039
610,000 .....	2030	760,000 .....	2040

*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 December 15, 2021-2028, inclusive, are not subject to optional redemption. The Bonds due December 15, 2029-2040, inclusive, are callable in whole or in part and on any date on or after December 15, 2028, at a price of par and accrued interest. If less than all the Bonds are called, they shall be redeemed in any order of maturity 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 not exceed five percent (5%). 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, must be for not less than \$12,191,850.

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.

\*Subject to change.

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 Municipal 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 dollar amount of profit must be written on the Official Bid Form for any adjustment to be allowed and is subject to verification.**

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 Municipal 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 Municipal 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, G-11 and G-32. 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.

The winning bidder is required to wire transfer from a solvent bank or trust company to the Village's good faith bank the amount of **TWO PERCENT OF PAR** (the "Deposit") **WITHIN TWO HOURS** after the bid opening time as evidence of the good faith of the bidder. Alternatively, a bidder may submit its Deposit upon or prior to the submission of its bid in the form of a certified or cashier's check on, or a wire transfer from, a solvent bank or trust company for **TWO PERCENT OF PAR** payable to the Treasurer of the Village. The Village reserves the right to award the Bonds to a bidder whose wire transfer is initiated but not received within such two hour time period provided that such bidder's federal wire reference number has been received. In the event the Deposit is not received as provided above, the Village may award the Bonds to the bidder submitting the next best bid provided such bidder agrees to such award.

The Deposit of the successful bidder will be retained by the Village pending delivery of the Bonds and all others, if received, will be promptly returned. Should the successful bidder fail to take up and pay for the Bonds when tendered in accordance with this Official 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  
30 North LaSalle Street  
38th Floor  
Chicago, IL 60602  
ABA # 071003405  
Credit To: 3281 Speer Bidding Escrow  
RE: Village of Winnetka, Cook County, Illinois bid for  
\$12,315,000\* Taxable General Obligation Refunding Bonds, Series 2020

Contemporaneously with such wire transfer, the winning bidder shall send an email to [biddingscrow@aboc.com](mailto:biddingscrow@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 such 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) no interest on the Deposit will accrue to the winning bidder.

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.

\*Subject to change.

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.

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 represents that the signatory to the bid is duly authorized to, and does consent to and waive for and on behalf of such bidder any conflict of interest of Bond Counsel 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.

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 12, 2020. 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. Any such addendum or addenda shall, on and after the date thereof, be fully incorporated herein and made a part hereof by reference. Alternatively, such final terms of the Bonds and other information may be included in a separate document entitled "Final Official Statement" rather than through supplementing the Official Statement by an addendum or addenda. 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 50 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; and (2) a no litigation certificate by the Village.

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. Timothy J. Sloth, 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](http://www.speerfinancial.com) web site under "Debt Auction Center/Competitive Sales Calendar" from the Municipal Advisor to the Village, Speer Financial, Inc., 230 W. Monroe Street, Suite 2630, Chicago, Illinois 60606, telephone (312) 346-3700.

/s/ **TIMOTHY J. SLOTH**  
*Treasurer/Finance Director*  
VILLAGE OF WINNETKA  
Cook County, Illinois

\*Subject to change.