

PRESIDENT  
Dr. James L. Discipio

VILLAGE MANAGER  
Julia A. Cedillo

VILLAGE CLERK  
Amanda G. Seidel



TRUSTEES  
Scott F. Mesick  
Patricia B. Rocco  
Michael L. Sheehan  
James P. Kucera  
Robert T. Lautner  
Jamie M. Zaura

## VILLAGE BOARD MEETING

Tuesday, May 24, 2016 – 7:30 P.M.

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### AGENDA

1. **Call to Order**
2. **Pledge of Allegiance**
3. **Roll Call**
4. **Presentation to Nazareth Academy 2015 State Football Champions**
5. **Swearing-In of Paid-On-Call Fire Department Lieutenant Steve Storey**
6. **Presentation to Officer Patrick Menzione**
7. **Employee Recognition Ceremony**
8. **Public Participation (Agenda Related Items Only)**
9. **Consent Agenda (Roll Call Vote)**

*No discussion. Trustees wishing to discuss any of the items below MUST request that item be removed from the Consent Agenda prior to motion to approve.*

A. Approval of Minutes

- i. Village Board Meeting – April 26, 2016
- ii. Village Board Executive Session – April 26, 2016
- iii. Work Session Meeting – May 10, 2016
- iv. Village Board Executive Session – May 10, 2016

B. Action – Purchase of In-Squad Computers – *Motion: Authorizing the purchase of 5 mobile data terminals from Bright Computers in the amount of \$19,104.75.*

C. Action – 2016/17 MFT General Maintenance Resolution – *Motion: Approving a Resolution for Maintenance of Streets and Highways by Municipality under the Illinois Highway Code for the expenditure of \$310,000 in MFT funds.*

D. Action – 2016 Sewer Lining Program – Edwin Hancock Engineering Agreement – *Motion: Authorizing the Village Manager to execute the Professional Engineering Services Agreement for the 2016 Sewer Lining Program, in an amount not to exceed \$23,000.*

**VILLAGE BOARD MEETING**  
**Tuesday, May 24, 2016 – 7:30 p.m.**

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**AGENDA (continued – Page 2)**

- E. Action – *Motion to Authorize the President and Chairperson of the Finance Committee to sign the register for bills, and authorize the Treasurer and Village Clerk to sign checks in payment of operating bills and salaries as itemized in the Check Registers.*
- F. Action – *Motion to Authorize the Village Treasurer and Village Clerk to sign checks in the payment of payroll and other bills that become due between this date and June 28, 2016 with subsequent approval of the Payroll Register and Voucher Register by the Board of Trustees at its regular meeting to be held on June 28, 2016.*

**10. Village Manager’s Report**

**11. Administration Committee – Robert Lautner, Chairman**

- A. Monthly Report
- B. Discussion & Action – Professional Service Contract Renewal – CW Consulting – *Motion: To authorize the Village Manager to execute a one-year contract for services with CW Consulting, with an annual cost not to exceed \$28,405.*

**12. Building & Zoning Committee – Jamie Zaura, Chairwoman**

- A. Monthly Report

**13. Engineering & Capital Projects Committee – James Kucera, Chairman**

- A. Monthly Report

**14. Public Safety Committee Items– Scott Mesick, Chairman**

- A. Monthly Reports
  - i. Police Department
  - ii. Fire Department

**15. Public Works Committee – Michael Sheehan, Chairman**

- A. Monthly Report

**16. Finance Committee Items- Patricia Rocco, Chairwoman**

- A. Monthly Report
- B. Consideration & Action – 2016 Referenda Bonds Issuance – *Motion: To approve an ordinance providing for the issue of not to exceed \$11,200,000 General Obligation Corporate Purpose Bonds, Series 2016, for the purpose of paying the costs of certain capital improvements, providing for the levy and collection of taxes sufficient to pay the bonds, and authorizing the sale of said bonds to the purchaser thereof.*

**17. Other Reports**

- A. Village Clerk
- B. Village Treasurer

**VILLAGE BOARD MEETING**  
**Tuesday, May 24, 2016 – 7:30 p.m.**

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**AGENDA (continued – Page 3)**

- C. Village Engineer
- D. Village Attorney
- E. Committee and Collectors Report  
*Action – Motion to Approve Committee and Collectors Report as Presented*
- F. CRC Committee
  - i. *TIF Update Presentation*
  - ii. Discussion & Action – S.B. Friedman Development Advisors Letter of Engagement for TIF & Business District Consulting Services – *Motion: Authorize the Village Manager to enter into a contract with S.B. Friedman Development Advisors to provide Tax Increment Financing and Business District consulting services in an amount not to exceed \$94,100.*

**18. Village President**

- A. Discussion & Action – Amendment to Employment Agreement – *Motion: To authorize the Village President to execute the amendment to Employment Agreement.*

**19. Public Participation (Non-Agenda Related Items Only)**

**20. New Business**

**21. Executive Session**

**22. Adjourn**

*Items of Interest*

*Work Session Meeting: June 14, 2016*

*Village Board Meeting: June 28, 2016*

The Village of La Grange Park is subject to the requirements of the Americans with Disabilities Act of 1990. Individuals with disabilities who plan to attend this meeting and require certain accommodations in order to allow them to observe and/or participate in this meeting, or who have questions regarding the accessibility of the meeting or the facilities, are requested to contact Emily Rodman, Assistant Village Manager, at 708-354-0225 x108 promptly to allow the Village of La Grange Park to make reasonable accommodations for those persons. Website <http://www.lagrangepark.org>



## **Rules for Public Comment**

### **Village Board Work Session Meetings Village Board Meetings**

1. Please step up to the microphone before speaking, and announce your name and address before beginning your comments.
2. After announcing your name and address for the record, you will be allowed to speak for three (3) minutes.
3. You may not use profane or obscene language and you may not threaten any person with bodily harm, or engage in conduct which amounts to a threat of physical harm.
4. (a) Agenda-related comments: The Village President reserves the right to disallow comments that are repetitive of comments previously made during the meeting, or comments that do not relate to agenda items.  
  
(b) Non-agenda-related comments: The Village President reserves the right to disallow comments that are repetitive of comments previously made during the meeting, or comments that do not relate to Village business, Village services or Village governance.
5. The Village of La Grange Park complies with the Americans with Disabilities Act of 1990. If you require accommodations in order to observe or participate in the meeting, please contact Ms. Deanne Curelo at (708) 354-0225 between 9:00 and 5:00 before the meeting so that the Village can make reasonable accommodations for you.



**PROCLAMATION  
RECOGNIZING THE ACHIEVEMENTS  
OF THE  
2015 NAZARETH ACADEMY FOOTBALL TEAM**

**WHEREAS**, Nazareth Academy is a four-year college preparatory high school located in the Village of La Grange Park; and

**WHEREAS**, Nazareth football claims back to back State Champion Titles; and

**WHEREAS**, the Nazareth Academy can proudly boast a record of 12-2 for the 2015 season; and

**WHEREAS**, special commendation is due to all team members, to Coach Tim Racki and his staff; and

**WHEREAS**, we are pleased to publicly commend the Roadrunners for their fine efforts, their sportsmanship, inspired team play; and

**WHEREAS**, all the members of the Nazareth Football Team, players, coaches, and parents should be proud of their hard work and accomplishments this record-breaking season; and

**WHEREAS**, the Village of La Grange Park will honor this achievement with a Village entryway signage.

**NOW, THEREFORE, BE IT PROCLAIMED**, that I, James L. Discipio, President of the Village of La Grange Park, on behalf of the Board of Trustees and the residents of the Village of La Grange Park, do hereby issue this Proclamation recognizing the achievements of the 2015 Nazareth Football Team and offer our best wishes for the Roadrunner's continued success.

**IN WITNESS WHEREOF**, I have hereunto set my hand and caused the Seal of the Village of La Grange Park to be affixed the 24<sup>th</sup> day of May, 2016.

\_\_\_\_\_  
James L. Discipio, Village President

ATTEST: \_\_\_\_\_  
Amanda G. Seidel, Village Clerk

# Village Board Agenda Memo

**Date:** May 17, 2016

**To:** Village President and Board of Trustees

**From:** Julia A. Cedillo, Village Manager   
Dean J. Maggos, Director of Fire & Building 

**Re:** Swearing-in of Paid-on-Call Fire Lieutenant

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## **GENERAL BACKGROUND:**

Last October, the Fire Department conducted a testing and evaluation process for Paid-on-Call Fire Lieutenant candidates. The testing and evaluation process consisted of an assessment center, which included a written test, structured oral interview, and tactical simulation exercise. The process also included other evaluation components such as an assessment of a candidate's training and callback attendance, and an assessment of traits applicable to the position of Lieutenant, among others.

Firefighter/EMT-B Steven Storey participated in the process and did well. Steve began his employment at the La Grange Park Fire Department in July of 2002, and completed his probationary requirements in May of 2004. He currently resides in our Village on 31<sup>st</sup> St., and spends time with his children, involved in various sports and activities. His full-time employment is in the dairy industry, and he holds a B.A. in Economics.

## **DOCUMENTATION:**

There is currently a vacancy in the rank of Paid-on-Call Fire Lieutenant. As such, Steve Story is being promoted to fill such vacancy.

## **RECOMMENDATION:**

We recommend swearing in Firefighter/EMT-B Steven Story as a Paid-on-Call Fire Lieutenant for the La Grange Park Fire Department.

## **ACTION REQUESTED:**

Swearing in of Lieutenant Steven Story at the May 24, 2016, regular Village Board Meeting.

## **Consent Agenda Items Divider**

# VILLAGE BOARD AGENDA MEMO

**DATE:** 5/4/2016

**TO:** President and Board of Trustees

**FROM:** Ed Rompa, Police Chief   
Julia Cedillo, Village Manager 

**RE:** Purchase of In-Squad Computers

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**PURPOSE:** The purpose of this agenda item is to authorize the purchase of 5 in-squad computers, using funds budgeted in the FY16/17 Capital Projects Fund.

**DISCUSSION:**

The present in-squad computers (also known as “mobile data terminals”) are presently eight years old, and have exceeded their life expectancy, with no present value to them. Staff requested specific proposals from several vendors for the purchase of 5 computers, and the following proposals were received:

- Bright Computers \$19,104.75
- M-Rugged Mobile \$29,705.00
- CDW-G \$30,880.19

In this fiscal year, the Village has budgeted in the Capital Projects Fund – Capital Projects & Equipment (07-40-4-442) \$20,000 for this purchase.

**STAFF RECOMMENDATION**

The computers in Units 225, 226, 227, 228 & 229 will be replaced with these new computers, and installation will be taken care of in-house. It should be noted that these new computers are compatible to the other units affiliated with Western Springs and La Grange, so there is a LTACC (Consolidated Dispatch) link to the future connection with the new CAD system which will be used as well.

After careful review and evaluation of the proposals, Staff is recommending the Board authorize the purchase from the lowest bidder, Bright Computers, in the amount of \$19,104.75.

**MOTION / ACTION REQUESTED**

For the May 24<sup>th</sup> Village Board Meeting; Motion is authorizing the purchase of 5 mobile data terminals from Bright Computers in the amount of \$19,104.75.

**Documentation**

\*Three attached proposals from affiliated vendors listed above.

In-Car Computer Purchase\_2016

	Bright Computers	CDW-G	M Rugged Mobile
Price	\$19,104.75	\$30,880.19	\$29,705.00
Computer	Fujitsu Q775	Panasonic CF-31	Panasonic CF-31
Processor	Core i5-5300U	Core i5-5300U	Core i5-5300U
Operating System	Windows 7 Pro	Windows 8.1 Pro	Windows 7 Pro
Display Size/Type	13.3 / Touchscreen	13.1 / Touchscreen	13.1 / Touchscreen
RAM	8GB	8GB	8GB
Internal Storage	128GB	500GB	256GB
Warranty	5 Year – No Fault	5 Year – Extended	5 Year - Extended
Mounting Package	Swing-away mount with active bracket	Docking Station	Docking Station

# Village Board Agenda Memo

Date: 05/04/16

To: President and Board of Trustees

From: Brendan McLaughlin, Public Works Director *BSM*  
Julia Cedillo, Village Manager *JC*

RE: 2016/17 – MFT General Maintenance Resolution

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**PURPOSE:** Approve a “Resolution for Maintenance of Streets and Highways by Municipality Under the Illinois Highway Code.”

**GENERAL BACKGROUND:**

MFT Funds are used to perform maintenance related activity in the street right-of-way. These activities include: sidewalk replacement, street lighting, traffic control devices, pavement markings, snow and ice control and crack sealing. The Village must make a request for expenditures and have authorization for the use of MFT funds annually from IDOT.

A “Resolution for Maintenance of Streets and Highways by Municipality Under the Illinois Highway Code” has been prepared outlining the maintenance operations expenses.

In this fiscal year, the Village has budgeted in the MFT Fund \$306,000 for this work.

**STAFF RECOMMENDATION:**

Staff recommends approval of this Resolution at the May 24<sup>th</sup> Village Board Meeting.

**MOTION/ACTION REQUESTED:**

Motion approving a “Resolution for Maintenance of Streets and Highways by Municipality Under the Illinois Highway Code” for the expenditure of \$310,000 in MFT funds.

**DOCUMENTATION:**

- Resolution for Maintenance of Streets and Highways by Municipality Under the Illinois Highway Code



**Illinois Department  
of Transportation**

**RESOLUTION 16-06**

**Resolution for Maintenance of  
Streets and Highways by Municipality  
Under the Illinois Highway Code**

BE IT RESOLVED, by the President and Board of Trustees of the  
(Council or President and Board of Trustees)

Village of La Grange Park, Illinois, that there is hereby  
(City, Town or Village) (Name)

appropriated the sum of \$310,000.00 of Motor Fuel Tax funds for the purpose of maintaining  
streets and highways under the applicable provisions of the Illinois Highway Code from May 1, 2016

to April 30, 2017  
(Date)

BE IT FURTHER RESOLVED, that only those streets, highways, and operations as listed and described on the approved Municipal Estimate of Maintenance Costs, including supplemental or revised estimates approved in connection with this resolution, are eligible for maintenance with Motor Fuel Tax funds during the period as specified above.

BE IT FURTHER RESOLVED, that the Clerk shall, as soon a practicable after the close of the period as given above, submit to the Department of Transportation, on forms furnished by said Department, a certified statement showing expenditures from and balances remaining in the account(s) for this period; and

BE IT FURTHER RESOLVED, that the Clerk shall immediately transmit two certified copies of this resolution to the district office of the Department of Transportation, at Schaumburg, Illinois.

I, Amanda G. Seidel Clerk in and for the Village  
(City, Town or Village)  
of La Grange Park, County of Cook

hereby certify the foregoing to be a true, perfect and complete copy of a resolution adopted by

the President and Board of Trustees at a meeting on May 24, 2016  
(Council or President and Board of Trustees) Date

IN TESTIMONY WHEREOF, I have hereunto set my hand and seal this \_\_\_\_\_ day of May, 2016

(SEAL)

\_\_\_\_\_  
Village Clerk  
(City, Town or Village)

<b>Approved</b>
_____ Regional Engineer Department of Transportation
_____ Date



Local Public Agency: VILLAGE OF LA GRANGE PARK  
 County: COOK

Maintenance Period 5/1/2016 to 4/30/2017

Section Number: 17-00000-00-GM

**Estimated Cost of Maintenance Operations**

Maintenance Operation (No. Description)	Maint. Group	Insp. Req.	For Group I, IIA, IIB, or III					Est Total Operation Cost
			Item	Unit	Quantity	Unit Price	Item Cost	
1. Street Light Maintenance	IIA	N	31st Street Lighting	L.S.	1.00	7,000.00	7,000.00	15,000.00
			La Grange Road Lighting	L.S.	1.00	8,000.00	8,000.00	
2. Traffic Control Devices	IIA	N	IDOT Traffic Signal Maintenance	Qtrly	4.00	3,250.00	13,000.00	13,000.00
3. Street Lighting System	I	N	Electricity for Street Lights	MO	12.00	3,335.00	40,020.00	40,020.00
4. Pavement Markings	IIA	Y	Thermoplastic Markings (Schools)	L.S.	1.00	19,500.00	19,500.00	19,500.00
5. Snow and Ice Control	I	N	Rock Salt (State Purchase)	Ton	937.00	80.00	74,960.00	74,960.00
6. Pavement Patching Maintenance	IIA	N	Mtrl for Main & Repair of Streets	L.S.	1.00	19,500.00	19,500.00	19,500.00
7. Pavement Patching Program	IIB	Y	HMA Removal over Patches, 2"	SqYd				85,000.00
			Bituminous Materials (Prime Coat)	Pound				
			HMA Replacement of Patches	SqYd				
			Class "D" Patches, Type I, 4"	SqYd				
			Class "D" Patches, Type I, 4"	SqYd				
			Class "D" Patches, Type I, 4"	SqYd				
8. Sidewalk Maintenance	IIA	Y	PCC Sidewalk R&R	SqFT	3000.00	6.50	19,500.00	19,500.00
9. Crack Sealing	IIA	N	Mtrl for Crack Sealing	L.S.	1.00	19,500.00	19,500.00	19,500.00
<b>Total Estimated Maintenance Operation Cost</b>							<b>305,980.00</b>	

	Estimated Cost	MFT Portion	Other Funds	Preliminary Engineering	
Maintenance	305,980.00	305,980.00	-	Engineering Inspection	
Maint Eng	-		-	Material Testing	
<b>Totals:</b>	<b>305,980.00</b>	<b>305,980.00</b>	<b>-</b>	Advertising	
				Bridge Inspections	
<b>Total Estimated Maintenance Engineering Cost</b>					<b>-</b>
<b>Total Estimated Maintenance Cost</b>					<b>305,980.00</b>

Submitted:

Approved:

\_\_\_\_\_  
Municipal Official Title

\_\_\_\_\_  
Regional Engineer

Date

Date

# Village Board Agenda Memo

**Date:** 5/2/2016

**To:** President and Board of Trustees

**From:** Brendan McLaughlin, Public Works Director *BTM*  
Julia Cedillo, Village Manager *JC*

**RE:** 2016 Sewer Lining Program – Edwin Hancock Engineering Agreement

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**PURPOSE:**

In accordance with the Fiscal Year 2016/17 budget, an Engineering Agreement for the 2016 Sewer Lining Program is being presented for Village Board approval.

**GENERAL BACKGROUND:**

This year's budget includes the 2016 Sewer Lining Program, for which the Village Engineer, Edwin Hancock Engineering, will provide professional engineering services in amount not to exceed \$23,000.

In this fiscal year, the Village has budgeted in the Sewer Fund \$33,750 for this program.

**STAFF RECOMMENDATION:**

Staff recommends approval of this agreement at the May 24<sup>th</sup> Village Board Meeting.

**MOTION/ACTION REQUESTED:**

Motion authorizing the Village Manager to execute the Professional Engineering Services Agreement for the 2016 Sewer Lining Program, in an amount not to exceed \$23,000.

**DOCUMENTATION:**

- Professional Services Agreement between the Village of La Grange Park and Edwin Hancock Engineering Company for Furnishing Professional Design and Construction Engineering Services for the 2016 Cured-in-Place Sewer Lining Program

**AGREEMENT**  
between the  
**VILLAGE OF LAGRANGE PARK**  
and the  
**EDWIN HANCOCK ENGINEERING COMPANY**  
for furnishing of  
**DESIGN AND CONSTRUCTION ENGINEERING SERVICES**  
for the  
**2016 CURED-IN-PLACE SEWER LINING**  
**VARIOUS LOCATIONS**  
**ON LAGRANGE ROAD**  
**LAGRANGE PARK, ILLINOIS**

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THIS AGREEMENT, made and entered into between the VILLAGE of LAGRANGE PARK, hereinafter referred to as "VILLAGE", and the EDWIN HANCOCK ENGINEERING COMPANY, hereinafter referred to as "ENGINEER", covers the furnishing of Professional Engineering Services necessary for the Design and Construction Engineering required for the improvement, which consists of removing and replacing structurally defective combined sewer pipe at multiple locations on Harding and Woodlawn Avenues west of LaGrange Road.

The scope of construction will include the installation of new segments of cured-in-place sewer lining in the existing combined sewer, reestablishing appropriate sanitary sewer service connections, and other related work.

Design Engineering includes the preparation of plans, specifications and bidding documents for the proposed work; preparation and submittal of applications for permits required from various agencies; and performance of other necessary engineering services relative to the improvement prior to the start of construction, as well as other services outlined in Section I.A. this AGREEMENT.

Construction Engineering includes bid analysis, assistance with the contract award, field layout of the proposed work, observation of the work as it progresses to become familiar with the progress and quality of the work completed and to determine if the work when completed will be in accordance with the contract documents, attendance at progress meetings during construction as may be required, measurement of quantities and preparation of pay estimates as required, as well as other services outlined in Section I.C. of this AGREEMENT.

WITNESSETH THAT; in consideration of these premises and of the mutual covenants set forth,

**I. THE ENGINEER AGREES; upon authorization by the OWNER,**

- A. To perform, or be responsible for the performance of, the following Design Engineering services for the proposed improvement:
  - 1. Preparing preliminary design criteria.
  - 2. Making engineering field topographic surveys as are necessary for the preparation of detailed plans.
  - 3. Preparing and submitting necessary applications and plans to various governmental agencies, on behalf of the VILLAGE, for permission to construct the proposed site improvements.
  - 4. Preparing detailed plans, specifications, bid proposals, and estimates of construction costs and furnishing the VILLAGE with sufficient sets of these documents to be used for obtaining bids from contractors.
  - 5. Endorsing all plans and other documents furnished by the ENGINEER pursuant to this AGREEMENT by showing his signature and professional seal where such is required by Law.
  - 6. Assisting the VILLAGE in the issuance of proposal forms, advertising for bids, and tabulation and interpretation of contractors' bid proposals.
  - 7. Assisting the VILLAGE in the tabulation and interpretation of contractors' bid proposals and preparing a letter of recommendation for award of contract.
- B. To cause to be furnished, if or when required, the following services by subletting the work to a firm or firms qualified to provide the services, the selection of the firm and their fee schedule being first subject to the approval of the VILLAGE:
  - 1. Investigations and analysis reports of surface and subsurface ground conditions.
  - 2. Land surveys, the preparation of plats of survey or plats of easements, or the preparation of property access licenses if required.
- C. To perform, or be responsible for the performance of, the following Construction Engineering services for the proposed improvement:
  - 1. Preparation of all necessary contract documents resulting from the award of the contract.
  - 2. Consulting on interpretations of plans and specifications and any changes under consideration as construction proceeds, including attending such

meetings as may be required to inform the VILLAGE on the progress of the work.

3. Checking of shop and equipment drawings for general conformance of the information given with the design concept expressed in the contract documents.
  4. Providing field layout.
  5. Providing resident observation of the construction work to become familiar with the progress and quality of the work completed and to determine if the work when completed will be in accordance with the contract documents.
  6. Maintaining a daily record of the contractor's activities throughout construction including sufficient information to permit verification of the nature and cost of changes in plans and authorized extra work.
  7. Coordination of materials testing engineers and review of materials inspection reports.
  8. Advising the VILLAGE of defects and deficiencies observed in the work of the contractor, but the ENGINEER shall not be responsible for nor does it guarantee the performance of the contract by the contractor.
  9. Making any necessary changes in working plans as may be required after the award of the construction contract and during construction of the improvement and which are consistent with the original scope of the project. Changes not in the original scope that are requested by the VILLAGE, or requested by the CONTRACTOR and agreed to by the VILLAGE, or are deemed necessary to the project but not reasonably foreseeable by the ENGINEER during the time of the design, shall be performed by the ENGINEER at an agreed additional cost.
  10. Making final measurement of quantities of work performed under the contract as required for determining payment due for the work.
  11. Preparing contractor's partial and final payment estimates, change orders, and other records that may be required.
  12. Performing final inspection of all improvements.
- D. To cause to be furnished, when required, the following services by subletting the work to a firm or firms qualified to provide the services, the selection of the firm and their fee schedule being first subject to the approval of the VILLAGE:
1. Proportioning and testing of Portland cement concrete and bituminous concrete mixtures in accordance with project specifications.
  2. All compaction or density tests as required by the specifications.

- E. That ENGINEER will save harmless the VILLAGE and its employees from all damages and liabilities caused by negligent or wrongful acts or omissions of ENGINEER in the performance of his professional services. ENGINEER shall carry adequate insurance as agreed upon between VILLAGE and ENGINEER, including insurance covering this indemnity. Such insurance shall remain in force until all work is completed and all final measurements and reports have been made and accepted by the VILLAGE.

II. THE VILLAGE AGREES:

- A. That for the performance by the ENGINEER of the services set forth above, the VILLAGE shall pay the ENGINEER on the following basis of payment:
  - 1. The ENGINEER's compensation for all Design Engineering services performed as stipulated in above Section I.A. shall be a DESIGN ENGINEERING FEE in the amount shown in the section entitled Design Engineering on Attachment B, unless there is a substantial change in the scope, complexity, or character of the site improvements to be constructed or there is a substantial overrun in the time necessary for the ENGINEER to complete his work due to causes beyond his control. Should such circumstances occur, adjustments in the total compensation to the ENGINEER shall be determined through discussions between the parties of the AGREEMENT. The DESIGN ENGINEERING FEE is based upon estimated fees for portions of the work as itemized in Attachment B.
  - 2. The ENGINEER's compensation for all Construction Engineering services performed as stipulated in above Section I.C. shall be a CONSTRUCTION ENGINEERING FEE in the amount shown in the section entitled Construction Engineering on Attachment B, unless there is a substantial change in the scope, complexity, or character of the site improvements to be constructed or there is a substantial change in the scope, complexity, or character of the site improvements to be constructed or there is a substantial overrun in the time necessary for the ENGINEER to complete his work due to causes beyond his control. Should such circumstances occur, adjustments in the total compensation to the ENGINEER shall be determined through discussions between the parties of the AGREEMENT. The CONSTRUCTION ENGINEERING FEE is based upon estimated fees for portions of the work as itemized in Attachment B.
  - 3. To pay for subletted services as stipulated in Section I.B. and I.D. at the actual costs to the ENGINEER, said costs being separate from the ENGINEERING FEES. "Costs to ENGINEER" shall be validated by the ENGINEER furnishing the VILLAGE copies of invoices from the party doing the work.

4. For any related work requested of the ENGINEER that is outside the scope of this AGREEMENT, the costs for the engineering services rendered shall be determined by the Schedule of Hourly Rates shown in Attachment A.
- B. That payment to the ENGINEER for the services rendered shall be made in the following manner:
1. During the design of the work, and upon receipt of monthly invoices from the ENGINEER and the approval thereof by the VILLAGE, monthly progress payments for the work performed shall be due and payable to the ENGINEER. Such monthly payments shall be equal to One Hundred Percent (100%) of the value of services rendered to date based on percent completion of tasks as outlined less all previous payments made to the ENGINEER for design engineering services.
  2. Upon delivery of final design plans, specifications, and proposals for the improvement by the VILLAGE, One Hundred Percent (100%) of the total DESIGN ENGINEERING FEE, less progress payments made, shall be due and payable to the ENGINEER.
  3. During construction, and upon receipt of monthly invoices from the ENGINEER and the approval thereof by the VILLAGE, monthly payments for the work performed for Construction Engineering shall be due and payable to the ENGINEER. Such monthly payments shall be equal to One Hundred Percent (100%) of the value of services rendered to date based on percent completion of tasks as outlined less all previous payments made to the ENGINEER for construction engineering services.
  4. Final Payment - Upon approval by the VILLAGE, but not later than sixty (60) days after the site improvements have been completed and all final measurements and reports have been made and accepted by the VILLAGE, One Hundred Percent (100%) of the total CONSTRUCTION ENGINEERING FEE, less progress payments made, shall be due and payable to the ENGINEER.

### III. IT IS MUTUALLY AGREED:

- A. That this AGREEMENT may be terminated by either party upon a thirty (30) days written notice should the other party fail substantially to perform in accordance with the terms of the AGREEMENT through no fault of the other. Upon such termination and upon payment in full to ENGINEER of all sums due and owing it, the ENGINEER shall cause to be delivered to the VILLAGE, copies of partially completed drawings, specifications, partial and completed estimates, and data, if any, from soil surface and subsurface investigations with the understanding that all such materials become the property of the VILLAGE. The ENGINEER shall be paid promptly for any services completed and any services partially completed. VILLAGE assumes all responsibility and

releases ENGINEER from any liability arising from the VILLAGE'S use of partially completed drawings, specifications, or other work product prepared by ENGINEER or for any reuse of ENGINEER'S work product on another project.

- B. ENGINEER shall neither have control over or charge of, nor be responsible for, the construction means, methods, techniques, sequences or procedures, or for safety precautions and programs in connection with the construction Work, since these are solely the contractor's rights and responsibilities under the contract documents.
- C. Any claim, dispute, or other matter in question arising out of or related to this Agreement shall be subject to mediation as a condition precedent to the institution of legal proceedings by either party. The parties shall share the mediator's fee and any filing fees equally. The mediation shall be held in the county where the Project is located, unless another location is mutually agreed upon. Agreements reached in mediation shall be enforceable as settlement agreements in any court having jurisdiction thereof.
- D. VILLAGE and ENGINEER waive consequential damages for claims, disputes or other matters in question arising out of or relating to this Agreement. This mutual waiver is applicable, without limitation, to all consequential damages due to either party's termination in accordance with the terms of this Agreement.
- E. This Agreement represents the entire and integrated agreement between VILLAGE and ENGINEER and supersedes all prior negotiations, representations, or agreements, either written or oral. This Agreement may be amended only by written instruments signed by both parties hereto.

IN WITNESS WHEREOF, the parties have caused this AGREEMENT to be executed in duplicate counterparts, each of which shall be considered as an original, by their duly authorized officers as of the dates below indicated.

Executed by the VILLAGE, this

\_\_\_\_\_ day of \_\_\_\_\_, 2016

**VILLAGE OF LAGRANGE PARK**  
Cook County, Illinois

By \_\_\_\_\_  
Julia Cedillo, Village Manager

ATTEST:

By \_\_\_\_\_  
Deanne Curelo, Deputy Village Clerk

(SEAL)

-----  
Executed by the ENGINEER, this

5<sup>TH</sup> day of APRIL, 2016

**EDWIN HANCOCK ENGINEERING COMPANY**  
9933 ROOSEVELT ROAD  
WESTCHESTER, ILLINOIS 60154

By   
Derek Treichel, P.E., President

ATTEST:

By   
Paul E. Flood, Senior Vice President

(SEAL)

## ATTACHMENT A

### SCHEDULE OF HOURLY RATES

<u>PERSONNEL CLASSIFICATION</u>	<u>HOURLY RATE</u>
ENG-VI	128.00
ENG-V	123.00
ENG-IV	113.00
ENG-III	108.00
ENG- II	88.00
ENG- I	78.00
ENGINEERING TECH-V	108.00
ENGINEERING TECH-IV	98.00
ENGINEERING TECH-III	80.00
ENGINEERING TECH-II	65.00
ENGINEERING TECH-I	40.00
CAD MGR	108.00
CAD- II	98.00
CAD- I	93.00
ADMINISTRATIVE	65.00

## ATTACHMENT B

### PROJECT FEE SCHEDULE

<u>Design Engineering</u>	
Review TV Logs	3,000.00
Plans & Specifications	2,250.00
Drafting	2,250.00
Permitting	1500.00
Bid Engineering	500.00
Project Administration	<u>2,000.00</u>
<b>Total Design Engineering Fee</b>	<b>\$11,500.00</b>
<u>Construction Engineering</u>	
Construction Layout	1,000.00
Construction Inspection	5,500.00
Quantity Measurement	500.00
Project Close-Out	2,500.00
Project Administration	<u>2,000.00</u>
<b>Total Construction Engineering Fee</b>	<b>\$ 11,500.00</b>
<b>Total Fee; Design and Construction</b>	<b>\$ 23,000.00</b>

# **Administration Committee Divider**

**Robert Lautner, Chairman**

**Michael Sheehan**

**James Kucera**

# Village Board Agenda Memo

Date: May 19, 2016  
To: Village President & Board of Trustees  
From: Julia Cedillo, Village Manager   
RE: Professional Service Contract Renewal – CW Consulting

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## PURPOSE

To approve a new one year contract with CW Consulting (formerly “Cagwood Consulting”) for lobbyist services.

## GENERAL BACKGROUND

Since May 2007, the Village has engaged Chris Ganschow of CW Consulting (formerly Cagwood Consulting) for lobbyist services to represent the Village’s interests in Springfield and at the federal level. The current contract includes specific deliverables and a scope of work at an annual cost of \$27,780, payable at \$2,315 per month. The contract expired on April 30<sup>th</sup> and should be renewed if the Village Board desires CW Consulting to continue to provide services to the Village.

Included with this memorandum is a new contract covering the period May 24, 2016 – May 23, 2017, providing for a new one-year term of service, with a 2.25% increase in fees (payable at \$2,367 monthly), totaling \$28,405. The contract may be cancelled by either party with 30 days written notice. The contract includes new language that updates the scope of consulting services and includes a list of identified goals for the contract term.

As a result of the Village Board’s discussion at the April 12<sup>th</sup> Work Session, staff added language to clarify services and deliverables relating to the new addition of a monthly grant report (see page 4 of the contract). At the April 26<sup>th</sup> Village Board Meeting, the Board suspended further discussion on this matter until the May 24<sup>th</sup> Village Board Meeting.

## MOTION / ACTION REQUESTED

It is requested that the Village Board authorize the Village Manager to execute a contract for professional services with CW Consulting covering the period May 24, 2016 – May 23, 2017, so that the Village may benefit from the relationships that have been established in recent years.

**MOTION:** Motion to authorize the Village Manager to execute a one-year contract for services with CW Consulting, with an annual cost not to exceed \$28,405.

## STAFF RECOMMENDATION

Staff recommends that the Village authorize execution of a contract with CW Consulting for the period May 24, 2016 – May 23, 2017. Mr. Ganschow has actively represented the Village in seeking, securing, and protecting state and federal funding for much needed projects and services. This year, Mr. Ganschow was particularly helpful in promoting and securing support for legislation that released funding for MTF, 911 services, and State Use Tax. Mr. Ganschow also represents the Village in Springfield with regard to the preservation of municipal revenues, as well as other legislation that may impact our community. It is staff’s recommendation that Village interests would be better served by continuity in representation at the state and federal level.

Mr. Ganschow provided a presentation at the April 26<sup>th</sup> Board Meeting. His annual written Progress Report is attached.

## DOCUMENTATION

- CW Consulting Contract (updated)
- Progress Report, Chris Ganschow (distributed at the April 12<sup>th</sup> Work Session Meeting)

# ***CW Consulting***

PO Box 786, Highland Park, IL  
(847) 323-5545 - [cagwood@aol.com](mailto:cagwood@aol.com)

With our more than 27 years of experience in communications and developing and executing public affairs strategies, CW Consulting is uniquely positioned to assist the Village of La Grange Park in building key relationships, locally, in Springfield, and in Washington, DC. We can assist the Village in developing and delivering key messages to legislators, the media, residents and other important audiences.

We look forward to continuing our relationship with the Village of La Grange Park, and would suggest working to attain the following goals for 2016-2017:

- **Convey the Village's Concerns on Issues of Importance**
  - Arrange at least five state and federal representatives, including Rep. Luis Gutierrez
  - Identify events where legislators will be in attendance and inform Village officials of those opportunities
  - Arrange meetings with key personnel in Gov. Rauner's administration
  - Seek opportunities to meet with General Assembly caucus leaders (Speaker Madigan, Senate President Cullerton and Republican Leaders Radogno & Durkin)
  - Organize meetings with legislators / officials during the WCMC Drive-Down
  
- **Secure and/or Protect Funding Sources for the Village**
  - Develop strategies to combat any cuts on the Local Government Distributive Fund (LGDF)
  - Monitor developments of the "Statewide Next Generation 9-1-1" regarding impact on local revenues and service operations
  - Identify other funding opportunities, including a possible capital investment program
  
- **Reports and Communications**
  - Bi-weekly reports for Village Board briefs
  - Quarterly reports for the "Rose Clippings"
  - Quarterly reports to the Village Board on lobbying activities
  - Report to the Village Board in person at least twice
  - Prepare materials for annual WCMC Drive-Down, including a summary of key legislative issues
  - *Provide monthly Grant Report to the Village (new for 2016-17)*
  - *Arrange monthly meetings with Village Manager and Village President (new for 2016-17)*
  - *Attend two (2) staff meetings per year (new for 2016-17)*

These goals have been integrated into the services provided under *Section 2.* of the attached Consulting Service Agreement. At your convenience, I would look forward to further discussing with you how CW Consulting might be of assistance to the Village as it moves forward into the future. Thank you in advance for your consideration.

**About CW Consulting**

***Christopher Ganschow*** brings two decades of experience to helping individuals & organizations meet their communications & public affairs priorities. He has assisted leaders in government, private industry & the non-profit sector in getting their message out to key audiences.

Ganschow has worked for five current and former Members of Congress, including Rep. Daniel Lipinski, who sits on the Transportation and Infrastructure Committee, in developing communications strategies and legislative initiatives, including the last three federal transportation bills. He has also worked with several clients, including most recently the Village of La Grange Park, Ill., in successfully obtaining funding in both Washington D.C. and Springfield to meet their infrastructure priorities.

His other clients have included the City of Aurora, Ill., the North Shore Sanitary District; Serafin & Consulting; and the Park District of Highland Park, Ill. Ganschow is an award-winning writer and graduate of the University of Missouri-Columbia with a Bachelor's Degree in Journalism. He is active with the YMCA and Chamber of Commerce, among several civic, charitable and professional organizations.

## Consulting Service Agreement

THIS AGREEMENT ("Agreement") is made as of May 24, 2016 ("Effective Date") by and between CW Consulting ("CW") with offices at 15 Clay Ave, #303, Highwood, IL (PO Box 786, Highland Park, IL) and the Village of La Grange Park ("The VILLAGE") with offices at 447 N. Catherine Ave., La Grange Park, IL. CW and the Village of La Grange Park may also be referred to individually as a "Party" or collectively as the "Parties."

### RECITALS

WHEREAS, the VILLAGE wishes to retain CW to perform certain consulting services subject to the terms and conditions of this Agreement, and;

WHEREAS, CW has represented to the VILLAGE that it is capable and is willing to undertake the performance of consulting services for the VILLAGE;

NOW, THEREFORE, in consideration of the payments to be made to CW as provided herein, and in consideration of the mutual agreements and covenants contained herein, the VILLAGE and CW agree as follows:

#### 1. Term

The term of this Agreement shall commence on the Effective Date, and shall remain in effect for a period of one (1) year (the "Term").

Expiration of the Term shall not terminate any continuing obligations of the Parties, including but not limited to, those obligations set forth in subsequent sections and shall in no way be deemed to be construed as a restriction, limitation or waiver of either Party's rights to pursue any additional available remedy at law or equity.

The term of this Agreement shall cease upon cancellation by either Party with 30 days written notice.

#### 2. Consulting Services

The VILLAGE hereby retains CW, which hereby undertakes to exercise its best efforts to promote the business, products, reputation and interest of the VILLAGE through the performance of consulting services ("Services").

Consulting services include, but are not limited to, the following items:

- MEETING WITH OFFICIALS AND STATE AGENCIES: Facilitating meetings with officials, including elected legislators, and agency representatives at the county, regional, state and federal levels in an effort to convey the Village's concerns on issues of importance.

*Deliverables Include: (1) Arrange at least five meetings with state and federal representatives, including Rep. Luis Gutierrez; (2) Identify events where legislators will be in attendance and inform Village officials of those opportunities; (3) Arrange meetings with key personnel in Governor Rauner's administration; (4) Seek opportunities to meet with General Assembly caucus leaders, including Speaker Madigan, Senate President Cullerton and Republican Leaders Radogno & Durkin; (5) Organize meetings with legislators / officials during the WCMC Drive-Down.*

- **SECURE AND/OR PROTECT FUNDING SOURCES:** Working to find unique sources of revenue for the Village at the federal, regional, state and local levels, and monitoring the progress of applications for grants and other funding earmarks.

*Deliverables Include: (1) Develop strategies to combat any cuts on the Local Government Distributive Fund (LGDF); (2) Execute strategy to secure a an aerial ladder truck for the Village; (3) Monitor developments of the "Statewide Next Generation 9-1-1" regarding impact on local revenues; and (4) Identify other funding opportunities, including a possible capital investment program.*

- **MONTHLY GRANT REPORT TO VILLAGE:** Develop a monthly report that identifies and tracks progress of viable grant opportunities at the federal, regional, state and local levels to support Village projects, purchases and services.

*Deliverables Include: A monthly report that includes: (1) PROJECTS: A list of Village projects where grant funding may be available; (2) GRANT PROGRAMS: Cyclical or annual government grant programs that may have potential for funding Village programs and services; (3) GRANT REQUIREMENTS: A summary of eligibility requirements; (4) VIABILITY: The viability of grant opportunities based upon eligibility requirements; (5) SUPPORT: Identifies whether letters of support for the application are needed or have been secured; (6) PROGRESS: Reports the monthly progress of grant applications.*

*CW Consulting shall assist Village staff in the development and completion of grant applications; and seek legislative support (letters of support) for Village grant applications.*

- **REPORTS AND COMMUNICATIONS:** Provide regular reporting to the Village on lobbyist activities.

*Deliverables Include: (1) Bi-weekly reports for Village Board Briefs on issues of importance to include any legislator contacts that have been made on behalf of the Village; (2) Quarterly reports to the Village Board on lobbying activities; (3) Report to the Village Board in person at least twice; (4) Prepare materials for annual WCMC Drive-Down, including a summary of key legislative issues and the Village's position on these issues and provide the materials to the Village Manager no later than 1 week prior to the Drive-Down date; and (5) Provide monthly Grant Report to the Village.*

- **GETTING THE MESSAGE OUT:** Helping the Village of La Grange Park craft its message to residents about its public affairs priorities, including writing newsletter articles & news releases, and working with the media, if requested.

*Deliverables Include: Provide quarterly reports to the Village (due March 15th, June 15th, September 15th and December 15th) for the Rose Clippings on key legislative issues (or other public affairs priorities) impacting the Village for which our residents should be informed.*

- **ATTENDING VILLAGE MEETINGS:** Upon request, attending Village Board and Committee meetings, as well as other special events.

*Deliverables Include: (1) Attend at least 4 Village Board meetings annually (one per quarter); (2) Attend at least 2 special events annually on behalf of the Village; (3) Arrange monthly meetings with the Village Manager and Village President; and (4) Attend two staff meetings per year.*

- **DRAFTING LEGISLATION:** Meeting with Village officials to define the terms of specific legislation & composing bills and identifying sponsors & cosponsors.

- **ANALYZING LEGISLATION:** Analyzing legislation as it is introduced, determining its possible effects on the Village, as well as providing the Village with copies of these bills and any pertinent information regarding their status.

Services will be provided directly by CW, or where appropriate, by individuals or entities retained by CW that CW believes will help to accomplish the Services outlined in this Paragraph. The VILLAGE shall not be responsible for any fees owed to outside individuals or entities unless pre-approved by the VILLAGE. Furthermore, CW represents that any individual or entity retained by CW will be bound to the same obligations of CW under this Agreement, including the obligation of confidentiality.

### 3. Compensation and Expenses

For and in consideration of CW's performance of Services in accordance with the terms and conditions of this Agreement, the VILLAGE shall pay CW a monthly retainer of \$2,367 (two-thousand three-hundred sixty seven dollars).

If CW determines that there is a need to incur additional costs and expenses in the performances of services hereunder, then in that event, VILLAGE shall reimburse CW for the same, provided the nature, amount and circumstances thereof are fully disclosed to and approved by an authorized representative of the VILLAGE prior to the time such additional costs or expenses are incurred. CW will provide a detailed accounting of all such additional costs and expenses.

5. Compliance with State and Federal Laws

Both parties recognize and agree to comply fully with all applicable federal, state, and local laws regulating corporate political and marketing activities, and each agrees to fully comply with all applicable laws, decrees, rules, regulations, orders, ordinances, actions, and requests of any federal, state, or local government or judicial body, agency, or official pertaining to this Agreement.

6. Confidentiality

In rendering Services pursuant to this Agreement, CW and its employees may acquire or be exposed to confidential information or trade secrets concerning the business and operations of the VILLAGE or its affiliates. CW agrees to treat and maintain all such information and data as the VILLAGE's confidential property and not to divulge it to others at any time or use it for private purposes or otherwise, except as such use or disclosure may be required in connection with performance of the Services or as may be consented to in advance and in writing by the VILLAGE. The confidentiality obligations hereunder shall not extend to: (i) Confidential information already in the possession of CW without any obligation of confidentiality; (ii) Confidential information already in the public domain; or (iii) Confidential information independently received by CW without any obligations of confidentiality. The obligations of CW contained in this Paragraph shall ensure that any employees, agents, or subcontractors of CW who have access or exposure to the aforesaid information shall be bound by these obligations of confidentiality.

7. Limitation on Damages

Neither party shall be liable to the other for any punitive, special or exemplary damages.

8. Governing Law

The parties agree that this Agreement shall be governed by and interpreted in accordance with the internal laws of the State of Illinois. This agreement will conform at all times with all applicable laws now and in the future regarding any registered agent business practice.

9. Counterparts

This Agreement may be signed in one or more counterparts, all of which together will constitute one and the same instrument.

**IN WITNESS THEREOF, the parties have duly executed this Agreement as of the date first above written:**

**For CW Consulting,**

**For the Village of La Grange Park**

**Its: \_\_\_\_\_**

**Its: \_\_\_\_\_**

\_\_\_\_\_  
**Signature & Date**

\_\_\_\_\_  
**Signature & Date**

## ***CW Consulting***

Christopher A. Ganschow  
15 Clay Ave., #303, Highwood, Illinois 60040  
Mailing - PO Box 786, Highland Park, Illinois 60035  
(847) 323-5545 - [cagwood@aol.com](mailto:cagwood@aol.com)

### **Annual Report the to the Village Board**

The last twelve months have been perhaps the most tumultuous period in the history of Illinois politics. As I have reported extensively on the battle over the state budget and related matters over the past year, we will try to focus on some of the positive aspects of my work with and on behalf of La Grange Park.

Despite the challenges manufactured in Springfield, we have helped La Grange Park move forward in the face of these obstacles. Among our accomplishments in the past year:

- We have built and begun relationships with legislators and other elected officials. During the last year, we helped organize meetings for President Discipio and other Village officials including:
  - **U.S. Rep Mike Quigley (5<sup>th</sup>)** – Congressman Quigley visited the Village last April, where he toured Village Hall, including the Police and Fire departments, where he inspected the 25-year-old ladder truck. Rep. Quigley has been supportive of our efforts to secure a grant from the Federal Emergency Management Agency's Assistance to Firefighters program. In addition, Congressman Quigley not only met with Village officials during his visit, but also representatives from surrounding communities, including Western Springs, Westchester, and Elmhurst.

Rep. Quigley also attended the Village's Holiday Tree Lighting in December.

- **State Rep. Emmanuel "Chris" Welch (7<sup>th</sup>)** – We continued to build our relationship with Rep. Welch, who has proven to be a strong advocate in Springfield for La Grange Park. We met with him several times, including before his Environmental Jobs Open House at the Library in July.
- **Cook County Commissioner Sean Morrison (17<sup>th</sup>)** – We introduced the newest Cook County Commissioner to LaGrange Park during a meeting at Village Hall in December. Commissioner Morrison was appointed to replace Liz Gorman, who retired from the Board last summer.
- **State Rep. Ron Sandack (81<sup>st</sup>)** - We met with Rep. Sandack in November to discuss the Village's concerns about any cuts to the Local Government Distributive Fund (LGDF) and releasing funds dedicated to local

communities, such as the Use Tax and Motor Fuel Tax. Rep. Sandack formerly served the Village as State Senator from 2010 to 2012, before he was elected to the House after the last redistricting. He is now a key leader in the House Republican Caucus.

- Legislators and other Officials we met during the 2015 West Central Municipal Conference Drive Down last April included:
  - **State Rep. Barbara Flynn Currie**, the House Majority Leader
  - **State Rep. Mike Zalewski** (23<sup>rd</sup>)
  - **State Rep. LaShawn Ford** (8<sup>th</sup>)
  - **State Sen. Kim Lightford** (4<sup>th</sup>)
  - **State Rep. Chris Welch** (7<sup>th</sup>)
  - **Brian Oszakiewski**, Deputy Chief of Staff on Transportation issues, and **Jim Clark**, Director of Intergovernmental Affairs, for Gov. Rauner
  
- During the most recent WCMC Drive Down April 6 we met with:
  - **Republican Senate Leader Chris Radogno**
  - **Republican House Leader Jim Durkin**
  - **State Sen. Steve Landek** (12<sup>th</sup>)
  - **Kyle Haegers of Gov. Rauner's staff**
  - As well as Representatives Currie, Zalewski, Ford and Welch

Other accomplishments in the past year include:

- **Indian Harbor Belt Nuisance** – We worked with the office of U.S. Rep. Luis Gutierrez (4<sup>th</sup>) in working to mitigate the nuisance of Indiana Harbor Belt (IHB) railroad engines idling along residential areas in the Village. At our request, Congressman Gutierrez wrote a letter of concern to IHB. The correspondence, as well as other pressure, provided some relief to residents on the east side of the Village, but unfortunately, it seems disruptions may be occurring again.
  
- **Defending the Local Government Distributive Fund** – Discussions of cutting the LGDF to help balance the budget stretch back to 2010, starting with former Gov. Quinn, and more recently, Gov. Rauner, proposing a 50 percent cut during the 2014 campaign. Due in part to the diligence of our lobbying of elected officials - and the efforts of municipal leaders across the state - the LGDF remains at 8 percent of income tax collections (although full funding would be 10 percent). We will continue fighting to maintain the LGDF.
  
- **Fighting to Get Dedicated Funds Moving** - Another major lobbying effort in the past year was working to get funds collected by the state, but dedicated to municipalities, flowing again to communities after the

disbursements were caught up in the state budget impasse. These funds include MFT, Use Tax, and 9-1-1 monies. Fortunately, in December, the General Assembly passed, and the Governor signed **Senate Bill 2039 (99-0491)**, which made the appropriation of these funds. Our efforts have turned to lobbying for **Senate Bill 3019**, which would provide an automatic appropriation of these “pass through” funds collected by the state.

- **FEMA Grant for Fire Engine** – In addition to working with Congressman Quigley to secure FEMA Assistance to Firefighters, we also sought support for the grant application from other elected officials. Among those submitting letters on behalf of the grant application included U.S. Senator Richard Durbin, State Representatives Welch and Ford, and Congressman Dan Lipinski, whose constituents in La Grange and Western Springs would benefit from the availability of the new fire engine.
- **Secure Matching Funding for Generator** – We contacted state and county officials to secure additional funding for the emergency generator. Most of the cost of the device was paid for through a grant from FEMA, but delays in disbursing the funds by the Illinois Emergency Management Agency led to increase overall costs for the project.
- **Fighting for Release of Grant Funds** – We have worked diligently with our legislators and state officials in an effort to try and get state grants for the Illinois Green Infrastructure Grant (IGIG) program and Open Space Land Acquisition and Development (OSLAD) flowing again to the Village.

### **Keeping Village Officials – and Residents - Informed**

Another of our key accomplishments over the past year has been our communications effort. Keeping both village officials and residents informed of developments in Springfield and Washington has been crucial in furthering our advocacy efforts.

Among these communications were:

- **Rose Clippings** – Over the course of the last year, we wrote articles for each of the four editions of *Rose Clippings*. Topics of the articles included:
  - How residents can help in the fight to protect the LGDF;
  - The status of the IGIG and OSLAD grants;
  - Congressman Quigley’s visit to the Village;
  - Other legislation that impacts municipalities;
- **Bi-weekly Reports** – We continued to provide reports every two weeks for inclusion in the Board Briefs.
- **Referendum** - Assisted in public educational effort on the \$10 million bond for road improvements and \$1.2 million bond for the purchase of emergency vehicles.

# **Finance Committee Divider**

**Patricia Rocco, Chairwoman**

**Scott Mesick**

**James Kucera**

## Village Board Agenda Memo

Date: May 16, 2016

To: Finance Committee Chair Patricia Rocco  
Village President and Board of Trustees

From: Larry Noller, Finance Director  
Julia Cedillo, Village Manager

Re: 2016 Referenda Bonds Issuance

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### PURPOSE

Consideration and action on an ordinance providing for the issue of not to exceed \$11,200,000 General Obligation Corporate Purpose Bonds, Series 2016, for the purpose of paying the costs of certain capital improvements, providing for the levy and collection of taxes sufficient to pay the bonds, and authorizing the sale of said bonds to the purchaser thereof.

### BACKGROUND

In order to proceed with issuing the 2016 road and fire equipment bonds approved by voters March 15, 2016, the Village Board approved agreements last month with R.W. Baird as financial advisor and Chapman and Cutler as bond counsel. The next step in the process is for the Village Board to approve an ordinance authorizing the issuance of the bonds.

The proposed ordinance was prepared by the Village's bond counsel, Chapman and Cutler, and approves the issuance of general obligation bonds for road improvements, including street resurfacing and sidewalk repair, and the purchase of fire vehicles and equipment, and associated expenses and provides for the levy of property taxes sufficient to pay the bonds. Included in the ordinance are the details for the bonds, including tax exempt status covenants, provision for manner of sale, parameters and terms of the bonds and the form of the bonds. Upon Village Board approval, the Village President and Village Manager or Finance Director may proceed with the sale of the bonds. The parameters within the ordinance restrict the sale of the bonds to the voter and Village Board approved limits while providing flexibility to adapt to changes in market conditions that may occur between now and the sale, planned for mid-June.

Maximum amount of bonds (Page 5):	\$11.2 million
Maximum interest rate (Page 5):	6.0%
Term (Page 5):	10 Years
Sale Type (Page 21):	Competitive
Designated Officers (Page 21):	The ordinance authorizes the Village President and either the Village Manager or Finance Director to proceed with the bond sale.
Maximum Annual Tax Levy (Page 23):	\$1.35 million

Stephan Roberts from Robert W. Baird attended the May 10<sup>th</sup> Village Board workshop to present the recommendation for a competitive sale of the bonds and to review the sale parameters. In addition, Mr. Roberts discussed his firm's analysis regarding issuing the entire \$11.2 million at once versus stages.

**STAFF RECOMMENDATION**

Staff recommends the Village Board approve the proposed ordinance authorizing the issuance of the 2016 referenda bonds at the May 24<sup>th</sup> meeting.

**ACTION REQUESTED**

Motion to approve an ordinance providing for the issue of not to exceed \$11,200,000 General Obligation Corporate Purpose Bonds, Series 2016, for the purpose of paying the costs of certain capital improvements, providing for the levy and collection of taxes sufficient to pay the bonds, and authorizing the sale of said bonds to the purchaser thereof.

**DOCUMENTATION**

- Memo from Baird recommending a competitive sale.
- Presentation from Baird.
- Bond analysis from Baird.
- Draft bond ordinance.
- Bond Timetable.
- Draft Preliminary Official Statement.



**MEMORANDUM**

TO: Mr. Larry Noller  
Village of La Grange Park

FROM: Mr. Stephan C. Roberts  
Robert W. Baird & Co.

DATE: May 4, 2016

SUBJECT: Method of Sale

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The question of whether to sell bonds at a negotiated or competitive sale or private placement is often the topic of discussion at the time issuers are contemplating the sale of bonds. Baird does not believe that one method of sale is always superior to the other. Certain factors must be explored to determine the method of sale that could result in the lowest interest rates.

**GFOA Recommendation**

The GFOA recommends that issuers select a method of sale based on thorough analysis of the relevant rating, security, structure and other factors pertaining to the proposed bond issue as described in the table below.

Factors that Favor Competitive Sale:	Factors that Favor Negotiated Sale:
<ul style="list-style-type: none"><li>• Rating of the bonds is at least in the "A" category.</li><li>• Bonds are GO bonds or full faith and credit obligations of the issuer or are secured by a strong, known and long-standing revenue stream.</li><li>• Structure of the bonds does not include innovative or new financing features that require extensive explanation of the bond market.</li><li>• Issuer is well known and frequently in the market.</li></ul>	<ul style="list-style-type: none"><li>• Rating of the bonds is lower than "A" category.</li><li>• Bond insurance or other credit enhancement is unavailable or not cost-effective.</li><li>• Structure of the bonds has features such as a pooled bond program, variable rate debt, deferred interest bonds or other bonds that may be better suited to negotiation.</li><li>• Issuer desires to target underwriting participation to include minority or local firms.</li></ul>

The Village's proposed financing is most likely a standard non bank-qualified general obligation bond issue that will be well accepted in the market. This financing will not have any innovative or new financing features, will have a short amortization structure (10 year term) and it is expected to carry a strong "AA+" rating. While the Village does not issue bonds frequently, we believe it does have name recognition being in the Chicago metro area. The GFOA's guidelines lean towards a competitive sale.



### Baird's Recommendation

In addition to the factors mentioned above, the Village must also consider current market conditions.

At \$10.4 billion, 30-day visible supply is above the 2006–2015 average of \$9.6 billion. This follows an above-average issuance in March that totaled \$39.0 billion, \$3.4 billion over the 10-year average. Over the past ten years, supply in April and May averaged about the same and increased in June. With 2016 being an election year, referenda ballot questions are on the rise (with many already passing), keeping supply and volume high. While refundings drove volume in 2015, new money issuance is increasing, currently up 29% year-over-year as of the end of March.

There have been a handful of comparable Illinois municipal competitive issuances in April which we have summarized below.

Sale Date	Issuer	Par Amount	Rating	# Bidders	Cover Bid Spread
4/5/16	Kendall County	\$5,045,000	AA	6	0.0336%
4/12/16	Village of Northbrook	\$20,350,000	Aaa/AAA	11	0.0409%
4/18/16	Village of Buffalo Grove	\$6,125,000	Aaa/AAA	4	0.0107%
4/18/16	Village of Orland Park	\$6,535,000	Aa1/AA+	4	0.0296%

You can see that each of these bond issues had four or more underwriters place bids with 11 bidders on the Northbrook transaction. There was only a one to four basis point (0.01%–0.04%) difference between the winning and cover bid for each deal. These statistics demonstrate that, despite heavier supply in the municipal market, underwriters are aggressively bidding on competitive offerings. Given the Village's strong rating and favorable financing terms, we expect a positive response from underwriters on the Village's bond issue.

### Private Placement

There are certain risks/barriers with private placements that must be taken into consideration. All investors approached could turn down the Village's credit, face capital restrictions, demand certain covenants/terms or set an interest rate above what the Village could achieve in the public market. Private placements are most commonly used for bond issues with any or all of the following characteristics:

- Small in par amount;
- Poor credit rating;
- Story bond; and/or
- Nontraditional structure or terms.

Transactions with the above referenced characteristics are often not suitable or well received in the public market making a private placement a very attractive alternative. Given the Village's proposed issuance is a standard general obligation bond with a strong "AA+" rating we believe a public offering (specifically a competitive sale) would result in a lower true interest cost for the Village.

### Conclusion

Based on all the above factors, it is Baird's belief that a competitive sale would result in the lowest true interest cost on the Village's proposed bond financing.



# Village of LaGrange Park, Illinois

Authorization of General Obligation Corporate Purpose Bonds, Series 2016

**Presented by**  
**Stephan C. Roberts**  
Director  
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**Presented on**  
May 10, 2016

## Sizing of Bond Issue.

- The Village's referendum authorized it to sell up to \$11.2 million in bonds.
- The Village could issue it all at once or in stages as funds are needed.
  - BQ versus NBQ considerations.
  - Illinois market pricing.
  - IRS spend down requirements.
  - Breakeven analysis.
- The municipal market changes frequently.
  - Conclusions in initial analysis could change between now and the pricing date.
  - Baird will continue to monitor the market and update the analysis.
- A parameters ordinance offers the Village flexibility.
  - Allows change in financing size to reflect market conditions.
  - Allows flexibility in sale date.
  - Delegates Village officials to authorize the sale of the bonds assuming all parameters are met.

# Breakeven Analysis.

Date	Term	Project Deposit \$4,250,000	Project Fund Investment		Negative Arbitrage in Project Fund		\$4,250,000 Par		10 Year "AAA" MMD Lookback	
			Rates (1)	In Dollars (2)	As a Percent (2)	Interest Rate Breakeven (3)	Minimum Rate	Maximum Rate	Change in Rates	
7/1/2016										
1/1/2017	6 month		\$35,870	1.69%	0.14%	1.61%	2.19%	0.58%		
7/1/2017	1 Year		\$62,815	1.48%	0.25%	1.61%	2.38%	0.77%		
7/1/2018	2 Year		\$112,030	1.32%	0.45%	1.61%	2.54%	0.93%		

(1) Assumed US Treasury Rates as of April 4, 2016 - 6 month at 0.38%, 1 year at 0.59% and 2 year at 0.75%.

(2) Bond yield on an \$4.25 million bond issue amortized level debt service over 10 years is 2.068%. Negative arbitrage represents bond yield less interest earnings on project fund deposit.

(3) One basis point (0.01%) on an \$4.25 million bond issue amortized level debt service over 10 years represents a total interest cost of \$2,514.58.

## Decision Tree.

- **Does the Village want to issue all at once or in stages?**
  - It is likely that interest rates could increase more than the breakeven.
  - If so, Baird recommends issuing the entire transaction at once.
  
- **Does the Village want to utilize a parameters ordinance?**
  - Consistent with the 2014 bond financing.
  - Allows flexibility in financing terms and sale date.
  - Can be structured in multiple ways.
  - Allows Board to set the parameters.
  - Doesn't obligate the Village to sell the bonds.
  - For flexibility, Baird recommends that the Village adopt a parameters ordinance.



# Village of La Grange Park, Illinois

## Hypothetical Illustration for Unlimited Tax General Obligation Bonds Tax Impact Analysis on Maximum Annual Debt Service

Bond Year Ending Dec. 1	Equalized Assessed Value <sup>(1)</sup>	Total Debt Service <sup>(2)</sup>	Tax Levy / \$100 EAV	Tax Impact on Home <sup>(3)</sup>	Tax Impact on \$100,000 Home <sup>(3)</sup>	Tax Impact on \$350,000 Home <sup>(3)</sup>
2017	\$319,016,621	\$1,350,000	\$0.4232	\$115	\$115	\$404
2018	\$319,016,621	\$1,350,000	\$0.4232	\$115	\$115	\$404
2019	\$319,016,621	\$1,350,000	\$0.4232	\$115	\$115	\$404
2020	\$319,016,621	\$1,350,000	\$0.4232	\$115	\$115	\$404
2021	\$319,016,621	\$1,350,000	\$0.4232	\$115	\$115	\$404
2022	\$319,016,621	\$1,350,000	\$0.4232	\$115	\$115	\$404
2023	\$319,016,621	\$1,350,000	\$0.4232	\$115	\$115	\$404
2024	\$319,016,621	\$1,350,000	\$0.4232	\$115	\$115	\$404
2025	\$319,016,621	\$1,350,000	\$0.4232	\$115	\$115	\$404
2026	\$319,016,621	\$1,350,000	\$0.4232	\$115	\$115	\$404

(1) Assumes the Village's 2014 EAV of \$319,016,621 does not change.

(2) Maximum annual debt service allowed by Ordinance.

(3) Calculated using the 2014 equalization factor of 2.7253.

MINUTES of a regular public meeting of the President and Board of Trustees of the Village of La Grange Park, Cook County, Illinois, held at the Village Hall, located at 447 North Catherine, La Grange Park, Illinois, in said Village, at 7:00 p.m., on the 24th day of May, 2016.

The President called the meeting to order and directed the Village Clerk to call the roll.

Upon roll call, Dr. James Discipio, the President, and the following Trustees answered physically present at said location: \_\_\_\_\_

\_\_\_\_\_

The following Trustees were allowed by a majority of the members of the President and Board of Trustees in accordance with and to the extent allowed by rules adopted by the President and Board of Trustees to attend the meeting by video or audio conference: \_\_\_\_\_

\_\_\_\_\_

No Trustee was denied permission to attend the meeting by video or audio conference.

The following Trustees were absent and did not participate in the meeting in any manner or to any extent whatsoever: \_\_\_\_\_

\_\_\_\_\_

The President announced that the next item for consideration was the issuance of not to exceed \$11,200,000 general obligation bonds to be issued by the Village for the purpose of paying the cost of undertaking the following capital improvements in and for said Village: road improvements, including street resurfacing and sidewalk repair; and further, purchase fire safety vehicles and equipment, and that the President and Board of Trustees would consider the adoption of an ordinance providing for the issue of said bonds and the levy of a direct annual tax sufficient to pay the principal and interest thereon. The President then explained that the ordinance sets forth the parameters for the issuance of said bonds and sale thereof by designated

officials of the Village and summarized the pertinent terms of said parameters, including the specific parameters governing the manner of sale, length of maturity, rates of interest, purchase price and tax levy for said bonds.

The President presented, and the Village Clerk read by title an ordinance as follows, a copy of which was provided to each Trustee prior to said meeting and to everyone in attendance at said meeting who requested a copy:

AN ORDINANCE providing for the issuance of not to exceed \$11,200,000 General Obligation Corporate Purpose Bonds, Series 2016, of the Village of La Grange Park, Cook County, Illinois, for the purpose of paying the costs of certain capital improvements within the Village, 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 authorizing the sale of said bonds to the purchaser thereof.

(the "Bond Ordinance").

Trustee \_\_\_\_\_ moved and Trustee \_\_\_\_\_ seconded the motion that the Bond Ordinance as presented and read by title be adopted.

A Board discussion of the matter followed. During the Board discussion, \_\_\_\_\_ gave a public recital of the nature of the matter, which included a reading of the title of the ordinance and statements (1) that the ordinance provided for the issuance of general obligation bonds for the purpose of paying the cost of undertaking the following capital improvements in and for said Village: road improvements, including street resurfacing and sidewalk repair; and further, purchase fire safety vehicles and equipment, and expenses incident thereto, (2) that the bonds were authorized pursuant to a referendum held on March 15, 2016, (3) that the ordinance provides for the levy of taxes sufficient to pay the bonds, and (4) that the ordinance provides many details for the bonds, including tax-exempt status covenants, provision for manner of sale, parameters and terms of the bonds, the form of the bonds and appropriations.

The President directed that the roll be called for a vote upon the motion to adopt the ordinance.

Upon the roll being called, the following Trustees voted AYE: \_\_\_\_\_

\_\_\_\_\_ and the following Trustees voted NAY: \_\_\_\_\_

WHEREUPON, the President declared the motion carried and the ordinance adopted, and henceforth did approve and sign the same in open meeting, and did direct the Village Clerk to record the same in full in the records of the President and Board of Trustees of the Village of La Grange Park, Cook County, Illinois.

Other business was duly transacted at said meeting.

Upon motion duly made and carried, the meeting adjourned.

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Village Clerk

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ORDINANCE NUMBER 1024

AN ORDINANCE providing for the issuance of not to exceed \$11,200,000 General Obligation Corporate Purpose Bonds, Series 2016, of the Village of La Grange Park, Cook County, Illinois, for the purpose of paying the costs of certain capital improvements within the Village, 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 authorizing the sale of said bonds to the purchaser thereof.

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Adopted by the President and Board  
of Trustees of said Village on the  
24th day of May, 2016.

Published in Pamphlet Form by the  
Authority of the President and Board  
of Trustees on the \_\_\_\_ day of May,  
2016.

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**ORDINANCE NUMBER 1024**

AN ORDINANCE providing for the issuance of not to exceed \$11,200,000 General Obligation Corporate Purpose Bonds, Series 2016, of the Village of La Grange Park, Cook County, Illinois, for the purpose of paying the costs of certain capital improvements within the Village, 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 authorizing the sale of said bonds to the purchaser thereof.

WHEREAS, it is deemed advisable, necessary and for the best interests of the Village of La Grange Park, Cook County, Illinois (the "*Village*"), that the Village pay the costs of (i) road improvements, including street resurfacing and sidewalk replacement (the "*Street Project*"), and (ii) purchasing fire safety vehicles and equipment (the "*Fire Safety Project*" and together with the Street Project, the "*Projects*"); and

WHEREAS, the President and Board of Trustees of the Village (the "*Corporate Authorities*") has determined the total cost of each Project and costs and expenses incidental thereto, including in such costs and expenses all items of cost permitted under the Local Government Debt Reform Act of Illinois, as amended, and without limitation, costs of issuance of bonds, underwriter's discount, capitalized interest, and reserves, to be not greater than \$10,000,000 for the Street Project and \$1,200,000 for the Fire Safety Project, plus the estimated investment earnings available upon the investment of said sums prior to expenditure; and

WHEREAS, the Corporate Authorities did, by resolution adopted on the 8th day of September, 2015, provide for and require the submission of the following separate propositions:

I. Shall the Village of La Grange Park, Cook County, Illinois, undertake road improvements in and for the Village, including street resurfacing and sidewalk repair, all on property owned by the Village or over which the Village has sufficient easements, and issue its general obligation bonds to the amount of \$10,000,000 for the purpose of paying the costs thereof, said bonds bearing interest at not to exceed the rate of 6.00% per annum?

II. Shall the Village of La Grange Park, Cook County, Illinois, purchase fire safety vehicles and equipment for the public welfare and safety of the Village,

and issue its general obligation bonds to the amount of \$1,200,000 for the purpose of paying the costs thereof, said bonds bearing interest at not to exceed the rate of 6.00% per annum?

to the voters of the Village at the general primary election held on the 15th day of March, 2016 (the "*Election*"); and

WHEREAS, the County Clerk (the "*County Clerk*") of The County of Cook, Illinois, caused proper notice to be given of the Election (the "*Notice*") by (i) publishing the Notice once not more than 30 nor less than 10 days prior to the date of the Election in a local, community newspaper having general circulation in the Village, and (ii) posting a copy of the Notice at least 10 days before the date of the Election at the principal office of the County Clerk; and

WHEREAS, the Village Clerk posted a copy of the Notice at the principal office of the Village; and

WHEREAS, the Election was duly held in the manner provided by law, and it has heretofore been found, determined, declared and proclaimed that a majority of all the votes cast at the Election on said proposition was cast in favor of said proposition, and said proposition was properly carried; and

WHEREAS, prior to the date hereof, the Village has not issued any of the bonds so authorized to pay costs of each Project, and as of the date hereof, the Village is authorized to issue \$10,000,000 of the bonds so authorized to pay costs of the Street Project and \$1,200,000 of the bonds so authorized to pay costs of the Fire Safety Project; and

WHEREAS, at this time, it is in the judgment of the Corporate Authorities necessary to borrow an amount not to exceed \$10,000,000 to pay for a portion of the cost of the Street Project, to borrow an amount not to exceed \$1,200,000 to pay for a portion of the cost of the Fire Safety Project and issue one series of bonds of the Village in an aggregate principal amount not to exceed \$11,200,000 to pay the costs of a portion of the Projects; and

WHEREAS, such bonds shall be payable from any funds of the Village legally available for such purpose and a direct annual ad valorem tax levied against all taxable property in the Village, without limitation as to rate or amount; and

WHEREAS, the Property Tax Extension Limitation Law, as amended (the "*Tax Limitation Law*"), imposes certain limitations on the "aggregate extension" of certain property taxes levied by the Village, but provides that the definition of "aggregate extension" contained in Section 18-185 of the Tax Limitation Law does not include "extensions ... made for the taxing district to pay interest or principal on general obligation bonds that were approved by referendum"; and

WHEREAS, the Corporate Authorities do hereby find and determine that the bonds for the Projects were approved by referendum; and

WHEREAS, the County Clerk is therefore authorized to extend and collect said direct annual ad valorem tax so levied for the payment of the bonds for the Projects without limitation as to rate or amount:

NOW, THEREFORE, Be It Ordained by the President and Board of Trustees of the Village of La Grange Park, Cook County, Illinois, 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 following meanings, unless, in either case, the context or use clearly indicates another or different meaning is intended:

"*Act*" means the Illinois Municipal Code, as amended and as supplemented by the Local Government Debt Reform Act, as amended.

"*Bond Fund*" means the General Obligation Corporate Purpose Bonds, Series 2016, Bond and Interest Fund of 2016 established in Section 11 of this Ordinance.

*“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 U.S. Bank National Association, Chicago, Illinois.

*“Bonds”* means not to exceed \$11,200,000 General Obligation Corporate Purpose Bonds, Series 2016, authorized to be issued by this Ordinance.

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

*“Corporate Authorities”* means the President and Board of Trustees of the Village.

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

*“Ordinance”* means this Ordinance, numbered as set forth on the title page hereof, and passed by the Corporate Authorities on the 24th day of May, 2016.

*“Paying Agent”* means U.S. Bank National Association, Chicago, Illinois.

*“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 10 hereof.

*“Projects”* means the Village expenditures as described and defined as such in the preambles to this Ordinance.

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

*“Village”* means the Village of La Grange Park, Cook County, Illinois.

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

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

*Section 3. Determination to Issue Bonds.* It is necessary and in the best interests of the Village to finance the costs of the Project, to pay all related costs and expenses incidental thereto, and to borrow money and issue the Bonds for such purposes.

*Section 4. Bond Details.* For the purpose of providing for such costs, there shall be issued and sold the Bonds in a principal amount not to exceed \$11,200,000. The Bonds shall each be designated “*General Obligation Corporate Purpose Bond, Series 2016.*” The Bonds shall be dated such date (not prior to May 24, 2016, and not later than November 24, 2016) as set forth in the Bond Notification (as hereinafter defined), 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) on December 1 of each of the years (not later than 2026), in the amounts (not exceeding \$1,300,000 per year) and bearing interest at the rates per annum (not exceeding 6.0% per annum) as set forth in the Bond Notification.

The Bonds shall bear interest from their date or from the most recent interest payment date to which interest has been paid or duly provided for, until the principal amount of the Bonds is paid, such interest (computed upon the basis of a 360-day year of twelve 30-day months) being payable on June 1 and December 1 of each year, commencing with the first interest payment date as set forth 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 Register or at such other address furnished in writing by such Registered Owner. The Record Date shall be the fifteenth (15th) day of the month next preceding any regular interest payment date, and 15 days preceding any interest payment date occasioned by the redemption of Bonds on other

than a regularly scheduled interest payment date. 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 designated corporate trust office of the Paying Agent, or at any successor Paying Agent.

The Bonds shall be executed on behalf of the Village by the manual or facsimile signature of its President and attested by the manual or facsimile signature of its 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 5. Registration of Bonds; Persons Treated as Owners. (a) General.* The Village shall cause books for the registration and for the transfer of the Bonds as provided in this Ordinance to be kept at the designated corporate trust office of the Bond Registrar, which is

hereby constituted and appointed the registrar of the Village for this issue. The Village is authorized to prepare, and the Bond Registrar shall keep custody of, multiple Bond blanks executed by the Village for use in the transfer and exchange of Bonds.

Upon surrender for transfer of any Bond at the designated 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 his or her attorney 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 a new fully registered Bond or Bonds of the same maturity of authorized denominations, for a like aggregate principal amount. Any fully registered Bond or Bonds may be exchanged at said office of the Bond Registrar for a like aggregate principal amount of Bond or Bonds of the same maturity of other authorized denominations. 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 previous retirements.

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

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.

(b) *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 determined as described in Section 4 hereof. Upon initial issuance, 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, Village Clerk and Treasurer and the Bond Registrar are each authorized to execute and deliver, on behalf of the Village, such letters to or agreements with DTC as shall be necessary to effectuate such book-entry system (any such letter or agreement being referred to herein as the "*Representation Letter*"), which Representation Letter may provide for the payment of principal of or interest on the Bonds by wire transfer.

With respect to 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 the 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 the 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 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, and subject to the provisions in Section 4 hereof with respect to the payment of interest to the registered owners of Bonds at the close of business on the Record Date, 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 certificated Bonds 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 that time, the Village may determine that the Bonds shall be registered in the name of and deposited with such other depository operating a universal 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 universal 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 5(a) hereof.

Notwithstanding any other provisions 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 name provided in the Representation Letter.

*Section 6. Redemption. (a) Optional Redemption.* All or a portion of the Bonds due on and after the date, if any, specified in the Bond Notification shall be subject to redemption prior to maturity at the option of the Village from any available funds, as a whole or in part, and if in part in integral multiples of \$5,000 in any order of their maturity as determined by the Village (less than all of the Bonds of a single maturity to be selected by the Bond Registrar), on the date specified in the Bond Notification, and on any date thereafter, at the redemption price of par plus accrued interest to the date fixed for redemption.

(b) *Mandatory Redemption.* The Bonds maturing on the date or dates, if any, indicated in the Bond Notification are subject to mandatory redemption, in integral multiples of \$5,000 selected by lot by the Bond Registrar, at a redemption price of par plus accrued interest to the redemption date for the Bonds, on December 1 of the years, if any, and in the principal amounts, if any, as indicated in the Bond Notification.

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

(c) *General Redemption Terms.* The Bonds shall be redeemed only in the principal amount of \$5,000 and integral multiples thereof. The Village shall, at least forty-five (45) days prior to any optional redemption date (unless a shorter time period shall be satisfactory to the Bond Registrar) notify the Bond Registrar of such redemption date and of the principal amount and maturity or maturities of Bonds to be redeemed. The Bonds subject to mandatory redemption shall be called by the Bond Registrar for redemption without any further action of the Village. For purposes of any redemption of less than all of the outstanding Bonds of a single maturity, the particular Bonds or portions thereof to be redeemed shall be selected by lot by the Bond Registrar from the Bonds of such maturity by such method of lottery as the Bond Registrar shall deem fair and appropriate; *provided* that such lottery shall provide for the selection for

redemption of Bonds or portions thereof so that any \$5,000 Bond or \$5,000 portion of a Bond shall be as likely to be called for redemption as any other such \$5,000 Bond or \$5,000 portion. The Bond Registrar shall make such selection upon the earlier of the irrevocable deposit of funds with an escrow agent sufficient to pay the redemption price of the Bonds to be redeemed or the time of the giving of official notice of redemption.

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

*Section 7. Redemption Procedure.* Unless waived by any holder of Bonds to be redeemed, notice of the call for any such redemption shall be given by the Bond Registrar on behalf of the Village by mailing the redemption notice by first class mail at least thirty (30) days and not more than sixty (60) days prior to the date fixed for redemption to the registered owner of the Bond or Bonds to be redeemed at the address shown on the Bond Register or at such other address as is furnished in writing by such registered owner to the Bond Registrar.

All notices of redemption shall state:

- (1) the redemption date,
- (2) the redemption price,
- (3) if less than all outstanding Bonds are to be redeemed, the identification (and, in the case of partial redemption, the respective principal amounts) of the Bonds to be redeemed,
- (4) 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,
- (5) the place where such Bonds are to be surrendered for payment of the redemption price, which place of payment shall be the designated corporate trust office of the Paying Agent, and

(6) such other information then required by custom, practice or industry standard.

Unless moneys sufficient to pay the redemption price of the Bonds to be optionally redeemed 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 thereof which are to be redeemed on that date.

Subject to the provisions for a conditional optional redemption described above, notice of redemption having been given as aforesaid, the Bonds or portions thereof 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 thereof shall cease to bear interest. Upon surrender of such Bonds for redemption in accordance with said notice, such Bonds shall be paid by the Bond Registrar at the redemption price. Installments of interest due on or prior to the redemption date shall be payable as herein provided for payment of interest. Upon surrender for any partial redemption of any Bond, there shall be prepared for the registered holder a new Bond or Bonds of the same maturity in the amount of the unpaid principal.

If any Bond or portion thereof called for redemption shall not be so paid upon surrender thereof for redemption, the principal shall, until paid, bear interest from the redemption date at the rate borne by the Bond or portion thereof so called for redemption. All Bonds which have been redeemed shall be cancelled and destroyed by the Bond Registrar and shall not be reissued.

*Section 8. 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.



Record Date shall be shall be the fifteenth (15th) day of the month next preceding any regular interest payment date, and 15 days preceding any interest payment date occasioned by the redemption of Bonds on other than a regularly scheduled interest payment date. 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 the Bond Registrar 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. For the prompt payment of this Bond, both principal and interest at maturity or upon mandatory redemption, the full faith, credit and resources of the Village are hereby irrevocably pledged.

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 or upon mandatory sinking fund redemption prior to maturity.

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

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

SPECIMEN

\_\_\_\_\_  
President, Village of La Grange Park  
Cook County, Illinois

ATTEST:

SPECIMEN

\_\_\_\_\_  
Village Clerk, Village of La Grange Park  
Cook County, Illinois

[SEAL]

Date of Authentication: \_\_\_\_\_, 20\_\_

**CERTIFICATE OF AUTHENTICATION**

This Bond is one of the Bonds described in the within-mentioned Ordinance and is one of the General Obligation Corporate Purpose Bonds, Series 2016, of the Village of La Grange Park, Cook County, Illinois.

U.S. BANK NATIONAL ASSOCIATION,  
Chicago, Illinois  
as Bond Registrar

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

[FORM OF BOND - REVERSE SIDE]

This bond is one of a series of bonds (the "*Bonds*") in the aggregate principal amount of \$\_\_\_\_\_ issued by the Village for the purpose of paying the costs of the Projects, 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 amended and as supplemented by the Local Government Debt Reform Act, as amended (such code and act collectively being the "*Act*"), and with the Ordinance, which has been duly passed by the President and Board of Trustees of the Village and approved by the President.

Bonds of the issue of which this Bond is one maturing on and after December 1, 20\_\_, are subject to redemption prior to maturity at the option of the Village as a whole, or in part in integral multiples of \$5,000 in any order of their maturity as determined by the Village (less than all the Bonds of a single maturity to be selected by lot by the Bond Registrar), on \_\_\_\_\_ 1, 20\_\_, and on any date thereafter, at the redemption price of par plus accrued interest to the redemption date.

[Mandatory Redemption provisions, as applicable, will be inserted here.]

Notice of any such redemption shall be sent 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 to be redeemed at the address shown on the registration books of the Village maintained by the Bond Registrar or at such other address as is furnished in writing by such registered owner to the Bond Registrar. When so called for redemption, this Bond will cease to bear interest on the specified redemption date, provided funds for redemption are on deposit at the place of payment at that time, and shall not be deemed to be outstanding.

This Bond is transferable by the Registered Owner hereof in person or by his or her attorney duly authorized in writing at the designated corporate trust office of the Bond Registrar in Chicago, Illinois, but only in the manner, subject to the limitations and upon payment of the charges provided in the Bond Ordinance, and upon surrender and cancellation of this Bond. Upon such transfer a new Bond or Bonds of authorized denominations of the same maturity and for the same aggregate principal amount will be issued to the transferee in exchange therefor.

The Bonds are issued in fully registered form in the denomination of \$5,000 each or authorized integral multiples thereof. This Bond may be exchanged at the designated corporate trust office of the Bond Registrar for a like aggregate principal amount of Bonds of the same maturity of other authorized denominations, upon the terms set forth in the Bond Ordinance. The Bond Registrar shall not be required to transfer or exchange any Bond during the period beginning at the close of business on the Record Date of such Bond and ending at the opening of business at such interest payment date, nor to transfer or exchange any Bond after notice calling such Bond for redemption has been mailed, nor during a period of fifteen (15) days next preceding mailing of a notice of redemption of any Bonds.

The Village, the Paying Agent and the Bond Registrar may deem and treat the Registered Owner hereof as the absolute owner hereof for the purpose of receiving payment of or on

account of principal hereof and interest due hereon and for all other purposes and neither the Village, the Paying Agent nor the Bond Registrar shall 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 9. Sale of Bonds.* One of the Village Manager or Director of Finance of the Village and the President (the "*Designated Representatives*") are hereby authorized to proceed not later than the 24th day of November, 2016, without any further authorization or direction from the Corporate Authorities, to sell the Bonds upon the terms as prescribed in this Ordinance. The Bonds hereby authorized shall be executed as in this Ordinance provided as soon after the delivery of the Bond Notification as may be, and thereupon be deposited with the Treasurer, and, after authentication thereof by the Bond Registrar, be by said Treasurer delivered to the purchaser thereof (the "*Purchaser*"), upon receipt of the purchase price therefor, the same being not less than 98.0% of the principal amount of the Bonds (exclusive of original issue discount) plus accrued interest to date of delivery, if any. The Purchaser shall be the best bidder for the Bonds at a competitive sale conducted by the Village's independent municipal advisor, Robert W. Baird & Co. Incorporated, Naperville, Illinois.

Prior to the sale of the Bonds, the President or Village Manager is hereby authorized to approve and execute a commitment for the purchase of a Municipal Bond Insurance Policy (as hereinafter defined), to further secure the Bonds, as long as the present value of the fee to be paid for the Municipal Bond Insurance Policy (using as a discount rate the expected yield on the Bonds treating the fee paid as interest on the Bonds) is less than the present value of the interest reasonably expected to be saved on the Bonds over the term of the Bonds as a result of the Municipal Bond Insurance Policy.

Upon the sale of the Bonds, the Designated Representatives shall prepare a Notification of Sale of the Bonds, which shall include the pertinent details of sale as provided herein (the "*Bond Notification*"). In the Bond Notification, the Designated Representatives 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. The Bond Notification shall be entered into the records of the Village and made available to the Corporate Authorities at the next regular meeting thereof; but such action shall be for information purposes only, and the Corporate Authorities shall have no right or authority at such time to approve or reject such sale as evidenced in the Bond Notification.

Upon the sale of the Bonds, as evidenced by the execution and delivery of the Bond Notification by the Designated Representatives, the President, Treasurer, Village Clerk 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 contract for the sale of the Bonds between the Village and the Purchaser (the "*Purchase Contract*"). Prior to the execution and delivery of the Purchase Contract, the Designated Representatives shall find and determine that no person holding any office of the Village, either by election or appointment, is in any manner financially interested directly in his own name or indirectly in the name of any other person, association, trust or corporation, in the Purchase Contract.

The use by the Purchaser of any Preliminary Official Statement and any final Official Statement relating to the Bonds (the "*Official Statement*") is hereby ratified, approved and authorized; the execution and delivery of the Official Statement is hereby authorized; and the officers of the Corporate Authorities are hereby authorized to take any action as may be required on the part of the Village to consummate the transactions contemplated by the Purchase Contract, this Ordinance, said Preliminary Official Statement, the Official Statement and the Bonds.

*Section 10. Tax Levy.* In order to provide for the collection of a direct annual tax sufficient to pay the interest on the Bonds as it falls due, and also to pay and discharge the

principal thereof at maturity or upon mandatory redemption, there be and there is hereby levied upon all the taxable property within the Village a direct annual tax for each of the years while the Bonds or any of them are outstanding, in amounts sufficient for that purpose, and that there be and there is hereby levied upon all of the taxable property in the Village, the following direct annual taxes (the Pledged Taxes as hereinabove defined):

FOR THE YEAR	A TAX SUFFICIENT TO PRODUCE THE SUM OF:	
2016	\$1,350,000.00	for interest and principal up to and including December 1, 2017
2017	\$1,350,000.00	for interest and principal
2018	\$1,350,000.00	for interest and principal
2019	\$1,350,000.00	for interest and principal
2020	\$1,350,000.00	for interest and principal
2021	\$1,350,000.00	for interest and principal
2022	\$1,350,000.00	for interest and principal
2023	\$1,350,000.00	for interest and principal
2024	\$1,350,000.00	for interest and principal
2025	\$1,350,000.00	for interest and principal

The Pledged Taxes and other moneys on deposit in the Bond Fund shall be applied to pay the principal of and interest on the Bonds due and payable therefrom.

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 from the general funds of the Village, and the fund from which such payment was made shall be reimbursed out of the taxes hereby levied when the same shall be collected.

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.

To the extent that the Pledged Taxes levied above exceed the amount necessary to pay debt service on the Bonds as set forth in the Bond Notification, the President, Treasurer and Village Clerk are hereby authorized to direct the abatement of such taxes to the extent of the excess of such levy in each year over the amount necessary to pay debt service on the Bonds in the following bond year. Proper notice of such abatement shall be filed with the County Clerk in a timely manner to effect such abatement.

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 taxes levied herein for the payment of same, the Corporate Authorities shall, 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 taxes may then be filed with the County Clerk in a timely manner to effect such abatement.

*Section 11. Filing of Ordinance.* Promptly, after this Ordinance has become effective, a copy hereof, certified by the Village Clerk, shall be filed with the County Clerk; and said County Clerk shall in and for each of the years 2016 to 2025, inclusive, ascertain the rate percent required to produce the aggregate tax hereinbefore provided to be levied; and the County Clerk shall 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, subject to abatement as stated hereinabove, 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, and when collected, the taxes hereby levied shall be placed to the credit of a special fund to be designated "General Obligation Corporate Purpose Bonds, Series 2016, Bond and Interest Fund of 2016"

(the “*Bond Fund*”), which fund is hereby irrevocably pledged to and shall be used only for the purpose of paying the principal of and interest on the Bonds.

*Section 12. Use of Bond Proceeds.* Accrued interest (if any) received on the delivery of the Bonds is hereby appropriated for the purpose of paying first interest due on the Bonds and is hereby ordered deposited into the Bond Fund. The principal proceeds of the Bonds and any premium received on the delivery of the Bonds are hereby appropriated to pay the costs of issuance of the Bonds and for the purpose of paying the cost of the Project, that portion thereof not needed to pay such costs of issuance is hereby ordered deposited into two separate and segregated project funds of the Village hereby created and to be known as the 2016 Street Project Fund and the 2016 Fire Safety Project Fund. Proceeds of the Bonds shall be allocated to the 2016 Street Project Fund and the 2016 Fire Safety Project Fund as set forth in the Bond Notification, in amounts not exceeding the maximum duly authorized for each Project and for the Bonds. At the time of the issuance of the Bonds, the costs of issuance may be paid by the Purchaser or the Bond Registrar on behalf of the Village from the proceeds of the Bonds.

*Section 13. Non-Arbitrage and Tax-Exemption.* The Village hereby covenants that it will not take any action, omit to take any action or permit the taking or omission of any action within its control (including, without limitation, making or permitting any use of the proceeds of the Bonds) if taking, permitting or omitting to take such action would cause any of the Bonds to be an arbitrage bond or a private activity bond within the meaning of the Internal Revenue Code of 1986, as amended (the “*Code*”), or would otherwise cause the interest on the Bonds to be included in the gross income of the recipients thereof for federal income tax purposes. The Village acknowledges that, in the event of an examination by the Internal Revenue Service (the “*IRS*”) of the exemption from Federal income taxation for interest paid on the Bonds, under present rules, the Village may be treated as a “taxpayer” in such examination and agrees that it

will respond in a commercially reasonable manner to any inquiries from the IRS in connection with such an examination.

The Village also agrees and covenants with the purchasers and holders of the Bonds from time to time outstanding that, to the extent possible under Illinois law, it will comply with whatever federal tax law is adopted in the future which applies to the Bonds and affects the tax-exempt status of the Bonds.

The Corporate Authorities hereby authorize the officials of the Village responsible for issuing the Bonds, the same being the President, Treasurer and Village Clerk, to make such further covenants and certifications regarding the specific use of the proceeds of the Bonds and as may be necessary to assure that the use thereof will not cause the Bonds to be arbitrage bonds and to assure that the interest on the Bonds will be exempt from federal income taxation. In connection therewith, the Village and the Corporate Authorities further agree: (a) through their officers, to make such further specific covenants, representations as shall be truthful, and assurances as may be necessary or advisable; (b) to consult with counsel approving the Bonds and to comply with such advice as may be given; (c) to pay to the United States, as necessary, such sums of money representing required rebates of excess arbitrage profits relating to the Bonds; (d) to file such forms, statements, and supporting documents as may be required and in a timely manner; and (e) if deemed necessary or advisable by their officers, to employ and pay fiscal agents, financial advisors, attorneys, and other persons to assist the Village in such compliance.

*Section 14. Designation of Issue.* All or a portion of the Bonds (as set forth in the Bond Notification) may be issued as “bank qualified” obligations (the “*BQ Bonds*”). The Village hereby designates each of the BQ Bonds as a “qualified tax-exempt obligation” for the purposes and within the meaning of Section 265(b)(3) of the Code.

*Section 15. List of Bondholders.* The Bond Registrar shall maintain a list of the names and addresses of the holders of all Bonds and upon any transfer shall add the name and address of the new Bondholder and eliminate the name and address of the transferor Bondholder.

*Section 16. Duties of Bond Registrar.* If requested by the Bond Registrar, the President and Village Clerk are authorized to execute the Bond Registrar's standard form of agreement between the Village and the Bond Registrar with respect to the obligations and duties of the Bond Registrar hereunder which may include the following:

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

(b) to maintain a list of Bondholders as set forth herein and to furnish such list to the Village upon request, but otherwise to keep such list confidential;

(c) to give notice of redemption of Bonds as provided herein;

(d) to cancel and/or destroy Bonds which have been paid at maturity or upon redemption or submitted for exchange or transfer;

(e) to furnish the Village at least annually a certificate with respect to Bonds cancelled and/or destroyed; and

(f) to furnish the Village at least annually an audit confirmation of Bonds paid, Bonds outstanding and payments made with respect to interest on the Bonds.

*Section 17. Continuing Disclosure Undertaking.* The President or Treasurer are each hereby authorized, empowered, and directed to execute and deliver a Continuing Disclosure Undertaking under Section (b)(5) of Rule 15c2-12 adopted by the Securities and Exchange Commission pursuant to the Securities Exchange Act of 1934, as amended (the "*Continuing Disclosure Undertaking*"). When the Continuing Disclosure Undertaking is executed and delivered on behalf of the Village as herein provided, the Continuing Disclosure Undertaking will be binding upon 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 18. 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 upon payment of the Bonds by the Bond Insurer, amendment hereof, or other terms, as approved by the President on advice of counsel, his or her approval to constitute full and complete acceptance by the Village of such terms and provisions under authority of this Section.

*Section 19. Record-Keeping Policy and Post-Issuance Compliance Matters.* On October 28, 2014, the Corporate Authorities adopted a record-keeping policy (the “*Policy*”) in order to maintain sufficient records to demonstrate compliance with its covenants and expectations to ensure the appropriate federal tax status for the debt obligations of the Village, the interest on which is excludable from “gross income” for federal income tax purposes or which enable the Village or the holder to receive federal tax benefits, including, but not limited to, qualified tax credit bonds and other specified tax credit bonds. The Corporate Authorities and the Village hereby reaffirm the Policy.

*Section 20. Severability.* If any section, paragraph, clause or provision of this Ordinance shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such section, paragraph, clause or provision shall not affect any of the remaining provisions of this Ordinance.

*Section 21. Repeal.* All ordinances, resolutions and orders, or parts thereof, in conflict herewith be and the same are hereby repealed and this Ordinance shall be in full force and effect immediately upon its adoption.

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

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

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

ADOPTED: May 24, 2016

APPROVED: May 24, 2016

\_\_\_\_\_  
President, Village of La Grange Park  
Cook County, Illinois

PUBLISHED in pamphlet form by authority of the Board on May \_\_, 2016.

RECORDED in the Village Records on May 24, 2016.

ATTEST:

\_\_\_\_\_  
Village Clerk, Village of La Grange Park  
Cook County, Illinois

STATE OF ILLINOIS    )  
                                  ) SS  
COUNTY OF COOK     )

**CERTIFICATION OF MINUTES AND ORDINANCE**

I, the undersigned, do hereby certify that I am the duly qualified and acting Village Clerk of the Village of La Grange Park, Cook County, Illinois (the "*Village*"), and as such official I am the keeper of the official journal of proceedings, books, records, minutes and files of the Village and of the President and Board of Trustees (the "*Board*") thereof.

I do further certify that the foregoing is a full, true and complete transcript of that portion of the minutes of the meeting of the Board held on the 24th day of May, 2016 insofar as the same relates to the adoption of an ordinance, numbered \_\_\_\_\_, entitled:

AN ORDINANCE providing for the issuance of not to exceed \$11,200,000 General Obligation Corporate Purpose Bonds, Series 2016, of the Village of La Grange Park, Cook County, Illinois, for the purpose of paying the costs of certain capital improvements within the Village, 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 authorizing the sale of said bonds to the purchaser thereof.

a true, correct and complete copy of which said ordinance as adopted at said meeting appears in the foregoing transcript of the minutes of said meeting.

I do further certify that the deliberations of the Board on the adoption of said ordinance were conducted openly, that the vote on the adoption of said ordinance was taken openly, that said meeting was held at a specified time and place convenient to the public, that notice of said meeting was duly given to all of the news media requesting such notice, that an agenda for said meeting was posted at the location where said meeting was held and at the principal office of the Board at least 96 hours in advance of the holding of said meeting, that at least one copy of said agenda was continuously available for public review during the entire 96-hour period preceding said meeting, that a true, correct and complete copy of said agenda as so posted is attached hereto as *Exhibit A*, that said meeting was called and held in strict compliance with the provisions of the Open Meetings Act of the State of Illinois, as amended, and with the provisions of the Illinois Municipal Code, as amended, and that the Board has complied with all of the provisions of said Act and said Code and with all of the procedural rules of the Board.

IN WITNESS WHEREOF I hereunto affix my official signature and the seal of the Village  
this 24th day of May, 2016.

---

Village Clerk

[SEAL]

**[Attach Agenda as Exhibit A]**

STATE OF ILLINOIS    )  
                                  ) SS  
COUNTY OF COOK    )

**CERTIFICATE OF PUBLICATION IN PAMPHLET FORM**

I, the undersigned, do hereby certify that I am the duly qualified and acting Village Clerk of the Village of La Grange Park, Cook County, Illinois (the "*Village*"), and as such official I am the keeper of the official journal of proceedings, books, records, minutes and files of the Village and of the President and Board of Trustees (the "*Board*") of the Village.

I do further certify that on the \_\_\_\_ day of May, 2016 there was published in pamphlet form, by authority of the Board, a true, correct, and complete copy of Ordinance Number \_\_\_\_\_ of the Village entitled:

AN ORDINANCE providing for the issuance of not to exceed \$11,200,000 General Obligation Corporate Purpose Bonds, Series 2016, of the Village of La Grange Park, Cook County, Illinois, for the purpose of paying the costs of certain capital improvements within the Village, 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 authorizing the sale of said bonds to the purchaser thereof.

and that the ordinance as so published was on that date readily available for public inspection and distribution, in sufficient number so as to meet the needs of the general public, at my office as Village Clerk located in the Village.

IN WITNESS WHEREOF I have affixed hereto my official signature and the seal of the Village this \_\_\_\_ day of May, 2016.

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

[SEAL]

STATE OF ILLINOIS    )  
                                  ) SS  
COUNTY OF COOK    )

**CERTIFICATE OF FILING**

I, the undersigned, do hereby certify that I am the duly qualified and acting County Clerk of The County of Cook, Illinois, and as such officer I do hereby certify that on the \_\_\_\_ day of \_\_\_\_\_, 2016, there was filed in my office a properly certified copy of Ordinance Number \_\_\_\_\_, passed by the President and Board of Trustees of the Village of La Grange Park, Cook County, Illinois, on the 24th day of May, 2016 and entitled:

AN ORDINANCE providing for the issuance of not to exceed \$11,200,000 General Obligation Corporate Purpose Bonds, Series 2016, of the Village of La Grange Park, Cook County, Illinois, for the purpose of paying the costs of certain capital improvements within the Village, 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 authorizing the sale of said bonds to the purchaser thereof.

and approved by the President of said Village; and that the same has been deposited in, and all as appears from, the official files and records of my office.

IN WITNESS WHEREOF I have hereunto affixed my official signature and the seal of The County of Cook, Illinois, this \_\_\_\_ day of \_\_\_\_\_, 2016.

\_\_\_\_\_  
County Clerk of The County of Cook, Illinois

[SEAL]

**Village of La Grange Park, IL**  
**General Obligation Corporate Purpose Bonds, Series 2016**  
**Time and Responsibility Schedule\***  
**As of March 25, 2016**

Role	Participant	Abbreviation
Issuer	Village of La Grange Park	Village
Bond Counsel	Chapman and Cutler LLP	BC
Financial Advisor	Robert W. Baird & Co.	FA
Paying Agent	TBD	PA

March 2016							April 2016							May 2016							June 2016						
S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S
		1	2	3	4	5					1	2	1	2	3	4	5	6	7				1	2	3	4	
6	7	8	9	10	11	12	3	4	5	6	7	8	9	8	9	10	11	12	13	14	5	6	7	8	9	10	11
13	14	15	16	17	18	19	10	11	12	13	14	15	16	15	16	17	18	19	20	21	12	13	14	15	16	17	18
20	21	22	23	24	25	26	17	18	19	20	21	22	23	22	23	24	25	26	27	28	19	20	21	22	23	24	25
27	28	29	30	31			24	25	26	27	28	29	30	29	30	31					26	27	28	29	30		

Indicates Village Board Meetings

Date	Task	Responsible Participant(s)
March 15	Referendum passes.	
April 5	Canvass period over.	
Week of April 11	Request information for the Preliminary Official Statement ("POS") from the Village.	FA
Week of April 25	Distribute first draft of POS and Notice of Sale ("NOS").	FA
Week of April 25	Distribute first draft of Parameters Ordinance ("Ordinance").	BC
Week of May 2	Distribute second draft of POS and NOS.	FA
Week of May 2	Distribute second draft of Ordinance.	BC
Week of May 2	Distribute documents to rating agency and distribute third draft of POS and NOS, if necessary.	Village & FA
May 5	Objection period ends.	
Week of May 9	Finalize Ordinance.	BC
Week of May 16	Conference call with rating agency.	Village & FA
Week of May 23	Receive bond rating.	Village & FA
May 24	Adoption of Ordinance at Village Board Meeting.	Village
Week of May 24	Finalize and post POS and NOS.	Village & FA
Week of June 7	Competitive sale of Bonds.	Village & FA
Week of June 7	Print Final Official Statement.	Village & FA
Week of June 27	Close bond transaction.	All

\*Preliminary subject to change.

PRELIMINARY OFFICIAL STATEMENT DATED \_\_\_\_\_, 2016

**NEW ISSUE: Book-Entry Only  
Bank Qualified**

**Standard & Poor's Investment Rating: \_\_\_\_\_**

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

\$ \_\_\_\_\_ \*  
**VILLAGE OF LA GRANGE PARK**  
**Cook County, Illinois**  
**General Obligation Corporate Purpose Bonds, Series 2016**

**Dated: Date of Delivery**

**Due: December 1, see inside cover**

The \$ \_\_\_\_\_ \* General Obligation Corporate Purpose Bonds, Series 2016 (the "Bonds") of the Village of La Grange Park, Cook County, Illinois (the "Village") will be issued in fully registered form in the denomination of \$5,000 or authorized integral multiples thereof. Semi-annual interest shall be payable on each June 1 and December 1, commencing June 1, 2017. The Bond Registrar and Paying Agent for this issue is U.S. Bank, National Association (the "Bond Registrar and Paying Agent"). The Bonds will be issued only in fully registered form and will be registered in the name of Cede & Co. as nominee of The Depository Trust Company, New York, New York ("DTC"). DTC will act as the securities depository of the Bonds. Individual purchases will be made in book-entry form only in denominations of \$5,000 principal amount or any authorized integral multiple thereof. Purchasers of the Bonds will not receive certificates representing their interest in the Bonds purchased. (See "THE BONDS - Book-Entry Only System.").

The proceeds from the sale of the Bonds will be used to (i) pay the cost of undertaking road improvements in and for said Village including street resurfacing and sidewalk repair, (ii) purchase fire safety vehicles and equipment and (iii) pay certain expenses relating to the issuance of the Bonds. See "THE FINANCING - Purpose of the Bonds" herein.

In the opinion of Bond Counsel, the Bonds are valid and legally binding upon 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. See "THE BONDS - Security" herein.

The Bonds are subject to optional redemption prior to maturity. See "THE BONDS - Redemption Prior to Maturity" herein.

<p><b>COMPETITIVE BIDS INVITED</b> Sale Date: _____, 2016 Time: 10:30 AM CT See <b>OFFICIAL NOTICE OF SALE: APPENDIX D</b></p>
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**This cover page contains certain information for quick reference only. It is not a summary for the Bonds. Investors must read the entire Official Statement to obtain information essential to the making of an informed investment decision.**

*The Bonds are offered at public sale, subject to the approval of legality by Chapman and Cutler LLP, Chicago, Illinois, Bond Counsel and certain other conditions. It is expected that beneficial interests in the Bonds will be available for delivery through the facilities of DTC on or about \_\_\_\_\_, 2016.*

*Municipal Advisor:*

**BAIRD**

\*Preliminary, subject to change.

**MATURITY SCHEDULE, AMOUNTS, INTEREST RATES, YIELDS AND CUSIPs \***

**General Obligation Corporate Purpose Bonds, Series 2016**

Maturing December 1	Principal Amount	Interest Rate	Yield	CUSIP <sup>(1)</sup>
2017	\$			
2018				
2019				
2020				
2021				
2022				
2023				
2024				
2025				
2026				

\*Preliminary, subject to change.

<sup>(1)</sup> CUSIP data herein is provided by Standard & Poor's CUSIP Bureau Service, a division of the McGraw-Hill Companies, Inc.

Certain information contained in this Official Statement has been obtained by the Village of La Grange Park (the "Village") from DTC and other sources that are deemed to be reliable. No representation or warranty is made, however, as to the accuracy or completeness of such information by the Village or the Municipal Advisor. Nothing contained in this Official Statement is or shall be relied on as a promise or representation by the Municipal Advisor. This Official Statement is being used in connection with the sale of securities as referred to herein and may not be used, in whole or in part, for any other purpose. The delivery of this Official Statement at any time does not imply that information in it is correct as of any time subsequent to its date.

No dealer, broker, salesman or other person has been authorized by the Village or by the Municipal Advisor to give any information or to make any representations other than those contained herein, and if given or made, such other information or representations must not be relied upon as having been authorized by any of the foregoing. This Official Statement does not constitute an offer to sell or the solicitation of any offer to buy, nor shall there be any sale of the Bonds, by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale.

Robert W. Baird & Co., in its role as Municipal Advisor, assisted the Village in preparing the Official Statement. The Municipal Advisor obtained information from the Village and other sources that it believed was reliable but cannot guarantee the accuracy or completeness of the information in this Official Statement.

The information and expressions of opinion herein are subject to change without notice and neither the delivery of this Official Statement nor any other sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the Village.

The tax advice contained in this Official Statement is not intended or written by the Village, its Bond Counsel, or any other tax practitioner to be used, and it cannot be used, by any taxpayer for the purpose of avoiding penalties that may be imposed on the taxpayer. The tax advice contained in this Official Statement was written to support the promotion or marketing of the Bonds. Each taxpayer should seek advice based on the taxpayer's particular circumstances from an independent tax advisor.

In connection with the offering of the Bonds, the Underwriter may overallocate or effect transactions that stabilize or maintain the market price of the Bonds at a level above the level that might otherwise prevail in the open market. Such stabilizing, if commenced, may be discontinued at any time without notice. The prices and other terms respecting the offering and sale of the Bonds may be changed from time to time by the Underwriter after the Bonds are released for sale, and the Bonds may be offered and sold at prices other than the initial offering prices, including sales to dealers who may sell the Bonds into investment accounts.

**IN MAKING AN INVESTMENT DECISION, INVESTORS MUST RELY ON THEIR OWN EXAMINATION OF THE VILLAGE AND THE TERMS OF THE OFFERING, INCLUDING THE MERITS AND RISK INVOLVED. THESE SECURITIES HAVE NOT BEEN RECOMMENDED BY ANY FEDERAL OR STATE SECURITIES COMMISSION OR REGULATORY AUTHORITY. FURTHERMORE, THE FOREGOING AUTHORITIES HAVE NOT CONFIRMED THE ACCURACY OR DETERMINED THE ADEQUACY OF THIS DOCUMENT. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.**

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**Village of La Grange Park**

**Village Board**

**President**

Dr. Jim Discipio

**Trustees**

James P. Kucera

Robert Lautner

Scott Mesick

Patricia Rocco

Michael Sheehan

Jamie Zaura

**Village Clerk**

Amanda Seidel

**Administration**

**Village Manager**

Julia Cedillo

**Assistant Village Manager**

Emily Rodman

**Director of Finance/Treasurer**

Larry Noller

---

**Village of La Grange Park  
447 N. Catherine Avenue  
La Grange Park, Illinois 60526  
Phone: (708) 354-0225  
Fax: (708) 354-0241  
[www.lagrangepark.org](http://www.lagrangepark.org)**

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**PROFESSIONAL SERVICES**

**Municipal Advisor:**

Robert W. Baird & Co., Naperville, Illinois

**Local Counsel:**

Martin, Craig, Chester & Sonnenschein LLP, Oak Brook, Illinois

**Bond Counsel:**

Chapman and Cutler LLP, Chicago, Illinois

**Bond Registrar and Paying Agent:**

U.S. Bank, National Association, Chicago, Illinois

**Auditor:**

Selden Fox LTD, Certified Public Accountants, Oak Brook, Illinois

**OFFICIAL STATEMENT**  
**of the**  
**Village of La Grange Park**  
**Cook County, Illinois**  
**Relating to its**  
**\$ \_\_\_\_\_\***  
**General Obligation Corporate Purpose Bonds, Series 2016**

**INTRODUCTION**

This Official Statement, including the cover page hereof and the appendices hereto, is provided by the Village of La Grange Park, Cook County, Illinois (the "Village") for the purpose of setting forth information to all who may become registered owners of the Village's \$ \_\_\_\_\_\* General Obligation Corporate Purpose Bonds, Series 2016 (the "Bonds") as authorized in an ordinance adopted by the President and Board of Trustees of the Village (the "Board") on May 24, 2016 (as supplemented by a Notification of Sale executed in connection with the sale of the Bonds, the "Ordinance").

**THE FINANCING**

**Purpose of the Bonds**

The Bonds are being issued for the purpose of (i) pay the cost of undertaking road improvements in and for said Village including street resurfacing and sidewalk repair in the amount of \$10 million, (ii) purchase fire safety vehicles and equipment in the amount of \$1.2 million and (iii) pay certain expenses relating to the issuance of the Bonds.

**Estimated Sources and Uses of Funds**

Estimated Sources of Funds

Par Amount of the Bonds .....	\$
Original Issue Premium .....	
Total .....	\$

Estimated Uses of Funds

Project Deposit .....	\$ 11,200,000.00
Costs of Issuance <sup>(1)</sup> .....	
Total .....	\$

<sup>(1)</sup> Includes bond registrar and paying agent fees, municipal advisor fees, underwriter's discount, legal fees, rating agency fees, printing and other miscellaneous costs of issuance.

**THE BONDS**

**Authorization**

The Bonds are issued pursuant to the Constitution and laws of the State of Illinois, the Illinois Municipal Code, as supplemented and amended (the "Municipal Code"), the Local Government Debt Reform Act, as amended (the "Reform Act"), and by approval of the voters of the Village at the general primary election on March 15, 2016. The Bonds are authorized by the President and Board by the Ordinance.

**Security**

In the opinion of Bond Counsel, the Bonds are valid and legally binding upon 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.

\*Preliminary, subject to change.



Village may hereafter designate. So long as DTC or its nominee, Cede & Co., is the Bondholder, such payments will be made directly to DTC.

Disbursement of such payments to the Beneficial Owners is the responsibility of DTC Participants and Indirect Participants (both as hereinafter defined), as more fully described below. Interest shall be paid when due by check or draft mailed to the registered owners of Bonds as shown on the registration books as of the close of business on the 15<sup>th</sup> day (whether or not a business day) of the calendar month preceding any regular interest payment date (the "Record Date") or at the request of a registered owner, by wire transfer to the registered owner's instructions.

In the event the book-entry system is discontinued, the following provisions would apply to the Bonds: The Village shall cause books (the "Bond Register") for the registration and for the transfer of the Bonds to be kept at the principal office maintained for the purpose by 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 Ordinance. Upon surrender for transfer or exchange of any Bond at the designated office maintained for the purpose by 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 during the period beginning at the close of business on the 15<sup>th</sup> day of the month next preceding any interest payment date on such Bond and ending at the opening of business on such interest payment date, nor to transfer or exchange any Bond after notice calling such Bond for redemption has been mailed, nor during a period of fifteen (15) days next preceding mailing of a notice of redemption of any Bonds.

The person in whose name any Bonds 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.

### **Book-Entry Only System**

**The information in this section has been furnished by DTC. No representation is made by the Village, Bond Counsel, Municipal Advisor, or the Bond Registrar and Paying Agent as to the completeness or accuracy of such information or as to the absence of material adverse changes in such information subsequent to the date hereof. No attempt has been made by the Village, Bond Counsel, Municipal Advisor, or the Bond Registrar and Paying Agent to determine whether DTC is or will be financially or otherwise capable of fulfilling its obligations. Neither the Village nor the Bond Registrar and Paying Agent will have any responsibility or obligation to DTC participants, indirect participants or the persons for which they act as nominees with respect to the Bonds, or for any principal or interest payment thereof.**

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

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

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

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

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

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

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

Redemption proceeds, distributions, and dividend payments on the Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detailed information from the Village or Bond Registrar, on

payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with bonds 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 Bond Registrar, or the Village, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Village or the Bond Registrar, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

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

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

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

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

## THE VILLAGE

### General Information

The Village is located in Cook County (the "County"), Illinois approximately 17 miles west of downtown Chicago. The Village's municipal neighbors include Brookfield to the east, La Grange to the south, and Westchester to the north. Cook County Forest Preserves are adjacent to the Village on the west. U.S. routes 45 (La Grange Road) and 34 (Ogden Avenue) provide quick access to the Chicago area expressway system; I-290 (Eisenhower Expressway) is 1 mile north of the Village and I-294 is 1.5 miles west of the Village. METRA, the commuter rail system serving the larger metropolitan area, operates two stations in nearby La Grange that are within walking distance to many residents of the Village. PACE also operates four express bus routes that travel through or adjacent to the Village limits. O'Hare International Airport and Midway Airport are less than 30 minutes away. Rail freight travels through the Village along the Indiana Harbor Belt Railroad, which parallels the north-south La Grange Road (U.S. Route 45).

Until the early 19<sup>th</sup> century, the territory that is now La Grange Park remained unsettled by Europeans; however, Sac, Fox, and other Indian tribes inhabited the area. The Black Hawk War of 1832 opened the area to settlers. During the mid-1800's, five farmers named Dieke, Kemman, Robb, Wesemann, and Meyers purchased the land that would become La Grange Park. The terrain of the "Park" as the area was known in the late 19<sup>th</sup> century, ranged from flat open prairies to the west, heavily wooded groves to the north and low swampy areas to the east. In its early days, the Park was considered a hunter's paradise. Game of all kinds was plentiful – deer, prairie chickens, quail and ducks. Meadows, gardens, and open space were abundant.

More settlers came to the area with the extension of the Burlington Railroad from Chicago in 1863. The first school in the Village, called Poet's Corner, was constructed in 1865. The Great Fire of 1871, which left 90,000 homeless, also drove many Chicago residents to move west along the railroad. Many of the farmers in the Village sold off parcels as home sites to the newcomers. Still, the Village remained primarily a farming and bedroom community. The population of La Grange Park was 300 when it incorporated in 1892. The population had increased to 3,406 by 1940.

After World War II, war veterans and their young families pushed west out of Chicago as new highways were built that offered easy access to job sites. Residential and commercial areas began to develop, thanks in part to the work of builder and developer Charles Joem. His projects included the Edgewood Park subdivision, the Homestead Apartments, and, in 1951, the Village Market. The Market was one of the first shopping centers in the Chicago area. The Village experienced its

most significant population increase in this decade, with the 1950 population recording 6,176 residents and the 1960 population recording 13,795 residents. The population peaked at 15,459 in 1970, and, in keeping with the national trends to smaller family sizes, decreased to 13,359 at the 1980 Census and 12,861 at the 1990 Census. At the 2000 Census, the population was 13,295, and the 2010 census population was 13,579. The current land area of the Village is 2.2 square miles.

**Population Characteristics**

The following table sets forth the population for the Village, the County and the State of Illinois (the “State”) as of the 2010 U.S. Census.

	1990	2000	2010	% Change (2000-2010)
Village.....	12,861	13,295	13,579	2.14%
County.....	5,105,067	5,376,741	5,194,675	(3.39)
State .....	11,430,602	12,419,293	12,830,632	3.31

Source: U.S. Department of Commerce, Bureau of the Census.

The following table shows the age distribution of the Village’s population based on the 2010-2014 American Community Survey by the U.S. Census Bureau, as compared to the County and the State.

Category	Village	County	State
Under 5 Years.....	6.1%	6.5%	6.3%
5-9 Years .....	6.8	6.3	6.6
10-14 Years .....	7.3	6.3	6.7
15-19 Years .....	6.2	6.6	6.9
20-24 Years .....	6.0	7.1	6.9
25-34 Years .....	9.5	16.2	13.8
35-44 Years .....	13.5	13.6	13.2
45-54 Years .....	15.4	13.5	14.2
55-59 Years .....	7.2	6.3	6.6
60-64 Years .....	4.9	5.3	5.6
65-74 Years .....	6.4	6.7	7.2
75-84 Years .....	5.3	3.9	4.1
85 + Years .....	5.4	1.8	1.9
Median Age .....	41.2 Years	35.7 Years	37.0 Years

Source: U.S. Census Bureau, 2010-2014 American Community Survey 5-year estimates.

**Village Government and Municipal Services**

The Village operates under the council/manager form of government. The Village President, Village Clerk, and six Trustees are elected at large for four-year terms. The terms are staggered with elections being held in odd-numbered years. The table below lists elected and appointed officials, date of first appointment and date their term expires.

	First Elected/Appointed	Term Expires
President: Dr. Jim Discipio.....	2005	May 1, 2017
Village Clerk: Amanda Seidel.....	2012	May 1, 2017
<b><u>Village Trustees</u></b>		
James P. Kucera.....	2013	May 1, 2017
Robert Lautner .....	2013	May 1, 2019
Scott Mesick .....	2007	May 1, 2019
Patricia Rocco.....	2011	May 1, 2019
Michael Sheehan.....	2013	May 1, 2017
Jamie Zaura.....	2015	May 1, 2017

The President and Board of Trustees appoint a full-time Village Manager who is responsible for the day-to-day administration of the Village and its employees. The table below lists the Department Heads for all positions and their initial employment date.

Position	Department Head	Start Date
Village Manager .....	Julia Cedillo	2011
Assistant Village Manager .....	Emily Rodman	2011
Director of Finance/Treasurer <sup>(1)</sup> .....	Larry Noller	2014
Chief of Police.....	Ed Rompa	2014
Director of Fire, Building & Emergency Management .....	Dean Maggos	2001
Director of Public Works.....	Brendan McLaughlin	2012

<sup>(1)</sup>Appointed as Treasurer in 2015.

The Village offers a full range of municipal services. The Police Department is made up of two divisions: Operations and Support Services. The Operations Division is responsible for providing patrol and investigative services, while the Support Services Division provides the communications, purchasing and central supply functions. Telecommunications services are provided for both the police and fire departments. In 2000, the Police Department started a Residential Foot Patrol Program which requires police officers to walk one hour per shift during the months of April through October, subject to the call demands and availability. The program, which offers the opportunity for patrol officers to interact with residents, has been well received by the community.

The Village has two fire stations; one is at the Village Hall and one is east of the Indiana Harbor Belt Railroad tracks. The Fire Department is predominantly staffed by paid-on-call employees. Major pieces of fire equipment include three engines, one aerial ladder, two ambulances, and other support vehicles. The fire department is part of the Mutual Aid Box Alarm System that provides and receives assistance to and from other neighboring communities. The Village also provides Advanced Life Support emergency ambulance service through a contract with Public Safety Services, Inc. offices which are based in Rosemont, Illinois.

The Village's E911 system was instituted in 1992. The system is an "enhanced" system (address and other details of the caller are available when the call is made). The Villages of La Grange Park, La Grange and Western Springs have made significant progress in their work towards the Lyons Township Area Communications Center ("LTACC"), a consolidated 9-1-1 dispatch center. The LTACC Operations Committee, comprised of the six chiefs, and the LTACC Executive Committee, made up of the three Village Managers have met on a regular basis with LTACC Executive Director in the research and planning of various elements of implementation. The communities hope to have the new center operation in the Fall of 2016.

The Public Works Department operates, maintains and repairs the basic infrastructure within the Village, including 35 miles of storm and sanitary sewers, 42 miles of water distribution lines and associated equipment, 38 miles of streets, 73 miles of sidewalks, and 76 miles of parkway land. Services provided by the Public Works Department include street maintenance, oversight of the water and sewer systems, snow and ice control and brush pick-up. The Department also maintains police and fire vehicles. Refuse and yard waste pick-up is provided through a contract with a refuse hauling firm.

The Village's Lake Michigan water supply is provided by the Brookfield-North Riverside Water Commission, which receives its water from the City of Chicago. The Village has 2.75 million gallons of water storage and an average daily consumption of 1.3 million gallons. The Village is responsible for sewerage collection (combined sewers serve the Village) with the Metropolitan Water Reclamation District of Greater Chicago responsible for treatment.

The Village has a longstanding commitment to managed growth and economic development. The framework for land use related policy for the last three decades was established in 1971 and expanded in 1977 with the completion of the Village's Comprehensive Plan. The Village updated its Comprehensive Plan in June 2006. In the area of financial management, the Village addresses its future capital needs by periodically updating a five-year capital improvement plan.

#### **Other Governmental Services**

The La Grange Park Public Library District provides library services to the Village. The current Library, which was built in 1989, contains 21,000 square feet of space on three levels with ample room for expansion.

Community Park District of La Grange Park serves the Village residents. It maintains 24 acres of park land divided into six parks in the Village and offers year round programs for people of all ages. A 10,000 square foot recreation center was built in 2006. Village residents also benefit from the open space and trail system provided by the Salt Creek Forest Preserve, part of the Cook County Forest Preserve system, which is adjacent to the Village of the west and north.

## **REAL PROPERTY ASSESSMENT, TAX LEVY AND COLLECTION PROCEDURES**

### **Tax Assessments**

The County Assessor (the "County Assessor") is responsible for the assessment of all taxable real property within the County, including real property within the Village, except for certain railroad property and pollution control facilities which are assessed directly by the Illinois Department of Revenue (the "Department of Revenue"). For triennial reassessment purposes, the County is divided into three sections: west and south suburbs, north and northwest suburbs, and the City of Chicago. The Village is located in the west and south suburbs and will be reassessed for the 2017 tax levy year.

Real property in the County is separated into classifications for assessment purposes. After the County Assessor establishes the fair market value of a parcel of property, that value is multiplied by the appropriate classification percentage to arrive at the assessed valuation (the "Assessed Valuation") for the parcel. The classification percentages effective for tax years through 2008 range from 16% for certain residential; industrial and commercial property to 36% and 38%, respectively, for other industrial and commercial property. Beginning with tax year 2009, the classification percentages have generally been reduced to 10% for all vacant land and residential properties, and 25% for all industrial and commercial properties.

Detailed information covering property tax assessment and collections can be found in the Statute 35 ILCS 200. For additional information on the Cook County tax assessment process please reference Chapter 74 of the Cook County Code of Ordinances at [www.municode.com/Resources/gateway.asp?pid=13805&sid=13](http://www.municode.com/Resources/gateway.asp?pid=13805&sid=13) or visit the website of the Cook County Clerk at [www.cookcountyclerk.com](http://www.cookcountyclerk.com).

### **General Tax Assessment Process**

Property tax levies of each taxing body are filed in the office of the county clerk of each county in which territory of that taxing body is located. The county clerk computes the rates and amount of taxes applicable to the taxable property subject to the tax levies of each taxing body and determines the dollar amount of taxes attributable to each respective parcel of taxable property. The county clerk then supplies information to the appropriate collecting officials within the county to bill the attributable taxes to the individual parcels. After the taxes have been paid, the collecting officials distribute the respective share of taxes collected to the various taxing bodies. Taxes levied in one calendar year are due and payable in two installments during the next calendar year. Taxes that are not paid when due, or that are not paid by mail and postmarked on or before the due date, are subject to a penalty of 1-1/2% per month until paid. Unpaid property taxes, together with penalties, interest and costs constitute a lien against the property subject to the tax.

### **Exemptions**

The Illinois Property Tax Code currently provides for nine different Homestead Exemptions. Homestead Exemptions reduce the property tax burden of the recipient while increasing the tax burden for all other taxpayers in the taxing district.

The General (Residential) Homestead Exemption reduces the taxable assessed value of an individual's primary residence. The maximum assessment deduction for counties with less than 3,000,000 inhabitants is \$5,000 for tax year 2007 payable in 2008, \$5,500 for tax year 2008 payable in 2009 and \$6,000 for tax year 2009 payable in 2010 and thereafter. The maximum exemption in Cook County is \$7,000 beginning with the 2012 tax year. This exemption may be granted on a pro-rated basis for newly constructed homes based upon the number of days in the tax year the home was occupied by the taxpayer.

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

The Homestead Improvement Exemption applies to residential properties that have been improved or rebuilt in the two years following a catastrophic event. The exemption is limited to a maximum assessed value deduction of \$75,000, to the extent the assessed value deduction is attributable solely to such improvements or rebuilding.

There are two additional exemptions for senior citizens. The Senior Citizens Homestead exemption operates annually to reduce the EAV on a senior citizen's home. The maximum reduction is \$5,000 in Cook County beginning with the 2012 tax year and \$5,000 for all counties beginning with the 2013 tax year. Furthermore property that is first occupied as a residence after January 1 of any assessment year by a person who is eligible for the Senior Citizens Homestead Exemption must be granted a pro-rata exemption for the assessment year based on the number of days during the assessment year that the property is occupied as a residence by a person eligible for the exemption.

A Senior Citizens Assessment Freeze Homestead Exemption freezes property tax assessments for homeowners who are 65 and older and have annual income of less than \$55,000. In general, the Exemption limits the annual real property tax bill of such property by granting to qualifying senior citizens an exemption as to a portion of the valuation of their property. The exempt amount is the difference between (i) the current EAV of their residence and (ii) the base amount, which is the EAV of a senior citizen's residence for the year prior to the year in which he or she first qualifies and applies for the Exemption plus the EAV of improvements since such year.

There are two exemptions available to veterans who have at least a 50% service-related disability. The first program, the Disabled Veterans' Standard Exemption provides up to a maximum assessment deduction of \$5,000 for certain veterans, dependent on their actual level of service-related disability. The second program, the Disabled Veterans' Exemption (Adaptive Housing), provides a maximum assessment deduction of \$70,000 for veterans' who have a 100% service related disability and who have been certified by the Illinois Department of Veterans Affairs as being eligible to receive federal funding for the construction or modification of specially adapted housing to accommodate their disability.

Members of the U.S. Armed Forces, Illinois National Guard, or U.S. Reserve Forces that have returned from active duty in an armed conflict involving the armed forces of the U.S. are eligible for a one-time assessment deduction of \$5,000.

The Natural Disaster Homestead Exemption is for a rebuilt residential structure following a natural disaster occurring in the taxable year 2012 or any taxable year thereafter. The amount of the exemption is the reduction in EAV of the residence in the first taxable year for which the taxpayer applies for an exemption minus the EAV of the residence for the taxable year prior to the taxable year in which the natural disaster occurred. The exemption continues at the same amount until the taxable year in which the property is sold or transferred.

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

### **Property Tax Extension Limitation Law**

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

The effect of the Limitation Law is to limit the amount of property taxes that can be extended for a taxing body. In addition, general obligation bonds, notes and installment contracts payable from ad valorem taxes unlimited as to rate and amount cannot be issued by the affected taxing bodies unless they are approved by referendum (such as the Bonds), are alternate bonds or are for certain refunding purposes. This does not apply to "limited bonds" payable from a unit's "debt service extension base" or to "double-barreled alternate bonds" issued pursuant to Section 15 of the Reform Act.

The Village has the authority to levy taxes for many different purposes. See "Property Tax Rates". The ceiling at any particular time on the rate at which these taxes may be extended for the Village is either (i) unlimited (as provided by statute), (ii) initially set by statute but permitted to be increased by referendum, (iii) capped by statute, or (iv) limited to the rate approved by referendum. Effective June 30, 2006, the only ceiling on a particular tax rate is the ceiling set by statute above, at which the rate is not permitted to be further increased by referendum or otherwise. Therefore, taxing districts (such as the Village) have increased flexibility to levy taxes for the purposes for which they most need the money. The total aggregate tax rate for the various purposes subject to the Limitation Law, however, will not be allowed to exceed the Village's limiting rate computed in accordance with the provisions of the Limitation Law.

Illinois legislators have introduced proposals to modify the Limitation Law, including freezing property taxes and extending tax caps to all taxing bodies in the State (the "Property Tax Freeze Proposal"). If the Property Tax Freeze Proposal or similar legislation were to become law, such reform may have a material impact on the finances of the Commission and the County and the ability of the Commission and the County to issue non-referendum bonds. The Commission or the County cannot predict whether, or in what form, any change to the Limitation Law, including the Property Tax Freeze Proposal, may be enacted into law, nor can the Commission or the County predict the effect of any such change on the Commission's or the County's finances.

**Truth in Taxation Law**

Legislation known as the Truth in Taxation Law (the "Law") limits the aggregate amount of certain taxes which can be levied by, and extended for, a taxing Village 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 Ordinance that it will not take any action which would adversely affect the levy, extension, collection and application of the taxes levied by the Village for payment of principal of and interest on the Bonds. The Village also covenanted that it will comply with all present and future laws concerning the levy, extension and collection of such taxes levied by the Village.

**Property Valuations**

The following table sets forth the Village's EAV and estimated market value for the last five levy years.

**Property Valuations**

Levy Year	Collection Year	EAV	Estimated Market Value	Percent Change
2010	2011	\$434,868,975	\$1,304,606,925	1.47%
2011	2012	363,522,692	1,090,568,076	(16.41)
2012	2013	336,131,046	1,008,393,138	(7.54)
2013	2014	317,519,480	952,558,440	(5.54)
2014	2015	319,016,621	957,049,863	0.47

Per Capita 2014 EAV <sup>(1)</sup> .....	\$23,493
Per Capita 2014 Estimated Market Value <sup>(1)</sup> .....	\$70,480

<sup>(1)</sup> Based on the Village's 2010 census population of 13,579  
Source: The Cook County Clerk's office.

The following table sets forth the Village's EAV by use for the tax levy year 2014.

**Equalized Assessed Valuation by Use**

Classification	2014	%
Residential.....	\$291,461,095	91.36%
Commercial .....	22,100,941	6.93
Industrial .....	5,153,425	1.62
Railroad	296,601	0.09
Farm .....	4,559	0.00
<b>Total.....</b>	<b>\$ 319,016,621</b>	<b>100.00%</b>

Source: The Cook County Clerk's Office.

## Property Tax Rates

The Village's property tax rates expressed as a dollar for each \$100 of EAV, for the tax levy years 2010 through 2014 are as follows:

### Tax Rates by Purpose Per \$100 of Equalized Assessed Valuation

	Levy Years				
	2010	2011	2012	2013	2014
Corporate .....	\$ 0.254	\$ 0.263	\$ 0.332	\$ 0.326	\$ 0.319
Street & Bridge .....	0.012	0.046	0.030	0.058	0.058
Police Pension .....	0.172	0.194	0.217	0.246	0.238
Social Security .....	0.020	0.022	0.024	0.026	0.029
IMRF .....	0.013	0.017	0.018	0.023	0.026
Police Protection .....	0.089	0.145	0.134	0.141	0.154
Fire Protection .....	0.089	0.112	0.134	0.141	0.154
Liability Insurance .....	0.020	0.034	0.036	0.039	0.038
Ambulance Service .....	0.033	0.030	0.033	0.037	0.037
Crossing Guards .....	0.014	0.013	0.017	0.016	0.016
<b>Total Village Purposes.....</b>	<b>\$ 0.716</b>	<b>\$ 0.875</b>	<b>\$ 0.976</b>	<b>\$ 1.052</b>	<b>\$ 1.067</b>

Source: The Cook County Clerk's Office.

The Village's property tax rates and those levied by other units of government expressed as a dollar for each \$100 of EAV, for the tax levy years 2010 through 2014 are as follows:

### Representative Property Tax Rates Per \$100 Equalized Assessed Valuation

	Levy Years				
	2010	2011	2012	2013	2014
Village of La Grange Park .....	\$ 0.716	\$ 0.875	\$ 0.976	\$ 1.052	\$ 1.067
County of Cook .....	0.423	0.462	0.531	0.560	0.568
Consolidated Elections .....	0.000	0.025	0.000	0.031	0.000
Forest Preserve District of Cook County .....	0.051	0.058	0.063	0.069	0.069
Proviso Township (Includes General Assistance) .....	0.093	0.119	0.140	0.162	0.159
Mental Health District Proviso .....	0.117	0.145	0.150	0.150	0.150
School District 102 .....	2.629	3.249	3.622	3.877	3.858
Lyons Township High School 204 .....	1.545	1.922	2.129	2.312	2.324
DuPage Community College District 502 .....	0.211	0.248	0.276	0.323	0.320
Community Park District of La Grange Park .....	0.225	0.275	0.304	0.323	0.306
La Grange Park Public Library District .....	0.368	0.448	0.500	0.539	0.547
Metro Water Reclamation Dist. of Greater Chicago.....	0.274	0.320	0.370	0.417	0.430
Des Plaines Valley Mosquito Abatement District .....	0.011	0.014	0.015	0.016	0.016
<b>Total <sup>(1)</sup>.....</b>	<b>\$ 6.663</b>	<b>\$ 8.159</b>	<b>\$ 9.076</b>	<b>\$ 9.831</b>	<b>\$ 9.814</b>

<sup>(1)</sup> Tax rate applicable to the largest tax code in the Village.

Source: The Village and the Cook County Clerk's Office.

## Tax Collections and Extensions

Local Assessment Officers determine the assessed valuation of taxable real property and railroad property not held or used for railroad operations. The Illinois Department of Revenue (the "Department") assesses certain other types of taxable property, including railroad property held or used for railroad operations. Local Assessment Officers' valuation determinations are subject to review at the county level and then, in general, to equalization by the Department. Such equalization is achieved by applying to each county's assessments a multiplier determined by the Department. The purpose of equalization is to provide a common basis of assessments among counties by adjusting assessments toward the statutory

standard of 33-1/3% of fair cash value. Farmland is assessed according to a statutory formula, which takes into account factors such as productivity and crop mix. Taxes are extended against the assessed values after equalization.

Property tax levies of each taxing body are filed in the office of the county clerk of each county in which territory of that taxing body is located. The county clerk computes the rates and amount of taxes applicable to taxable property subject to the tax levies of each taxing body and determines the dollar amount of taxes attributable to each respective parcel of taxable property. The county clerk then supplies to the appropriate collecting officials within the county the information needed to bill the taxes attributable to the various parcels therein. After the taxes have been collected, the collecting officials distribute to the various taxing bodies their respective shares of the taxes collected. Taxes levied in one calendar year are due and payable in two installments during the next calendar year. Taxes that are not paid when due, or that are not paid by mail and postmarked on or before the due date, are subject to a penalty of 1-1/2% per month until paid. Unpaid property taxes, together with penalties, interest and costs, constitute a lien against the property subject to the tax.

The following table sets forth the Village’s tax levy and collections for the last five fiscal years.

**Tax Levy and Collections**

Levy Year	Collection Year	Total Taxes Extended	Total Cumulative Collections	
			Amount	Percent
2010	2011	\$ 3,113,662	\$ 3,025,855	97.2%
2011	2012	3,180,824	3,111,020	97.8
2012	2013	3,280,639	3,224,591	98.3
2013	2014	3,340,305	3,275,863	98.1
2014	2015	3,403,907	3,362,768	98.8

Source: The Village.

**Principal Taxpayers**

The top ten taxpayers of the Village, their type of business and 2014 Equalized Assessed Value are as follows:

Taxpayers	Type of Business	2014 Equalized Assessed Valuation <sup>(1)</sup>	Percent of Total <sup>(2)</sup>
The Village Market.....	Commercial Shopping Center .....	\$ 8,232,763	2.58%
Northern Trust .....	Homestead Apartments .....	5,480,919	1.72
Presence Health <sup>(3)</sup> .....	Health Care .....	4,243,474	1.33
Forest Glen Oxford CT.....	Apartment Building .....	3,319,745	1.04
Grove LaGrange Health .....	Senior Living Facility .....	2,690,487	0.84
First Industrial Realty .....	Multi-Tenant Commercial.....	1,447,001	0.45
Deslauries Inc. ....	Manufacturer of Concrete Forming & Testing Accessories...	1,110,764	0.35
Rosars Building Corp. ....	Builders and Consultants .....	1,009,503	0.32
1100 E. 31 <sup>st</sup> LLC .....	Leased by YMCA .....	788,230	0.25
International Molding .....	Building Molding Machines .....	<u>756,271</u>	<u>0.24</u>
Total Ten Largest Taxpayer .....		<u>\$ 29,079,157</u>	<u>9.12%</u>

<sup>(1)</sup>Approximated. Reasonable efforts have been made to determine and report the largest taxpayers and to include all taxable property of those taxpayers listed. Many of the taxpayers listed however, may own multiple parcels, and it is possible that some parcels and their valuations have been overlooked.

<sup>(2)</sup>Based on the Village’s 2014 EAV of \$319,016,621.

<sup>(3)</sup>Formerly known as Resurrection Health Co.

Source: The Cook County Clerk’s Office.

**VILLAGE DEBT**

**Debt Limitations**

The Village is not a home rule municipality. Pursuant to authority granted by Chapter 24, Section 8-5-1 of the Illinois Revised Statutes, a non-home rule municipality may incur general obligation indebtedness up to 8.625% of the total EAV of all taxable property in the municipality. Except for certain lease/purchase agreement powers, general obligation indebtedness must be incurred pursuant to referendum.

**Village of La Grange Park  
Schedule of Legal Debt Margin  
As of the Dated Date of the Bonds**

Legal Debt Limit (8.625% of EAV) <sup>(1)</sup> .....	\$ 27,515,184
Less Amount of Debt Applicable to Legal Debt Limit <sup>(2)</sup> ...	*
Legal Debt Margin .....	<u>\$ 27,515,184</u>

<sup>(1)</sup> Based on 8.625% of the Village's 2014 EAV of \$319,016,621.

<sup>(2)</sup> Does not include the General Obligation Refunding Bonds (Alternate Revenue Source), Series 2014. General obligation alternate revenue bonds under Illinois statutes are not subject to debt limitation under either the overall 8.625% of EAV debt limit or the non-referendum 0.5% of EAV limit for general obligation debt, until such time as the property taxes are extended to pay debt service at which time the amount then outstanding is included as indebtedness of the Village until such time as the general obligation alternate revenue bonds are retired or an audit of the Village shows that the general obligation alternate revenue bonds have been paid from the pledged revenues for a completed fiscal year.

Source: The Village.

\*Preliminary, subject to change.

**Debt Amortization**

The table that follows presents information as to the retirement of the Village's outstanding general obligation bonded debt after the issuance of the Bonds. [Table to be updated]

Fiscal Year	Series 2014 <sup>(1)</sup>	The Bonds <sup>(2)*</sup>	Total*	Cumulative Amount*	Cumulative Percent
2017	280,000	-	280,000	280,000	8.68%
2018	290,000	-	290,000	570,000	17.67%
2019	295,000	-	295,000	865,000	26.82%
2020	310,000	-	310,000	1,175,000	36.43%
2021	315,000	-	315,000	1,490,000	46.20%
2022	325,000	-	325,000	1,815,000	56.28%
2023	335,000	-	335,000	2,150,000	66.67%
2024	345,000	-	345,000	2,495,000	77.36%
2025	360,000	-	360,000	2,855,000	88.53%
2026	370,000	-	370,000	3,225,000	100.00%
2027	-	-	-	3,225,000	100.00%
2028	-	-	-	3,225,000	100.00%
	<u>\$ 3,225,000</u>	<u>\$ -</u>	<u>\$ 3,225,000</u>		

(1) Alternate revenue source bond payable from Sewerage System revenues.

(2) Bond payable from property tax levy.

\*Preliminary, subject to change.

Source: The Village.

**Statement of Direct Bonded Indebtedness <sup>(1)</sup>**  
 [Table to be updated]

	Total Debt Outstanding	Self-Supporting	Net
General Obligation Bonds <sup>(2)</sup> .....	\$ .....	\$ 3,225,000	\$ .....
Totals .....	\$ .....	\$ 3,225,000	\$ .....
Per Capita Direct Bonded Debt <sup>(3)</sup> .....			\$ .....
Percent of Direct Bonded Debt to 2014 EAV <sup>(4)</sup> .....			% .....
Percent of Direct Debt to 2014 Market Value <sup>(5)</sup> .....			% .....

Overlapping Bonded Debt:			
	Outstanding Bonds	Percent	Amount
Cook County .....	\$ 3,471,016,750	0.25%	\$ 8,677,542
Cook County Forest Preserve District .....	165,330,000 <sup>(7)</sup>	0.25	413,325
Metropolitan Water Reclamation District of Greater Chicago .....	2,543,400,740 <sup>(7)</sup>	0.25	6,358,502
Community Park District of La Grange Park .....	1,840,000	100.00	1,840,000
La Grange Park Public Library District .....	0 <sup>(8)</sup>	100.00	0
School District 94 (Komarek) .....	4,295,000	0.20	8,590
School District 95 (Brookfield-LaGrange Park) .....	6,195,000	18.01	1,115,720
School District 102 (La Grange) .....	43,779,975 <sup>(6)(8)</sup>	36.71	16,071,629
High School District 204 (Lyons Township) .....	17,320,000	10.31	1,785,692
High School District 208 (Riverside Brookfield) .....	42,425,000	5.10	2,163,675
High School District 209 (Proviso Township) .....	48,377,832 <sup>(6)</sup>	0.01	4,838
Community College District 502 (DuPage) .....	283,460,000 <sup>(7)</sup>	0.74	2,097,604
Community College District 504 (Triton) .....	48,425,000	0.50	242,125
Total Overlapping Bonded Debt: .....			<u>\$ 40,779,241</u>

Per Capita Direct Overlapping Debt <sup>(3)</sup> .....	\$3,003.11
Percent of Overlapping Debt to 2014 EAV <sup>(4)</sup> .....	12.78%
Percent of Overlapping Debt to 2014 Market Value <sup>(5)</sup> .....	4.26%

Total Direct and Overlapping Bonded Debt: ..... \$

Per Capita Direct and Overlapping Debt <sup>(3)</sup> .....	\$ .....
Percent of Direct and Overlapping Debt to 2014 EAV <sup>(4)</sup> .....	% .....
Percent of Direct and Overlapping Debt to 2014 Market Value <sup>(5)</sup> .....	% .....

<sup>(1)</sup> Debt information for overlapping and direct debt as of May 1, 2016 and the dated date of the Bonds, respectively.  
<sup>(2)</sup> Includes the Bonds. Preliminary, subject to change.  
<sup>(3)</sup> Based on the Village's 2010 Census population of 13,579.  
<sup>(4)</sup> Based on the Village's 2014 EAV of \$319,016,621.  
<sup>(5)</sup> Based on the Village's estimated 2014 Market Value of \$957,049,863.  
<sup>(6)</sup> Includes original principal amount of outstanding General Obligation Capital Appreciation Bonds.  
<sup>(7)</sup> Includes principal amounts of outstanding General Obligation Alternate Revenue Source Bonds despite the fact that they are expected to be paid from sources other than general taxation.  
<sup>(8)</sup> Excludes principal amounts of outstanding debt certificates.  
 Source: Cook, Will and DuPage County Clerk Offices and the Municipal Securities Rulemaking Board's Electronic Municipal Market Access System.

**Debt History**

There is no record of default on obligations of the Village.

**Short Term Borrowing**

The Village does not utilize short-term borrowing.

**Future Financing**

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

**LABOR CONTRACTS**

The Village has 46 full time employees and 82 part time and seasonal employees. Approximately 48% of the full time employees are represented by labor organizations. The following table illustrates the labor organizations that represent the Village employees, the number of members and the expiration date of the present contracts.

Union	Members	Contract Expires
Fraternal Order of Police.....	14	April 30, 2018
Internal Union of Operating Engineers .....	<u>8</u>	April 30, 2016
	22	

Source: The Village

**PENSION PLANS <sup>(1)</sup>**

The Village participates in two contributory retirement plans. Law enforcement officers are covered under the Police Pension Fund of the Village (a single employer plan administered by a separate Police Pension Board of Trustees). The Illinois Municipal Retirement Fund (“IMRF”) (a statewide plan) covers substantially all full-time employees except law enforcement officers.

**Police Pension Plan**

*Plan Description*

Police sworn personnel are covered by the La Grange Park Police Pension Plan (“Plan”). Although this is a single-employer pension plan, the defined benefits and the employee and employer contribution levels are governed by Illinois Compiled Statutes (40 ILCS 5/3-1) and may only be amended by the Illinois legislature.

The Plan is governed by a five-member Board of Trustees. Two members of the Board are appointed by the Village, two active members and one retired member of the police department are elected by the membership.

At April 30, 2015, the Police Pension Plan’s membership consisted of:

Inactive plan members or beneficiaries currently receiving benefits.....	22
Inactive plan members entitled to but not receiving benefits .....	1
Active employees:	
Fully vested.....	5
Partially vested.....	10
Nonvested .....	<u>6</u>
Total.....	<u>44</u>

The Police Pension Plan provides retirement benefits through two tiers of benefits, as well as death and disability benefits. Tier 1 employees (those hired prior to January 1, 2011) attaining the age of 50 or more, with 20 or more years of creditable service, are entitled to receive an annual retirement benefit of one-half of the salary attached to the rank held on the last day of service, or for one year prior to the last day, whichever is greater. The pension shall be increased by 2.5% of such salary for each additional year of service over 20 years up to 30 years, and 1% of such salary for each additional year of service over 30 years, to a maximum of 75% of such salary. Employees with at least eight years but less than 20 years of credited service may retire at or after age 60 and receive a reduced benefit. The monthly pension of a police officer who retires with 20 or more years of service shall be increased annually, by 3% of the original pension, following the first anniversary date of retirement, and be paid upon reaching the age of at least 55 years, and by an additional 3% of the original pension in January of each year thereafter.

<sup>(1)</sup> Source: The Village’s Audited Financial Statements for the fiscal year ended April 30, 2015.

Tier 2 employees (those hired on or after January 1, 2011) attaining the age of 55 or more, with ten or more years of creditable service, are entitled to receive an annual retirement benefit equal to the average monthly salary obtained by dividing the total salary of the police officer during the 96 consecutive months of service within the last 120 months of service in which the total salary was the highest by the number of months service in that period. Police officers' salary for pension purposes is capped at \$106,800, plus the lesser of ½ of the annual change in the Consumer Price Index or 3% compounded. The annual benefit shall be increased by 2.5% of such salary for each additional year of service over 20 years up to 30 years, to a maximum of 75% of such salary. Employees with at least 10 years of credited service may retire at or age 50 and receive a reduced benefit (i.e. ½% for each month under 55). The monthly benefit of a Tier 2 police officer shall be increased annually at age 60 on the January 1<sup>st</sup> after the police officer retires, or the first anniversary of the pension starting date, whichever is later. Noncompounding increases occur annually, each January thereafter. The increase is the lesser of 3% or ½ of the change in the Consumer Price Index for the preceding calendar year.

*Basis of Accounting*

The Plan financial statements are prepared using the accrual basis of accounting. Employee and employer contributions are recognized as revenues in the period in which employee services are performed. Benefits and refunds are recognized when due and payable in accordance with the terms of the Plan.

*Contributions*

The Plan's funding policy provides for actuarially determined periodic contributions at rates that, for individual employees, accumulate assets gradually over time so that sufficient assets will be available to pay benefits when due. All costs of administering the Plan are paid for by the Plan, except certain accounting functions, which are provided by the Village at no cost.

Covered employees are required to contribute to the Police Pension Plan 9.91% of their base salary. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without accumulated interest. The Village is required to contribute the remaining amounts necessary to finance the Plan as actuarially determined by an enrolled actuary. Effective January 1, 2011, per state statute, the Village has until the year 2040 to fund 90% of the past service cost for the Police Pension Plan. The Village's funding policy is based on the achievement of 100% funding by the year 2040. For the year ended April 30, 2015, the Village's contribution was 42.96% of covered payroll.

*Investment Policy*

ILCS limit the Police Pension Fund's investment to those allowed by ILCS. The Pension Plan's policy in regard to the allocation of invested assets is established and may be amended by the Police Pension Board of Trustees. It is the policy of the Police Pension Board to pursue an investment strategy that reduces risk through the prudent diversification of the portfolio across a broad selection of distinct asset classes. The Pension Plan's investment policy primarily aims to achieve a balanced rate of return, preserving capital and be invested in liquid securities to meet all cash flow needs. The following was the Board's adopted asset allocation as of April 30, 2015:

Asset Class	Target Allocation	Long-term Expected Real Rate of Return
Equity <sup>(1)</sup>	55%	7.0%
Fixed Income	40%	1.5%
Cash	5%	0.0%

<sup>(1)</sup>As of April 30, 2016 the Pension Board of Trustees voted to revise investment policy to allow an asset allocation up to 65% of equities.

ILCS limit the Police Pension Fund's investments in certain types of securities and other permitted investments. Securities in any one company should not exceed 5% of the total cash and invested assets of the fund.

The long-term expected rate of return on the Police Pension Fund's investments was determined using a building-block method estimated by the Police Pension Fund's investment management consultant in which best estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expenses and inflation) were developed for each major asset class. These ranges were combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

Best estimates of arithmetic real rates of return for each major asset class included in the Fund's target asset allocation as of April 30, 2015 are summarized in the table above.

*Valuation of Investments*

All investments in the Plan are stated at fair value and recorded as of the trade date. Fair value is based on quoted market prices at April 30 for debt securities, equity securities and mutual funds. The composition was as follows on April 30, 2015:

Equities	\$ 2,737,972
Mutual funds	4,916,483
Government securities	3,691,796
Corporate bonds	<u>1,162,845</u>
Total	<u>\$ 12,509,096</u>

*Investment Concentrations*

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

*Investment Rate of Return*

For the year ended April 30, 2015, the annual money weighted rate of return on Pension Plan investments, net of Pension Plan investment expense, was 6.08%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

*Credit Risk*

The Police Pension Fund limits its exposure to credit risk, the risk that the issuer of a debt security will not pay its par value upon maturity, by primarily investing in obligations guaranteed by the United States Government, securities issues by agencies of the United States Government that are implicitly guaranteed by the United States Government and investment grade corporate bonds. As of April 30, 2015, the Plan's investments were rated as follows:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Moody's</u>
Equities	\$2,737,972	NR
Mutual funds	4,916,483	NR
Treasuries	2,388,942	Aaa
Federal agencies	1,302,854	Aaa to Aa1
Corporate bonds	1,162,845	Aa1 to A3

NR= Not Rated

*Custodial Credit Risk*

Custodial credit risk is the risk that in the event of the failure of the counterparty to the investment. The Police Pension Fund will not be able to recover the value of its investments that are in possession of an outside party. To limit its exposure, the Police Pension Fund requires its investments to ensure that the risks assumed is commensurate with the given investment style and objectives.

*Net Pension Liability*

The components of the net pension liability of the Police Pension Fund on April 30, 2015 calculated in accordance with GASB statement No. 67 were as follows:

Total pension liability	\$ 23,826,282
Plan fiduciary net pension	<u>(13,459,077)</u>
Net pension liability	<u>10,367,205</u>
Plan fiduciary net position as a percentage of the total pension liability	<u>56.49%</u>

*Actuarial Assumptions*

The total pension liability above was determined by an actuarial valuation performed as of April 30, 2015 using the following actuarial methods and assumptions.

Actuarial valuation date	May 1, 2015
Actuarial cost method	Entry age normal
Assumptions:	
Inflation	2.00%
Salary increases	Graded by age from 7.19% to 3.12% at age 55 and later
Discount rate	7.00%
Asset valuation method	Market

Mortality rates were based on the RP-2000 Combined Healthy Mortality Table with a Blue Collar Adjustment. For Disabled lives, RP-2000 Disabled Mortality Table. The demographic assumptions used in the May 1, 2015 valuation were based on the result of an actuarial experience study performed by the State of Illinois Department of Insurance.

*Discount Rate*

The discount rate used to measure the total pension liability was 7.00%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and the Village contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

*Discount Rate Sensitivity*

The following table presents the net pension liability of the Village, calculated using the discount rate of 7.00%, as well as what the Village's net pension liability would be if it were calculated using a discount rate that is one percentage point higher or lower than the current rate:

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
Net pension liability	<u>\$13,331,013</u>	<u>\$10,367,205</u>	<u>\$7,897,515</u>

*Restatement*

Beginning net position of the Police Pension Fund has been restated to remove a receivable for property taxes levied by the general fund. The effect of the restatement was a decrease to the Fiduciary Funds – Pension Trust Fund net position as of May 1, 2014 of \$384,412. The effect of the correction on the Fiduciary Funds – Pension Trust changes in net position for the year ended April 30, 2014 was a decrease of \$35,434. This correction had no impact on the April 30, 2014 net position of Governmental and Business-type activities.

The schedule of funding progress below presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial liability for benefits.

**Schedule of Funding Progress  
Police Pension Plan**

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Liability (AAL) Entry-Age	Unfunded AAL (UAAL)	Funded Ratio	Covered Payroll	UAAL as a % of Covered Payroll
May 1, 2014	\$12,856,211	\$21,695,016	\$8,838,805	59.26%	\$1,787,151	494.58%
May 1, 2013	12,044,839	21,275,009	9,230,170	56.61	1,671,292	552.28
May 1, 2012	11,170,440	20,659,204	9,488,764	54.07	1,677,197	565.75
May 1, 2011	10,291,801	19,978,792	9,686,991	51.51	1,635,939	592.14
April 30, 2010	10,411,235	19,904,650	9,493,415	52.31	1,465,136	647.95
April 30, 2009	9,008,649	19,157,908	10,149,259	47.02	1,628,620	623.18

**Illinois Municipal Retirement Fund**

*Plan Description*

The Village's defined benefit pension plan for regular employees (other than those covered by the Police Pension Plan), provides retirement and disability benefits, post-retirement increases, and death benefits to plan members and beneficiaries. The plan is affiliated with the Illinois Municipal Retirement Fund (IMRF), an agent-multiple-employer plan. IMRF provides two tiers of pension benefits. Employees hired prior to January 1, 2011 are eligible for Tier 1 benefits. For Tier 1 employees, pension benefits vest after eight years of service. Participating members who retire at age 55 (reduced benefits) or after age 60 (full benefits) with eight years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1 2/3% of their final rate of earnings, for each year of credited service up to 15 years, and 2% for each year thereafter.

Employees hired on or after January 1, 2011 are eligible for Tier 2 benefits. For Tier 2 employees, pension benefits vest after ten years of service. Participating members who retire at age 62 (reduced benefits) or after age 67 (full benefits) with ten years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1 2/3% of their final rate of earnings, for each year of credited service up to 15 years, and 2% for each year thereafter.

*Funding Policy*

As set by statute, the Village's regular plan members are required to contribute 4.50% of their annual covered salary. The statute requires the Village to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The Village's annual required contribution rate for calendar year 2014 was 10.26%. The Village also contributes for disability benefits, death benefits and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by the IMRF Board of Trustees, while the supplemental retirement benefits rate is set by statute.

The annual required contribution (ARC) has been determined as follows:

	Illinois Municipal Retirement	Police Pension
Actuarial valuation date	December 31, 2012	April 30, 2014
Actuarial cost method	Entry age normal	Entry age normal
Asset valuation method	Five-year smoothed market	Market
Amortization method	Level percentage of payroll	Level percentage of payroll
Significant actuarial assumptions		
(a) Rate of return on present and future assets	7.50% compounded annually	7.00% compounded annually
(b) Projected salary increases- attributable to inflation	4.00%	Graded by age from 6.86% to 3.12% at age 55 and later
(c) Additional projected salary increases- attributable to seniority/merit	0.40% to 10.00% depending on age and service	(Note: Separate information for (b) and (c) not available)
(d) Post-retirement benefit Increases: Tier 1 Tier 2	3.00%	3.00% Lesser of ½ of the CPI-U or 3.00%
Method used to determine actuarial value of assets	Five-year smoothed market value	Five-year average market value
Amortization method and remaining period	Level percentage of projected payroll, open basis, 29 years	Level percentage of projected payroll, closed basis, 23 years

The net pension obligation has been calculated as follows at April 30, 2015:

	Illinois Municipal Retirement	Police Pension
Annual required contribution	\$ 173,575	\$ 759,861
Interest on net pension obligation	5,887	-
Adjustment to the ARC	<u>(4,385)</u>	<u>-</u>
Annual pension cost	175,077	759,861
Contributions made	<u>173,575</u>	<u>764,804</u>
Change in net pension obligation	1,502	(4,943)
Net OPEB obligation at April 30, 2014	<u>78,495</u>	<u>323,315</u>
Net pension obligation at April 30, 2015	<u>\$ 79,997</u>	<u>\$ 318,372</u>

Employer annual pension costs (APC), actual contributions and the net pension obligation (NPO) are as follows. The NPO is the cumulative difference between the APC and the actual contributions made.

	Fiscal Year	Illinois Municipal Retirement	Police Pension
Annual pension cost (APC)	2015	\$ 175,077	\$ 759,861
	2014	193,035	785,079
	2013	173,892	729,058
Actual contributions	2015	\$ 173,575	\$ 764,804
	2014	191,473	725,134
	2013	172,281	670,360
Percent of APC contributed	2015	99.1%	100.6%
	2014	99.2%	92.4%
	2013	99.1%	91.9%
Net pension obligation	2015	\$ 79,997	\$ 318,372
	2014	78,495	323,315
	2013	76,933	263,370

The funded status of the plans based on the actuarial valuations performed as of December 31, 2014 and May 1, 2014, for the Illinois Municipal Retirement and Police Pension, respectively, are as follows. The actuarial assumptions used to determine the funded status of the plans are the same actuarial assumptions used to determine the employer APC of the plans as previously disclosed:

	Illinois Municipal Retirement	Police Pension
Actuarial accrued liability (AAL)	\$ 5,553,659	\$ 21,695,016
Actuarial value of plan assets	5,132,107	12,856,211
Unfunded actuarial accrued liability (UAAL)	421,552	8,838,805
Funded ratio (actuarial value of plan assets/AAL)	92.41%	59.26%
Covered payroll (active plan members)	\$ 1,799,973	\$ 1,787,151
UAAL as a percentage of covered payroll	23.42%	494.58%

**Schedule of Funding Progress  
Illinois Municipal Retirement Fund**

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability (AAL) Entry-Age	Unfunded AAL (UAAL)	Funded Ratio	Covered Payroll	UAAL as a % of Covered Payroll
December 31, 2014	\$5,132,107	\$5,553,659	\$421,552	92.41%	\$1,799,943	23.42%
December 31, 2013	5,448,268	5,664,175	215,907	96.19	1,679,912	12.85
December 31, 2012	4,923,644	5,437,649	514,005	90.55	1,621,089	31.71
December 31, 2011	4,454,469	5,158,158	703,689	86.36	1,572,278	44.76
December 31, 2010	4,516,138	5,003,226	487,088	90.26	1,668,173	29.20
December 31, 2009	4,102,417	4,877,890	775,473	84.10	1,752,020	44.26

## OTHER POST EMPLOYMENT BENEFITS <sup>(1)</sup>

### Plan Description

The Village provides limited health care insurance coverage for its eligible retired employees. Full-time employees who retire and are eligible for a pension under either the IMRF Plan or Police Pension Plan can elect to continue their medical insurance for life by paying the full price of the insurance. They also have the option to continue their dental coverage. The Village accounts for the plan in the government-wide financial statements. The plan does not issue a stand-alone financial report.

At April 30, 2014, the other post-employment benefits (“OPEB”) retiree healthcare plan membership consisted of:

Retirees and beneficiaries currently receiving benefits and terminated employees entitled to benefits but not yet receiving them.....	12
Current employees:	
Vested .....	6
Nonvested .....	<u>32</u>
Total.....	<u>50</u>

### Funding Policy

The Village is not required to and currently does not advance fund the cost of benefits that will become due and payable in the future. Active employees do not contribute to the plan until retirement.

### Annual OPEB Cost and Net OPEB Obligation

The Village’s annual OPEB cost (expense) is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover the normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period of time not to exceed 30 years.

The following table shows the components of the Village’s annual OPEB cost for the year, the amount actually contributed to the plan and the changes in the net OPEB obligation as of April 30, 2014:

Annual required contribution	\$141,169
Interest on Net OPEB Obligation	-
Adjustment to the ARC	-
	-
Annual OPEB cost	\$141,169
Estimated contributions	87,233
	<u>53,936</u>
Increase in Net OPEB obligation	\$53,936
Net OPEB obligation at April 30, 2013	-
Net OPEB obligation at April 30, 2014	<u>\$53,936</u>

The Village has recorded the net OPEB obligation of \$104,384 (\$92,894 in the government-wide statement of net position and \$11,490 in the proprietary funds).

<sup>(1)</sup> Source: The Village’s Audited Financial Statements for the fiscal year ended April 30, 2015.

Since the Village has fewer than 200 participants, a valuation is performed every three years in accordance with GAAP. The Village's annual OPEB cost, the percentage of the annual OPEB cost contributed to the Plan, and the net OPEB obligation for the most recent years available were as follows:

Fiscal Year Ended	Annual OPEB Cost	Percentage of Annual	Net OPEB Obligation
		OPEB Cost Contributed	
April 30, 2015	\$140,327	64.0%	\$104,384
April 30, 2014	141,169	61.8%	53,936

### Funding Status and Funding Progress

The OPEB plan is being funded on a pay-as-you-go basis. At May 1, 2013, the most recent actuarial valuation date, the unfunded actuarial accrued liability ("UAAL") for benefits was \$1,712,950. Annual covered payroll was \$2,965,807 and the ratio of the UAAL to the covered payroll was 58%.

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision, as actual results are compared with past expectations and new estimates are made about the future.

### Schedule of Funding Progress Other Post-employment Benefits Healthcare Plan

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability (AAL) Entry-Age	Unfunded AAL (UAAL)	Funded Ratio	Covered Payroll	UAAL as a % of Covered Payroll
May 1, 2014	N/A	N/A	N/A	N/A	N/A	N/A
May 1, 2013	\$ -	\$1,712,950	\$1,712,950	0.00%	\$2,965,807	57.76%

N/A- Information not available as an actuarial valuation was not performed.

### Actuarial Methods and Assumptions

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations. The valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future and are subject to continual revision as results are compared to past expectations and new estimates are made in the future.

In the May 1, 2013 actuarial valuation, the entry age normal actuarial cost method was used. The actuarial assumptions included a 4.0% investment rate of return (net of administrative expenses), including a 3.0% inflation assumption, projected salary increases of 4.0% annually and an annual healthcare inflation rate of 6.0% initially, reduced by decrements to an ultimate rate of 5.0%. The actuarial value of assets was not determined as the Village has not advanced funded its obligation. The UAAL is being amortized as a level percentage of projected payroll on an open basis. The remaining amortization period at April 30, 2014 was 30 years.

The Village provides a \$3,000 post-retirement death benefit, currently paid by the Village's insurance through participation in the IPBC, for certain beneficiaries of retirees who were Village employees prior to August 1, 1983. As of April 30, 2015, there were 13 retired Village employees who met the eligibility requirements.

## SUMMARY OF HISTORICAL FINANCIAL OPERATIONS

### Budget Process

Annual budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America for all governmental funds. All annual budgeted amounts lapse at year end. The Village follows these procedures in establishing the budgetary data reflected in the financial statements:

- The budget is prepared in tentative form by the Village Manager, reviewed and approved by the Village Board, and is made available for public inspection at least 10 days prior to final Board action. A public hearing is held on the tentative budget to obtain taxpayer comments.
- Prior to May 1, the budget is legally adopted by the Board of Trustees. All actual expenditures contained herein have been compared to the annual operating budget.
- The Village Manager may transfer within any department amounts budgeted for an object or purpose to another object or purpose. No object or purpose can be reduced below an amount sufficient to provide for all obligations incurred or to be incurred against the budget.
- The Board of Trustees may (i) by two-thirds vote amend the budget, or transfer amounts between departments and funds. No amendment or transfer shall be made increasing the budget, in the event funds are not available to effectuate the purpose of the amendment or transfer; and (ii) adopt a supplemental budget in an amount not to exceed any additional revenue available, including unbudgeted fund balances, or amounts estimated to be received after adoption of the annual budget.
- Expenditures may exceed budgeted amounts at the sub-object level.
- The Village does not use the encumbrance method of accounting. Budgetary funds are controlled by an integrated budgetary accounting system in accordance with various legal requirements which govern the Village.

## Summary of Financial Information

The following tables are summaries and do not purport to be the complete audits, copies of which are available upon request.

### General Fund - Balance Sheet Fiscal Years Ended April 30, 2011 Through 2015

	2011	2012	2013	2014	2015
<b>Assets</b>					
Cash.....	\$ 1,451,007	\$ 1,074,498	\$ 2,210,306	\$ 2,756,415	\$ 2,470,154
Investments .....	527,805	1,328,180	646,467	700,000	401,215
Accounts receivable:					
Property taxes-net of allowance for loss on collection ....	1,521,762	1,483,538	1,560,773	1,563,174	1,624,049
Interest.....	37	298	242	731	1,009
Utility taxes and telephone surcharge .....	193,281	178,792	183,984	188,068	194,092
Other.....	43,340	65,163	76,044	83,871	161,633
Due from other funds .....	142,707	90,112	34,713	30,777	-
Due from other governments.....	561,882	751,232	606,629	591,115	655,270
Prepaid items.....	6,960	7,535	6,751	8,345	8,932
Restricted Cash.....	13,781	13,788	13,778	13,778	66,731
Insurance deposits .....	245,498	225,564	180,480	630,516	552,480
<b>Total Assets .....</b>	<b>\$ 4,708,066</b>	<b>\$ 5,218,700</b>	<b>\$ 5,520,167</b>	<b>\$ 6,566,790</b>	<b>\$ 6,135,565</b>
<b>Liabilities</b>					
<b>Liabilities:</b>					
Accounts payable .....	\$ 80,107	\$ 93,281	\$ 141,737	\$ 166,268	\$ 122,587
Security deposits .....	13,787	13,788	13,778	13,778	66,731
Accrued wages .....	105,361	117,084	146,343	162,871	178,642
Due to other funds .....	3,319	-	-	-	-
Due to other governments .....	-	-	-	36,235	-
<b>Total Liabilities.....</b>	<b>202,574</b>	<b>224,153</b>	<b>301,868</b>	<b>379,152</b>	<b>367,960</b>
<b>Deferred Inflows of Resources</b>					
Property taxes.....	1,521,762	1,483,538	1,560,773	1,563,174	1,624,049
<b>Total liabilities and deferred inflows of resources</b>	<b>\$ 1,724,336</b>	<b>\$ 1,707,691</b>	<b>\$ 1,862,631</b>	<b>\$ 1,942,326</b>	<b>1,992,009</b>
<b>Fund Balances</b>					
Nonspendable.....	-	7,535	6,751	8,345	8,932
Restricted, reported in General Fund.....	-	225,564	180,480	175,016	137,786
Assigned, reported in General Fund.....	-	783,172	-	-	39,000
Reserved for prepaid items.....	6,960	-	-	-	-
Reserved for insurance deposits.....	245,498	-	-	-	-
Unassigned, report in General Fund.....	-	2,494,738	3,470,305	4,441,103	3,957,838
Unreserved undesignated available sources .....	2,118,200	-	-	-	-
Unreserved undesignated other .....	613,072	-	-	-	-
<b>Total Fund Balances.....</b>	<b>\$ 2,983,730</b>	<b>\$ 3,511,009</b>	<b>\$ 3,657,536</b>	<b>\$ 4,624,464</b>	<b>\$ 4,143,556</b>
<b>Total liabilities, deferred inflow of resources and fund balances .....</b>	<b>\$ 4,708,066</b>	<b>\$ 5,218,700</b>	<b>\$ 5,520,167</b>	<b>\$ 6,566,790</b>	<b>\$ 6,135,565</b>

Source: The Village's Audited Financial Statements for the fiscal years 2011 through 2015.

**General Fund - Statement of Revenues, Expenses and Changes in Fund Balances**  
**Fiscal Years Ended April 30, 2011 Through 2015**

	2011	2012	2013	2014	2015
<b>Revenues:</b>					
Property taxes.....	\$ 2,872,450	\$ 3,122,082	\$ 3,168,420	\$ 3,256,187	\$ 3,187,738
Other local taxes.....	1,670,743	1,615,219	1,679,970	1,651,293	1,644,041
Licenses and permits.....	469,453	430,861	472,685	629,039	719,344
Intergovernmental.....	1,273,813	1,436,581	1,547,876	1,591,916	1,695,151
Charges for services.....	402,335	372,449	441,729	500,087	581,425
Fines and forfeitures.....	134,541	143,873	165,109	207,014	176,106
Grants and donations.....	-	-	-	-	6,245
Interest and investment income (loss).....	35,362	5,600	23,747	25,221	(37,742)
Miscellaneous.....	281,532	276,891	316,493	404,733	426,691
<b>Total Revenues.....</b>	<b>\$ 7,140,229</b>	<b>\$ 7,403,556</b>	<b>\$ 7,816,029</b>	<b>\$ 8,265,490</b>	<b>\$ 8,398,999</b>
<b>Expenditures:</b>					
<b>Current:</b>					
General government.....	\$ 1,146,882	\$ 1,004,261	\$ 1,096,621	\$ 1,233,927	\$ 1,143,025
Public safety.....	4,743,189	4,955,773	4,999,734	5,060,168	5,247,471
Highway and streets.....	1,023,720	938,643	1,020,314	1,148,766	1,338,523
<b>Debt service:</b>					
Principal.....	12,500	12,500	12,500	12,500	12,500
Interest.....	-	-	-	-	-
<b>Total Expenditures.....</b>	<b>\$ 6,926,291</b>	<b>\$ 6,911,177</b>	<b>\$ 7,129,169</b>	<b>\$ 7,455,361</b>	<b>\$ 7,741,519</b>
Revenues over (under) expenditures before other financing sources (uses).....	\$ 213,938	\$ 492,379	\$ 686,860	\$ 810,129	\$ 657,480
<b>Other financing sources (uses):</b>					
Operating transfers in.....	\$ 33,765	\$ 34,000	\$ 35,000	\$ 36,000	\$ 49,612
Operating transfers out.....	-	-	(576,340)	(264,200)	(1,188,000)
Sale of capital assets.....	7,505	900	1,007	762	-
<b>Total other financing sources (uses).....</b>	<b>\$ 41,270</b>	<b>\$ 34,900</b>	<b>\$ (540,333)</b>	<b>\$ (227,438)</b>	<b>\$ (1,138,388)</b>
Net changes in fund balance.....	\$ 255,208	\$ 527,279	\$ 146,527	\$ 582,691	(480,908)
Fund balance – beginning of the year.....	2,728,522	2,983,730	3,511,009	3,657,536	4,624,464
Restatement of beginning fund balance.....	-	-	-	384,237 <sup>(1)</sup>	-
<b>Fund balance – end of the year.....</b>	<b>\$ 2,983,730</b>	<b>\$ 3,511,009</b>	<b>\$ 3,657,536</b>	<b>\$ 4,624,464</b>	<b>\$ 4,143,556</b>

(1) The 2013 Village financial statements were restated to include member reserves on deposit with a cooperative health insurance plan for Village employees as well as certain compensated absences that had not previously been recorded. Please see the Notes to the Financial Statements in the fiscal year 2014 audit report for more information.

Source: The Village's Audited Financial Statements for the fiscal years 2011 through 2015.

## ECONOMIC PROFILE

### Employment

The Village is primarily residential in nature, with approximately 90% of the Village's tax base classified as residential. There are, however, two major commercial areas in the Village: the Village Market Shopping Center on La Grange Road and the 31st Street Business District to the north. The Village Market serves as a town center and includes retail, office and medical businesses. The shopping center is anchored by a Jewel-Osco retail store. The 31<sup>st</sup> Street Business District has a more traditional street environment featuring a variety of restaurants, antique shops, a hardware store, and an assortment of professional and medical offices. Industrial uses are generally limited to land adjacent to the Indiana Harbor Belt Railroad north of 31<sup>st</sup> Street and immediately north of the southern Village limits.

The Village has two large retirement facilities: Bethlehem Woods and Plymouth Place. Bethlehem Woods Retirement Community has 270 independent living apartments and 64 assisted living units. Upon completion of a significant expansion completed in 2007, Plymouth Place has 55 cottages; 182 independent living units, 79 assisted living beds, and 86 skilled care beds.

The employment opportunities available to residents in the Village and the surrounding metropolitan area have contributed to a very favorable employment rate for the Village. The following table sets forth the rates of unemployment for the Village, the County, the State and the United States for the last five years and the most recent month available in 2014.

#### Comparative Unemployment Rates

Year	Village	County	State
2011	7.4%	10.3%	9.7%
2012	7.1	9.3	9.0
2013	7.3	9.6	9.1
2014	5.7	7.4	7.1
2015	4.3	6.1	5.9
2016 <sup>(1)</sup>	N/A	6.8	6.5

<sup>(1)</sup> As of March 2016.

Source: Illinois Department of Employment Security, Department of Economic Information and Analysis.

According to the 2010-2014 American Community Survey by the U.S. Census Bureau, Village residents have a wide variety of occupations. The following table categorizes occupations for employed residents 16 years of age and older for the Village, the County and the State.

#### Occupational Categories

Occupational Category	Village	County	State
Management, business, science, and arts occupations .....	49.2%	37.9%	36.5%
Service occupations .....	11.7	18.2	17.4
Sales and office occupations .....	23.9	24.7	24.9
Natural resources, construction, and maintenance occupations .....	3.7	6.1	7.3
Production, transportation, and material moving occupations .....	11.6	13.1	13.9
<b>Totals .....</b>	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>

Source: U.S. Census Bureau, 2010-2014 American Community Survey 5-year estimates.

According to the 2010-2014 American Community Survey by the U.S. Census Bureau, Village residents work in a variety of industries. The following table categorizes the industries that residents (16 years of age and older) are employed by for the Village, the County and the State.

#### Industry Category

Industry Category	Village	County	State
Agriculture, forestry, fishing and hunting, and mining .....	0.3%	0.2%	1.1%
Construction .....	3.4	4.6	5.1
Manufacturing .....	11.3	10.5	12.5
Wholesale trade .....	4.3	2.8	3.0
Retail trade .....	8.7	10.1	11.0
Transportation and warehousing, and utilities .....	6.2	6.3	5.9
Information .....	1.9	2.3	2.1
Finance, insurance, real estate, and rental and leasing .....	10.3	8.1	7.3
Professional, scientific, management, administrative, and waste management services ....	10.4	13.7	11.3
Educational services, health care and social assistance .....	24.5	22.9	23.1
Arts, entertainment, recreation, accommodation and food services .....	9.3	9.9	9.0
Other services (except public administration) .....	6.0	5.1	4.8
Public administration .....	3.3	3.7	3.9
Totals .....	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>

Source: U.S. Census Bureau, 2010-2014 American Community Survey 5-year estimates.

The following table reflects the diversity of the major employers in the Village by the products manufactured or services performed and the approximate number of employees.

#### Representative Large Employers

Employer	Product/Service	Number of Employees
LaGrange School District 102	Education .....	450
Plymouth Place .....	Senior Retirement Living .....	320
Pillars .....	Social Services .....	240
Jewel Food Store .....	Grocery .....	190
The Grove of La Grange Park .....	Senior Retirement Living .....	145
Village of LaGrange Park .....	Municipality .....	128
Presence Bethlehem Woods .....	Senior Retirement Living .....	60
American Nuclear Society .....	Scientific Education .....	50
Deslauriers, Inc. ....	Injection Molding .....	40
Century 21/Alonzo & Associates .....	Real Estate .....	30

Sources: Phone canvass of employers and 2015 Illinois Services and Manufacturers Directories.

#### Education

Two elementary school districts and two high school districts primarily serve the Village. Student enrollment has been stable in recent decades. Existing facilities generally meet the needs of the current population and the projected demand. La Grange School District 102 currently operates two schools within the Village. Brookfield School District 95 currently operates on school within the Village's limits. Lyons High School District 204 operates two large campuses that have sufficient land to accommodate future enrollment projections. Riverside Brookfield High School District 208 operates one school Nazareth Academy is a private high school established in 1900 that serves grades 9-12 and St. Louise de Marillac is a private elementary school (grade K-8).

The educational background of Village residents as compared to the County and the State is illustrated in the following table:

**Education Levels For Persons 25 Years of Age and Older**

Educational Attainment	Village	County	State
Less than 9 <sup>th</sup> grade.....	1.0%	7.6%	5.5%
9 <sup>th</sup> or 12 <sup>th</sup> grade, no diploma.....	2.8	7.6	6.9
High school graduate.....	17.9	24.1	27.0
Some college, no degree.....	21.6	19.2	21.2
Associate degree.....	8.4	6.3	7.5
Bachelor's degree .....	29.3	21.2	19.7
Graduate or professional degree.....	18.9	14.0	12.2
Percent high school graduate or higher .....	96.2	84.8	87.6
Percent bachelor's degree or higher.....	48.3	35.3	31.9

Source: U.S. Census Bureau, 2010-2014 American Community Survey 5-year estimates.

**Estimated Retail Sales**

The following table reflects the breakdown of retail sales according to major purchase categories for the Village, the County and the State for the calendar year ended 2015.

**2015 Comparative Retail Sales By Classification**

	Village <sup>(1)</sup>		County		State	
	Retail Sales	Percent of Total	Retail Sales	Percent of Total	Retail Sales	Percent of Total
General Merchandise	-	0.00%	\$6,914,369,704	9.91%	\$21,905,982,075	12.57%
Food	21,260,216	42.19%	9,163,328,685	13.14%	21,750,549,765	12.48%
Drinking and Eating Places	6,277,322	12.46%	11,642,928,272	16.69%	22,450,352,974	12.88%
Apparel	-	0.00%	3,640,959,495	5.22%	6,333,351,647	3.63%
Furniture and Radio	62,383	0.12%	3,153,949,149	4.52%	7,660,323,910	4.39%
Lumber and Building Hardware	2,316,153	4.60%	2,759,467,370	3.96%	8,983,357,581	5.15%
Automotive and Gas Stations	3,666,623	7.28%	13,467,670,282	19.31%	38,518,545,525	22.10%
Drugs and Miscellaneous Retail	7,671,926	15.23%	11,086,601,657	15.89%	26,635,686,948	15.28%
Agriculture and All Others	7,695,963	15.27%	6,499,386,626	9.32%	16,694,815,065	9.58%
Manufacturers	293,081	0.58%	1,431,148,375	2.05%	3,397,515,759	1.95%
<b>Totals</b>	<b>\$50,386,069</b>	<b>97.73%</b>	<b>\$69,759,809,615</b>	<b>100.00%</b>	<b>\$174,330,481,249</b>	<b>100.00%</b>

<sup>(1)</sup> Blank categories have less than four taxpayers, therefore no data is shown to protect the confidentiality of individual taxpayers.  
Source: Illinois Department of Revenue.

**Housing and Construction**

A history of construction value in the Village for the last six calendar years is as follows:

**Construction Value**

Year	Total Value
2010	\$ 842,500
2011	895,000
2012	675,300
2013	3,600,000
2014	1,553,855
2015	1,725,000

Source: The Village.

According to the 2010-2014 American Community Survey by the U.S. Census Bureau, 66.7% of the 5,347 occupied housing units in the Village were owner-occupied. The median home value of owner occupied homes in the Village was \$316,800. Selected home value data relative to values of owner-occupied housing units in the Village compared with the County and the State are provided in the table below.

#### Median Home Values

Value of Specified Owner-Occupied Units	Village	County	State
Under 50,000.....	1.5%	4.3%	7.6%
\$50,000 to \$99,999.....	0.8	9.1	15.9
\$100,000 to \$149,999.....	4.8	13.7	16.5
\$150,000 to \$199,999.....	7.2	16.9	16.7
\$200,000 to \$299,999.....	31.4	24.4	20.8
\$300,000 to \$499,999.....	36.4	20.3	15.2
\$500,000 to \$999,999.....	16.6	8.9	5.9
\$1,000,000 or more.....	1.3	2.3	1.4
Median Home Value .....	\$316,800	\$222,200	\$175,700

Source: U.S. Census Bureau, 2010-2014 American Community Survey 5-year estimates.

#### Income

The following table sets forth the distribution of household income derived from the 2010-2014 American Community Survey by the U.S. Census Bureau for the Village compared with the County and the State.

#### Income Statistics

Household Income	Village	County	State
Under \$10,000.....	5.3%	8.6%	7.2%
\$10,000 to \$14,999.....	3.1	4.9	4.6
\$15,000 to \$24,999.....	8.3	10.4	10.0
\$25,000 to \$34,999.....	7.9	9.6	9.5
\$35,000 to \$49,999.....	13.4	12.6	12.9
\$50,000 to \$74,999.....	13.7	17.1	17.8
\$75,000 to \$99,999.....	13.4	12.0	12.8
\$100,000 to \$149,999.....	17.4	13.2	14.0
\$150,000 to \$199,999.....	7.4	5.5	5.6
\$200,000 or more.....	10.1	6.2	5.6
Median Household Income.....	\$70,399	\$54,828	\$57,166
Median Family Income.....	\$100,060	\$66,712	\$70,967
Per Capita Income .....	\$39,585	\$30,468	\$30,019

Source: U.S. Census Bureau, 2010-2014 American Community Survey 5-year estimates.

#### BOND RATING

Standard & Poor's has assigned its rating of "\_\_\_" to the Bonds. There is no assurance that such rating will prevail for any given period of time or that they will not be revised downward or withdrawn entirely by such rating agency if, in its judgment, circumstances so warrant. Any such downward revision or withdrawal of such rating may have an adverse effect on the market price of the Bonds. Any rating assigned represents only the view of the rating agency. The definitions furnished by the rating agency for its rating may be obtained from the rating agency.

#### TAX EXEMPTION

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

income tax purposes. Failure to comply with certain of such covenants could cause interest on the Bonds to become includable in gross income for federal income tax purposes retroactively to the date of issuance of the Bonds.

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

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

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

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

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

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

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

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

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

**Issue Price.** The applicability of the market discount rules may adversely affect the liquidity or secondary market price of such Bond. Purchasers should consult their own tax advisors regarding the potential implications of market discount with respect to the Bonds.

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

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

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

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

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

### **QUALIFIED TAX-EXEMPT OBLIGATIONS**

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

### **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, as 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 of information contained in or incorporated by reference in this Official Statement, except that in its capacity as Bond Counsel, Chapman and Cutler LLP has, at the request of the Village, reviewed only those portions of this Official Statement involving the description of the Bonds, the security for the Bonds (excluding forecasts, projections, estimates or any other financial or economic information in connection therewith), the description of the federal tax exemption of interest on the Bonds and the "bank qualified" status of the Bonds. This review was undertaken solely at the request and for the benefit of the Village and did not include any obligation to establish or confirm factual matters set forth herein.

## 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 certain information repositories 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. 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."

The Village failed to file a Reportable Event (as defined below) within the time period specified in prior continuing disclosure agreements for its outstanding General Obligation Bonds, Series 2004 (the "2004 Bonds") for Moody's rating changes of Assured Guaranty Municipal, previously known as Financial Security Assurance, Inc., which is the insurer on the 2004 Bonds. As of the date of this Official Statement, the Village has filed such Reportable Events.

A failure by the Village to comply with the Undertaking will not constitute a default under the 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." A failure by the Village to comply with the Undertaking must be reported in accordance with the Rule and must be considered by any broker, dealer or municipal securities dealer before recommending the purchase or sale of the Bonds in the secondary market. Consequently, such a failure may adversely affect the transferability and liquidity of the Bonds and their market price.

### THE UNDERTAKING

The following is a brief summary of certain provisions of the Undertaking of the Village and does not purport to be complete. The statements made under this caption are subject to the detailed provisions of the Undertaking, a copy of which is available upon request from the Village. See Appendix C herein for a copy of the "Form of Continuing Disclosure Undertaking."

#### **Financial Information Disclosure**

The Village covenants that it will disseminate its Annual Financial Information and its Audited Financial Statements (as described below) annually to the MSRB in such manner and format and accompanied by identifying information as is prescribed by the MSRB or the Commission at the time of delivery of such information. The Village is required to deliver such information within 210 days after the last day of the Village's fiscal year (currently April 30). If audited financial statements are not available when the Financial Information is filed, the Village will file unaudited statements and 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 information of the type contained in the following headings and subheadings of the Official Statement: "REAL PROPERTY ASSESSMENT, TAX LEVY AND COLLECTION PROCEDURES" under the headings: "Property Valuations", "Property Tax Rates" and "Tax Collections and Extensions" and "VILLAGE DEBT" under the headings: "Debt Limitation", "Debt Amortization" and "Statement of Direct Bonded Indebtedness (Excluding Overlap)".

"Audited Financial Statements" means audited financial statements of the Village prepared in accordance with generally accepted auditing standards and Government Auditing Standards, issued by the Comptroller General of the United States.

## 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 or the State 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 filed with EMMA, including financial statements and other externally prepared reports. The "Events" are:

- Principal and interest payment delinquencies
- Non-payment related defaults, if material
- Unscheduled draws on debt service reserves reflecting financial difficulties
- Unscheduled draws on credit enhancements reflecting financial difficulties
- Substitution of credit or liquidity providers, or their failure to perform
- 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-exempt status of the security
- Modifications to the rights of security holders, if material
- Bond calls, if material, and tender offers
- Defeasances
- Release, substitution or sale of property securing repayment of the securities, if material
- Rating changes
- Bankruptcy, insolvency, receivership or similar event of the Village\*
- 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 to any such actions, other than pursuant to its terms, if material
- Appointment of a successor or additional trustee or the change of name of a trustee, if material

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

## Consequences of Failure of the Village to Provide Information

The Village shall give notice in a timely manner to the MSRB of any failure to provide disclosure of 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 Ordinance, and the sole remedy under the Undertaking in the event of any failure of the Village to comply with the Undertaking shall be an action to compel performance.

## Amendment; Waiver

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

- (a) (i) The amendment or the waiver is made in connection with a change in circumstances that arises from a change in legal requirements, including, without limitation, pursuant to a "no-action" letter issued by the Commission, a change in law, or 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 either 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 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 Ordinance. The Village shall give notice to the MSRB in a timely manner if this paragraph is applicable.

#### **Additional Information**

Nothing in the Undertaking shall be deemed to prevent the Village from disseminating any other information, using the means of dissemination set forth in the Undertaking or any other means of communication, or including any other information in any Financial Information or Audited Financial Statements or notice of occurrence of a Reportable Event, in addition to that which is specifically 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 Dissemination Agent, with or without appointing a successor Dissemination Agent.

### **LITIGATION**

There is no controversy or litigation of any nature now pending against the Village, or to the knowledge of its officers, threatened, seeking to restrain or enjoin 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, or the pledge or application or any moneys or security provided for the payment of the Bonds or the existence of the Village or any of its powers, or the use of the proceeds of the Bonds.

There is no other controversy of any nature now pending against the Village, or to the knowledge of its officers, threatened, which, if successful, would materially adversely affect the operations or financial condition of the Village.

### **UNDERWRITING**

The Bonds have been purchased at a public, competitive sale by \_\_\_\_\_ (the "Underwriter") at a price of \$ \_\_\_\_\_ (par plus a reoffering premium of \$ \_\_\_\_\_ less an Underwriter's discount of \$ \_\_\_\_\_). The Underwriter is committed to take and pay for all of the Bonds if any are taken. The Underwriter has represented to the Village that the Bonds have been subsequently re-offered to the public initially at the prices set forth on the inside cover of the Official Statement. The Underwriter reserves the right to join with other dealers and other underwriters in offering the Bonds to the public.

### MUNICIPAL ADVISOR

Robert W. Baird & Co., Naperville, Illinois (the "Municipal Advisor"), has been retained by the Village to provide certain financial advisory services to the Village. The Municipal Advisor's fees are expected to be paid from Bond proceeds.

### MISCELLANEOUS

Any statements made in this Official Statement involving matters of opinion or of estimates, whether or not so expressly stated, are set forth as such and not as representations of fact, and no representation is made that any of the estimates will be realized. Bond Counsel has not participated in the preparation of this Official Statement and will not pass on its accuracy, completeness or sufficiency. Bond Counsel has not examined or attempted to examine or verify any of the financial or statistical statements or data contained in this Official Statement, and will express no opinion with respect thereto. The execution and delivery of this Official Statement by its President has been duly authorized by the Village.

In accordance with SEC Rule 15c2-12, the Preliminary Official Statement is deemed Final.

### OFFICIAL STATEMENT AUTHORIZATION

The Village will provide to the Underwriter at the time of delivery of the Bonds, a certificate confirming to the Underwriter that, to the best of its knowledge and belief, the Official Statement with respect to the Bonds, together with any supplements thereto at the time of delivery of the Bonds, was true and correct in all material respects and did not at any time contain any untrue statement of a material fact or omit to state a material fact required to be stated, where necessary to make the statements therein, in light of the circumstances under which they were made, not misleading.

This Official Statement has been duly executed and delivered by the Village.

Village of La Grange Park, Cook County, Illinois

By:

\_\_\_\_\_  
/s/ Dr. Jim Discipio

Its:

President

DATED: \_\_\_\_\_, 2016

**Village of La Grange Park**

**BASIC FINANCIAL STATEMENTS AND RELATED NOTES**

**Fiscal Year Ended April 30, 2015**

This Appendix contains the Independent Auditor's Report, and basic financial statements and related notes for the fiscal year ended April 30, 2015. The supplemental financial information for the fiscal year ended April 30, 2015, is available from the Village upon request. The Village has not requested that the auditor, Selden Fox LTD, Certified Public Accountants, Oak Brook, Illinois, update the information contained in Appendix A; nor has the Village requested that the auditor consent to the use of the reports in this Official Statement.

**FORM OF APPROVING OPINION**

**FORM OF CONTINUING DISCLOSURE UNDERTAKING**

**OFFICIAL NOTICE OF SALE**

OFFICIAL NOTICE OF SALE

§ \_\_\_\_\_ \*

**VILLAGE OF LA GRANGE PARK**  
**Cook County, Illinois**  
**General Obligation Corporate Purpose Bonds, Series 2016**

**ELECTRONIC BIDS:** Electronic bids will be received on \_\_\_\_\_, 2016, until 10:30 a.m., Central Daylight Savings Time by PARITY as agent of the undersigned. For further information about PARITY, including any fee charged, bidders may contact PARITY, at 1359 Broadway, 2<sup>nd</sup> Floor, New York, New York 10018, Telephone (212) 849-5021. If any provision of the Official Notice of Sale shall conflict with information provided by PARITY as the approved provider of electronic bidding services, this Official Notice of Sale shall control.

**BOND DETAILS:** The General Obligation Corporate Purpose Bonds, Series 2016 (the "Bonds") will be fully registered Bonds of the denomination of \$5,000 each or any whole multiple thereof, dated the date of delivery, numbered in order of their registration, and will bear interest from their date payable on June 1, 2017, and semi-annually thereafter on the first day of June and December of each year.

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

<u>YEAR</u>	<u>AMOUNT *</u>	<u>YEAR</u>	<u>AMOUNT *</u>
2017	\$	2022	\$
2018		2023	
2019		2024	
2020		2025	
2021		2026	

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

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

**PRIOR REDEMPTION:**

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

B. **Optional Redemption.** The Bonds maturing on or after December 1, 20\_\_, are subject to redemption prior to maturity at the option of the Village from any available funds on December 1, 20\_\_, and any date thereafter, in whole or in part, and if in part, in any order of their maturity as determined by the Village (less than all of the Bonds of a single maturity to be selected by the Bond Registrar) at a redemption price of par plus accrued interest to the date fixed for redemption.

**TAX TREATMENT:** Subject to compliance by the Village with certain covenants, in the opinion of Bond Counsel, under present law, interest on the Bonds is excludable from gross income of the owners thereof for federal income tax purposes and is not included as an item of tax preference in computing the federal alternative minimum tax for individuals and

corporations, but such interest is taken into account in computing an adjustment used in determining the federal alternative minimum tax for certain corporations. Interest on the Bonds is not exempt from present State of Illinois income taxes.

**INTEREST RATE AND BIDDING DETAILS:** The Bonds shall bear interest at a rate or rates not exceeding 6% per annum, to be fixed by the bids therefore expressed in multiples of 1/8 or 1/20 of 1%, or both. Interest shall be computed using a 360 day year consisting of twelve 30 day months. The interest on any one bond shall be at one rate only. All bonds maturing in any one year must carry the same interest rate. The difference between the highest and lowest interest rate on the Bonds shall not exceed five percentage points. No proposal for the purchase of less than all of the Bonds or at a price less than 98% of their par value will be considered. **THE INTEREST RATE BORNE BY BONDS MATURING AFTER DECEMBER 1, 2017 MUST BE EQUAL TO OR GREATER THAN THE INTEREST RATE BORNE BY BONDS MATURING IN THE RESPECTIVE PRECEDING YEAR.**

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

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

**PURPOSE AND SECURITY:** The Bonds are issued pursuant to the Constitution and laws of the State of Illinois, the Illinois Municipal Code, as supplemented and amended, the Local Debt Reform Act, as amended, and pursuant to an Ordinance adopted by the President and Board of Trustees of the Village on May 24, 2016 as supplemented by a notification of sale. Proceeds from the sale of the Bonds will be used to (i) pay the cost of undertaking road improvements in and for said Village including street resurfacing and sidewalk repair, (ii) purchase fire safety vehicles and equipment and (iii) pay the costs of issuance of the Bonds.

In the opinion of Bond Counsel, the Bonds are valid and legally binding upon 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.

**GOOD FAITH:** A certified or cashier's check drawn upon an incorporated bank or trust company or a wire transfer, in the amount of \$\_\_\_\_\_, payable to the Village will be required of the successful bidder as a guarantee of good faith on the part of the bidder, to be forfeited as liquidated damages if the bidder fails to take up and pay for the Bonds. The successful bidder is required to submit its good faith deposit to the Village as instructed by the Village or its Municipal Advisor no later than 12:00 p.m. Central Daylight Savings Time, on the next business day following the award of the Bonds. The good faith deposit will be deposited into the Village's funds and payment of the balance of the purchase price of the Bonds shall be made at the closing. No interest shall be allowed on the good faith check.

\*Preliminary, subject to change.

**AWARD OF BONDS – TRUE INTEREST COST:** The Bonds will be awarded to the bidder whose bid produces the lowest true interest cost to the Village. True interest cost will be computed by determining the single interest rate (compounded on June 1, 2017 and semi-annually thereafter) necessary to discount the debt service payments from the payment dates thereof \_\_\_\_\_, 2016, in an amount equal to the price bid, excluding accrued interest.

**LEGAL OPINION:** Bids shall be conditioned upon the approving opinion of Chapman and Cutler LLP, Chicago, Illinois (“Bond Counsel”), which will be furnished without expense to the purchaser of the Bonds at the delivery thereof. The fees of Bond Counsel for services rendered in connection with such approving opinion are expected to be paid from bond proceeds. Except to the extent necessary to issue its approving opinion as to the validity of the Bonds, Bond Counsel has made no inquiry as to any financial information, statements or material contained in any financial documents, statements or materials that have been or may be furnished in connection with the authorization, issuance or marketing of the Bonds, including specifically the Official Statement, and accordingly will not express any opinion with respect to the accuracy or completeness of any such financial information, statements or materials.

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

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

**CERTIFICATION:** Upon the delivery of the Bonds, the successful bidder will be required to furnish a certificate, in form acceptable to Bond Counsel, as to the “issue price” of the Bonds.

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

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

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

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

**BOND RATING:** The Bonds have been rated “\_\_\_” by Standard & Poor’s. No application was made to any other rating agency for a rating on the Bonds.

MUNICIPAL ADVISOR: Further information with respect to the Bonds may be obtained from Robert W. Baird & Co., 300 E. Fifth Avenue, Suite 200, Naperville, Illinois 60563. Telephone: (630) 778-9100, Fax: (630) 848-6450.

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

Dr. Jim Discipio  
Village President

**OFFICIAL BID FORM**

President and Board of Trustees  
 Village of La Grange Park  
 Cook County, Illinois

\_\_\_\_\_, 2016

Ladies and Gentlemen:

Subject to all the provisions of your Official Notice of Sale, which is expressly made a part of this bid, we offer to purchase \$\_\_\_\_\_ General Obligation Corporate Purpose Bonds, Series 2016 (the "Bonds"), dated as of the date of delivery, as described in said Notice, for the sum of \$\_\_\_\_\_ (which is not less than 98% of the par amount of the Bonds, such Bonds to bear interest at the following rate per annum:

Maturity December 1	Amount <sup>(1)</sup>	Rate	Expected Reoffering Price <sup>(2)</sup>	Maturity December 1	Amount <sup>(1)</sup>	Rate	Expected Reoffering Price <sup>(2)</sup>
2017	\$	_____ %	_____ %	2022	\$	_____ %	_____ %
2018		_____ %	_____ %	2023		_____ %	_____ %
2019		_____ %	_____ %	2024		_____ %	_____ %
2020		_____ %	_____ %	2025		_____ %	_____ %
2021		_____ %	_____ %	2026		_____ %	_____ %

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

<sup>(2)</sup> The first price at which 10% of the Bonds of that maturity are reasonably expected to be sold to the public, excluding bond houses, brokers, or similar persons or organizations acting in the capacity of underwriters, placement agents or wholesalers.

The following have been designated as Term Bonds.

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

Said Bonds are to be accompanied by the unqualified approving legal opinion of Chapman and Cutler LLP, and a certificate evidencing that no litigation is pending against the Village, which will affect the validity of these Bonds. The Village's Attorney's fees, Bond Counsel and rating fees are to be paid by the Village.

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

\_\_\_\_\_  
 Managing Underwriter

Direct Contact and Phone Number: \_\_\_\_\_

By: \_\_\_\_\_

**-Please attach a list of account members -**

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

True Interest Cost \$ \_\_\_\_\_ True Interest Rate \_\_\_\_\_ %

The foregoing offer is hereby accepted this \_\_\_th day of \_\_\_\_\_ 2016 by the President and Board of Trustees and in recognition therefore is signed by the Officer empowered and authorized to make such acceptance.

\_\_\_\_\_  
 Designated Officer

# **Commercial Revitalization Committee Divider**

**James Kucera, Chairman  
Jamie Zaura  
Patricia Rocco**

# Village Board Agenda Memo

Date: May 18, 2016  
To: Village President & Board of Trustees  
From: Emily Rodman, Assistant Village Manager  
Julia Cedillo, Village Manager   
RE: S.B. Friedman Development Advisors Letter of Engagement for TIF & Business District Consulting Services

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## PURPOSE

To discuss a proposed Letter of Engagement with S.B. Friedman Development Advisors for consulting services related to the implementation of two Tax Increment Financing (TIF) districts and four business districts.

## GENERAL BACKGROUND

In November 2015, the Board commissioned S.B. Friedman Development Advisors to conduct a TIF Feasibility Study evaluating all commercial and industrial areas within the Village. The findings from the study were presented at the March 8, 2016 Village Board Workshop. At the April 12, 2016 Village Board Work Session, the Village Board expressed support in proceeding with engaging S.B. Friedman to assist with the implementation of TIF districts for the Village Market and 31<sup>st</sup> Street/Barnsdale Industrial Corridor, along with four business districts encompassing the commercial and industrial areas of the Village.

The proposed engagement includes two phases. The first phase includes the work necessary to proceed with implementation of two TIF districts at a cost not to exceed \$43,500. The second phase includes the work necessary to proceed with implementation of four business districts, at a cost not to exceed \$50,600.

The Village would also need to engage the services of a surveyor to complete the boundary legal descriptions (estimated at \$2,000 - \$4,000 per district) and a TIF Attorney (estimated at \$10,000 for both phases). The Village would contract separately for these services. All costs associated with implementation of TIF districts and business districts may be reimbursed from revenues generated by the respective districts. It is projected that the revenue generated by the districts in the first year will more than cover the associated implementation costs.

## MOTION/ACTION REQUESTED

This item is for discussion and action. Assistant Village Manager Rodman will provide an overview of the process to date at the May 24, 2016 Board Meeting. The motion for consideration is below.

***Motion to Authorize the Village Manager to enter into a contract with S.B. Friedman Development Advisors to provide Tax Increment Financing and Business District consulting services in an amount not to exceed \$94,100.***

**DOCUMENTATION**

- S.B. Friedman Letter of Engagement dated May 3, 2016
- Village Board Memorandum Dated April 12, 2016 (w/out attachments – previously provided)

May 5, 2016

Ms. Julia Cedillo  
Village Manager  
Village of La Grange Park  
447 N. Catherine Avenue  
La Grange Park, IL 60526

Dear Ms. Cedillo:

Pursuant to our recent discussions, *SB Friedman Development Advisors* ("*SB Friedman*") is pleased to present this proposal to provide Tax Increment Financing (TIF) and Business District consulting services to the Village of La Grange Park (the "*Village*"). This letter outlines our understanding of the Village's objectives, as well as our proposed scope of services, timeframe, and fee to establish two TIF districts and four Business Districts within the Village.

## Background and Understanding

In December 2015, *SB Friedman* was engaged by the Village to analyze the eligibility and optimal boundaries of five potential Tax Increment Financing (TIF) districts, as well as to estimate potential TIF and Business District revenue generated within each study area. It is our understanding that the Village has elected to begin the process of designating the following two study areas as both TIF and Business Districts:

- **Village Market:** A commercial and residential area located east of La Grange Road between Oak Avenue and Brewster Lane, containing the Village Market shopping center, Memorial Park and Homestead Apartments.
- **31<sup>st</sup> Street Central/Barnsdale Corridor:** A commercial and industrial district centered on 31<sup>st</sup> Street between Homestead Road and Blanchan Avenue, and along Barnsdale Road from 31<sup>st</sup> Street north to the Village boundary. This study area will be expanded from the area analyzed in our earlier engagement to include the residential properties located on the west side of Barnsdale Road.

Furthermore, the Village has elected to begin the process of designating Business Districts for two additional areas:

- **31<sup>st</sup> Street West/La Grange Road:** A commercial district located along La Grange Road north and south of 31<sup>st</sup> Street, encompassing predominantly freestanding retail/commercial buildings.
- **31<sup>st</sup> Street East/Maple Avenue:** A commercial district located along Maple Avenue north of 31<sup>st</sup> Street, including several freestanding and inline retail/commercial buildings.

During the TIF and/or Business District designation process, *SB Friedman* is typically responsible for: preparing eligibility studies; developing Redevelopment Project Area Plan and Project documents;

assisting with required notices and mailings; and attending/presenting at public meetings and hearings required for TIF and Business District adoption. We understand that in order to achieve contiguity within the proposed 31<sup>st</sup> Street Central/Barnsdale Corridor Study Area, the Village will need to annex a railroad parcel that is currently in unincorporated Cook County. This proposal assumes that the railroad parcel will be successfully incorporated into the Village.

## Approach

Our approach to this assignment, presented as two phases, includes the following tasks:

### PHASE 1: TIF DISTRICT DESIGNATIONS FOR TWO STUDY AREAS

- A. Prepare TIF Eligibility Studies;
- B. Prepare Redevelopment Project Area (RPA) Plan and Project Documents;
- C. Prepare Required Notices and Mailing Lists; and
- D. Complete Public Approval Process.

### PHASE 2: BUSINESS DISTRICT DESIGNATIONS FOR FOUR STUDY AREAS

- A. Prepare Business District Eligibility Studies;
- B. Prepare Redevelopment Project Area (RPA) Plan and Project Documents; and
- C. Complete Public Approval Process.

## Scope of Services

### PHASE 1: TIF DISTRICT DESIGNATION

#### **Task 1A: Prepare Formal TIF Eligibility Studies for Two Study Areas**

1. **Conduct Project Kickoff Call.** We will conduct a conference call with the Village to:
  - Discuss the project scope and timeline;
  - Confirm the study area boundaries and fieldwork approach;
  - Review any additional documents compiled by the Village; and
  - Identify sources of data that will need to be updated since our earlier engagement.
2. **Obtain and Update Necessary Data and Maps.** We will obtain the data necessary to update our prior TIF eligibility findings, including 2015 assessment information, new parcel information (if any PIN divisions have occurred), and information on any new building permits or code violations that have been filed since the TIF eligibility analysis was completed. We will also obtain key data to determine whether the expansion areas qualify for TIF designation, based on the criteria outlined in the TIF Act.
3. **Conduct Fieldwork, Inspection of Physical Conditions.** We will conduct field research for the expansion areas and the surrounding context to document field-observable eligibility factors. We will also gather mailing addresses within 750 feet of the study area boundaries for noticing required in later tasks.

4. **Analyze Eligibility Factors/Required Findings and Tests.** Data will be analyzed to assess the presence and distribution of factors to establish eligibility and to meet the “but for...” and “lack of growth through private investment” requirements, as outlined in the Act. If for any reason the study area does not qualify for a TIF designation, we will advise you of that fact in writing and meet with you to discuss potential strategies at this point.
5. **Draft Eligibility Study Document.** We will draft a formal eligibility study document for inclusion in the Redevelopment Project Area (RPA) Plan and Project Document that will be prepared in later tasks.
6. **Conduct Call with Village.** We will conduct a call with the Village and the Village’s attorney and/or special TIF counsel to discuss our findings and recommendations, and to finalize the TIF boundary. During this call, we will also confirm the assumptions to be used in developing the TIF budget, goals and objectives, and the projections of future incremental property taxes.

If at this point, it appears unlikely that a TIF district can be established, we will advise you of that fact in writing, discuss options regarding potential alternative approaches going forward and stop work until a clear path can be defined, working jointly with the Village.

**Task 1B: Prepare Redevelopment Project Area (RPA) Plan and Project Document for Two Study Areas**

7. **Prepare Drafts of RPA Plan and Project Documents.** We will prepare RPA Plan and Project documents for the proposed TIF districts. This will represent the second half of the combined Eligibility Study and RPA Plan and Project documents. As required by the Act, the combined documents will include:
  - RPA description;
  - Formal legal description of the RPA boundary;
  - Summary of blight/conservation area conditions and analysis of eligibility factors;
  - Redevelopment Plan and Project goals and objectives;
  - Redevelopment strategies and activities;
  - Existing and proposed land uses;
  - Most recent EAV and estimated future EAV;
  - Estimated redevelopment project costs (line item budget);
  - Assessment of impacts on other taxing districts;
  - Affirmative action plan; and
  - Statement of conformance with other community plans.

Preliminary projections of incremental property taxes from the TIF districts will be included for the purpose of confirming the supportable budget for each district and estimating the future EAV of the RPA, as required by the Act.

A series of maps of the proposed TIF districts will be included in the RPA Plan and Project documents. These maps will include: community context, proposed boundary, documented distribution of eligibility factors, existing land use, and future land use.

The Act requires that a Housing Impact Study be completed if a Redevelopment Plan would result in the displacement of 10 or more occupied residential units, or if the area contains 75 or more occupied residential units and the Village does not certify that no residential displacement will occur. The cost of completing a Housing Impact Study is not included in our scope and budget.

8. **Obtain and Proof Boundary Legal Descriptions.** Based on the Village's preference, we will either directly engage and manage a licensed surveyor, or coordinate with the Village, who may elect to work directly with a licensed surveyor, to obtain boundary legal descriptions. Once the boundary descriptions are prepared, we will proof the text of the legal description to ensure their accuracy prior to inclusion in the RPA Plan and Project documents.
9. **Finalize RPA Plan and Project Documents.** We will prepare final RPA Plan and Project documents combining the eligibility studies, RPA project plans and budgets, legal descriptions, appropriate maps, and other required documentation. We anticipate first preparing draft documents to be distributed to and reviewed by the Village and the Village's legal counsel. Any revisions to the draft Plan documents will be incorporated into the final RPA Plan and Project documents, which will be filed with the Village Clerk 10 days prior to introduction to the Village Board.

#### **Task 1C: Prepare Required Notices and Mailing Lists**

10. **Prepare Mailing Lists for Noticing.** We will prepare mailing lists for noticing of the public hearing(s), as required by the Act. Our scope includes the following lists:
  - Taxing agencies within the proposed TIF districts;
  - Taxpayers and residents within the proposed TIF districts;
  - Taxpayers of properties within the proposed TIF districts for which taxes were not paid in the prior year; and
  - Residential addresses within 750 feet of the TIF boundaries.

The Act requires that municipalities make a good faith effort to provide notice by mail of the availability of the Eligibility Study and RPA Plan and Project documents, and how to obtain the report, to all residential addresses within 750 feet of the boundaries of any proposed TIF district. We will prepare a map identifying this buffer area, and gather the addresses in this area as part of the fieldwork.

11. **Prepare Sample Draft Notices and Ordinances.** We will provide sample draft documents for the Village and its legal counsel to review for mailings, public notices to be published in newspapers of general circulation, and ordinances for the adoption of the TIF districts. We can work with the Village and its legal counsel to refine these drafts, as needed.
12. **Coordinate Mailing and Noticing Process.** We will coordinate with the Village to ensure all addresses and notices are provided in a timely fashion. Based on the overall project timeline and the Village Board schedule, we will work with the Village and their legal counsel early in the designation process to establish a timeline for mailings and noticing.

Our scope and fee range assumes that the Village will prepare, package and mail all applicable notices. The Village may elect to engage a mailing company or prepare the mailings using Village staff resources.

**Task 1D: Complete Public Approval Process**

We will attend and take primary responsibility for presentations at the two key meetings that are part of the review process, as provided in the Act. These meetings include the Joint Review Board Meeting and the Public Hearing.

**PHASE 2: BUSINESS DISTRICT DESIGNATION****Task 2A: Prepare Formal Business District Eligibility Studies for Four Study Areas**

1. **Conduct Project Kickoff Call.** We will conduct a conference call with the Village to confirm the Study Area boundaries and project timeframe, as well as to obtain any additional data necessary to complete the Business District eligibility analysis.
2. **Obtain and Update Necessary Data and Maps.** We will obtain the data necessary to update our prior eligibility research, including 2015 assessment information, new parcel information (if any PIN divisions have occurred), and information on any new building permits or code violations that have been filed since our prior eligibility analyses were completed.
3. **Conduct Fieldwork, Inspection of Physical Conditions.** We will conduct a field survey and review key data to determine whether the area qualifies for Business District designation, based on the criteria outlined in the Business District Act. In order to complete our eligibility survey, we will conduct fieldwork to document observable eligibility factors, including:
  - Predominance of defective, non-existent or inadequate street layout;
  - Unsanitary or unsafe conditions;
  - Deterioration of site improvements;
  - Improper subdivision or obsolete platting; and/or
  - Existence of conditions that endanger life or property by fire or other causes.

One or more of these factors must be present to the extent that it “retards the provision of housing accommodations or constitutes an economic or social liability, an economic underutilization of the area, or a menace to the public health, safety, morals or welfare.”
4. **Obtain/Analyze Village Traffic/Parking Reports.** We will also assess the presence of qualifying factors, as applicable, through the review of engineering and/or traffic studies (as available).
5. **Input Data, Summarize and Analyze Eligibility Criteria.** We will evaluate the presence and distribution of factors needed to establish eligibility and to meet the “but for...” and “lack of growth through private investment” requirements, as outlined in the Business District Act. If for any reason the study areas do not qualify for Business District designation, we will advise you of that fact in writing and meet with you to discuss potential strategies at this point.
6. **Draft Eligibility Study Document.** We will draft a formal eligibility study document for inclusion in the Redevelopment Project Area (RPA) Plan and Project Document that will be prepared in later tasks.

7. **Conduct Call with Village.** We will conduct a call with the Village to discuss our findings and recommendations, and to finalize the Business District boundary. During this call, we will also confirm the assumptions to be used in developing the Business District budget, goals and objectives.

If at this point, it appears unlikely that a Business District can be established, we will discuss options regarding potential alternative approaches going forward and will stop work until a clear path can be defined, working jointly with the Village.

#### **Task 2B: Prepare RPA Plan and Project Documents for Four Study Areas**

8. **Prepare Drafts of RPA Plan and Project Documents.** We will prepare RPA Plan and Project documents for the proposed Business Districts. We assume this will represent the second half of the combined Eligibility Study and RPA Plan and Project documents. As required by the Act, the combined documents will include:

- District boundary, including a map;
- General description of proposed projects;
- Location of proposed projects;
- District name;
- Estimated project costs;
- Anticipated sources of funds to pay project costs;
- Anticipated type and term of obligations to be issued; and
- Tax rate(s) to be imposed.

Preliminary projections of Business District taxes will be included for the purpose of confirming the supportable budget for the district, as required by the Act.

A series of maps of the proposed Business Districts will be prepared for inclusion in the RPA Plan and Project documents. These maps will include: community context, proposed boundary, and the documented distribution of eligibility factors.

9. **Obtain and Proof Boundary Legal Descriptions.** Based on the Village's preference, we will either directly engage and manage a licensed surveyor, or coordinate with the Village, who may elect to work directly with a licensed surveyor, to obtain boundary legal descriptions. Once the boundary descriptions are prepared, we will proof the text to ensure their accuracy prior to inclusion in the RPA Plan and Project documents.
10. **Finalize RPA Plan and Project Documents.** We will prepare final RPA Plan and Project documents combining the eligibility studies, RPA project plans and budgets, legal descriptions, appropriate maps, and other required documentation. We anticipate first preparing draft documents to be distributed to and reviewed by the Village. Any revisions to the draft Plan documents will be incorporated into the final RPA Plan and Project documents, which will be finalized and filed with the Village Clerk.

## Task 2C: Complete Public Approval Process

The Village will be required to provide public notice per the Act. We will work with the Village's legal counsel to ensure appropriate noticing. We will attend and present at the Public Hearing/Village Approval meeting. If requested, we can attend additional meetings.

## Potential Additional Services

A Housing Impact Study is required by the TIF Act if the RPA has 10 or more residential units that may be displaced as part of the redevelopment plan or if the study area boundaries contains more than 75 residential units and the municipality cannot certify that displacement will not occur. The scope of services outlined above does not include costs associated with preparing a Housing Impact Study. Should the Village elect to conduct a Housing Impact Study, additional budget authorization, amounting to approximately \$4,000 and \$6,000 per study area, would be needed to conduct the tasks outlined by the TIF Act.

## Timeframe and Fee Proposal

On the basis of the scope of the work outlined herein and our experience with similar projects, we estimate it will take approximately 60-90 days to complete Phase 1 tasks and 60-90 days to complete Phase 2 tasks. However, we will work with you to meet any specific deadlines, where possible.

Professional fees for our services will be based on time required at the billing rates of the *SB Friedman* personnel assigned to the project. The scope of the work and our experience with similar services indicate that our professional fees and expenses will not exceed:

<b>PHASE 1: TWO TIF DISTRICT DESIGNATIONS:</b>	<b>\$43,500</b>
<b>PHASE 2: FOUR BUSINESS DISTRICT DESIGNATIONS:</b>	<b>\$50,600</b>

Travel, publications, maps, outside data, report reproduction, and other out-of-pocket expenses will be billed as incurred without mark-up. Please see the detailed budget chart provided on pages 9-10 of this letter.

Please note that this fee proposal does not include expenses or allowances for third-party costs, such as:

- The boundary legal description, which will be performed by a licensed surveyor. Typically, we see fees for a boundary legal description ranging from \$2,000 to \$4,000.
- Legal costs, including any associated with annexation.
- Costs of mailing, noticing and publication of meetings (e.g., printing, postage).

Actual billings will be based on time expended at the Special TIF/Business District Project Hourly Rates that are currently as follows:

President	\$300
Practice Leader	\$270
Senior Project Manager	\$230
Project Manager	\$200
Associate Project Manager	\$170
Associate	\$140
Research Associate	\$125
Editor	\$100
Intern/Data Entry/Support	\$ 85

The above hourly rates will be in effect until December 31, 2016 except in the case of promotions of individuals. If we are authorized to proceed with this engagement after this date, rates are subject to adjustment. If additional services unrelated to TIF/Business District designation and associated meetings are required, those services will be billed at our Standard Hourly Rates.

This fee proposal is subject to revision if the engagement entails more time than estimated due to problems that are encountered that could not reasonably have been foreseen at the commencement of the engagement, or if the scope is changed. In this event, we will discuss the matter with you so that a mutually acceptable revision may be made. If the time spent on this engagement is substantially less than we have estimated, we will bill you a lesser amount.

This fee proposal contemplates our attendance at the following meetings:

- Joint Review Board Meetings for each TIF District
- Public Hearings for each TIF District
- Combined Public Meeting for all Business Districts

Additional meeting time and additional TIF and Business District-related services, beyond what has been included in the budget, will be billed at the Special TIF/Business District Project Hourly Rates outlined above.

Invoices will be rendered monthly as our work progresses for services and costs as incurred. These invoices are payable within 30 days.

If at any point the decision is made to discontinue our services, our fee will be based upon the actual time expended and out-of-pocket costs incurred to that date.

# **Village President Divider**

## **Village Board Agenda Memo**

Date: May 17, 2016  
To: Village Board of Trustees  
From: Jim Discipio, Village President  
RE: **Amendment to Employment Agreement**

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### **GENERAL BACKGROUND:**

The Village Board met in executive session, reviewed the performance of the Village Manager following the completion of fourth full year of employment with the Village of La Grange Park, and determined that an adjustment to the employment agreement was warranted.

Included with this memorandum is an amendment to the employment agreement consistent with the Village Board's determination.

### **MOTION / ACTION REQUESTED:**

**Motion: Move to authorize the Village President to execute the Amendment to Employment Agreement.**

### **DOCUMENTATION:**

- Amendment to Employment Agreement, dated May 24, 2016

**AMENDMENT**  
**TO EMPLOYMENT AGREEMENT**

THIS AMENDMENT TO EMPLOYMENT AGREEMENT made and entered into this 24<sup>th</sup> day of May, 2016 (the "Effective Date"), by and between the Village of La Grange Park, State of Illinois, a municipal corporation (sometimes referred to herein as "EMPLOYER") and Julia Cedillo ("EMPLOYEE").

WITNESSETH:

WHEREAS, EMPLOYER and EMPLOYEE have previously entered into an EMPLOYMENT AGREEMENT dated July 26, 2011, and previously amended on March 12, 2013, January 14, 2014 and March 24, 2015;

WHEREAS, it is the desire of EMPLOYER and EMPLOYEE to amend certain provisions of said EMPLOYMENT AGREEMENT; and

WHEREAS, it is the desire of the President and Board of Trustees to secure and retain the services of EMPLOYEE and to provide inducement for her to remain in such employment, and

WHEREAS, EMPLOYEE desires to continue to be employed as Village Manager of the Village of LaGrange Park, Illinois,

NOW, THEREFORE, in consideration of the mutual covenants herein contained, the parties agree that the EMPLOYMENT AGREEMENT shall be amended as follows:

1. Section 3 of the EMPLOYMENT AGREEMENT shall be amended to delete that entire section and provide in its place:

**SECTION 3: SALARY**

EMPLOYER agrees to pay EMPLOYEE an annual base salary of One Hundred Thirty Five Thousand and Four Hundred Dollars (\$135,400) from the Effective Date until further adjustment.

2. Section 9 of the EMPLOYMENT AGREEMENT shall be amended to delete that entire section and provide in its place:

**SECTION 9: PERFORMANCE EVALUATION**

EMPLOYER shall complete a performance evaluation of EMPLOYEE on approximately an annual basis and at that time determine whether or not EMPLOYEE will receive an adjustment of her base salary. Any adjustment to EMPLOYEE's base salary shall take effect upon the date of EMPLOYER's approval of such adjustment. At a minimum, each performance evaluation will include a written evaluation by EMPLOYER of EMPLOYEE's work

performance, a meeting among EMPLOYEE, the Village President and Village Board to review EMPLOYEE's work performance, the joint establishment of performance expectations for the ensuing year, and a written summary of evaluation and performance expectations.

3. EFFECTIVE DATE. It is understood and intended by this AMENDMENT TO EMPLOYEE AGREEMENT that this AMENDMENT shall be in full force and effect as of the Effective Date listed above.

4. REMAINING PROVISIONS UNAFFECTED. All other provisions of the EMPLOYMENT AGREEMENT not amended by this AMENDMENT TO EMPLOYMENT AGREEMENT shall remain in full force and effect.

EMPLOYER:

Village of La Grange Park, Illinois

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

Attest: \_\_\_\_\_  
Village Clerk

EMPLOYEE:

\_\_\_\_\_  
Julia Cedillo

## **Items of Interest Divider**

# VILLAGE OF LA GRANGE PARK

La Grange Park Village Hall, 447 N. Catherine Ave., La Grange Park, Illinois

May 24<sup>th</sup> – CRC Meeting 7:00 p.m.

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## 2016 MEETINGS REMINDER

May 24, 2016	Village Board Meeting	7:30 p.m.	Village Hall
June 14, 2016	Work Session Meeting	7:30 p.m.	Village Hall
June 28, 2016	Village Board Meeting	7:30 p.m.	Village Hall
July 12, 2016	Work Session Meeting	7:30 p.m.	Village Hall
July 26, 2016	Village Board Meeting	7:30 p.m.	Village Hall
August 9, 2016	Work Session Meeting	7:30 p.m.	Village Hall
August 23, 2016	Village Board Meeting	7:30 p.m.	Village Hall
September 13, 2016	Work Session Meeting	7:30 p.m.	Village Hall
September 27, 2016	Village Board Meeting	7:30 p.m.	Village Hall
October 11, 2016	Work Session Meeting	7:30 p.m.	Village Hall
October 25, 2016	Village Board Meeting	7:30 p.m.	Village Hall
November 8, 2016	Work Session Meeting	7:30 p.m.	Village Hall
November 22, 2016	Village Board Meeting	7:30 p.m.	Village Hall
December 13, 2016	Village Board Meeting	7:30 p.m.	Village Hall