WINNETKA PARK DISTRICT
REGULAR BOARD MEETING
Thursday, February 6, 2020
Community Room, 540 Hibbard Road
5:30 p.m.

AGENDA

1. Roll Call

2. Changes to the Agenda

3. Remarks from Visitors

4. Approval of Minutes
   a. Budget & Appropriation Meeting Minutes of January 16, 2020*
   b. Closed Session Meeting Minutes of January 16, 2020*
   c. Regular Board Meeting Minutes of January 16, 2020*

5. Unfinished Business
   a. Lakefront Conditions Update
   b. Financial Advisor Selection*

6. Matters of the Director

7. Board Liaison Reports

8. Remarks from Visitors

9. Staff Updates

10. Closed Session
    The Board will enter Closed Session to discuss:
    a. The purchase or lease of property. 5 ILCS 120/2(c)(5)

11. Return to Open Session

12. Adjournment

***Items included in packet**

Persons with disabilities requiring reasonable accommodations to participate in meetings should contact John Shea, the Park District's ADA Compliance Coordinator, at the Park District's Administrative Office by mail at 540 Hibbard Rd, Winnetka, IL, by phone at 847-501-2040, Monday - Friday from 8:30 a.m. to 5:00 p.m., or by email to jshea@winpark.org at least 48 hours prior to the meeting. Requests for a qualified interpreter require five (5) working days advance notice.

WINNETKA PARK DISTRICT
BUDGET & APPROPRIATION
HEARING MINUTES
THURSDAY, JANUARY 16, 2020
COMMUNITY ROOM

President Archambault called a public hearing on the 2020 Budget and Appropriation Ordinance to order at 5:30 p.m.

Commissioners Present: Mickey Archambault, Teresa Claybrook, Christina Codo, Warren James, Colleen Knupp, Eric Lussen and John Peterson.

Commissioners Absent: None.

Staff Present: John Muno, Executive Director; John Shea, Superintendent of Recreation; Christine Berman, Superintendent of Finance; Marketing Brand Manager, Kelsey Raftery and Executive Assistant, Lara Kuechel.

Audience Present: Don Smith, Todd Marver, Anne Wilder, Jan Bowden, Jaime Garregus, Glad Hales, Mike Hales, Rick Prohov, Jen Crone, Chris Crone, Karen Kennedy, Sue McDonald, Lisa Kaestle, Karen Essig, Steve Huels, Brad Mclane, Bob Sutter, V. Apatoff, John Thomas, Ron White (not signed in) Joan Zietlow, Scarlett (minor – not signed in)

President Archambault stated that the Budget & Appropriation Ordinance #571 was prepared in tentative form and made conveniently available at the Winnetka Park District Offices for the last 30 days. A notice was published in the Winnetka Talk newspaper Thursday, January 9, 2020 regarding the hearing today. The total appropriation for all funds is $17,989,285. The appropriation is 20% higher than the budget (with the exception of debt service) so that if additional funds are needed, they can be spent without amending the budget and appropriation ordinance.

President Archambault opened the floor for public comment. No comments received and the meeting adjourned at 5:32 p.m.

______________________________ ______________________________

Mickey Archambault, Board President John Muno, Board Secretary

MINUTES OF THE 2,367th
REGULARLY SCHEDULED BOARD
MEETING OF THE COMMISSIONERS
AND OFFICERS OF THE WINNETKA
PARK DISTRICT, WINNETKA, IL
THURSDAY, JANUARY 16, 2020

President Archambault called the meeting to order at 5:35 p.m.

Commissioners Present: Mickey Archambault, Teresa Claybrook, Christina Codo, Warren James, Colleen Knupp, Eric Lussen, John Peterson

Commissioners Absent: None

Staff Present: John Muno, Executive Director; John Shea, Superintendent of Recreation; Christine Berman, Superintendent of Finance; Kelsey Raftery, Marketing Brand Manager; and Lara Kuechel, Executive Assistant.

Audience Present: Don Smith, Todd Marver, Anne Wilder, Jan Bowden, Jaime Garregus, Glad Hales, Mike Hales, Rick Prohov, Jen Crone, Chris Crone, Karen Kennedy, Sue McDonald, Lisa Kaestle, Karen Essig, Steve Huels, Brad Mclane, Bob Sutter, V. Apatoff, John Thomas, Ron White (not signed in) Joan Zietlow, Scarlett (minor – not signed in)

ADDITIONS/CHANGES TO AGENDA
None

REMARKS FROM VISITORS
Karen Kennedy shared her interest in the restoration of the lakefront

APPROVAL OF MINUTES
A motion was made by Vice President Peterson to combine the Closed Session Meeting Minutes of January 9, 2020 with a correction that members present included Commissioners James and Lussen and the Regular Board Meeting Minutes of January 9, 2020. Commissioner Claybrook seconded the motion. A roll call vote was taken.

Ayes: Archambault, Codo, Claybrook, James, Knupp, Lussen, Peterson
Nays: None
Motion Carried

Vice President Peterson made a motion to approve the Consent Agenda as amended. Commissioner Codo seconded the motion. Passed by a voice vote.

NEW BUSINESS:

FY2020 Budget and Appropriation Ordinance #571

Vice President Peterson made a motion to approve the FY2020 Budget and Appropriation Ordinance #571 as presented. Commissioner Claybrook seconded the motion. A roll call vote was taken.

Ayes: Archambault, Claybrook, Codo, James, Knupp, Lussen, Peterson
Nays: None.
Motion carried.

Stormwater – Village of Winnetka

President Archambault acknowledged the collective work with the Village of Winnetka and spoke of the commitment to work together in the spirit of the first plank set forth by the Caucus. He further acknowledged Warren James for his vision to use the golf course to address the stormwater problem. He welcomed Chris Rintz, Village President, Steve Saunders Director of Public Works/Village Engineer, Robert Bahan, Village Manager, Mike Waldron of Strand Associates and Rick Jacobson from Jacobson Golf Course Design.

Chris Rintz, Village of Winnetka Board President led off the presentation and offered recognition to the Board and gave special recognition to Mickey Archambault and Warren James for their efforts to move the project forward and noted that it was an investment for taxpayers. He then provided a historical perspective and commented that flooding is not new to the Village. Steve Saunders was introduced and provided detailed and technical information regarding the project layout. Direction to find solutions to flooding began in 2015 with the hiring of Strand & Assoc. In 2016 they adopted a vision to address stormwater through a cooperative approach with several agencies, including the Cook County Forest Preserve. Other open areas were explored to hold stormwater, including: Duke Childs Field, Crow Island, the Skokie Playfields complex and the par 3and 18 hole Winnetka Golf Club courses. Besides stormwater management, some of the key benefits allow the Park District to use stormwater as a resource for irrigation and the excess landfill will be distributed in the use of re-contouring the golf course to improve drainage. Improved playability of the fields will also be helpful at Little Duke and will allow for structural sports surfaces (i.e. an ice rink) for future use. Any structures to be built in the future will require permitting through the Village and the Water Reclamation District; noting that the Village has committed to act as a co-applicant. The impact of flooding for 2, 5 & 10 year events was shown and said that there will be significant improvements, particularly to the back 9 holes of the golf course. There are four construction windows with no way to avoid impacting a projection of two golf seasons, possibly beginning in July of 2020.

The presentation ended with a questions/answer session. Commissioner Claybrook inquired about keeping standing water moving, Steve Saunders indicated that water depth will be important to keeping the water healthy. Commissioner Knupp asked for clarification regarding building recreation amenities on Little Duke and it was noted that no buildings would be able to be constructed. Audience members asked about use of the golf course and President Archambault suggested that area courses would be accommodating to Winnetka golfers during course closure. Another audience member inquired about monitoring weather and Steve Saunders said that they are looking at the use of forecasting data. Resident John Thomas questioned making up lost revenues during golf course closures to which President Archambault indicated that they were addressed and there is no way to know how many people may be potentially lost in the transition. Resident Karen Kennedy questioned if this plan is only to help the Park District or if it will benefit residents on the West end of Winnetka and be able to cross Hibbard Rd. One audience member was very grateful to the Village and Park District for taking the project on noting that it was “government at its best”. Ron White noted that Indian Hill could benefit from a similar system. Resident, Mike Hales questioned when the residents would be included in the Crow Island conveyance plan; Chris Rintz replied and referenced the IGA with District 36. Construction at Crow Island will have to be addressed at a different time as it cannot take place without first approving the plan. Not utilizing Crow Island would impact residents South of Willow. President Archambault acknowledged the “superb effort” of those who have participated in the planning.

OLD BUSINESS

Lakefront 2030 – update
John Shea reported that a permit was going to be submitted to the IDNR and Army corps of Engineers for a breakwater system that will not include ramps, etc. He presented photos that showed further damage to Lloyd Beach. Commissioner Claybrook questioned the timing of claim submissions; PDRMA would like claims submitted as damage happens. The boathouse appears to be intact, but no structural engineering inspection has taken place. Commissioner Lussen and Claybrook questioned liability for vessels that are left behind. Superintendent Shea replied that we have been notifying rack holders and boat owners all along regarding conditions. He further noted dramatic changes in sand conditions. Also being examined are alternative solutions for summer 2020. There is no damage at Tower and no apparent immediate danger at Centennial Beach. A pre–construction meeting for the Tower staircase will be taking place.

MATTERS OF THE DIRECTOR
Executive Director John Muno mentioned the Legislators Breakfast to take place in Glenview in February. Some discussion will take place with other Park Districts experiencing lakefront problems. The IPRA State Park District Conference is coming up, with staff and Vice President Peterson attending. Executive Director Muno said further that he and John Shea will meet to re-initiate facility use Intergovernmental Agreement (IGA) discussions with D36 that began in 2019. Commissioner Claybrook suggested that we could do more to collaborate and increase our offerings for after school activities.

BOARD LIAISON REPORTS
Vice President Peterson reported that there was one possible candidate to take departing Parks Foundation President, Steve Hole’s place, but it is too soon to confirm that.

Commissioner Codo said that there is a slower enrollment decline per a new demographer for New Trier. Wilmette reports that 80% of households with children there do not attend public school.

REMARKS FROM VISITORS
Karen Kennedy suggested using more beach grasses and making repairs from the lakeshore up, not the bluff down.
Ron White – cited the 1923 Bluff Protection Plan that called for a harbor with the Dutch System, suggested an off-shore barrier for protection.
Rick Prohov said that the Board should focus attention and energy on financial and intellectual pursuits and not build the parking lot.
Scarlett remarked that we should not remove trees and get rid of the park area at Tower Road Beach.
Chris Rintz commended Scarlett's environmental interests, Wall-Streeter 24/7 Winnetka was designated as the 2nd most desirable place to live in the country.
A resident encouraged everyone to support the stormwater IGA

STAFF UPDATES
Marketing Brand Manager, Kelsey Raftery – the spring brochure will be out next week

Superintendent of Finance, Christine Berman – expressed thanks for approving the Budget & Appropriation Ordinance, budget booklets were distributed to Board members and 3 additional pieces of information were required of the candidates for financial advisor services so a recommendation can be expected in February. A preliminary audit is being conducted for 2019.

Superintendent of Recreation, John Shea – the middle school ski trip is full and will be the held Friday, January 17th. Work on dismantling racks at the lakefront and gearing up for summer.

Executive Assistant, Lara Kuechel – no report

CLOSED SESSION

Vice President Peterson made a motion to go into Closed Session to discuss the purchase or lease of property. Commissioner Claybrook seconded the motion. A roll call vote was taken.

Ayes: Archambault, Claybrook, Codo, James, Knupp, Lussen, Peterson
Nays: None.
Motion carried.

RETURN TO OPEN SESSION

At 7:30p.m. Commissioner Claybrook made a motion to return to Open Session.
Vice President Peterson seconded the motion. A roll call vote was taken.

Ayes: Archambault, Claybrook, Codo, James, Knupp, Lussen, Peterson
Nays: None.
Motion carried.

ADJOURNMENT
Vice President Peterson made a motion to adjourn the meeting at 7:30 p.m. Commissioner Lussen seconded the motion, which passed by a voice vote.
Motion carried.

______________________________ ______________________________
Mickey Archambault, Board President John Muno, Board Secretary

Board Memo
Winnetka Park District

Date: February 3, 2020

To: Board of Commissioners

Subject: Request for Proposal (RFP) for Municipal Advisor Services

From: Christine Berman, Superintendent of Finance

BACKGROUND:
Staff conducted a RFP process to select a municipal advisor that provides analysis on proposed financing options to ensure the the District will receive favorable financing terms, supports the preparation and marketing of the official statement for municipal bond issues, provides an in depth annual review of District debt, and supports preparation and participates in rating agency events, with an option to prepare and file required financial disclosures. A municipal advisor ensures that the advice issuers are receiving is being given in a fiduciary manner.

The RFP was sent to 6 companies and was also made available on the District's website. We received official responses from PMA, Piper Jaffray, Speer Financial and Baker Tilly. Baird did not respond to the RFP and Wintrust indicated they do not act as advisors to municipal clients. An internal committee consisting of Director Muno, Commissioners Lussen and Codo and Superintendent Berman reviewed the proposals and invited PMA, Piper Jaffray and Speer Financial to submit a customized solution as to debt service options, repayment schedules and financing solutions. After thoroughly evaluating both the initial proposals and subsequent submittals, the committee has determined that Piper Jaffray has provided the most responsive and responsible proposal for services, with a very realistic view of District finances and available options. Further, they have demonstrated a commitment to work with District staff to further evaluate future financial position and have a proprietary financing modeling tool that they have used for other clients.

Piper Jaffray will be in attendance at Thursday's meeting to present on their firm and a sample financing solution.

Attached for your review is their supplemental submittal which includes a market update, debt options and consideration, initial financing solutions and a timeline for working with the District to secure funding.

End

Attachment

PIPER | SANDLER

JANUARY 15, 2020

Winnetka Park District

RFP Follow-Up: Financing Solutions

Eric Anderson
MANAGING DIRECTOR
Tel: +1 224-512-7709
Email: eric.anderson@psc.com

John Balzano
VICE PRESIDENT
Tel: +1 312-267-5052
Email: john.balzano@psc.com

Approach to Financing Solutions

Thank you for considering Piper Sandler as a potential municipal advisor to the Winnetka Park District. We appreciate your time in reviewing our qualifications as detailed in the response we submitted to the District's request for proposals. We want to make you aware of our thought process as we prepare example financing solutions for the District. As you review each submitter's response, please keep in mind there are a variety of different ways each scenario can be approached. One firm may assume different financing terms than another in regard to items such as: issuance date, couponing, interest rates, call features, sources of repayment, length of financing and method of sale, just to name a few. Final terms and structure will be dictated, in part, by market conditions at the time of issuance.

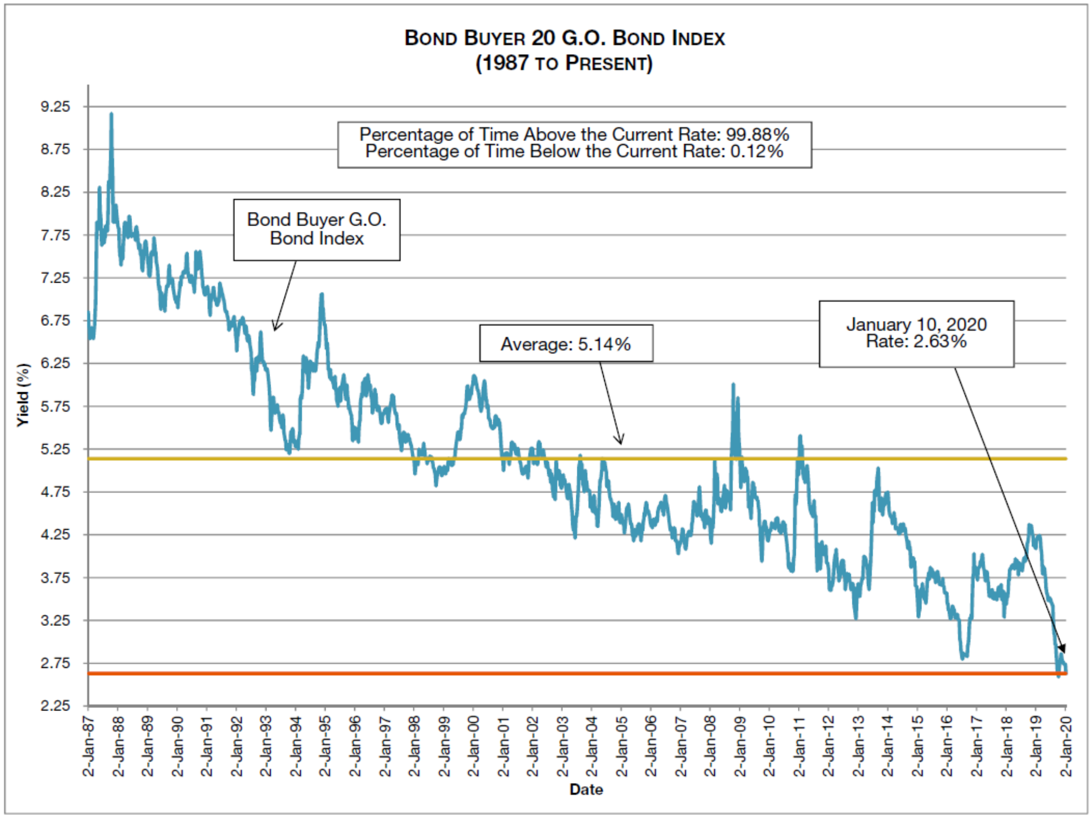
We feel it is disingenuous to prepare financing schedules for a client before we fully understand their entire financial picture. Although we appreciate the information you have already provided to us as it relates to the RFP, we feel there is still more to learn from the District. We find that long term financing solutions are most effective when we have time to engage with our clients and better understand their needs and more importantly their policies. As municipal advisor, our team has a fiduciary duty to keep the District's best interests in mind. We would anticipate additional meetings with staff and/or your finance committee in order to fulfill this duty entirely. With that in mind, we hope you find the example financing solutions helpful in guiding the District to its final plan of finance.

Table of Contents

Section I

Market Update

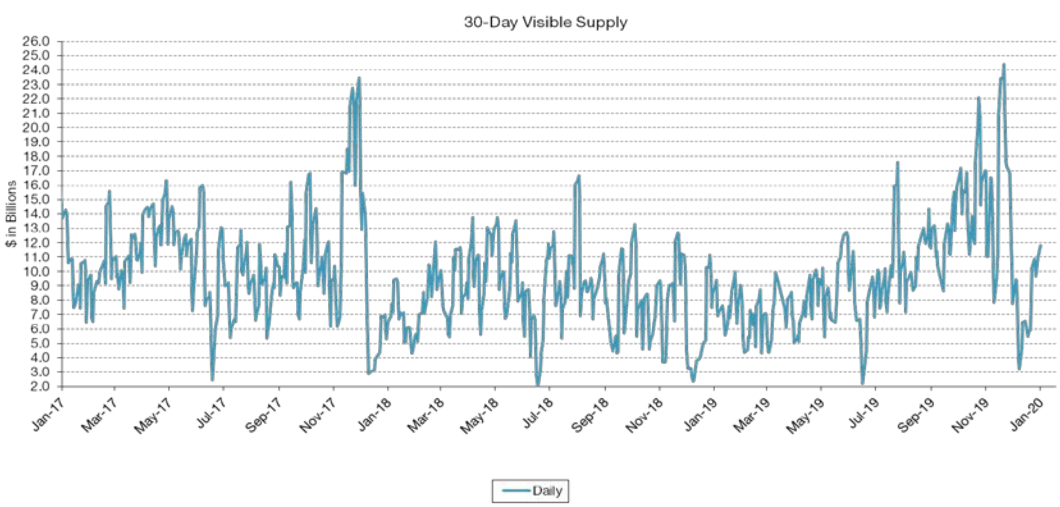
Market Update

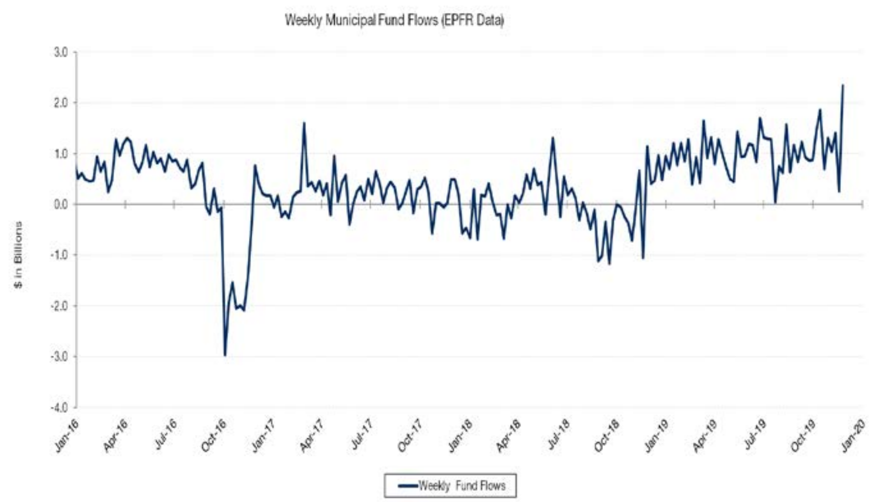


The municipal market remains strong as we experience all time low bond yields. The chart to the left is the [Bond Buyer 20 G.O. Index](). We track this index on a weekly basis. Since 1987, the index has been below its current levels only 0.12% of the time.

Below are supply and demand graphs for the municipal market. 30-day visible bond supply is shown bottom left. Supply has dramatically increased due to the low interest rate environment. Many municipal bond issuers are taking advantage of the market to finance capital projects or refinance debt for savings. Weekly municipal fund flows are shown bottom right. Municipal bond fund flows have been positive for 53 weeks straight. We expect demand to remain strong in line with supply.

Source: The Bond Buyer





Market Commentary

Week of January 13, 2020

- Bond yields fell during the course of a turbulent geopolitical week, as tensions between the U.S. and Iran remained high, after the killing of Iranian General Soleimani during New Year's week.
- Iran responded to the U.S. on Tuesday night, with several missile strikes on Iraqi bases, housing American troops, sending a quick scare to investors.
- The 10 year temporarily dropped all the way to 1.70 on Tuesday night, before news broke that the strike appeared to be more of a symbolic gesture than a hostile act. Tensions continued to ease during the week, causing yields to rise (10 year finishing at 1.84).
- Despite the late week rise in yields, Treasuries still finished the week down 2-8bp with munis falling by 4-11bp (10 year @ 1.34).
- To finish the week, Iran admitted to accidently shooting down a Ukrainian plane full of international travelers, which has led to widespread protests, accusing the country's leadership of lying and incompetence.
- From an interest rate perspective, the market still does not favor another cut from the Fed until November of 2020 (63% probability).
- On the muni issuance front, $8.3 bn worth of munis have come to market this month, of which $2 bn have been taxable.
- Muni percentages of Treasuries have sunk to historically low levels, suggesting it is an optimal time for issuers to borrow.
- Municipal mutual fund inflows hit the highest level in over two years, reaching $2.3 bn from 1/1 to 1/8 (EPFR), marking 53 consecutive weeks of positive flows into munis.

Market Rates

	MMD AAA GO Muni	Weekly Change (bps)	Treasury	Weekly Change (bps)	SIFMA Swap	Weekly Change (bps)
1-Yr	0.96%	-6	1.51%	+5	1.11%	-1
2-Yr	0.96%	-6	1.58%	-2	1.07%	+0
3-Yr	0.97%	-5	1.60%	-3	1.06%	+1
5-Yr	1.02%	-4	1.65%	-7	1.10%	+1
7-Yr	1.15%	-5	1.76%	-8	1.20%	+2
10-Yr	1.34%	-8	1.84%	-7	1.30%	+1
20-Yr	1.77%	-9	2.14%	-7	1.55%	+1
30-Yr	1.96%	-11	2.30%	-4	1.18%	+0

Key Weekly Economic Releases

Date	Release	Est.
01/14/20	CPI MoM	0.3%
01/15/20	MBA Mortgage Applications	--
01/15/20	PPI Final Demand MoM	0.20%
01/15/20	Empire Manufacturing	3.5
01/16/20	Retail Sales Advance MoM	0.3%
01/17/20	Housing Starts	1380k
01/17/20	Industrial Production MoM	-0.2%
01/17/20	U. of Mich. Sentiment	99.3

Seasonality Summary

Optimal Issuance Times

Calendar roll, building demand, light issuance

Heavy issuance, falling demand, focus on taxes

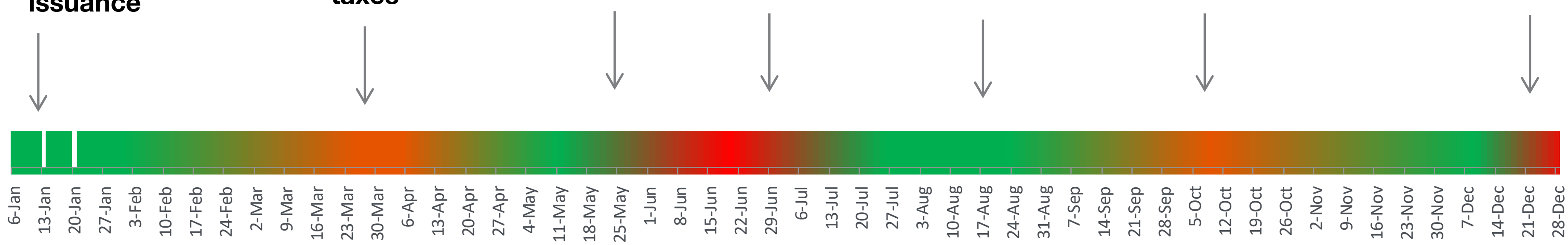
Reinvestment of June 1 payments

Heavy issuance around fiscal year end

Light issuance, building demand

High supply, poor demand

Holiday illiquidity creates volatility



Lightest issuance, solid returns, most demand of any month, potentially sets tone for performance

Benign performance, Second lightest issuance. opportune month to issue.

Second heaviest issuance and negative total returns make for inopportune month to issue.

Well established negative bias between 1990 and 2001. Highest excess returns of any month.

Long history of positive bias. Positive returns of nearly 1%. Opportune to issue before heavy June issuance.

Worst month by total returns and supply. Demand is positive but unable to handle the glut in issuance. Crowded month to issue in.

Second half of year turns constructive for municipals. Light supply and solid excess returns.

Best total returns and light supply bode well for issuance.

Light supply continues into September along with strong positive returns.

Supply returns along with negative total returns. Challenging market to issue into.

Heavy mutual fund outflows and the worst excess returns along with slightly above normal supply. Holidays difficult markets to issue into.

Limited demand along with holiday lull make for a challenging market to issue into. Higher price volatility due to lax participation.

Source: Bloomberg, Piper Sandler & Co.

Section II

Debt Options and Considerations

Debt Options

Illinois park districts have various types of debt available to help finance capital projects. The most common are as follows:

- **Alternate Revenue Source Bonds – Backdoor Referendum Approved**
  - Supported by dedicated pledged revenues (limited tax roll over bonds in some cases)
  - Alternately supported by an unlimited property tax levy if the District determines pledged revenues are insufficient
  - Revenues must be at least 125% of debt service payments (1.25x coverage)
  - Alternate Bonds may be retired over 40 years

- **Debt Certificates – Installment Contract**
  - Supported by legally available operating revenues/fund balances
  - No ability to levy a separate property tax
  - 20 year final maturity maximum

- **Limited Tax Park Bonds – Non-Referendum**
  - Supported by a property tax levy limited as to amount but unlimited as to rate
  - The District's Debt Service Extension Base (DSEB) is the amount which limits the debt service payments. Debt service may be levied annually to the extent of the Debt Service Extension Base, which adjusts annually by the rate of the Consumer Price Index (CPI).
  - 25 year final maturity

- **Park Bonds – Referendum Approved**
  - Supported by an unlimited property tax levy
  - 25 year final maturity

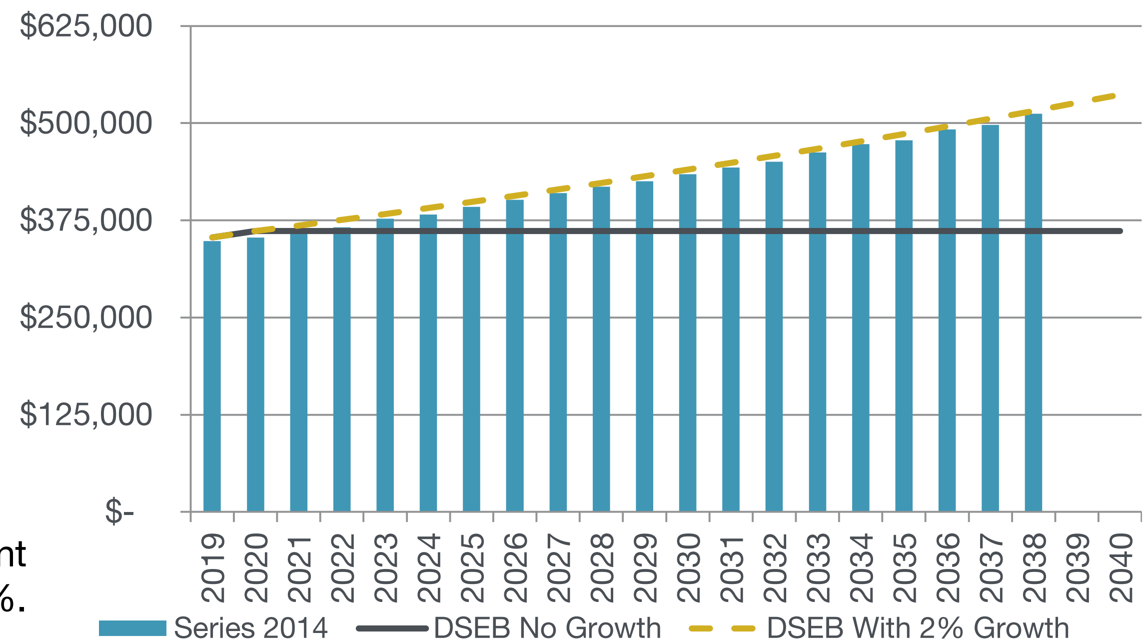
Considerations for The District – Limited Tax Park Bonds

Winnetka Park District
Debt Service Extension Base Analysis
Assumes 2.00% Growth in Base 2021-2040

Levy Year	Debt Service Extension Base Actual/ *Estimated*	**Existing Series 2014**	DSEB Remaining	**Original DSEB Exposure**
2019	**$ 352,978**	**$ 348,278**	**$ 4,701**	**$ -**
2020	**361,096**	**352,678**	**8,419**	**-**
2021	*368,318*	**359,603**	*8,716*	-
2022	*375,685*	**366,003**	*9,682*	*(4,906)*
2023	*383,198*	**376,923**	*6,276*	*(15,826)*
2024	*390,862*	**382,390**	*8,472*	*(21,294)*
2025	*398,680*	**392,320**	*6,360*	*(31,224)*
2026	*406,653*	**401,545**	*5,108*	*(40,449)*
2027	*414,786*	**410,133**	*4,654*	*(49,036)*
2028	*423,082*	**418,053**	*5,030*	*(56,956)*
2029	*431,544*	**425,275**	*6,269*	*(64,179)*
2030	*440,175*	**434,475**	*5,700*	*(73,379)*
2031	*448,978*	**442,875**	*6,103*	*(81,779)*
2032	*457,958*	**450,475**	*7,483*	*(89,379)*
2033	*467,117*	**462,275**	*4,842*	*(101,179)*
2034	*476,459*	**473,075**	*3,384*	*(111,979)*
2035	*485,988*	**477,875**	*8,113*	*(116,779)*
2036	*495,708*	**491,875**	*3,833*	*(130,779)*
2037	*505,622*	**497,525**	*8,097*	*(136,429)*
2038	*515,735*	**512,050**	*3,685*	*(150,954)*
2039	*526,049*	**-**	*526,049*	-
2040	*536,570*	**-**	*536,570*	-
Total/Avg.	**$ 9,663,243**	**$ 8,475,698**	**$ 1,187,546**	**$ (1,276,500)**

The above cash flows reflect the most recent CPI number released for FY 2020, 2.3%. DSEB exposure is adjusted accordingly.

Currently, we do not consider limited tax park bonds as an option for the District, as there is no additional debt service capacity for an extended period of time. As discussed in our response to RFP, the District's Series 2014 limited tax park bonds are structured based on 2.0% CPI growth, which is in excess of the current DSEB amounts, now known through levy year 2020. We understand the District anticipates filing supplemental levies as it experiences CPI growth. We will monitor the Series 2014 bonds for refunding or restructuring opportunities in the future as the call date approaches in 2021. Limited tax park bonds are restricted to a 25 year final maturity, which limits the District's restructuring capabilities to make room for new debt service.



Considerations for The District – Operating Debt

Many considerations come into play when examining debt that is to be repaid from the operating results of the District, including:

- What are the impacts of the proposed debt service on the annual results of the Corporate and Recreation Funds?
- How is the proposed debt to be structured and over what time period is it to be retired?
- Are there any revenue resources that are already pledged for the repayment of operating debt service? If so, how does the proposed debt interact with the prior pledge?
- How much are future capital projects, otherwise paid with operating revenues, going to be "crowded out" by debt service obligations on the proposed debt?
- Is there an ability to pay operating debt service with rollover bonds?
- Are there policies in place that dictate any restrictions relative to the issuance of debt repaid with operating revenues?
- Is the District willing to issue debt that may have a negative outcome on its bond rating?

Alternate Revenue Source Bonds vs Debt Certificates

The most common types of operating debt available for Illinois park districts are alternate revenue source bonds and debt certificates. The District most recently issued Debt Certificates to fund certain capital projects. The District may also consider the use of alternate revenue source bonds when determining its plan of finance for the proposed projects.

Alternate Revenue Source Bonds

1. Alternate Revenue Bonds may be issued by the District to evidence the payment obligation a lawful corporate purpose.
2. Provides fixed term, fixed rate financing on the ordinance adoption date.
3. Can be issued in advance of executing contracts / purchase orders for the construction and equipping of a facility. Funds cannot be used for working capital.
4. Is supported by developer, architect and/or service professional estimates.
5. Can be issued after the Board:
    a) Adopts and publishes a Notice of Intent to Issue Alternate Revenue Bonds.
    b) Holds a hearing (Bond Issuance Notification Act) seeking comment on the proposed issuance
    c) Is <u>not</u> petitioned by more than 7.5% (10,891 registered voters x 7.5% = **801** registered voters within a 30 day period
    d) Identifies and determines to pledge revenues equal to 125% of annual debt service
6. Are to be repaid from any lawfully available funds of the District, but has the power to levy a separate tax to retire debt service if those funds are ever insufficient to retire debt service when due.
7. **District must annually abate taxes filed, unless the revenue source(s) pledged is/are insufficient.**
8. No lien is ever placed against the District's assets.
9. The District may retire the Bonds over a maximum period of **40 years**, although practical matters limit the retirement.

Debt Certificates

1. Debt Certificates may be issued by the District to evidence the payment obligation for real or personal property acquisition
2. Provides fixed term, fixed rate financing on the ordinance adoption date.
3. Can be issued in advance of executing contracts / purchase orders for the construction and equipping of a facility. Funds cannot be used for working capital.
4. Is supported by developer, architect and/or service professional estimates.
5. Can be issued by a majority vote of the Board – no referendum of any kind is required.
6. Does not have the power to levy a separate tax to repay the debt, but are to be repaid from any lawfully available funds of the District.
7. **District must annually covenant to appropriate funds to pay debt service on the Debt Certificates.**
8. No lien is ever placed against the District's assets.
9. The District may retire the Certificates over a maximum period of **20 years**.

The District can refund debt service associated with either of these forms of debt with non-referendum bonds in order to levy for debt service, to the extent available.

Proprietary Financing Modeling Tool

We have found that a proprietary modeling tool recently developed by our team assists in the understanding of the impact that borrowing might have on an entity over a short, intermediate and longer term horizon. We have used this document to test sensitivity to certain assumptions made when structuring debt, in addition to providing modeling of fund balances and amounts for capital project engagement. Currently used at Naperville Park District (Moody's "Aaa") and Arlington Heights Park District (Moody's "Aaa"), we would value the opportunity to review this model with you and populate it with your assumptions going forward.

We advance this as another tool used to evaluate the impact of borrowing / fund balance spenddown and goal setting.

PIPER | SANDLER

Capital Revenue Resources and Expenses
With Potential Major New Project

Wrap Around Existing
Interest Only / Level Debt

	A	B
1	INPUT SECTION	
2		
3	Annual Revenue Inflator	
4	LY19-22	1.5%
5	LY23-27	1.5%
6	LY28-32	1.5%
7	LY33-43	1.5%
8		
9	Annual Expense Inflator	
10	LY18-22	4.0%
11	LY23-27	4.0%
12	LY28-32	4.0%
13	LY33-43	4.0%
14		
15	Operating Prop Tax Freez	
16	Freeze? (Y / N)	N
17	First Levy Year	2035
18	Years? (0 / 2 / 4)	2
19	Affected Years	
20	Current EAV	
21	7,183,026,180	
22		
23	Borrowing Info	
24	Operating Debt Portion	
25	Option	Custom
26	Amount	6,500,000
27		
28	Makeup from Cap Fund	
29	Op Levy (LY17)	$ 9,127,000
30	Less: % for freez	150%

		Less:	*Less:*	*Equals:*	*Plus:*	*Less:*		*Less:*	*Equals:*	*Less:*					
Levy Year	DSEB Growth	Existing Non Ref Bonds	Proposed Non-Ref Bond	DSEB Headroom	WDSRA & Grants & Other	Debt Cert Debt Svc	Total Capital Funding Resources	Capital Project Costs	Capital Project Remainder	$ 6,500,000 New Project	Cap Proj Account After New Project	Balance Capital Project Account	Amts From Ops Rolling DSEB Ris	Original DSEB Risk	Est Ltd B&I Rate
Beg Bal							$26,554,205		$ 26,554,205		$ 26,554,205	$ 26,554,205			
2018	$ 2,535,532	$ (2,937,760)	$ -	$ (402,228)	$ 5,421,980	$ (859,638)	$ 10,144,217	$ (16,940,000)	$ (6,795,783)	$ -	$ (6,795,783)	19,758,422	$ 402,228	$ 402,228	$ 0.0353
2019	2,583,707	(2,893,866)	-	(310,159)	1,748,482	(893,238)	6,642,886	(14,137,246)	(7,494,360)	(230,000)	(7,724,360)	12,034,062	310,159	358,334	0.0360
2020	2,622,463	(2,535,959)	-	86,504	1,426,477	(890,700)	6,811,549	(5,898,822)	912,727	(228,950)	683,777	12,717,839	-	427	0.0353
2021	2,661,800	(2,538,817)	-	122,983	1,422,152	(892,794)	6,934,448	(5,437,850)	1,496,598	(232,900)	1,263,698	13,981,536	-	3,285	0.0353
2022	2,701,727	(2,539,771)	-	161,956	1,510,867	(884,175)	7,164,986	(4,432,885)	2,732,101	(231,700)	2,500,401	16,481,938	-	4,239	0.0354
2023	2,742,253	(2,487,386)	-	254,867	1,533,809	(890,013)	7,370,646	(7,081,495)	289,151	(230,500)	58,651	16,540,589	-	-	0.0346
2024	2,783,386	(2,477,142)	-	306,244	1,527,938	(884,900)	7,518,346	(5,457,508)	2,060,838	(229,300)	1,831,538	18,372,127	-	-	0.0345
2025	2,825,137	(2,495,450)	-	329,687	1,528,912	(888,625)	7,637,574	(6,198,561)	1,439,013	(233,100)	1,205,913	19,578,039	-	-	0.0347
2026	2,867,514	(2,246,024)	-	621,490	1,459,070	(325,800)	8,522,374	(5,535,233)	2,987,141	(326,750)	2,660,391	22,238,430	-	-	0.0313
2027	2,910,527	(1,802,800)	-	1,107,727	729,535	-	8,706,389	(6,248,795)	2,457,594	(342,550)	2,115,044	24,353,474	-	-	0.0251
2028	2,954,185	(1,797,800)	-	1,156,385	740,478	-	8,869,027	(6,498,747)	2,370,281	(352,750)	2,017,531	26,371,005	-	-	0.0250
2029	2,998,498	(1,801,000)	-	1,197,498	751,585	-	9,025,830	(6,758,697)	2,267,133	(367,500)	1,899,633	28,270,638	-	-	0.0251
2030	3,043,475	(1,802,000)	-	1,241,475	762,859	-	9,187,232	(7,029,045)	2,158,188	(381,650)	1,776,538	30,047,175	-	-	0.0251
2031	3,089,127	(1,800,800)	-	1,288,327	774,302	-	9,353,271	(7,310,206)	2,043,064	(395,200)	1,647,864	31,695,040	-	-	0.0251
2032	3,135,464	(1,797,400)	-	1,338,064	785,916	-	9,523,982	(7,602,615)	1,921,367	(408,150)	1,513,217	33,208,257	-	-	0.0250
2033	3,182,496	(1,801,800)	-	1,380,696	797,705	-	9,689,402	(7,906,719)	1,782,683	(420,500)	1,362,183	34,570,440	-	-	0.0251
2034	3,230,233	(1,798,600)	-	1,431,633	809,671	-	9,864,970	(8,222,988)	1,641,983	(942,250)	699,733	35,270,173	-	-	0.0250
2035	3,278,687	(838,000)	-	2,440,687	821,816	-	11,000,524	(8,551,907)	2,448,617	(983,100)	1,465,517	36,735,689	-	-	0.0117
2036	3,327,867	(838,200)	-	2,489,667	834,143	-	11,177,902	(8,893,984)	2,283,918	(1,012,000)	1,271,918	38,007,607	-	-	0.0117
2037	3,377,785	(837,200)	-	2,540,585	846,655	-	11,359,143	(9,249,743)	2,109,400	(1,024,250)	1,085,150	39,092,758	-	-	0.0117
2038	3,428,452	-	-	3,428,452	859,355	-	12,379,289	(9,619,733)	2,759,556	(1,040,300)	1,719,256	40,812,014	-	-	-
2039	3,479,879	-	-	3,479,879	872,245	-	12,564,978	(10,004,522)	2,560,456	-	2,560,456	43,372,469	-	-	-
2040	3,532,077	-	-	3,532,077	885,329	-	12,753,453	(10,404,703)	2,348,750	-	2,348,750	45,721,219	-	-	-

From PD Capital Report

LY2026; 50% in LY27; graduated by Annual

From PD Capital Report

LY2027; graduated by Annual Expense Inflator

Impacts of Fund Balance Draws on The District’s Bond Rating

The District has previously drawn down fund balances to complete capital projects, most recently in 2014 when it depleted fund balances by $4.3 million. Moody’s cited the following when it announced the bond rating:

The Aa1 rating reflects the district's recent reduction in operating reserve levels after transferring $4.3 million out of the General Fund to be used for capital projects. Also incorporated in the rating is the district's sizeable tax base experiencing substantial depreciation, affluent socio-economic profile, additional liquidity available in the district's enterprise funds, and modest direct debt burden. The rating distinction between the district's GOLT and GOLT debt certificates ratings reflect the weaker security of the debt certificates, which do not benefit from a dedicated property tax levy”.

Dissecting that statement, we break it down as follows:

Moody’s Statement — *The Aa1 rating reflects the District's recent reduction in operating reserve levels after transferring $4.3 million out of the General Fund to be used for capital projects.*

Observations — The fund drawdown put the District too far below its Aaa peer group, resulting in a one-notch downgrade on the rating.

Moody’s Statement — *Also incorporated in the rating is the District's sizeable tax base experiencing substantial depreciation, affluent socio-economic profile…*

Observations — Out of the District’s control, so no need to focus on this aside from understanding that the valuation has somewhat recovered, and current socio-economic profile has likely improved.

Moody’s Statement — *…additional liquidity available in the district's enterprise funds, and modest direct debt burden*

Observations — This liquidity has waned since 2014, potentially causing further pressure on the district’s financial results, while the modest debt burden has further declined but may rise above prior levels when including the proposed financing.

Moody’s Statement — *The rating distinction between the district's GOLT and GOLT debt certificates ratings reflect the weaker security of the debt certificates, which do not benefit from a dedicated property tax levy”.*

Observations — Moody’s former rating methodology is applied here, changed in 2017 when the district’s debt certificates were rated on parity with its tax-backed debt. Still a metric to be mindful of when considering the issuance of operating debt.

Section III

Initial Financing Solutions

Option One: Assumptions & Sources and Uses

Option one is our conservative approach based on the information provided to us by the District. This approach has a 25 year final maturity. A longer maturity allows the District to spread out some of the debt service in later years where there is more available revenues for debt service. By structuring the Bonds this way, we provide for future flexibility if the District needs to access the capital markets, needs to restructure payments or requires additional revenues for operations.

Option one includes the following assumptions:

- General Obligation Alternate Revenue Source Park Bonds
- Moody's Aa1 Rated
- Tax-Exempt, Bank Qualified Bonds
- Bonds issued on 12/1/2020
- Final maturity is 12/1/2045
- Bonds are callable December 1, 2028
- Capitalized interest until December 1, 2021
  - This can be removed depending on how the District chooses to allocate fund balance for capital projects
- Generates approximately $9,050,000 in project funds
- Estimated costs of issuance (final will change):
  - 1% total COI
  - 0.80% Underwriting Fee

OPTION 1	
Sources and Uses of Proceeds	
SOURCES	
Principal Amount	$9,260,000
Premium (Discount)	245,937
Total Sources	$9,505,937
USES	
Project Fund	$9,053,473
Capitalized Interest	$285,785
Estimated Financing Costs	166,680
Total Uses	$9,505,937
Financing Statistics Summary	
Delivery Date	12/1/2020
Final Maturity	12/1/2045
True Interest Cost (TIC)	2.92%
All-In TIC	3.00%
Total Interest	$4,560,600
Cost of 1 basis point	$14,917

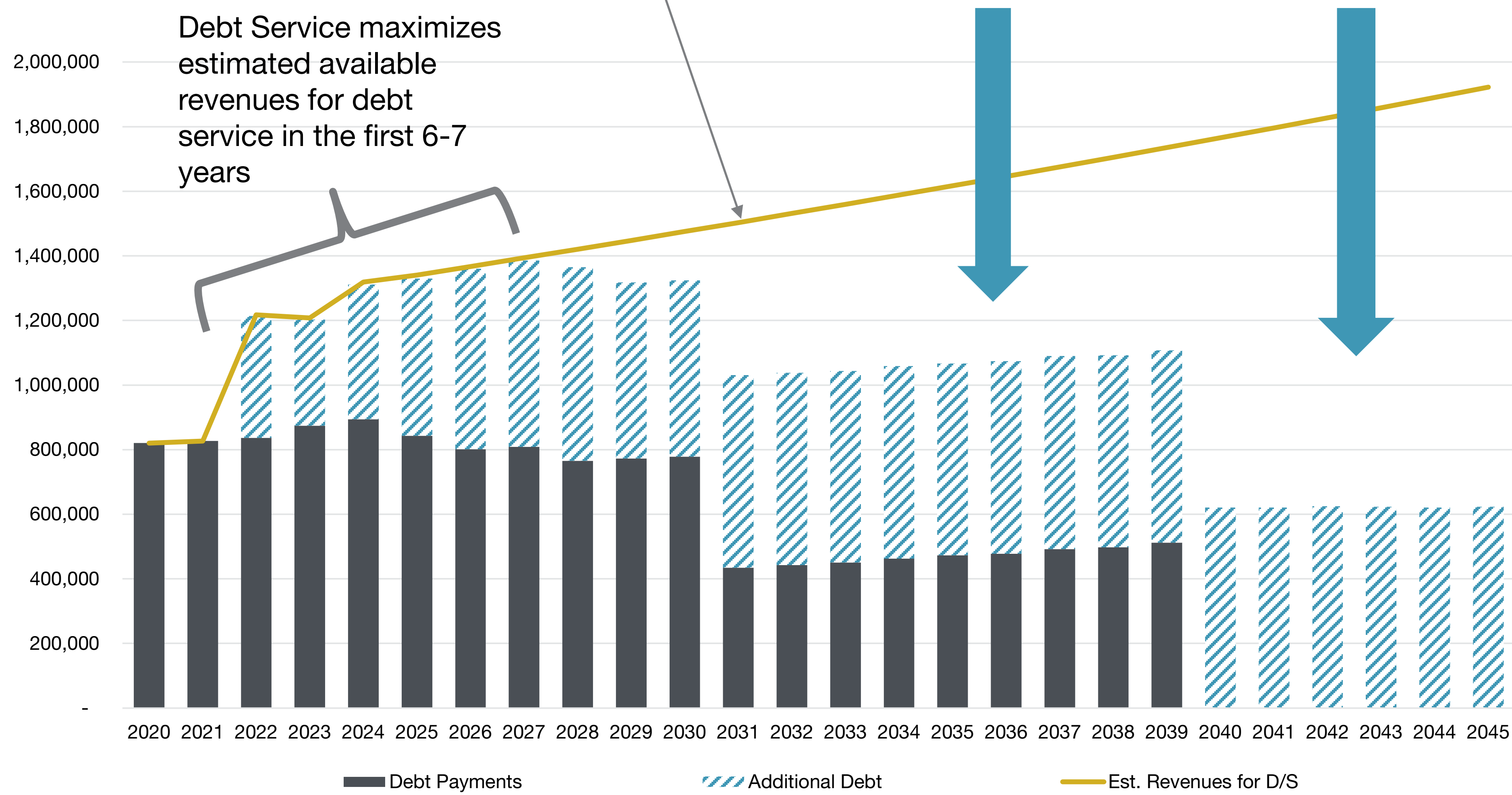
Option One: Debt Service Cash Flows

		************************NEW DEBT************************				
FY	Existing Debt	Principal	Interest	Capitalized Interest	Debt Service	Estimated Aggregate Debt Service
2021	$ 821,411	$ -	$ 291,900	$ (291,900)	$ -	$ 821,411
2022	828,246	85,000	291,900	-	376,900	1,205,146
2023	829,113	40,000	288,500	-	328,500	1,157,613
2024	839,243	130,000	286,900	-	416,900	1,256,143
2025	843,125	205,000	281,700	-	486,700	1,329,825
2026	801,307	285,000	273,500	-	558,500	1,359,807
2027	808,784	315,000	262,100	-	577,100	1,385,884
2028	765,633	350,000	249,500	-	599,500	1,365,133
2029	772,353	310,000	235,500	-	545,500	1,317,853
2030	778,025	320,000	226,200	-	546,200	1,324,225
2031	434,475	380,000	216,600	-	596,600	1,031,075
2032	442,875	390,000	205,200	-	595,200	1,038,075
2033	450,475	400,000	193,500	-	593,500	1,043,975
2034	462,275	415,000	181,500	-	596,500	1,058,775
2035	473,075	425,000	169,050	-	594,050	1,067,125
2036	477,875	440,000	156,300	-	596,300	1,074,175
2037	491,875	455,000	143,100	-	598,100	1,089,975
2038	497,525	465,000	129,450	-	594,450	1,091,975
2039	512,050	480,000	115,500	-	595,500	1,107,550
2040	-	520,000	101,100	-	621,100	621,100
2041	-	535,000	85,500	-	620,500	620,500
2042	-	555,000	69,450	-	624,450	624,450
2043	-	570,000	52,800	-	622,800	622,800
2044	-	585,000	35,700	-	620,700	620,700
2045	-	605,000	18,150	-	623,150	623,150
Total	**$12,329,736**	**$9,260,000**	**$4,560,600**	**$ (291,900)**	**$13,528,700**	**$25,858,436**

Option One: Debt Service Graph

Note: Estimated revenues for debt service were determined by taking the estimated “Net Income” + “Debt Payments” + “Additional Debt” + “Bond Proceeds Spenddown” as shown on the following slide

Bonds are callable in 2028, the District can re-evaluate its plan of finance at that time. Structure allows room for another potential borrowing in 2028 if needed and if revenues are in line with projections.



Option One: Financial Projections

The below projections have been adapted based on the information provided to us by the District. We make the following assumption below the dashed line: operating capitals will remain at $1.3MM annually, revenues & expenditures both grow by 1% annually, current debt payments include 2011, 2012 & 2014 obligations (no leases, etc.) and no additional major capitals are identified at this point. We assume a three year spend down of bond proceeds which is in line with IRS regulations.

FY	Beginning Reserves	Revenues	Operating Expenses	Debt Payments	Additional Debt	Net Income Before Capitals	Operating Capitals	Major Capitals	Bond Proceeds Spenddown	Net Income	Bond Proceeds	Total Ending Reserves
2018	6,817,376	11,512,121	8,780,210	714,967		2,016,944	1,067,221	159,732	-	789,991		7,607,367
2019	7,607,367	12,152,252	9,093,720	830,021		2,228,511	942,995	690,544	-	594,972		8,202,339
2020	8,202,339	12,464,785	10,122,877	820,553		1,521,355	1,180,331	2,925,357	-	(2,584,333)	9,053,473	14,671,479
2021	14,671,479	12,731,556	10,258,067	826,782	-	1,646,707	1,729,200	1,187,159	3,017,824	(4,287,476)		10,384,002
2022	10,384,002	13,001,152	10,481,974	836,744	376,900	1,305,534	1,301,500	-	3,017,824	(3,013,790)		7,370,212
2023	7,370,212	13,277,390	10,711,193	874,280	328,500	1,363,417	1,358,500	-	3,017,824	(3,012,907)		4,357,305
2024	4,357,305	13,560,448	10,945,867	894,414	416,900	1,303,267	1,295,500	-	-	7,767		4,365,072
2025	4,365,072	13,696,052	11,055,326	843,125	486,700	1,310,902	1,300,000	-	-	10,902		4,375,974
2026	4,375,974	13,833,013	11,165,879	801,307	558,500	1,307,328	1,300,000	-	-	7,328		4,383,301
2027	4,383,301	13,971,343	11,277,538	808,784	577,100	1,307,922	1,300,000	-	-	7,922		4,391,223
2028	4,391,223	14,111,057	11,390,313	765,633	599,500	1,355,611	1,300,000	-	-	55,611		4,446,834
2029	4,446,834	14,252,167	11,504,216	772,353	545,500	1,430,098	1,300,000	-	-	130,098		4,576,933
2030	4,576,933	14,394,689	11,619,258	778,025	546,200	1,451,205	1,300,000	-	-	151,205		4,728,138
2031	4,728,138	14,538,636	11,735,451	434,475	596,600	1,772,110	1,300,000	-	-	472,110		5,200,248
2032	5,200,248	14,684,022	11,852,805	442,875	595,200	1,793,142	1,300,000	-	-	493,142		5,693,389
2033	5,693,389	14,830,862	11,971,334	450,475	593,500	1,815,554	1,300,000	-	-	515,554		6,208,943
2034	6,208,943	14,979,171	12,091,047	462,275	596,500	1,829,349	1,300,000	-	-	529,349		6,738,292
2035	6,738,292	15,128,963	12,211,957	473,075	594,050	1,849,880	1,300,000	-	-	549,880		7,288,172
2036	7,288,172	15,280,252	12,334,077	477,875	596,300	1,872,000	1,300,000	-	-	572,000		7,860,173
2037	7,860,173	15,433,055	12,457,418	491,875	598,100	1,885,662	1,300,000	-	-	585,662		8,445,835
2038	8,445,835	15,587,385	12,581,992	497,525	594,450	1,913,418	1,300,000	-	-	613,418		9,059,253
2039	9,059,253	15,743,259	12,707,812	512,050	595,500	1,927,897	1,300,000	-	-	627,897		9,687,151
2040	9,687,151	15,900,692	12,834,890		621,100	2,444,702	1,300,000	-	-	1,144,702		10,831,852
2041	10,831,852	16,059,699	12,963,239		620,500	2,475,960	1,300,000	-	-	1,175,960		12,007,812
2042	12,007,812	16,220,296	13,092,871		624,450	2,502,974	1,300,000	-	-	1,202,974		13,210,787
2043	13,210,787	16,382,499	13,223,800		622,800	2,535,899	1,300,000	-	-	1,235,899		14,446,685
2044	14,446,685	16,546,324	13,356,038		620,700	2,569,586	1,300,000	-	-	1,269,586		15,716,271
2045	15,716,271	16,711,787	13,489,598		623,150	2,599,039	1,300,000	-	-	1,299,039		17,015,310

Option Two: Assumptions & Sources and Uses

Option Two is a more aggressive approach based on the information provided. This option requires further discussion with the District to ensure the revenue projections would support these payments. This approach has a 19 year final maturity and almost entirely maximizes estimated revenues for debt service. We structured the numbers to allow for a $100,000 buffer in each maturity year. The shorter amortization and higher debt service payments produces roughly $350,000 in additional project funds and reduces total interest costs by approximately $433,000. If future revenue projections are accurate, this structure does not allow the District to access the capital markets again until mid to late 2039. Bonds are callable in 2028 to accommodate any refinancing or restructuring as needed.

Option two includes the following assumptions:

- General Obligation Alternate Revenue Source Park Bonds
  - Debt Certificates may also be used
- Moody's Aa1 Rated
- Tax-Exempt, Bank Qualified Bonds
- Bonds issued on 12/1/2020
- Final maturity is 12/1/2039
- Bonds are callable December 1, 2028
- Capitalized interest until December 1, 2021
  - This can be removed depending on how the District chooses to allocate fund balance for capital projects
- Generates approximately $9,403,000 in project funds
- Estimated costs of issuance (final will change):
  - 1% total COI
  - 0.80% Underwriting Fee

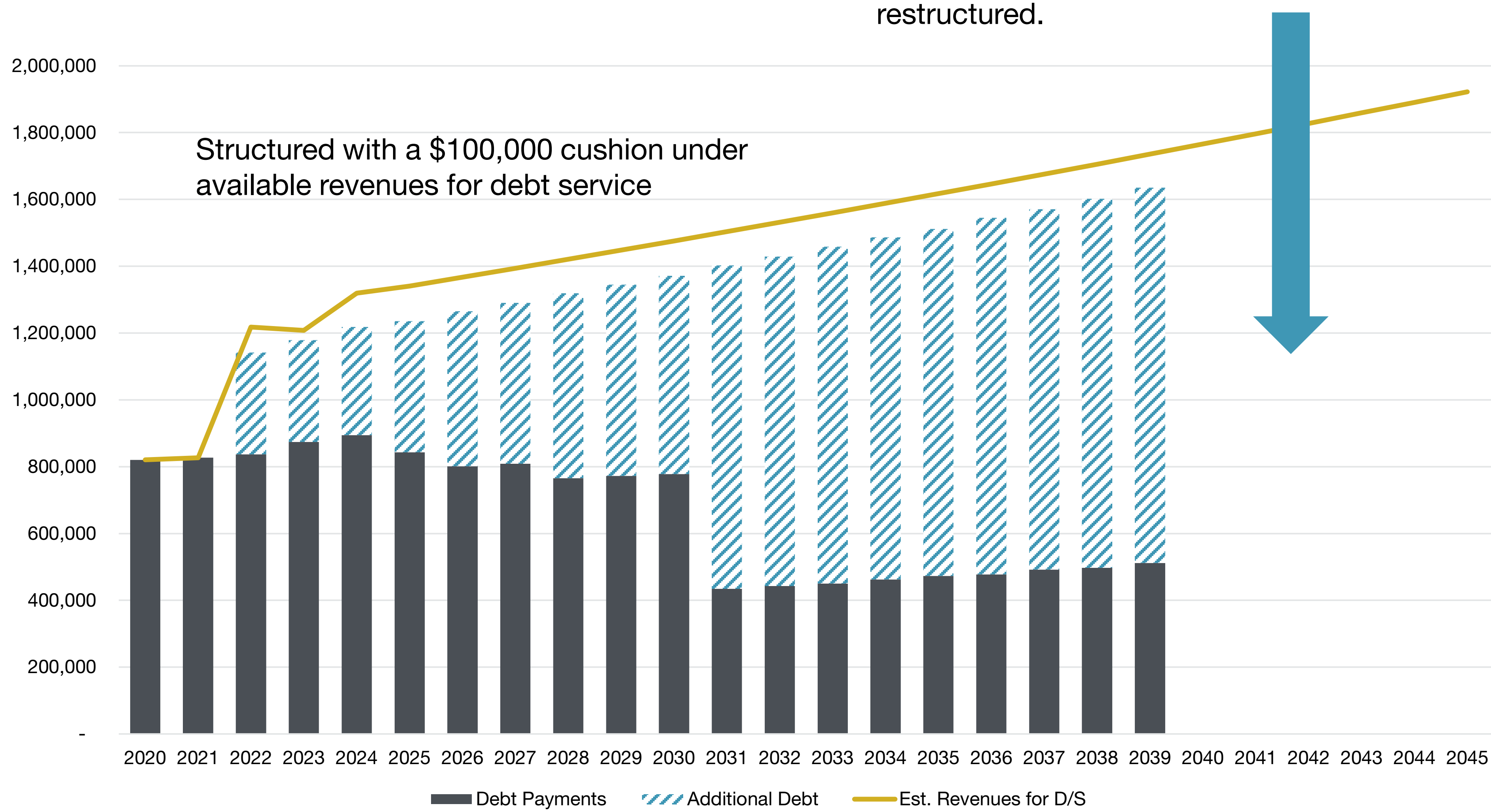
OPTION 2	
Sources and Uses of Proceeds	
SOURCES	
Principal Amount	$9,555,000
Premium (Discount)	309,686
Total Sources	$9,864,686
USES	
Project Fund	$9,403,936
Capitalized Interest	$288,760
Estimated Financing Costs	171,990
Total Uses	$9,864,686
Financing Statistics Summary	
Delivery Date	12/1/2020
Final Maturity	12/1/2039
True Interest Cost (TIC)	2.83%
All-In TIC	2.92%
Total Interest	$4,127,000
Cost of 1 basis point	$13,578

Option Two: Debt Service Cash Flows

		****************NEW DEBT****************				
FY	Existing Debt	Principal	Interest	Capitalized Interest	Debt Service	Estimated Aggregate Debt Service
2021	$ 821,411	$ -	$ 294,700	$ (294,700)	$ -	$ 821,411
2022	828,246	10,000	294,700	-	304,700	1,132,946
2023	829,113	10,000	294,300	-	304,300	1,133,413
2024	839,243	30,000	293,900	-	323,900	1,163,143
2025	843,125	100,000	292,700	-	392,700	1,235,825
2026	801,307	175,000	288,700	-	463,700	1,265,007
2027	808,784	200,000	281,700	-	481,700	1,290,484
2028	765,633	280,000	273,700	-	553,700	1,319,333
2029	772,353	310,000	262,500	-	572,500	1,344,853
2030	778,025	340,000	253,200	-	593,200	1,371,225
2031	434,475	725,000	243,000	-	968,000	1,402,475
2032	442,875	765,000	221,250	-	986,250	1,429,125
2033	450,475	810,000	198,300	-	1,008,300	1,458,775
2034	462,275	850,000	174,000	-	1,024,000	1,486,275
2035	473,075	890,000	148,500	-	1,038,500	1,511,575
2036	477,875	945,000	121,800	-	1,066,800	1,544,675
2037	491,875	985,000	93,450	-	1,078,450	1,570,325
2038	497,525	1,040,000	63,900	-	1,103,900	1,601,425
2039	512,050	1,090,000	32,700	-	1,122,700	1,634,750
Total	**$12,329,736**	**$9,555,000**	**$4,127,000**	**$ (294,700)**	**$13,387,300**	**$25,717,036**

Option Two: Debt Service Graph

Bonds are callable in 2028, the District can re-evaluate its plan of finance at that time. The District would not be able to access the capital markets again until 2039 unless there is a substantial growth in revenues or debt is restructured.



Option Two: Financial Projections

The below projections have been adapted based on the information provided to us by the District. We make the following assumption below the dashed line: operating capitals will remain at $1.3MM annually, revenues & expenditures both grow by 1% annually, current debt payments include 2011, 2012 & 2014 obligations (no leases, etc.) and no additional major capitals are identified at this point. We assume a three year spend down of bond proceeds which is in line with IRS regulations.

FY	Beginning Reserves	Revenues	Operating Expenses	Debt Payments	Additional Debt	Net Income Before Capitals	Operating Capitals	Major Capitals	Bond Proceeds Spenddown	Net Income	Bond Proceeds	Total Ending Reserves
2018	6,817,376	11,512,121	8,780,210	714,967		2,016,944	1,067,221	159,732	-	789,991		7,607,367
2019	7,607,367	12,152,252	9,093,720	830,021		2,228,511	942,995	690,544	-	594,972		8,202,339
2020	8,202,339	12,464,785	10,122,877	820,553		1,521,355	1,180,331	2,925,357	-	(2,584,333)	9,403,936.02	15,021,942
2021	15,021,942	12,731,556	10,258,067	826,782	-	1,646,707	1,729,200	1,187,159	3,134,645	(4,404,297)		10,617,645
2022	10,617,645	13,001,152	10,481,974	836,744	304,700	1,377,734	1,301,500	-	3,134,645	(3,058,411)		7,559,233
2023	7,559,233	13,277,390	10,711,193	874,280	304,300	1,387,617	1,358,500	-	3,134,645	(3,105,528)		4,453,705
2024	4,453,705	13,560,448	10,945,867	894,414	323,900	1,396,267	1,295,500	-	-	100,767		4,554,472
2025	4,554,472	13,696,052	11,055,326	843,125	392,700	1,404,902	1,300,000	-	-	104,902		4,659,374
2026	4,659,374	13,833,013	11,165,879	801,307	463,700	1,402,128	1,300,000	-	-	102,128		4,761,501
2027	4,761,501	13,971,343	11,277,538	808,784	481,700	1,403,322	1,300,000	-	-	103,322		4,864,823
2028	4,864,823	14,111,057	11,390,313	765,633	553,700	1,401,411	1,300,000	-	-	101,411		4,966,234
2029	4,966,234	14,252,167	11,504,216	772,353	572,500	1,403,098	1,300,000	-	-	103,098		5,069,333
2030	5,069,333	14,394,689	11,619,258	778,025	593,200	1,404,205	1,300,000	-	-	104,205		5,173,538
2031	5,173,538	14,538,636	11,735,451	434,475	968,000	1,400,710	1,300,000	-	-	100,710		5,274,248
2032	5,274,248	14,684,022	11,852,805	442,875	986,250	1,402,092	1,300,000	-	-	102,092		5,376,339
2033	5,376,339	14,830,862	11,971,334	450,475	1,008,300	1,400,754	1,300,000	-	-	100,754		5,477,093
2034	5,477,093	14,979,171	12,091,047	462,275	1,024,000	1,401,849	1,300,000	-	-	101,849		5,578,942
2035	5,578,942	15,128,963	12,211,957	473,075	1,038,500	1,405,430	1,300,000	-	-	105,430		5,684,372
2036	5,684,372	15,280,252	12,334,077	477,875	1,066,800	1,401,500	1,300,000	-	-	101,500		5,785,873
2037	5,785,873	15,433,055	12,457,418	491,875	1,078,450	1,405,312	1,300,000	-	-	105,312		5,891,185
2038	5,891,185	15,587,385	12,581,992	497,525	1,103,900	1,403,968	1,300,000	-	-	103,968		5,995,153
2039	5,995,153	15,743,259	12,707,812	512,050	1,122,700	1,400,697	1,300,000	-	-	100,697		6,095,851
2040	6,095,851	15,900,692	12,834,890		-	3,065,802	1,300,000	-	-	1,765,802		7,861,652
2041	7,861,652	16,059,699	12,963,239		-	3,096,460	1,300,000	-	-	1,796,460		9,658,112
2042	9,658,112	16,220,296	13,092,871		-	3,127,424	1,300,000	-	-	1,827,424		11,485,537
2043	11,485,537	16,382,499	13,223,800		-	3,158,699	1,300,000	-	-	1,858,699		13,344,235
2044	13,344,235	16,546,324	13,356,038		-	3,190,286	1,300,000	-	-	1,890,286		15,234,521
2045	15,234,521	16,711,787	13,489,598		-	3,222,189	1,300,000	-	-	1,922,189		17,156,710

Comparison of Sources & Uses

OPTION 1		OPTION 2	
Sources and Uses of Proceeds		**Sources and Uses of Proceeds**	
SOURCES		SOURCES	
Principal Amount	$9,260,000	Principal Amount	$9,555,000
Premium (Discount)	245,937	Premium (Discount)	309,686
Total Sources	$9,505,937	Total Sources	$9,864,686
USES		USES	
Project Fund	$9,053,473	Project Fund	$9,403,936
Capitalized Interest	$285,785	Capitalized Interest	$288,760
Estimated Financing Costs	166,680	Estimated Financing Costs	171,990
Total Uses	$9,505,937	Total Uses	$9,864,686
Financing Statistics Summary		**Financing Statistics Summary**	
Delivery Date	12/1/2020	Delivery Date	12/1/2020
Final Maturity	12/1/2045	Final Maturity	12/1/2039
True Interest Cost (TIC)	2.92%	True Interest Cost (TIC)	2.83%
All-In TIC	3.00%	All-In TIC	2.92%
Total Interest	$4,560,600	Total Interest	$4,127,000
Cost of 1 basis point	$14,917	Cost of 1 basis point	$13,578

Please note that the Estimated Financing Costs are conservative estimates and are not based off of actual fee quotes from service providers. We expect these amounts to change based on firm estimates from service providers.

Potential Interest Earnings on Project Funds

The District has an opportunity to earn interest on bond proceeds sitting idle during its construction period. We will work with your project manager(s) to determine a reasonably expected drawdown schedule within the three year IRS requirements for spenddown of tax-exempt bond proceeds.

Investment earnings are dependent on the project draw schedule frequency and investment options available to the District.

Piper Sandler can help determine what these outcomes might look like for the District. The example to the right is based on 1.5% hypothetical interest earnings and even quarterly draws over a 24-month period.

Example Interest Earnings on Bond Proceeds
QUARTERLY Draws Over 24 Months

Date	Beginning Balance	Bond Proceeds	Interest Earnings (1.50%)	Bond Drawdown	Ending Balance
12/1/2020	$ -	$9,000,000	$ -	$ -	$9,000,000
1/1/2021	9,000,000	-	11,250	-	9,011,250
2/1/2021	9,011,250	-	11,264	-	9,022,514
3/1/2021	9,022,514	-	11,278	1,125,000	7,908,792
4/1/2021	7,908,792	-	9,886	-	7,918,678
5/1/2021	7,918,678	-	9,898	-	7,928,577
6/1/2021	7,928,577	-	9,911	1,125,000	6,813,487
7/1/2021	6,813,487	-	8,517	-	6,822,004
8/1/2021	6,822,004	-	8,528	-	6,830,532
9/1/2021	6,830,532	-	8,538	1,125,000	5,714,070
10/1/2021	5,714,070	-	7,143	-	5,721,212
11/1/2021	5,721,212	-	7,152	-	5,728,364
12/1/2021	5,728,364	-	7,160	1,125,000	4,610,524
1/1/2022	4,610,524	-	5,763	-	4,616,288
2/1/2022	4,616,288	-	5,770	-	4,622,058
3/1/2022	4,622,058	-	5,778	1,125,000	3,502,835
4/1/2022	3,502,835	-	4,379	-	3,507,214
5/1/2022	3,507,214	-	4,384	-	3,511,598
6/1/2022	3,511,598	-	4,389	1,125,000	2,390,987
7/1/2022	2,390,987	-	2,989	-	2,393,976
8/1/2022	2,393,976	-	2,992	-	2,396,969
9/1/2022	2,396,969	-	2,996	1,125,000	1,274,965
10/1/2022	1,274,965	-	1,594	-	1,276,559
11/1/2022	1,276,559	-	1,596	-	1,278,154
12/1/2022	1,278,154	-	1,598	1,125,000	154,752
Totals		$9,000,000	$154,752	$9,000,000	

Section IV

Next Steps

Hypothetical Work Timeline

The below hypothetical work timeline is based on a competitive offering. We expect a similar timeline for a negotiated sale. Additional steps will be involved to accommodate a RFP for underwriter.

Activity	Participants	Month 1				Month 2				Month 3			
		WK1	WK2	WK3	WK4	WK5	WK6	WK7	WK8	WK9	WK10	WK11	WK12
Organizational Meeting with Staff	PSC & District	●											
Conduct Detailed Analysis & Gather Information	PSC, BC & DC	●	●	●	●								
Provide Initial Draft of Presentation to Staff for Review	PSC			●	●								
Meet with District Board to Present Financing Options	PSC					●							
First Draft of Bond Documents Circulated	BC & DC		●	●	●	●							
Discuss Bond Documents and 1st Draft of POS/NOS	PSC, District, BC & DC					●	●	●					
District Board Approves Parameters Ordinance	District (PSC Attends)							●					
Receive Second Draft of POS/NOS	DC						●	●					
Pre-Rating Call & Presentation Preparation	PSC & District						●	●					
Rating & Due Diligence Call	PSC, District, DC & RA							●	●				
Receive Rating from Rating Agency	RA								●	●			
Print and Distribute POS/NOS	PSC & BC								●	●			
Respond to any Underwriter Questions	PSC & District								●	●			
Pre-Pricing Conference Call	PSC & District									●	●		
Conduct Competitive Sale	PSC										●		
Discuss Results of Sale & Award to Purchaser	PSC & District										●		
Finalize Documents and Print Official Statement	BC										●	●	
Fund and Close	All Parties												●

● Pre-Marketing ● Marketing ● Pricing **District** = Winnetka PD **PSC** = Piper Sandler& Co.

BC = Bond Counsel **DC** = Disclosure Counsel **RA** = Rating Agency