

**MT. PROSPECT PARK DISTRICT
1000 W. CENTRAL ROAD
MOUNT PROSPECT, ILLINOIS 60056**

MT. PROSPECT BOARD OF PARK COMMISSIONERS

**MEETING SCHEDULE
2014**

The Regular Board Meetings will be held at Central Community
Center, 1000 W. Central Road, Mount Prospect, Illinois at
7:00p.m.

JANUARY, 2014

15 REGULAR BOARD MEETING

FEBRUARY, 2014

26 REGULAR BOARD MEETING

MARCH, 2014

19 REGULAR BOARD MEETING

APRIL, 2014

23 REGULAR BOARD MEETING

MAY, 2014

28 REGULAR BOARD MEETING

JUNE, 2014

25 REGULAR BOARD MEETING

JULY, 2014

23 REGULAR BOARD MEETING

AUGUST, 2014

27 REGULAR BOARD MEETING

SEPTEMBER, 2014

24 REGULAR BOARD MEETING

OCTOBER, 2014

15 REGULAR BOARD MEETING

NOVEMBER, 2014

12 REGULAR BOARD MEETING

DECEMBER, 2014

10 REGULAR BOARD MEETING

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REGULAR BOARD MEETING

May 28, 2014

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- VI. APPROVAL ITEMS**

MT. PROSPECT PARK DISTRICT
1000 W. CENTRAL ROAD
MOUNT PROSPECT, ILLINOIS 60056

REGULAR BOARD MEETING

MEMO TO: MT. PROSPECT PARK DISTRICT
BOARD OF COMMISSIONERS
PRESS
PUBLIC
FROM: TIM DOHERTY, PRESIDENT
DATE: MAY 23, 2014
RE: REGULAR PARK BOARD MEETING
MAY 28, 2014 - 7:00 P.M.
CENTRAL COMMUNITY CENTER
1000 W. CENTRAL, MOUNT PROSPECT, IL

AGENDA

CALL TO ORDER

ROLL CALL

PLEDGE OF ALLEGIANCE

CHANGES OR ADDITIONS TO AGENDA

APPROVAL OF AGENDA

APPROVAL OF MINUTES: REGULAR BOARD MEETING: APRIL 23, 2014

PUBLIC COMMENT

PARKS FOUNDATION

FINANCIAL ADVISOR'S REPORT

RATIFICATION OF ACCOUNTS PAYABLE: APRIL 2014

EXECUTIVE REPORT

UNFINISHED BUSINESS

A. Golf Course Renovation • (Discussion)

NEW BUSINESS

A. Affiliate Agreement • (Discussion & Potential Action)

ADOPTION

A. **ORDINANCE 694** - AN ORDINANCE providing for the issue of not to exceed \$8,000,000 General Obligation Park Bonds (Alternate Revenue Source), Series 2014, of the Mt. Prospect Park District, Cook County, Illinois, for the purpose of building improvements to and maintaining, protecting and equipping the Mt. Prospect Golf Club golf course, improving the sites of and equipping playgrounds and providing for the payment of the expenses incident thereto, and for the levy of a direct annual tax sufficient to pay the principal and interest on said bonds.

B. ORDINANCE 695 - AN ORDINANCE authorizing and providing for an Installment Purchase Agreement for the purpose of paying the cost of purchasing real or personal property, or both, in and for the Mt. Prospect Park District, Cook County, Illinois, and for the issue of not to exceed \$1,000,000 Debt Certificates, Series 2014, of said Park District evidencing the rights to payment under said Agreement, and providing for the security for and means of payment under said Agreement of said Certificates.

C. RESOLUTION 696 – A RESOLUTION certifying and acknowledging that Mt. Prospect Park District has sufficient funds necessary to complete the pending OSLAD/LWCF project (Einstein Park Renovation) within the timeframes specified in said State of Illinois/IDNR OSLAD/LWCF Project Application.

APPROVAL ITEMS

- A. Acceptance/Rejection of Bids – Golf Course Renovation Phase I – (Discussion & Potential Action)
- B. Acceptance/Rejection of Bids – Golf Course Renovation Phase II – (Discussion & Potential Action)

COMMENTS/MATTERS FROM COMMISSIONERS

ADJOURNMENT

MT PROSPECT PARK DISTRICT
DEPARTMENTAL EXPENDITURE ANALYSIS
FOR THE 4 MONTHS ENDED 4-30-14

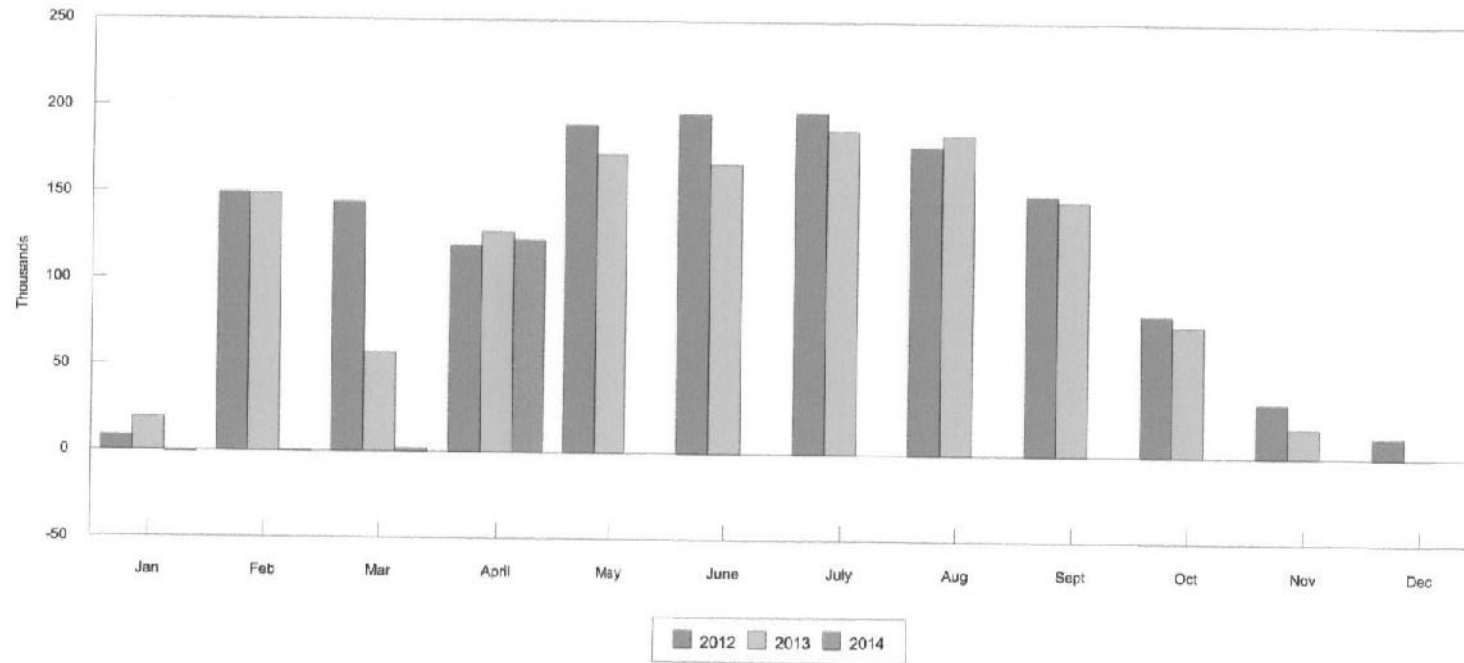
33.33% OF CALENDAR YEAR

FUND / Department	'14 Y.T.D. Actual	2014 Budget	Y.T.D. as % of '13 Budget	'13 Y.T.D. Actual	Y.T.D. % of '13 Y.T.D.	Projected 2014	Proj % of '14 Bud	% Inc '14 Bud Over '13 Bud
GENERAL FUND								
Administration	230,872	803,270	29%	234,830	98%	765,338	95%	9%
Maintenance	285,850	925,316	31%	247,396	116%	860,822	93%	8%
Motor Pool	52,281	223,636	23%	85,434	61%	173,303	77%	-21%
Studio at Melas	7,932	21,200	37%	6,699	118%	17,703	84%	1%
Park Improvements		0	n/a		n/a	0	n/a	n/a
Total	576,935	1,973,422	29%	574,359	100%	1,817,167	92%	4%
RECREATION FUND								
Administration	252,121	846,748	30%	284,841	89%	766,427	91%	-8%
Big Surf	48,488	283,905	17%	46,000	105%	249,620	88%	14%
Meadows Pool	15,003	184,853	8%	11,117	135%	167,338	91%	n/a
Recplex Pool	117,128	468,704	25%	108,299	108%	409,905	87%	7%
Golf Course	321,467	1,298,884	25%	412,799	78%	1,165,511	90%	-16%
Concessions	19,582	150,360	13%	13,297	147%	128,927	86%	0%
Lions Center	55,286	188,234	29%	49,034	113%	164,723	88%	2%
Friendship Center	10,934	32,199	34%	8,970	122%	33,241	103%	14%
Recplex Center	281,513	1,038,127	27%	283,950	99%	919,017	89%	-4%
Rec Programs	440,442	1,597,223	28%	421,017	105%	1,652,703	103%	2%
Central Programs	32,450	142,600	23%	36,767	88%	131,737	92%	1%
Central Road	186,074	621,777	30%	198,469	94%	582,495	94%	-0%
Total	1,780,468	6,853,614	26%	1,874,560	95%	6,371,644	93%	-4%

MT PROSPECT PARK DISTRICT
GOLF COURSE MONTHLY RECEIPTS

Revenue Recap by yr:

2012			2013			2014				
Month	Month	YTD	Month	Month	YTD	Month	Month	YTD		
Jan	8,372	8,372	Jan	19,025	19,025	Jan	(779)	(779)	'12Budget	1,489,500
Feb	149,262	157,634	Feb	149,040	168,065	Feb	598	(181)	'13Budget	1,458,500
Mar	144,176	301,810	Mar	57,199	225,265	Mar	1,857	1,676	'14Budget	726,600
April	119,383	421,193	April	127,391	352,656	April	122,927	124,603		
May	189,666	610,858	May	172,891	525,547	May	0	0		
June	196,468	807,326	June	167,420	692,966	June	0	0		
July	197,577	1,004,903	July	187,317	880,283	July	0	0		
Aug	178,099	1,183,002	Aug	185,017	1,065,300	Aug	0	0		
Sept	150,044	1,333,046	Sept	146,745	1,212,045	Sept	0	0		
Oct	81,408	1,414,454	Oct	75,315	1,287,360	Oct	0	0		
Nov	31,123	1,445,576	Nov	16,993	1,304,353	Nov	0	0		
Dec	12,038	1,457,614	Dec	(124)	1,304,229	Dec	0	0		



This Year Vs Last Two Years

MOUNT PROSPECT PARK DISTRICT
GOLF COURSE Department by Function
For the Four Months Ended 4-30-14

33.33%

ACCOUNT NAMES	TOTALS	ADMIN/ PRO SHOP	MAINT.	MERCH SALES	DRIVING RANGE	LESSONS	EVENTS	COMMUNITY CENTER
REVENUES:								
RENTAL	13,257	13,257						
PASSES /USER FEES	51,134	51,134						
DAILY /USER FEES	54,881	53,101			1,780			
PROGRAM FEES	6,624	1,610				5,014		
MERCHANDISE SALES	2,327			2,327				
OTHER	(3,635)	(3,635)						
SPONSORSHIPS	15					15		
TOTAL REVENUE	124,603	115,467	0	2,327	1,780	5,029	0	0
% of Budget	17	18	n/a	9	15	16	0	n/a
EXPENDITURES:								
FULL TIME SALARIES	153,639	80,880	61,613					11,145
PART TIME SALARIES	34,618	11,451	20,661			538		1,968
FRINGE BENEFITS	61,309	25,983	28,396					6,930
CONTRACTUAL SERVICES	21,432	14,270	2,835					4,326
COMMODITIES	18,092	1,310	11,438		3,286	125	500	1,434
MERCHANDISE	8,202			8,202				
UTILITIES	24,154	7,144	7,979					9,031
SALES TAX	22			22				
TOTAL EXPENDITURES	321,467	141,038	132,922	8,224	3,286	663	500	34,835
% of Budget	25	28	22	30	164	3	8	29
REVENUE OVER (UNDER) EXP	(196,864)	(25,570)	(132,922)	(5,897)	(1,506)	4,366	(500)	(34,835)
CHANGE FROM LAST YR + (-)								
REVENUE	(228,053)	(215,769)	0	(4,262)	(550)	(7,472)	(0)	0
EXPENDITURES	(91,333)	(16,712)	(58,158)	(10,055)	3,036	149	0	(9,592)
NET	(136,720)	(199,056)	58,158	5,793	(3,586)	(7,621)	(0)	9,592
% CHANGE FROM LAST YEAR								
REVENUE	(65)	(65)	n/a	(65)	(24)	(60)	(100)	n/a
EXPENDITURES	(22)	(11)	(30)	(55)	1,214	29	n/a	(22)
2014 BUDGET REVENUE	726,600	652,600	0	25,000	12,000	31,000	6,000	0
2014 BUDGET EXPENSE	1,298,884	508,024	617,487	27,200	2,000	20,000	6,000	118,173
2013 REVENUE	352,656	331,236		6,589	2,330	12,501	0	0
2013 EXPENDITURES	412,800	157,750	191,080	18,279	250	514	500	44,427

MT PROSPECT PARK DISTRICT
Golf Course
Greens Fees Sales

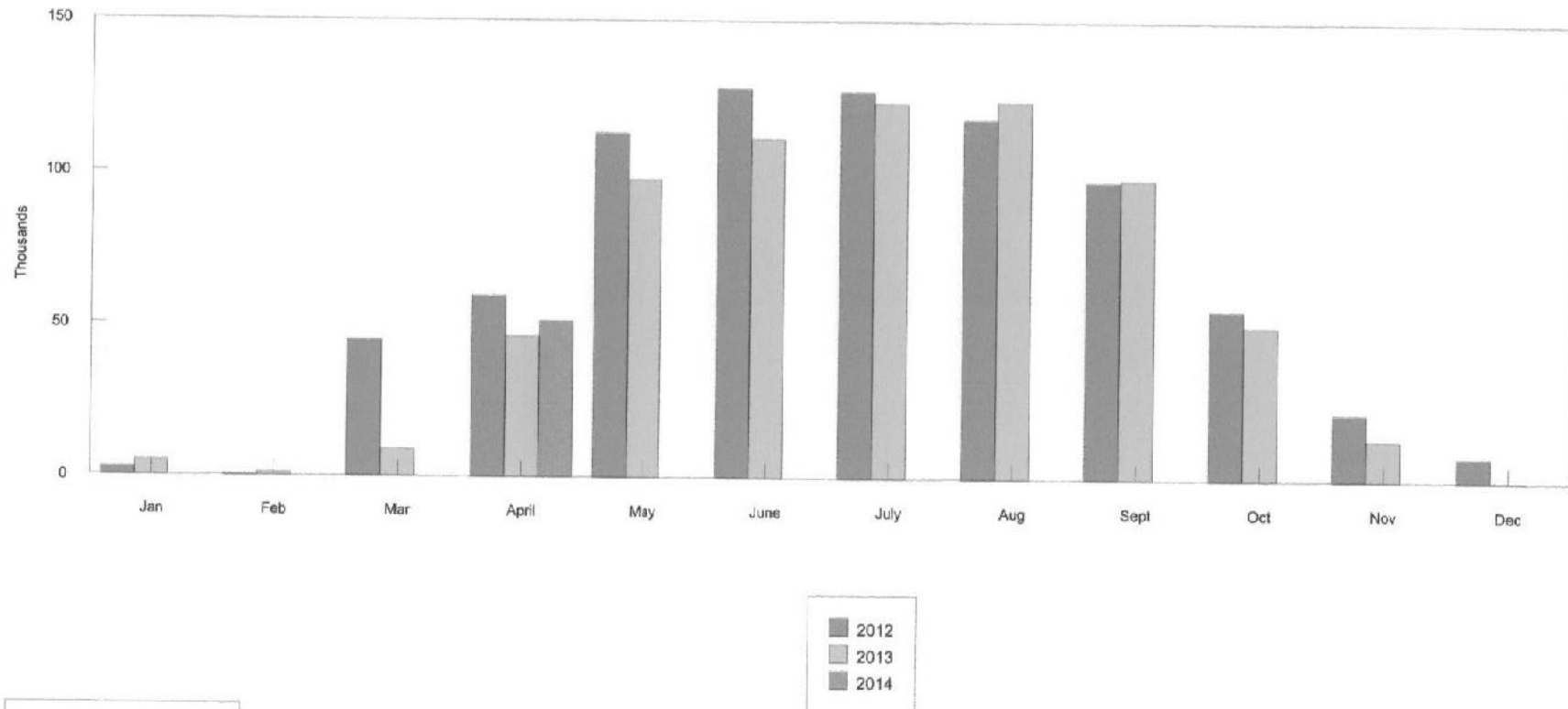
Revenue Recap by yr:

	2012	
	<u>Month</u>	<u>YTD</u>
Jan	2,640	2,640
Feb	275	2,915
Mar	44,786	47,701
April	59,453	107,155
May	113,089	220,244
June	127,838	348,083
July	126,934	475,016
Aug	118,000	593,016
Sept	97,559	690,575
Oct	55,417	745,993
Nov	21,890	767,883
Dec	7,801	775,684

	2013	
	<u>Month</u>	<u>YTD</u>
Jan	5,006	5,006
Feb	1,133	6,139
Mar	8,997	15,135
April	46,083	61,218
May	97,900	159,118
June	111,339	270,457
July	123,263	393,720
Aug	123,684	517,404
Sept	98,260	615,664
Oct	50,209	665,873
Nov	13,279	679,152
Dec	241	679,394

	2014	
	<u>Month</u>	<u>YTD</u>
Jan	0	0
Feb	0	0
Mar	0	0
April	51,226	51,226
May	0	0
June	0	0
July	0	0
Aug	0	0
Sept	0	0
Oct	0	0
Nov	0	0
Dec	0	51,226

'12Budget 805,000
'13Budget 785,500
'14Budget 340,000



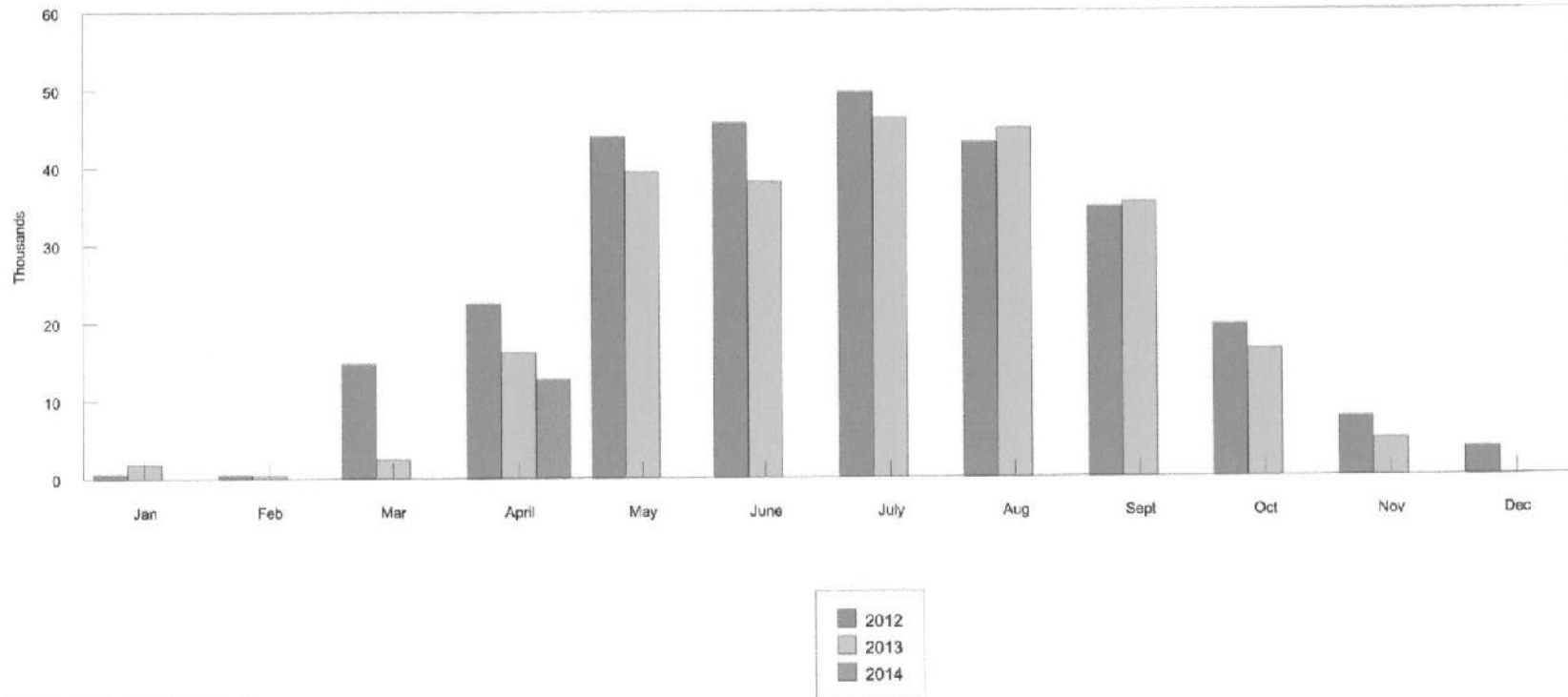
This Year Vs Last Two Years

MT PROSPECT PARK DISTRICT
Golf Course

Power Cart Rental

Revenue Recap by yr:

2012			2013			2014				
	Month	YTD		Month	YTD		Month	YTD		
Jan	660	660	Jan	1,843	1,843	Jan	0	0	'12Budget	250,000
Feb	519	1,179	Feb	433	2,276	Feb	0	0	'13Budget	250,000
Mar	14,777	15,955	Mar	2,470	4,747	Mar	0	0	'14Budget	110,000
April	22,478	38,433	April	16,219	20,966	April	12,738	12,738		
May	43,894	82,327	May	39,388	60,354	May	0	0		
June	45,656	127,984	June	38,052	98,405	June	0	0		
July	49,575	177,559	July	46,211	144,617	July	0	0		
Aug	43,095	220,653	Aug	44,872	189,489	Aug	0	0		
Sept	34,735	255,389	Sept	35,310	224,799	Sept	0	0		
Oct	19,541	274,929	Oct	16,346	241,145	Oct	0	0		
Nov	7,642	282,571	Nov	4,761	245,906	Nov	0	0		
Dec	3,581	286,152	Dec	62	245,967	Dec	0	12,738		

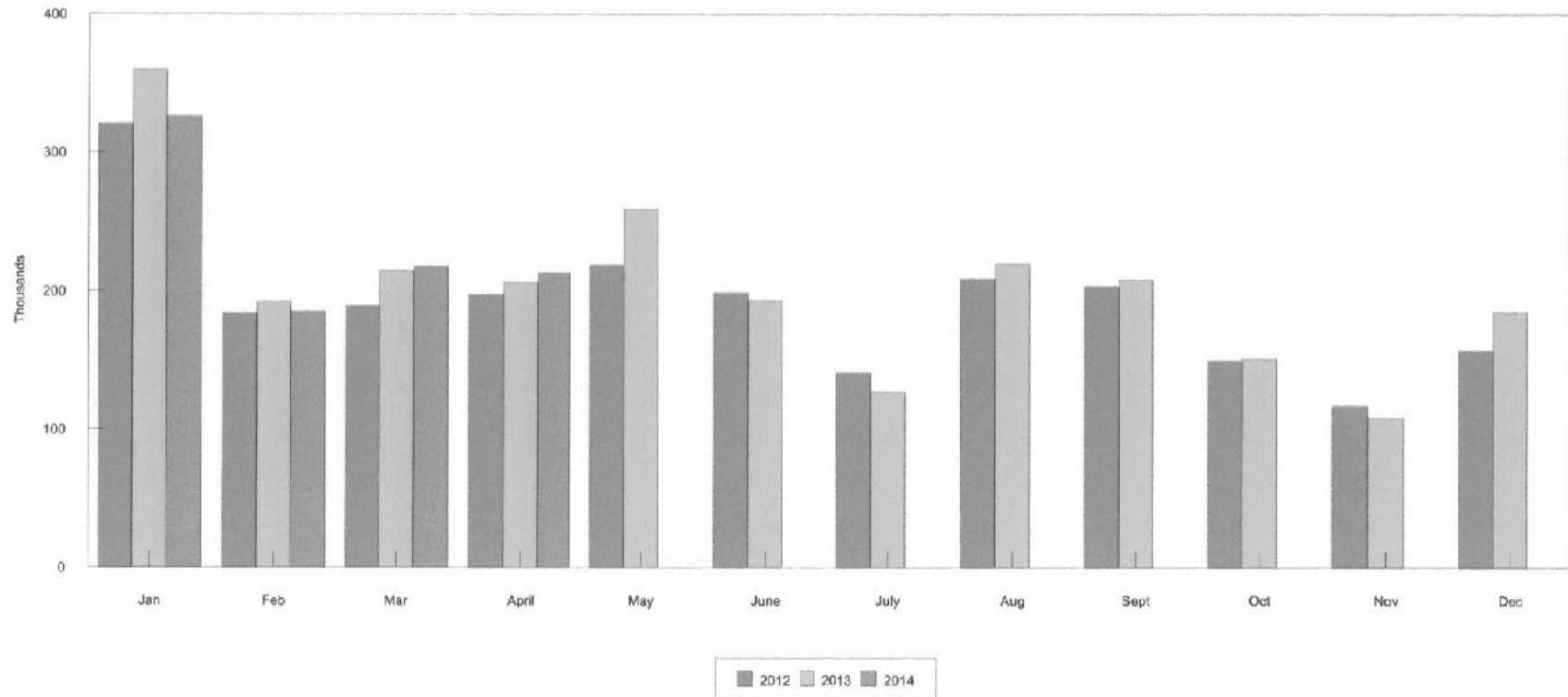


This Year Vs Last Two Years

MT PROSPECT PARK DISTRICT PROGRAM REVENUE

Revenue Recap by yr:

2012			2013			2014				
	Month	YTD		Month	YTD		Month	YTD		
Jan	320,961	320,961	Jan	359,652	359,652	Jan	326,391	326,391	'12Budget	2,259,550
Feb	184,058	505,019	Feb	192,382	552,034	Feb	185,370	511,760	'13Budget	2,332,050
Mar	189,125	694,144	Mar	214,551	766,586	Mar	217,723	729,483	'14Budget	2,375,050
April	197,420	891,564	April	206,144	972,730	April	213,232	942,716		
May	218,785	1,110,350	May	259,007	1,231,736	May	0	0		
June	198,762	1,309,112	June	193,156	1,424,892	June	0	0		
July	140,767	1,449,879	July	126,977	1,551,869	July	0	0		
Aug	208,736	1,658,615	Aug	219,730	1,771,599	Aug	0	0		
Sept	203,397	1,862,011	Sept	208,137	1,979,736	Sept	0	0		
Oct	149,666	2,011,677	Oct	150,861	2,130,597	Oct	0	0		
Nov	117,122	2,128,799	Nov	108,313	2,238,910	Nov	0	0		
Dec	157,177	2,285,976	Dec	184,874	2,423,784	Dec	0	0		



This Year Vs Last Year

MOUNT PROSPECT PARK DISTRICT
PROGRAMS Department by Function
For the Four Months Ended 4-30-14

33.33%

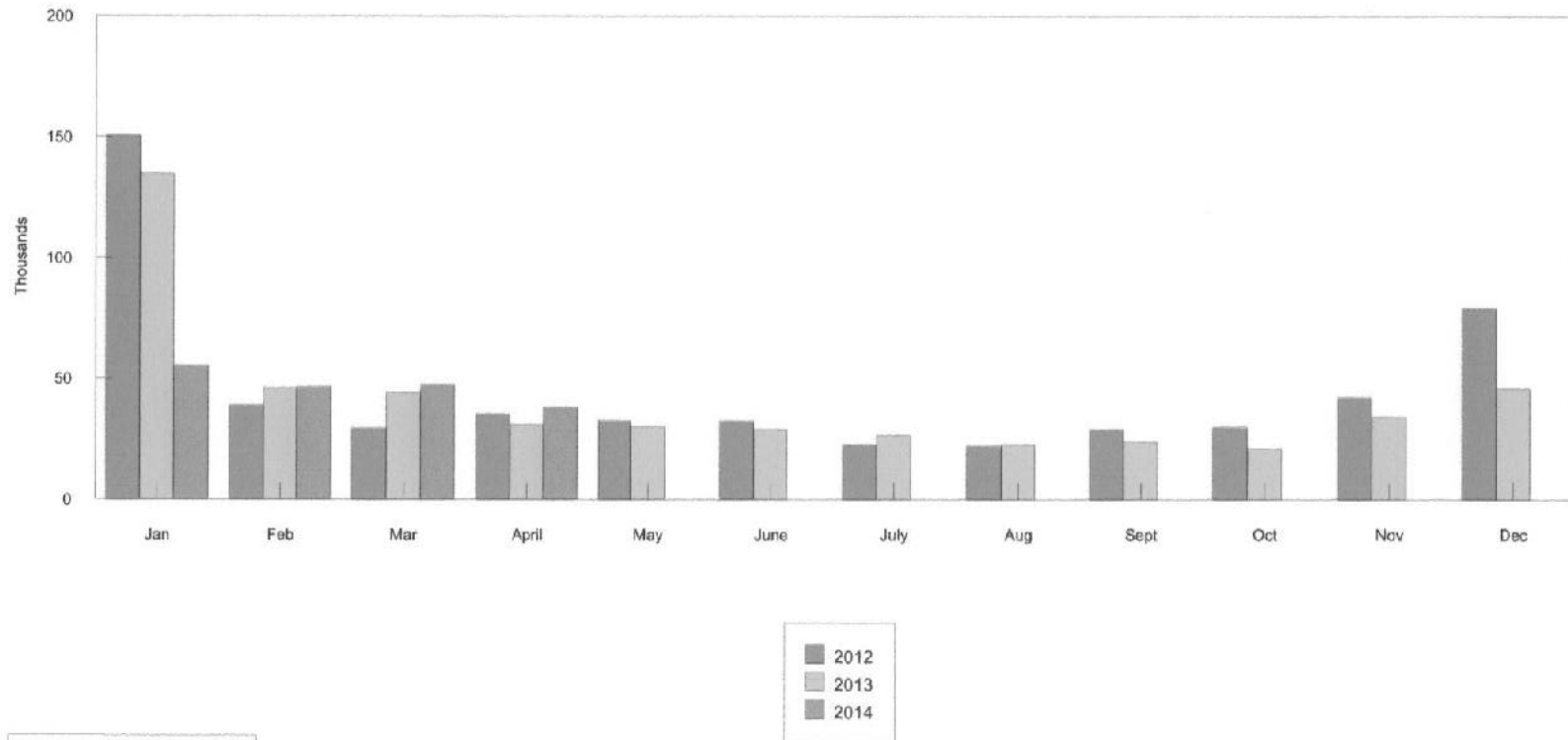
<u>ACCOUNT NAMES</u>	<u>TOTALS</u>	<u>YOUTH/ CHILD CARE</u>	<u>ATHLETICS ADULT</u>	<u>YOUTH</u>	<u>FITNESS</u>	<u>SPECIAL EVENTS</u>	<u>SPECIAL PROGRAMS</u>	<u>ARTS</u>	<u>SENIOR CLUB</u>	<u>SPECIAL ACTIVITIES</u>	<u>A.S.A. TOURNEY</u>	<u>BASEBALL</u>
REVENUES:												
PROGRAM FEES	929,973	422,066	55,050	107,927	77,144	2,959	3,092	121,980	132			139,624
CHILD CARE	2,092	2,092										
DONATIONS	10,650		1,200			9,450						
CONCESSIONS	0											
TOTAL REVENUE	942,716	424,158	56,250	107,927	77,144	12,409	3,092	121,980	132	0	0	139,624
% of Budget	40	45	46	28	30	40	22	31	24	n/a	n/a	n/a
EXPENDITURES:												
PART TIME SALARIES	279,051	115,813	14,797	27,137	44,140	2,854	182	70,866				3,263
CONTRACTUAL SERVICES	55,482	10,149	990	35,222	1,755	841	1,358	3,976				1,190
COMMODITIES	105,267	7,795	7,814	10,317	1,352	5,054		10,130	127			62,678
UTILITIES	642											642
TOTAL EXPENDITURES	440,442	133,758	23,601	72,677	47,246	8,749	1,540	84,972	127	0	0	67,772
% of Budget	28	24	24	26	30	19	19	30	42	0	n/a	n/a
REVENUE OVER (UNDER) EX	502,274	290,400	32,649	35,250	29,897	3,661	1,552	37,008	5	0	0	71,852
CHANGE FROM LAST YR + (-)												
REVENUE	(30,014)	44,066	(15,350)	(6,000)	(18,392)	2,460	(2,803)	(18,704)	(24)	0	0	(15,267)
EXPENDITURES	19,427	(4,913)	9,354	(15,235)	(2,872)	4,683	(589)	8,950	67	0	0	19,982
NET	(49,441)	48,979	(24,704)	9,235	(15,521)	(2,222)	(2,214)	(27,654)	(91)	0	0	(35,249)
% CHANGE FROM LAST YEAR												
REVENUE	(3)	12	(21)	(5)	(19)	25	(48)	(13)	(15)	n/a	n/a	(10)
EXPENDITURES	5	(4)	66	(17)	(6)	115	n/a	12	112	n/a	n/a	42
2014 BUDGET REVENUE	2,375,050	937,000	121,000	390,000	260,000	31,000	14,000	398,000	550	0	0	223,500
2014 BUDGET EXPEND	1,597,223	548,500	100,250	277,500	157,000	46,700	8,200	286,750	300	1,000	0	171,023
2013 REVENUE	972,730	380,092	71,800	113,927	95,536	9,949	5,895	140,684	156	0	0	154,891
2013 EXPENDITURES	421,015	138,671	14,247	87,912	50,118	4,066	2,129	76,022	60	0	0	47,790

MT PROSPECT PARK DISTRICT

RECPLEX

Revenue Revenue Recap by yr:

2012			2013			2014				
	Month	YTD		Month	YTD		Month	YTD		
Jan	150,823	150,823	Jan	134,895	134,895	Jan	55,440	55,440	'12Budget	615,600
Feb	38,975	189,798	Feb	46,139	181,034	Feb	46,731	102,171	'13Budget	565,000
Mar	29,645	219,443	Mar	44,332	225,366	Mar	47,636	149,808	'14Budget	565,500
April	35,454	254,897	April	30,973	256,338	April	38,187	187,995		
May	32,756	287,653	May	30,270	286,608	May	0	0		
June	32,587	320,240	June	29,230	315,838	June	0	0		
July	22,975	343,215	July	26,768	342,606	July	0	0		
Aug	22,289	365,504	Aug	22,888	365,494	Aug	0	0		
Sept	29,041	394,545	Sept	24,032	389,526	Sept	0	0		
Oct	30,049	424,593	Oct	21,279	410,805	Oct	0	0		
Nov	42,378	466,971	Nov	34,337	445,142	Nov	0	0		
Dec	79,284	546,256	Dec	46,008	491,150	Dec	0	0		



This Year Vs Last Two Years

MT PROSPECT PARK DISTRICT
RECPLEX FACILITY REVENUE REPORT
APRIL 2014

	MONTH		YEAR to DATE		Up (Down)	
	<u>This</u>	<u>Last</u>	<u>This</u>	<u>Last</u>	<u>Change</u>	<u>% Change</u>
RENTALS						
Building Rental	6,230	5,260	17,154	22,631	(5,477)	(24)
Lockers	0	0			0	
Total	6,230	5,260	17,154	22,631	(5,477)	(24)
PASS SALES						
All Facility	8,401	2,358	38,466	52,711	(14,245)	(27)
Gym & Track	3,215	3,347	15,336	16,323	(987)	(6)
Other Agency					0	
Fitness	12,052	7,552	70,267	103,474	(33,207)	(32)
Total	23,668	13,257	124,070	172,508	(48,438)	(28)
DAILY FEES						
All Facility	944	1,483	5,314	5,338	(24)	(0)
Gym & Track	5,994	8,957	31,019	44,260	(13,241)	(30)
Fitness	1,044	1,970	4,849	10,653	(5,804)	(54)
Racquetball	356	381	2,209	1,849	360	19
Playport	412	535	1,654	2,201	(547)	(25)
Total	8,750	13,326	45,045	64,301	(19,256)	(30)
PROGRAM FEES						
Special Programs	0	0	0	0	0	n/a
	0	0	0	0	0	n/a
CONCESSIONS						
Merchandise	212	177	988	1,141	(153)	(13)
Vending	1,264	1,240	5,043	5,838	(795)	(14)
Total	1,476	1,417	6,031	6,979	(948)	(14)
OTHER						
Visa Charges / OvSt	(1,936)	(2,288)	(4,304)	(10,080)	5,776	(57)
TOTAL	38,187	30,972	187,995	256,339	(68,344)	(27)

MT PROSPECT PARK DISTRICT RECPLEX POOL REVENUE

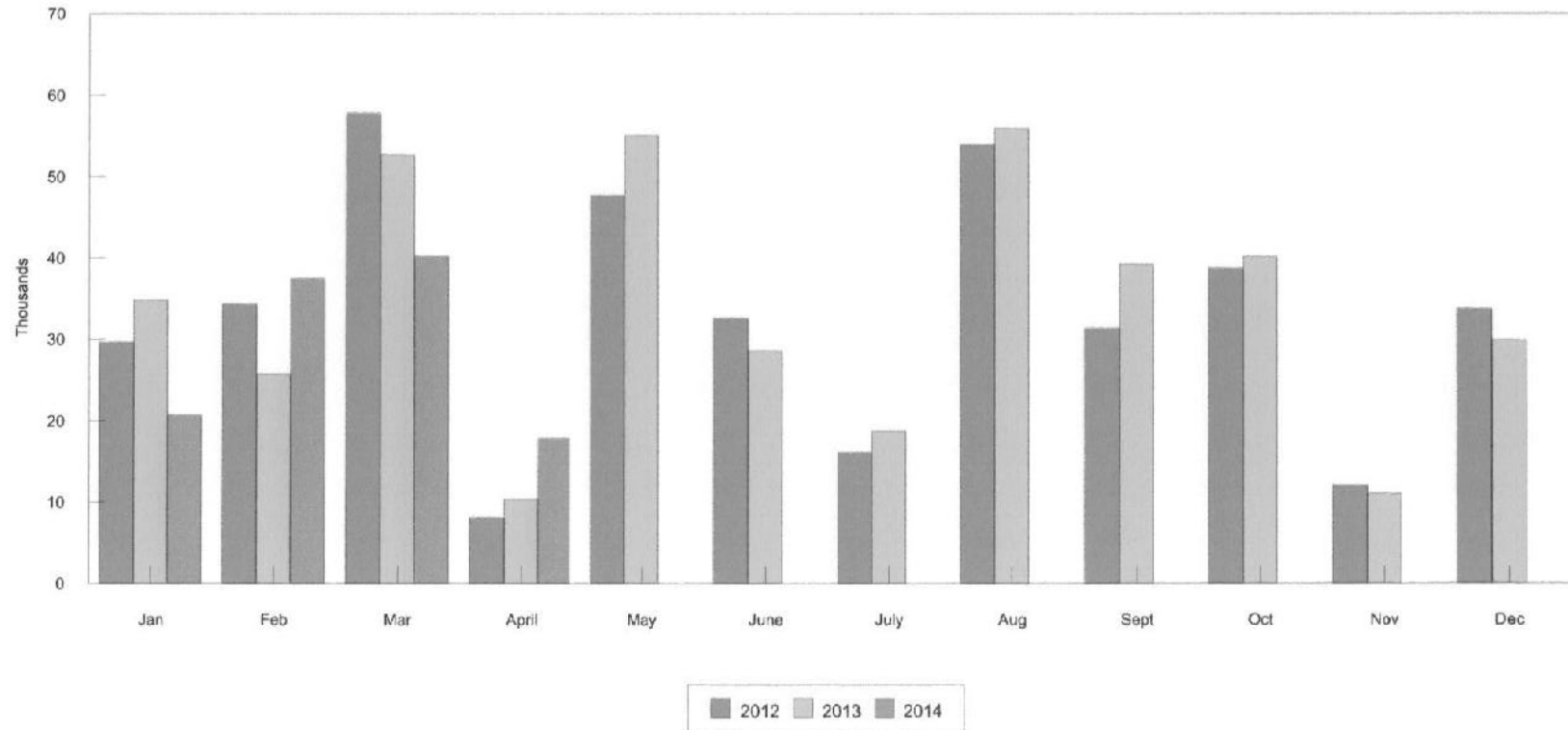
Revenue Recap by yr:

2012		
	Month	YTD
Jan	29,642	29,642
Feb	34,363	64,005
Mar	57,848	121,853
April	8,128	129,981
May	47,728	177,709
June	32,648	210,358
July	16,119	226,477
Aug	53,919	280,396
Sept	31,398	311,794
Oct	38,711	350,506
Nov	12,035	362,541
Dec	33,729	396,270

2013		
	Month	YTD
Jan	34,825	34,825
Feb	25,739	60,564
Mar	52,707	113,270
April	10,382	123,652
May	55,074	178,726
June	28,617	207,343
July	18,762	226,106
Aug	55,895	282,001
Sept	39,235	321,236
Oct	40,122	361,358
Nov	11,056	372,414
Dec	29,877	402,291

2014		
	Month	YTD
Jan	20,707	20,707
Feb	37,488	58,195
Mar	40,199	98,394
April	17,886	116,280
May	0	0
June	0	0
July	0	0
Aug	0	0
Sept	0	0
Oct	0	0
Nov	0	0
Dec	0	0

'12Budget	389,400
'13Budget	405,900
'14Budget	408,900



This Year Vs Last Two Years

MT PROSPECT PARK DISTRICT BIG SURF POOL

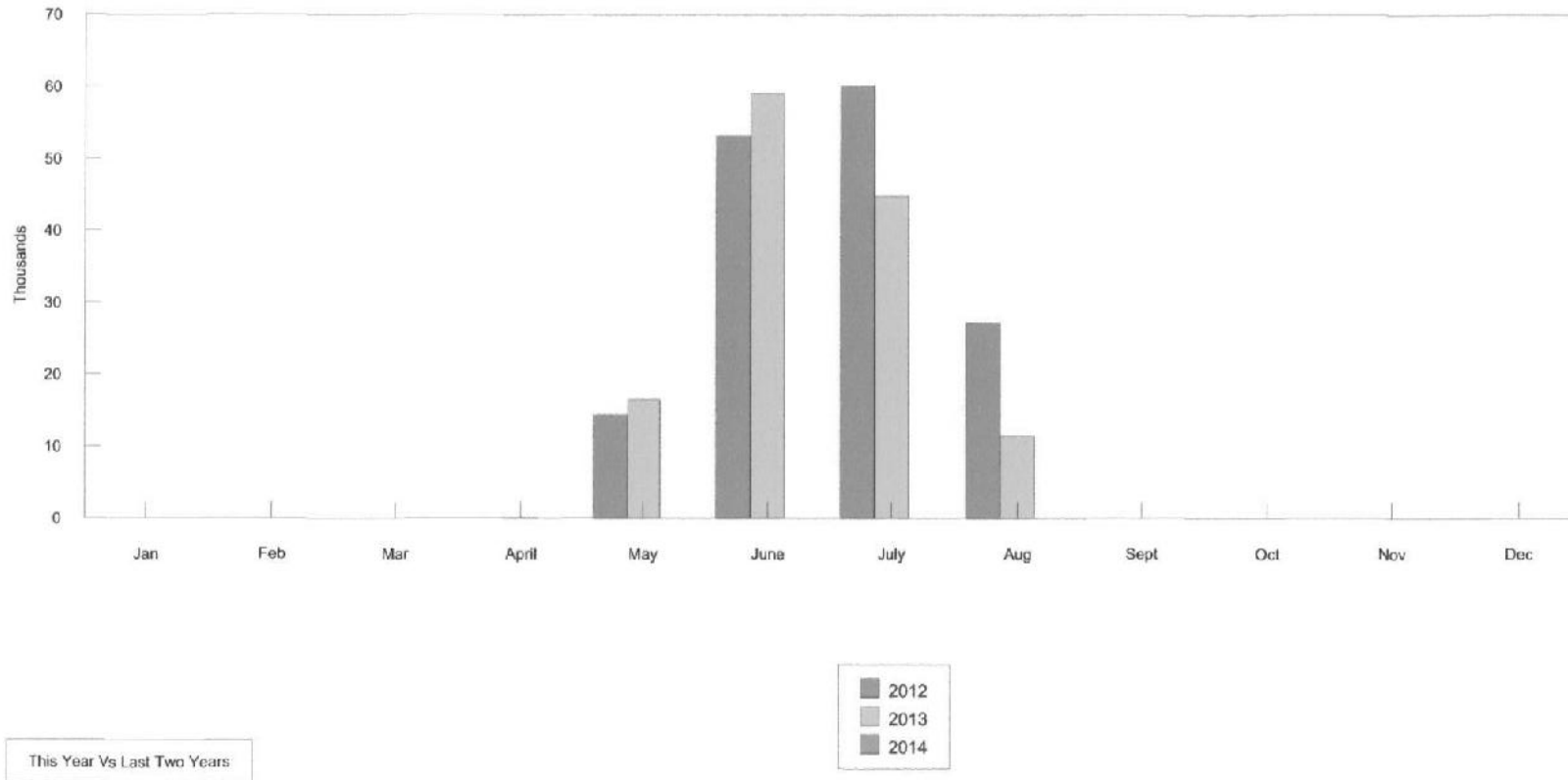
Revenue Recap by yr:

2012		
	Month	YTD
Jan	0	0
Feb	8	8
Mar	0	0
April	12	20
May	14,415	14,435
June	53,144	67,579
July	60,134	127,713
Aug	27,257	154,970
Sept	0	154,970
Oct	0	154,970
Nov	0	154,970
Dec	0	154,970

2013		
	Month	YTD
Jan	0	0
Feb	0	0
Mar	0	0
April	105	105
May	16,570	16,675
June	59,082	75,756
July	44,800	120,556
Aug	11,460	132,016
Sept	0	132,016
Oct	0	132,016
Nov	0	132,016
Dec	0	132,016

2014		
	Month	YTD
Jan	0	0
Feb	0	0
Mar	0	0
April	0	0
May	0	0
June	0	0
July	0	0
Aug	0	0
Sept	0	0
Oct	0	0
Nov	0	0
Dec	0	0

'12Budget 168,000
'13Budget 172,010
'14Budget 172,010



MT PROSPECT PARK DISTRICT
MEADOWS POOL REVENUE

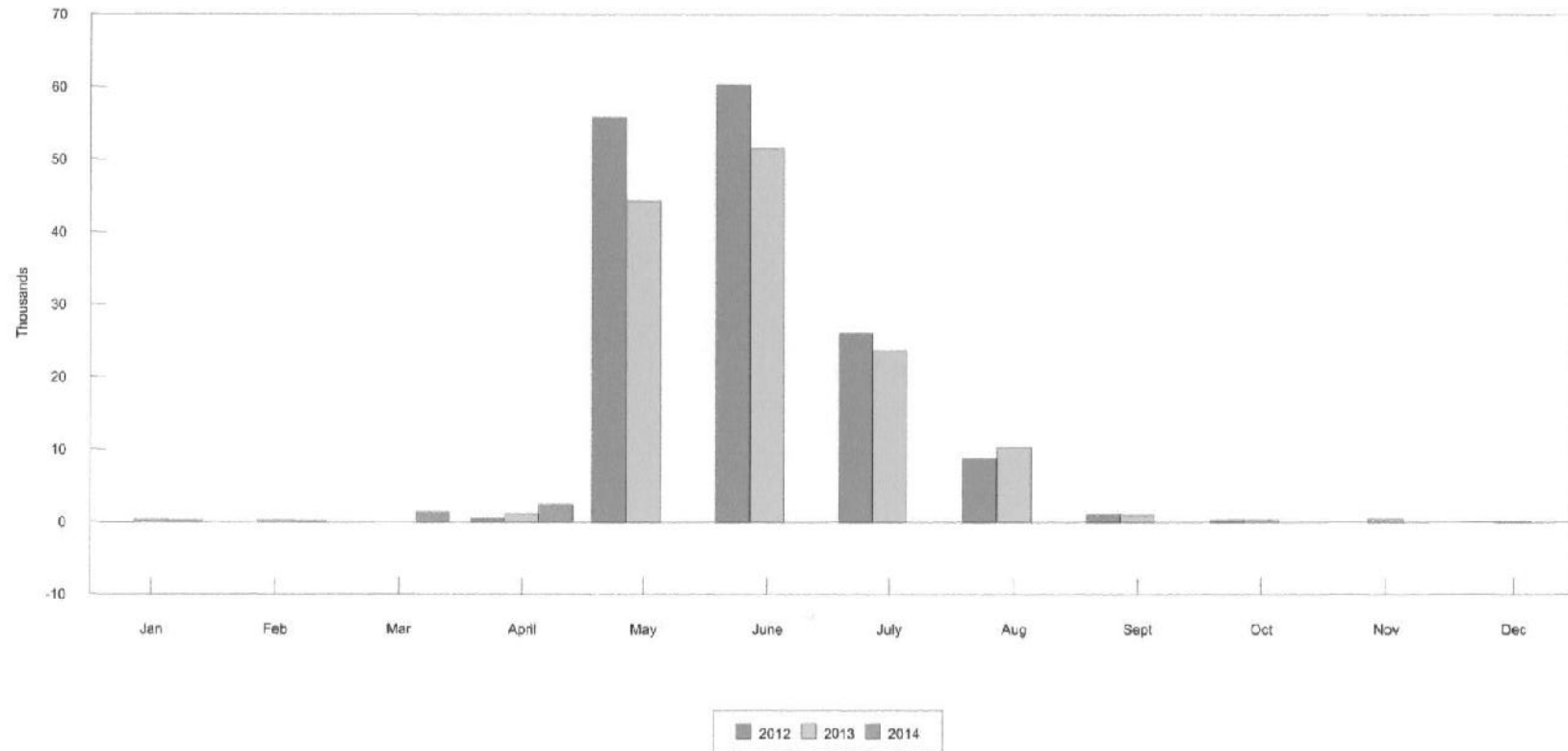
Revenue Recap by yr:

2012		
	Month	YTD
Jan	(39)	(39)
Feb	0	0
Mar	0	(39)
April	540	501
May	55,855	56,356
June	60,355	116,711
July	26,062	142,772
Aug	8,752	151,524
Sept	1,115	152,639
Oct	324	152,963
Nov	13	152,976
Dec	25	153,001

2013		
	Month	YTD
Jan	300	300
Feb	225	525
Mar	0	0
April	1,155	1,680
May	44,294	45,974
June	51,536	97,509
July	23,673	121,183
Aug	10,352	131,535
Sept	957	132,492
Oct	350	132,842
Nov	425	133,267
Dec	125	133,392

2014		
	Month	YTD
Jan	200	200
Feb	175	375
Mar	1,394	1,769
April	2,432	4,201
May	0	0
June	0	0
July	0	0
Aug	0	0
Sept	0	0
Oct	0	0
Nov	0	0
Dec	0	0

'12Budget 150,900
'13Budget 151,400
'14Budget 151,400



This Year Vs Last Two Years

MOUNT PROSPECT PARK DISTRICT
CONCESSIONS Department by Location
For Four Months Ended 4-30-14

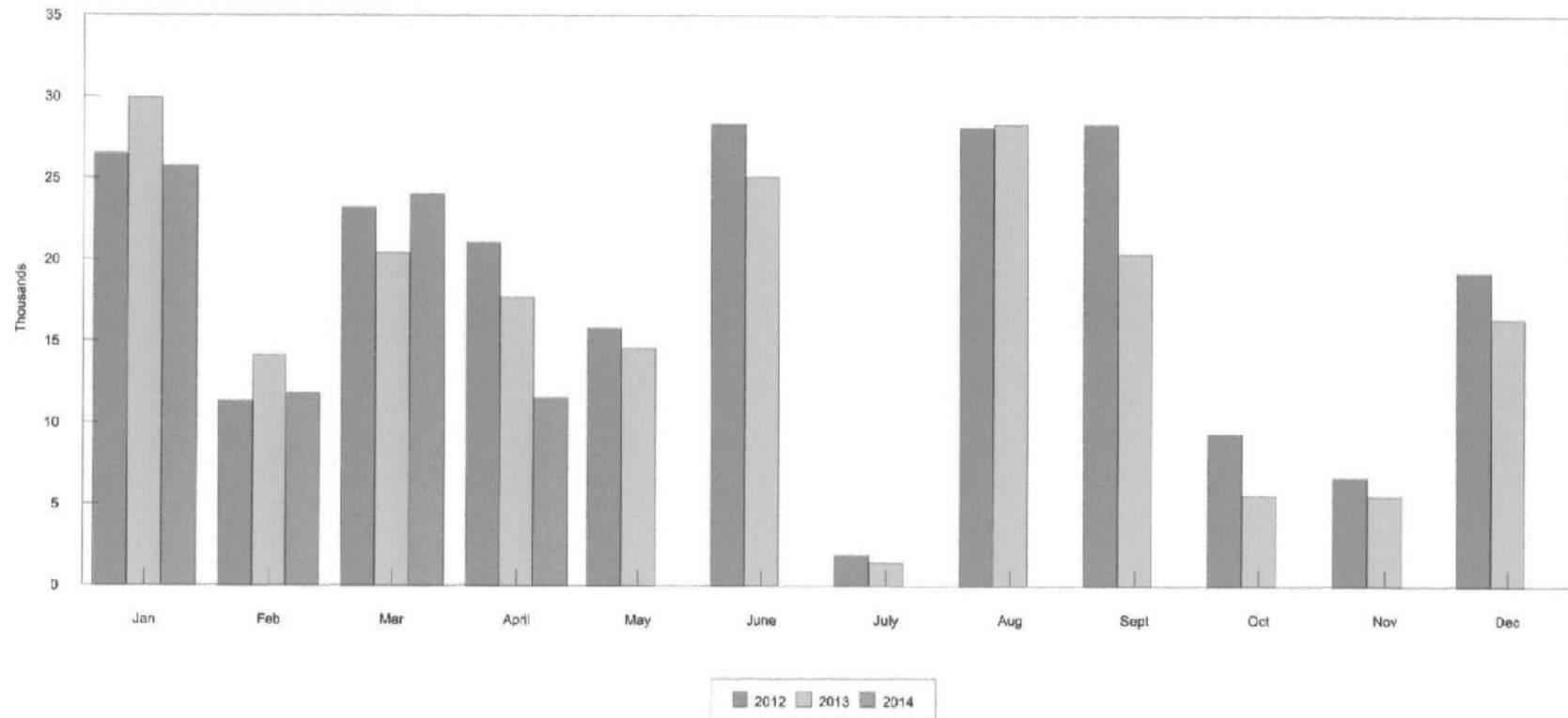
33.33%

ACCOUNT NAMES	TOTALS	ADMIN	LIONS POOL	MEADOWS POOL	MELAS PARK	GRILL & 1/2 WAY	MEADOWS BALLFIELD	ATHLETIC FIELDS
REVENUES:								
PROGRAM FEES	0							
DAILY / FEES - CATERING	0							
VENDING INCOME	0							
CONCESSION SALES	3,978				3,334		645	
OTHER	(0)		(0)					
TOTAL REVENUE	3,978	0	(0)	0	3,334	0	645	0
% of Budget	3	n/a	(0)	0	20	0	3	0
EXPENDITURES:								
FULL TIME SALARIES	2,138	2,120					18	
PART TIME SALARIES	2,669				2,669			
FRINGE BENEFITS	739	739						
CONTRACTUAL SERVICES	1,950				1,550			400
COMMODITIES	8,970		176	29	3,190	43	51	5,481
COST OF GOODS SOLD	0							
UTILITIES	2,959				1,574	1,385		
SALES TAX/OTHER	157	157						
TOTAL EXPENDITURES	19,582	3,016	176	29	8,984	1,428	69	5,881
% of Budget	13	19	0	7	n/a	17	0	64
REVENUE OVER (UNDER) EXP	(15,604)	(3,016)	(176)	(29)	(5,650)	(1,428)	576	(5,881)
CHANGE FROM LAST YR + (-)								
REVENUE	1,685	0	(1,035)	(0)	2,972	0	(252)	0
EXPENDITURES	6,284	620	(173)	(60)	1,194	(77)	(103)	4,884
NET	(4,599)	(620)	(862)	60	1,778	77	(148)	(4,884)
% CHANGE FROM LAST YEAR								
REVENUE	n/a	n/a	n/a	n/a	n/a	n/a	n/a	2
EXPENDITURES	47	26	(49)	(67)	n/a	(5)	15	15
2014 BUDGET REVENUE	129,000	0	53,500	1,000	17,000	22,000	24,000	11,500
2014 BUDGET EXPEND	150,360	15,485	50,600	400	45,150	8,350	21,200	9,175
2013 REVENUE	2,293	0	1,035	0	362	0	896	0
2013EXPENSE	13,298	2,396	349	89	7,790	1,505	172	997

MT PROSPECT PARK DISTRICT
CENTRAL PROGRAM REVENUE

Revenue Recap by yr:

2012			2013			2014				
Month	YTD		Month	YTD		Month	YTD			
Jan	26,511	26,511	Jan	29,944	29,944	Jan	25,744	25,744	'12Budget	193,500
Feb	11,306	37,817	Feb	14,140	44,084	Feb	11,809	37,553	'13Budget	199,500
Mar	23,223	61,040	Mar	20,421	64,505	Mar	24,034	61,587	'14Budget	201,500
April	21,061	82,101	April	17,705	82,210	April	11,531	73,118		
May	15,821	97,922	May	14,593	96,803	May	0	0		
June	28,370	126,292	June	25,099	121,902	June	0	0		
July	1,883	128,175	July	1,442	123,344	July	0	0		
Aug	28,125	156,300	Aug	28,318	151,662	Aug	0	0		
Sept	28,314	184,613	Sept	20,368	172,030	Sept	0	0		
Oct	9,339	193,952	Oct	5,604	177,634	Oct	0	0		
Nov	6,669	200,621	Nov	5,535	183,169	Nov	0	0		
Dec	19,246	219,867	Dec	16,394	199,563	Dec	0	0		



This Year Vs Last Year

MOUNT PROSPECT PARK DISTRICT
CENTRAL PROGRAMS Department by Function
Month Ended 4-30-14

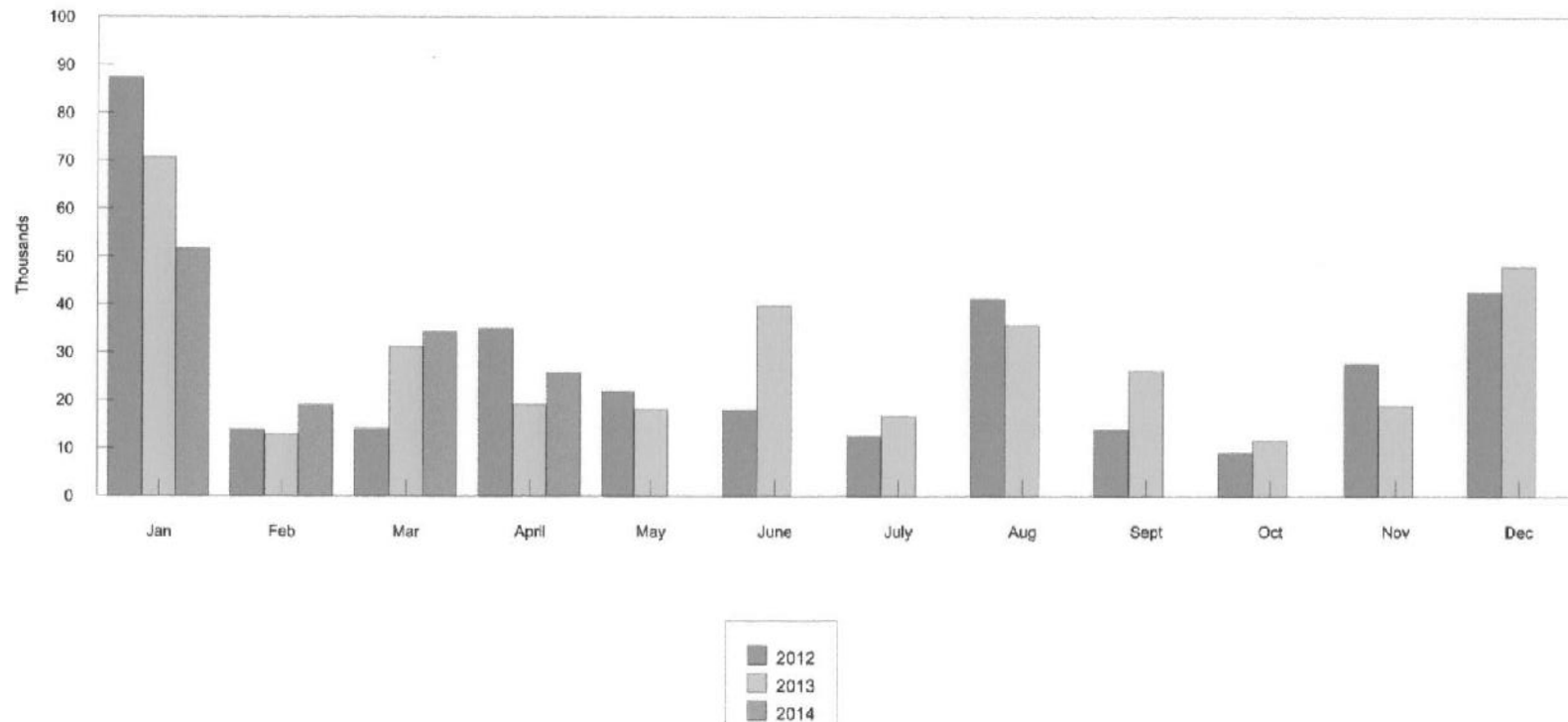
33.33%

<u>ACCOUNT NAMES</u>	<u>TOTALS</u>	<u>YOUTH/ CHILD CARE</u>	<u>ATHLETICS ADULT</u>	<u>YOUTH</u>	<u>ARTS</u>
REVENUES:					
PROGRAM FEES	73,118	27,510		42,862	2,746
CHILD CARE	0				
DONATIONS	0				
TOTAL REVENUE	73,118	27,510	0	42,862	2,746
% of Budget	36	47		33	37
EXPENDITURES:					
PART TIME SALARIES	11,024	11,024			
CONTRACTUAL SERVICES	21,181			19,892	1,289
COMMODITIES	245	245			
TOTAL EXPENDITURES	32,450	11,269	0	19,892	1,289
% of Budget	23	33	0	20	21
REVENUE OVER (UNDER) EXP	40,668	16,241	0	22,970	1,457
CHANGE FROM LAST YR + (-)					
REVENUE	(9,092)	(1,712)	(1,200)	(5,271)	(909)
EXPENDITURES	(4,318)	(2,326)	(0)	(3,281)	1,289
NET	(4,774)	614	(1,200)	(1,990)	(2,198)
% CHANGE FROM LAST YEAR					
REVENUE	(11)	(6)	(100)	(11)	(25)
EXPENDITURES	(12)	(17)	(100)	(14)	n/a
2014 BUDGET REVENUE	201,500	58,000	7,000	129,000	7,500
2014 BUDGET EXPEND	142,600	34,600	4,000	98,000	6,000
2013 REVENUE	82,210	29,222	1,200	48,133	3,655
2013 EXPENDITURES	36,768	13,595	0	23,173	

MT PROSPECT PARK DISTRICT
CENTRAL COMMUNITY CENTER

Revenue | Revenue Recap by yr:

2012			2013			2014				
	Month	YTD		Month	YTD		Month	YTD		
Jan	87,311	87,311	Jan	70,720	70,720	Jan	51,748	51,748	'12Budget	372,500
Feb	13,901	101,212	Feb	12,946	83,665	Feb	19,083	70,831	'13Budget	367,000
Mar	14,135	115,347	Mar	31,177	114,842	Mar	34,382	105,213	'14Budget	370,000
April	35,040	150,387	April	19,131	133,973	April	25,855	131,068		
May	21,907	172,294	May	18,146	152,119	May	0	0		
June	18,000	190,294	June	39,796	191,915	June	0	0		
July	12,665	202,959	July	16,752	208,667	July	0	0		
Aug	41,330	244,289	Aug	35,727	244,394	Aug	0	0		
Sept	13,986	258,274	Sept	26,278	270,672	Sept	0	0		
Oct	9,172	267,446	Oct	11,771	282,443	Oct	0	0		
Nov	27,756	295,202	Nov	18,991	301,434	Nov	0	0		
Dec	42,605	337,808	Dec	47,989	349,423	Dec	0	0		



This Year Vs Last Two Years

MT PROSPECT PARK DISTRICT
CENTRAL FACILITY REVENUE REPORT
APRIL 2014

	MONTH		YEAR to DATE		Up (Down)	
	<u>This</u>	<u>Last</u>	<u>This</u>	<u>Last</u>	<u>Change</u>	<u>% Change</u>
RENTALS						
Skate Rental	315	148	2,806	2,182	624	29
Building Rental	8,549	7,648	27,845	21,290	6,555	31
	8,864	7,796	30,651	23,472	7,179	31
PASS SALES						
Fitness	6,208	3,891	36,210	53,305	(17,095)	(32)
Inline Rink Pass	0	0			0	n/a
	6,208	3,891	36,210	53,305	(17,095)	(32)
DAILY FEES						
Gym Fees	335	527	2,160	2,336	(176)	(8)
Fitness Center	370	457	2,078	2,969	(891)	(30)
Inline Rink Fees	528	493	5,272	4,326	946	22
	1,233	1,477	9,510	9,631	(121)	(1)
PROGRAM FEES						
Adult Athletic Leagues	1,500	0	10,625	12,400	(1,775)	n/a
Youth Athletic Camps	2,790	0	2,790		2,790	n/a
Youth Athletic Prog.	3,433	2,785	4,985	5,209	(224)	(4)
Youth Leagues	(1,188)	0	27,064	19,194	7,870	41
Special Programs	3,407	3,832	10,525	13,355	(2,830)	n/a
	9,942	6,617	55,989	50,158	5,831	12
CONCESSIONS						
Merchandise	55	19	559	90	469	521
Vending	535	511	2,115	2,436	(321)	(13)
	590	530	2,674	2,526	148	6
OTHER						
Visa Charges / OvShrt	(982)	(1,179)	(3,965)	(5,118)	1,153	(23)
TOTAL	25,855	19,132	131,068	133,974	(2,906)	(2)

ACCOUNTS PAYABLE/PAYROLL DISBURSEMENT

April-14

ACCOUNTS PAYABLE

CHECK DATE

CHECK #/S

4/7/2014	\$	375,594.01	168869-168928
4/14/2014	\$	99,268.35	168829-169001
4/21/2014	\$	353,590.39	169002-169055
4/28/2014	\$	102,723.93	169056-169102

TOTAL AP \$ **931,176.68**

PAYROLL

CHECK DATE

CHECK #/S

4/9/2014	\$	141,152.38	208471-208794
4/23/2014	\$	150,615.61	208795-209128

TOTAL P/R \$ **291,767.99**

TOTAL A/P & P/R \$ **1,222,944.67**

Mt. Prospect Park District **Payroll Summary**

Pay Period Ending 4/4/2014
Check Date 4/9/2014

	# Hours	# Employees	Gross Pay	Avg Hrs/Emp	Avg Hrly Rate
Full Time Employees	4,793	57	115,987	84	24
Part Time Employees	6,140	265	79,101	23	13
Total	10,933	322	195,088	34	18

Pay Period Ending 4/18/2014
Check Date 4/23/2014

	# Hours	# Employees	Gross Pay	Avg Hrs/Emp	Avg Hrly Rate
Full Time Employees	4,673	56	114,102	83	24
Part Time Employees	7,143	274	92,470	26	13
Total	11,816	330	206,572	36	17

**MT. PROSPECT PARK DISTRICT
PROPERTY TAX
MONTH ENDING
4/30/2014**

<u>Tax Yr.</u>	<u>Property Tax Jan. 1 - Dec. 31</u>	<u>Assessed Valuation</u>	<u>Rate</u>
2010	8,950,467	1,975,820,642	0.453
2011	10,076,800	1,794,142,635	0.502
2012	9,098,317	1,653,835,662	0.557

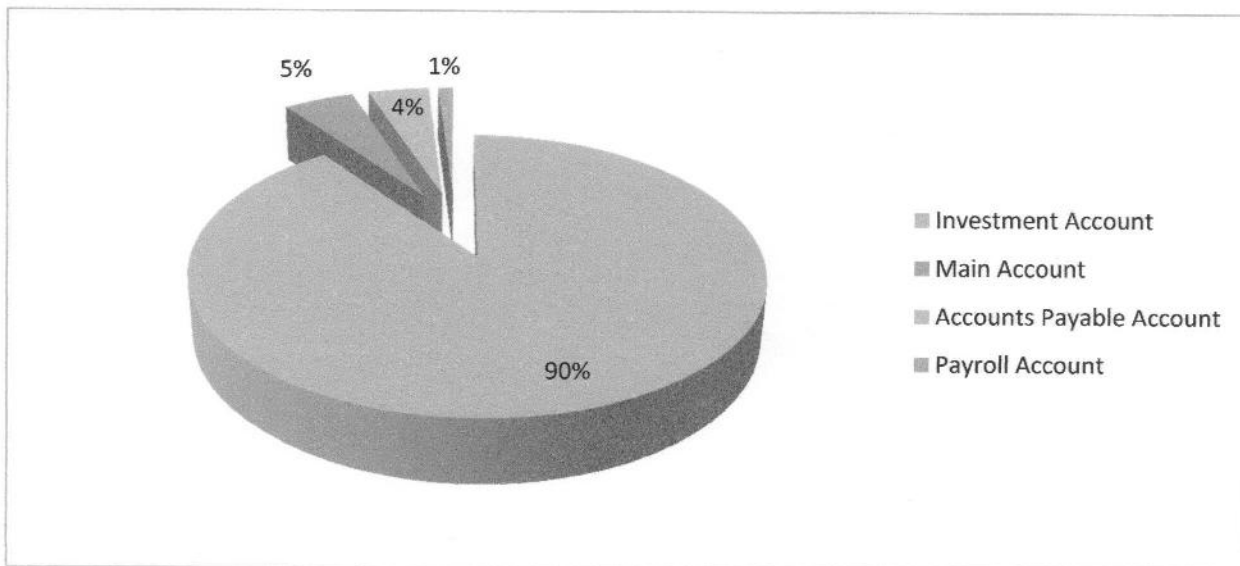
Tax Monies Received from January 1, 2014 through April 30, 2014 totals:
\$4,983,354.42 (of this total, \$70,916.90 is Replacement Tax)

	Type	2014 Taxes	2013 Taxes
January	R	\$27,035.48	\$21,435.06
January			\$174,479.55
February		1,370,860.02	\$1,162,158.62
March	R	8,023.32	\$6,708.42
March		3,453,045.30	\$3,491,728.53
April	R	35,858.10	\$33,986.83
April		88,532.20	\$54,166.57
SUBTOTAL		\$4,983,354.42	\$4,944,663.58
May			\$30,665.03
May			\$52,409.85
June			\$0.00
July	R		\$29,962.85
July			\$1,572,493.38
August	R		\$3,142.74
August			\$2,458,555.67
September			\$150,367.57
October	R		\$21,896.78
October			\$52.86
November			\$0.00
December			\$0.00
December	R		\$7,987.60
TOTAL		\$4,983,354.42	\$9,272,197.91

Mt. Prospect Park District
Statement of Account Balances
As of April 30, 2014

Mt. Prospect State Bank

Accounts	Bank Balance	Interest Rate	YTD Interest
Investment Account	7,732,891.92	0.0065	5,696.52
Main Account	414,592.75	n/a	
Accounts Payable Account	358,698.57	n/a	
Payroll Account	88,938.31	n/a	
Petty Cash	4,080.00	n/a	
Total Funds	8,599,201.55		



FUND NUMBER	DESCRIPTION	REVENUE / EXPENSE THIS MONTH	YEAR TO DATE	ENCUMBRANCE	TOTAL AMOUNT YEAR TO DATE	ANNUAL BUDGET	REVENUE/EXPENSE-PRIOR YR THIS MONTH	YEAR TO DATE
REVENUE								
10	GENERAL FUND	51,675.28	1,027,547.39	0.00	1,027,547.39	1,973,422	38,942	925,846
20	RECREATION FUND	472,850.35	2,267,139.20	0.00	2,267,139.20	6,853,614	438,631	2,600,161
21	PAVING & LIGHTING FUND	768.73	42,655.09	0.00	42,655.09	81,038	628	56,588
23	SOCIAL SECURITY FUND	5,455.02	302,685.93	0.00	302,685.93	575,056	7	613
24	LIABILITY INSURANCE FUND	6,396.76	354,940.76	0.00	354,940.76	674,332	3,299	297,379
25	HANDICAPPED RECREATION FUND	6,149.86	341,240.68	0.00	341,240.68	648,304	5,364	483,542
26	IMRF FUND	5,399.91	299,627.79	0.00	299,627.79	569,246	5,578	502,786
27	CONSERVATORY FUND	17,950.52	455,501.72	0.00	455,501.72	912,618	12,980	535,605
28	INTERNAL SERVICE FUND	0.00	83,260.00	0.00	83,260.00	407,744	131,311	314,531
30	BOND & INTEREST FUND	28,829.92	1,599,702.55	0.00	1,599,702.55	4,545,963	17,084	1,539,945
89	2009 CAPITAL IMPR FUND	0.00	0.00	0.00	0.00	0	0	0
90	2010 CAPITAL IMPR FUND	0.00	0.00	0.00	0.00	0	0	0
91	2011 CAPITAL IMPR FUND	0.00	0.00	0.00	0.00	0	3,313	10,988
92	2012 CAPITAL IMPR FUND	0.00	0.00	0.00	0.00	0	0	0
93	2013 CAPITAL IMPR FUND	26,117.00	26,117.00	0.00	26,117.00	52,859	0	0
	TOTAL REVENUE	621,593.35	6,800,418.11	0.00	6,800,418.11	17,294,196	657,137	7,267,984
EXPENSE								
10	GENERAL FUND	130,734.15	576,934.80	0.00	576,934.80	1,973,422	177,274	574,360
20	RECREATION FUND	500,320.19	1,780,468.08	4,432.40	1,784,900.48	6,853,614	570,692	1,874,558
21	PAVING & LIGHTING FUND	544.44	829.31	0.00	829.31	200,000	2,434	8,981
23	SOCIAL SECURITY FUND	30,284.16	121,664.67	0.00	121,664.67	564,302	0	0
24	LIABILITY INSURANCE FUND	225,360.04	284,703.89	0.00	284,703.89	674,332	155,544	205,306
25	HANDICAPPED RECREATION FUND	8,561.25	184,499.46	10,560.00	195,059.46	960,369	175,135	327,578
26	IMRF FUND	75,432.34	168,855.69	0.00	168,855.69	560,000	85,720	341,246
27	CONSERVATORY FUND	65,226.42	270,364.56	0.00	270,364.56	912,618	90,866	296,715
28	INTERNAL SERVICE FUND	19,775.21	68,664.59	0.00	68,664.59	407,744	22,830	89,194
30	BOND & INTEREST FUND	60,000.00	60,000.00	0.00	60,000.00	4,406,966	60,000	60,000
89	2009 CAPITAL IMPR FUND	0.00	0.00	0.00	0.00	0	6,997	26,761
90	2010 CAPITAL IMPR FUND	0.00	0.00	0.00	0.00	0	0	0
91	2011 CAPITAL IMPR FUND	270,508.41	282,348.41	0.00	282,348.41	847,663	106,606	172,029
92	2012 CAPITAL IMPR FUND	194,579.12	13,659.05	18,982.00	32,641.05	160,822	244,551	460,106
93	2013 CAPITAL IMPR FUND	39,210.12	126,381.97	46,510.50	172,892.47	1,029,624	0	0
	TOTAL EXPENSE	1,231,377.61	3,939,374.48	80,484.90	4,019,859.38	19,551,476	1,698,649	4,436,833
	TOTAL REVENUE	621,593.35	6,800,418.11	0.00	6,800,418.11	17,294,196	657,137	7,267,984
	TOTAL EXPENSE	1,231,377.61	3,939,374.48	80,484.90	4,019,859.38	19,551,476	1,698,649	4,436,833
	NET INCOME/LOSS	609,784.26	2,861,043.63	80,484.90	2,780,558.73	2,257,280	1,041,513	2,831,151

MOUNT PROSPECT PARK DISTRICT
SUMMARY - ALL FUNDS
For Four Months Ended 4-30-14

33% of Calendar Year

1

ACCOUNT NAMES	TOTALS	CORP.	REC.	LIAB INS.	SOCIAL SEC	NWSRA	IMRF	CONSERV.	PAV/LIGHT	DEBT SRV	INT SERV.	2011 PROJ	2012 PROJ	2013 PROJ
BALANCE 1-1-14	6,825,979	503,857	709,876	279,895	115,696	2,120,890	(196,389)	567,363	118,820	569,419	14,758	884,416	181,013	978,785
REVENUES:														
PROPERTY TAXES	4,912,438	917,446	627,588	354,941	302,686	341,241	299,628	426,550	42,655	1,599,703				
REPLACEMENT TAXES	70,917	35,458	35,458											
RENTAL	101,389	13,521	69,939					17,929						
PASSES /USER FEES	239,093		239,093											
DAILY /USER FEES	114,589		114,589											
PROGRAM FEES	1,161,015		1,154,009					7,006						
CONCESSION SALES	20,578		16,560					4,016						
GRANTS & SPONSORS	23,615		23,615											26,117
V/MC & OTHER	87,514	55,109	(13,713)											
INTEREST	6,013	6,013									83,260			
INT PROJ CHARGES	83,260													
INST CONTRACT PRC	-													
BOND PROCEEDS	-													
TOTAL REVENUE	6,800,418	1,027,547	2,287,139	354,941	302,686	341,241	299,628	455,502	42,655	1,599,703	83,260	-	-	26,117
% of Budget	39%	52%	33%	53%	53%	53%	53%	50%	53%	35%	20%	n/a	n/a	49%
EXPENDITURES:														
FULL TIME SALARIES	910,840	271,314	444,379	42,283				134,453			18,412			
PART TIME SALARIES	843,151	13,245	604,486					18,853			6,568			
FRINGE BENEFITS	409,664	140,104	196,774	18,356				45,910			8,521			
CONTRACTUAL SERVICES	299,121	56,989	195,563	13,465				15,767			17,338			
COMMODITIES	242,420	27,010	167,322					30,261			17,827			
CONCESSIONS	18,356		17,511					844						
UTILITIES	245,946	68,272	153,481					24,193						
INSURANCE	210,801			210,601										
N W SPECIAL REC	175,138					175,138								
RETIREMENT	290,520				121,665		168,856							
DEBT CERTIFICATES	60,000									60,000				
ROLLOVER BONDS	-													
SALES TAX/OTHER	1,037		953					84						
CAPITAL PROJECTS:														
LAND	-													
EQUIP & VEHICLES	109,095											65,973		43,122
ADA IMPROV	9,361					9,361						11,840	3,520	
BUILDINGS	15,360													
POOLS	-													
PARK IMPROV	298,763								829			204,535	10,139	83,260
TOTAL EXPENDITURE	3,939,375	576,935	1,780,466	284,704	121,665	184,499	168,856	270,365	829	60,000	68,695	282,348	13,659	126,382
% of Budget	20%	29%	26%	42%	22%	19%	30%	30%	0%	1%	17%	33%	8%	12%
REVENUE OVER(UNDER)	2,881,043	450,613	486,670	70,237	181,021	156,741	130,772	185,137	41,826	1,539,703	14,595	(282,348)	(13,659)	(100,265)
FUND BALANCE 4-30-14	9,687,022	954,270	1,196,346	350,132	296,717	2,277,631	(65,617)	752,500	160,646	2,109,122	29,353	602,068	147,354	876,500

MOUNT PROSPECT PARK DISTRICT
RECREATION FUND by Department
For Four Months Ended 4-30-14

33% of Calendar Year

ACCOUNT NAMES	TOTALS	ADMIN.	BIG SURF	POOLS MEADOWS	RECPLX	GOLF COURSE	CONCESS -IONS	LIONS CENTER	FRNDSHP CENTER	RECPLX CENTER	REC PROGRAM	CENTRAL PROGRAM	CENTRAL ROAD BLD
FUND BALANCE 1-1-14	702,374		-	-	-	-	-	-	-	-	-	-	-
REVENUES:													
PROPERTY TAXES	663,047	663,047											30,651
RENTAL	69,939				748	13,257		8,130		17,154			36,210
PASSES /USER FEES	239,093	305			27,374	51,134				124,070			9,510
DAILY /USER FEES	114,589				5,153	54,881				45,045			55,989
PROGRAM FEES	1,154,009			3,207	83,005	6,624				-	932,066	73,118	2,115
CONCESSION SALES	11,692						3,978	556		5,043			559
MERCHANDISE SALES	4,868			994		2,327				988			
UTILITY RECOVERY	-										10,650		
CORP SPONSORS	23,615	12,950				15							(3,965)
OTHER	(13,713)	(878)				(3,635)	(0)	(930)		(4,304)			
TOTAL REVENUE	2,267,139	675,423	-	4,201	116,280	124,603	3,978	7,757	-	187,995	942,716	73,118	131,068
% of Budget	33%	39%	0%	3%	28%	17%	3%	40%	n/a	33%	40%	36%	35%
EXPENDITURES:													
FULL TIME SALARIES	444,379	99,714	30,440		24,526	153,639	2,120	14,416	7,238	69,291			42,997
PART TIME SALARIES	604,486	31,692	381	47	65,579	34,618	2,687	9,727		90,905	279,051	11,024	78,775
FRINGE BENEFITS	196,774	52,701	12,679		9,393	61,309	739	11,549	3,696	28,991			15,717
CONTRACTUAL SERVICES	195,563	50,928	(173)	3,925	773	21,432	1,950	5,285		19,978	55,482	21,181	14,803
COMMODITIES	167,321	9,573	797	794	4,359	18,108	515	2,281		13,388	105,267	245	11,995
CONCESSIONS	8,831						8,456						375
MERCHANDISE	8,680					8,186				494			
UTILITIES	153,481	7,513	4,365	10,157	12,497	24,154	2,959	11,851		58,097	642		21,244
SALES TAX/OTHER	953			80		22	157	157		369			169
TOTAL EXPENDITURES	1,780,468	252,121	48,488	15,003	117,128	321,467	19,582	55,266	10,934	281,513	440,442	32,450	186,074
% of Budget	78	74	81	85	70	82	75	71	78	71	85	69	77
REVENUE OVER(UNDER) EXP	486,671	423,302	(48,488)	(10,802)	(848)	(196,864)	(15,604)	(47,509)	(10,934)	(93,518)	502,274	40,668	(55,006)
FUND BALANCE 4-30-14	1,189,045	423,302	(48,488)	(10,802)	(848)	(196,864)	(15,604)	(47,509)	(10,934)	(93,518)	502,274	40,668	(55,006)
CHANGE FROM LAST YR + (-)													
REVENUE	(333,021)	950	(105)	2,521	(7,372)	(228,053)	1,886	7,706	-	(68,343)	(30,014)	(9,092)	(2,905)
EXPENDITURES	(94,089)	(32,720)	2,488	3,886	8,829	(91,332)	6,285	6,235	1,964	(2,437)	19,425	(4,317)	(12,395)
NET	(238,932)	33,670	(2,593)	(1,365)	(16,201)	(136,721)	(4,599)	1,471	(1,964)	(65,906)	(49,439)	(4,775)	9,490
% CHANGE FROM LAST YEAR													
REVENUE	(13)	0	(100)	150	(6)	(65)	74	15,109	n/a	(27)	(3)	(11)	(2)
EXPENDITURES	(5)	(11)	5	35	8	(22)	47	13	22	(1)	5	(12)	(6)

**MOUNT PROSPECT PARK DISTRICT
SUMMARY - ALL FUNDS
For Four Months Ended 4-30-13**

33% of Calendar Year

For Four Months Ended 4-30-13															
ACCOUNT NAMES	TOTALS	CORP.	REC.	LIAB INS.	AUDIT	NWSRA	IMRF	CONSERV.PAV/LIGHT	DEBT SRV	INT SERV.	2009 PROJ	2010 PROJ	2011 PROJ	2012 PROJ	
BALANCE 1-1-13	6,869,000	395,422	726,544	167,108	1,601	2,144,938	(164,579)	625,850	155,293	434,752	21,328	330,508	122,354	1,149,029	758,852
REVENUES:															
PROPERTY TAXES	4,882,533	850,173	637,965	297,379	613	483,542	502,786	513,541	56,588	1,539,945					
REPLACEMENT TAXES	62,130	31,065	31,065												
RENTAL	95,872	9,048	72,161					14,664							
PASSES /USER FEES	489,054		489,054												
DAILY /USER FEES	160,092		160,092												
PROGRAM FEES	1,200,706		1,198,123					2,583							
CONCESSION SALES	24,023		19,206					4,816							
GRANTS & SPONSORS	16,309		16,309												
V/MC & OTHER	326,142	35,425	(23,814)							314,531				10,988	
INTEREST	11,123	135													
INT PROJ CHARGES	0														
INST CONTRACT PRC	0														
BOND PROCEEDS	0														
TOTAL REVENUE	7,267,984	925,846	2,600,161	297,379	613	483,542	502,786	535,605	56,588	1,539,945	314,531	0	0	10,988	0
% of Budget	41	49	37	46	46	65	48	52	61	33	77	n/a	n/a	n/a	
EXPENDITURES:															
FULL TIME SALARIES	1,030,656	287,651	535,205	37,893				153,914			15,994				
PART TIME SALARIES	679,248	14,401	613,056					30,502			21,289				
FRINGE BENEFITS	405,258	122,391	205,780	13,725				56,911			6,452				
CONTRACTUAL SERVICES	329,776	57,427	216,293	14,244				14,514			27,297				
COMMODITIES	251,306	37,990	178,266					16,887			18,163				
CONCESSIONS	0														
UTILITIES	203,297	54,500	125,014					23,783							
INSURANCE	139,444			139,444											
N W SPECIAL REC	179,522					179,522									
RETIREMENT	341,246						341,246								
DEBT CERTIFICATES	60,000									60,000					
ROLLOVER BONDS	0														
SALES TAX/OTHER	1,148		943					205							
CAPITAL PROJECTS:															
LAND	0														
EQUIP & VEHICLES	96,424											1,500		32,419	62,506
ADA IMPROV	148,056					148,056									
BUILDINGS	91,266											19,765		38,872	32,630
POOLS	11,816											4,812		7,004	
PARK IMPROV	481,083								8,981			685		93,734	377,682
TOTAL EXPENDITURE	4,449,545	574,360	1,874,558	205,306	0	327,578	341,246	296,715	8,981	60,000	89,194	26,761	0	172,029	472,818
% of Budget	23	30	26	32	0	38	35	29	4	1	22	13	0	26	
REVENUE OVER (UNDER)	2,818,439	351,486	725,603	92,073	613	155,965	161,540	238,890	47,607	1,479,945	225,337	(26,761)	0	(161,040)	(472,818)
FUND BALANCE 4-30-13	9,687,439	746,908	1,452,147	259,181	2,214	2,300,903	(3,039)	864,740	202,900	1,914,697	246,665	303,747	122,354	987,989	286,034

**MOUNT PROSPECT PARK DISTRICT
RECREATION FUND by Department**
For Four Months Ended 4-30-13

33% of Calendar Year

ACCOUNT NAMES	TOTALS	ADMIN.	POOLS		REC	GOLF	CONCESS	LIONS	FRNDSHP	RECPLEX	REC	CENTRAL	CENTRAL
			BIG SURF	MEADOWS	PLEX	COURSE	IONS	CENTER	CENTER	CENTER	PROGRAM	PROGRAM	ROAD BLD
FUND BALANCE 1-1-13	726,544	726,544	0	0	0	0	0	0	0	0	0	0	0
REVENUES:													
PROPERTY TAXES	669,030	669,030											
RENTAL	72,161				1,373	23,940		745		22,631			23,472
PASSES /USER FEES	488,949	355	105		30,131	232,545				172,508			53,305
DAILY /USER FEES	160,092				7,225	78,935				64,301			9,631
PROGRAM FEES	1,196,653			105	84,923	15,277				0	963,980	82,210	50,158
CONCESSION SALES	20,781			1,575		6,589	2,292	821		6,979			2,526
MERCHANDISE SALES	0												
UTILITY RECOVERY	0												
CORP SPONSORS	7,559	7,500				59							
OTHER	(15,064)	(2,412)				(4,689)		(1,515)		(10,080)	8,750		(5,118)
TOTAL REVENUE	2,600,161	674,473	105	1,680	123,652	352,656	2,292	51	0	256,338	972,730	82,210	133,973
% of Budget	37	52	0	1	30	24	2	0	n/a	45	42	41	37
EXPENDITURES:													
FULL TIME SALARIES	535,205	128,021	27,905		22,948	210,201	1,680	13,622	5,785	72,270			52,773
PART TIME SALARIES	613,056	38,425		120	62,205	37,453	1,888	10,952		98,648	270,409	13,471	79,485
FRINGE BENEFITS	205,780	58,447	7,865		4,709	74,984	637	9,954	3,185	28,669			17,331
CONTRACTUAL SERVICES	216,293	44,215	332	4,315	1,434	27,132	2,253	2,979		21,779	70,112	23,173	18,569
COMMODITIES	178,266	10,961	6,975	1,741	6,244	40,151	3,938	4,006		12,891	79,906	124	11,329
CONCESSIONS	0												
MERCHANDISE	0												
UTILITIES	125,014	4,772	2,924	4,941	10,760	22,700	2,822	7,440		49,248	590		18,819
SALES TAX/OTHER	943					178	79	79		445			163
TOTAL EXPENDITURES	1,874,558	284,841	46,000	11,117	108,299	412,799	13,297	49,031	8,970	283,950	421,017	36,767	198,469
% of Budget	26	31	18	6	25	27	9	27	32	26	27	26	32
REVENUE OVER (UNDER) EXP	725,603	389,632	(45,895)	(9,437)	15,353	(60,143)	(11,005)	(48,980)	(8,970)	(27,611)	551,712	45,443	(64,495)
FUND BALANCE 4-30-13	1,452,147	1,116,176	(45,895)	(9,437)	15,353	(60,143)	(11,005)	(48,980)	(8,970)	(27,611)	551,712	45,443	(64,495)
CHANGE FROM LAST YR + (-)													
REVENUE	2,746	9,260	51	1,179	(6,329)	(68,537)	537	281	0	1,441	81,166	109	(16,413)
EXPENDITURES	(89,833)	22,534	(3,171)	(2,905)	(16,378)	(24,706)	2,036	(10,920)	582	(21,167)	(12,722)	(2,104)	(20,913)
NET	92,579	(13,274)	3,222	4,084	10,049	(43,831)	(1,499)	11,201	(582)	22,609	93,887	2,213	4,501
% CHANGE FROM LAST YEAR													
REVENUE	0	1	94	235	(5)	(16)	31	(122)	n/a	1	9	0	(11)
EXPENDITURES	(5)	9	(6)	(21)	(13)	(6)	18	(18)	7	(7)	(3)	(5)	(10)

EXECUTIVE DIRECTOR MONTHLY REPORT

GREG KUHS • MAY 2014

FY 2013 Annual Comprehensive Financial Report (Annual Audit)

Our auditors (Knutte & Associates) recently completed the on-site fieldwork portion of their audit of fiscal year 2013. They will be attending our June 25th Board Meeting to review and discuss the audit with the Board. Once the audit is finished and approved by the Board, the Annual Treasurer's Report will be filed with the county clerk's office, and both documents will be posted on our website.

Annual Meeting – Mt. Prospect Park District

Typically in May each year the park district holds its annual meeting which includes the election of officers and appointments to other key positions (Board Secretary, Treasurer, Executive Director, & Attorney). Based on the other agenda items on this meeting, I am recommending the annual meeting of the Mt. Prospect Board of Commissioners be held as part of the June 25th, 2014 Regular Board Meeting.

EXTERNAL AFFAIRS MONTHLY REPORT

CATHERINE MILLER

MAY 2014

PUBLICATIONS

The following is a list of publications currently in production and their publishing date:

Summer Brochure

delivered April 28

Fall Brochure

begin production May 27;

delivery July 28

PUBLICITY

The following press releases have been sent out: Dog Park Memberships On Sale; Let's Go Buggy at FPC Class; Cooking with Dave at FPC. The following PSA's for MPTV Channel 17 were sent out: Early Bird Pool Pass Sale; Summer Concerts in the Park; Strive 4 5k; Summer Day Camps and numerous postings of deceased Veterans. Also provided copy for the Village's website calendar of events; our electronic signs at RecPlex and the tollway and Oaklee's Online Events Guide.

ADVERTISEMENTS

We have designed and placed the following: Pools Ad and Parties Ad – *Suburban Family Magazine*.

SPONSORSHIPS

Overall sponsorship totals \$94,533 (\$48,050 in cash; \$46,483 in trade). Fresh Thyme is our newest sponsor who provided a \$1,500 check for the Parks Foundation. They sent another check for \$583.07 from the proceeds of hot dog cart sales during the grand opening of their Mount Prospect store. In addition they donated veggie and fruit trays for the Fitness Members Appreciation Event (an event also supported by Morretti's) and will be donating fruit plus bread and granola to the upcoming Strive for 5K Run. Other sponsors include: Dog Play Dog Park, who funded the purchase of 500 Dog Park Premiums and Culvers of Mt. Prospect and Arlington Hts., sponsor of our youth athletic programs and pool pass sales. We have received renewed commitments from Daily Herald; Novak & Parker; Green White; Sports Authority; Town & Country; Ala Carte Entertainment; Innate Concepts and Dunkin' Donuts.

GRAPHIC DESIGN

Have created posters, flyers or postcards for the following events: FPC Plant Sale; Strive 4 5K poster/flyers; Ballet/ Jazz/ Tap Recital poster/flyer; Swim Pass Sales; Water Polo; Sharks Swim Team; Kids Rock-n-Roll Birthday Party; Cooking with Dave; Let's Go Buggy (FPC class) and FPC's Outdoor Adventure Camp. Additionally, executed the design for front and back covers of Summer 2014 Program Brochure. Also created the art for the Strive 4 5K Run tee-shirt.

WEBSITE

We continue to do postings of Park Board agenda and minutes; News and Events including: FPC Plant Sale; *Mary Poppins* Ballet Recital; Dog Park Membership Sale; *Varsity Beat* Tap & Jazz Recital; Summer Pool Passes; Summer Day Camps; Updates to pool pages; Postings of job openings and the Web version of Summer Brochure.

MPTV

Current show includes events from the end of May through the middle of July. Highlights: Mike Macella (Strive for 5K; Passport/Spin Classes); Brian Montgomery (Summer Athletic Camps); Ruth Yueill (Summer Concerts, New Studio Classes); Barb Koch (FP Conservatory's 25th Anniversary Celebration) and Kim Ellson (FP Conservatory Classes).

PARKS FOUNDATION

We are attending Golf Classic (*June 13 – make plans now!*) meetings in partnership with 214's Community Education Foundation. To date we have secured a price from Open Kitchens for the luncheon and breakfast; major raffle prizes from Bosch; various raffle prizes from area golf courses and MPP Foundation members; support from GolfSmith; beer, water, soda and snack donations. SCHOLARSHIP PROGRAM: in process of reviewing judges' selections of the top three winners from 12 candidates who submitted an application for this \$1,000 award.

VETERANS MEMORIAL BRICKS: Engraving has been completed on the existing 13 bricks that were on hold until the weather cooperated. To date we have sold: 139 bricks. We will be including a pamphlet for brick orders at the Veterans Memorial Expansion in the programs distributed at the Memorial Day Ceremony on May 26. They will also be distributed at the opening of the FREE SUMMER CONCERTS on Mondays and Thursdays which begin June 16. LIGHTING AT FPC: we continue to explore ways to enhance the lighting in this facility's main room with the goal of bolstering rentals at the Conservatory.

OTHER

MEMORIAL DAY CEREMONY – *as we have for the past 13 consecutive years* -- we've designed, typed and printed programs for this event in support of VFW Post 1337 and American Legion Post 525 efforts. Additionally we have submitted the work orders for the setup at the Veterans Memorial Band Shell in Lions Memorial Park for this event as well as arranged for a technical staff member to operate the sound system.

CANINE COMMONS GRAND OPENING -- Details of the dog park grand opening scheduled for 10am on Saturday, June 21 are still being finalized. Onsite sponsors include DogPlay DayCare of Mount Prospect; Bentley's Corner Barkery and The Corner Bakery Cafe of Arlington Heights.

GOLF OPERATIONS MONTHLY REPORT

BRETT BARCEL

MAY – 2014

GOLF IS COLD, AGAIN

This spring has officially been cited as one of the coldest in history for the Midwest, again. The prolonged cold weather has slowed all sales. We have no pass sales due to the renovation and of course league play is down with three leagues moving away for the entire season and very slow starts for the ones remaining.

RENOVATION

Architects had warned us we would eventually have a “catastrophic failure of our old greens structures” and this spring it came. With most area courses suffering turf loss due to the extreme cold, we had more than our share. The Poa Annu grass predominant in our greens could not endure the cold, whereas USGA bent grass greens, such as our practice green, had no turf loss. This is why we need to rebuilt and re-grass our features literally from the ground up. For years most players never saw a need for our golf project and I personally lobbied for keeping our old grass at one time. Boy, I was wrong! I now have much more understanding of how we must think long term for all the decisions made for this project.

Others have been down this road. The city of Elgin committed \$6.8m, roughly the same amount of capital we are spending, into their Highlands golf facility in 2009. They debated on keeping their average course the same but instead did a complete renovation, with a large range. What they received for the project is now a nationally acclaimed top 50 best public course in America. This type of publicity pays dividends and their revenue has grown even in the worst market in years. We will be making something even more unique, a Donald Ross style golf course, in a sea of modern design public courses. This renovation will absolutely make us nationally acclaimed and increase our sales.

Our facility is completely consumer driven. Consumers want to purchase at places that have committed to being the best, golf or otherwise, and will pay more if they get more. You don't open a restaurant or a retail store half built or spend almost as much to rebuild something to look the same as it was before! There is little pay off in that, you may have fixed the infrastructure, but you are only giving the customer what they had before, when you could have spent a little more and made it incredible. If you do something right and with vision for the long term, it will make you successful for years to come. This district has a proud history of making nationally recognized facilities from CCC's inline skate rink to the extremely ahead of its time RecPlex. Each required a considerable amount of capital but have proven to be very successful even decades later. The golf course is the next step.

PARKS & PLANNING MONTHLY REPORT

JIM JAROG / MAY 2014

DARA JAMES PLAYGROUND

Staff has met with the Architect to develop three different draft play concepts for the proposed Dara James play lot. These concepts can be shared with area residents of the park and can be used as a starting point in the development of a new play lot. All plans were developed using the proposed 2014 cost estimate and fall within this budget. Staff has received the Plat of Survey and Topographic survey that will be necessary during the construction process. The topographic survey will help identify areas in need of drainage improvements. The Plat of Survey will identify our property as well as the property lines of homeowners adjacent to the proposed play lot. The Plat of Survey will be required when submitting for the necessary building permits to the City of Des Plaines. The process of organizing a committee to obtain community input will begin once we secure the funds necessary for the project.

EINSTEIN PARK PLANNING / GRANT OPPORTUNITY

The new 2014 OSLAD grant applications are now available. With Einstein Park being next on our radar for renovation after Leahy Park staff feels the Einstein Park renovation project would be a good candidate to submit for grant consideration. Moneys that may be available would include reimbursement for up to 50% of the project cost with the maximum being \$400,000. If we were fortunate enough to receive grant funds for the project would need to be utilized within a two year period from the contract execution date. Changes to the 2014 application process note that no time extensions will be allowed. In addition payments of up to 50% of the grant proceeds may be available in advance on some projects. As part of the grant application process the board would need to pass a resolution of authorization certifying that we will have the funds available to move forward with the project if awarded the grant. A copy of this resolution has been included in your May Board packet for review and possible approval (under Adoption on the Agenda). The application process will take a minimum of 4 weeks to complete and would need to be started no later than June 1, 2014. This process would include holding a meeting with area residents of Einstein Park to gather public input to identify what types of amenities they would like to see within the park. This information would then be developed into a concept plan for the Park. The deadline for submitting grant applications is July 1, 2014.

RECPLEX PARKING LOT REPAIRS

Staff is in the process of preparing bid documents to go out to bid for parking lot repairs to the South parking lot at RecPlex. The bid will include requests for proposals to perform the following repairs: asphalt replacement, linear foot cost for curbing replacement, sectional sidewalk replacement, and catch basin resetting. As part of this bid package we will also be requesting proposals for some sections of the North lot. The North lot will only be considered if the bid pricing comes in reasonable enough and the budget allows for including the additional repairs. The South lot will remain our priority. Staff is hoping to present these bids at the June 25, 2014 board meeting for consideration and approval. The fall back date would be the July 23rd board meeting. Right now we are hoping to start this project the first week of August with a mid-September completion date. The actual start date will depend on the low bidder's current project schedule and work load for 2014.

TENNIS COURT COLOR COATING 2014

Staff is in the process of preparing bid documents to go out to bid for tennis court color coating. The bid will be structured to have Friendship Park as the base bid. Clearwater Park will be add alternate "A" and Busse Park will be add alternate "B". Our goal is to present these bids at the June 25, 2014 board meeting for consideration and approval. Once approved work would take place from August to September 2014.

ADMINISTRATION AND HUMAN RESOURCES MONTHLY REPORT BARRY KURCZ MAY – 2014

Payroll Time Keeping System

Time Pro implementation was successful as MPPD went live on Monday, May 19th. Successfully combined both Hourly and Salaried Pay Period Schedule beginning May 19th. Following manager training on April 24th and 25th, worked with Time Pro to develop practice environment for managers and employees to get used to the new system over a two to three week period. Training period allowed for discovery of issues/potential issues and solutions. This process will no doubt continue as we adapt to system and become more proficient.

Upgrading Accounting Software

Provided responses to items necessary for implementation to Harris project manager. Awaiting additional follow up requests. Manager demo arranged for Monday, June 9th to provide a product overview and introduction to what they will be trained on in the upcoming months. Project timeline of go live date of January 1, 2015 remains.

RECREATION MONTHLY REPORT

Brian Taylor

MAY 2014

AQUATICS

LTS - learn to swim spring session 3/10 – 5/22. Enrollment at 653 is **up 77 participants** from last spring. Current enrollment is impressive when you consider the temperature was 20 degrees below normal and it snowed several inches the week before the session started. Aquatic professionals for the three **MRMA** districts met with Mike Nugent earlier this spring to review the aquatic safety audit program. Topics covered were setting up the Guard Vision screening program as well as scheduling facility inspections and safety audits for the summer months. The **new American Red Cross** more extensive 40 hour preseason lifeguard and swim instructor **certification program** has begun. The **Summer Swim Team** Coaching Staff looks great with 2 college graduates, both have strong aquatic backgrounds. **New Programs for Summer-** Staff pushed back the start of swim lessons to accommodate District 59's snow day extended school year. This left a three day gap between the end of school and the start of lessons. Staff creatively programed the days with specialty swim classes. **New at Meadows Pool** are Adult Workouts and Swim Team Dry Land Training. **New at Big Surf,** Beginner Water Polo!

ATHLETICS

The **Classic League** is set with 17 teams for the 2014 season.. The season officially began on Tuesday, May 6th at Majewski Athletic Complex. The Classic League is the longest running Major softball league in existence entering its **33rd season of play!** **Youth baseball and softball** are reaching the half-way point of the season. Weather has been a factor, staff is currently working closely with the advisory committee to ensure all games are rescheduled. **Spring Soccer** has started successfully. Registration numbers are at 438 players, which is a rise in participation of 42 players from last Spring's total number of 396. We are playing this season with teams from River Trails Park District, Wheeling Park District and Elk Grove Park District. **Spring Tot Athletic classes** started Friday, May 9th. As of right now, we are up 15 participants from last spring with a total of 213 registrations in our programs.

New! Enclosed in the board packet for approval is an Affiliation Agreement drafted by Tom Hoffman and our staff. Staff felt it important to provide each affiliate organization with written guidelines regarding their affiliation with the Mt. Prospect Park District. The agreement provides a general overview of the expectations and requirements needed to be affiliated with MPPD. Currently the MPPD is affiliated with four (4) organizations; Green White Soccer, Mavericks Baseball, Power Softball and the Mt. Prospect Lions Football & Cheerleading.

PROGRAMS AND SPECIAL EVENTS

The 6th **Annual Electronic Recycling** event was held in junction with **Earth Day** and our **Annual Clean-up the Parks Day**. FPC is one of the only local electronic recycling events accepting TV's, the community demonstrate their appreciation as noted by the number of TV's recycled. In total 19 "boxes" of recycled material was collected at FPC over 2 days.

In preparation for our successful **FPC Plant Sale**, FPC volunteers and U of I Master Gardeners transplanted 15,000 plants. In a continuing effort to meet the public's interest in growing their own vegetables and herbs FPC staff grew and again sold more herbs, tomatoes, peppers and requested eggplant and broccoli were added to the plant sale this year. Overall the event was once again a huge hit with the community! The successful **FPC Cooking with Dave series** was held with 26 participants focusing on Light and Healthy meals for spring entertaining.

The **Cultural Arts** department is excited to showcase our talented dancers and amazing programs to our entire community during this **recital season**. On May 2nd and 3rd, the **Mt. Prospect School of Classical Ballet** danced through four performances of *Mary Poppins*. 275+ dancers took to the stage before two sold out shows. Nearly 1800 ballet recital tickets were purchased and for the second year in a row, two shows were completely sold out (May 2nd and 3rd)! **Parent feedback** from recital weekend include, "Each year, I marvel at the artistry, organization and technical beauty of the show" and "My daughter loves dancing with MPPD – she truly believes she is a ballerina" to "Thank you for all of your efforts on behalf of the dancers – I know they are in very good hands and we always look forward to next year!" Recital programs are included in the board packet.

The **Mt. Prospect Center for Tap & Jazz** recitals were held at Forestview Education Center on May 16th and 17th, 300 plus dancers performed to this year's theme, *Varsity Beat*. Recital season concludes with the PreBallet and Tap & Jazz junior recitals on Saturday, May 31st at Forestview Education Center. This is the first on- stage experience for most of these young dancers. The girls will celebrate ***Mary Poppins Tea Party and Kidz Beat*** for Tap & Jazz.

On Tuesday, May 20th, the **Art Studio on Central** was host to the Women's Professional Group of the Mt. Prospect Chamber of Commerce. The group meets once a month over lunch for a discussion, presentation or informational program. The goal is to network with other professional women in Mt. Prospect. Representatives were present from Rainbow Hospice, Fitzgerald Lawn Service, Chase Bank, Friedrich's Funeral Home, American Chartered Bank, the Moorings and many others. **Our mayor, Arlene Juracek**, was also in attendance.

FACILITIES

The all **Part-Time Annual Staff Training** was held on Monday, May 19th. The topics being covered include: Sexual Harassment, Mandated Reporting (child abuse), Emergency Preparedness, Blood Borne Pathogens, Basic First Aid, AED, Right To Know and Customer Service. In further preparation for the summer season individual departmental meetings and trainings will follow.

The facility staff quarterly RegSys and Customer Service **training** was held with the release of the summer brochure. Also discussed was summer specific registration (camps/pool passes).

On May 15th the Daily Herald's Fittest Losers Community Challenge participants were rewarded for their dedication and hard work with a banquet at the Fittest Loser Ranch in Itasca. **The (5) MPPDeterminators** lost over 130lbs during the course of the twelve-week challenge and placed 2nd out of 15 corporate and park district teams. We are so proud of their accomplishments and wish them all well in continuing their quests for weight loss.

UNFINISHED BUSINESS SUMMARY

MAY – 2014

A. Golf Course Renovation Update • (Discussion)

Background

Following the Special Board Meeting on May 14, we attempted to develop an estimate of costs for what was referred to as Option #3 in May 14 Board packet (**Keep the course layout as current, only replace irrigation system, drainage improvements (including bunkers), and build new greens**).

If this option were selected, work would need to be delayed until 2015, and the course would most likely need to be closed for a portion of the 2015 season. The following is a breakdown of the estimated costs for Option #3:

Mt. Prospect Golf Course Renovation

Option #3

3. Keep the same course layout as current, only replace irrigation system, drainage improvements (including bunkers), and build new greens - starting sometime in 2015....

Estimated Costs

New Irrigation System	1,300,000
Drainage Improvements	1,500,000
-Fairways & Bunkers	
New Greens-current size	1,000,000
-Assumes USGA	
Netting for existing range	400,000
-30' high	
Professional Fees	
-Consultant/Project Manager	250,000
-Engineering	25,000
-Irrigation Design	10,000
-Permitting fees	40,000
Internal Service Funding	400,000
-MPPD staff work on course	
Contingency (5%)	210,000
Estimated Total	5,135,000

Other Items

Estimated Lost Revenue

-Loss of revenue - 2014	400,000
-Course closed part of 2015	400,000

NEW BUSINESS SUMMARY

MAY – 2014

A. Affiliate Agreement • (Discussion & Potential Action)

Background

Enclosed in the board packet for consideration is an Affiliation Agreement which has been developed by our staff along with review and input from Tom Hoffman. Staff felt it important to provide each affiliate organization with written guidelines regarding their affiliation with the Mt. Prospect Park District. The agreement provides a general overview of the expectations and requirements needed to be affiliated with MPPD. Currently the MPPD is affiliated with four (4) organizations; Green White Soccer, Mavericks Baseball, Power Softball and the Mt. Prospect Lions Football & Cheerleading.

Staff Recommendation: Staff recommends approval of the Affiliate Agreement.

Mt. Prospect Park District

Affiliate Organization Policies and Guidelines

I. Statement of Purpose

- 1.1 Mt. Prospect Park District (“District”), recognizes that certain activities or programs may be better implemented through existing or newly created special interest organizations than by the District directly. Accordingly, the District in its sole discretion, shall determine which activities or programs satisfy that criterion and may authorize an organization to provide such activities or programs on the District’s behalf as an affiliate organization of the District (the “Affiliate”). Each Affiliate will be strictly accountable to the District for the conduct of its activities and programs, so that the District can adequately discharge its duty of accountability to its residents; and because the Affiliate’s sole purpose is to support and augment the District’s facilities or programs, the District’s Board of Commissioners shall have final authority and control over the Affiliate and its activities on Park District owned or controlled property.
- 1.2 The following guidelines have been established to provide a clear understanding of the relationship between the District and these organizations, and to create a system to insure conformity and consistency with the standards of the District, as well as accountability to the District.
- 1.3 These guidelines are not intended to identify all issues that may arise in connection with Affiliate status or the activities of any Affiliate. The guidelines and statements of policy contained herein are intended to provide the framework within which the District and the Affiliate can work together to enhance the recreational benefit to the participants in the activities operated by the Affiliate; and the District reserves the right to add to and revise these guidelines and statements in its sole discretion.

II. Definition of Responsibilities

- 2.1 Each Affiliate shall provide its own basic leadership and delegate operational responsibilities to its members. Each Affiliate shall be governed by a board of directors, one member of whom shall be a Park District Full-Time Employee who will be designated from time to time by the District’s Executive Director (the “Public Liaison” will be a non-voting member of such Board).
- 2.2 Activities sponsored by an Affiliate must serve a group of individuals the majority of which are residents of the District. Any Affiliate whose members or participants consist at any one time of less than Sixty-Seven Percent (67%) of District residents shall timely advise the District in writing of this situation and provide an explanation of the reasons for it.
- 2.3 An Affiliate must provide or promote activities, which either supplement existing District programs or provide viable activities not currently offered by the District. The District must be notified of activities provided by the Affiliate.

Mt. Prospect Park District Affiliate Organization Policies and Guidelines

- a. Absent an express finding by the Recreation Department that it would be in the best interests of the District to permit the existence of more than one affiliate organization for a particular activity or sport, the District shall not grant affiliate status to more than one organization per particular activity or sport.
- 2.4 Membership and activities sponsored by an Affiliate shall not, other than to adhere to specific legally-justifiable membership guidelines or minimum residency standards, discriminate against or exclude any individual from participation for reasons of race, color, creed, national origin, or sex.
- 2.5 District residents shall receive priority consideration over non-residents in all registration for membership and/or tryouts for programs.
- 2.6 Each Affiliate shall provide the District with the following information by required filing date for each item, or more frequently as the information is updated by the Affiliate or requested by the District, unless otherwise provided below:
- a. A year-end financial statement in the form of Schedule A to these Guidelines, no later than January 31 of each calendar year.
 - b. A copy of the federal income tax return required to be filed by the Affiliate shall be provided to the District no later than 15 days following its due date for filing. For organizations that are a 501 (c) 3, this would be either a form 990, 990 EZ or 990 PF, and if registered with the office of the Attorney General of Illinois under the Charitable Trust Act and/or the Solicitation for Charity Act, such an organization would also be required to annually prepare and file with the Illinois Attorney General's Office Form AG990-IL. If the affiliate organization operates as an association taxable as a corporation, the affiliate is required to annually prepare and file with the Internal Revenue Service a Form 1120 or 1120-A ("U.S. Corporation Income Tax Return"), regardless of whether such organization has any taxable income. Thirdly, it may be that a particular affiliate organization is part of a larger or umbrella organization that has responsibility for any required reporting by the affiliate.
 - c. A list containing the names, addresses and telephone numbers of all officers and directors of the Affiliate, no later than January 31st of each calendar year.
 - d. A list containing the names, addresses and telephone numbers of all members or, in the case of an Affiliate operating programs for children, a list of all participants, within 30 days of request by the District.
 - e. A schedule of membership fees, dues or other charges imposed by the Affiliate, no later than January 31st of each calendar year.

Mt. Prospect Park District
Affiliate Organization Policies and Guidelines

- f. The Affiliate will provide a Certificate of Insurance naming the District as additional insured in the amount of \$1million per occurrence, or such greater amount as the District may reasonably require, no later than January 31st of each year. Affiliate shall keep in force at all times during the term of this Agreement Commercial General Liability Insurance including Directors & Officers liability, fire legal liability specifically including bodily injury, personal injury and property damage limits of not less than \$1,000,000 per occurrence, and Fidelity and Theft coverage written on an occurrence basis and at all times naming the Park District, its officers and officials, employees, volunteers and agents as additional insured. Affiliate's insurance shall be primary insurance as respects the District. Any insurance or self-insurance maintained by the District shall be excess of Affiliate's insurance and shall not contribute to it.
- 2.7 For any Affiliate which selects, classifies, conditions or limits membership on the basis of an individual's qualifications, characteristics, ability, or other criteria of the individual (e.g., age, gender, skill level, etc.) or on a maximum membership or participation level for the Affiliate, the following rules shall apply:
- a. The Affiliate shall retain for a period of six (6) months any and all records of the selection process, including but not limited to any evaluation forms, notes and memoranda that reflect any criterion employed in the process;
 - b. In the case of an Affiliate selecting and/or operating a "travel" or "all-star" team or program,
 - i. Announcements of the selection/try-out process shall be given to the District no less than four (4) weeks before the process is conducted;
 - ii. Any and all records of the selection/try-out process, including but not limited to any evaluation forms, ratings, notes and memoranda that reflect the performance of the candidates or the decision-making process, shall be delivered to the District for retention for a period of not less than one (1) year.
 - c. All records of the type referenced in paragraph (b), above, shall be made available to any candidate, the candidate's parents or legal guardians, the District's senior staff, and any other persons authorized by the District to receive them.
- 2.8 No affiliate shall assign, pledge or otherwise encumber its assets other than upon notice to, and written authorization from, the District.
- 2.9.1 Each affiliate that uses outdoor turf needing annual maintenance such as top dressing and turf repair shall be assessed a per participant maintenance surcharge to be determined annually by the Park District. Participant numbers will be provided to the Athletic Manager no later than two weeks prior to the conclusion of each season. Upon receipt of an invoice, the affiliate will pay the Park District the surcharge amount at the conclusion of each season. Any need for

Mt. Prospect Park District

Affiliate Organization Policies and Guidelines

standards higher than those of the District's will be funded by the affiliate with prior approval of the Athletic Manager.

III. Benefits of Affiliate Status

- 3.1 Use of District facilities (a) with a priority in use and scheduling over any non-Affiliate but not over the District; and (b) at a reduced rental/usage rate for District facilities.
- 3.2 Participation in the District's usage of third-party facilities, on the condition that any fees charged to the District for such usage will be paid by the Affiliate.
- 3.3 Publicity and promotional assistance, such as through the seasonal District brochures, web site, flyers, and posters and District marquee sign, subject to the reasonable approval of the District.
- 3.4 Reasonable utilization of the District's Staff and Administrative Services as determined by the District, in its sole discretion.

IV. The Application and Selection Process

- 4.1 Any group or organization satisfying the criteria for affiliate status shall file an application, with the District's Athletic Manager . In addition to the Application form, the group or organization must submit:
 - a. Any charter or other document evidencing its legal status, if any
 - b. Written by-laws/guidelines of the organization
 - c. A statement of purpose and description of the activities qualifying it for affiliate status
 - d. A list of officers and members/participants
 - e. Proposed annual budget or financial statement as required in Section 2.6, above
 - f. Certificate of Insurance naming the District as additionally insured as required in Section 2.6, above
- 4.2 After submission of the application and related materials, the Athletic Department will review and make a preliminary recommendation of affiliate status. After preliminary approval by the Recreation Department, the application will be considered for approval by the Board of Park Commissioners at its next regularly scheduled meeting.
- 4.3 All newly accepted Affiliates shall hold conditional status for a period of twelve months, during which time its compliance with all affiliate criteria established by these Guidelines will be determined. The conditional status will be changed to full status upon a majority vote of the Board of Park Commissioners at its regular meeting following the expiration of the conditional period.

Mt. Prospect Park District
Affiliate Organization Policies and Guidelines

V. Maintenance of Affiliate Status

5.1 Those organizations, which have attained full affiliate status, shall be subject to an annual review based on compliance with the following items:

- a. Attendance of the Affiliate's authorized representation at no less than one meeting annually;
- b. Timely compliance with the requirements contained in Section II, above;
- c. Timely completion of an evaluation form relative to the quality of services as afforded by the District;
- d. Timely submission of Coaches' Ethics Statement where applicable;
- e. Timely submission of Volunteer background checks where applicable; and
- f. Good faith compliance with any lawful request of the District

Failure to comply with any of the foregoing requirements will result in the following:

1. Letter of warning to comply with all requirements within 60 days.
2. Suspension of Use or Termination of Affiliate Status. This means that use of Park District facilities and fields will be suspended until such time that the affiliate is in complete compliance with all requirements or affiliate status will be terminated, in the discretion of the Park Board.

VI. Conditions of Dissolution of Affiliate Status

6.1 The Park District requests a minimum of 90 days written notice for any Affiliate to terminate its operations or its affiliate status, or otherwise cease to provide the services for which it acquired affiliate status.

6.2 If an Affiliate elects to terminate its operations or its affiliate status, or otherwise ceases to provide the services for which it acquired affiliate status, all of its funds, supplies, and equipment shall be deeded to the District, or as otherwise required by law, on or before the effective date of termination.

6.3 When an Affiliate fails to satisfy the conditions for continued affiliate status as prescribed in Paragraph above, the District shall serve notice of its intent to terminate the Affiliate's status at the next regularly scheduled or special meeting of the Board of Commissioners. At that meeting, representatives of the Affiliate shall have an opportunity to show cause why affiliate status should not be terminated. The decision whether to terminate the Affiliate shall be made upon majority vote of the Board of Commissioners at that same meeting or, in the District's discretion, at the next regular meeting.

Mt. Prospect Park District
Affiliate Organization Policies and Guidelines

IN WITNESS WHEREOF, each of the Parties has caused this Agreement to be executed by a duly authorized officer thereof as of the date first above written.

Authorized Signature of Affiliate

Authorized Signature of Park District

League Affiliation

Date

Date

ADOPTION ITEMS SUMMARY

MAY – 2014

A. Ordinance 694 – AN ORDINANCE providing for the issue of not to exceed \$8,000,000

General Obligation Park Bonds (Alternate Revenue Source), Series 2014, of the Mt. Prospect Park District, Cook County, Illinois, for the purpose of building improvements to and maintaining, protecting and equipping the Mt. Prospect Golf Club golf course, improving the sites of and equipping playgrounds and providing for the payment of the expenses incident thereto, and for the levy of a direct annual tax sufficient to pay the principal and interest on said bonds.

A copy of Ordinance 694 is included with your board materials. The blank on page 4 will be completed prior to adoption. Being a parameters ordinance, there are “place holders” regarding the interest rate, maturity schedule and the levy schedule. This is simply to provide the President and Executive Director with flexibility to sell the bonds when they believe it will be most advantageous to the district. After the actual sale - the terms, interest rate, levy amounts & schedule will be completed and filed with the Office of the Cook County Clerk.

It is recommended that this Ordinance be adopted prior to the approval of bids for the golf renovation. Should the golf renovation not proceed and no bids are approved, the sale of the bonds would not proceed.

A debt service plan which includes this Alternate Bond Issue as well as the Debt Certificates is included in your packet.

Dave Phillips from Speer Financial and Tom Hoffman will be attending the meeting to answer questions about the debt service plan, bonds issuance or ordinance.

B. Ordinance 695 – AN ORDINANCE authorizing and providing for an Installment Purchase Agreement for the purpose of paying the cost of purchasing real or personal property, or both, in and for the Mt. Prospect Park District, Cook County, Illinois, and for the issue of not to exceed \$1,000,000 Debt Certificates, Series 2014, of said Park District evidencing the rights to payment under said Agreement, and providing for the security for and means of payment under said Agreement of said Certificates.

A copy of Ordinance 695 is included with your board materials. Once again the parameters in this Ordinance give the President & Executive Director the flexibility to capture the most advantageous market. After the actual sale, the interest rate will be known and a filing reflecting same will be done with the Office of the Cook County Clerk.

It is recommended that this Ordinance be adopted prior to the approval of bids for the golf renovation. Should the golf renovation not proceed and no bids are approved, the sale of the debt certificates would not proceed.

A debt service plan which includes this Debt Certificate as well as the Alternate Bond Issue is included in your packet.

Dave Phillips from Speer Financial and Tom Hoffman will be attending the meeting to answer questions about the debt service plan, debt certificates or ordinance.

ADOPTION ITEMS SUMMARY

MAY – 2014

C. Resolution 696 – A RESOLUTION certifying and acknowledging that Mt. Prospect Park District has sufficient funds necessary to complete the pending OSLAD/LWCF project (Einstein Park Renovation) within the timeframes specified in said State of Illinois/IDNR OSLAD/LWCF Project Application.

The new 2014 OSLAD grant applications are now available. With Einstein Park being next on our radar for renovation after Leahy Park staff feels the Einstein Park renovation project would be a good candidate to submit for grant consideration. As part of the grant application process the board would need to pass a resolution of authorization certifying that we will have the funds available to move forward with the project if awarded the grant. A copy of this resolution has been included in your May Board packet for review and possible approval (under Adoption on the Agenda). The application process will take a minimum of 4 weeks to complete and would need to be started no later than June 1, 2014. This process would include holding a meeting with area residents of Einstein Park to gather public input to identify what types of amenities they would like to see within the park. This information would then be developed into a concept plan for the Park. The deadline for submitting grant applications is July 1, 2014.

Mt. Prospect Park District

Preliminary Financing Plan Overview

\$8,000,000 G.O. (ALTERNATE REVENUE SOURCE) BONDS, SERIES 2014A

\$1,000,000 DEBT CERTIFICATES, SERIES 2014

2014 Debt Service Plan

\$1,100,000 CIP Program

A	B	D	F	G	H	I	J
Calendar Year	Non-Ref G.O.'s @ Targeted Am (+2%)	Final \$3,800,000 Series 2003 Debt Certificates (Annual Interest)	Final \$1,000,000 Series 2005 Debt Certificates (Annual Interest)	Final \$2,750,000 Series 2007 Debt Certificates (Annual Interest)	Final \$4,000,000 Series 2009 Alternate Bonds (Annual Interest)	Final \$3,000,000 Series 2011B Alternate Bonds Semi-annual Interest	Final \$14,550,000 Combined Debt Service
2013	\$2,700,000	639,585.00	233,100.00	500,672.50	160,497.50	120,000.00	1,653,855.00
2014	\$2,530,000	666,585.00		559,695.00	160,497.50	120,000.00	1,506,777.50
2015	\$2,600,000	395,960.00		655,375.00	160,497.50	120,000.00	1,331,832.50
2016	\$2,875,000			656,225.00	585,497.50	120,000.00	1,361,722.50
2017	\$2,970,000			761,025.00	584,560.00	120,000.00	1,465,585.00
2018	\$2,630,000				588,060.00	120,000.00	708,060.00
2019	\$2,660,000				595,810.00	120,000.00	715,810.00
2020	\$3,145,000				596,895.00	580,000.00	1,176,895.00
2021	<u>\$3,350,000</u>				606,695.00	576,600.00	1,183,295.00
2022	\$3,350,000				609,760.00	572,600.00	1,182,360.00
2023	\$3,350,000				615,960.00	568,000.00	1,183,960.00
2024	\$3,350,000					567,800.00	567,800.00
2025	\$3,350,000					566,800.00	566,800.00
	\$38,860,000	\$1,702,130	\$233,100	\$3,132,993	\$5,264,730	\$4,271,800	\$14,604,753
		Non-callable	Non-callable	Callable 2014	Callable 2016	Callable 2019	

SPEER FINANCIAL, INC.

run date: 22-May-14
file name: MtProspectPD 2014 AB 1.2cip 8+8/ view1

Mt. Prospect Park District

Preliminary Financing Plan Overview

\$8,000,000 G.O. (ALTERNATE REVENUE SOURCE) PARK BONDS, SERIES 2014B
\$1,000,000 DEBT CERTIFICATES, SERIES 2014

2014 Debt Service Plan

\$1,100,000 CIP Program

A	B	J	K	L	M	N
Calendar Year	Non-Ref G.O.'s @ Targeted Amt (+2%)	Final \$14,550,000 Combined Debt Service	Estimated \$8,000,000 Series 2014B Debt Service	Estimated \$1,000,000 Series 2014 DC Debt Service	Estimated Annual Capital with Cash (\$1.1M CIP +2%) & Issuance Costs	Estimated (Over)/Under Constraints
2013	\$2,700,000	1,653,855.00			\$1,045,000	\$1,145
2014	\$2,530,000	1,506,777.50			\$1,020,000	\$3,223
2015	\$2,600,000	1,331,832.50	250,980.74	30,846.38	\$985,000	\$1,340
2016	\$2,875,000	1,361,722.50	222,544.50	22,388.50	\$1,004,700	\$263,645
2017	\$2,970,000	1,465,585.00	222,544.50	22,388.50	\$1,024,794	\$234,688
2018	\$2,630,000	708,060.00	367,544.50	112,388.50	\$1,214,489	\$227,518
2019	\$2,660,000	715,810.00	360,442.00	116,083.50	\$1,238,779	\$228,886
2020	\$3,145,000	1,176,895.00	358,090.00	114,487.50	\$1,263,554	\$231,973
2021	\$3,350,000	1,183,295.00	530,500.00	112,730.00	\$1,288,825	\$234,650
2022	\$3,350,000	1,182,360.00	209,200.00	115,830.00	\$1,314,602	\$528,008
2023	\$3,350,000	1,183,980.00	324,200.00	113,630.00	\$1,340,894	\$387,316
2024	\$3,350,000	567,800.00	706,497.50	111,280.00	\$1,367,712	\$596,711
2025	\$3,350,000	566,800.00	698,997.50	113,780.00	\$1,395,066	\$575,357
2026	\$3,350,000		1,085,867.50	116,050.00	\$1,422,967	\$725,115
2027	\$3,350,000		1,061,432.50	113,080.00	\$1,451,427	\$724,061
2028	\$3,350,000		1,021,092.50		\$1,480,455	\$848,452
2029	\$3,350,000		995,282.50		\$1,510,064	\$844,653
2030	\$3,350,000		614,027.50		\$1,540,266	\$1,195,707
2031	\$3,350,000		607,977.50		\$1,571,071	\$1,170,952
2032	\$3,350,000		606,355.00		\$1,602,492	\$1,141,153
2033	\$3,350,000		608,995.00		\$1,634,542	\$1,106,463
2034	\$3,350,000		340,725.00		\$1,667,233	\$1,342,042
2035	\$3,350,000				\$1,700,578	\$1,649,422
	\$38,860,000	\$14,604,753	\$11,193,296	\$1,214,963	\$31,084,509	\$14,262,479

Mt. Prospect Park District

"Preliminary" \$8,000,000 G.O. (ALTERNATE REVENUE SOURCE) BONDS, SERIES 2014A
 TWENTY YEARS TO MATURITY

Date of Bonds: 15-Jun-14

PURPOSE: GOLF COURSE & PLAYGROUNDS

Date	Principal	Estimated Interest Rate	Interest	Principal and Interest	Calendar Year	Estimated Series 2014A	Estimated Constraints
01-May-15			\$195,344.62	\$195,344.62			
01-Nov-15			111,272.25	111,272.25	2015	306,616.87	704.25
01-May-16			111,272.25	111,272.25			
01-Nov-16			111,272.25	111,272.25	2016	222,544.50	319,744.50
01-May-17			111,272.25	111,272.25			
01-Nov-17			111,272.25	111,272.25	2017	222,544.50	291,910.00
01-May-18			111,272.25	111,272.25			
01-Nov-18	145,000	1.450%	111,272.25	256,272.25	2018	367,544.50	227,518.12
01-May-19			110,221.00	110,221.00			
01-Nov-19	140,000	1.680%	110,221.00	250,221.00	2019	360,442.00	228,885.84
01-May-20			109,045.00	109,045.00			
01-Nov-20	140,000	1.850%	109,045.00	249,045.00	2020	358,090.00	231,973.27
01-May-21			107,750.00	107,750.00			
01-Nov-21	315,000	2.000%	107,750.00	422,750.00	2021	530,500.00	234,649.68
01-May-22			104,600.00	104,600.00			
01-Nov-22		2.200%	104,600.00	104,600.00	2022	209,200.00	528,008.17
01-May-23			104,600.00	104,600.00			
01-Nov-23	115,000	2.350%	104,600.00	219,600.00	2023	324,200.00	387,316.14
01-May-24			103,248.75	103,248.75			
01-Nov-24	500,000	2.500%	103,248.75	603,248.75	2024	706,497.50	596,710.76
01-May-25			96,998.75	96,998.75			
01-Nov-25	505,000	2.600%	96,998.75	601,998.75	2025	698,997.50	575,356.53
01-May-26			90,433.75	90,433.75			
01-Nov-26	905,000	2.700%	90,433.75	995,433.75	2026	1,085,867.50	725,115.21
01-May-27			78,216.25	78,216.25			
01-Nov-27	905,000	2.800%	78,216.25	983,216.25	2027	1,061,432.50	724,060.86
01-May-28			65,546.25	65,546.25			
01-Nov-28	890,000	2.900%	65,546.25	955,546.25	2028	1,021,092.50	848,452.33
01-May-29			52,641.25	52,641.25			
01-Nov-29	890,000	2.950%	52,641.25	942,641.25	2029	995,282.50	844,653.22
01-May-30			39,513.75	39,513.75			
01-Nov-30	535,000	3.000%	39,513.75	574,513.75	2030	614,027.50	1,195,706.94
01-May-31			31,488.75	31,488.75			
01-Nov-31	545,000	3.050%	31,488.75	576,488.75	2031	607,977.50	1,170,951.63
01-May-32			23,177.50	23,177.50			
01-Nov-32	560,000	3.100%	23,177.50	583,177.50	2032	606,355.00	1,141,152.71
01-May-33			14,497.50	14,497.50			
01-Nov-33	580,000	3.150%	14,497.50	594,497.50	2033	608,995.00	1,106,462.86
01-May-34			5,362.50	5,362.50			
01-Nov-34	330,000	3.250%	5,362.50	335,362.50	2034	340,725.00	1,342,042.02
Total	\$8,000,000		\$3,248,932.37	\$11,248,932.37		\$11,248,932.37	

Net Interest Rate: 2.948640%
 Bond Years: 112,897.224
 Average Life: 14.112

Premium
 Discount \$80,000.00

Speer Financial, Inc.

run date: 22-May-14
 file name: MtProspectPD 2014 AB 1.2cip 8+8/ 2014

Mt Prospect Park District

"Preliminary" \$1,000,000 DEBT CERTIFICATES, SERIES 2014

Date of Bonds: 15-Jun-14

PURPOSE: IMPROVEMENTS

Date	Principal	Estimated Interest Rate	Interest	Principal and Interest	Calendar Year	Estimated Series 2014
01-May-15			\$19,652.13	\$19,652.13		
01-Nov-15			11,194.25	11,194.25	2015	30,846.38
01-May-16			11,194.25	11,194.25		
01-Nov-16			11,194.25	11,194.25	2016	22,388.50
01-May-17			11,194.25	11,194.25		
01-Nov-17			11,194.25	11,194.25	2017	22,388.50
01-May-18			11,194.25	11,194.25		
01-Nov-18	90,000	1.450%	11,194.25	101,194.25	2018	112,388.50
01-May-19			10,541.75	10,541.75		
01-Nov-19	95,000	1.680%	10,541.75	105,541.75	2019	116,083.50
01-May-20			9,743.75	9,743.75		
01-Nov-20	95,000	1.850%	9,743.75	104,743.75	2020	114,487.50
01-May-21			8,865.00	8,865.00		
01-Nov-21	95,000	2.000%	8,865.00	103,865.00	2021	112,730.00
01-May-22			7,915.00	7,915.00		
01-Nov-22	100,000	2.200%	7,915.00	107,915.00	2022	115,830.00
01-May-23			6,815.00	6,815.00		
01-Nov-23	100,000	2.350%	6,815.00	106,815.00	2023	113,630.00
01-May-24			5,640.00	5,640.00		
01-Nov-24	100,000	2.500%	5,640.00	105,640.00	2024	111,280.00
01-May-25			4,390.00	4,390.00		
01-Nov-25	105,000	2.600%	4,390.00	109,390.00	2025	113,780.00
01-May-26			3,025.00	3,025.00		
01-Nov-26	110,000	2.700%	3,025.00	113,025.00	2026	116,050.00
01-May-27			1,540.00	1,540.00		
01-Nov-27	110,000	2.800%	1,540.00	111,540.00	2027	113,080.00
Total	\$1,000,000		\$214,962.88	\$1,214,962.88		\$1,214,962.88

Net Interest Rate: 2.485015%

Bond Years: 9,052.778

Average Life: 9.053

Premium

Discount

\$10,000.00

Speer Financial, Inc.

run date: 22-May-14

file name: MtProspectPD 2014 DC

MT PROSPECT PARK DISTRICT

COSTS OF ISSUANCE /ALLOCATION OF PROCEEDS G.O. (ALTERNATE REVENUE SOURCE) BONDS, SERIES 2014A DEBT CERTIFICATES, SERIES 2014 COOK COUNTY, ILLINOIS

		ISSUE SIZE: \$8,000,000	\$1,000,000	\$9,000,000	Confirmed
		Series 2014A	Series 2014	Combined	
Estimated Cost Items	Service Provider				Status
1 Financial Advisor	Speer Financial, Inc.	27,500.00	5,750.00	33,250.00	Confirmed
2 Bond Counsel	Chapman & Cutler LLP	28,000.00	6,000.00	34,000.00	Confirmed
3 Official Statement Printing	Speer Financial, Inc.	500.00	500.00	1,000.00	Confirmed
4 Rating	Standard & Poor's	11,000.00	7,700.00	18,700.00	Estimated
5 Paying Agent/Registrar	Amalgamated Bank	950.00	950.00	1,900.00	Estimated
6 Postage and Mailing	Speer Financial, Inc.	150.00	150.00	300.00	Confirmed
7 Underwriters Discount	The low bidder	80,000.00	10,000.00	90,000.00	Estimated
8 Good Faith Escrow	Speer Financial, Inc.	500.00	500.00	1,000.00	Estimated
9 Local Attorney	Tom Hoffman	16,300.00	7,550.00	23,850.00	Confirmed
10 Electronic Bidding	SpeerAuction.com	3,750.00	2,500.00	6,250.00	Confirmed
Total Direct Costs of Issuance		168,650.00	41,600.00	210,250.00	Estimated
Underwriters Premium					
Capital Projects -Proceeds		7,831,350.00	958,400.00	8,789,750.00	Estimated
Total Capital Revenues		7,831,350.00	958,400.00	8,789,750.00	Estimated
Percent of issue assigned to issuance costs:		2.1081%	4.1600%	2.3361%	Estimated

SPEER FINANCIAL, INC.

run date: 22-May-14
file name: MtProspectPD 2014 DC /AB DC coi

APPROVAL ITEMS SUMMARY

MAY – 2014

A. Approval/Rejection of Bid Packages – Golf Course Renovation Project - Phase I • (Discussion & Potential Action)

Based on project costs, staff recommends the Board reject all bids received for Phase I of the Golf Course Renovation Project.

B. Approval/Rejection of Bid Packages – Golf Course Renovation Project - Phase II • (Discussion & Potential Action)

Following the Special Board Meeting on May 14, staff met with Dave Esler & Nicholas & Associates to review, discuss and re-assess the various bid packages & alternates with the goal of developing recommendations for the Board to consider for Phase II. Recommendations for each bid package are summarized below, and there are separate pages in your packet which provides a numerical summary as described below for each bid package as well as Phase II of the renovation project:

Bid Package 1 – Excavation/Demo/Seed & Sod/Irrigation

Recommended Bidder: Wadsworth Golf Construction

Base Bid: \$6,699,052 (includes allowance of \$100,000)

•Recommended Alternates to accept:

Alternate 7: Deduct for NOT saving & re-spreading existing bunker sand to approach areas, existing bunker sand would be mixed with existing topsoil: **(\$20,000)**

Alternate 8: Deduct for replacing all sod with Futera Blanket: **(\$195,000)**

Alternate 9: Deduct for Topsoil only Tee Construction: **(\$465,000)**

Alternate 24: Deduct for all costs related to demolition of existing maintenance building: **(\$50,000)**

Alternate 26: Deduct for Waupaca Sand & Solutions to USGA mix: **(\$90,000)**

Staff recommendation: **To award Bid Package #1 to Wadsworth Golf Construction in the amount of \$5,879,052 which includes acceptance of Alternates 7, 8, 9, 24 & 26 as specified in the submitted bid.**

NOTES: If accepted, this recommendation would allow for USGA greens and cart paths as specified in the base bid documents.

Suggested Motion-Bid Package #1: To award Bid Package #1 to Wadsworth Golf Construction in the amount of \$5,879,052 which includes acceptance of Alternates 7, 8, 9, 24 & 26 as specified in the submitted bid.

Bid Package 2 – Landscaping

Recommended Bidder: NONE

Staff recommendation: **To reject all bids for Bid Package #2. Staff will be responsible for purchasing and planting of new trees in the renovated areas. Additional project money will be budgeted for the purchasing of new trees.**

Suggested Motion-Bid Package #2: To reject all bids for Bid Package #2.

APPROVAL ITEMS SUMMARY

MAY – 2014

Bid Package 3 – Site Utilities

Recommended Bidder: Advance J. Giannini, Inc.

Base Bid: \$770,000

Staff recommendation: **To award Bid Package #3 to Advance J. Giannini, Inc. in the amount of \$770,000.**

Suggested Motion-Bid Package #1: To award Bid Package #3 to Advance J. Giannini, Inc. in the amount of \$770,000.

Bid Package 4 – Asphalt Paths

Recommended Bidder: Accu-Paving

Base Bid: \$454,454

Bid Award Option A:

Staff recommendation: **To award Bid Package #4 to Accu-Pave in the amount of \$454,454.**

NOTES: If accepted, this recommendation would allow for continuous cart paths as specified in the base bid documents.

• Although cart paths are a controversial item, after further discussions among staff we believe it makes sense to install a continuous cart path system as part of the Phase II project.

- OR -

Bid Award Option B:

To award Bid Package #4 to Accu-Pave in the amount of \$319,454 which includes acceptance of Alternate 6 as specified in the submitted bid.

NOTES: Per Dave Esler, acceptance of Option B would result in 60,000 s.f. of cart paths not being installed in these areas:

- Hole #2, Right (between #2 & #6) mostly north of the ditch
- Hole #3, Left along the property line
- Hole #5, Left along the property line and left of the fairway
- Hole #6, Left of the fairway
- Hole #8, Right of the fairway
- Hole #9, Left of the fairway
- Hole #13, Left of the fairway
- Hole #14, Left of the fairway along the property line
- Hole #15, Left of the fairway along the property line
- Hole #17, Right of the fairway North of the creek and left of the fairway South of the creek
- Driving Range, Immediately North of the netting line.

If the Board chooses to move forward on Phase II of the golf renovation, either Option A or Option B should be selected for this bid package. Staff does not recommend rejecting this bid package.

Suggested Motion: Pending Board discussion.

APPROVAL ITEMS SUMMARY

MAY – 2014

Bid Package 5 – General Trades **Recommended Bidder: NONE**

This bid package included netting & poles, new restroom, a concrete pad for the driving range and an allowance for costs related to relocation of the small fertilizer building near the existing golf maintenance building.

Staff recommendation: **To reject all bids for Bid Package #5.**

Staff recommends the following:

1. Re-bidding a separate netting/poles package

- We believe some adjustments can be made to reduce the quantity of the netting & poles
- A comparison of netting & pole bids on other golf projects in the area indicate we should be able to reduce costs by re-bidding.

2. Re-bidding the work necessary to re-locate and re-certify the existing fertilizer building

3. Obtaining new quotes on the cost of a concrete range pad.

Suggested Motion-Bid Package #5: To reject all bids for Bid Package #2.
--

A bid summary form is included in your packet which shows Phase II costs based on the options recommended above.

There is also an updated Budget Summary which includes the Phase II construction costs and the other costs associated with this project.

Mt. Prospect Golf Club - Golf Renovation Project - Phase II Bid Results - May 1, 2014

5.23.14

RECOMMENDED Bid Packages to be Rejected and/or Re-bid

Bid Package 1 **Apparent Low Bid**

Excavation/Seed&Sod/Irrigation & Demolition

Bids Received	Base Bid
Ryan	7,209,000
Wadsworth	6,699,052

RECOMMENDED Alternates to be Accepted

Alternates

	2	4	5	6	7	8	9	10	11	24	26	Total	Alternates Total
	(175,000)	(9,400)	(55,000)	(30,000)	(9,000)	(102,000)	(305,000)	(205,000)	(30,000)	(16,000)	(83,000)	6,272,600	
	(195,000)	(9,400)	0	(33,000)	(20,000)	(195,000)	(465,000)	(290,000)	(31,000)	(50,000)	(90,000)	5,879,052	(820,000)

Bid Package 2

Landscaping

Bids Received	Base Bid
Sebert	129,485
Breezy Hill	147,122

Alternates

	12	Total
	(129,485)	129,485
	(147,122)	0

Bid Package 3

Site Utilities

Bids Received	Base Bid
Advance Giannini	770,000
Berger	1,121,000

Alternates

	1	Total
	10,000	770,000
		1,121,000

Bid Package 4

Asphalt Paths

Bids Received	Base Bid
Superior Paving	399,000
J.A. Johnson	561,600
Glander	624,424
Accu-Paving	454,454

Alternates

	6	25	Total
	0	0	399,000
	(173,000)	(59,780)	328,820
	(171,000)	(58,017)	395,407
	(135,000)	0	454,454

Bid Package 5

General Trades

Bids Received	Base Bid
R.B. Construction	564,000
Monarch Const.	561,193

Alternates

	1	3	13	14	Total
	120,600	(21,600)	0	210,000	564,000
	136,000	(21,600)	4,458	209,099	561,193

Total of Recommended Bid awards-Low Bidder

7,923,506

--Bid Packages 1, 3 & 4

Less Alternates

(820,000)

Total

7,103,506

NOTES: Rejecting Bid Package 2 - Staff would responsible for planitng all trees

Rejecting Bid Package 5 would require us to re-bid range poles/netting & fertilizer building modifications & driving range pad separately

Golf Course Renovation Project - Budget Summary

5/23/2014

Phase II Project Costs

Phase 2 Base bids Totals (all Packages)	8,614,184	
-Recommended Bid Packages to Reject (packages 2 & 5)	690,678	
-Less Potential Alternates	<u>820,000</u>	
Estimated Phase II Bid Award Totals		7,103,506

Estimated Additional Project Costs

-Re-bid of netting & poles estimated cost	250,000	
-Re-bid of fertilizer building move/modifications estimated cost	70,000	
-Estimated cost of trees to be planted by staff	40,000	
-Cost of concrete pad - driving range	20,000	
-Estimated Remaining Architect Fees (as of May 1, 2014)	160,000	
-Estimated Engineering Fees required during construction	40,000	
-Estimated Remaining Const. Management Fees (as of May 1, 2014)	240,000	
-Project Contingency (2%)	142,070	
-Internal Service Costs - MPPD employees work completed on Capital Project	400,000	
--(used to reimburse park district labor costs for portions of this capital project to be completed by park district employees in lieu of a contractor)		

Sub-Total **8,465,576**

Other Capital Projects from Financings - not related to Golf Course

Playground Replacement

2014 - Dara James (partial cost-other funds would also be used-budget total \$255,000)	130,000	
2015 - Einstein park renovation (partial cost-other funds would also be used-budget total \$300,000)	<u>175,000</u>	
Total		305,000

Funding Allocation Budget Plan from Alternate Bond & Debt Certificate Proceeds		
Alternate Bond Issue		8,000,000
-Partial Golf Course Renovation Project Expenses	7,483,506	
-Playgrounds	305,000	
-Project Contingency-Golf Course	42,844	
-Estimated Cost of Issuance	168,650	
Total		8,000,000
Debt Certificate		1,000,000
-Partial Golf Course Renovation Project Expenses	859,174	
-Project Contingency-Golf Course	99,226	
-Estimated Cost of Issuance	41,600	
Total		1,000,000

ORDINANCE NO. 694

MT. PROSPECT PARK DISTRICT

AN ORDINANCE providing for the issue of not to exceed \$8,000,000 General Obligation Park Bonds (Alternate Revenue Source), Series 2014, of the Mt. Prospect Park District, Cook County, Illinois, for the purpose of building improvements to and maintaining, protecting and equipping the Mt. Prospect Golf Club golf course, improving the sites of and equipping playgrounds and providing for the payment of the expenses incident thereto, and for the levy of a direct annual tax sufficient to pay the principal and interest on said bonds.

* * *

WHEREAS, the Mt. Prospect Park District, Cook County, Illinois (the "*District*"), is a duly organized and existing Park District created under the provisions of the laws of the State of Illinois, and is now operating under the provisions of the Park District Code of the State of Illinois, and all laws amendatory thereof and supplementary thereto (the "*Park Code*"); and

WHEREAS, the Board of Park Commissioners of the District (the "*Board*") has determined that it is advisable, necessary and in the best interests of the District to build improvements to and maintain, protect and equip the Mt. Prospect Golf Club golf course, improve the sites of and equip playgrounds and provide for the payment of the expenses incident thereto (the "*Project*"), all in accordance with the preliminary plans and estimate of cost heretofore approved by the Board and now on file in the office of the Secretary of the Board; and

WHEREAS, the estimated cost of the Project, including legal, financial, bond discount, printing and publication costs and other expenses, is not less than

\$8,000,000, and there are insufficient funds on hand and lawfully available to pay such costs; and

WHEREAS, for the purpose of providing funds to pay the cost of the Project and in accordance with the provisions of the Local Government Debt Reform Act of the State of Illinois, as amended (the "*Act*"), the Board, on the 19th day of March, 2014, adopted Ordinance No. 691 (the "*Authorizing Ordinance*"), authorizing the issuance of alternate bonds in an amount not to exceed \$8,000,000; and

WHEREAS, on the 26th day of April, 2014, the Authorizing Ordinance, together with a notice in the statutory form, was published in the *Daily Herald*, being a newspaper of general circulation in the District, and an affidavit evidencing the publication of the Authorizing Ordinance and said notice have heretofore been presented to the Board and made a part of the permanent records of the Board; and

WHEREAS, more than thirty (30) days have expired since the date of publication of the Authorizing Ordinance and said notice, and no petition with the requisite number of valid signatures thereon has been filed with the Secretary of the Board requesting that the question of the issuance of the alternate bonds be submitted to referendum; and

WHEREAS, pursuant to and in accordance with the provisions of the Bond Issue Notification Act of the State of Illinois, as amended, the President of the Board, on the 4th day of April, 2014, executed an order calling a public hearing (the "*Hearing*") for the 23rd day of April, 2014, concerning the intent of the Board to sell said bonds; and

WHEREAS, notice of the Hearing was given (i) by publication at least once not less than seven (7) nor more than thirty (30) days before the date of the Hearing in the *Daily Herald*, the same being a newspaper of general circulation in the District, and (ii) by posting said notice at the principal office of the Board at least 48 hours before the Hearing, which notice was continuously available for public review during the entire 48-hour period preceding the Hearing; and

WHEREAS, the Hearing was held on the 23rd day of April, 2014, and at the Hearing, the Board explained the reasons for the proposed bond issue and permitted persons desiring to be heard an opportunity to present written or oral testimony within reasonable time limits; and

WHEREAS, the Hearing was finally adjourned on the 23rd day of April, 2014; and

WHEREAS, the Project constitutes a lawful corporate purpose within the meaning of the Act; and

WHEREAS, the Board is now authorized to issue alternate bonds to the amount of \$8,000,000 for the Project in accordance with the provisions of the Act, and the Board hereby determines that it is necessary and desirable that there be issued an amount not to exceed \$8,000,000 of the bonds so authorized; and

WHEREAS, the alternate bonds to be issued will be payable (a) together with the District's outstanding General Obligation Park Bonds (Alternate Revenue Source), Series 2009A (the "*2009A Bonds*"), and General Obligation Park Bonds (Alternate Revenue Source), Series 2011B (together with the 2009A

Bonds, the "*Prior Bonds*"), from the Pledged Revenues (as hereinafter defined) and (b) from the Pledged Taxes (as hereinafter defined); and

WHEREAS, the Board hereby determines that the Pledged Revenues will provide or pay in each year an amount not less than 1.25 times debt service of the Prior Bonds and the alternate bonds proposed to be issued; and

WHEREAS, such determination of the sufficiency of the Pledged Revenues is supported by the report dated _____, 2014 (the "*Report*"), of Speer Financial, Inc., Chicago, Illinois (the "*Financial Consultant*") which is now on file with the Secretary of the Board:

NOW, THEREFORE, Be It Ordained by the Board of Park Commissioners of the Mt. Prospect Park District, Cook County, Illinois, as follows:

Section 1. Incorporation of Preambles; Acceptance of Report. The Board hereby finds that all of the recitals contained in the preambles to this Ordinance are full, true and correct and does incorporate them into this Ordinance by this reference. The Report has been presented to and is hereby accepted and approved by the Board. It is hereby found and determined that the Financial Consultant is a feasibility analyst having a national reputation for expertise in such matters as the Report.

Section 2. Authorization. It is hereby found and determined that the District has been authorized by the Act to borrow the sum of \$8,000,000 upon the credit of the District and as evidence of such indebtedness to issue alternate bonds, being general obligation bonds payable from the Pledged Revenues, as provided by the Act, to said amount, the proceeds of said bonds to be used for the purpose of paying the cost of the Project, and it is necessary

and for the best interests of the District that there be issued not to exceed \$8,000,000 of the bonds so authorized.

Section 3. Bond Details. There be borrowed on the credit of and for and on behalf of the District an amount not to exceed \$8,000,000 for the purposes aforesaid; and that bonds of the District (the "*Bonds*") shall be issued to said amount and shall be designated "General Obligation Park Bonds (Alternate Revenue Source), Series 2014," with such further series designation as may be appropriate. The Bonds shall be dated such date (not prior to May 28, 2014, and not later than November 28, 2014) 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 November 1 of each of the years (not later than 2044), in the amounts (not exceeding \$1,000,000 per year) and bearing interest at the rates per annum (not exceeding 9.0% 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 semi-annually commencing with the first interest payment date as set forth in the Bond Notification, and on May 1 and November 1 of each year thereafter to maturity.

Interest on each Bond shall be paid by check or draft of the bond registrar and paying agent (which shall be the Treasurer of the Board or a bank or trust company with a corporate trust office located in the United States) set forth in the Bond Notification (the "*Bond Registrar*"), payable upon presentation 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 15th day of the month next preceding the interest payment date. The principal of the Bonds shall be payable in lawful money of the United States of America at the principal corporate trust office or principal office (as appropriate the "*Principal Office*") of the Bond Registrar.

The Bonds shall be signed by the manual or facsimile signatures of the President and Secretary of the Board, and shall be countersigned by the manual or facsimile signature of the Treasurer of the Board, as they shall determine, and the seal of the District shall be affixed thereto or printed thereon, and in case any 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. If the Secretary or the Treasurer of the Board is unable to perform the duties of his or her respective office, then their duties under this Ordinance shall be performed by the Assistant Secretary or the Assistant Treasurer of the Board, respectively.

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 District 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 the Bond Registrar 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 4. Registration of Bonds; Persons Treated as Owners.

(a) *General.* The District shall cause books (the "*Bond Register*") for the registration and for the transfer of the Bonds as provided in this Ordinance to be kept at the Principal Office of the Bond Registrar, which is hereby constituted and appointed the registrar of the District. The District is authorized to prepare, and the Bond Registrar shall keep custody of, multiple Bond blanks executed by the District for use in the transfer and exchange of Bonds.

Upon surrender for transfer of any Bond at the Principal 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 District 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 District 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 15th 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 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 or her 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 District 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 3 hereof. Upon initial issuance, the ownership of each such Bond may 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*"). In such event, 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 and Secretary of the Board, the chief administrative and executive officer and chief financial officer of the District and the Bond Registrar are each authorized to execute and deliver, on behalf of the District, 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 District 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 District 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 District 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 District'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 District 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 3 hereof with respect to the payment of interest to the registered owners of Bonds at the close of business on the 15th day of the month next preceding the applicable interest payment date, the name "Cede" in this Ordinance shall refer to such new nominee of DTC.

In the event that (i) the District determines that DTC is incapable of discharging its responsibilities described herein and in the Representation Letter, (ii) the agreement among the District, the Bond Registrar and DTC evidenced by the Representation Letter shall be terminated for any reason or (iii) the District determines that it is in the best interests of the beneficial owners of the Bonds that they be able to obtain certificated Bonds, the District 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 District 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 District, or such depository's agent or designee, and if the District 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 4(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 5. 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 District 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 District (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 (but not later than November 1, 2024), 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 November 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 District 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 Board 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.* The Bonds shall be redeemed only in the principal amount of \$5,000 and integral multiples thereof. The District 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. For purposes of any redemption of less than all of the outstanding Bonds of a single maturity, the particular Bonds or portions of Bonds 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 District in writing of the Bonds or portions of Bonds selected for redemption and, in the case of any

Bond selected for partial redemption, the principal amount thereof to be redeemed.

Section 6. 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 District 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 Principal Office of the Bond Registrar, 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 redeemed at the option of the District shall have been received by the Bond Registrar prior to the giving of such notice of redemption, such notice may, at

the option of the District, state that said redemption shall be conditional upon the receipt of such moneys by the Bond Registrar on or prior to the date fixed for redemption. If such moneys are not received, such notice shall be of no force and effect, the District 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 District shall deposit with the Bond Registrar an amount of money sufficient to pay the redemption price of all the Bonds or portions of Bonds which are to be redeemed on that date.

Subject to the provisions for a conditional redemption described above, notice of redemption having been given as aforesaid, the Bonds or portions of Bonds so to be redeemed shall, on the redemption date, become due and payable at the redemption price therein specified, and from and after such date (unless the District shall default in the payment of the redemption price) such Bonds or portions of Bonds shall cease to bear interest. Upon surrender of such Bonds for redemption in accordance with said notice, such Bonds shall be paid by the Bond Registrar at the redemption price. 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 of Bond 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 of Bond so called for redemption. All Bonds which have been redeemed shall be cancelled and destroyed by the Bond Registrar and shall not be reissued.

Section 7. Form of Bond. The Bonds shall be in substantially the following form; *provided, however,* that if the text of the Bond is to be printed in its entirety on the front side of the Bond, then paragraph [2] and the legend, "See Reverse Side for Additional Provisions," shall be omitted and paragraph [6] and the paragraphs thereafter as may be appropriate shall be inserted immediately after paragraph [1]:

[Form of Bond – Front Side]

REGISTERED
No. _____

REGISTERED
\$_____

UNITED STATES OF AMERICA

STATE OF ILLINOIS

COUNTY OF COOK

MT. PROSPECT PARK DISTRICT

GENERAL OBLIGATION PARK BOND
(ALTERNATE REVENUE SOURCE), SERIES 2014

See Reverse Side for Additional Provisions
--

Interest Maturity Dated
Rate: ____% Date: November 1, 20__ Date: _____, 2014 CUSIP: _____

Registered Owner:

Principal Amount:

[1] KNOW ALL PERSONS BY THESE PRESENTS, that the Mt. Prospect Park District, Cook County, Illinois (the "*District*"), hereby acknowledges itself to owe and for value received promises to pay to the Registered Owner identified above, or registered assigns as hereinafter provided, on the Maturity Date identified above, the Principal Amount identified above and to pay interest (computed on the basis of a 360-day year of twelve 30-day months) on such Principal Amount from the date of this Bond or from the most recent interest payment date to which interest has been paid at the Interest Rate per annum set forth above on May 1 and November 1 of each year, commencing _____ 1, 201_, until said Principal Amount is paid. Principal of this Bond is payable in

lawful money of the United States of America at the principal [corporate trust] office of _____, _____, _____, as bond registrar and paying agent (the "*Bond Registrar*"). Payment of the installments of interest shall be made to the Registered Owner hereof as shown on the registration books of the District maintained by the Bond Registrar at the close of business on the 15th day of the month next preceding each interest payment date and shall be paid by check or draft of the Bond Registrar, payable upon presentation in lawful money of the United States of America, mailed to the address of such Registered Owner as it appears on such registration books or at such other address furnished in writing by such Registered Owner to the Bond Registrar. For the prompt payment of this Bond, both principal and interest at maturity, the full faith, credit and resources of the District are hereby irrevocably pledged.

[2] 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.

[3] It is hereby certified and recited that all conditions, acts and things required by law to exist or to be done precedent to and in the issuance of this Bond did exist, have happened, been done and performed in regular and due form and time as required by law; that the indebtedness of the District, including the issue of Bonds of which this is one, does not exceed any limitation imposed by law; and that provision has been made for the collection of the Pledged Revenues and the Pledged Taxes to pay the interest hereon as it falls due and also to pay and discharge the principal hereof at maturity.

[4] 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.

[5] IN WITNESS WHEREOF, said Mt. Prospect Park District, Cook County, Illinois, by its Board of Park Commissioners, has caused this Bond to be signed by the manual or duly authorized facsimile signatures of the President and Secretary of said Board of Park Commissioners, and to be countersigned by the manual or duly authorized facsimile signature of the Treasurer thereof, and has caused the seal of the District to be affixed hereto or printed hereon, all as of the Dated Date identified above.

President, Board of Park
Commissioners

(SEAL)

Secretary, Board of Park
Commissioners

Countersigned:

Treasurer, Board of Park Commissioners

Date of Authentication: _____, 20__

CERTIFICATE
OF
AUTHENTICATION

Bond Registrar and Paying Agent:

_____,
_____, _____

This Bond is one of the Bonds described in the within mentioned ordinance and is one of the General Obligation Park Bonds (Alternate Revenue Source), Series 2014, of the Mt. Prospect Park District, Cook County, Illinois.

_____,
as Bond Registrar

By _____
Authorized Officer

[Form of Bond – Reverse Side]

MT. PROSPECT PARK DISTRICT

COOK COUNTY, ILLINOIS

GENERAL OBLIGATION PARK BOND
(ALTERNATE REVENUE SOURCE), SERIES 2014

[6] This Bond is one of a series of Bonds issued by the District pursuant to the Local Government Debt Reform Act of the State of Illinois, as amended (the "*Act*"), and the Park District Code of the State of Illinois, as amended (the "*Park Code*"), to build improvements to and maintain, protect and equip the Mt. Prospect Golf Club golf course, improve the sites of and equip playgrounds and provide for the payment of the expenses incident thereto, and is authorized by an ordinance adopted by the Board of Park Commissioners of the District (the "*Board*") on the 19th day of March, 2014, and by an ordinance adopted by the Board on the 28th day of May, 2014 (the "*Bond Ordinance*"), in all respects as provided by law.

[7] The Bonds are payable (a) together with the District's outstanding General Obligation Park Bonds (Alternate Revenue Source), Series 2009A (the "*2009A Bonds*"), and General Obligation Park Bonds (Alternate Revenue Source), Series 2011B (together with the 2009A Bonds, the "*Prior Bonds*"), from proceeds received by the District from time to time from the issuance of its general obligation bonds or notes to the fullest extent permitted by law, including Section 6-4 of the Park Code and Section 15.01 of the Act, and such other funds of the District as may be lawfully available and annually appropriated for such payment (the "*Pledged Revenues*"), and (b) ad valorem taxes levied against all of the taxable property in the District without limitation

as to rate or amount (the "*Pledged Taxes*"), all in accordance with the provisions of the Act and the Park Code. The Bonds are being issued on a parity with the Prior Bonds to the extent the Bonds and the Prior Bonds are payable from the Pledged Revenues.

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

[9] [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 District 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.]

[10] This Bond is transferable by the Registered Owner hereof in person or by his or her attorney duly authorized in writing at the principal [corporate trust] office of the Bond Registrar in _____, _____, but only in the manner, subject to the limitations and upon payment of the charges provided in the authorizing 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.

[11] 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 principal [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 authorizing 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 15th 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].

[12] The District 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 District nor the Bond Registrar shall be affected by any notice to the contrary.

(ASSIGNMENT)

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

(Name and Address of Assignee)

the within Bond and does hereby irrevocably constitute and appoint _____

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 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 8. Sale of Bonds. The President of the Board and the Executive Director of the District (the "*Designated Representatives*") are hereby authorized to proceed not later than the 15th day of November, 2014, without any further authorization or direction from the Board, 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 of the Board, and be by said Treasurer delivered to the purchaser thereof (the "*Purchaser*"), the same being (a) the successful bidder for the Bonds following a competitive sale thereof conducted by Speer Financial, Inc., Chicago, Illinois ("*Speer*"), (b) a bank or financial institution (i) authorized to do business in the State of Illinois or (ii) listed in the Dealers & Underwriters or Municipal Derivatives sections of the most recent edition of The Bond Buyer's Municipal Marketplace, (c) a governmental unit as defined in the Debt Reform Act, or (d) an "accredited investor" as defined in Rule 501 of Regulation D as promulgated under the Securities Act of 1933, as amended; *provided, however*, that the Purchaser as set forth in either (b), (c) or (d) shall only be selected upon receipt by the District of the written recommendation of Speer that the sale of the Bonds on a negotiated or private placement basis to the Purchaser is in the best interests of the District because of (i) the pricing of the Bonds by the

Purchaser, (ii) then current market conditions or (iii) the timing of the sale of the Bonds, upon receipt of the purchase price therefor, the same being not less than 98% of the principal amount of the Bonds, plus accrued interest, if any, to date of delivery.

Prior to the sale of the Bonds, the President of the Board or the Executive Director or other business official of the District 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 District and made available to the Board at the next regular meeting thereof; but such action shall be for information purposes only, and the Board 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, Secretary and Treasurer of the Board and any other officers of the District, 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 District 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 District, either by election or appointment, is in any manner financially interested directly in his or her 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 Board are hereby authorized to take any action as may be required on the part of the District to consummate the transactions contemplated by the Purchase Contract, this Ordinance, said Preliminary Official Statement, the Official Statement and the Bonds.

Section 9. Alternate Revenue Source; Appropriation; Additional Obligations; Tax Levy. For the purpose of providing funds required to pay the interest on the Prior Bonds and the Bonds promptly when and as the same falls due, and to pay and discharge the principal thereof at maturity, the

District covenants and agrees with the purchasers and the owners of the Prior Bonds and the Bonds that the District will issue its general obligation bonds or notes from time to time to the fullest extent permitted by law, including Section 6-4 of the Park Code and Section 15.01 of the Act, and that the District will appropriate its funds annually in such amounts and in a timely manner so as to provide for the payment of the Prior Bonds and the Bonds, and not less than an additional .25 times debt service. The principal proceeds of such bonds or notes, together with such other funds of the District as may be lawfully available and annually appropriated for such purpose (collectively, the "*Pledged Revenues*"), shall be deposited into the Bond Fund, as hereinafter defined, and in the debt service funds established in connection with the Prior Bonds, for the payment of the Bonds and the Prior Bonds. The Pledged Revenues are hereby pledged to the payment of the Prior Bonds and the Bonds and the Board covenants and agrees to provide for, appropriate, collect and apply the Pledged Revenues as provided in this Ordinance and in the ordinances authorizing the issuance of the Prior Bonds.

The Bonds are being issued on a parity with the Prior Bonds to the extent the Prior Bonds and the Bonds are payable from the Pledged Revenues. The District is authorized to issue from time to time additional obligations payable from the Pledged Revenues as permitted by law, which additional obligations may share ratably and equally in the Pledged Revenues with the Prior Bonds and the Bonds, and to determine the lien priority of any such obligations *provided, however*, that no such additional obligations shall be issued except in accordance with the provisions of the Act.

For the purpose of providing additional funds to pay the principal of and interest on the Bonds, there is hereby levied upon all of the taxable property within the District, in the years for which any of the Bonds are outstanding, 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 there be and there hereby is levied upon all of the taxable property in the District the following direct annual taxes (the *"Pledged Taxes"*):

FOR THE YEAR	A TAX SUFFICIENT TO PRODUCE THE SUM OF:	
2014	\$1,500,000	for interest and principal up to and including November 1, 2015
2015	\$1,500,000	for interest and principal
2016	\$1,500,000	for interest and principal
2017	\$1,500,000	for interest and principal
2018	\$1,500,000	for interest and principal
2019	\$1,500,000	for interest and principal
2020	\$1,500,000	for interest and principal
2021	\$1,500,000	for interest and principal
2022	\$1,500,000	for interest and principal
2023	\$1,500,000	for interest and principal
2024	\$1,500,000	for interest and principal
2025	\$1,500,000	for interest and principal
2026	\$1,500,000	for interest and principal
2027	\$1,500,000	for interest and principal
2028	\$1,500,000	for interest and principal
2029	\$1,500,000	for interest and principal
2030	\$1,500,000	for interest and principal
2031	\$1,500,000	for interest and principal
2032	\$1,500,000	for interest and principal
2033	\$1,500,000	for interest and principal
2034	\$1,500,000	for interest and principal
2035	\$1,500,000	for interest and principal
2036	\$1,500,000	for interest and principal
2037	\$1,500,000	for interest and principal
2038	\$1,500,000	for interest and principal
2039	\$1,500,000	for interest and principal
2040	\$1,500,000	for interest and principal

2041	\$1,500,000	for interest and principal
2042	\$1,500,000	for interest and principal
2043	\$1,500,000	for interest and principal

Interest or principal coming due at any time when there are insufficient funds on hand from the Pledged Taxes to pay the same shall be paid promptly when due from current funds on hand in advance of the collection of the Pledged Taxes herein levied; and when the Pledged Taxes shall have been collected, reimbursement shall be made to said funds in the amount so advanced.

The District covenants and agrees with the purchasers and the owners of the Bonds that so long as any of the Bonds remain outstanding, the District will take no action or fail to take any action which in any way would adversely affect the ability of the District to collect the Pledged Revenues or to levy and collect the Pledged Taxes. The District and its officers will comply with all present and future applicable laws in order to assure that the Pledged Revenues will be available and that the Pledged Taxes will be levied, extended and collected as provided herein and deposited in the Bond Fund.

To the extent that the taxes levied above exceed the amount necessary to pay debt service on the Bonds as set forth in the Bond Notification, the President, Secretary and Treasurer of the Board 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 of The County of Cook, Illinois (the "*County Clerk*"), in a timely manner to effect such abatement.

Section 10. Filing of Ordinance. Forthwith upon the passage of this Ordinance, the Secretary of the Board is hereby directed to file a certified copy of this Ordinance with the County Clerk; and the County Clerk shall in and for each of the years 2014 to 2043, inclusive, ascertain the rate percent required to produce the aggregate Pledged Taxes hereinbefore provided to be levied in each of said years; 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 District for general park purposes of the District; and in said years the Pledged Taxes shall be levied and collected by and for and on behalf of the District in like manner as taxes for general park purposes of the District for said years are levied and collected, and in addition to and in excess of all other taxes.

Section 11. Abatement of Pledged Taxes. Whenever the District determines that funds are or will be available to pay any principal of or interest on the Bonds when due, so as to enable the abatement of the Pledged Taxes levied for the same, the Board or the officers of the District acting with proper authority, shall direct the abatement of the Pledged Taxes by such amount, and proper notification of such abatement shall be filed with the County Clerk, in a timely manner to effect such abatement.

Section 12. Bond Fund. There is hereby established a special fund of the District known as the "Alternate Bond and Interest Fund of 2014" (the "*Bond Fund*"). The Pledged Revenues and the Pledged Taxes shall be set aside as collected and be deposited into the Bond Fund, which is a trust fund established for the purpose of carrying out the covenants, terms and conditions

imposed upon the District by this Ordinance. The Bonds are secured by a pledge of all of the moneys on deposit in the Bond Fund, and such pledge is irrevocable until the Bonds have been paid in full or until the obligations of the District are discharged under this Ordinance.

Section 13. Appropriation of Bond Proceeds and Creation of Accounts. Accrued interest 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 from the sale of the Bonds are hereby appropriated for the purpose of paying the costs of issuance of the Bonds and for the purpose of paying the cost of the Project, and that portion thereof not needed to pay such costs of issuance is hereby ordered deposited into the Capital Improvement Account of the District (the "*Project Fund*"). At the time of the issuance of the Bonds, the costs of issuance of the Bonds may be paid by the Purchaser on behalf of the District from the proceeds of the Bonds.

Section 14. Non-Arbitrage and Tax-Exemption. One purpose of this Section is to set forth various facts regarding the Bonds and to establish the expectations of the Board and the District as to future events regarding the Bonds and the use of Bond proceeds. The certifications, covenants and representations contained herein (except for paragraph 7.10) and at the time of the Closing are made on behalf of the District for the benefit of the owners from time to time of the Bonds. In addition to providing the certifications, covenants and representations contained herein, the District 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 hereinafter defined 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 District acknowledges that, in the event of an examination by the Internal Revenue Service (the “IRS”) of the Bonds, under present rules, the District 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 Board and the District certify, covenant and represent as follows:

1.1. Definitions. In addition to such other words and terms used and defined in this Ordinance, the following words and terms used in this Section shall have the following meanings unless, in either case, the context or use clearly indicates another or different meaning is intended:

“2014 Certificates” means the Debt Certificates, Series 2014, of the District, expected to be issued on the date of Closing.

“Affiliated Person” means a Person that is affiliated with another Person (including the District) because either (a) at any time during the six months prior to the execution and delivery of the Bonds, more than five percent of the voting power of the governing body of either Person is in the aggregate vested in the other Person and its directors, officers, owners, and employees, or (b) during the one-year period beginning six months prior to the execution and delivery of the Bonds, the composition of the governing body of the Person (or any Person that controls the Person) is modified or established to reflect (directly or indirectly) representation of the interests of the other Person (or there is an agreement, understanding, or arrangement relating to such a modification or establishment during that one-year period).

“Bond Counsel” means Chapman and Cutler LLP or any other nationally recognized firm of attorneys experienced in the field of

municipal bonds whose opinions are generally accepted by purchasers of municipal bonds.

"Capital Expenditures" means costs of a type that would be properly chargeable to a capital account under the Code (or would be so chargeable with a proper election) under federal income tax principles if the District were treated as a corporation subject to federal income taxation, taking into account the definition of Placed-in-Service set forth herein.

"Closing" means the first date on which the District is receiving the purchase price for the Bonds.

"Code" means the Internal Revenue Code of 1986, as amended.

"Commingled Fund" means any fund or account containing both Gross Proceeds and an amount in excess of \$25,000 that are not Gross Proceeds if the amounts in the fund or account are invested and accounted for, collectively, without regard to the source of funds deposited in the fund or account. An open-ended regulated investment company under Section 851 of the Code is not a Commingled Fund.

"Control" means the possession, directly or indirectly through others, of either of the following discretionary and non-ministerial rights or powers over another entity:

(a) to approve and to remove without cause a controlling portion of the governing body of a Controlled Entity; or

(b) to require the use of funds or assets of a Controlled Entity for any purpose.

"Controlled Entity" means any entity or one of a group of entities that is subject to Control by a Controlling Entity or group of Controlling Entities.

"Controlled Group" means a group of entities directly or indirectly subject to Control by the same entity or group of entities. A Controlled Group includes the entity that has Control of the other entities.

"Controlling Entity" means any entity or one of a group of entities directly or indirectly having Control of any entities or group of entities.

"Costs of Issuance" means the costs of issuing the Bonds, including underwriters' discount and legal fees, but not including the fees for the Credit Facility described in paragraph 5.5 hereof.

"Credit Facility" means the municipal bond insurance policy issued by the Credit Facility Provider.

"Credit Facility Provider" means the insurance company, if any, insuring the payment of all or a portion of the principal of and interest on the Bonds.

"De Minimis Amount of Original Issue Discount or Premium" means with respect to an obligation (a) any original issue discount or premium that does not exceed two percent of the stated redemption price at maturity of the Bonds plus (b) any original issue premium that is attributable exclusively to reasonable underwriter's compensation.

"External Commingled Fund" means a Commingled Fund in which the District and all members of the same Controlled Group as the District own, in the aggregate, not more than ten percent of the beneficial interests.

"GIC" means (a) any investment that has specifically negotiated withdrawal or reinvestment provisions and a specifically negotiated interest rate and (b) any agreement to supply investments on two or more future dates (e.g., a forward supply contract).

"Gross Proceeds" means amounts in the Bond Fund and the Project Fund.

"Person" means and includes any individual, body politic, governmental unit, agency or authority, trust, estate, partnership, association, company, corporation, joint-stock company, syndicate, group, pool, joint venture, other unincorporated organization or group, or group of any of the above.

"Placed-in-Service" means the date on which, based on all facts and circumstances (a) a facility has reached a degree of completion that would permit its operation at substantially its design level and (b) the facility is, in fact, in operation at such level.

"Private Business Use" means any use of the Project by any Person (including the federal government) other than a state or local governmental unit, including as a result of (i) ownership, (ii) actual or beneficial use pursuant to a lease or a management, service, incentive payment, research or output contract or (iii) any other similar arrangement, agreement or understanding, whether written or oral, except for use of the Project on the same basis as the general public. Private Business Use includes any formal or informal arrangement with any Person other than a state or local governmental unit (i) that conveys

special legal entitlements to any portion of the Project, or (ii) under which any Person other than a state or local governmental unit has any special economic benefit with respect to any portion of the Project that is not available for use by the general public.

"Qualified Administrative Costs of Investments" means (a) reasonable, direct administrative costs (other than carrying costs) such as separately stated brokerage or selling commissions but not legal and accounting fees, recordkeeping, custody and similar costs; or (b) all reasonable administrative costs, direct or indirect, incurred by a publicly offered regulated investment company or an External Commingled Fund.

"Qualified Tax Exempt Obligations" means (a) any obligation described in Section 103(a) of the Code, the interest on which is excludable from gross income of the owner thereof for federal income tax purposes and is not an item of tax preference for purposes of the alternative minimum tax imposed by Section 55 of the Code; (b) an interest in a regulated investment company to the extent that at least ninety-five percent of the income to the holder of the interest is interest which is excludable from gross income under Section 103 of the Code of any owner thereof for federal income tax purposes and is not an item of tax preference for purposes of the alternative minimum tax imposed by Section 55 of the Code; and (c) certificates of indebtedness issued by the United States Treasury pursuant to the Demand Deposit State and Local Government Series program described in 31 C.F.R. pt. 344 (this clause (c) applies only to demand deposit SLGS, not to other types of SLGS).

"Rebate Fund" means the fund, if any, identified and defined in paragraph 4.1 herein.

"Rebate Provisions" means the rebate requirements contained in Section 148(f) of the Code and in the Regulations.

"Regulations" means United States Treasury Regulations dealing with the tax-exempt bond provisions of the Code.

"Reimbursed Expenditures" means any expenditures of the District paid prior to Closing to which Sale Proceeds or investment earnings thereon are or will be allocated.

"Reserve Portion of the Bond Fund" means the portion of the Bond Fund funded in excess of the amount of debt service payable each year.

"Sale Proceeds" means amounts actually or constructively received from the sale of the Bonds, including (a) amounts used to pay

underwriter's discount or compensation, (b) accrued interest, other than accrued interest for a period not greater than one year before Closing but only if it is to be paid within one year after Closing and (c) amounts derived from the sale of any right that is part of the terms of a Bond or is otherwise associated with a Bond (e.g., a redemption right).

"Yield" means that discount rate which when used in computing the present value of all payments of principal and interest paid and to be paid on an obligation produces an amount equal to the obligation's purchase price (or in the case of the Bonds, the issue price as established in Section 5.1), including accrued interest. For purposes of computing the Yield on the Bonds and on investments, the same compounding interval (which must be an interval of not more than one year) and standard financial conventions (such as a 360-day year) must be used.

"Yield Reduction Payment" means a rebate payment or any other amount paid to the United States in the same manner as rebate amounts are required to be paid or at such other time or in such manner as the IRS may prescribe that will be treated as a reduction in Yield of an investment under the Regulations.

2.1. Purpose of the Bonds. The Bonds are being issued to finance the Project in a prudent manner consistent with the revenue needs of the District. A breakdown of the sources and uses of funds is set forth in the preceding Section of this Ordinance. Except for any accrued interest on the Bonds used to pay first interest due on the Bonds, no proceeds of the Bonds will be used more than 30 days after the date of issue of the Bonds for the purpose of paying any principal or interest on any issue of bonds, notes, certificates or warrants or on any installment contract or other obligation of the District or for the purpose of replacing any funds of the District used for such purpose.

2.2. The Project—Binding Commitment and Timing. The District has incurred or will, within six months of the Closing, incur a substantial binding obligation (not subject to contingencies within the control of the District or any member of the same Controlled Group as the District) to a third party to expend at least five percent of the Sale Proceeds on the Project. It is expected that the work of acquiring and constructing the Project and the expenditure of amounts deposited into the Project Fund will continue to proceed with due diligence through the last date shown on the draw schedule to be attached to the Treasurer's Receipt as an Exhibit (the *"Exhibit"*) at the time of Closing, which is no later than three years after Closing, at which time it is anticipated that all Sale Proceeds and investment earnings thereon will have been spent.

2.3. Reimbursement. With respect to expenditures for the Project paid within the 60 day period ending on this date and with respect to which no declaration of intent was previously made, the District hereby declares its intent to reimburse such expenditures and hereby allocates Sale Proceeds in the amount indicated in the Treasurer's Receipt to be delivered in connection with the issuance of the Bonds to reimburse said expenditures. Otherwise, none of the Sale Proceeds or investment earnings thereon will be used for Reimbursed Expenditures.

2.4. Working Capital. All Sale Proceeds and investment earnings thereon will be used, directly or indirectly, to finance Capital Expenditures other than the following:

(a) working capital expenditures directly related to Capital Expenditures financed by the Bonds, in an amount not to exceed five percent of the Sale Proceeds;

(b) payments of interest on the Bonds for a period commencing at Closing and ending on the later of the date three years after Closing or one year after the date on which the Project is Placed-in-Service;

(c) Costs of Issuance and Qualified Administrative Costs of Investments;

(d) payments of rebate or Yield Reduction Payments made to the United States;

(e) principal of or interest on the Bonds paid from unexpected excess Sale Proceeds and investment earnings thereon;

(f) investment earnings that are commingled with substantial other revenues and are expected to be allocated to expenditures within six months of the date commingled; and

(g) fees for the Credit Facility.

2.5. Consequences of Contrary Expenditure. The District acknowledges that if Sale Proceeds and investment earnings thereon are spent for non-Capital Expenditures other than as permitted by paragraph 2.4 hereof, a like amount of then available funds of the District will be treated as unspent Sale Proceeds.

2.6. Payments to District or Related Persons. The District acknowledges that if Sale Proceeds or investment earnings thereon are transferred to or paid to the District or any member of the same

Controlled Group as the District, those amounts will not be treated as having been spent for federal income tax purposes. However, Sale Proceeds or investment earnings thereon will be allocated to expenditures for federal income tax purposes if the District uses such amounts to reimburse itself for amounts paid to persons other than the District or any member of the same Controlled Group as the District, *provided* that the original expenditures were paid on or after Closing or are permitted under paragraph 2.3 of this Section, and *provided* that the original expenditures were not otherwise paid out of Sale Proceeds or investment earnings thereon or the proceeds of any other borrowing. Any Sale Proceeds or investment earnings thereon that are transferred to or paid to the District or any member of the same Controlled Group as the District (other than as reimbursement permitted by paragraph 2.3 or as a result of investment earnings commingling under paragraph 2.4(f)) will remain Sale Proceeds or investment earnings thereon, and thus Gross Proceeds, until such amounts are allocated to expenditures for federal income tax purposes. If the District does not otherwise allocate any such amounts to expenditures for the Project or other expenditures permitted under this Ordinance, any such amounts will be allocated for federal income tax purposes to the next expenditures, not otherwise paid out of Sale Proceeds or investment earnings thereon or the proceeds of any other borrowing, for interest on the Bonds prior to the later of the date three years after Closing or one year after the date on which the Project is Placed-in-Service. The District will consistently follow this accounting method for federal income tax purposes.

2.7. Investment of Bond Proceeds. Not more than 50% of the Sale Proceeds and investment earnings thereon are or will be invested in investments (other than Qualified Tax Exempt Obligations) having a Yield that is substantially guaranteed for four years or more. No portion of the Bonds is being issued solely for the purpose of investing a portion of Sale Proceeds or investment earnings thereon at a Yield higher than the Yield on the Bonds.

It is expected that the Sale Proceeds deposited into the Project Fund, plus investment earnings on the Project Fund, will be spent to pay costs of the Project, including any capitalized interest on the Bonds, in accordance with the estimated drawdown schedule contained in the Exhibit, the investment earnings on the Bond Fund will be spent to pay interest on the Bonds, or to the extent permitted by law, investment earnings on amounts in the Project Fund and the Bond Fund may be commingled with substantial revenues from the governmental operations of the District, and the earnings are reasonably expected to be spent for governmental purposes within six months of the date commingled. Interest earnings on the Project Fund and the Bond Fund have not been earmarked or restricted by the Board for a designated purpose.

2.8. No Grants. None of the Sale Proceeds or investment earnings thereon will be used to make grants to any person.

2.9. Hedges. Neither the District nor any member of the same Controlled Group as the District has entered into or expects to enter into any hedge (e.g., an interest rate swap, interest rate cap, futures contract, forward contract or an option) with respect to the Bonds. The District acknowledges that any such hedge could affect, among other things, the calculation of Bond Yield under the Regulations. The IRS could recalculate Bond Yield if the failure to account for the hedge fails to clearly reflect the economic substance of the transaction. The District acknowledges that if it wishes to take any such hedge into account in determining Bond Yield, various requirements under the Regulations, including prompt identification of the hedge with the Bonds on the District's books and records, need to be met.

The District also acknowledges that if it acquires a hedging contract with an investment element (including e.g., an off-market swap agreement, or any cap agreement for which all or a portion of the premium is paid at, or before the effective date of the cap agreement), then a portion of such hedging contract may be treated as an investment of Gross Proceeds of the Bonds, and be subject to the fair market purchase price rules, rebate and yield restriction. The District agrees not to use proceeds of the Bonds to pay for any such hedging contract in whole or in part. The District also agrees that it will not give any assurances to any Bondholder, the Credit Facility Provider, or any other credit or liquidity enhancer with respect to the Bonds that any such hedging contract will be entered into or maintained. The District recognizes that if a portion of a hedging contract is determined to be an investment of Gross Proceeds, such portion may not be fairly priced even if the hedging contract as a whole is fairly priced.

2.10. IRS Audits. The District represents that the IRS has not contacted the District regarding any obligations issued by or on behalf of the District. To the best of the knowledge of the District, no such obligations of the District are currently under examination by the IRS.

3.1. Use of Proceeds. (a) The use of the Sale Proceeds and investment earnings thereon and the funds held under this Ordinance at the time of Closing are described in the preceding Section of this Ordinance. No Sale Proceeds will be used to pre-pay for goods or services to be received over a period of years prior to the date such goods or services are to be received, except for any payment to the Credit Facility Provider. No Sale Proceeds and no investment earnings thereon will be used to pay for or otherwise acquire goods or services from the

District, any member of the same Controlled Group as the District, or an Affiliated Person.

(b) Only the funds and accounts described in said Section will be funded at Closing. There are no other funds or accounts created under this Ordinance, other than the Rebate Fund if it is created as provided in paragraph 4.1.

(c) Principal of and interest on the Bonds will be paid from the Bond Fund.

(d) Any Costs of Issuance incurred in connection with the issuance of the Bonds to be paid by the District will be paid at the time of Closing.

(e) The costs of the Project will be paid from the Project Fund and no other moneys (except for investment earnings on amounts in the Project Fund) are expected to be deposited therein.

3.2. Purpose of Bond Fund. The Bond Fund (other than the Reserve Portion of the Bond Fund) will be used primarily to achieve a proper matching of revenues and earnings with principal and interest payments on the Bonds in each bond year. It is expected that the Bond Fund (other than the Reserve Portion of the Bond Fund) will be depleted at least once a year, except for a reasonable carry over amount not to exceed the greater of (a) the earnings on the investment of moneys in the Bond Fund (other than the Reserve Portion of the Bond Fund) for the immediately preceding bond year or (b) 1/12th of the principal and interest payments on the Bonds for the immediately preceding bond year.

The District will levy taxes to produce an amount sufficient to pay all principal of and interest on the Bonds in each bond year. To minimize the likelihood of an insufficiency, the amount levied to pay the Bonds may in most years be in excess of the amount extended to pay principal and interest within one year of collection. Nevertheless, except for the Reserve Portion of the Bond Fund, the Bond Fund will be depleted each year as described above. The Reserve Portion of the Bond Fund will be treated as a separate account not treated as part of the bona fide debt service fund. The Reserve Portion of the Bond Fund is subject to yield restriction requirements except as it may otherwise be excepted as provided in 5.2 below. It is also subject to the rebate requirements.

3.3. No Other Gross Proceeds. (a) Except for the Bond Fund and the Project Fund, and except for investment earnings that have been commingled as described in paragraph 2.6 and any credit enhancement or liquidity device related to the Bonds, after the issuance of the Bonds,

neither the District, any member of the same Controlled Group as the District nor any other Person (other than the Credit Facility Provider) has or will have any property, including cash, securities or will have any property, including cash, securities or any other property held as a passive vehicle for the production of income or for investment purposes, that constitutes:

(i) Sale Proceeds;

(ii) amounts in any fund or account with respect to the Bonds (other than the Rebate Fund);

(iii) amounts that have a sufficiently direct nexus to the Bonds or to the governmental purpose of the Bonds to conclude that the amounts would have been used for that governmental purpose if the Bonds were not used or to be used for that governmental purpose (the mere availability or preliminary earmarking of such amounts for a governmental purpose, however, does not itself establish such a sufficient nexus);

(iv) amounts in a debt service fund, redemption fund, reserve fund, replacement fund or any similar fund to the extent reasonably expected to be used directly or indirectly to pay principal of or interest on the Bonds or any amounts for which there is provided, directly or indirectly, a reasonable assurance that the amount will be available to pay principal of or interest on the Bonds or any obligations under any credit enhancement or liquidity device with respect to the Bonds, even if financial difficulties are encountered;

(v) any amounts held pursuant to any agreement (such as an agreement to maintain certain levels of types of assets) made for the benefit of the Bondholders or any credit enhancement provider, including any liquidity device or negative pledge (*e.g.*, any amount pledged to secure the Bonds held under an agreement to maintain the amount at a particular level for the direct or indirect benefit of holders of the Bonds or a guarantor of the Bonds); or

(vi) amounts actually or constructively received from the investment and reinvestment of the amounts described in (i) or (ii) above.

(b) No compensating balance, liquidity account, negative pledge of property held for investment purposes required to be maintained at least at a particular level or similar arrangement exists with respect to, in any

way, the Bonds or any credit enhancement or liquidity device related to the Bonds.

(c) The term of the Bonds is not longer than is reasonably necessary for the governmental purposes of the Bonds. The average reasonably expected economic life of the Project is at least 30 years. The weighted average maturity of the Bonds does not exceed 30 years and does not exceed 120 percent of the average reasonably expected economic life of the Project. The maturity schedule of the Bonds (the "*Principal Payment Schedule*") is based on an analysis of revenues expected to be available to pay debt service on the Bonds. The Principal Payment Schedule is not more rapid (*i.e.*, having a lower average maturity) because a more rapid schedule would place an undue burden on tax rates and cause such rates or the rates of other revenue sources to be increased beyond prudent levels, and would be inconsistent with the governmental purpose of the Bonds as set forth in paragraph 2.1 hereof.

3.4. Final Allocation of Proceeds. Subject to the requirements of this Section, including those concerning working capital expenditures in paragraph 2.4, the District may generally use any reasonable, consistently applied accounting method to account for Gross Proceeds, investments thereon, and expenditures. The District must account for the final allocation of proceeds of the Bonds to expenditures not later than 18 months after the later of the date the expenditure is paid or the date the property with respect to which the expenditure is made is Placed-in-Service. This allocation must be made in any event by the date 60 days after the fifth anniversary of the issue date of the Bonds or the date 60 days after the retirement of the Bonds, if earlier.

Reasonable accounting methods for allocating funds include any of the following methods if consistently applied: a specific tracing method; a Gross Proceeds spent first method; a first-in, first-out method; or a ratable allocation method. The District may also reallocate proceeds of the Bonds from one expenditure to another until the end of the period for final allocation, discussed above. Unless the District has taken an action to use a different allocation method by the end of the period for a final allocation, proceeds of the Bonds will be treated as allocated to expenditures using the specific tracing method.

4.1. Compliance with Rebate Provisions. The District covenants to take such actions and make, or cause to be made, all calculations, transfers and payments that may be necessary to comply with the Rebate Provisions applicable to the Bonds. The District will make, or cause to be made, rebate payments with respect to the Bonds in accordance with law.

The District is hereby authorized to create and establish a special fund to be known as the Rebate Fund (the "*Rebate Fund*"), which, if created, shall be continuously held, invested, expended and accounted for in accordance with this Ordinance. Moneys in the Rebate Fund shall not be considered moneys held for the benefit of the owners of the Bonds. Moneys in the Rebate Fund (including earnings and deposits therein) shall be held and used for any required payment to the United States as required by the Rebate Provisions and by the Regulations and as contemplated under the provisions of this Ordinance.

4.2. *Records.* The District agrees to keep and retain or cause to be kept and retained for the period described in paragraph 7.9 adequate records with respect to the investment of all Gross Proceeds and any amounts in the Rebate Fund. Such records shall include: (a) purchase price; (b) purchase date; (c) type of investment; (d) accrued interest paid; (e) interest rate; (f) principal amount; (g) maturity date; (h) interest payment date; (i) date of liquidation; and (j) receipt upon liquidation.

If any investment becomes Gross Proceeds on a date other than the date such investment is purchased, the records required to be kept shall include the fair market value of such investment on the date it becomes Gross Proceeds. If any investment ceases to be Gross Proceeds on a date other than the date such investment is sold or is retained after the date the last Bond is retired, the records required to be kept shall include the fair market value of such investment on the date the last Bond is retired. Amounts or investments will be segregated whenever necessary to maintain these records.

4.3. *Fair Market Value; Certificates of Deposit and Investment Agreements.* In making investments of Gross Proceeds and any amounts in the Rebate Fund the District shall take into account prudent investment standards and the date on which such moneys may be needed. Except as provided in the next sentence, all amounts that constitute Gross Proceeds and all amounts in the Rebate Fund shall be invested at all times to the greatest extent practicable, and no amounts may be held as cash or be invested in zero yield investments other than obligations of the United States purchased directly from the United States. In the event moneys cannot be invested, other than as provided in this sentence due to the denomination, price or availability of investments, the amounts shall be invested in an interest bearing deposit of a bank with a yield not less than that paid to the general public or held uninvested to the minimum extent necessary.

Gross Proceeds and any amounts in the Rebate Fund that are invested in certificates of deposit or in GICs shall be invested only in accordance with the following provisions:

(a) Investments in certificates of deposit of banks or savings and loan associations that have a fixed interest rate, fixed payment schedules and substantial penalties for early withdrawal shall be made only if either (i) the Yield on the certificate of deposit (A) is not less than the Yield on reasonably comparable direct obligations of the United States and (B) is not less than the highest Yield that is published or posted by the provider to be currently available from the provider on reasonably comparable certificates of deposit offered to the public or (ii) the investment is an investment in a GIC and qualifies under paragraph (b) below. Investments in federally insured deposits or accounts, including certificates of deposit, may not be made except as allowed under paragraph 5.4.

(b) Investments in GICs shall be made only if

(i) the bid specifications are in writing, include all material terms of the bid and are timely forwarded to potential providers (a term is material if it may directly or indirectly affect the yield on the GIC);

(ii) the terms of the bid specifications are commercially reasonable (a term is commercially reasonable if there is a legitimate business purpose for the term other than to reduce the yield on the GIC);

(iii) all bidders for the GIC have equal opportunity to bid so that, for example, no bidder is given the opportunity to review other bids (a last look) before bidding;

(iv) any agent used to conduct the bidding for the GIC does not bid to provide the GIC;

(v) at least three of the providers solicited for bids for the GIC are reasonably competitive providers of investments of the type purchased (*i.e.*, providers that have established industry reputations as competitive providers of the type of investments being purchased);

(vi) at least three of the entities that submit a bid do not have a financial interest in the Bonds;

(vii) at least one of the entities that provided a bid is a reasonably competitive provider that does not have a financial interest in the Bonds;

(viii) the bid specifications include a statement notifying potential providers that submission of a bid is a representation that the potential provider did not consult with any other provider about its bid, that the bid was determined without regard to any other formal or informal agreement that the potential provider has with the District or any other person (whether or not in connection with the Bonds) and that the bid is not being submitted solely as a courtesy to the District or any other person for purposes of satisfying the federal income tax requirements relating to the bidding for the GIC;

(ix) the determination of the terms of the GIC takes into account the reasonably expected deposit and drawdown schedule for the amounts to be invested;

(x) the highest-yielding GIC for which a qualifying bid is made (determined net of broker's fees) is in fact purchased; and

(xi) the obligor on the GIC certifies the administrative costs that it is paying or expects to pay to third parties in connection with the GIC.

A single investment, or multiple investments awarded to a provider based on a single bid, may not be used for funds subject to different rules relating to rebate or yield restriction.

(c) If a GIC is purchased, the District will retain the following records with its bond documents until three years after the Bonds are redeemed in their entirety:

(i) a copy of the GIC;

(ii) the receipt or other record of the amount actually paid for the GIC, including a record of any administrative costs paid, and the certification under subparagraph (b)(xi) of this paragraph;

(iii) for each bid that is submitted, the name of the person and entity submitting the bid, the time and date of the bid, and the bid results; and

(iv) the bid solicitation form and, if the terms of the GIC deviated from the bid solicitation form or a submitted bid is modified, a brief statement explaining the deviation and stating the purpose for the deviation.

All investments made with Gross Proceeds or amounts in the Rebate Fund shall be bought and sold at fair market value. The fair market value of an investment is the price at which a willing buyer would purchase the investment from a willing seller in a bona fide, arm's length transaction. Except for investments specifically described in (a) or (b) of this paragraph and United States Treasury obligations that are purchased directly from the United States Treasury, only investments that are traded on an established securities market, within the meaning of regulations promulgated under Section 1273 of the Code, will be purchased with Gross Proceeds. In general, an investment is traded on an established securities market only if at any time during the 31-day period ending 15 days after the purchase date: (i) within a reasonable period of time after the sale, the price for an executed purchase or sale of the investment (or information sufficient to calculate the sales price) appears in a medium that is made available to issuers of debt instruments, persons that regularly purchase or sell debt instruments (including a price provided only to certain customers or to subscribers), or persons that broker purchases or sales of debt instruments; (ii) there are one or more firm quotes for the investment (a firm quote is considered to exist when a price quote is available from at least one broker, dealer, or pricing service (including a price provided only to certain customers or to subscribers) for property and the quoted price is substantially the same as the price for which the person receiving the quoted price could purchase or sell the property; a price quote is considered to be available whether the quote is initiated by a person providing the quote or provided at the request of the person receiving the quote; the identity of the person providing the quote must be reasonably ascertainable for a quote to be considered a firm quote for this purpose; a quote will be considered a firm quote if the quote is designated as a firm quote by the person providing the quote or if market participants typically purchase or sell, as the case may be, at the quoted price, even if the party providing the quote is not legally obligated to purchase or sell at that price); or (iii) there are one or more indicative quotes for the investment (an indicative quote is considered to exist when a price quote is available from at least one broker, dealer, or pricing service (including a price provided only to certain customers or to subscribers) for property and the price quote is not a firm quote described in the prior clause). However, a maturity of a debt instrument is not treated as traded on an established market if at the time the determination is made the outstanding stated principal amount of the maturity that includes the debt instrument does not exceed \$100,000,000 (or, for a debt instrument

denominated in a currency other than the U.S. dollar, the equivalent amount in the currency in which the debt instrument is denominated).

An investment of Gross Proceeds in an External Commingled Fund shall be made only to the extent that such investment is made without an intent to reduce the amount to be rebated to the United States Government or to create a smaller profit or a larger loss than would have resulted if the transaction had been at arm's length and had the rebate or Yield restriction requirements not been relevant to the District. An investment of Gross Proceeds shall be made in a Commingled Fund other than an External Commingled Fund only if the investments made by such Commingled Fund satisfy the provisions of this paragraph.

The foregoing provisions of this paragraph satisfy various safe harbors set forth in the Regulations relating to the valuation of certain types of investments. The safe harbor provisions of this paragraph are contained herein for the protection of the District, who has covenanted not to take any action to adversely affect the tax-exempt status of the interest on the Bonds. The District may contact Bond Counsel if it does not wish to comply with the provisions of this paragraph.

4.4. Arbitrage Elections. The President, Secretary and Treasurer of the Board are hereby authorized to execute one or more elections regarding certain matters with respect to arbitrage.

5.1. Issue Price. For purposes of determining the Yield on the Bonds, the purchase price of the Bonds is equal to the first offering price (including accrued interest) at which the Purchaser reasonably expected that at least ten percent of each maturity of the Bonds would be sold to the public (excluding bond houses, brokers or similar persons or organizations acting in the capacity of underwriters, placement agents or wholesalers). All of the Bonds have been the subject of a bona fide initial offering to the public (excluding bond houses, brokers, or similar persons or organizations acting in the capacity of underwriters, placement agents or wholesalers) at prices equal to those set forth in the Official Statement. Based upon prevailing market conditions, such prices are not less than the fair market value of each Bond as of the sale date for the Bonds.

5.2. Yield Limits. (a) Except as provided in paragraph (b), all Gross Proceeds shall be invested at market prices and at a Yield (after taking into account any Yield Reduction Payments) not in excess of the Yield on the Bonds plus, if only amounts in the Project Fund are subject to this yield limitation, 1/8th of one percent.

(b) The following may be invested without Yield restriction:

(i) amounts qualifying for a temporary period consisting of:

(A) amounts on deposit in the Bond Fund (except for capitalized interest) (other than the Reserve Portion of the Bond Fund) that have not been on deposit under this Ordinance for more than 13 months, so long as the Bond Fund continues to qualify as a bona fide debt service fund as described in paragraph 3.2 hereof;

(B) amounts on deposit in the Project Fund prior to the earlier of three years after Closing or the date the District no longer expects to spend all such amounts;

(ii) amounts qualifying for other exceptions consisting of:

(A) an amount not to exceed the lesser of \$100,000 or five percent of the Sale Proceeds;

(B) amounts invested in Qualified Tax Exempt Obligations;

(C) amounts in the Rebate Fund;

(D) all amounts other than Sale Proceeds for the first 30 days after they become Gross Proceeds; and

(E) all amounts derived from the investment of Sale Proceeds or investment earnings thereon for a period of one year from the date received.

5.3. Federal Guarantees. Except as otherwise permitted by the Regulations, no portion of the payment of principal or interest on the Bonds, the Credit Facility or any other credit enhancement or liquidity device relating to the foregoing is or will be guaranteed, directly or indirectly (in whole or in part), by the United States (or any agency or instrumentality thereof), including a lease, incentive payment, research or output contract or any similar arrangement, agreement or understanding with the United States or any agency or instrumentality thereof. No portion of the Gross Proceeds has been or will be used to make loans the payment of principal or interest with respect to which is or will be guaranteed (in whole or in part) by the United States (or any agency or instrumentality thereof). This paragraph does not apply to any guarantee by the Federal Housing Administration, the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation, the

Government National Mortgage Association, the Student Loan Marketing Association or the Bonneville Power Administration pursuant to the Northwest Power Act (16 U.S.C. 839d) as in effect on the date of enactment of the Tax Reform Act of 1984.

5.4. Federally Guaranteed Investments. (a) Certain Gross Proceeds may not be invested in a manner that is considered to create a federal guarantee. The restrictions in this paragraph 5.4 apply to all Gross Proceeds except:

(i) amounts on deposit in the Project Fund prior to the earlier of three years after Closing or the date the District no longer expects to spend all such amount;

(ii) amounts on deposit in the Bond Fund (other than the Reserve Portion of the Bond Fund) to the extent the Bond Fund qualifies as a bona fide debt service fund described in paragraph 3.2; and

(iii) amounts in the Bond Fund to be used to pay capitalized interest on the Bonds prior to the earlier of three years after Closing or the payment of all capitalized interest.

(b) If the District holds any Gross Proceeds other than those listed in the preceding paragraph (a), then any such Gross Proceeds in an amount in excess of five percent of the Sale Proceeds shall not be invested in:

(i) federally insured deposits or accounts, such as bank accounts and C.D.s;

(ii) Obligations of or directly or indirectly guaranteed, in whole or in part, by the United States (or any agency or instrumentality of the United States), other than the following:

(a) United States Treasury Obligations;

(b) obligations issued by the Resolution Funding Corporation pursuant to Section 21B(d)(3) of the Federal Home Loan Bank Act, as amended by Section 511 of the Financial Institutions Reform, Recovery and Enforcement Act of 1989, or any successor provision (e.g., Refcorp Strips); and

(c) obligations guaranteed by the Federal Housing Administration, the Federal National Mortgage Association,

the Federal Home Loan Mortgage Corporation, the Government National Mortgage Association, the Student Loan Marketing Association or the Bonneville Power Administration pursuant to the Northwest Power Act (16 U.S.C. 839d) as in effect on the date of enactment of the Tax Reform Act of 1984.

Because of these investment limitations, after the date three years after Closing, any amounts remaining in the Project Fund must be invested in U.S. Treasury obligations (including obligations of the State and Local Government Series, known as SLGS) or otherwise invested to avoid violating the restrictions set forth in this section.

5.5. Treatment of Certain Credit Facility Fees. The fee paid to the Credit Facility Provider with respect to the Credit Facility may be treated as interest in computing Bond Yield.

Neither the District nor any member of the same Controlled Group as the District is a Related Person as defined in Section 144(a)(3) of the Code to the Credit Facility Provider. The fee paid to the Credit Facility Provider does not exceed ten percent of the Sale Proceeds. Other than the fee paid to the Credit Facility Provider, neither the Credit Facility Provider nor any person who is a related person to the Credit Facility Provider within the meaning of Section 144(a)(3) of the Code will use any Sale Proceeds or investment earnings thereon. The fee paid for the Credit Facility does not exceed a reasonable, arm's length charge for the transfer of credit risk. The fee does not include any payment for any direct or indirect services other than the transfer of credit risk.

6.1. Payment and Use Tests. (a) No more than five percent of the Sale Proceeds plus investment earnings thereon (not including amounts used to pay costs of issuance and other common costs (such as capitalized interest and fees paid for a qualified guarantee or qualified hedge) and amounts invested in a reserve or replacement fund), will be used, directly or indirectly, in whole or in part, in any Private Business Use.

(b) The payment of more than five percent of the principal of or the interest on the Bonds will not be, directly or indirectly (i) secured by any interest in (A) property used or to be used in any Private Business Use or (B) payments in respect of such property or (ii) on a present value basis, derived from payments (whether or not to the District or a member of the same Controlled Group as the District) in respect of property, or borrowed money, used or to be used in any Private Business Use.

(c) No more than the lesser of five percent of the sum of the Sale Proceeds and investment earnings thereon (not including amounts used to pay costs of issuance and other common costs (such as capitalized interest and fees paid for a qualified guarantee or qualified hedge) and amounts invested in a reserve or replacement fund) or \$5,000,000 will be used, directly or indirectly, to make or finance loans to any persons.

(d) No user of the Project other than a state or local governmental unit will use more than five percent of the Project, in the aggregate, on any basis other than the same basis as the general public.

6.2. I.R.S. Form 8038-G. The information contained in the Information Return for Tax-Exempt Governmental Obligations, Form 8038-G, is true and complete. The District will file Form 8038-G (and all other required information reporting forms) in a timely manner.

7.1. Termination; Interest of District in Rebate Fund. The terms and provisions set forth in this Section shall terminate at the later of (a) 75 days after the Bonds have been fully paid and retired or (b) the date on which all payments, if any, required to satisfy the Rebate Provisions of the Code have been made to the United States. Notwithstanding the foregoing, the provisions of paragraphs 4.2, 4.3(c) and 7.9 hereof shall not terminate until the third anniversary of the date the Bonds are fully paid and retired.

7.2. Separate Issue. Since a date that is 15 days prior to the date of sale of the Bonds by the District to the Purchaser, neither the District nor any member of the same Controlled Group as the District has sold or delivered any tax-exempt obligations other than the Bonds and the 2014 Certificates that are reasonably expected to be paid out of substantially the same source of funds as the Bonds. Neither the District nor any member of the same Controlled Group as the District will sell or deliver within 15 days after the date of sale of the Bonds any tax-exempt obligations other than the Bonds and the 2014 Certificates that are reasonably expected to be paid out of substantially the same source of funds as the Bonds.

7.3. No Sale of the Project. (a) Other than as provided in the next sentence, neither the Project nor any portion thereof has been, is expected to be, or will be sold or otherwise disposed of, in whole or in part, prior to the earlier of (i) the last date of the reasonably expected economic life to the District of the property (determined on the date of issuance of the Bonds) or (ii) the last maturity date of the Bonds. The District may dispose of personal property in the ordinary course of an established government program prior to the earlier of (i) the last date of the reasonably expected economic life to the District of the property

(determined on the date of issuance of the Bonds) or (ii) the last maturity of the Bonds, provided: (A) the weighted average maturity of the Bonds financing the personal property is not greater than 120 percent of the reasonably expected actual use of that property for governmental purposes; (B) the District reasonably expects on the issue date that the fair market value of that property on the date of disposition will be not greater than 25 percent of its cost; (C) the property is no longer suitable for its governmental purposes on the date of disposition; and (D) the District deposits amounts received from the disposition in a commingled fund with substantial tax or other governmental revenues and the District reasonably expects to spend the amounts on governmental programs within six months from the date of the commingling.

(b) The District acknowledges that if Bond-financed property is sold or otherwise disposed of in a manner contrary to (a) above, such sale or disposition may constitute a "deliberate action" within the meaning of the Regulations that may require prompt remedial actions to prevent interest on the Bonds from being included in gross income for federal income tax purposes. The District shall promptly contact Bond Counsel if a sale or other disposition of Bond-financed property in a manner contrary to (a) above is considered by the District.

7.4. Purchase of Bonds by District. The District will not purchase any of the Bonds except to cancel such Bonds.

7.5. First Call Date Limitation. The period between the date of Closing and the first call date of the Bonds is not more than 10-1/2 years.

7.6. Registered Form. The District recognizes that Section 149(a) of the Code requires the Bonds to be issued and to remain in fully registered form in order that interest thereon be exempt from federal income taxation under laws in force at the time the Bonds are delivered. In this connection, the District agrees that it will maintain the Bonds in registered form and will not take any action to permit the Bonds to be issued in, or converted into, bearer or coupon form.

7.7. Future Events. The District acknowledges that any changes in facts or expectations from those set forth herein may result in different Yield restrictions or rebate requirements from those set forth herein. The District shall promptly contact Bond Counsel if such changes do occur.

7.8. Permitted Changes; Opinion of Bond Counsel. Any restriction or covenant contained in this Section need not be observed, and any provision of this Section may be changed or amended, only if (in addition to any requirements for a particular change contained elsewhere in this

Section) such nonobservance, change or amendment will not result in the loss of the exclusion from gross income for federal income tax purposes of interest on the Bonds or the inclusion of interest on the Bonds as an item of tax preference in computing the alternative minimum tax for individuals and corporations under the Code and the District receives an opinion of Bond Counsel to such effect. Unless the District otherwise directs, such opinion shall be in such form and contain such disclosures and disclaimers as may be required so that such opinion will not be treated as a covered opinion for purposes of Treasury Department regulations governing practice before the IRS (Circular 230) 31 C.F.R. pt. 10.

7.9. Records Retention. The District agrees to keep and retain or cause to be kept and retained sufficient records to support the continued exclusion of the interest paid on the Bonds from federal income taxation, to demonstrate compliance with the covenants in this Ordinance and to show that all tax returns related to the Bonds submitted or required to be submitted to the IRS are correct and timely filed. Such records shall include, but are not limited to, basic records relating to the Bond transaction (including this Ordinance and the Bond Counsel opinion); documentation evidencing the expenditure of Bond proceeds; documentation evidencing the use of Bond-financed property by public and private entities (*i.e.*, copies of leases, management contracts and research agreements); documentation evidencing all sources of payment or security for the Bonds; and documentation pertaining to any investment of Bond proceeds (including the information required under paragraphs 4.2 and 4.3 hereof and in particular information related to the purchase and sale of securities, SLGs subscriptions, yield calculations for each class of investments, actual investment income received from the investment of proceeds, guaranteed investment contracts and documentation of any bidding procedure related thereto and any fees paid for the acquisition or management of investments and any rebate calculations). Such records shall be kept for as long as the Bonds are outstanding, plus three (3) years after the later of the final payment date of the Bonds or the final payment date of any obligations or series of obligations issued to refund directly or indirectly all or any portion of the Bonds.

7.10. Post-Issuance Compliance Policy. The District acknowledges that the IRS encourages issuers of tax-exempt bonds to adopt written post-issuance compliance policies in addition to its bond documents, and provides certain potential benefits to issuers that do so. For example, issuers may receive more favorable terms on any voluntary settlement pursuant to the IRS' voluntary closing agreement program if an issuer has adopted written procedures that, at a minimum, specify the official(s) with responsibility for monitoring compliance, a description of the

training provided to such responsible official(s) with regard to monitoring compliance, the frequency of compliance checks (must be at least annual), the nature of the compliance activities required to be undertaken, the procedures used to timely identify and elevate the resolution of a violation when it occurs or is expected to occur, procedures for the retention of all records material to substantiate compliance with the applicable federal tax requirements, and an awareness of the availability of the IRS' voluntary closing agreement program and other remedial actions to resolve violations. Generally, a reference to reliance on the bond documents, without more, will not qualify as sufficient written procedures for these purposes.

The District has adopted written post-issuance compliance policies that meet the foregoing, which are maintained by the District separately. The post-issuance compliance policies do not constitute part of this Section, and the District may modify or eliminate any post-issuance compliance policies without the consent of the holders of the Bonds and without regard to paragraph 7.8.

7.11. Successors and Assigns. The terms, provisions, covenants and conditions of this Section shall bind and inure to the benefit of the respective successors and assigns of the Board and the District.

7.12. Expectations. The Board has reviewed the facts, estimates and circumstances in existence on the date of issuance of the Bonds. On the basis of the facts and estimates contained herein, the District has adopted the expectations contained herein. Such expectations are reasonable and there are no other facts, estimates and circumstances that would materially change such expectations.

The District 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 Board hereby authorizes the officials of the District responsible for issuing the Bonds, the same being the President, Secretary and Treasurer of the Board, to make such further covenants and certifications 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 District and the Board 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 District in such compliance.

Section 15. Designation of Bonds. If the Bonds meet the requirements of Section 265(b)(3) of the Code, the Designated Representatives in the Bond Notification are hereby authorized to designate the Bonds as a "qualified tax-exempt obligation" for the purposes and within the meaning of Section 265(b)(3) of the Code.

Section 16. 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 17. Duties of Bond Registrar. If requested by the Bond Registrar, the President and Secretary of the Board are authorized to execute the Bond Registrar's standard form of agreement between the District 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 District 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 earlier redemption or submitted for exchange or transfer;
- (e) to furnish the District at least annually a certificate with respect to Bonds cancelled and/or destroyed; and
- (f) to furnish the District at least annually an audit confirmation of Bonds paid, Bonds outstanding and payments made with respect to interest on the Bonds.

Section 18. Continuing Disclosure Undertaking. The President of the Board is 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 District as herein provided, the Continuing Disclosure Undertaking will be binding on the District and the officers, employees and agents of the District, and the officers, employees and agents of the District 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 Resolution, the sole remedy 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 District to comply with its obligations under the Continuing Disclosure Undertaking.

Section 19. 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 District 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 of the Board on advice of counsel, his or her approval to constitute full and complete acceptance by the District of such terms and provisions under authority of this Section.

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

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

Adopted May 28, 2014.

VOTE:

AYES:

NAYS:

ABSENT:

President, Board of Park
Commissioners

Attest:

Secretary, Board of Park Commissioners

STATE OF ILLINOIS)
) SS.
COUNTY OF COOK)

I, BILL STARR, HEREBY CERTIFY that I am the duly elected, qualified and acting Secretary of the Mt. Prospect Park District, Cook County, Illinois, and of the Board of Park Commissioners of the said Mt. Prospect Park District; and that I have access to and am custodian of the official Minutes of the Meetings of the Board of Park Commissioners and of said Mt. Prospect Park District.

I DO FURTHER CERTIFY that the above and foregoing is a true and correct copy (duplicate) of a certain Ordinance entitled:

ORDINANCE NO. 692

MT. PROSPECT PARK DISTRICT

AN ORDINANCE providing for the issue of not to exceed \$8,000,000 General Obligation Park Bonds (Alternate Revenue Source), Series 2014, of the Mt. Prospect Park District, Cook County, Illinois, for the purpose of building improvements to and maintaining, protecting and equipping the Mt. Prospect Golf Club golf course, improving the sites of and equipping playgrounds and providing for the payment of the expenses incident thereto, and for the levy of a direct annual tax sufficient to pay the principal and interest on said bonds.

and that the foregoing was passed by the Board of Park Commissioners of said Mt. Prospect Park District at a meeting thereof on the 28th day of May, 2014, and was on the same day approved by the Secretary of said Mt. Prospect Park District; that an agenda for said meeting, a true, correct and complete copy of which is attached hereto as Exhibit A, was posted at the location where said meeting was held and at the principal office of said Board of Park Commissioners at least 120 hours in advance of the holding of said meeting; that said agenda contained a separate specific item concerning the proposed adoption of said ordinance; that at least one copy of said agenda was continuously available for public review during the entire 120-hour period preceding said meeting; and that said ordinance was filed and recorded in the office of the Secretary of said Mt. Prospect Park District of which the foregoing is a true copy (duplicate) and is now on file in the office of such Secretary.

GIVEN under my hand and seal of the Mt. Prospect Park District, Cook County, Illinois, this 28th day of May, 2014.

Secretary, Board of Park Commissioners
Mt. Prospect Park District
Cook County, Illinois

(SEAL)

ORDINANCE NO.695

MT. PROSPECT PARK DISTRICT

AN ORDINANCE authorizing and providing for an Installment Purchase Agreement for the purpose of paying the cost of purchasing real or personal property, or both, in and for the Mt. Prospect Park District, Cook County, Illinois, and for the issue of not to exceed \$1,000,000 Debt Certificates, Series 2014, of said Park District evidencing the rights to payment under said Agreement, and providing for the security for and means of payment under said Agreement of said Certificates.

* * *

WHEREAS, the Mt. Prospect Park District, Cook County, Illinois (the "*District*"), is a park district of the State of Illinois operating under and pursuant to the Park District Code of the State of Illinois, as amended (the "*Park Code*"), the Local Government Debt Reform Act of the State of Illinois, as amended (the "*Debt Reform Act*"), and in particular, the provisions of Section 8-15 of the Park Code and Section 17(b) of the Debt Reform Act (collectively, the "*Installment Purchase Provisions*"); and

WHEREAS, the Board of Park Commissioners of the District (the "*Board*") has considered the needs of the District and, in so doing, the Board has deemed and does now deem it advisable, necessary, and for the best interests of the District to acquire and construct improvements and additions to District facilities, including, in connection with said work, acquisition of all land or rights in land, mechanical, electrical, and other services necessary, useful, or advisable thereto (the "*Project*"), all as shown on preliminary plans and cost estimates on file with and approved by the Board; and

WHEREAS, the Board has determined the total cost of the Project and expenses incidental thereto, including financial, legal, architectural, and engineering services related to such work and to the Agreement hereinafter provided for in this Ordinance to be not less than \$1,000,000, plus estimated investment earnings which may be received on said sum prior to disbursement; and

WHEREAS, sufficient funds of the District are not available to pay the costs of the Project, and it will, therefore, be necessary to borrow money in an amount not to exceed \$1,000,000 for the purpose of paying such costs; and

WHEREAS, pursuant to the Installment Purchase Provisions, the District has the power to purchase real or personal property through agreements that provide that the consideration for the purchase may be paid through installments made at stated intervals for a period of no more than 20 years, to sell, convey and reacquire either real or personal property upon any terms and conditions and in any manner as the Board shall determine, if the District will lease, acquire by purchase agreement, or otherwise reacquire the property as authorized by applicable law and to issue certificates evidencing indebtedness incurred under such agreements; and

WHEREAS, Section 8-15 of the Park Code provides that a park district may in such agreement irrevocably contract to issue general obligation bonds or notes from time to time as permitted by law and to apply the proceeds thereof to the payment of principal and interest on the agreement; and

WHEREAS, the Board finds that it is desirable and in the best interests of the District to avail of the provisions of the Installment Purchase Provisions to

authorize an Installment Purchase Agreement (the "*Agreement*"); name as counter-party to the Agreement the Treasurer of the Board (the "*Treasurer*"), as nominee-seller; authorize the President and Secretary of the Board to execute and attest, respectively, the Agreement on behalf of the District and to file same with said Secretary in his or her capacity as keeper of the records and files of the District; and issue certificates evidencing the indebtedness incurred under the Agreement in an amount not to exceed \$1,000,000:

NOW, THEREFORE, Be It Ordained by the Board of Park Commissioners of the Mt. Prospect Park District, Cook County, Illinois, as follows:

Section 1. Incorporation of Preambles. The Board hereby finds that all of the recitals contained in the preambles to this Ordinance are full, true and correct and does incorporate them into this Ordinance by this reference.

Section 2. Authorization. It is necessary and advisable for the residents of the District to pay the costs of the Project and to borrow money and, in evidence thereof and for the purpose of financing same, enter into the Agreement and, further, to provide for the issuance and delivery of certificates evidencing the indebtedness incurred under the Agreement.

Section 3. Agreement is a General Obligation; Annual Appropriation; Contract to Issue Bonds. The District hereby represents, warrants, and agrees that the obligation to make the payments due under the Agreement shall be a general obligation of the District payable from any funds of the District lawfully available for such purpose. The District represents and warrants that the total amount due under the Agreement, together with all other indebtedness of the District, is within all statutory and constitutional debt limitations. The District

agrees (i) to appropriate funds of the District annually and in a timely manner so as to provide for the making of all payments when due under the terms of the Agreement and (ii) to issue general obligation bonds or notes from time to time to the fullest extent permitted by law, including Section 6-4 of the Park Code and Section 15.01 of the Debt Reform Act, and to apply the proceeds thereof to the payment of principal and interest on the Agreement; *provided, however,* that no such bonds or notes need be issued by the District if, in its discretion, it has set aside and has available other corporate funds in an amount sufficient to pay when due such principal and interest.

Section 4. Execution and Filing of the Agreement. From and after the effective date of this Ordinance, the President and Secretary of the Board be and they are hereby authorized and directed to execute and attest, respectively, the Agreement, in substantially the form set forth in Section 5 of this Ordinance, and to do all things necessary and essential to effectuate the provisions of the Agreement, including the execution of any documents and certificates incidental thereto or necessary to carry out the provisions thereof. Further, as nominee-seller, the Treasurer is hereby authorized and directed to execute the Agreement. Upon full execution, the original of the Agreement shall be filed with the Secretary of the Board and retained in the District records and shall constitute authority for the issuance of the Certificates hereinafter authorized.

Section 5. Form of the Agreement. The Agreement shall be in substantially the form as follows:

INSTALLMENT PURCHASE AGREEMENT for purchase of real or personal property, or both, in and for the Mt. Prospect Park District, Cook County, Illinois.

* * *

THIS INSTALLMENT PURCHASE AGREEMENT (this "*Agreement*") dated as of _____, 2014, by and between the Treasurer of the Board (as hereinafter defined), as Nominee-Seller (the "*Seller*"), and the Mt. Prospect Park District, Cook County, Illinois, a park district of the State of Illinois (the "*District*");

WITNESSETH

A. The Board of Park Commissioners of the District (the "*Board*") has determined to acquire and construct improvements and additions to District facilities (the "*Project*"), all as previously approved by the Board and on file with the Secretary of the Board (the "*Secretary*").

B. Pursuant to the provisions of the Park District Code of the State of Illinois (the "*Park Code*"), the Local Government Debt Reform Act of the State of Illinois (the "*Debt Reform Act*"), and, in particular, the provisions of Section 8-15 of the Park Code and Section 17(b) of the Debt Reform Act (collectively, the "*Installment Purchase Provisions*"), in each case, as supplemented and amended (collectively, "*Applicable Law*"), the District has the power to purchase real or personal property through agreements that provide that the consideration for the purchase may be paid through installments made at stated intervals for a period of no more than 20 years, to sell, convey and reacquire either real or personal property upon any terms and conditions and in any manner as the Board shall determine, if the District will lease, acquire by purchase agreement, or otherwise reacquire the property as

authorized by applicable law and to issue certificates evidencing indebtedness incurred under such agreements.

C. On the 28th day of May, 2014, the Board, pursuant to Applicable Law and the need to provide for the Project, adopted an ordinance (the "*Ordinance*") authorizing the borrowing of money for the Project, the execution and delivery of this Agreement to finance same, and the issuance of certificates evidencing the indebtedness so incurred.

D. The Ordinance is

(a) incorporated herein by reference; and

(b) made a part hereof as if set out at this place in full;

and each of the terms as defined in the Ordinance is also incorporated by reference for use in this Agreement.

E. The Seller, as nominee as expressly permitted by the Installment Purchase Provisions, has agreed to make, construct, and acquire the Project on the terms as hereinafter provided.

NOW, THEREFORE, in consideration of the mutual covenants and agreements hereinafter contained and other valuable consideration, it is mutually agreed between the Seller and the District as follows:

1. MAKE AND ACQUIRE PROJECT

The Seller agrees to make, construct, and acquire the Project upon real estate owned or to be owned by or upon which valid easements have been obtained in favor of the District.

2. CONVEYANCE

The District conveys to the Seller any portion of the Project heretofore acquired by the District and to be paid from proceeds of the Certificates (as defined in the Ordinance). The Seller agrees to convey each part of the Project to the District and to perform all necessary work and convey all necessary equipment; and the District agrees to purchase the Project from the Seller and pay for the Project the purchase price of not to exceed \$_____, plus the amount of investment earnings which are earned on the amount deposited with the Treasurer of the Board from the sale of the Certificates and in no event shall the total aggregate principal purchase price to be paid pursuant to this Agreement exceed the sum of \$_____, plus the amount of investment earnings which are earned on the amount deposited with the Treasurer of the Board from the sale of the Certificates.

3. PAYMENTS

The payment of the entire sum of \$_____ of said purchase price shall:

(a) be payable in installments due on the dates and in the amounts;

(b) bear interest at the rates percent per annum which interest shall also be payable on the dates and in the amounts;

(c) be payable at the place or places of payment, in the medium of payment, and upon such other terms, including prepayment (redemption);

all as provided for payment of the Certificates in the Ordinance.

4. ASSIGNMENT

Rights to payment of the Seller as provided in this Agreement are assigned as a matter of law under the Installment Purchase Provisions to the owners of the Certificates. This Agreement and any right, title, or interest herein, shall not be further assignable. The Certificates, evidencing the indebtedness incurred hereby, are assignable (registrable) as provided in the Ordinance.

5. TAX COVENANTS

The covenants relating to the tax-exempt status of the Certificates, as set forth in the Ordinance, insofar as may be applicable, apply to the work to be performed and the payments made under this Agreement.

6. TITLE

(a) *Vesting of Title.* Title in and to any part of the Project, upon delivery or as made, during all stages of the making or acquisition thereof, shall and does vest immediately in the District.

(b) *Damage, Destruction, and Condemnation.* If, during the term of this Agreement, (i) all or any part of the Project shall be destroyed, in whole or in part, or damaged by fire or other casualty or event; or (ii) title to, or the temporary or permanent use of, all or any part of the Project shall be taken under the exercise of the power of eminent domain by any governmental body or by any person, firm, or corporation acting under governmental authority; or (iii) a material defect in construction of all or any part of the Project shall become apparent; or (iv) title to or the use of all or any part of the Project shall be lost by reason of a defect in title; then the District shall continue to make

payments as promised herein and in the Certificates and to take such action as it shall deem necessary or appropriate to repair and replace the Project.

7. LAWFUL CORPORATE OBLIGATION

The District hereby represents, warrants, and agrees that the obligation to make the payments due hereunder shall be a lawful direct general obligation of the District payable from the general funds of the District and such other sources of payment as are otherwise lawfully available. The District represents and warrants that the total amount due the Seller hereunder, together with all other indebtedness of the District, is within all statutory and constitutional debt limitations. The District agrees (i) to appropriate funds of the District annually and in a timely manner so as to provide for the making of all payments when due under the terms of this Agreement and (ii) to issue general obligation bonds or notes from time to time to the fullest extent permitted by law, including Section 6-4 of the Park Code and Section 15.01 of the Debt Reform Act, and to apply the proceeds thereof to the payment of principal and interest on the Agreement; *provided, however*, that no such bonds or notes need be issued by the District if, in its discretion, it has set aside and has available other corporate funds in an amount sufficient to pay when due such principal and interest.

8. GENERAL COVENANT AND RECITAL

It is hereby certified and recited by the Seller and the District, respectively, that as to each, respectively, for itself, all conditions, acts, and things required by law to exist or to be done precedent to and in the execution of this Agreement did exist, have happened, been done and performed in regular and due form and time as required by law.

9. NO SEPARATE TAX

THE SELLER AND THE DISTRICT RECOGNIZE THAT THERE IS NO STATUTORY AUTHORITY FOR THE LEVY OF A SEPARATE TAX IN ADDITION TO OTHER TAXES OF THE DISTRICT OR THE LEVY OF A SPECIAL TAX UNLIMITED AS TO RATE OR AMOUNT TO PAY ANY OF THE AMOUNTS DUE HEREUNDER.

10. DEFAULT

In the event of a default in payment hereunder by the District, the Seller or any Certificateholder may pursue any available remedy by suit at law or equity to enforce the payment of all amounts due or to become due under this Agreement, including, without limitation, an action for specific performance.

IN WITNESS WHEREOF, the Seller has caused this Installment Purchase Agreement to be executed, and his or her signature to be attested by the Secretary of the Board, and the District has caused this Installment Purchase Agreement to be executed by the President of its Board, and also attested by the Secretary of its Board and the seal of the District to be hereunto affixed, all as of the day and year first above written.

SELLER:

Signature: _____

[Here type name]: _____
as Nominee-Seller and the Treasurer,
Board of Park Commissioners

ATTEST:

Secretary, Board of Park Commissioners

MT. PROSPECT PARK DISTRICT, COOK
COUNTY, ILLINOIS

President, Board of Park
Commissioners

[SEAL]

ATTEST:

Secretary, Board of Park Commissioners

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

CERTIFICATE OF INSTALLMENT PURCHASE AGREEMENT FILING

I, the undersigned, do hereby certify that I am the duly qualified and acting Secretary of the Board of Park Commissioners (the "*Board*") of the Mt. Prospect Park District, Cook County, Illinois (the "*District*"), and as such officer I do hereby certify that on the ____ day of _____, 2014, there was filed in my office a properly certified copy of that certain document, executed by the President of the Board, attested by me in my capacity as Secretary of the Board, and further executed, as Nominee-Seller, by the Treasurer of the Board, also attested by me, dated as of _____, 2014, and entitled "INSTALLMENT PURCHASE AGREEMENT for purchase of real or personal property, or both, in and for the Mt. Prospect Park District, Cook County, Illinois"; and supporting the issuance of certain Debt Certificates, Series 2014, of the District; that attached hereto is a true and complete copy of said Agreement as so filed; and that the same has been deposited in the official files and records of my office.

IN WITNESS WHEREOF, I hereunto affix my official signature and the seal of the District, this ____ day of _____, 2014.

Secretary, Board of Park
Commissioners

(SEAL)

Section 6. Certificate Details. For the purpose of providing for the Project, there shall be issued and sold certificates of the District in a principal amount not to exceed \$1,000,000, which shall be designated "Debt Certificates, Series 2014," with such further series designation as may be appropriate (the "*Certificates*"). The Certificates shall be dated such date (not prior to May 28, 2014, and not later than November 28, 2014) as set forth in the Certificate 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 Certificate shall represent installments of principal maturing on more than one date) and shall be numbered 1 and upward. The Certificates shall become due and payable serially or be subject to mandatory redemption (subject to option of prior redemption as hereinafter described) on November 1 of each of the years (not later than 2034), in the amounts (not exceeding \$200,000 per year) and bearing interest at the rates per annum (not exceeding 9.0% per annum) as set forth in the Certificate Notification.

The Certificates 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 Certificates is paid, such interest (computed upon the basis of a 360-day year of twelve 30-day months) being payable semi-annually commencing with the first interest payment date as set forth in the Certificate Notification and on May 1 and November 1 of each year thereafter to maturity. The total annual principal and interest payments due on May 1 and November 1 of each year, shall not exceed \$250,000 in any year.

Interest on each Certificate shall be paid by check or draft of the certificate registrar and paying agent (which shall be the Treasurer or a bank or trust company with a corporate trust office located in the United States) set forth in the Certificate Notification (the "*Certificate Registrar*"), payable upon presentation in lawful money of the United States of America, to the person in whose name such Certificate is registered at the close of business on the 15th day of the month next preceding the interest payment date. The principal of the Certificates shall be payable in lawful money of the United States of America at the principal corporate trust office or principal office (as appropriate the "*Principal Office*") of the Certificate Registrar.

The Certificates shall be signed by the manual or facsimile signatures of the President and Secretary of the Board, and shall be countersigned by the manual or facsimile signature of the Treasurer, as they shall determine, and the seal of the District shall be affixed thereto or printed thereon, and in case any officer whose signature shall appear on any Certificate shall cease to be such officer before the delivery of such Certificate, such signature shall nevertheless be valid and sufficient for all purposes, the same as if such officer had remained in office until delivery. If the Secretary or the Treasurer of the Board is unable to perform the duties of his or her respective office, then their duties under this Ordinance shall be performed by the Assistant Secretary or the Assistant Treasurer of the Board, respectively.

All Certificates shall have thereon a certificate of authentication substantially in the form hereinafter set forth duly executed by the Certificate Registrar as authenticating agent of the District and showing the date of

authentication. No Certificate 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 Certificate Registrar by manual signature, and such certificate of authentication upon any such Certificate shall be conclusive evidence that such Certificate has been authenticated and delivered under this Ordinance. The certificate of authentication on any Certificate shall be deemed to have been executed by the Certificate Registrar if signed by an authorized officer of the Certificate Registrar, but it shall not be necessary that the same officer sign the certificate of authentication on all of the Certificates issued hereunder.

Section 7. Registration of Certificates; Persons Treated as Owners.

(a) *General.* The District shall cause books (the "*Certificate Register*") for the registration and for the transfer of the Certificates as provided in this Ordinance to be kept at the Principal Office of the Certificate Registrar, which is hereby constituted and appointed the registrar of the District. The District is authorized to prepare, and the Certificate Registrar shall keep custody of, multiple Certificate blanks executed by the District for use in the transfer and exchange of Certificates.

Upon surrender for transfer of any Certificate at the Principal Office of the Certificate Registrar, duly endorsed by, or accompanied by a written instrument or instruments of transfer in form satisfactory to the Certificate Registrar and duly executed by, the registered owner or his or her attorney duly authorized in writing, the District shall execute and the Certificate Registrar shall authenticate, date and deliver in the name of the transferee or

transferees a new fully registered Certificate or Certificates of the same maturity of authorized denominations, for a like aggregate principal amount. Any fully registered Certificate or Certificates may be exchanged at said office of the Certificate Registrar for a like aggregate principal amount of Certificate or Certificates of the same maturity of other authorized denominations. The execution by the District of any fully registered Certificate shall constitute full and due authorization of such Certificate and the Certificate Registrar shall thereby be authorized to authenticate, date and deliver such Certificate, *provided, however*, the principal amount of outstanding Certificates of each maturity authenticated by the Certificate Registrar shall not exceed the authorized principal amount of Certificates for such maturity less previous retirements.

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

The person in whose name any Certificate 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 Certificate shall be made only to or upon the order of the registered owner thereof or his or her legal representative. All such payments shall be valid and effectual to satisfy and

discharge the liability upon such Certificate to the extent of the sum or sums so paid.

No service charge shall be made for any transfer or exchange of Certificates, but the District or the Certificate 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 Certificates except in the case of the issuance of a Certificate or Certificates for the unredeemed portion of a Certificate surrendered for redemption.

(b) *Global Book-Entry System.* The Certificates shall be initially issued in the form of a separate single fully registered Certificate for each of the maturities of the Certificates determined as described in Section 6 hereof. Upon initial issuance, the ownership of each such Certificate may be registered in the Certificate 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*"). In such event, all of the outstanding Certificates shall be registered in the Certificate Register in the name of Cede, as nominee of DTC, except as hereinafter provided. The President and Secretary of the Board, the Treasurer and the Certificate Registrar are each authorized to execute and deliver, on behalf of the District, 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 Certificates by wire transfer.

With respect to Certificates registered in the Certificate Register in the name of Cede, as nominee of DTC, the District and the Certificate Registrar shall have no responsibility or obligation to any broker-dealer, bank or other financial institution for which DTC holds Certificates 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 Certificates. Without limiting the immediately preceding sentence, the District and the Certificate 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 Certificates, (ii) the delivery to any DTC Participant or any other person, other than a registered owner of a Certificate as shown in the Certificate Register, of any notice with respect to the Certificates, including any notice of redemption, or (iii) the payment to any DTC Participant or any other person, other than a registered owner of a Certificate as shown in the Certificate Register, of any amount with respect to the principal of or interest on the Certificates. The District and the Certificate Registrar may treat and consider the person in whose name each Certificate is registered in the Certificate Register as the holder and absolute owner of such Certificate for the purpose of payment of principal and interest with respect to such Certificate, for the purpose of giving notices of redemption and other matters with respect to such Certificate, for the purpose of registering transfers with respect to such Certificate, and for all other purposes whatsoever. The Certificate Registrar shall pay all principal of and interest on the Certificates

only to or upon the order of the respective registered owners of the Certificates, as shown in the Certificate Register, or their respective attorneys duly authorized in writing, and all such payments shall be valid and effective to fully satisfy and discharge the District's obligations with respect to payment of the principal of and interest on the Certificates to the extent of the sum or sums so paid. No person other than a registered owner of a Certificate as shown in the Certificate Register, shall receive a Certificate evidencing the obligation of the District to make payments of principal and interest with respect to any Certificate. Upon delivery by DTC to the Certificate 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 6 hereof with respect to the payment of interest to the registered owners of Certificates at the close of business on the 15th day of the month next preceding the applicable interest payment date, the name "Cede" in this Ordinance shall refer to such new nominee of DTC.

In the event that (i) the District determines that DTC is incapable of discharging its responsibilities described herein and in the Representation Letter, (ii) the agreement among the District, the Certificate Registrar and DTC evidenced by the Representation Letter shall be terminated for any reason or (iii) the District determines that it is in the best interests of the beneficial owners of the Certificates that they be able to obtain certificated Certificates, the District shall notify DTC and DTC Participants of the availability through DTC of certificated Certificates and the Certificates shall no longer be restricted to being registered in the Certificate Register in the name of Cede, as nominee

of DTC. At that time, the District may determine that the Certificates 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 District, or such depository's agent or designee, and if the District does not select such alternate universal book-entry system, then the Certificates may be registered in whatever name or names registered owners of Certificates transferring or exchanging Certificates shall designate, in accordance with the provisions of Section 7(a) hereof.

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

Section 8. Redemption. (a) Optional Redemption. All or a portion of the Certificates due on or after the date, if any, specified in the Certificate Notification shall be subject to redemption prior to maturity at the option of the District 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 District (less than all of the Certificates of a single maturity to be selected by the Certificate Registrar), on the date specified in the Certificate Notification (but not later than November 1, 2024), and on any date thereafter, at the redemption price of par plus accrued interest to the redemption date.

(b) Mandatory Redemption. The Certificates maturing on the date or dates, if any, indicated in the Certificate Notification are subject to mandatory

redemption, in integral multiples of \$5,000 selected by lot by the Certificate Registrar, at a redemption price of par plus accrued interest to the redemption date, on November 1 of the years, if any, and in the principal amounts, if any, as indicated in the Certificate Notification.

The principal amounts of Certificates to be mandatorily redeemed in each year may be reduced through the earlier optional redemption thereof, with any partial optional redemptions of such Certificates credited against future mandatory redemption requirements in such order of the mandatory redemption dates as the District may determine. In addition, on or prior to the 60th day preceding any mandatory redemption date, the Certificate Registrar may, and if directed by the Board shall, purchase Certificates required to be retired on such mandatory redemption date. Any such Certificates 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.* The Certificates shall be redeemed only in the principal amount of \$5,000 and integral multiples thereof. The District shall, at least forty-five (45) days prior to any optional redemption date (unless a shorter time period shall be satisfactory to the Certificate Registrar) notify the Certificate Registrar of such redemption date and of the principal amount and maturity or maturities of Certificates to be redeemed. For purposes of any redemption of less than all of the outstanding Certificates of a single maturity, the particular Certificates or portions of Certificates to be redeemed shall be selected by lot by the Certificate Registrar from the Certificates of such maturity by such method

of lottery as the Certificate Registrar shall deem fair and appropriate; *provided* that such lottery shall provide for the selection for redemption of Certificates or portions thereof so that any \$5,000 Certificate or \$5,000 portion of a Certificate shall be as likely to be called for redemption as any other such \$5,000 Certificate or \$5,000 portion. The Certificate 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 Certificates to be redeemed or the time of the giving of official notice of redemption.

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

Section 9. Redemption Procedure. Unless waived by any holder of Certificates to be redeemed, notice of the call for any such redemption shall be given by the Certificate Registrar on behalf of the District 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 Certificate or Certificates to be redeemed at the address shown on the Certificate Register or at such other address as is furnished in writing by such registered owner to the Certificate Registrar.

All notices of redemption shall state:

- (1) the redemption date,
- (2) the redemption price,

(3) if less than all outstanding Certificates are to be redeemed, the identification (and, in the case of partial redemption, the respective principal amounts) of the Certificates to be redeemed,

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

(5) the place where such Certificates are to be surrendered for payment of the redemption price, which place of payment shall be the Principal Office of the Certificate Registrar, and

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

Unless moneys sufficient to pay the redemption price of the Certificates to be redeemed at the option of the District shall have been received by the Certificate Registrar prior to the giving of such notice of redemption, such notice may, at the option of the District, state that said redemption shall be conditional upon the receipt of such moneys by the Certificate Registrar on or prior to the date fixed for redemption. If such moneys are not received, such notice shall be of no force and effect, the District shall not redeem such Certificates, and the Certificate 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 Certificates will not be redeemed. Otherwise, prior to any redemption date, the District shall deposit with the Certificate Registrar an amount of money sufficient to pay the redemption price of all the Certificates or portions of Certificates which are to be redeemed on that date.

Subject to the provisions for a conditional redemption described above, notice of redemption having been given as aforesaid, the Certificates or portions

of Certificates 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 District shall default in the payment of the redemption price) such Certificates or portions of Certificates shall cease to bear interest. Upon surrender of such Certificates for redemption in accordance with said notice, such Certificates shall be paid by the Certificate 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 Certificate, there shall be prepared for the registered holder a new Certificate or Certificates of the same maturity in the amount of the unpaid principal.

If any Certificate or portion of Certificate 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 Certificate or portion of Certificate so called for redemption. All Certificates which have been redeemed shall be cancelled and destroyed by the Certificate Registrar and shall not be reissued.

Section 10. Form of Certificate. The Certificates shall be in substantially the following form; *provided, however,* that if the text of the Certificate is to be printed in its entirety on the front side of the Certificate, then paragraph [2] and the legend, "See Reverse Side for Additional Provisions", shall be omitted and paragraph [6] and the paragraphs thereafter as may be appropriate shall be inserted immediately after paragraph [1]:

[Form of Certificate - Front Side]

REGISTERED
No. _____

REGISTERED
\$ _____

UNITED STATES OF AMERICA

STATE OF ILLINOIS

COUNTY OF COOK

MT. PROSPECT PARK DISTRICT

DEBT CERTIFICATE, SERIES 2014

See Reverse Side
for Additional
Provisions

Interest Maturity Dated
Rate: ____% Date: November 1, 20__ Date: _____, 2014 CUSIP _____

Registered Owner:

Principal Amount:

[1] KNOW ALL PERSONS BY THESE PRESENTS, that the Mt. Prospect Park District, Cook County, Illinois (the "*District*"), hereby acknowledges itself to owe and for value received promises to pay from the source and as hereinafter provided to the Registered Owner identified above, or registered assigns as hereinafter provided, on the Maturity Date identified above, the Principal Amount identified above and to pay interest (computed on the basis of a 360-day year of twelve 30-day months) on such Principal Amount from the date of this Certificate or from the most recent interest payment date to which interest has been paid at the Interest Rate per annum set forth above on May 1 and November 1 of each year, commencing _____ 1, 20__, until said Principal Amount is paid. Principal of this Certificate is payable in lawful money of the

United States of America upon presentation and surrender hereof at the principal [corporate trust] office of _____, _____, as certificate registrar and paying agent (the "*Certificate Registrar*"). Payment of the installments of interest shall be made to the Registered Owner hereof as shown on the registration books of the District maintained by the Certificate Registrar at the close of business on the 15th day of the month next preceding each interest payment date and shall be paid by check or draft of the Certificate Registrar, payable upon presentation in lawful money of the United States of America, mailed to the address of such Registered Owner as it appears on such registration books or at such other address furnished in writing by such Registered Owner to the Certificate Registrar.

[2] Reference is hereby made to the further provisions of this Certificate 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.

[3] It is hereby certified and recited that all conditions, acts and things required by law to exist or to be done precedent to and in the issuance of this Certificate did exist, have happened, been done and performed in regular and due form and time as required by law; that the indebtedness of the District, including the issue of certificates of which this is one, does not exceed any limitation imposed by law; that the obligation to make payments due hereon is a general obligation of the District payable from any funds of the District legally available for such purpose, that the District shall appropriate funds annually and in a timely manner so as to provide for the making of all payments hereon when due, and that the District shall issue general obligation bonds or notes

from time to time to the fullest extent permitted by law, including Section 6-4 of the Park Code and Section 15.01 of the Debt Reform Act, and to apply the proceeds thereof to the payment of principal and interest on the Agreement; *provided, however,* that no such bonds or notes need be issued by the District if, in its discretion, it has set aside and has available other corporate funds in an amount sufficient to pay when due such principal and interest. THE OWNER OF THIS CERTIFICATE ACKNOWLEDGES THAT THERE IS NO STATUTORY AUTHORITY FOR THE LEVY OF A SEPARATE TAX IN ADDITION TO OTHER TAXES OF THE DISTRICT OR THE LEVY OF A SPECIAL TAX UNLIMITED AS TO RATE OR AMOUNT TO PAY ANY OF THE AMOUNTS DUE HEREUNDER.

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

[5] IN WITNESS WHEREOF, said Mt. Prospect Park District, Cook County, Illinois, by its Board of Park Commissioners, has caused this Certificate to be signed by the manual or duly authorized facsimile signatures of the President and Secretary of said Board of Park Commissioners, and to be countersigned by the manual or duly authorized facsimile signature of the Treasurer thereof, and has caused the seal of the District to be affixed hereto or printed hereon, all as of the Dated Date identified above.

(SEAL)

SPECIMEN

President, Board of Park
Commissioners

Countersigned:

SPECIMEN

Secretary, Board of Park
Commissioners

SPECIMEN

Treasurer, Board of Park
Commissioners

Date of Authentication: _____, 20__

CERTIFICATE
OF
AUTHENTICATION

Certificate Registrar and Paying Agent:
_____, _____

This Certificate is one of the Certificates described in the within mentioned ordinance and is one of the Debt Certificates, Series 2014, of the Mt. Prospect Park District, Cook County, Illinois.

_____,
as Certificate Registrar

By _____ SPECIMEN
Authorized Officer
[Form of Certificate - Reverse Side]

MT. PROSPECT PARK DISTRICT

COOK COUNTY, ILLINOIS

DEBT CERTIFICATE, SERIES 2014

[6] This Certificate is one of a series of certificates issued by the District to acquire and construct improvements and additions to District facilities, in full compliance with the provisions of the Park District Code of the State of Illinois (the "*Park Code*"), and the Local Government Debt Reform Act of the State of Illinois (the "*Debt Reform Act*"), and all laws amendatory thereof and supplementary thereto, and is authorized by the Board of Park Commissioners of the District by an ordinance duly and properly adopted for that purpose, in all respects as provided by law. The Certificates issued by the District in connection with the Project have been issued in evidence of the indebtedness incurred pursuant to a certain Installment Purchase Agreement (the "*Agreement*"), dated as of _____, 2014, entered into by and between the District and the Treasurer thereof, as Seller-Nominee, to which reference is hereby expressly made for further definitions and terms and to all the provisions of which the holder by the acceptance of this certificate assents.

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

[8] [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 Certificate to be redeemed at the address shown on the registration books of the District maintained by the Certificate Registrar or at such other address as is furnished in writing by such registered owner to the Certificate Registrar. When so called for redemption, this Certificate 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.]

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

[10] The Certificates are issued in fully registered form in the denomination of \$5,000 each or authorized integral multiples thereof. This Certificate may be exchanged at the principal [corporate trust] office of the Certificate Registrar for a like aggregate principal amount of Certificates of the same maturity of other authorized denominations, upon the terms set forth in the authorizing ordinance. The Certificate Registrar shall not be required to transfer or exchange any Certificate during the period beginning at the close of

business on the 15th day of the month next preceding any interest payment date on such Certificate and ending at the opening of business on such interest payment date[, nor to transfer or exchange any Certificate after notice calling such Certificate for redemption has been mailed, nor during a period of fifteen (15) days next preceding mailing of a notice of redemption of any Certificates].

[11] The District and the Certificate 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 District nor the Certificate Registrar shall be affected by any notice to the contrary.

(ASSIGNMENT)

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

(Name and Address of Assignee)

the within Certificate and does hereby irrevocably constitute and appoint _____

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

Dated: _____

Signature guaranteed: _____

NOTICE: The signature to this assignment must correspond with the name of the registered owner as it appears upon the face of the within Certificate in every particular, without alteration or enlargement or any change whatever.

Section 11. Sale of Certificates. The President of the Board and the Executive Director of the District (the "*Designated Representatives*") are hereby

authorized to proceed not later than the 15th day of November, 2014, without any further authorization or direction from the Board, to sell the Certificates upon the terms as prescribed in this Ordinance. The Certificates hereby authorized shall be executed as in this Ordinance provided as soon after the delivery of the Certificate Notification as may be, and thereupon be deposited with the Treasurer, and be by the Treasurer delivered to the purchaser thereof (the "*Purchaser*"), the same being (a) the successful bidder for the Certificates following a competitive sale thereof conducted by Speer Financial, Inc., Chicago, Illinois ("*Speer*"), (b) a bank or financial institution (i) authorized to do business in the State of Illinois or (ii) listed in the Dealers & Underwriters or Municipal Derivatives sections of the most recent edition of The Bond Buyer's Municipal Marketplace, (c) a governmental unit as defined in the Debt Reform Act, or (d) an "accredited investor" as defined in Rule 501 of Regulation D as promulgated under the Securities Act of 1933, as amended; *provided, however*, that the Purchaser as set forth in either (b), (c) or (d) shall only be selected upon receipt by the District of the written recommendation of Speer that the sale of the Certificates on a negotiated or private placement basis to the Purchaser is in the best interests of the District because of (i) the pricing of the Certificates by the Purchaser, (ii) then current market conditions or (iii) the timing of the sale of the Certificates, upon receipt of the purchase price therefor, the same being not less than 98% of the principal amount of the Certificates, plus accrued interest, if any, to date of delivery.

Prior to the sale of the Certificates, the President of the Board or the Executive Director or business official of the District 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 Certificates, 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 Certificates treating the fee paid as interest on the Certificates) is less than the present value of the interest reasonably expected to be saved on the Certificates over the term of the Certificates as a result of the Municipal Bond Insurance Policy,

Upon the sale of the Certificates, the Designated Representatives shall prepare a Notification of Sale of the Certificates, which shall include the pertinent details of sale as provided herein (the "*Certificate Notification*"). In the Certificate Notification, the Designated Representatives shall find and determine that the Certificates 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 Certificates does not exceed the maximum rate otherwise authorized by applicable law. The Certificate Notification shall be entered into the records of the District and made available to the Board at the next regular meeting thereof; but such action shall be for information purposes only, and the Board shall have no right or authority at such time to approve or reject such sale as evidenced in the Certificate Notification.

Upon the sale of the Certificates, as evidenced by the execution and delivery of the Certificate Notification by the Designated Representatives, the President, Secretary and Treasurer of the Board and any other officers of the District, as shall be appropriate, shall be and are hereby authorized and directed to approve or execute, or both, such documents of sale of the

Certificates as may be necessary, including, without limitation, the contract for the sale of the Certificates between the District 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 District, either by election or appointment, is in any manner financially interested directly in his or her 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 Certificates (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 Board are hereby authorized to take any action as may be required on the part of the District to consummate the transactions contemplated by the Purchase Contract, this Ordinance, said Preliminary Official Statement, the Official Statement and the Certificates.

Section 12. Use of Certificate Proceeds. Accrued interest received on the delivery of the Certificates is hereby appropriated for the purpose of paying first interest due on the Certificates and is hereby ordered deposited into the "Debt Certificate Fund of 2014" (the "*Certificate Fund*"), which shall be the fund for the payment of the principal of and interest on the Certificates. Funds lawfully available for the purpose of paying the principal of and interest on the Certificates shall be deposited into the Certificate Fund and used solely and only for such purpose.

The principal proceeds of the Certificates and any premium received on the delivery of the Certificates are hereby appropriated to pay the costs of issuance of the Certificates and for the purpose of paying the cost of the Project, and that portion thereof not needed to pay such costs of issuance is hereby ordered deposited into the "Capital Improvement Account of the District" (the "*Project Fund*"), hereby created. It is hereby found and determined and hereby declared and set forth that the Board (i) has not entered into an agreement of any kind with any entity, party or person (including, but not limited to, the Purchaser) to not expend the proceeds of the Certificates deposited into the Project Fund for any period of time and (ii) is not required by any contract, decree, instrument, order, regulation or ruling, to not expend the proceeds of the Certificates deposited into the Project Fund for any period of time. Moneys in the Project Fund shall be used to pay costs of the Project in accordance with the following procedures:

1. Contracts ("*Work Contracts*") have been or shall be awarded, from time to time, by the Board for the work on the Project; and the Board represents and covenants that each Work Contract has been or will be let in strict accordance with the applicable laws of the State of Illinois, and the rules and procedures of the District for same.

2. Pursuant to this Ordinance or subsequent ordinance or ordinances to be duly adopted, the Board shall identify all or a designated portion of each Work Contract to the Agreement. The Work Contracts attached hereto as *Exhibit 1* are hereby identified to the Agreement. This Ordinance, any such further ordinance and said Work

Contracts shall be filed of record with the Secretary of the Board and the Treasurer. The adoption and filing of any such ordinance or ordinances and the Work Contracts with such officers shall constitute authority for the Treasurer to make disbursements from the Project Fund to pay amounts due under such Work Contracts from time to time, upon such further ordinances, resolutions, orders, vouchers, warrants, or other proceedings as are required under the applicable laws of the State of Illinois, and the rules and procedures of the District for same. No action need be taken by or with respect to the contractors under the Work Contracts as, pursuant to the Installment Purchase Provisions, the Treasurer acts as Nominee-Seller of the Project for all purposes, enabling the issuance of the Certificates.

Alternatively to the creation of the funds described above, the appropriate officers may allocate the funds to be deposited into the Certificate Fund or proceeds of the Certificates to one or more related funds of the District already in existence and in accordance with good accounting practice; *provided, however*, that this shall not relieve such officers of the duty to account and invest such funds and the proceeds of the Certificates, as herein provided, as if the funds described above had in fact been created. At the time of the issuance of the Certificates, the costs of issuance of the Certificates may be paid by the Purchaser on behalf of the District from the proceeds of the Certificates.

Section 13. Non-Arbitrage and Tax-Exemption. One purpose of this Section is to set forth various facts regarding the Certificates and to establish

the expectations of the Board and the District as to future events regarding the Certificates and the use of Certificate proceeds. The certifications, covenants and representations contained herein (except for paragraph 7.10) and at the time of the Closing are made on behalf of the District for the benefit of the owners from time to time of the Certificates. In addition to providing the certifications, covenants and representations contained herein, the District 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 Certificates) if taking, permitting or omitting to take such action would cause any of the Certificates to be an arbitrage bond or a private activity bond within the meaning of the hereinafter defined Code or would otherwise cause the interest on the Certificates to be included in the gross income of the recipients thereof for federal income tax purposes. The District acknowledges that, in the event of an examination by the Internal Revenue Service (the “IRS”) of the Certificates, under present rules, the District 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 Board and the District certify, covenant and represent as follows:

1.1. Definitions. In addition to such other words and terms used and defined in this Ordinance, the following words and terms used in this Section shall have the following meanings unless, in either case, the context or use clearly indicates another or different meaning is intended:

“2014 Bonds” means the General Obligation Park Bonds (Alternate Revenue Source), Series 2014, of the District, expected to be issued on the date of Closing.

"Affiliated Person" means a Person that is affiliated with another Person (including the District) because either (a) at any time during the six months prior to the execution and delivery of the Certificates, more than five percent of the voting power of the governing body of either Person is in the aggregate vested in the other Person and its directors, officers, owners, and employees, or (b) during the one-year period beginning six months prior to the execution and delivery of the Certificates, the composition of the governing body of the Person (or any Person that controls the Person) is modified or established to reflect (directly or indirectly) representation of the interests of the other Person (or there is an agreement, understanding, or arrangement relating to such a modification or establishment during that one-year period).

"Bond Counsel" means Chapman and Cutler LLP or any other nationally recognized firm of attorneys experienced in the field of municipal bonds whose opinions are generally accepted by purchasers of municipal bonds.

"Capital Expenditures" means costs of a type that would be properly chargeable to a capital account under the Code (or would be so chargeable with a proper election) under federal income tax principles if the District were treated as a corporation subject to federal income taxation, taking into account the definition of Placed-in-Service set forth herein.

"Closing" means the first date on which the District is receiving the purchase price for the Certificates.

"Code" means the Internal Revenue Code of 1986, as amended.

"Commingled Fund" means any fund or account containing both Gross Proceeds and an amount in excess of \$25,000 that are not Gross Proceeds if the amounts in the fund or account are invested and accounted for, collectively, without regard to the source of funds deposited in the fund or account. An open-ended regulated investment company under Section 851 of the Code is not a Commingled Fund.

"Control" means the possession, directly or indirectly through others, of either of the following discretionary and non-ministerial rights or powers over another entity:

- (a) to approve and to remove without cause a controlling portion of the governing body of a Controlled Entity; or

- (b) to require the use of funds or assets of a Controlled Entity for any purpose.

"Controlled Entity" means any entity or one of a group of entities that is subject to Control by a Controlling Entity or group of Controlling Entities.

"Controlled Group" means a group of entities directly or indirectly subject to Control by the same entity or group of entities. A Controlled Group includes the entity that has Control of the other entities.

"Controlling Entity" means any entity or one of a group of entities directly or indirectly having Control of any entities or group of entities.

"Costs of Issuance" means the costs of issuing the Certificates, including underwriters' discount and legal fees, but not including the fees for the Credit Facility described in paragraph 5.5 hereof.

"Credit Facility" means the municipal bond insurance policy issued by the Credit Facility Provider.

"Credit Facility Provider" means the insurance company, if any, insuring the payment of all or a portion of the principal of and interest on the Certificates.

"De Minimis Amount of Original Issue Discount or Premium" means with respect to an obligation (a) any original issue discount or premium that does not exceed two percent of the stated redemption price at maturity of the Certificates plus (b) any original issue premium that is attributable exclusively to reasonable underwriter's compensation.

"External Commingled Fund" means a Commingled Fund in which the District and all members of the same Controlled Group as the District own, in the aggregate, not more than ten percent of the beneficial interests.

"GIC" means (a) any investment that has specifically negotiated withdrawal or reinvestment provisions and a specifically negotiated interest rate and (b) any agreement to supply investments on two or more future dates (e.g., a forward supply contract).

"Gross Proceeds" means amounts in the Certificate Fund and the Project Fund.

"Person" means and includes any individual, body politic, governmental unit, agency or authority, trust, estate, partnership, association, company, corporation, joint-stock company, syndicate, group, pool, joint venture, other unincorporated organization or group, or group of any of the above.

"Placed-in-Service" means the date on which, based on all facts and circumstances (a) a facility has reached a degree of completion that would permit its operation at substantially its design level and (b) the facility is, in fact, in operation at such level.

"Private Business Use" means any use of the Project by any Person (including the federal government) other than a state or local governmental unit, including as a result of (i) ownership, (ii) actual or beneficial use pursuant to a lease or a management, service, incentive payment, research or output contract or (iii) any other similar arrangement, agreement or understanding, whether written or oral, except for use of the Project on the same basis as the general public. Private Business Use includes any formal or informal arrangement with any Person other than a state or local governmental unit (i) that conveys special legal entitlements to any portion of the Project, or (ii) under which any Person other than a state or local governmental unit has any special economic benefit with respect to any portion of the Project that is not available for use by the general public.

"Qualified Administrative Costs of Investments" means (a) reasonable, direct administrative costs (other than carrying costs) such as separately stated brokerage or selling commissions but not legal and accounting fees, recordkeeping, custody and similar costs; or (b) all reasonable administrative costs, direct or indirect, incurred by a publicly offered regulated investment company or an External Commingled Fund.

"Qualified Tax Exempt Obligations" means (a) any obligation described in Section 103(a) of the Code, the interest on which is excludable from gross income of the owner thereof for federal income tax purposes and is not an item of tax preference for purposes of the alternative minimum tax imposed by Section 55 of the Code; (b) an interest in a regulated investment company to the extent that at least ninety-five percent of the income to the holder of the interest is interest which is excludable from gross income under Section 103 of the Code of any owner thereof for federal income tax purposes and is not an item of tax preference for purposes of the alternative minimum tax imposed by Section 55 of the Code; and (c) certificates of indebtedness issued by the United States Treasury pursuant to the Demand Deposit State and Local Government Series program described in 31 C.F.R. pt. 344 (this clause (c) applies only to demand deposit SLGS, not to other types of SLGS).

"Rebate Fund" means the fund, if any, identified and defined in paragraph 4.1 herein.

"Rebate Provisions" means the rebate requirements contained in Section 148(f) of the Code and in the Regulations.

"Regulations" means United States Treasury Regulations dealing with the tax-exempt bond provisions of the Code.

"Reimbursed Expenditures" means any expenditures of the District paid prior to Closing to which Sale Proceeds or investment earnings thereon are or will be allocated.

"Sale Proceeds" means amounts actually or constructively received from the sale of the Certificates, including (a) amounts used to pay underwriter's discount or compensation, (b) accrued interest, other than accrued interest for a period not greater than one year before Closing but only if it is to be paid within one year after Closing and (c) amounts derived from the sale of any right that is part of the terms of a Certificate or is otherwise associated with a Certificate (e.g., a redemption right).

"Yield" means that discount rate which when used in computing the present value of all payments of principal and interest paid and to be paid on an obligation produces an amount equal to the obligation's purchase price (or in the case of the Certificates, the issue price as established in Section 5.1), including accrued interest. For purposes of computing the Yield on the Certificates and on investments, the same compounding interval (which must be an interval of not more than one year) and standard financial conventions (such as a 360-day year) must be used.

"Yield Reduction Payment" means a rebate payment or any other amount paid to the United States in the same manner as rebate amounts are required to be paid or at such other time or in such manner as the IRS may prescribe that will be treated as a reduction in Yield of an investment under the Regulations.

2.1. Purpose of the Certificates. The Certificates are being issued to finance the Project in a prudent manner consistent with the revenue needs of the District. A breakdown of the sources and uses of funds is set forth in the preceding Section of this Ordinance. Except for any accrued interest on the Certificates used to pay first interest due on the Certificates, no proceeds of the Certificates will be used more than 30 days after the date of issue of the Certificates for the purpose of paying any principal or interest on any issue of bonds, notes, certificates or warrants or on any installment contract or other obligation of the District or for the purpose of replacing any funds of the District used for such purpose.

2.2. The Project—Binding Commitment and Timing. The District has incurred or will, within six months of the Closing, incur a substantial binding obligation (not subject to contingencies within the control of the District or any member of the same Controlled Group as the District) to a third party to expend at least five percent of the Sale Proceeds on the Project. It is expected that the work of acquiring and constructing the Project and the expenditure of amounts deposited into the Project Fund will continue to proceed with due diligence through the last date shown on the draw schedule to be attached to the Treasurer's Receipt as an Exhibit (the "*Exhibit*") at the time of Closing, which is no later than three years after Closing, at which time it is anticipated that all Sale Proceeds and investment earnings thereon will have been spent.

2.3. Reimbursement. With respect to expenditures for the Project paid within the 60 day period ending on this date and with respect to which no declaration of intent was previously made, the District hereby declares its intent to reimburse such expenditures and hereby allocates Sale Proceeds in the amount indicated in the Treasurer's Receipt to be delivered in connection with the issuance of the Certificates to reimburse said expenditures. Otherwise, none of the Sale Proceeds or investment earnings thereon will be used for Reimbursed Expenditures.

2.4. Working Capital. All Sale Proceeds and investment earnings thereon will be used, directly or indirectly, to finance Capital Expenditures other than the following:

- (a) working capital expenditures directly related to Capital Expenditures financed by the Certificates, in an amount not to exceed five percent of the Sale Proceeds;
- (b) payments of interest on the Certificates for a period commencing at Closing and ending on the later of the date three years after Closing or one year after the date on which the Project is Placed-in-Service;
- (c) Costs of Issuance and Qualified Administrative Costs of Investments;
- (d) payments of rebate or Yield Reduction Payments made to the United States;
- (e) principal of or interest on the Certificates paid from unexpected excess Sale Proceeds and investment earnings thereon;

(f) investment earnings that are commingled with substantial other revenues and are expected to be allocated to expenditures within six months of the date commingled; and

(g) fees for the Credit Facility.

2.5. Consequences of Contrary Expenditure. The District acknowledges that if Sale Proceeds and investment earnings thereon are spent for non-Capital Expenditures other than as permitted by paragraph 2.4 hereof, a like amount of then available funds of the District will be treated as unspent Sale Proceeds.

2.6. Payments to District or Related Persons. The District acknowledges that if Sale Proceeds or investment earnings thereon are transferred to or paid to the District or any member of the same Controlled Group as the District, those amounts will not be treated as having been spent for federal income tax purposes. However, Sale Proceeds or investment earnings thereon will be allocated to expenditures for federal income tax purposes if the District uses such amounts to reimburse itself for amounts paid to persons other than the District or any member of the same Controlled Group as the District, *provided* that the original expenditures were paid on or after Closing or are permitted under paragraph 2.3 of this Section, and *provided* that the original expenditures were not otherwise paid out of Sale Proceeds or investment earnings thereon or the proceeds of any other borrowing. Any Sale Proceeds or investment earnings thereon that are transferred to or paid to the District or any member of the same Controlled Group as the District (other than as reimbursement permitted by paragraph 2.3 or as a result of investment earnings commingling under paragraph 2.4(f)) will remain Sale Proceeds or investment earnings thereon, and thus Gross Proceeds, until such amounts are allocated to expenditures for federal income tax purposes. If the District does not otherwise allocate any such amounts to expenditures for the Project or other expenditures permitted under this Ordinance, any such amounts will be allocated for federal income tax purposes to the next expenditures, not otherwise paid out of Sale Proceeds or investment earnings thereon or the proceeds of any other borrowing, for interest on the Certificates prior to the later of the date three years after Closing or one year after the date on which the Project is Placed-in-Service. The District will consistently follow this accounting method for federal income tax purposes.

2.7. Investment of Certificate Proceeds. Not more than 50% of the Sale Proceeds and investment earnings thereon are or will be invested in investments (other than Qualified Tax Exempt Obligations) having a Yield that is substantially guaranteed for four years or more. No portion of the Certificates is being issued solely for the purpose of investing a portion of

Sale Proceeds or investment earnings thereon at a Yield higher than the Yield on the Certificates.

It is expected that the Sale Proceeds deposited into the Project Fund, plus investment earnings on the Project Fund, will be spent to pay costs of the Project, including any capitalized interest on the Certificates, in accordance with the estimated drawdown schedule contained in the Exhibit, the investment earnings on the Certificate Fund will be spent to pay interest on the Certificates, or to the extent permitted by law, investment earnings on amounts in the Project Fund and the Certificate Fund may be commingled with substantial revenues from the governmental operations of the District, and the earnings are reasonably expected to be spent for governmental purposes within six months of the date commingled. Interest earnings on the Project Fund and the Certificate Fund have not been earmarked or restricted by the Board for a designated purpose.

2.8. No Grants. None of the Sale Proceeds or investment earnings thereon will be used to make grants to any person.

2.9. Hedges. Neither the District nor any member of the same Controlled Group as the District has entered into or expects to enter into any hedge (e.g., an interest rate swap, interest rate cap, futures contract, forward contract or an option) with respect to the Certificates. The District acknowledges that any such hedge could affect, among other things, the calculation of Certificate Yield under the Regulations. The IRS could recalculate Certificate Yield if the failure to account for the hedge fails to clearly reflect the economic substance of the transaction. The District acknowledges that if it wishes to take any such hedge into account in determining Certificate Yield, various requirements under the Regulations, including prompt identification of the hedge with the Certificates on the District's books and records, need to be met.

The District also acknowledges that if it acquires a hedging contract with an investment element (including e.g., an off-market swap agreement, or any cap agreement for which all or a portion of the premium is paid at, or before the effective date of the cap agreement), then a portion of such hedging contract may be treated as an investment of Gross Proceeds of the Certificates, and be subject to the fair market purchase price rules, rebate and yield restriction. The District agrees not to use proceeds of the Certificates to pay for any such hedging contract in whole or in part. The District also agrees that it will not give any assurances to any Certificateholder, the Credit Facility Provider, or any other credit or liquidity enhancer with respect to the Certificates that any such hedging contract will be entered into or maintained. The District recognizes that if a portion of a hedging contract is determined to be an

investment of Gross Proceeds, such portion may not be fairly priced even if the hedging contract as a whole is fairly priced.

2.10. IRS Audits. The District represents that the IRS has not contacted the District regarding any obligations issued by or on behalf of the District. To the best of the knowledge of the District, no such obligations of the District are currently under examination by the IRS.

3.1. Use of Proceeds. (a) The use of the Sale Proceeds and investment earnings thereon and the funds held under this Ordinance at the time of Closing are described in the preceding Section of this Ordinance. No Sale Proceeds will be used to pre-pay for goods or services to be received over a period of years prior to the date such goods or services are to be received, except for any payment to the Credit Facility Provider. No Sale Proceeds and no investment earnings thereon will be used to pay for or otherwise acquire goods or services from the District, any member of the same Controlled Group as the District, or an Affiliated Person.

(b) Only the funds and accounts described in said Section will be funded at Closing. There are no other funds or accounts created under this Ordinance, other than the Rebate Fund if it is created as provided in paragraph 4.1.

(c) Principal of and interest on the Certificates will be paid from the Certificate Fund.

(d) Any Costs of Issuance incurred in connection with the issuance of the Certificates to be paid by the District will be paid at the time of Closing.

(e) The costs of the Project will be paid from the Project Fund and no other moneys (except for investment earnings on amounts in the Project Fund) are expected to be deposited therein.

3.2. Purpose of Certificate Fund. The Certificate Fund will be used primarily to achieve a proper matching of revenues and earnings with principal and interest payments on the Certificates in each bond year. It is expected that the Certificate Fund will be depleted at least once a year, except for a reasonable carry over amount not to exceed the greater of (a) the earnings on the investment of moneys in the Certificate Fund for the immediately preceding bond year or (b) 1/12th of the principal and interest payments on the Certificates for the immediately preceding bond year.

3.3. *No Other Gross Proceeds.* (a) Except for the Certificate Fund and the Project Fund, and except for investment earnings that have been commingled as described in paragraph 2.6 and any credit enhancement or liquidity device related to the Certificates, after the issuance of the Certificates, neither the District, any member of the same Controlled Group as the District nor any other Person (other than the Credit Facility Provider) has or will have any property, including cash, securities or will have any property, including cash, securities or any other property held as a passive vehicle for the production of income or for investment purposes, that constitutes:

(i) Sale Proceeds;

(ii) amounts in any fund or account with respect to the Certificates (other than the Rebate Fund);

(iii) amounts that have a sufficiently direct nexus to the Certificates or to the governmental purpose of the Certificates to conclude that the amounts would have been used for that governmental purpose if the Certificates were not used or to be used for that governmental purpose (the mere availability or preliminary earmarking of such amounts for a governmental purpose, however, does not itself establish such a sufficient nexus);

(iv) amounts in a debt service fund, redemption fund, reserve fund, replacement fund or any similar fund to the extent reasonably expected to be used directly or indirectly to pay principal of or interest on the Certificates or any amounts for which there is provided, directly or indirectly, a reasonable assurance that the amount will be available to pay principal of or interest on the Certificates or any obligations under any credit enhancement or liquidity device with respect to the Certificates, even if financial difficulties are encountered;

(v) any amounts held pursuant to any agreement (such as an agreement to maintain certain levels of types of assets) made for the benefit of the Certificateholders or any credit enhancement provider, including any liquidity device or negative pledge (e.g., any amount pledged to secure the Certificates held under an agreement to maintain the amount at a particular level for the direct or indirect benefit of holders of the Certificates or a guarantor of the Certificates); or

(vi) amounts actually or constructively received from the investment and reinvestment of the amounts described in (i) or (ii) above.

(b) No compensating balance, liquidity account, negative pledge of property held for investment purposes required to be maintained at least at a particular level or similar arrangement exists with respect to, in any way, the Certificates or any credit enhancement or liquidity device related to the Certificates.

(c) The term of the Certificates is not longer than is reasonably necessary for the governmental purposes of the Certificates. The average reasonably expected economic life of the Project is at least 20 years. The weighted average maturity of the Certificates does not exceed 20 years and does not exceed 120 percent of the average reasonably expected economic life of the Project. The maturity schedule of the Certificates (the "*Principal Payment Schedule*") is based on an analysis of revenues expected to be available to pay debt service on the Certificates. The Principal Payment Schedule is not more rapid (*i.e.*, having a lower average maturity) because a more rapid schedule would place an undue burden on tax rates and cause such rates or the rates of other revenue sources to be increased beyond prudent levels, and would be inconsistent with the governmental purpose of the Certificates as set forth in paragraph 2.1 hereof.

3.4. *Final Allocation of Proceeds.* Subject to the requirements of this Section, including those concerning working capital expenditures in paragraph 2.4, the District may generally use any reasonable, consistently applied accounting method to account for Gross Proceeds, investments thereon, and expenditures. The District must account for the final allocation of proceeds of the Certificates to expenditures not later than 18 months after the later of the date the expenditure is paid or the date the property with respect to which the expenditure is made is Placed-in-Service. This allocation must be made in any event by the date 60 days after the fifth anniversary of the issue date of the Certificates or the date 60 days after the retirement of the Certificates, if earlier.

Reasonable accounting methods for allocating funds include any of the following methods if consistently applied: a specific tracing method; a Gross Proceeds spent first method; a first-in, first-out method; or a ratable allocation method. The District may also reallocate proceeds of the Certificates from one expenditure to another until the end of the period for final allocation, discussed above. Unless the District has taken an action to use a different allocation method by the end of the period for a final allocation, proceeds of the Certificates will be treated as allocated to expenditures using the specific tracing method.

4.1. Compliance with Rebate Provisions. The District covenants to take such actions and make, or cause to be made, all calculations, transfers and payments that may be necessary to comply with the Rebate Provisions applicable to the Certificates. The District will make, or cause to be made, rebate payments with respect to the Certificates in accordance with law.

The District is hereby authorized to create and establish a special fund to be known as the Rebate Fund (the "*Rebate Fund*"), which, if created, shall be continuously held, invested, expended and accounted for in accordance with this Ordinance. Moneys in the Rebate Fund shall not be considered moneys held for the benefit of the owners of the Certificates. Moneys in the Rebate Fund (including earnings and deposits therein) shall be held and used for any required payment to the United States as required by the Rebate Provisions and by the Regulations and as contemplated under the provisions of this Ordinance.

4.2. Records. The District agrees to keep and retain or cause to be kept and retained for the period described in paragraph 7.9 adequate records with respect to the investment of all Gross Proceeds and any amounts in the Rebate Fund. Such records shall include: (a) purchase price; (b) purchase date; (c) type of investment; (d) accrued interest paid; (e) interest rate; (f) principal amount; (g) maturity date; (h) interest payment date; (i) date of liquidation; and (j) receipt upon liquidation.

If any investment becomes Gross Proceeds on a date other than the date such investment is purchased, the records required to be kept shall include the fair market value of such investment on the date it becomes Gross Proceeds. If any investment ceases to be Gross Proceeds on a date other than the date such investment is sold or is retained after the date the last Certificate is retired, the records required to be kept shall include the fair market value of such investment on the date the last Certificate is retired. Amounts or investments will be segregated whenever necessary to maintain these records.

4.3. Fair Market Value; Certificates of Deposit and Investment Agreements. In making investments of Gross Proceeds and any amounts in the Rebate Fund the District shall take into account prudent investment standards and the date on which such moneys may be needed. Except as provided in the next sentence, all amounts that constitute Gross Proceeds and all amounts in the Rebate Fund shall be invested at all times to the greatest extent practicable, and no amounts may be held as cash or be invested in zero yield investments other than obligations of the United States purchased directly from the United States. In the event moneys cannot be invested, other than as provided in this sentence due to the denomination, price or availability of

investments, the amounts shall be invested in an interest bearing deposit of a bank with a yield not less than that paid to the general public or held uninvested to the minimum extent necessary.

Gross Proceeds and any amounts in the Rebate Fund that are invested in certificates of deposit or in GICs shall be invested only in accordance with the following provisions:

(a) Investments in certificates of deposit of banks or savings and loan associations that have a fixed interest rate, fixed payment schedules and substantial penalties for early withdrawal shall be made only if either (i) the Yield on the certificate of deposit (A) is not less than the Yield on reasonably comparable direct obligations of the United States and (B) is not less than the highest Yield that is published or posted by the provider to be currently available from the provider on reasonably comparable certificates of deposit offered to the public or (ii) the investment is an investment in a GIC and qualifies under paragraph (b) below. Investments in federally insured deposits or accounts, including certificates of deposit, may not be made except as allowed under paragraph 5.4.

(b) Investments in GICs shall be made only if

(i) the bid specifications are in writing, include all material terms of the bid and are timely forwarded to potential providers (a term is material if it may directly or indirectly affect the yield on the GIC);

(ii) the terms of the bid specifications are commercially reasonable (a term is commercially reasonable if there is a legitimate business purpose for the term other than to reduce the yield on the GIC);

(iii) all bidders for the GIC have equal opportunity to bid so that, for example, no bidder is given the opportunity to review other bids (a last look) before bidding;

(iv) any agent used to conduct the bidding for the GIC does not bid to provide the GIC;

(v) at least three of the providers solicited for bids for the GIC are reasonably competitive providers of investments of the type purchased (*i.e.*, providers that have established industry reputations as competitive providers of the type of investments being purchased);

(vi) at least three of the entities that submit a bid do not have a financial interest in the Certificates;

(vii) at least one of the entities that provided a bid is a reasonably competitive provider that does not have a financial interest in the Certificates;

(viii) the bid specifications include a statement notifying potential providers that submission of a bid is a representation that the potential provider did not consult with any other provider about its bid, that the bid was determined without regard to any other formal or informal agreement that the potential provider has with the District or any other person (whether or not in connection with the Certificates) and that the bid is not being submitted solely as a courtesy to the District or any other person for purposes of satisfying the federal income tax requirements relating to the bidding for the GIC;

(ix) the determination of the terms of the GIC takes into account the reasonably expected deposit and drawdown schedule for the amounts to be invested;

(x) the highest-yielding GIC for which a qualifying bid is made (determined net of broker's fees) is in fact purchased; and

(xi) the obligor on the GIC certifies the administrative costs that it is paying or expects to pay to third parties in connection with the GIC.

A single investment, or multiple investments awarded to a provider based on a single bid, may not be used for funds subject to different rules relating to rebate or yield restriction.

(c) If a GIC is purchased, the District will retain the following records with its bond documents until three years after the Certificates are redeemed in their entirety:

(i) a copy of the GIC;

(ii) the receipt or other record of the amount actually paid for the GIC, including a record of any administrative costs paid, and the certification under subparagraph (b)(xi) of this paragraph;

(iii) for each bid that is submitted, the name of the person and entity submitting the bid, the time and date of the bid, and the bid results; and

(iv) the bid solicitation form and, if the terms of the GIC deviated from the bid solicitation form or a submitted bid is modified, a brief statement explaining the deviation and stating the purpose for the deviation.

All investments made with Gross Proceeds or amounts in the Rebate Fund shall be bought and sold at fair market value. The fair market value of an investment is the price at which a willing buyer would purchase the investment from a willing seller in a bona fide, arm's length transaction. Except for investments specifically described in (a) or (b) of this paragraph and United States Treasury obligations that are purchased directly from the United States Treasury, only investments that are traded on an established securities market, within the meaning of regulations promulgated under Section 1273 of the Code, will be purchased with Gross Proceeds. In general, an investment is traded on an established securities market only if at any time during the 31-day period ending 15 days after the purchase date: (i) within a reasonable period of time after the sale, the price for an executed purchase or sale of the investment (or information sufficient to calculate the sales price) appears in a medium that is made available to issuers of debt instruments, persons that regularly purchase or sell debt instruments (including a price provided only to certain customers or to subscribers), or persons that broker purchases or sales of debt instruments; (ii) there are one or more firm quotes for the investment (a firm quote is considered to exist when a price quote is available from at least one broker, dealer, or pricing service (including a price provided only to certain customers or to subscribers) for property and the quoted price is substantially the same as the price for which the person receiving the quoted price could purchase or sell the property; a price quote is considered to be available whether the quote is initiated by a person providing the quote or provided at the request of the person receiving the quote; the identity of the person providing the quote must be reasonably ascertainable for a quote to be considered a firm quote for this purpose; a quote will be considered a firm quote if the quote is designated as a firm quote by the person providing the quote or if market participants typically purchase or sell, as the case may be, at the quoted price, even if the party providing the quote is not legally obligated to purchase or sell at that price); or (iii) there are one or more indicative quotes for the investment (an indicative quote is considered to exist when a price quote is available from at least one broker, dealer, or pricing service (including a price provided only to certain customers or to subscribers) for property and the price quote is not a firm quote described in the prior clause).

However, a maturity of a debt instrument is not treated as traded on an established market if at the time the determination is made the outstanding stated principal amount of the maturity that includes the debt instrument does not exceed \$100,000,000 (or, for a debt instrument denominated in a currency other than the U.S. dollar, the equivalent amount in the currency in which the debt instrument is denominated).

An investment of Gross Proceeds in an External Commingled Fund shall be made only to the extent that such investment is made without an intent to reduce the amount to be rebated to the United States Government or to create a smaller profit or a larger loss than would have resulted if the transaction had been at arm's length and had the rebate or Yield restriction requirements not been relevant to the District. An investment of Gross Proceeds shall be made in a Commingled Fund other than an External Commingled Fund only if the investments made by such Commingled Fund satisfy the provisions of this paragraph.

The foregoing provisions of this paragraph satisfy various safe harbors set forth in the Regulations relating to the valuation of certain types of investments. The safe harbor provisions of this paragraph are contained herein for the protection of the District, who has covenanted not to take any action to adversely affect the tax-exempt status of the interest on the Certificates. The District may contact Bond Counsel if it does not wish to comply with the provisions of this paragraph.

4.4. Arbitrage Elections. The President, Secretary and Treasurer of the Board are hereby authorized to execute one or more elections regarding certain matters with respect to arbitrage.

5.1. Issue Price. For purposes of determining the Yield on the Certificates, the purchase price of the Certificates is equal to the first offering price (including accrued interest) at which the Purchaser reasonably expected that at least ten percent of each maturity of the Certificates would be sold to the public (excluding bond houses, brokers or similar persons or organizations acting in the capacity of underwriters, placement agents or wholesalers). All of the Certificates have been the subject of a bona fide initial offering to the public (excluding bond houses, brokers, or similar persons or organizations acting in the capacity of underwriters, placement agents or wholesalers) at prices equal to those set forth in the Official Statement. Based upon prevailing market conditions, such prices are not less than the fair market value of each Certificate as of the sale date for the Certificates.

5.2. Yield Limits. (a) Except as provided in paragraph (b), all Gross Proceeds shall be invested at market prices and at a Yield (after taking into account any Yield Reduction Payments) not in excess of the

Yield on the Certificates plus, if only amounts in the Project Fund are subject to this yield limitation, 1/8th of one percent.

(b) The following may be invested without Yield restriction:

(i) amounts qualifying for a temporary period consisting of:

(A) amounts on deposit in the Certificate Fund (except for capitalized interest) that have not been on deposit under this Ordinance for more than 13 months, so long as the Certificate Fund continues to qualify as a bona fide debt service fund as described in paragraph 3.2 hereof;

(B) amounts on deposit in the Project Fund prior to the earlier of three years after Closing or the date the District no longer expects to spend all such amounts;

(ii) amounts qualifying for other exceptions consisting of:

(A) an amount not to exceed the lesser of \$100,000 or five percent of the Sale Proceeds;

(B) amounts invested in Qualified Tax Exempt Obligations;

(C) amounts in the Rebate Fund;

(D) all amounts other than Sale Proceeds for the first 30 days after they become Gross Proceeds; and

(E) all amounts derived from the investment of Sale Proceeds or investment earnings thereon for a period of one year from the date received.

5.3. Federal Guarantees. Except as otherwise permitted by the Regulations, no portion of the payment of principal or interest on the Certificates, the Credit Facility or any other credit enhancement or liquidity device relating to the foregoing is or will be guaranteed, directly or indirectly (in whole or in part), by the United States (or any agency or instrumentality thereof), including a lease, incentive payment, research or output contract or any similar arrangement, agreement or understanding with the United States or any agency or instrumentality thereof. No portion of the Gross Proceeds has been or will be used to make loans the payment of principal or interest with respect to which is or will be guaranteed (in whole or in part) by the United States (or any agency or instrumentality thereof). This paragraph does not apply to any

guarantee by the Federal Housing Administration, the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation, the Government National Mortgage Association, the Student Loan Marketing Association or the Bonneville Power Administration pursuant to the Northwest Power Act (16 U.S.C. 839d) as in effect on the date of enactment of the Tax Reform Act of 1984.

5.4. Federally Guaranteed Investments. (a) Certain Gross Proceeds may not be invested in a manner that is considered to create a federal guarantee. The restrictions in this paragraph 5.4 apply to all Gross Proceeds except:

- (i) amounts on deposit in the Project Fund prior to the earlier of three years after Closing or the date the District no longer expects to spend all such amount;

- (ii) amounts on deposit in the Certificate Fund to the extent the Certificate Fund qualifies as a bona fide debt service fund described in paragraph 3.2; and

- (iii) amounts in the Certificate Fund to be used to pay capitalized interest on the Certificates prior to the earlier of three years after Closing or the payment of all capitalized interest.

(b) If the District holds any Gross Proceeds other than those listed in the preceding paragraph (a), then any such Gross Proceeds in an amount in excess of five percent of the Sale Proceeds shall not be invested in:

- (i) federally insured deposits or accounts, such as bank accounts and C.D.s;

- (ii) Obligations of or directly or indirectly guaranteed, in whole or in part, by the United States (or any agency or instrumentality of the United States), other than the following:

- (a) United States Treasury Obligations;

- (b) obligations issued by the Resolution Funding Corporation pursuant to Section 21B(d)(3) of the Federal Home Loan Bank Act, as amended by Section 511 of the Financial Institutions Reform, Recovery and Enforcement Act of 1989, or any successor provision (e.g., Refcorp Strips); and

(c) obligations guaranteed by the Federal Housing Administration, the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation, the Government National Mortgage Association, the Student Loan Marketing Association or the Bonneville Power Administration pursuant to the Northwest Power Act (16 U.S.C. 839d) as in effect on the date of enactment of the Tax Reform Act of 1984.

Because of these investment limitations, after the date three years after Closing, any amounts remaining in the Project Fund must be invested in U.S. Treasury obligations (including obligations of the State and Local Government Series, known as SLGS) or otherwise invested to avoid violating the restrictions set forth in this section.

5.5. Treatment of Certain Credit Facility Fees. The fee paid to the Credit Facility Provider with respect to the Credit Facility may be treated as interest in computing Certificate Yield.

Neither the District nor any member of the same Controlled Group as the District is a Related Person as defined in Section 144(a)(3) of the Code to the Credit Facility Provider. The fee paid to the Credit Facility Provider does not exceed ten percent of the Sale Proceeds. Other than the fee paid to the Credit Facility Provider, neither the Credit Facility Provider nor any person who is a related person to the Credit Facility Provider within the meaning of Section 144(a)(3) of the Code will use any Sale Proceeds or investment earnings thereon. The fee paid for the Credit Facility does not exceed a reasonable, arm's length charge for the transfer of credit risk. The fee does not include any payment for any direct or indirect services other than the transfer of credit risk.

6.1. Payment and Use Tests. (a) No more than five percent of the Sale Proceeds plus investment earnings thereon (not including amounts used to pay costs of issuance and other common costs (such as capitalized interest and fees paid for a qualified guarantee or qualified hedge) and amounts invested in a reserve or replacement fund), will be used, directly or indirectly, in whole or in part, in any Private Business Use.

(b) The payment of more than five percent of the principal of or the interest on the Certificates will not be, directly or indirectly (i) secured by any interest in (A) property used or to be used in any Private Business Use or (B) payments in respect of such property or (ii) on a present value basis, derived from payments (whether or not to the District or a member of the same Controlled Group as the District) in

respect of property, or borrowed money, used or to be used in any Private Business Use.

(c) No more than the lesser of five percent of the sum of the Sale Proceeds and investment earnings thereon (not including amounts used to pay costs of issuance and other common costs (such as capitalized interest and fees paid for a qualified guarantee or qualified hedge) and amounts invested in a reserve or replacement fund) or \$5,000,000 will be used, directly or indirectly, to make or finance loans to any persons.

(d) No user of the Project other than a state or local governmental unit will use more than five percent of the Project, in the aggregate, on any basis other than the same basis as the general public.

6.2. I.R.S. Form 8038-G. The information contained in the Information Return for Tax-Exempt Governmental Obligations, Form 8038-G, is true and complete. The District will file Form 8038-G (and all other required information reporting forms) in a timely manner.

7.1. Termination; Interest of District in Rebate Fund. The terms and provisions set forth in this Section shall terminate at the later of (a) 75 days after the Certificates have been fully paid and retired or (b) the date on which all payments, if any, required to satisfy the Rebate Provisions of the Code have been made to the United States. Notwithstanding the foregoing, the provisions of paragraphs 4.2, 4.3(c) and 7.9 hereof shall not terminate until the third anniversary of the date the Certificates are fully paid and retired.

7.2. Separate Issue. Since a date that is 15 days prior to the date of sale of the Certificates by the District to the Purchaser, neither the District nor any member of the same Controlled Group as the District has sold or delivered any tax-exempt obligations other than the Certificates and the 2014 Bonds that are reasonably expected to be paid out of substantially the same source of funds as the Certificates. Neither the District nor any member of the same Controlled Group as the District will sell or deliver within 15 days after the date of sale of the Certificates any tax-exempt obligations other than the Certificates and the 2014 Bonds that are reasonably expected to be paid out of substantially the same source of funds as the Certificates.

7.3. No Sale of the Project. (a) Other than as provided in the next sentence, neither the Project nor any portion thereof has been, is expected to be, or will be sold or otherwise disposed of, in whole or in part, prior to the earlier of (i) the last date of the reasonably expected economic life to the District of the property (determined on the date of issuance of the Certificates) or (ii) the last maturity date of the

Certificates. The District may dispose of personal property in the ordinary course of an established government program prior to the earlier of (i) the last date of the reasonably expected economic life to the District of the property (determined on the date of issuance of the Certificates) or (ii) the last maturity of the Certificates, provided: (A) the weighted average maturity of the Certificates financing the personal property is not greater than 120 percent of the reasonably expected actual use of that property for governmental purposes; (B) the District reasonably expects on the issue date that the fair market value of that property on the date of disposition will be not greater than 25 percent of its cost; (C) the property is no longer suitable for its governmental purposes on the date of disposition; and (D) the District deposits amounts received from the disposition in a commingled fund with substantial tax or other governmental revenues and the District reasonably expects to spend the amounts on governmental programs within six months from the date of the commingling.

(b) The District acknowledges that if Certificate-financed property is sold or otherwise disposed of in a manner contrary to (a) above, such sale or disposition may constitute a "deliberate action" within the meaning of the Regulations that may require prompt remedial actions to prevent interest on the Certificates from being included in gross income for federal income tax purposes. The District shall promptly contact Bond Counsel if a sale or other disposition of Certificate-financed property in a manner contrary to (a) above is considered by the District.

7.4. Purchase of Certificates by District. The District will not purchase any of the Certificates except to cancel such Certificates.

7.5. First Call Date Limitation. The period between the date of Closing and the first call date of the Certificates is not more than 10-1/2 years.

7.6. Registered Form. The District recognizes that Section 149(a) of the Code requires the Certificates to be issued and to remain in fully registered form in order that interest thereon be exempt from federal income taxation under laws in force at the time the Certificates are delivered. In this connection, the District agrees that it will maintain the Certificates in registered form and will not take any action to permit the Certificates to be issued in, or converted into, bearer or coupon form.

7.7. Future Events. The District acknowledges that any changes in facts or expectations from those set forth herein may result in different Yield restrictions or rebate requirements from those set forth herein. The District shall promptly contact Bond Counsel if such changes do occur.

7.8. Permitted Changes; Opinion of Bond Counsel. Any restriction or covenant contained in this Section need not be observed, and any provision of this Section may be changed or amended, only if (in addition to any requirements for a particular change contained elsewhere in this Section) such nonobservance, change or amendment will not result in the loss of the exclusion from gross income for federal income tax purposes of interest on the Certificates or the inclusion of interest on the Certificates as an item of tax preference in computing the alternative minimum tax for individuals and corporations under the Code and the District receives an opinion of Bond Counsel to such effect. Unless the District otherwise directs, such opinion shall be in such form and contain such disclosures and disclaimers as may be required so that such opinion will not be treated as a covered opinion for purposes of Treasury Department regulations governing practice before the IRS (Circular 230) 31 C.F.R. pt. 10.

7.9. Records Retention. The District agrees to keep and retain or cause to be kept and retained sufficient records to support the continued exclusion of the interest paid on the Certificates from federal income taxation, to demonstrate compliance with the covenants in this Ordinance and to show that all tax returns related to the Certificates submitted or required to be submitted to the IRS are correct and timely filed. Such records shall include, but are not limited to, basic records relating to the Certificate transaction (including this Ordinance and the Bond Counsel opinion); documentation evidencing the expenditure of Certificate proceeds; documentation evidencing the use of Certificate-financed property by public and private entities (*i.e.*, copies of leases, management contracts and research agreements); documentation evidencing all sources of payment or security for the Certificates; and documentation pertaining to any investment of Certificate proceeds (including the information required under paragraphs 4.2 and 4.3 hereof and in particular information related to the purchase and sale of securities, SLGs subscriptions, yield calculations for each class of investments, actual investment income received from the investment of proceeds, guaranteed investment contracts and documentation of any bidding procedure related thereto and any fees paid for the acquisition or management of investments and any rebate calculations). Such records shall be kept for as long as the Certificates are outstanding, plus three (3) years after the later of the final payment date of the Certificates or the final payment date of any obligations or series of obligations issued to refund directly or indirectly all or any portion of the Certificates.

7.10. Post-Issuance Compliance Policy. The District acknowledges that the IRS encourages issuers of tax-exempt bonds to adopt written post-issuance compliance policies in addition to its bond documents, and provides certain potential benefits to issuers that do so. For example,

issuers may receive more favorable terms on any voluntary settlement pursuant to the IRS' voluntary closing agreement program if an issuer has adopted written procedures that, at a minimum, specify the official(s) with responsibility for monitoring compliance, a description of the training provided to such responsible official(s) with regard to monitoring compliance, the frequency of compliance checks (must be at least annual), the nature of the compliance activities required to be undertaken, the procedures used to timely identify and elevate the resolution of a violation when it occurs or is expected to occur, procedures for the retention of all records material to substantiate compliance with the applicable federal tax requirements, and an awareness of the availability of the IRS' voluntary closing agreement program and other remedial actions to resolve violations. Generally, a reference to reliance on the bond documents, without more, will not qualify as sufficient written procedures for these purposes.

The District has adopted written post-issuance compliance policies that meet the foregoing, which are maintained by the District separately. The post-issuance compliance policies do not constitute part of this Section, and the District may modify or eliminate any post-issuance compliance policies without the consent of the holders of the Certificates and without regard to paragraph 7.8.

7.11. Successors and Assigns. The terms, provisions, covenants and conditions of this Section shall bind and inure to the benefit of the respective successors and assigns of the Board and the District.

7.12. Expectations. The Board has reviewed the facts, estimates and circumstances in existence on the date of issuance of the Certificates. On the basis of the facts and estimates contained herein, the District has adopted the expectations contained herein. Such expectations are reasonable and there are no other facts, estimates and circumstances that would materially change such expectations.

The District also agrees and covenants with the purchasers and holders of the Certificates 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 Certificates and affects the tax-exempt status of the Certificates.

The Board hereby authorizes the officials of the District responsible for issuing the Certificates, the same being the President, Secretary and Treasurer of the Board, to make such further covenants and certifications as may be necessary to assure that the use thereof will not cause the Certificates to be arbitrage bonds and to assure that the interest on the Certificates will be exempt from federal income taxation. In connection therewith, the District and the Board 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 Certificates 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 Certificates; (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 District in such compliance.

Section 14. Designation of Certificates. If the Certificates meet the requirements of Section 265(b)(3) of the Code, the Designated Representatives in the Certificate Notification are hereby authorized to designate the Certificates 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 Certificateholders. The Certificate Registrar shall maintain a list of the names and addresses of the holders of all Certificates and

upon any transfer shall add the name and address of the new Certificateholder and eliminate the name and address of the transferor Certificateholder.

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

- (a) to act as certificate registrar, authenticating agent, paying agent and transfer agent as provided herein;
- (b) to maintain a list of Certificateholders as set forth herein and to furnish such list to the District upon request, but otherwise to keep such list confidential;
- (c) to give notice of redemption of Certificates as provided herein;
- (d) to cancel and/or destroy Certificates which have been paid at maturity or upon earlier redemption or submitted for exchange or transfer;
- (e) to furnish the District at least annually a certificate with respect to Certificates cancelled and/or destroyed; and
- (f) to furnish the District at least annually an audit confirmation of Certificates paid, Certificates outstanding and payments made with respect to interest on the Certificates.

Section 17. Continuing Disclosure Undertaking. The President of the Board is 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 District as herein provided, the Continuing

Disclosure Undertaking will be binding on the District and the officers, employees and agents of the District, and the officers, employees and agents of the District 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 remedy for failure to comply with the Continuing Disclosure Undertaking shall be the ability of the beneficial owner of any Certificate to seek mandamus or specific performance by court order to cause the District 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 Certificates 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 District and the Certificate Registrar agree to comply with such usual and reasonable provisions regarding presentment and payment of the Certificates, subrogation of the rights of the Certificateholders to the Bond Insurer upon payment of the Certificates by the Bond Insurer, amendment hereof, or other terms, as approved by the President of the Board on advice of counsel, his or her approval to constitute full and complete acceptance by the District of such terms and provisions under authority of this Section.

Section 19. 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 20. Repeal. All ordinances, resolutions or parts thereof in conflict herewith be and the same are hereby repealed, and this Ordinance shall be in full force and effect forthwith upon its adoption.

Adopted May 28, 2014.

VOTE:

AYES:

NAYS:

ABSENT:

President, Board of Park
Commissioners

Attest:

Secretary, Board of Park Commissioners

EXHIBIT 1

WORK CONTRACTS

-None-

STATE OF ILLINOIS)
) SS.
COUNTY OF COOK)

I, BILL STARR, HEREBY CERTIFY that I am the duly elected, qualified and acting Secretary of the Mt. Prospect Park District, Cook County, Illinois, and of the Board of Park Commissioners of the said Mt. Prospect Park District; and that I have access to and am custodian of the official Minutes of the Meetings of the Board of Park Commissioners and of said Mt. Prospect Park District.

I DO FURTHER CERTIFY that the above and foregoing is a true and correct copy (duplicate) of a certain Ordinance entitled:

ORDINANCE NO. 695

MT. PROSPECT PARK DISTRICT

AN ORDINANCE authorizing and providing for an Installment Purchase Agreement for the purpose of paying the cost of purchasing real or personal property, or both, in and for the Mt. Prospect Park District, Cook County, Illinois, and for the issue of not to exceed \$1,000,000 Debt Certificates, Series 2014, of said Park District evidencing the rights to payment under said Agreement, and providing for the security for and means of payment under said Agreement of said Certificates.

and that the foregoing was passed by the Board of Park Commissioners of said Mt. Prospect Park District at a meeting thereof on the 28th day of May, 2014, and was on the same day approved by the Secretary of said Mt. Prospect Park District; that an agenda for said meeting, a true, correct and complete copy of which is attached hereto as Exhibit A, was posted at the location where said meeting was held and at the principal office of said Board of Park Commissioners at least 120 hours in advance of the holding of said meeting; that said agenda contained a separate specific item concerning the proposed adoption of said ordinance; that at least one copy of said agenda was continuously available for public review during the entire 120-hour period preceding said meeting; and that said ordinance was filed and recorded in the office of the Secretary of said Mt. Prospect Park District of which the foregoing is a true copy (duplicate) and is now on file in the office of such Secretary.

GIVEN under my hand and seal of the Mt. Prospect Park District, Cook County, Illinois, this 28th day of May, 2014.

Secretary, Board of Park Commissioners
Mt. Prospect Park District
Cook County, Illinois

(SEAL)

Resolution 696

1. Project Sponsor: Mt. Prospect Park District
2. Project Title: Einstein Park Renovation

The Mt. Prospect Park District hereby certifies and acknowledges that it has the sufficient funds
(applicant)

necessary (includes cash and value of donated land) to complete the pending OSLAD/LWCF project within the timeframes specified herein for project execution, and that failure to adhere to the specified project timeframe or failure to proceed with the project because of insufficient funds or change in local recreation priorities is sufficient cause for project grant termination which will also result in the ineligibility of the local project sponsor for subsequent Illinois DNR outdoor recreation grant assistance consideration in the next two (2) consecutive grant cycles following project termination.

Acquisition and Development Projects

It is understood that the project must be completed within the timeframe established. The OSLAD timeframe is two years and LWCF is as specified in the project agreement. The last reimbursement request must be submitted within one year of the expiration date. Failure to do so will result in the Project Sponsor forfeiting all project reimbursements, and relieves DNR from further payment obligations on the grant.

The Mt. Prospect Park District further acknowledges and certifies that it will comply with all
(applicant)

terms, conditions and regulations of 1) the Open Space Lands Acquisition and Development (OSLAD) program (17 IL Adm. Code 3025) or federal Land & Water Conservation Fund (LWCF) program (17 IL Adm. Code 3030), as applicable, 2) the federal Uniform Relocation Assistance & Real Property Acquisition Policies Act of 1970 (P.L. 91-646) and/or the Illinois Displaced Persons Relocation Act (310 ILCS 40 et. seq.), as applicable, 3) the Illinois Human Rights Act (775 ILCS 5/1-101 et.seq.), 4) Title VI of the Civil Rights Act of 1964, (P.L. 83-352), 5) the Age Discrimination Act of 1975 (P.L. 94-135), 6) the Civil Rights Restoration Act of 1988, (P.L. 100-259) and 7) the Americans with Disabilities Act of 1990 (PL 101-336); and will maintain the project area in an attractive and safe condition, keep the facilities open to the general public during reasonable hours consistent with the type of facility, cease any farming operations, and obtain from the Illinois DNR written approval for any change or conversion of approved outdoor recreation use of the project site prior to initiating such change or conversion; and for property **acquired** with OSLAD/LWCF assistance, agree to place a covenant restriction on the project property deed at the time of recording that stipulates the property must be used, in perpetuity, for public outdoor recreation purposes in accordance with the OSLAD/LWCF programs and cannot be sold or exchanged, in whole or part, to another party without approval from the Illinois DNR, and that development at the site will commence within 3 years.

BE IT FURTHER PROVIDED that the Mt. Prospect Park District certifies to the best of its
(local project sponsor)

knowledge that the information provided within the attached application is true and correct.

This Resolution of Authorization has been duly discussed and adopted by the Mt. Prospect Park District
(local project sponsor)
at a legal meeting held on the 28th day of May, 2014.

(Authorized Signature)

Board President

(title)

ATTESTED BY: _____

Board Secretary
(title)