New Issue
Date of Sale: Thursday, June 18, 2020
Between 9:30 and 9:45 A.M., C.D.T.
(*Open Speer Auction)*

Investment Rating:
S&P Global Ratings ...AAA
(Stable Outlook)

Official Statement

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

$3,000,000*
VILLAGE OF GLENCOE
Cook County, Illinois
General Obligation Bonds
(Waterworks System Alternate Revenue Source), Series 2020

Dated Date of Delivery **Book-Entry** **Bank Qualified** **Due Serially December 15, 2020-2039**

The $3,000,000* General Obligation Bonds (Waterworks System Alternate Revenue Source), Series 2020 (the "Bonds"), are being issued by the Village of Glencoe, Cook County, Illinois (the "Village"). Interest on the Bonds is payable semiannually on June 15 and December 15 of each year, commencing December 15, 2020. Interest is calculated based on a 360-day year of twelve 30-day months. The Bonds will be issued using a book-entry system. The Depository Trust Company ("DTC"), New York, New York, will act as securities depository for the Bonds. Unless otherwise requested by the Underwriter/Purchaser, the ownership of one fully registered Bond for each maturity will be registered in the name of Cede & Co., as nominee for DTC and no physical delivery of Bonds will be made to purchasers. The Bonds will mature on December 15, in the following years and amounts:

AMOUNTS*, MATURITIES, INTEREST RATES, PRICES OR YIELDS AND CUSIP NUMBERS[(1)]

Principal Amount*	Due Dec. 15	Interest Rate	Yield or Price	CUSIP Number(1)	Principal Amount*	Due Dec. 15	Interest Rate	Yield or Price	CUSIP Number(1)
$155,000	2020	_____%	_____%	__________	$150,000	2030	_____%	_____%	__________
120,000	2021	_____%	_____%	__________	150,000	2031	_____%	_____%	__________
120,000	2022	_____%	_____%	__________	155,000	2032	_____%	_____%	__________
125,000	2023	_____%	_____%	__________	160,000	2033	_____%	_____%	__________
130,000	2024	_____%	_____%	__________	165,000	2034	_____%	_____%	__________
130,000	2025	_____%	_____%	__________	170,000	2035	_____%	_____%	__________
135,000	2026	_____%	_____%	__________	170,000	2036	_____%	_____%	__________
140,000	2027	_____%	_____%	__________	175,000	2037	_____%	_____%	__________
140,000	2028	_____%	_____%	__________	180,000	2038	_____%	_____%	__________
145,000	2029	_____%	_____%	__________	185,000	2039	_____%	_____%	__________

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

OPTIONAL REDEMPTION

The Bonds due December 15, 2020-2028, inclusive, are non-callable. The Bonds due December 15, 2029-2039, inclusive, are callable in whole or in part on any date on or after December 15, 2028, at a price of par and accrued interest. If less than all the Bonds are called, they shall be redeemed in such principal amounts and from such maturities as determined by the Village and within any maturity by lot. See **"OPTIONAL REDEMPTION"** herein.

PURPOSE, LEGALITY AND SECURITY

The Bond proceeds will be used to (i) pay the costs of improving the waterworks system of the Village (the "System"), and (ii) pay the costs of issuance of the Bonds. See **"THE PROJECT"** herein.

In the opinion of Bond Counsel, the Bonds are valid and legally binding upon the Village and are payable from (i) net revenues of the System, and (ii) ad valorem taxes levied against all taxable property within the Village without limitation as to rate or amount, except that the rights of the owners of the Bonds and the enforceability of the Bonds may be limited by bankruptcy, insolvency, moratorium, reorganization and other similar laws affecting creditors' rights and by equitable principles, whether considered at law or in equity, including the exercise of judicial discretion. . See **"DESCRIPTION OF THE BONDS"** herein.

The Bonds are offered at public sale, subject to the approval of legality by Bond Counsel. Delivery of the Bonds through the facilities of DTC will be on or about July 8, 2020.

This Official Statement is dated June 4, 2020, and has been prepared under the authority of the Village. An electronic copy of this Official Statement is available from the www.speerfinancial.com web site under "Debt Auction Center/Official Statements Sales Calendars/Competitive". Additional copies may be obtained from, Ms. Nikki Larson, Finance Director, Village of Glencoe, 675 Village Court, Glencoe, Illinois 60022 or from the Independent Public Finance Consultants to the Village:

Speer Financial, Inc.
INDEPENDENT MUNICIPAL ADVISORS • ESTABLISHED 1954

Telephone: (312) 346-3700; Facsimile: (312) 346-8833
www.speerfinancial.com

**Subject to change.*

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

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

The Official Statement, when further supplemented by an addendum or addenda specifying the maturity dates, principal amounts and interest rates of the Bonds, together with any other information required by law or deemed appropriate by the Village, shall constitute a "Final Official Statement" of the Village with respect to the Bonds, as that term is defined in Rule 15c2-12. Any such addendum or addenda shall, on and after the date thereof, be fully incorporated herein and made a part hereof by reference. Alternatively, such final terms of the Bonds and other information may be included in a separate document(s) entitled "Final Official Statement" rather than through supplementing the Official Statement by an addendum or addenda.

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

This Official Statement should be considered in its entirety and no one factor considered more or less important than any other by reason of its position in this Official Statement. Where statutes, reports or other documents are referred to herein, reference should be made to such statutes, reports or other documents for more complete information regarding the rights and obligations of parties thereto, facts and opinions contained therein and the subject matter thereof.

Any statements made in this Official Statement, including the Exhibits and Appendices, involving matters of opinion or estimates, whether or not so expressly stated, are set forth as such and not as representations of fact, and no representation is made that any of such estimates will be realized. This Official Statement contains certain forward looking statements and information that are based on the Village's beliefs as well as assumptions made by and information currently available to the Village. Such statements are subject to certain risks, uncertainties and assumptions. Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those anticipated, estimated or expected.

The Underwriter has reviewed the information in this Official Statement in accordance with, and as part of, its responsibilities to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriter does not guarantee the accuracy or completeness of such information.

IN CONNECTION WITH THE OFFERING, THE UNDERWRITER MAY OVERALLOT OR EFFECT TRANSACTIONS WHICH STABILIZE OR MAINTAIN THE MARKET PRICE OF THE SECURITIES OFFERED HEREBY AT A LEVEL ABOVE THAT WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME.

THESE SECURITIES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES COMMISSION NOR HAS THE SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES COMMISSION PASSED UPON THE ACCURACY OR ADEQUACY OF THIS OFFICIAL STATEMENT. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

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BOND ISSUE SUMMARY

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

Issuer:	Village of Glencoe, Cook County, Illinois.
Issue:	$3,000,000* General Obligation Bonds (Waterworks System Alternate Revenue Source), Series 2020.
Dated Date:	Date of delivery (expected to be on or about July 8, 2020).
Interest Due:	Semiannually each June 15 and December 15, commencing December 15, 2020.
Principal Due:	Serially each December 15, commencing December 15, 2020 through 2039, as detailed on the front page of this Official Statement.
Optional Redemption:	The Bonds maturing on or after December 15, 2029, are callable at the option of the Village on any date on or after December 15, 2028, at a price of par plus accrued interest. See **"OPTIONAL REDEMPTION"** herein.
Authorization and Purpose:	The Bonds are being issued pursuant to the Illinois Municipal Code, the Local Government Debt Reform Act of the State of Illinois, and all laws amendatory thereof and supplementary thereto, and a bond ordinance to be adopted by the President and Board of Trustees of the Village on June 18, 2020, authorizing the issuance of the Bonds. The Bond proceeds will be used to (i) pay the costs of improving the waterworks system of the Village (the "System"), and (ii) pay the costs of issuance of the Bonds. See **"THE PROJECT"** herein.
Security:	The Bonds are valid and legally binding upon the Village and are payable from (i) net revenues of the System, and (ii) ad valorem taxes levied against all taxable property within the Village without limitation as to rate or amount. See **"DESCRIPTION OF THE BONDS"** herein.
Credit Rating:	The Bonds have been rated "AAA (Stable)" from S&P Global Ratings, New York, New York.
Tax Exemption:	Chapman and Cutler LLP, Chicago, Illinois, will provide an opinion as to the federal tax exemption of the interest on the Bonds as discussed under **"TAX EXEMPTION"** in this Official Statement. Interest on the Bonds is not exempt from present State of Illinois income taxes.
Bank Qualification:	The Bonds are "qualified tax-exempt obligations" under Section 265(b)(3) of the Internal Revenue Code of 1986, as amended. See **"QUALIFIED TAX-EXEMPT OBLIGATIONS"** herein.
Bond Registrar/Paying Agent:	Zions Bancorporation, National Association, Chicago, Illinois.
Delivery:	The Bonds are expected to be delivered on or about July 8, 2020.
Book-Entry Form:	The Bonds will be registered in the name of Cede & Co. as nominee for The Depository Trust Company ("DTC"), New York, New York. DTC will act as securities depository of the Bonds. See **APPENDIX B** herein.
Denomination:	$5,000 or integral multiples thereof.
Municipal Advisor:	Speer Financial, Inc., Chicago, Illinois.

**Subject to change.*

VILLAGE OF GLENCOE
Cook County, Illinois

Lawrence Levin
President

Board of Trustees

Joe Halwax	Barbara Miller	Gary Ruben
Gail Lissner	Peter Mulvaney	Jonathan Vree

Officials

Phil Kiraly	Nikki Larson
Village Manager	*Finance Director*

INTRODUCTION

The purpose of this Official Statement is to set forth certain information concerning the Village of Glencoe, Cook County, Illinois (the "Village"), in connection with the offering and sale of its $3,000,000* General Obligation Bonds (Waterworks System Alternate Revenue Source), Series 2020 (the "Bonds").

This Official Statement contains "forward-looking statements" that are based upon the Village's current expectations and its projections about future events. When used in this Official Statement, the words "project," "estimate," "intend," "expect," "scheduled," "pro-forma" and similar words identify forward-looking statements. Forward-looking statements are subject to known and unknown risks, uncertainties and factors that are outside of the control of the Village. Actual results could differ materially from those contemplated by the forward-looking statements. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date hereof. Neither the Village nor any other party plans to issue any updates or revisions to these forward-looking statements based on future events.

AUTHORITY, PURPOSE AND GENERAL DESCRIPTION

The Bonds are being issued pursuant to the Illinois Municipal Code (the *"Municipal Code"*), the Local Government Debt Reform Act of the State of Illinois (the *"Debt Reform Act"*), and all laws amendatory thereof and supplementary thereto, and a bond ordinance adopted by the President and Board of Trustees of the Village (the *"Board"*) on the 18th day of June, 2020 (the "Bond Ordinance").

Proceeds of the Bonds will be used to (a) pay the costs of improving the waterworks system of the Village (the "Project") and (b) pay costs associated with the issuance of the Bonds. See "**THE PROJECT**" herein.

*Subject to change.

The Bonds will be dated the date of issuance thereof, will be in fully registered form, without coupons, and will be in denominations of $5,000 or any integral multiple thereof under a book-entry only system operated by The Depository Trust Company, New York, New York ("DTC"). Principal of and interest on the Bonds will be payable by Zions Bancorporation, National Association, Chicago, Illinois (the "Registrar").

The Bonds will mature as shown on the inside cover page hereof. Interest on the Bonds will be payable each June 15 and December 15, beginning December 15, 2020. The Bonds will bear interest from their dated date, or from the most recent interest payment date to which interest has been paid or provided for, computed on the basis of a 360-day year consisting of twelve 30-day months. The principal of the Bonds will be payable in lawful money of the United States of America upon presentation and surrender thereof at the principal corporate trust office of the Registrar. Interest on each Bond will be paid by check or draft of the 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 1st day of the month of the interest payment date.

DESCRIPTION OF THE BONDS

Security: Alternate Revenue Sources and Tax Levy

The Bonds will constitute valid and legally binding obligations of the Village payable from (i) net revenues of the waterworks system of the Village (the "Pledged Revenues"), and (b) ad valorem property taxes levied upon all taxable property in the Village without limitations as to rate or amount (the "Pledged Taxes" and, together with the Pledged Revenues, the "Pledged Moneys"), except that the rights of the owners of the Bonds and the enforceability of the Bonds may be limited by bankruptcy, insolvency, moratorium, reorganization and other similar laws affecting creditors' rights and by equitable principles, whether considered at law or in equity, including the exercise of judicial discretion.

In the ordinance authorizing the issuance of the Bonds (the "Bond Ordinance") to be adopted by the Village Board of the Village (the "Board") on June 18, 2020, the Village covenants and agrees with the purchasers and the owners of the Bonds that so long as any of the Bonds remain outstanding, the Village will take no action or fail to take any action which in any way would adversely affect the ability of the Village to collect the Pledged Revenues or, except for abatement of tax levies as permitted in the Bond Ordinance, to levy and collect the Pledged Taxes. The Village 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 in the Bond Ordinance, except as described in "**Abatement of Pledged Taxes**" below, and deposited in the bond fund created under the Bond Ordinance in connection with the Bonds (the "Bond Fund").

The Bond Ordinance provides for the levy of ad valorem taxes, unlimited as to rate or amount, upon all taxable property within the Village in amounts sufficient to pay, as and when due, all principal of and interest on the Bonds, except for the principal and interest due on the bonds on December 15, 2020. Such Bond Ordinance will be filed with the County Clerk of Cook County, Illinois (the "County Clerk"), and will serve as authorization to the County Clerk to extend and collect the property taxes as set forth in such Bond Ordinance to pay the Bonds, except as described under "**Abatement of Pledged Taxes**" below.

For the purpose of providing funds required to pay the interest on the Bonds promptly when and as the same falls due, and to pay and discharge the principal thereof at maturity, the Village covenants and agrees with the purchasers and the owners of the Bonds that the Village will deposit the Pledged Revenues into the Bond Fund. The Pledged Revenues are pledged to the payment of the Bonds and the Board covenants and agrees to provide for, budget, collect and apply the Pledged Revenues to the payment of the Bonds, and the provision of not less than an additional .25 times debt service.

Highlights of Alternate Bonds

Net System Revenues and Flow of Funds

The Village operates a municipally-owned waterworks and sewerage system (the "System") pursuant to the Municipal Code. As described above, the Bonds are payable from the "Net System Revenues", which consist of the System Revenues less Operation and Maintenance Costs. For this purpose, "System Revenues" means all income from whatever source derived from the System, including (i) investment income; (ii) connection, permit and inspection fees and the like; (iii) penalties and delinquency charges; (iv) capital development, reimbursement, or recovery charges and the like; and (v) annexation or pre-annexation charges insofar as designated by the Board as paid for System connection or service; but excluding expressly (a) non-recurring income from the sale of property of the System; (b) governmental or other grants; and (c) advances or grants made from the Village; and as otherwise determined in accordance with generally accepted accounting principles for municipal enterprise funds, and "Operation and Maintenance Costs" means all costs of operating, maintaining and routine repair of the System, including wages, salaries, costs of materials and supplies, power, fuel, insurance, purchase of water and sewage treatment services (including all payments by the Village pursuant to long term contracts for such services as and to the extent provided in such contracts); but excluding debt service, depreciation, or any reserve requirements; and otherwise determined in accordance with generally accepted accounting principles for municipal enterprise funds and further excluding capital improvements or replacements (including meter replacements) or engineering expenses in anticipation thereof or in connection therewith.

The Village has established a fund, designated as the Waterworks and Sewerage Fund (the "Fund"), into which all System Revenues collected will be deposited, the Fund constituting a trust fund for the sole purpose of carrying out the covenants, terms and conditions of the Bond Ordinance. The System Revenues are deposited into various accounts of the Fund, in accordance with the Bond Ordinance, as follows:

(a) Operation and Maintenance Account: There will be credited or retained in the Operation and Maintenance Account of the Fund an amount sufficient, when added to the amount then on deposit in the Operation and Maintenance Account, to establish or maintain a balance to an amount not less than the amount considered necessary to pay Operation and Maintenance Costs for the then current month.

(b) Depreciation Account: There shall be credited to the Depreciation Account and held, in cash and investments, such sum as the Board may deem necessary in order to provide an adequate depreciation fund for the System. In Future Bond Ordinances, the Village may covenant to make specific monthly deposits to the Depreciation Account and to accumulate funds therein.

> (i) Amounts to the credit of the Depreciation Account will be used for (i) the payment of the cost of extraordinary maintenance, necessary repairs and replacements, or contingencies, the payment for which no other funds are available, in order that the System may at all times be able to render efficient service, (ii) for the purpose of acquiring or constructing improvements and extensions to the System, and (iii) the payment of principal of or interest and premium on any IEPA Obligations, Bonds or Additional Bonds (as hereinafter defined) at any time when there are no other funds available for that purpose in order to prevent a default. Future Bond Ordinances may provide for additional deposits to the Depreciation Account and additional uses and transfers of the funds on deposit in the Depreciation Account.

(c) Surplus Account: All moneys remaining in the Fund, after crediting the required amounts to the accounts described above, and after making up any deficiency in such accounts, will be credited to the Surplus Account. Funds in the Surplus Account will first be used to make up any subsequent deficiencies in any of such accounts and then shall be deposited to a separate and segregated account created by this Ordinance and designated the "2019 Alternate Bond and Interest Subaccount of the Surplus Account" (the "Alternate Bond and Interest Subaccount"), as follows:

A. There will be paid into the Alternate Bond and Interest Subaccount in each month after the required payments have been made into the accounts described above, a fractional amount of the interest becoming due on the next succeeding interest payment date on all Outstanding Bonds, and a fractional amount of the principal becoming due on the next succeeding principal maturity date of all Outstanding Bonds. The amounts in the Alternate Bond and Interest Subaccount will then be immediately transferred to the Bond Fund (as hereinafter defined). Such deposits shall be made into the Alternate Bond and Interest Subaccount until there has been accumulated, in the aggregate between the Alternate Bond and Interest Subaccount and the Bond Fund, on or before the month preceding such maturity date of interest or principal, or both, an amount sufficient to pay such principal or interest, or both, of all Outstanding Bonds.

B. In computing the fractional amount to be set aside each month in the Alternate Bond and Interest Subaccount, the fraction shall be so computed that sufficient funds will be set aside and will be available for the prompt payment of such principal of and interest on all Outstanding Bonds, as the same will become due and will be not less than one-fifth of the interest becoming due on the next succeeding interest payment date and not less than one-tenth of the principal becoming due on the next succeeding principal payment date on all Outstanding Bonds, until there is sufficient money in the aggregate between the Bond Fund and the Alternate Bond and Interest Subaccount to pay such principal or interest or both.

C. Credits to the Alternate Bond and Interest Subaccount may be suspended in any fiscal year at such time as there shall be a sufficient sum, held in cash and investments, in the aggregate between the Bond Fund and the Alternate Bond and Interest Subaccount to meet principal and interest requirements in the Subaccount for the balance of such fiscal year, but such credits shall be resumed at the beginning of the next fiscal year.

D. All moneys in the Alternate Bond and Interest Subaccount will be used only for the purpose of paying interest on and principal of Outstanding Bonds.

E. Any funds remaining in the Surplus Account after making the required deposits to the credit of the Alternate Bond and Interest Subaccount, at the discretion of the Board, will be used, first, to make up any subsequent deficiencies in any of the accounts described above; and then, for the remainder of all surplus Revenues, at the discretion of the Board, for one or more of the following purposes without any priority among them:

1. For the purpose of constructing or acquiring repairs, replacements, improvements or extensions to the System; or

2. For making transfers to the Fund generally to be applied and treated as Revenues when transferred; or

3. For the purpose of calling and redeeming bonds payable from the System which are callable at the time; or

4. For the purpose of purchasing bonds payable from the System; or

5. For the purpose of paying principal of and interest on any subordinate bonds or obligations issued for the purpose of acquiring or constructing repairs, replacements, improvements or extensions to the System; or

6. For any purpose enumerated in any Future Bond Ordinance; or

7. For any other lawful System purpose.

Any amounts to the credit of any accounts of the Fund in excess of the then current requirements for such account may be transferred at any time by the Board to such other account or accounts of the Fund as it may in its sole discretion designate.

Alternate Bond Fund

The Bond Ordinance provides for the creation of a special fund of the Village, held separate and apart from all other funds and accounts of the Village, known as the "Alternate Bond and Interest Fund of 2020" (the "Bond Fund"). The purpose of the Bond Fund is to provide a fund to receive and disburse the Pledged Moneys for any of the Bonds. There are hereby created two accounts of the Bond Fund, designated the Pledged Revenues Account and the Pledged Taxes Account. All Pledged Revenues to be applied to the payment of the Bonds shall be deposited to the credit of the Pledged Revenues Account and all Pledged Taxes shall be deposited to the credit of the Pledged Taxes Account. The Bond Fund and its respective accounts constitute a trust fund established for the purpose of carrying out the covenants, terms and conditions imposed upon the Village by this Ordinance.

The Village will comply with all of the aforementioned conditions prior to the issuance of the Bonds, including demonstrating that the Pledged Revenues are sufficient in each year to make debt service payments on the Bonds by reference to the Village's audit for the fiscal year ending February 28, 2019. See **"THE PROJECT"** herein.

Abatement of Pledged Taxes

Whenever the Pledged Revenues or other lawfully available funds are 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 Village acting with proper authority will direct the deposit of such Pledged Revenues and such funds into the Bond Fund. The Board will direct the abatement of the Pledged Taxes by the amount of such deposit, and proper notification of such abatement will be filed with the County Clerk in a timely manner to effect the abatement of such deposit. There are no Pledged Taxes for levy year 2019.

Continuation of Waterworks Fund Accounts and Flow of Funds

All of the Revenues (as hereinafter defined) shall be set aside as collected and be deposited in a separate fund, which fund has heretofore been created and designated as the "Waterworks Fund" (the "Fund") of the Village and is expressly continued under the Bond Ordinance, and which fund shall constitute a trust fund for the sole purpose of carrying out the covenants, terms, and conditions of the Bond Ordinance and any Future Bond Ordinances (as hereinafter defined), and shall be used only in paying Operation and Maintenance Costs (as hereinafter defined), paying the principal of and interest on all bonds of the Village which by their terms are payable from the Revenues, and providing for the establishment of and expenditure from the respective accounts as hereinafter described.

There shall be and there are hereby continued separate accounts in the Fund to be known as the "Operation and Maintenance Account," such other accounts as may be established under any Future Bond Ordinances, the "Alternate Bond and Interest Account," and the "General Account," to which there shall be credited on a given day each month as selected by the Board, without any further official action or direction, in the order in which said accounts are hereinafter mentioned, all moneys held in the Fund, in accordance with the following provisions:

(a) Operation and Maintenance Account:

There shall be credited to the Operation and Maintenance Account an amount sufficient, when added to the amount then on deposit in said Account, to establish a balance to an amount not less than the amount necessary to pay Operation and Maintenance Costs for the System for the then current month and up to the time of the next monthly accounting for moneys and crediting to accounts. Amounts in said Account shall be used to pay such Operation and Maintenance Costs.

(b) Accounts Created Pursuant to Future Bond Ordinances:

Future Bond Ordinances may create additional accounts in the Fund for the payment and security of Future Revenue Bonds. Amounts in the Fund shall be credited to and transferred from said accounts in accordance with the terms of the Future Bond Ordinances.

(c) Alternate Bond and Interest Account:

There shall be paid into the Alternate Bond and Interest Account, in each month, a fractional amount of the interest becoming due on the next succeeding interest payment date on all Outstanding Bonds and Additional Bonds and a fractional amount of the principal becoming due on the next succeeding principal maturity date of all Outstanding Bonds and Additional Bonds until there shall have been accumulated in the Alternate Bond and Interest Account on or before the month preceding such maturity date of interest or principal, an amount sufficient to pay such principal or interest, or both, of all Outstanding Bonds and Additional Bonds. In computing the fractional amount to be set aside each month in said Alternate Bond and Interest Account, the fraction shall be so computed that sufficient funds will be set aside in said Account and will be available for the prompt payment of such principal of and interest on all Outstanding Bonds and Additional Bonds as the same will become due and shall be *not less than one-sixth of the interest* becoming due on the next succeeding interest payment date and *not less than one-twelfth of the principal* becoming due on the next succeeding principal payment date on all Outstanding Bonds and Additional Bonds until there is sufficient money in said Account to pay such principal or interest or both. Credits to the Alternate Bond and Interest Account may be suspended at such time as there shall be a sufficient sum, held in cash and investments, in said Account to meet principal and interest requirements in said Account to and including the next principal payment date, but such credits shall be resumed thereafter and, further, at any time said sum is insufficient for such purpose. All moneys in said Account shall be used only for the purpose of paying interest on and principal of Outstanding Bonds and Additional Bonds.

(d) General Account:

All moneys remaining in the Fund, after crediting the required amounts to the respective accounts hereinabove provided for, shall be credited to the General Account. Funds in the General Account shall be used, first, to make up any deficiencies in any of said accounts; and then, for the remainder of all Revenues, at the discretion of the Board, for any lawful System or Village purpose.

Definitions

"Additional Bonds" means any alternate bonds issued in the future in accordance with the provisions of the Debt Reform Act on a parity with and sharing ratably and equally in the Pledged Revenues with the Bonds.

"Future Bond Ordinances" means the ordinances of the Village authorizing the issuance of bonds payable from the Revenues, but not including this Ordinance or any other ordinance authorizing the issuance of Additional Bonds.

"Future Revenue Bonds" means (a) any bonds issued in the future payable solely from the Revenues; (b) any bonds issued in the future on a parity with respect to any Future Revenue Bonds which shall then previously have been issued; (c) any bonds payable from the Revenues used to refund Future Revenue Bonds at such time and in such manner that none of said Future Revenue Bonds remains "outstanding" as such term is defined in the applicable ordinance authorizing such Future Revenue Bonds after such refunding; and (d) any subordinate lien revenue bonds issued under the terms of any ordinance authorizing Future Revenue Bonds, but not including Bonds or Additional Bonds.

"Operation and Maintenance Costs" means all costs of operating, maintaining and routine repair of the System, including wages, salaries, costs of materials and supplies, power, fuel, insurance, purchase of water and sewage treatment services (including all payments by the Village pursuant to long term contracts for such services as and to the extent provided in such contracts); but excluding debt service, depreciation, or any reserve requirements; and otherwise determined in accordance with generally accepted accounting principles for municipal enterprise funds. The definition of Operation and Maintenance Costs shall also exclude capital improvements or replacements (including meter replacements) or engineering expenses in anticipation thereof or in connection therewith.

"Outstanding" means the Bonds, the Future Revenue Bonds and Additional Bonds which are outstanding and unpaid; *provided, however,* such term shall not include any of the Bonds, the Future Revenue Bonds or Additional Bonds (i) which have matured and for which moneys are on deposit with proper paying agents or are otherwise sufficiently available to pay all principal thereof and interest thereon or (ii) the provision for payment of which has been made by the Village by the deposit in an irrevocable trust or escrow of funds or direct, full faith and credit obligations of the United States of America, the principal of and interest on which will be sufficient to pay at maturity or as called for redemption all the principal of and interest on such Bonds or Additional Bonds.

"Revenues" means all income from whatever source derived from the System, including (i) investment income; (ii) connection, permit and inspection fees and the like; (iii) penalties and delinquency charges; (iv) capital development, reimbursement, or recovery charges and the like; (v) annexation or pre-annexation charges insofar as designated by the Board as paid for System connection or service; but excluding expressly (a) non-recurring income from the sale of property of the System; (b) governmental or other grants; (c) advances or grants made from the Village; and as otherwise determined in accordance with generally accepted accounting principles for municipal enterprise funds.

Bond Fund

There is created pursuant to the Bond Ordinance a special fund of the Village, which fund shall be held separate and apart from all other funds and accounts of the Village and shall be known as the "Waterworks Alternate Bond Fund (2020)" (the "Bond Fund"). The purpose of the Bond Fund is to provide a fund to receive and disburse the Pledged Taxes for any of the Bonds. All payments with respect to the Bonds from the Pledged Revenues shall be made directly from the Alternate Bond and Interest Account and all payments with respect to the Bonds from the Pledged Taxes shall be made directly from the Bond Fund. The Bond Fund constitutes a trust fund established for the purpose of carrying out the covenants, terms and conditions imposed upon the Village by the Bond Ordinance and relating to the Pledged Taxes.

Any Pledged Taxes received by the Village shall promptly be deposited into the Bond Fund. Pledged Taxes on deposit to the credit of the Bond Fund shall be fully spent to pay the principal of and interest on the Bonds for which such taxes were levied and collected prior to use of any moneys on deposit in the Alternate Bond and Interest Account.

Additional Bonds and Future Revenue Bonds

The Village reserves the right to issue Future Revenue Bonds and Additional Bonds without limit *provided* that upon the issuance of such Future Revenue Bonds or Additional Bonds, the Village shall be able to demonstrate in the same manner as provided by the Debt Reform Act as the Debt Reform Act is currently in force that at such time all Outstanding Bonds and Additional Bonds could then be issued as if not then having previously been issued; that is, that the requirements of the Debt Reform Act for the issuance of alternate bonds payable from the Revenues shall have been met on such date for all Outstanding Bonds and Additional Bonds.

Treatment of Bonds as Debt

The Bonds will be payable from the Pledged Moneys and will not constitute an indebtedness of the Village within the meaning of any constitutional or statutory limitation, unless the Pledged Taxes will have been extended pursuant to the general obligation, full faith and credit promise supporting the Bonds, in which case the amount of the outstanding Bonds will be included in the computation of indebtedness of the Village for purposes of all statutory provisions or limitations until such time as an audit of the Village shows that the Bonds have been paid from the Pledged Revenues for a complete fiscal year, in accordance with the Debt Reform Act.

Certain Risk Factors

The ability of the Village to pay the Bonds from the Pledged Revenues may be limited by circumstances beyond the control of the Village. There is no guarantee that the Pledged Revenues will continue to be available at current levels.

To the extent that Pledged Revenues may be insufficient to pay the Bonds, the Bonds are to be paid from the Pledged Taxes. If the Pledged Taxes are ever extended for the payment of the Bonds, the amount of the Bonds then outstanding will be included in the computation of indebtedness of the Village for purposes of all statutory provisions or limitations until such time as an audit of the Village shows that the Bonds have been paid from the Pledged Revenues for a complete fiscal year.

Estimated Debt Service Coverage(1)

Levy Year	Calendar Year	Pledged Revenues(2)	The Bonds(3)	Coverage(3)
2019	2020	$792,121	$187,708	4.22X
2020	2021	792,121	191,125	4.14X
2021	2022	792,121	188,125	4.21X
2022	2023	792,121	190,125	4.17X
2023	2024	792,121	192,000	4.13X
2024	2025	792,121	188,750	4.20X
2025	2026	792,121	190,500	4.16X
2026	2027	792,121	192,125	4.12X
2027	2028	792,121	188,625	4.20X
2028	2029	792,121	190,125	4.17X
2029	2030	792,121	191,500	4.14X
2030	2031	792,121	187,750	4.22X
2031	2032	792,121	189,000	4.19X
2032	2033	792,121	190,125	4.17X
2033	2034	792,121	191,125	4.14X
2034	2035	792,121	192,000	4.13X
2035	2036	792,121	187,750	4.22X
2036	2037	792,121	188,500	4.20X
2037	2038	792,121	189,125	4.19X
2038	2039	792,121	189,625	4.18X

Notes: (1) Source: The Village's 2019 Comprehensive Annual Financial Report.
(2) Pledged Revenues consist of net revenues of the waterworks system of the Village.
(3) Subject to change.

SOURCES AND USES

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

SOURCES:	
Principal Amount	$
[[Net]Original Issue Premium [Discount]	
Total Sources	$
USES:	
Deposit to Project Fund	$
Costs of Issuance*	
Total Uses	$

* Includes underwriter's discount and other issuance costs.

RISK FACTORS

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

Construction Risks

There are potential risks that could affect the ability of the Village to timely complete the Project. While preliminary costs have been projected by the Village's consulting architects, not all of the construction contracts have been let by the Village. No assurance can be given that the cost of completing the Project will not exceed available funds. Completion of the Project involves many risks common to construction projects such as shortages or delays in the availability of materials and labor, work stoppages, labor disputes, contractual disputes with contractors or suppliers, weather interferences, construction accidents, delays in obtaining legal approvals, unforeseen engineering, archeological or environmental problems and unanticipated cost increases, any of which could give rise to significant delays or cost overruns.

Finances of the State of Illinois

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

The State failed to enact a full budget for the State fiscal years ending June 30, 2016, and June 30, 2017, which had a significant, negative impact on the State's finances, although certain spending occurred through statutory transfers, statutory continuing appropriations, court orders and consent decrees, including spending for elementary and secondary education. In addition, the underfunding of the State's pension systems and a bill backlog of billions of dollars contributed to the State's poor financial health. On July 6, 2017, the General Assembly of the State (the "General Assembly") enacted a budget (the "Fiscal Year 2018 Budget") for the State fiscal year ending June 30, 2018 (the "State Fiscal Year 2018"), overriding the Governor's veto. On May 31, 2018, the General Assembly passed a budget (the "Fiscal Year 2019 Budget") for the State for fiscal year ending June 30, 2019 (the "State Fiscal Year 2019"), and on June 4, 2018, the Governor approved the same. On June 1, 2019, the General Assembly passed a budget (the "Fiscal Year 2020 Budget") for the State for fiscal year ending June 30, 2020 (the "State Fiscal Year 2020"), and on June 5, 2019, the Governor approved the same. On May 24, 2020, the General Assembly passed a budget (the "Fiscal Year 2021 Budget") for the fiscal year ending June 30, 2021.

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

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

Potential Impact of the Novel Corona Virus 2019

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

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

Governor Pritzker has declared all counties in the State as disaster areas because of the spread of COVID-19. The Governor has also signed various executive orders to prevent the further spread of COVID-19 that have (i) required all Illinoisans (with certain exceptions) to stay in their homes; (ii) closed all bars and restaurants to dine-in customers, (iii) ceased operations for all non essential businesses in the State and (iv) prohibited all public and private gatherings of 10 people or more. Such restrictions extend through May 30, 2020. All public and private schools serving pre-kindergarten through 12th grade students have been closed for on-site learning through the present 2019-2020 school year, with remote learning having been mandated by the Illinois State Board of Education for school days since March 31, 2020. Additionally, the State delayed the due dates of certain of its tax payments (including income and sales taxes) in response to the COVID-19 pandemic.

Despite moneys the State is expected to receive from the federal government, including from the CARES Act, the spread of COVID-19 and the actions taken in response thereto have had, and are expected to continue to have, a significant negative impact on the State's economy, which could affect the revenues received by the Village from the State.

The State is not yet able to assess the severity of the economic impact of the COVID-19 pandemic. The State's initial estimates project revenues for the remainder of fiscal year 2020 to be approximately $2.7 billion less than previously projected, and fiscal year 2021 revenues to be approximately $4.6 billion less than previously projected. In addition, the State expects to issue a short-term borrowing of approximately $1.2 billion, which will provide additional revenues in fiscal year 2020, but must be repaid out of the State's general revenues during fiscal year 2021. The State is expected to continue to develop economic forecasts and revenue estimates as circumstances change and additional information becomes available. It is possible that actual results will vary, and perhaps vary widely, from the amounts described in this paragraph.

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

Future Pension Plan Funding Requirements

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

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

Cybersecurity

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

Local Economy

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

Loss or Change of Bond Rating

The Bonds have been rated "AAA (Stable Outlook)" from S&P Global Ratings, New York, New York ("S&P"). The rating can be changed or withdrawn at any time for reasons both under and outside the Village's control. Any change, withdrawal or combination thereof could adversely affect the ability of investors to sell the Bonds or may affect the price at which they can be sold.

Secondary Market for the Bonds

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

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

Continuing Disclosure

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

Suitability of Investment

The interest rate borne by the Bonds is intended to compensate the investor for assuming the risk of investing in the Bonds. Furthermore, the tax exempt feature of the Bonds is currently more valuable to high tax bracket investors than to investors that are in low tax brackets. As such, the value of the interest compensation to any particular investor will vary with individual tax rates and circumstances. Each prospective investor should carefully examine this Official Statement and its own financial condition to make a judgment as to its ability to bear the economic risk of such an investment, and whether or not the Bonds are an appropriate investment for such investor.

Future Changes in Laws

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

Factors Relating to Tax Exemption

As discussed under **"TAX EXEMPTION"** herein, interest on the Bonds could become includible in gross income for purposes of federal income taxation, retroactive to the date the Bonds were issued, as a result of future acts or omissions of the Village in violation of its covenants in the Bond Ordinance. Should such an event of taxability occur, the Bonds are not subject to any special redemption.

There are or may be pending in the Congress of the United States ("Congress") legislative proposals relating to the federal tax treatment of interest on the Bonds, including some that carry retroactive effective dates, that, if enacted, could affect the market value of the Bonds. It cannot be predicted whether or in what form any such proposal might be enacted or whether, if enacted, it would apply to Bonds issued prior to enactment. Finally, reduction or elimination of the tax-exempt status of obligations such as the Bonds could have an adverse effect on the Village's ability to access the capital markets to finance future capital or operational needs by reducing market demand for such obligations or materially increasing borrowing costs of the Village.

The tax-exempt bond office of the Internal Revenue Service (the "Service") is conducting audits of tax-exempt bonds, both compliance checks and full audits, with increasing frequency to determine whether, in the view of the Service, interest on such tax-exempt obligations is includible in the gross income of the owners thereof for federal income tax purposes. It cannot be predicted whether the Service will commence any such audit. If an audit is commenced, under current procedures the Service may treat the Village as a taxpayer and the Bondholders may have no right to participate in such proceeding. The commencement of an audit with respect to any tax-exempt obligations of the Village could adversely affect the market value and liquidity of the Bonds, regardless of the ultimate outcome.

Bankruptcy

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

THE VILLAGE

Location

The Village of Glencoe (the "Village") is located approximately 21 miles north of downtown Chicago in New Trier Township. It is one of eight Chicago suburban communities north of Chicago fronting on Lake Michigan and collectively referred to as "the North Shore." Its municipal neighbors include Winnetka to the south, Northbrook and Northfield to the west and Highland Park to the north.

In contrast to the flat terrain of downtown Chicago where it fronts on Lake Michigan, Glencoe's shoreline has 85-foot high bluffs with long green ravines penetrating and separating the residential areas leading down to the beaches at water's edge. Separating the Village from Northbrook and Northfield to the west are the Skokie Lagoons, which were constructed by the U.S. Government in the mid-1930's to provide better drainage and flood control for the entire area. Dredgings from the marsh were used to construct a series of islands, ponds and channels and to provide additional buildable land for western Glencoe. The lagoon area is part of an 800-acre public open space area owned and maintained by the Cook County Forest Preserve District, with over 300 acres included in the Chicago Botanic Gardens. There are also three golf courses in the Village: the Skokie Country Club, the Glencoe Golf Club (owned and operated by the Village), and the Lake Shore Country Club. Including the Forest Preserve land areas and the golf courses, approximately 32% of the Village is open space.

History and Population

The first settlers came to the Glencoe area in 1835. By 1855, a railroad line from Chicago (now the Union Pacific Railroad with commuter service to Chicago) had been constructed through the area. Platted in 1868, the Village of Glencoe was incorporated on March 29, 1869 by an act of the Illinois Legislature. From the time of its settlement until today, the citizens of Glencoe have had a commitment to keep the community residential. Only two areas of the Village have any commercial development - around the train station where the Village Hall, Library and Public Works Building form the nucleus of a commercial service area, and at the southern edge of the Village where a small retailing area serves as an extension of a shopping area in Winnetka. From 1912, when the Glencoe Park District (the "Park District") was created, until 1931, the Park District aggressively acquired property in the Village that threatened, or was expected, to be commercially developed. The Park District is a municipal corporation separate from the Village.

At the Census of 1900, Glencoe's population totaled 1,020. Between 1920 and 1930, the Village's population grew from 3,381 to 6,295. The catalyst for the growth from 6,980 at the 1950 Census to 10,472 at the 1960 Census was the opening in the early 1950's of Chicagoland's first expressway (the Edens Expressway running immediately west of the Skokie Lagoons) which ended its expressway configuration at the Lake-Cook County line. At the 1970 Census, the population count of 10,542 was only slightly higher than in 1960. The Village's population was 9,200 at the 1980 Census and 8,499 at the 1990 Census, reflecting the national trend toward smaller family sizes. At the 2000 Census, the Village's population was 8,762, an increase of 3.1% over the 1990 Census. The 2010 Census shows the population was 8,723.

Village Government and Services

The governing and legislative body for the Village consists of the Village President and Board of six Trustees, all of whom are elected on an at-large basis and all of whom serve without compensation. In 1914, when the Village Board adopted an ordinance providing for the Council-Manager form of government, Glencoe became the first municipality in the State of Illinois and only the eleventh in the United States, to adopt that form of government. In 1921, the Village adopted zoning and building code regulations, in 1941 the plan commission was formed, and in 1945 a subdivision control ordinance was adopted.

As a non-home rule, special charter municipality, the Village provides a wide breadth of services. Glencoe is one of two municipalities in the State with a fully consolidated and cross trained Public Safety Department (police, fire and EMS). Additionally, the Public Works Department includes all public infrastructure management, operation of the Water Treatment Plant and all building, zoning and planning functions. The administrative arm of the Village includes the functions of the office of the Village Manager/Clerk, human resources management, financial administration and Golf operations.

While the first water mains were laid in 1892 to connect to the then new Winnetka water works and bring Lake Michigan water to Glencoe residents, Glencoe did not directly access Lake Michigan water until 1928. The Glencoe water filtration plant was enlarged in the 1950's to a daily pumping capacity of approximately 8 million gallons (and a storage capacity of 3,150,000 gallons), which is well in excess of average daily consumption of approximately 1,640,000 gallons.

The Village's 1982 Annual Financial Report was awarded the Certificate of Conformance for financial reporting by the Municipal (now Governmental) Finance Officers' Association (GFOA) of the United States and Canada. A supplemental Certificate of Conformance (beginning January 1, 1986 it is called the Certificate of Achievement) was awarded for the Village's 1983-2019 reports. The significance of the GFOA's award is emphasized by their statement that ... "The Certificate of Achievement is the highest form of recognition in the area of governmental accounting and financial reporting and its attainment represents a significant accomplishment by a governmental unit and its management." To receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, an operations guide, a financial plan, and a communications medium. In addition, the Village has maintained a long range financial forecast and capital improvement plan, since fiscal year 1995. These plans project financial activity in the Village for the next ten years.

The Village has also received GFOA's Distinguished Budget Award for each fiscal year since 2007, and GFOA's Popular Annual Financial Report Award for each fiscal year since 2009.

Transportation

Village residents have easy access to Interstate 94, which borders the Village to the west. The Village is located approximately 10 miles from O'Hare International Airport. Commuter rail service to downtown Chicago is provided by the Metra. Travel time to downtown Chicago is approximately 30 minutes.

Community Life

The Glencoe Park District owns 95 acres of park land with 44 park sites. The District offers a variety of recreation programs for all ages, including programs in the areas of arts and crafts, athletics, fitness, early childhood education, and performing arts. Special events and trips are also offered. Among the many Park District facilities available to residents are a nature preserve, two gymnasiums, and an outdoor skating rink. In 2006, the Park District issued $13,755,000 in bonds to finance the expansion and renovation of its community center, including construction of a 14,000 square foot gymnasium.

The Glencoe Public Library, which was organized in 1909, is on the same site as the Village Hall. The Library underwent a $1,000,000 interior renovation in 1993-94, funded by a $500,000 line of credit payable entirely from Library funds and Library reserve funds.

The Village of Glencoe is home to the nationally renowned Writers Theatre, which completed a $30 million, 350-seat facility in 2016. With multiple shows each year, the presence of Writers Theatre provides critical support for the downtown business and restaurant economy.

Education

Elementary and secondary education is provided by Glencoe School District Number 35 and New Trier Township High School District Number 203. Pre-K education is offered at Glencoe Junior Kindergarten and Nursery School. Oakton Community College ("Oakton") offers a number of two-year degrees, as well as a wide range of certificate programs. In addition, Oakton offers a variety of special interest, vocational and continuing education classes.

SOCIOECONOMIC INFORMATION

Employment

Numerous major employers are located within the Village and in adjacent communities. Following is a partial list of major employers in the Village and the immediately surrounding areas. Additional employment opportunities are also available throughout the Chicago metropolitan area.

Major Village Employers*(1)*

Name	Product/Service	Approximate Employment
Glencoe Park District	Park District	249
Cook County Forest Preserve District	Chicago Botanic Garden	240
Glencoe School District #35	School District	210
Carmax	Auto Dealership	100
Village of Glencoe	Municipal Corporation	95
Fields Infinity	Auto Dealership	70
Coldwell Banker	Realtor	67
Optima, Inc.	Real Estate Development	45
Grand Foods Center	Food Store	37
North Shore Congregation Israel	Congregation	35

Note: (1) Source: 2020 Illinois Manufacturers Directory, 2020 Illinois Services Directory, the Village's 2019 CAFR and a selective telephone survey.

Major Area Employers*(1)*

Location	Name	Product/Service	Approximate Employment
Unincorporated Cook County	The Allstate Corporation	Corporate Headquarters; Insurance	8,750
Deerfield	Walgreen's Boots Alliance	Holding Company	6,500
Northfield	Medline Industries, Inc.	Corporate Headquarters; Surgical and Medical Instruments	5,000
Deerfield	Walgreen Co.	Company Headquarters; Pharmacy & Drugstore	2,500
Deerfield	Baxter Healthcare Corp.	Corporate Headquarters; Pharmaceutical Products	2,500
Northbrook	UL, LLC	Laboratories	1,700
Glenview	Abt Electronics, Inc.	Consumer Electronics & Appliances	1,500
Highland Park	Highland Park Hospital	General Hospital	1,200
Northbrook	Astellas Pharma US, Inc.	Corporate Headquarters; Pharmaceutical Research Laboratories	1,150
Glenview	Kraft Heinz Foods Company	Food Products	1,000
Glenview	Anixter, Inc.	Corporate Headquarters; Telecommunications Products	1,000
Deerfield	Takeda Pharmaceuticals U.S.A., Inc.	Corporate Headquarters; Pharmaceutical Products	1,000
Glenview	Glenbrook High School District 225	Secondary Education	850
Deerfield	Essendant	Company Headquarters; Office Equipment	800

Note: (1) Source: 2020 Illinois Manufacturers Directory, 2020 Illinois Services Directory, and a selective telephone survey.

The following tables show employment by industry and by occupation for the Village, Cook County (the "County") and the State of Illinois (the "State") as reported by the U.S. Census Bureau 2014-2018 American Community Survey 5-year estimated values.

Employment By Industry*(1)*

	The Village		The County		The State	
Classification	Number	Percent	Number	Percent	Number	Percent
Agriculture, Forestry, Fishing and Hunting, and Mining	6	0.2%	4,403	0.2%	66,259	1.1%
Construction	135	3.4%	119,212	4.7%	328,620	5.3%
Manufacturing	151	3.8%	247,352	9.7%	753,276	12.1%
Wholesale Trade	135	3.4%	72,063	2.8%	188,536	3.0%
Retail Trade	212	5.4%	248,700	9.8%	669,968	10.8%
Transportation and Warehousing, and Utilities	96	2.4%	180,343	7.1%	394,511	6.3%
Information	63	1.6%	55,804	2.2%	120,002	1.9%
Finance and Insurance, and Real Estate and Rental and Leasing	815	20.6%	205,038	8.0%	453,391	7.3%
Professional, Scientific, and Management, and Administrative and Waste Management Services	1,207	30.5%	371,057	14.6%	735,339	11.8%
Educational Services and Health Care and Social Assistance	732	18.5%	578,789	22.7%	1,426,656	22.9%
Arts, Entertainment and Recreation and Accommodation and Food Services	133	3.4%	251,206	9.9%	568,457	9.1%
Other Services, Except Public Administration	183	4.6%	125,739	4.9%	294,078	4.7%
Public Administration	86	2.2%	89,290	3.5%	226,871	3.6%
Total	3,954	100.0%	2,548,996	100.0%	6,225,964	100.0%

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

Employment By Occupation*(1)*

Classification	The Village Number	The Village Percent	The County Number	The County Percent	The State Number	The State Percent
Management, Business, Science and Arts	2,836	71.7%	1,019,892	40.0%	2,370,095	38.1%
Service	172	4.4%	455,103	17.9%	1,072,423	17.2%
Sales and Office	771	19.5%	564,569	22.1%	1,393,893	22.4%
Natural Resources, Construction, and Maintenance	65	1.6%	151,460	5.9%	448,917	7.2%
Production, Transportation, and Material Moving	110	2.8%	357,972	14.0%	940,636	15.1%
Total	3,954	100.0%	2,548,996	100.0%	6,225,964	100.0%

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

Annual Average Unemployment Rates*(1)*

Calendar Year	The Village	The County	The State
2011	6.7%	10.4%	9.8%
2012	6.2%	9.3%	8.9%
2013	6.0%	9.6%	9.2%
2014	5.0%	7.4%	7.1%
2015	4.1%	6.1%	5.9%
2016	4.2%	6.2%	5.9%
2017	3.5%	5.2%	5.0%
2018	2.6%	4.0%	4.3%
2019	2.5%	3.8%	4.0%
2020(2)	N/A	16.9%	18.2%

Notes: (1) Source: Illinois Department of Employment Security.
(2) Preliminary rates for April 2020. Due to the COVID-19 pandemic, unemployment rates have risen significantly.

Building Permits

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

Calendar Year	Number of Units	Value
2010	51	$17,091,902
2011	55	17,358,109
2012	48	17,308,208
2013	72	32,503,380
2014	71	55,001,875
2015	63	33,938,723
2016	43	14,664,478
2017	47	31,887,557
2018	50	26,138,866
2019	37	25,738,264

Note: (1) Source: The Village Based on valuations per building permits issued by the Village's Development Department.

Housing

The U.S. Census Bureau 5-year estimated values reported that the median value of the Village's owner-occupied homes was $918,600. This compares to $237,200 for the County and $187,200 for the State. The following table represents the five year average market value of specified owner-occupied units for the Village, the County and the State at the time of the 2014-2018 American Community Survey.

Home Values*(1)*

	The Village		The County		The State	
Value	Number	Percent	Number	Percent	Number	Percent
Under $50,000	19	0.6%	42,174	3.8%	214,345	6.7%
$50,000 to $99,999	0	0.0%	92,694	8.3%	476,898	15.0%
$100,000 to $149,999	7	0.2%	140,730	12.6%	499,362	15.7%
$150,000 to $199,999	71	2.3%	178,057	15.9%	513,220	16.1%
$200,000 to $299,999	264	8.7%	261,678	23.4%	668,842	21.0%
$300,000 to $499,999	128	4.2%	248,248	22.2%	537,360	16.9%
$500,000 to $999,999	1,240	40.9%	119,262	10.7%	223,197	7.0%
$1,000,000 or more	1,305	43.0%	33,916	3.0%	55,811	1.8%
Total	3,034	100.0%	1,116,759	100.0%	3,189,035	100.0%

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

Mortgage Status*(1)*

	The Village		The County		The State	
Value	Number	Percent	Number	Percent	Number	Percent
Housing Units with a Mortgage	1,958	64.5%	730,775	65.4%	2,034,106	63.8%
Housing Units without a Mortgage	1,076	35.5%	385,984	34.6%	1,154,929	36.2%
Total	3,034	100.0%	1,116,759	100.0%	3,189,035	100.0%

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

Income

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

Rank		2014 to 2018
1	Lake County	$42,388
2	DuPage County	42,050
3	Monroe County	37,043
4	McHenry County	36,208
5	Woodford County	34,198
6	Will County	33,731
7	**Cook County**	**33,722**
8	Putnam County	33,697
9	Piatt County	33,672
10	Kane County	33,486
11	Kendall County	33,369
12	Sangamon County	33,277

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

The U.S. Census Bureau 5-year estimated values reported that the Village had a median family income of over $250,000. This compares to $76,327 for the County and $79,747 for the State. The following table represents the distribution of family incomes for the Village, the County and the State at the time of the 2014-2018 American Community Survey.

Family Income*(1)*

	The Village		The County		The State	
Income	Number	Percent	Number	Percent	Number	Percent
Under $10,000	6	0.2%	54,063	4.6%	118,179	3.8%
$10,000 to $14,999	0	0.0%	30,998	2.6%	70,168	2.3%
$15,000 to $24,999	0	0.0%	83,940	7.1%	186,491	6.0%
$25,000 to $34,999	12	0.5%	92,649	7.8%	216,864	7.0%
$35,000 to $49,999	42	1.7%	131,608	11.1%	340,169	10.9%
$50,000 to $74,999	83	3.4%	190,037	16.1%	538,213	17.3%
$75,000 to $99,999	101	4.2%	151,271	12.8%	444,134	14.2%
$100,000 to $149,999	229	9.5%	205,838	17.4%	598,534	19.2%
$150,000 to $199,999	347	14.4%	107,166	9.1%	286,266	9.2%
$200,000 or more	1,597	66.1%	136,236	11.5%	318,315	10.2%
Total	2,417	100.0%	1,183,806	100.0%	3,117,333	100.0%

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

The U.S. Census Bureau 5-year estimated values reported that the Village had a median household income of $209,143. This compares to $62,088 for the County and $63,575 for the State. The following table represents the distribution of household incomes for the Village, the County and the State at the time of the 2014-2018 American Community Survey.

Household Income*(1)*

	The Village		The County		The State	
Income	Number	Percent	Number	Percent	Number	Percent
Under $10,000	118	3.6%	150,136	7.6%	314,802	6.5%
$10,000 to $14,999	21	0.6%	82,860	4.2%	194,284	4.0%
$15,000 to $24,999	66	2.0%	185,110	9.4%	431,405	8.9%
$25,000 to $34,999	43	1.3%	169,860	8.7%	415,960	8.6%
$35,000 to $49,999	133	4.1%	227,406	11.6%	577,213	12.0%
$50,000 to $74,999	254	7.9%	318,622	16.2%	828,597	17.2%
$75,000 to $99,999	116	3.6%	234,678	12.0%	613,917	12.7%
$100,000 to $149,999	402	12.4%	289,976	14.8%	751,099	15.6%
$150,000 to $199,999	397	12.3%	136,558	7.0%	335,066	6.9%
$200,000 or more	1,684	52.1%	167,864	8.6%	367,695	7.6%
Total	3,234	100.0%	1,963,070	100.0%	4,830,038	100.0%

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

Retail Activity

Following is a summary of the Village's sales tax receipts as collected and disbursed by the State.

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

State Fiscal Year Ending June 30	Municipal Tax(2)	Percent Change + (-)
2010	$1,491,201	(0.76%)
2011	1,620,557	8.67%
2012	1,569,759	(3.13%)
2013	1,641,476	4.57%
2014	1,838,032	11.97%
2015	1,905,961	3.70%
2016	1,901,960	(0.21%)
2017	1,939,934	2.00%
2018	1,962,832	1.18%
2019	1,859,837	(5.25%)
Growth from 2010 to 2019		24.72%

Notes: (1) Source: Illinois Department of Revenue (the "Department") and the Village.
(2) Tax distributions are based on records of the Department relating to the 1% municipal portion of the Retailers' Occupation, Service Occupation and Use Tax, collected on behalf of the Village, less a State administration fee. The municipal 1% includes tax receipts from the sale of food and drugs which are not taxed by the State.

THE PROJECT

The Village expects to use the proceeds of the Bonds to finance the Project; and to pay the costs of issuance of the Bonds. The project includes the full replacement of the Village's mechanical water meter system with a fully automated meter information system and to fund infrastructure improvements and main replacements within the Village's water main distribution system.

DEFAULT RECORD

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

SHORT-TERM BORROWING

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

DEBT INFORMATION

After issuance of the Bonds, the Village will have outstanding $20,800,000 (subject to change) principal amount of general obligation bonds. The Village also has outstanding $209,147 of Special Service Area bonded debt as of February 29, 2020.

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

Calendar Year	Series 2012A (12/15)	Series 2015A (12/15)	Series 2016B (12/15)	Series 2019 (12/15)	The Bonds(2) (12/15)	Total Principal G.O. Bonds(2)	Cumulative Principal Retired(2) Amount	Cumulative Principal Retired(2) Percent
2020	$ 880,000	$ 0	$ 480,000	$ 105,000	$ 155,000	$ 1,620,000	$1,620,000	7.79%
2021	900,000	0	485,000	125,000	120,000	1,630,000	3,250,000	15.63%
2022	920,000	0	490,000	135,000	120,000	1,665,000	4,915,000	23.63%
2023	945,000	0	500,000	140,000	125,000	1,710,000	6,625,000	31.85%
2024	970,000	0	505,000	145,000	130,000	1,750,000	8,375,000	40.26%
2025	995,000	0	515,000	155,000	130,000	1,795,000	10,170,000	48.89%
2026	1,025,000	0	525,000	160,000	135,000	1,845,000	12,015,000	57.76%
2027	1,055,000	425,000	110,000	170,000	140,000	1,900,000	13,915,000	66.90%
2028	0	595,000	0	180,000	140,000	915,000	14,830,000	71.30%
2029	0	615,000	0	185,000	145,000	945,000	15,775,000	75.84%
2030	0	635,000	0	0	150,000	785,000	16,560,000	79.62%
2031	0	655,000	0	0	150,000	805,000	17,365,000	83.49%
2032	0	670,000	0	0	155,000	825,000	18,190,000	87.45%
2033	0	690,000	0	0	160,000	850,000	19,040,000	91.54%
2034	0	715,000	0	0	165,000	880,000	19,920,000	95.77%
2035	0	0	0	0	170,000	170,000	20,090,000	96.59%
2036	0	0	0	0	170,000	170,000	20,260,000	97.40%
2037	0	0	0	0	175,000	175,000	20,435,000	98.25%
2038	0	0	0	0	180,000	180,000	20,615,000	99.11%
2039	0	0	0	0	185,000	185,000	20,800,000	100.00%
Total	$7,690,000	$5,000,000	$3,610,000	$1,500,000	$3,000,000	$20,800,000		

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

Washington Place Special Service Area Bonded Debt*(1)*
(Principal Only)

Calendar Year	Series 2016A (12/15)	Total Principal Outstanding	Cumulative Principal Retired Amount	Cumulative Principal Retired Percent
2020	$ 16,246	$ 16,246	$ 16,246	7.77%
2021	16,749	16,749	32,995	15.78%
2022	17,269	17,269	50,264	24.03%
2023	17,804	17,804	68,068	32.55%
2024	18,356	18,356	86,424	41.32%
2025	18,925	18,925	105,349	50.37%
2026	19,512	19,512	124,861	59.70%
2027	20,117	20,117	144,978	69.32%
2028	20,740	20,740	165,718	79.24%
2029	21,383	21,383	187,101	89.46%
2030	22,046	22,046	209,147	100.00%
Total	$209,147	$209,147		

Note: (1) Source: The Village.

Statement of Overlapping Debt*(1)*
(As of March 25, 2020)

	Outstanding Debt	Applicable to Village Percent(2)	Applicable to Village Amount
Schools:			
School District Number 29	$ 14,640,000	1.65%	$ 241,560
School District Number 35	10,745,000	100.00%	10,745,000
School District Number 36	5,495,000	1.96%	107,702
New Trier Township High School District Number 203	81,970,000	17.16%	14,066,052
Community College Number 535	30,000,000	4.16%	1,248,000
Total Schools			$26,408,314
Others:			
Cook County	$2,803,851,750	0.58%	$16,262,340
Cook Forest Preserve District	131,815,000	0.58%	764,527
Metropolitan Water Reclamation District	2,274,859,669	0.60%	13,649,158
Glencoe Park District	5,675,000	98.98%	5,617,115
Winnetka Park District	5,640,000	1.64%	92,496
Washington Place Special Service Area	209,147	100.00%	209,147
Total Others			$36,594,783
Total Overlapping Debt			$63,003,097

Notes: (1) Source: Cook County Clerk.
(2) Overlapping debt percentages based on 2018 EAV, the most current available.

Statement of Bonded Indebtedness*(1)*

	Amount Applicable	Ratio To Equalized Assessed	Ratio To Estimated Actual	Per Capita (2010 Census 8,723)
Assessed Valuation of Taxable Property, 2018	$ 927,849,046	100.00%	33.33%	$106,368.11
Estimated Actual Value, 2018	$2,783,547,138	300.00%	100.00%	$319,104.34
Village Direct Bonded Debt(2)	$ 20,800,000	2.24%	0.75%	$ 2,384.50
Overlapping Debt:(3)				
Schools	$ 26,408,314	2.85%	0.95%	$ 3,027.43
All Others	39,594,783	4.27%	1.42%	4,539.12
Total Overlapping Bonded Debt	$ 66,003,097	7.11%	2.37%	$ 7,566.56
Total Net Direct & Overlapping Debt (2)(3)	$ 86,803,097	9.36%	3.12%	$ 9,951.06

Notes: (1) Source: The Village.
(2) Includes the Bonds.
(3) As of March 25, 2020.

Legal Debt Margin*(1)*

2018 Village Equalized Assessed Valuation		$927,849,046
Statutory Debt Limitation (10% of EAV)(2)		$ 92,784,905
General Obligation Bonded Debt:		
Series 2012A	$ 7,690,000	
Series 2015A	5,000,000	
Series 2016B	3,610,000	
Series 2019	1,500,000	
The Bonds(3)(4)	3,000,000	
Total	$20,800,000	
Less: Self Supporting(3)(4)	$ (3,000,000)	
Total Applicable Debt		$ 17,800,000
Legal Debt Margin		$ 74,984,905

Notes: (1) Source: The Village.
(2) The Village is a special charter community and has the authority to issue bonds in an amount that does not exceed 10% of the assessed valuation of the property within the limits of the Village.
(3) As general obligation "alternate bonds" under Illinois Statutes, the Bonds do not count against the Village's 8.625% of EAV statutory debt limit, so long as the debt service levy for such bonds is abated annually and not extended.
(4) Subject to change.

PROPERTY ASSESSMENT AND TAX INFORMATION

The Village's 2018 EAV was comprised of approximately 96% residential, 4% commercial, and less than 1% railroad property valuations.

Village EAV*(1)*

	Levy Years				
By Property Class	2014	2015	2016(2)	2017	2018
Residential	$763,955,032	$738,633,477	$907,893,003	$926,423,605	$888,926,804
Commercial	32,030,613	31,524,981	36,605,254	38,935,200	38,105,913
Railroad	609,535	731,849	744,650	759,726	816,319
Total	$796,595,180	$770,890,307	$945,242,907	$966,118,531	$927,849,036
Percent change +(-)	1.13%(3)	(3.23%)	22.62%	2.21%	(3.96%)

Notes: (1) Source: Cook County Clerk.
(2) Triennial assessment year.
(3) Percentage based on 2013 EAV of $787,716,085.

Representative Tax Rates

Per $100 of EAV*(1)*

(Some Numbers Are Rounded)

	Levy Years				
	2014	2015	2016(2)	2017	2018
Village Rates:					
General	$1.0230	$1.0780	$0.8900	$0.9000	$0.9655
Bonds and Interest	0.1770	0.2150	0.2240	0.2300	0.1992
Police Pension	0.1440	0.1520	0.1250	0.1270	0.1347
Fire Pension	0.0010	0.0010	0.0010	0.0010	0.0006
Limited Bonds	0.0290	0.0000	0.0000	0.0000	0.0000
Total Village Rate	$1.3740	$1.4450	$1.2400	$1.2580	$1.3000
Cook County	0.5680	0.5520	0.5330	0.4960	0.4890
Cook County Forest Preserve	0.0690	0.0690	0.0630	0.0620	0.0600
Consolidated Elections	0.0000	0.0340	0.0000	0.0310	0.0000
Metropolitan Water Reclamation Dist.	0.4300	0.4260	0.4060	0.4020	0.3960
North Shore Mosquito Abatement District	0.0110	0.0120	0.0100	0.0100	0.0100
New Trier Township(3)	0.0620	0.0660	0.0560	0.0570	0.0610
Glencoe Park District	0.6770	0.7100	0.5850	0.5940	0.6330
School District Number 35	3.3780	3.5560	2.9310	2.9550	3.1630
High School District No. 203	2.2680	2.3800	1.9740	1.9930	2.1110
Community College District Number 535	0.2580	0.2710	0.2310	0.2320	0.2460
Village of Glencoe Library	0.2780	0.2940	0.2430	0.2460	0.2640
Total(4)	$9.3730	$9.8150	$8.2720	$8.3360	$8.7330

Notes: (1) Source: Cook County Clerk
(2) Reassessment year.
(3) Includes Road and Bridge and General Assistance.
(4) Representative tax rate is for Tax Code No 23006 which represents the largest tax code of the Village's 2018 EAV; the latest data available.

Village Tax Extensions and Collections*(1)*

Levy Year	Coll. Year	Taxes Extended	Taxes Collected Amount	Taxes Collected Percent
2014	2015	$10,945,218	$10,873,230	99.34%
2015	2016	11,139,365	10,818,302	97.12%
2016	2017	11,721,012	11,463,982	97.81%
2017	2018	12,153,771	11,849,221	97.49%
2018	2019	12,062,038	11,656,468	96.60%

Note: (1) Source: the Village

Principal Village Taxpayers*(1)*

Taxpayer Name	Business/Service	2018 EAV(2)
50 Glade LLC	Real Property	$ 4,802,982
United Investors Management	Real Property	4,675,211
Lake Shore Country Club	Golf Course	4,129,921
Skokie Country Club	Golf Course	3,930,289
Individual	Real Property	3,550,596
Glencoe Building LLC	Real Property	2,753,207
Three Waukegan Rd. LLC	Real Property	2,702,113
Individual	Real Property	2,470,338
Individual	Retail Store	2,434,545
Individual	Real Property	2,055,275
Total		$33,504,477
10 Largest Taxpayers as Percent of Total		3.61%

Notes: (1) Source: County Clerk.
(2) Every effort has been made to seek out and report the largest taxpayers. However, many of the taxpayers listed contain multiple parcels, and it is possible that some parcels and their valuations have been overlooked. The 2018 EAV is the most current available.

REAL PROPERTY ASSESSMENT, TAX LEVY AND COLLECTION PROCEDURES

Summary of Property Assessment, Tax Levy and Collection Procedures

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

Real Property Assessment

The County Assessor (the "Assessor") is responsible for the assessment of all taxable real property within Cook County (the "County"), including that in the Village, except for certain railroad property and pollution control facilities, which are assessed directly by the Illinois Department of Revenue (the "Department of Revenue"). For triennial reassessment purposes, Cook County is divided into three districts: west and south suburbs (the "South Tri"), north and northwest suburbs (the "North Tri"), and the City of Chicago (the "City Tri"). The Village is located in the North Tri and was reassessed for the 2016 tax levy year.

Real property in the County is separated into classes for assessment purposes. After the County Assessor establishes the fair market value of a parcel of property, that value is multiplied by the appropriate classification percentage to arrive at the assessed valuation (the "Assessed Valuation") for the parcel. Prior to the 2009 tax levy year, the classification percentages ranged from 16% for certain residential, commercial and industrial property to 36% and 38%, respectively, for other industrial and commercial property. On September 17, 2008, the Cook County Board of Commissioners approved changes to the property classification ordinance. The changes reduced the percentages used to calculate the assessed value of real property in the County for real estate tax purposes. These reductions take effect in the 2009 tax levy year. Such new classification percentages range from 10% for certain residential, commercial and industrial property to 25% for other industrial and commercial property.

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

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

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

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

Equalization

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

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

TAX LEVY YEAR	EQUALIZATION FACTOR
2009	3.3701
2010	3.3000
2011	2.9706
2012	2.8056
2013	2.6621
2014	2.7253
2015	2.6685
2016	2.8032
2017	2.9627
2018	2.9109

Exemptions

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

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

The Long-Time Occupant Homestead Exemption limits the increase in EAV of a taxpayer's homestead property to 10% per year if such taxpayer has owned the property for at least 10 years as of January 1 of the assessment year (or 5 years if purchased with certain government assistance) and has a household income of $100,000 or less ("Qualified Homestead Property"). If the taxpayer's annual income is $75,000 or less, the EAV of the Qualified Homestead Property may increase by no more than 7% per year. There is no exemption limit for Qualified Homestead Properties.

The Homestead Improvement Exemption applies to Residential Property that has been improved and to properties that have been rebuilt in the two years following a catastrophic event, as defined in the Property Tax Code. The exemption is limited to $75,000 for up to four years, to the extent the assessed value is attributable solely to such improvements or rebuilding.

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

The Senior Citizens Assessment Freeze Homestead Exemption freezes property tax assessments for homeowners who are 65 and older and receive a household income not in excess of the maximum income limitation. The maximum income limitation is $55,000 for assessment year 2008 through assessment year 2017. Beginning in assessment year 2018, the maximum income limitation is $65,000. This exemption grants to qualifying senior citizens an exemption equal to the difference between (a) the current EAV of the residence and (b) the EAV of a senior citizen's residence for the year prior to the year in which he or she first qualifies and applies for the exemption, plus the EAV of improvements since such year.

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

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

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

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

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

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

Tax Levy

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

Property Tax Extension Limitation Law

The Limitation Law is applied after the prior year EAV limitation. The Limitation Law limits the annual growth in the amount of property taxes to be extended for certain Illinois non-home rule units, including the Village. The effect of the Limitation Law is to limit the amount of property taxes that can be extended for a taxing body. In addition, general obligation bonds, notes and installment contracts payable from ad valorem taxes, unlimited as to rate and amount, cannot be issued by the affected taxing bodies unless they are approved by referendum, are alternate bonds or are for certain refunding purposes.

The use of prior year EAVs to limit the allowable tax levy may reduce tax rates for funds that are at or near their maximum rates in districts with rising EAVs. These reduced rates and all other rates for those funds subject to the Limitation Law are added together, which results in the aggregate preliminary rate. The aggregate preliminary rate is then compared to the limiting rate. If the limiting rate is more than the aggregate preliminary rate, there is no further reduction in rates due to the Limitation Law. If the limiting rate is less than the aggregate preliminary rate, the aggregate preliminary rate is further reduced to the limiting rate. In all cases, taxes are extended using current year EAV under Section 18-140 of the Property Tax Code.

The Village has the authority to levy taxes for many different purposes. See the table entitled **"Representative Tax Rates"** under **"PROPERTY ASSESSMENT AND TAX INFORMATION"** herein. The ceiling at any particular time on the rate at which these taxes may be extended for the Village is either (i) unlimited (as provided by statute), (ii) initially set by statute but permitted to be increased by referendum, (iii) capped by statute, or (iv) limited to the rate approved by referendum. Public Act 94-0976, effective June 30, 2006, provides that the only ceiling on a particular tax rate is the ceiling set by statute above, at which the rate is not permitted to be further increased by referendum or otherwise. Therefore, taxing districts (such as the Village) will have increased flexibility to levy taxes for the purposes for which they most need the money. The total aggregate tax rate for the various purposes subject to the Limitation Law, however, will not be allowed to exceed the Village's limiting rate computed in accordance with the provisions of the Limitation Law.

In general, the annual growth permitted under the Limitation Law is the lesser of 5% or the percentage increase in the Consumer Price Index during the calendar year preceding the levy year. Taxes can also be increased due to new construction, referendum approval of tax rate increases, mergers and consolidations. Local governments, including the Village, can issue limited tax bonds in lieu of general obligation bonds that have otherwise been authorized by applicable law.

Illinois legislators have introduced several proposals to modify the Limitation Law, including freezing property taxes and extending tax caps to all taxing bodies in the State. In particular, the House passed Senate Bill 851 ("Senate Bill 851") on November 8, 2017. Senate Bill 851 provides that for levy years 2017 and 2018, for taxing districts (including home rule units) with a majority of EAV in Cook and the collar counties (Lake, McHenry, Kane, DuPage and Will Counties), other than qualified school districts, the extension limitation under the Limitation Law will be 0% or the rate of increase approved by voters. In addition, Senate Bill 851 allows county boards for counties other than Cook and the collar counties, to submit to their voters at the general primary or general election in 2018, the question of whether to subject all taxing districts (including home rule units) with a majority of EAV in their county, other than qualified school districts, to the provisions of the Limitation Law and an extension limitation under the Limitation Law of 0% or the rate of increase approved by voters for levy years 2018 and 2019. Senate Bill 851 is subject to a vote of concurrence by the Senate and approval from the Governor prior to being enacted into law. If Senate Bill 851 or similar legislation were to become law, such reform may have a material impact on the finances of the Village. The Village cannot predict whether, or in what form, any change to the Limitation Law, including Senate Bill 851, may be enacted into law, nor can the Village predict the effect of any such change on the Village's finances.

Extensions

The County Clerk then computes the total tax rate applicable to each parcel of real property by aggregating the tax rates of all of the Units having jurisdiction over the particular parcel. The County Clerk extends the tax by entering the tax (determined by multiplying the total tax rate by the EAV of that parcel for the current assessment year) in the books prepared for the County Collector (the "Warrant Books") along with the tax rates, the Assessed Valuation and the EAV. The Warrant Books are the County Collector's authority for the collection of taxes and are used by the County Collector as the basis for issuing tax bills to all property owners.

Collections

Property taxes are collected by the County Collector, who is also the County Treasurer, who remits to each Unit its share of the collections. Taxes levied in one year become payable during the following year in two installments, the first due on March 1 and the second on the later of August 1 or 30 days after the mailing of the tax bills. A payment due is deemed to be paid on time if the payment is postmarked on the due date. The first installment is equal to one-half of the prior year's tax bill; beginning in collection year 2010, this estimated amount was raised to 55% of the prior year's tax bill. However, if a Certificate of Error is approved by a court or certified on or before November 30 of the preceding year and before the estimated tax bills are prepared, then the first installment is instead equal to one-half of the corrected prior year's tax bill. The second installment is for the balance of the current year's tax bill, and is based on the then current tax year levy, assessed value and Equalization Factor, and reflects any changes from the prior year in those factors. The following table sets forth the second installment penalty date for the last 10 tax levy years in Cook County; the first installment penalty date has been March 1 for all such years.

TAX LEVY YEAR	SECOND INSTALLMENT PENALTY DATE
2009	December 13, 2010
2010	November 1, 2011
2011	August 1, 2012
2012	August 1, 2013
2013	August 1, 2014
2014	August 3, 2015
2015	August 1, 2016
2016	August 1, 2017
2017	August 1, 2018
2018	August 1, 2019

It is possible that the changes to the assessment appeals process described above will cause delays similar to those experienced in past years in preparation and mailing of the second installment in future years. The County may provide for tax bills to be payable in four installments instead of two. However, the County has not required payment of tax bills in four installments. The County has, however, announced it will be delaying late penalties until October 1 this year to assist residents impacted by COVID-19. During the periods of peak collections, tax receipts are forwarded to each Unit on a weekly basis. Upon receipt of taxes from the County Collector, the Village promptly credits the taxes received to the funds for which they were levied.

At the end of each collection year, the County Collector presents the Warrant Books to the Circuit Court and applies for a judgment for all unpaid taxes. The court orders resulting from the application for judgment provides for an Annual Tax Sale (the "Annual Tax Sale") of unpaid taxes shown on that year's Warrant Books. A public sale is held, at which time successful tax buyers pay the unpaid taxes plus penalties. In each such public sale, the collector can use any "automated means." Unpaid taxes accrue penalties at the rate of 1.5% per month from their due date until the date of sale. Taxpayers can redeem their property by paying the amount paid at the sale, plus a maximum of 12% for each six-month period after the sale. If no redemption is made within the applicable redemption period (ranging from six months to two and one-half years depending on the type and occupancy of the property) and the tax buyer files a petition in the Circuit Court, notifying the necessary parties in accordance with the applicable law, the tax buyer receives a deed to the property. In addition, there are miscellaneous statutory provisions for foreclosure of tax liens.

If there is no sale of the tax lien on a parcel of property at the Annual Tax Sale, the taxes are forfeited and the property becomes eligible to be purchased at any time thereafter at an amount equal to all delinquent taxes and interest accrued to the date of purchase. Redemption periods and procedures are the same as applicable to the Annual Tax Sale.

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

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

Truth in Taxation Law

Legislation known as the Truth in Taxation Law (the "Truth in Taxation Law") limits the aggregate amount of certain taxes which can be levied by, and extended for, a taxing district to 105% of the amount of taxes extended in the preceding year unless specified notice, hearing and certification requirements are met by the taxing body. The express purpose of the Truth in Taxation Law is to require published disclosure of, and hearing upon, an intention to adopt a levy in excess of the specified levels. The provisions of the Truth in Taxation Law do not apply to levies made to pay principal of and certain interest on the Bonds.

FINANCIAL INFORMATION

No Consent or Updated Information Requested of the Auditor

The tables contained in this **"FINANCIAL INFORMATION"** section (the "Excerpted Financial Information") and in **APPENDIX A** are from the audited financial statements of the Village, including the audited financial statements for the fiscal year ended February 28, 2019 (the "2019 Audit") which was approved by formal action of the Board and attached to this Official Statement as **APPENDIX A**. The Village has not requested the Auditor to update information contained in the Excerpted Financial Information or the 2019 Audit; nor has the Village requested that the Auditor consent to the use of the Excerpted Financial Information or the 2019 Audit in this Official Statement. Other than as expressly set forth in this Official Statement, the financial information contained in the Excerpted Financial Information and the 2019 Audit has not been updated since the date of the 2019 Audit. The inclusion of the Excerpted Financial Information and the 2019 Audit in this Official Statement in and of itself is not intended to demonstrate the fiscal condition of the Village since the date of the 2019 Audit. Questions or inquiries relating to financial information of the Village since the date of the 2019 Audit should be directed to the Village.

Summary Financial Information

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

Statement of Net Position
Governmental Activities
Primary Government

	Audited As of February 28/29				
	2015	2016	2017	2018	2019
ASSETS:					
Cash and Investments	$ 6,944,696	$ 13,138,105	$ 14,225,029	$ 15,436,318	$ 10,471,368
Receivables, net:					
Property Taxes	8,926,099	9,075,400	10,063,992	8,276,775	9,886,292
Other Taxes	889,881	864,175	926,984	701,971	676,870
Accounts	231,410	233,385	257,589	444,922	112,038
Other	64,634	101,335	108,753	94,931	95,612
Internal Balances	1,651,618	1,699,131	1,768,108	0	1,822,453
Inventory/Prepaids	520,840	741,419	954,787	1,342,435	1,176,915
Due From Other Governments	0	0	0	0	191,516
Capital Assets Not Being Depreciated	45,301,357	44,925,494	44,777,470	45,656,660	44,889,219
Capital Assets Being Depreciated, Net of Depreciation	35,358,972	34,556,369	38,145,394	46,075,477	38,943,216
Total Assets	$ 99,889,507	$105,334,813	$111,228,106	$118,029,489	$108,265,499
DEFERRED OUTFLOWS OF RESOURCES	$ 2,909,549	$ 8,040,787	$ 2,742,298	$ 5,652,851	$ 6,607,863
Total Assets and Deferred Outflows of Resources	$102,799,056	$113,375,600	$113,970,404	$123,682,340	$114,873,362
LIABILITIES:					
Accounts Payable and Accrued Liabilities	$ 1,473,042	$ 2,277,770	$ 2,676,772	$ 2,115,047	$ 2,435,314
Accrued Interest Payable	62,624	148,803	129,420	107,176	88,626
Unearned/Deferred Revenue	27,665	41,420	160,557	426,001	156,212
Compensated Absences Payable	1,261,559	1,170,780	1,167,814	730,469	626,621
Net Pension Liabilities	421	28,809,275	26,419,501	23,767,571	29,433,471
Net OPEB Payable	254,458	292,273	319,783	2,147,624	1,737,445
General Obligation Bonds Payable:					
Due Within One Year	1,265,000	1,090,000	1,580,000	1,800,335	1,335,000
Due In More Than One Year	11,960,000	15,870,000	19,290,000	19,871,843	16,300,000
Total Liabilities	$ 16,304,769	$ 49,700,321	$ 51,743,847	$ 50,966,066	$ 52,112,689
DEFERRED INFLOWS OF RESOURCES	$ 0	$ 12,176,488	$ 15,810,010	$ 19,814,877	$ 15,326,049
Total Liabilities and Deferred Inflows of Resources	$ 16,304,769	$ 61,876,809	$ 67,553,857	$ 70,780,943	$ 67,438,738
NET POSITION:					
Invested in Capital Assets, Net of Related Debt	$ 67,499,293	$ 66,981,463	$ 66,573,437	$ 71,407,259	$ 66,848,456
Restricted	1,326,659	5,834,505	1,552,771	576,161	897,121
Unrestricted	6,732,384	(21,317,177)	(21,709,661)	(19,082,023)	(20,310,953)
TOTAL NET POSITION	$ 75,558,336	$ 51,498,791	$ 46,416,547	$ 52,901,397	$ 47,434,624

Statement of Activities
Net (Expenses) Revenues and Changes in Net Position

Functions/Programs
Primary Government

	Audited Year Ended February 28/29				
	2015	2016	2017	2018	2019
Governmental Activities(1):					
Administration and Finance	$ (2,598,490)	$ (2,470,877)	$ (2,277,144)	$ (2,289,740)	$ (2,868,752)
Public Safety	(8,143,788)	(11,307,855)	(14,446,025)	(6,080,024)	(9,915,693)
Public Works	(4,617,391)	(5,241,268)	(4,827,946)	(5,117,896)	(5,468,562)
Interest	(323,771)	(404,956)	(288,527)	(504,506)	(460,938)
Total Governmental Activities	$(15,683,440)	$(19,424,956)	$(21,839,642)	$(13,992,166)	$(18,713,945)
General Revenues:					
Taxes:					
Property and Replacement	$ 10,556,127	$10,774,846	$ 10,957,369	$ 11,641,943	$ 11,986,779
Sales	2,090,867	2,107,088	2,156,524	2,171,536	2,132,872
Utility	1,186,958	1,041,829	971,617	936,102	949,683
Income	847,050	931,426	830,541	801,681	832,575
Other	631,316	608,894	684,205	497,813	488,883
Investment Income	30,225	52,795	68,710	76,548	287,001
Miscellaneous	629,612	682,492	1,088,432	1,125,555	1,249,517
Transfers In (Out)	0	0	0	0	0
Total	$ 15,972,155	$ 16,199,370	$ 16,757,398	$ 17,251,178	$ 17,927,310
Change in Net Position	$ 288,715	$ (3,225,586)	$ (5,082,244)	$ 3,259,012	$ (786,635)
Net Position, Beginning	$ 75,269,621	$ 59,654,001(2)	$ 51,498,791(2)	$ 44,962,247(2)	$ 48,221,259
Net Position, Ending	$ 75,558,336	$ 56,428,415	$ 46,416,547	$ 48,221,259	$ 47,434,624

Notes: (1) Expenses less program revenues of Charges for Services Operating Grants and Capital Grants.
(2) As restated.

Balance Sheet
General Fund

	Audited As of February 28/29				
	2015	2016	2017	2018	2019
ASSETS:					
Cash and Investments	$ 5,377,865	$ 6,658,102	$ 7,175,282	$10,093,261	$ 9,102,913
Receivables:					
Property Taxes	7,579,217	7,719,130	8,257,222	6,748,569	8,334,410
Other Taxes	870,842	845,011	861,313	684,875	659,657
Accounts	118,957	126,699	137,799	177,884	112,038
Other	63,835	100,242	108,088	94,931	95,612
Due from Other Funds	1,859,472	1,912,944	182,370	381,783	191,516
Advances to Other Funds	0	0	1,768,108	1,778,385	1,822,453
Prepaids	434,758	629,479	820,181	1,101,081	1,161,654
Inventory	6,761	8,789	3,404	10,467	15,261
Total Assets	$16,311,707	$18,000,396	$19,313,767	$21,071,236	$21,495,514
LIABILITIES:					
Accounts Payable and Accrued Liabilities	$ 1,594,116	$ 1,987,330	$ 1,903,388	$ 2,351,817	$ 2,410,833
Other Payables	27,665	33,980	153,117	200,382	156,212
Unearned/Deferred Revenues	9,293,819	9,479,248	9,670,777	9,838,741	9,920,546
Total Liabilities	$10,915,600	$11,500,558	$11,727,282	$12,390,940	$12,487,591
FUND BALANCES:					
Nonspendable	$ 2,093,137	$ 2,336,803	$ 2,591,693	$ 2,889,933	$ 2,999,368
Restricted	129,760	177,857	237,214	266,832	354,405
Unreserved	3,173,210	3,985,178	4,757,578	5,523,531	5,654,150
Total Fund Balance	$ 5,396,107	$ 6,499,838	$ 7,586,485	$ 8,680,296	$ 9,007,923
Total Liabilities and Fund Balance	$16,311,707	$18,000,396	$19,313,767	$21,071,236	$21,495,514

General Fund
Statement of Revenues and Expenditures

	Audited As of February 28/29				
	2015	2016	2017	2018	2019
REVENUES:					
Property Taxes	$ 8,910,295	$ 9,027,429	$ 9,201,105	$ 9,407,179	$ 9,657,375
Other Taxes	4,483,110	4,453,873	4,334,689	4,322,685	4,282,394
Licenses, Permits and Fees	1,822,569	1,744,673	1,452,504	1,863,457	1,839,173
Charges for Services	580,236	628,508	642,092	712,147	567,222
Fines and Forfeits	73,662	126,112	124,997	100,926	132,513
Interest	18,389	23,768	43,133	74,953	213,455
Miscellaneous	605,700	655,584	636,003	1,080,823	1,249,517
Total Revenues	$16,493,961	$16,659,947	$16,434,523	$17,562,170	$17,941,649
EXPENDITURES:					
Administration and Finance	$ 2,450,222	$ 2,193,602	$ 2,199,946	$ 2,579,778	$ 2,935,230
Public Safety	7,840,024	8,178,926	8,181,559	8,373,089	8,554,329
Public Works	4,658,755	4,518,262	4,529,779	4,616,106	5,438,961
Capital Outlay	1,449,137	232,057	452,092	1,367,874	772,802
Total Expenditures	$16,398,138	$15,122,847	$15,363,376	$16,936,847	$17,701,322
Excess (Deficiency) of Revenues Over Expenditures	$ 95,823	$ 1,537,100	$ 1,071,147	$ 625,323	$ 240,327
Other Financing Sources (Uses):					
Transfers In (Out), net	$ (437,983)	$ (433,369)	$ 15,500	$ 468,488	$ 87,300
Total Other Financing Sources (uses)	$ (437,983)	$ (433,369)	$ 15,500	$ 468,488	$ 87,300
Net Change in Fund Balance	$ (342,160)	$ 1,103,731	$ 1,086,647	$ 1,093,811	$ 327,627
Beginning Fund Balance	5,738,267	5,396,107	6,499,838	7,586,485	8,680,296
Ending Fund Balance	$ 5,396,107	$ 6,499,838	$ 7,586,485	$ 8,680,296	$ 9,007,923

General Fund Budget and Year-End Results*(1)*
(Includes Subfunds)

	Budget Twelve Months Ending 2/28/20	Unaudited Year Ended 2/28/20
REVENUES:		
Property Tax	$10,128,964	$ 9,987,662
Replacement Tax	85,735	125,780
Sales Tax	2,095,845	1,756,164
Income Taxes	827,555	931,095
Other Taxes	1,140,845	922,074
Licenses, Permits & Fees	1,613,550	1,941,962
Interest Income	187,500	253,059
Fines	133,000	158,424
Charges for Service	1,172,084	1,021,590
Miscellaneous	865,766	708,560
Total Revenues	$18,250,844	$17,806,370
OTHER FINANCING SOURCES:		
Transfers In	$ 184,850	$ 34,850
EXPENDITURES:		
Administration and Finance	3,224,364	3,113,982
Public Safety	9,318,157	8,623,805
Public Works	5,588,244	5,229,350
Capital Outlay	1,737,300	927,117
Total Expenditures	$19,868,065	$17,894,254
OTHER FINANCING SOURCES:		
Transfers Out	$ 0	$ 0
Revenues Over (Under) Expenditures	$ (1,432,371)	$ (53,034)

Note: (1) Source: The Village.

EMPLOYEE RETIREMENT AND OTHER POSTEMPLOYMENT BENEFITS OBLIGATIONS

See **APPENDIX D** herein for a discussion of the Village's employee retirement and other postemployment benefits obligations.

REGISTRATION, TRANSFER AND EXCHANGE

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

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

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

The execution by the Village of any fully registered Bond shall constitute full and due authorization of such Bond, and the 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 Registrar shall not exceed the authorized principal amount of Bonds for such maturity less Bonds previously paid.

The Registrar shall not be required to transfer or exchange any Bond during the period beginning at the close of business on the first day of the month in which an interest payment date occurs on such Bond (known as the record date) and ending at the opening of business on such interest payment date, nor to transfer or exchange any Bond after notice calling such Bond for redemption has been mailed, nor during a period of fifteen (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 Bonds shall be made only to or upon the order of the registered owner thereof or such owner's legal representative. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid.

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

TAX EXEMPTION

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

Subject to the Village's compliance with the above-referenced covenants, under present law, in the opinion of Bond Counsel, interest on the Bonds is excludable from the gross income of the owners thereof for federal income tax purposes, and is not included as an item of tax preference in computing the federal alternative minimum tax for individuals under the Internal Revenue Code of 1986, as amended (the "Code").

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

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

The issue price for original issue discount (as further discussed below) and market discount purposes (the "OID Issue Price") for each maturity of the Bonds is the price at which a substantial amount of such maturity of the Bonds is first sold to the public (excluding bond houses and brokers and similar persons or organizations acting in the capacity of underwriters, placement agents or wholesalers). The OID Issue Price of a maturity of the Bonds may be different from the prices set forth, or the prices corresponding to the yields set forth, on the cover page of the Final Official Statement.

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

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

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

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

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

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

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

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

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

QUALIFIED TAX-EXEMPT OBLIGATIONS

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

CONTINUING DISCLOSURE

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

The Village has adopted disclosure policies and procedures, which specifically include additional procedures to be followed by the Village in relation to the two new reportable events added to the list of reportable events for which the Village must provide notice to the EMMA website.

A failure by the Village to comply with the Undertaking will not constitute a default under the Bond Ordinance and beneficial owners of the Bonds are limited to the remedies described in the Undertaking. The Village must report any failure to comply with the Undertaking in accordance with the Rule. Any broker, dealer or municipal securities dealer must consider such report before recommending the purchase or sale of the Bonds in the secondary market. Consequently, such a failure may adversely affect the transferability and liquidity of the Bonds and their market price.

THE UNDERTAKING

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

Annual Financial Information Disclosure

The Village covenants that it will disseminate its Annual Financial Information and its Audited Financial Statements, if any (as described below) to the MSRB in such manner and format and accompanied by identifying information as is prescribed by the MSRB or the Commission at the time of delivery of such information. At present, such dissemination is made through the MSRB's Electronic Municipal Market Access system, referred to as EMMA ("EMMA"). The Village is required to deliver such information within 210 days after the last day of the Village's fiscal year (currently February 28/29), beginning with the fiscal year ended February 28, 2020. If Audited Financial Statements are not available when the Annual Financial Information is filed, the Village will submit Audited Financial Statements to EMMA within 30 days after availability to the Village. MSRB Rule G 32 requires all EMMA filings to be in word-searchable PDF format. This requirement extends to all documents to be filed with EMMA, including financial statements and other externally prepared reports.

"Annual Financial Information" means:

1. All of the tables under the heading "**PROPERTY ASSESSMENT AND TAX INFORMATION"** within this Official Statement;
2. All of the tables under the heading "**DEBT INFORMATION"** within this Official Statement; and
3. All of the tables under the heading **"FINANCIAL INFORMATION" (Excluding Budget and Financial Information General Fund)** within this Official Statement.

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

Reportable Events Disclosure

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

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

Consequences of Failure of the Village to Provide Information

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

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

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

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

Amendment; Waiver

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

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

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

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

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

Termination of Undertaking

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

Future Changes to the Rule

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

Additional Information

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

Dissemination of Information; Dissemination Agent

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

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

OPTIONAL REDEMPTION

The Bonds due December 15, 2020-2028, inclusive, are non-callable. The Bonds due December 15, 2029-2039, inclusive, are callable in whole or in part on any date on or after December 15, 2028, at a price of par and accrued interest. If less than all the Bonds are called, they shall be redeemed in such principal amounts and from such maturities as determined by the Village and within any maturity by lot.

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

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

LITIGATION

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

CERTAIN LEGAL MATTERS

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

OFFICIAL STATEMENT AUTHORIZATION

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

INVESTMENT RATING

The Bonds have been rated "AAA (Stable Outlook)" from S&P Global Ratings, New York, New York. The Village has supplied certain information and material concerning the Bonds and the Village to the rating service shown on the cover page, including certain information and materials which may not have been included in this Official Statement, as part of its application for an investment rating on the Bonds. A rating reflects only the views of the rating agency assigning such rating and an explanation of the significance of such rating may be obtained from such rating agency. Generally, such rating service bases its rating on such information and material, and also on such investigations, studies and assumptions that it may undertake independently. There is no assurance that such rating will continue for any given period of time or that it may not be lowered or withdrawn entirely by such rating service if, in its judgment, circumstances so warrant. Any such downward change in or withdrawal of such rating may have an adverse effect on the secondary market price of the Bonds. An explanation of the significance of the investment rating may be obtained from the rating agency: S&P Global Ratings, 55 Water Street, New York, New York 10041, telephone 212-438-2000. The Village will provide appropriate periodic credit information to the rating service to maintain a rating on the Bonds.

UNDERWRITING

The Bonds were offered for sale by the Village at a public, competitive sale on June 18, 2020. The best bid submitted at the sale was submitted by ____________________ (the "Underwriter"). The Village awarded the contract for sale of the Bonds to the Underwriter at a price of $___________. The Underwriter has represented to the Village that the Bonds have been subsequently re-offered to the public initially at the yields or prices shown on the cover of the Final Official Statement to this Official Statement.

MUNICIPAL ADVISOR

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

CERTIFICATION

I have examined this Official Statement dated June 4, 2020, for the $3,000,000* General Obligation Bonds (Waterworks System Alternate Revenue Source), Series 2020, believe it to be true and correct and will provide to the purchaser of the Bonds at the time of delivery a certificate confirming to the purchaser that to the best of our knowledge and belief information in the Official Statement was at the time of acceptance of the bid for the Bonds and, including any addenda thereto, was at the time of delivery of the Bonds true and correct in all material respects and does not include any untrue statement of a material fact, nor does it omit the statement of any material fact required to be stated therein, or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.

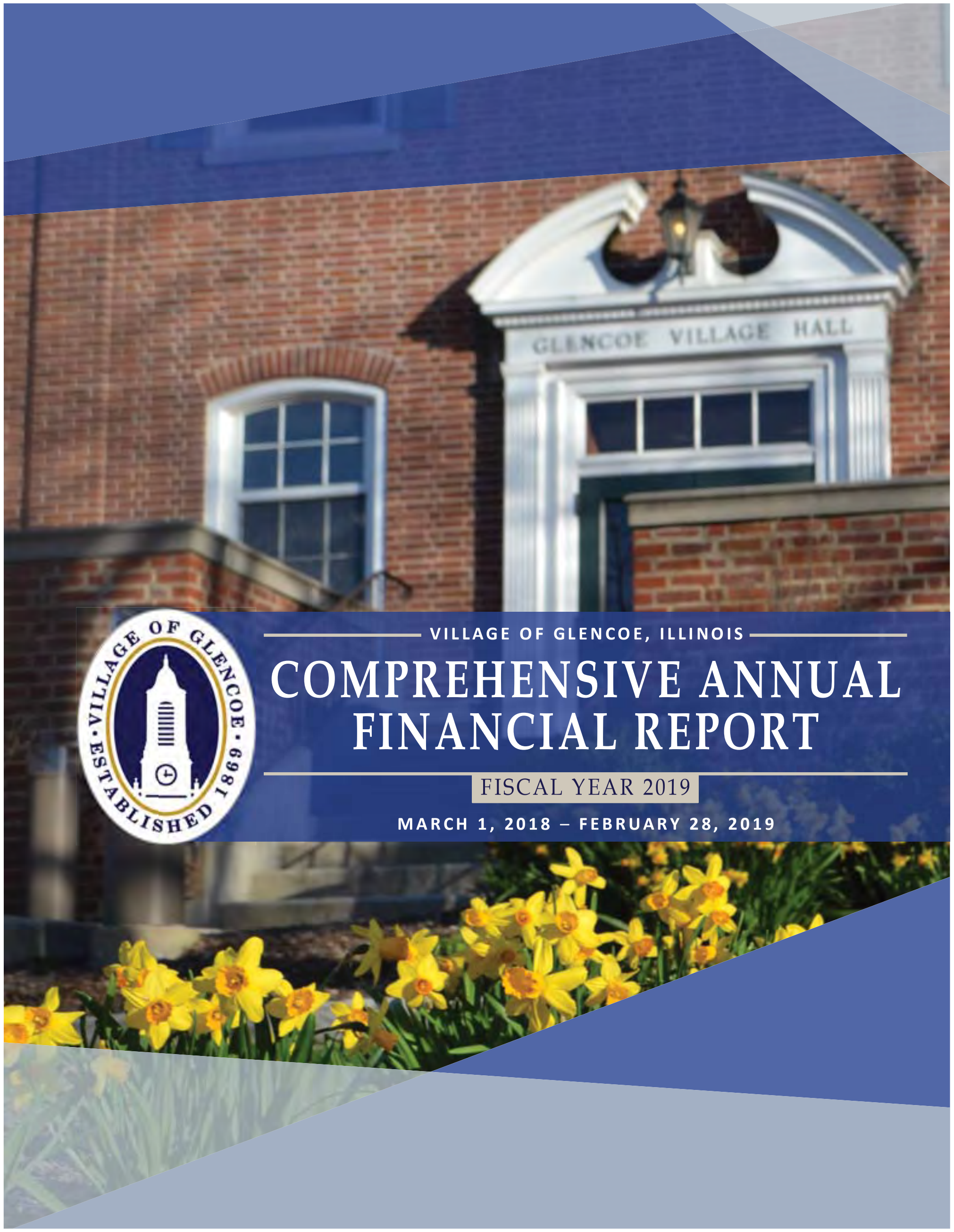
/s/ **NIKKI LARSON**
Finance Director
VILLAGE OF GLENCOE
Cook County, Illinois

**Subject to change.*

APPENDIX A

VILLAGE OF GLENCOE
COOK COUNTY, ILLINOIS

COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED FEBRUARY 28, 2019



VILLAGE OF GLENCOE, ILLINOIS

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED
FEBRUARY 28, 2019

Prepared by:
Finance Department

VILLAGE OF GLENCOE, ILLINOIS

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VILLAGE OF GLENCOE, ILLINOIS

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INTRODUCTORY SECTION

This section includes miscellaneous data regarding the Village of Glencoe including: List of Principal Officials, Organizational Chart, Transmittal Letter from Village Manager and Finance Director, and Certificate of Achievement for Excellence in Financial Reporting.

VILLAGE OF GLENCOE, ILLINOIS

List of Principal Officials
February 28, 2019

President

Lawrence Levin

Board of Trustees

Gail Lissner
Peter Mulvaney
Greg Turner

Barbara Miller
Dale Thomas
Jonathan Vree

Clerk

Philip Kiraly

Village Attorney

Steven Elrod

Treasurer

Nicole Larson

* * * * * *

Village Manager

Philip Kiraly

Director of Finance

Nicole Larson

Director of Public Works

David Mau

Library – Executive Director

Andrew Kim

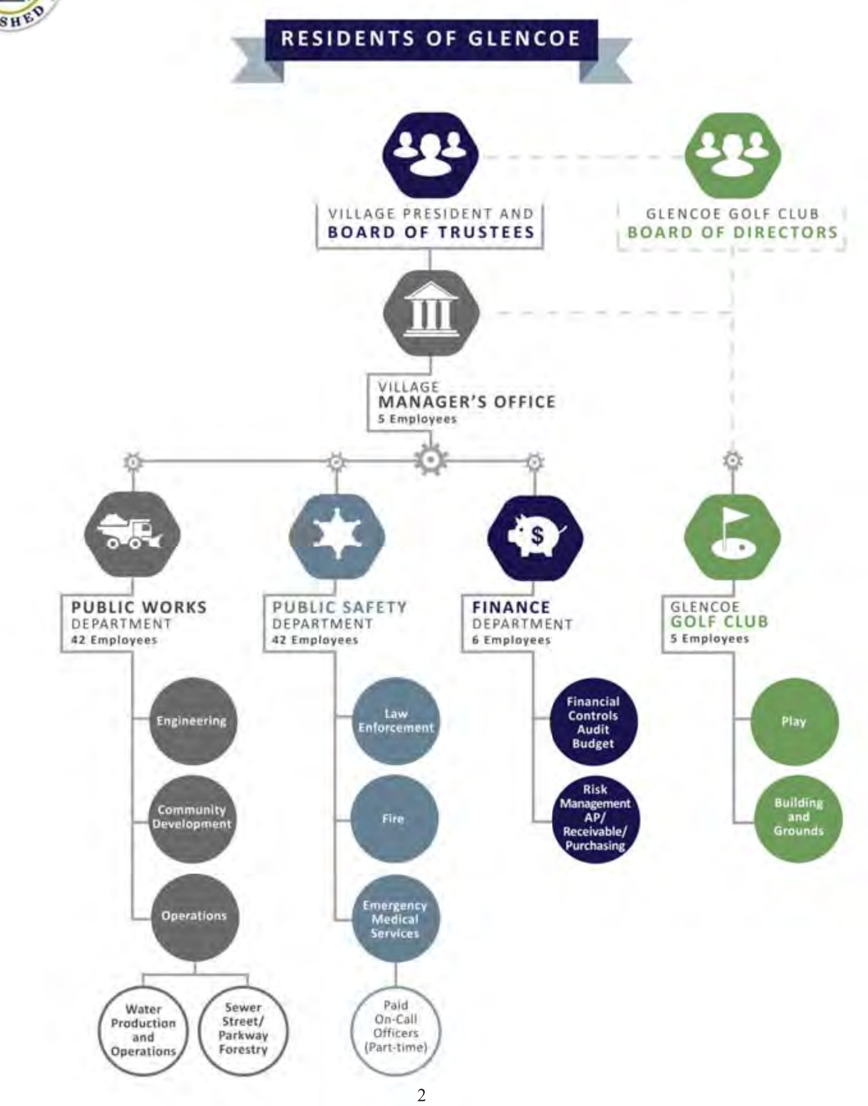
Director of Public Safety

Cary Lewandowski

Golf Manager

Stella Nanos

VILLAGE ORGANIZATION CHART



VILLAGE OF GLENCOE

675 Village Court, Glencoe, Illinois 60022
p: (847) 835-4114 | info@villageofglencoe.org | Follow Us: @VGlencoe

www.villageofglencoe.org

June 17, 2019

To the Residents of the Village of Glencoe:

The Comprehensive Annual Financial Report (CAFR) of the Village of Glencoe, Illinois for the fiscal year ended February 28, 2019, is hereby submitted. State law requires that every general-purpose government publish within six months of the close of each fiscal year a complete set of audited financial statements. In accordance with that law, the report includes the Village of Glencoe's financial statements presented in accordance with generally accepted accounting principles in the United States of America (GAAP).

Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control that it has established for this purpose. The Village of Glencoe's financial statements have been audited by Lauterbach & Amen, LLP, a firm of licensed certified public accountants. Lauterbach & Amen, LLP, has issued an unmodified ("clean") opinion on the Village of Glencoe's financial statements for the year ended February 28, 2019. The auditor's report is presented as the first component of the financial section of this report.

A narrative introduction, overview, and analysis accompany the basic financial statements in the form of the Management's Discussion and Analysis (MD&A). The transmittal letter is designed to complement the MD&A and should be read in conjunction with it. The Village of Glencoe's MD&A can be found immediately following the report of the independent auditors and will provide further information regarding the format and content of this report.

Village Profile

The Village of Glencoe, incorporated on March 29, 1869, is located on the shore of Lake Michigan and its accessibility to Chicago has attracted an economically stable, mainly professional residential population. Village per capita income and median family income figures are among the highest in the country. The Village is virtually fully developed and its tax base, which is primarily comprised of highly valued residential property, remains stable.

The Village is governed by a Council/Manager form of government consisting of a Village President and six trustees elected at large for staggered four-year terms. The Village Board appoints the Village Manager (who also serves as the Village Clerk) who manages all day-to-day operations of the Village. Among others the Village Board also appoints the Village Attorney and Treasurer.

The Village provides a full range of services. Those services include police, fire protection and emergency medical services (in a consolidated, fully cross-trained Public Safety Department), maintenance of streets and

infrastructure, the operation of water and wastewater facilities, water and sewer service, planning and zoning, code enforcement, as well as financial and general administrative services.

The annual budget is the primary guidance document for the Village's financial planning. In addition, the Village maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual budget approved by the Village's governing body. Activities of the General Fund, Proprietary Funds, Special Revenue Funds, Debt Service Funds, Capital Projects Funds, and Police and Fire Pension Funds are included in the annual budget. The level of budgetary control (that is, the level at which expenditures cannot legally exceed the appropriated amount) is established at the individual fund level.

Local Economy

The Village of Glencoe is a community dedicated to meeting the social, cultural, educational, commercial and retail needs of its residents and businesses. The Village is approximately 3.86 square miles and is comprised primarily of single-family residential homes. Village financial operations benefit from a revenue stream including: property tax, utility tax, and local sales tax, which serve as the major sources of General Fund revenue.

Collection of property taxes, the largest single revenue source, has been consistent. The wealth and income levels are reflected in a tax base that continues to be relatively stable. In any given year, property tax collections account for approximately 52% of the General Fund budget and are the most predictable source of revenue, with annual increases projected based on the annual change in the United State Consumer Price Index (US CPI-U-All Items). The average annual increase in CPI for tax increases has been 1.73% since 2011.

The Village has a vibrant and attractive business community, generating approximately $2.1 million in local sales tax annually, which equates to approximately 9% of the Village's revenues. The Village has three business district areas within its corporate limits. The largest is the downtown business district as well as Hubbard Woods Plaza, in addition to three auto dealerships adjacent to the Eden's Expressway on the Village's west boundary. Total sales tax revenue has remained relatively stable over the past 10 years. To date, sales tax revenue has remained steady at levels seen prior to the economic downturn. This source of revenue, while relatively constant and growing in this period, is also volatile as it is subject to a variety of factors outside of the Village's control. As the Village is not a home rule community, it does not levy a local sales tax of any type.

There are several factors that impact the local finances of the Village. The Village is impacted by regional, state, and national economic conditions as well as governance of the State of Illinois. Several important revenue sources are affected by economic conditions beyond the Village's control. These sources include sales tax, building permit fees, income tax, motor fuel tax, golf club revenue, and utility taxes. The Village's opportunity to implement new revenues is relatively limited due to its non-home rule form of government. The State of Illinois may also impact revenues through legislative changes (i.e. formula for shared income tax, etc.) and by adjusting the timeliness of payments due to the Village. Despite these potential impacts, the Village continues to be rated AAA by Standard & Poors, which is the highest rating available from the rating agency. This rating is indicative of the demographics of the community and the Village's long history of sound financial planning and policies. There are a limited number of communities within the State of Illinois that have been rated as AAA, and an even more limited number that have achieved that rating as non-home rule communities.

Relevant Financial Policies

Annually, the Village Board reviews its financial policies and initiates consideration of available alternatives for funding operations and capital projects including increasing fund balance targets to provide capital project resources, and issuance of long term debt.

During development of the Fiscal Year 2020 Budget, the Village Board reviewed and approved major financial policy issues that included:

- Consideration not to abate the 2018 Tax Levy for debt service, in order to accumulate available resources for the issuance cost of future debt.
- A 2.5% increase in management fee charged to the Water Fund and the Glencoe Golf Club.
- A recommendation that $185,000 in excess/surplus funds available from the Village's insurance pool (Illinois Risk Management Agency, or IRMA) be used to pay for Village Hall Security Improvements and replacement of the Public Safety Department's fire bay doors during Fiscal Year 2020.
- A sewer rate increase of 7.1% from $1.027 to $1.100 in an effort to finance upcoming improvements to the sewer system.
- A significant increase in water rates was considered and approved as part of an ongoing review of the Water Fund's operating and infrastructure investment needs. The fixed charge (based on water meter size) and volumetric rates were both increased by 9% to fund these needs. This new rate structure provides sufficient resources to pay for the Water Fund's Fiscal Year 2020 operating expenses as well as approximately $855,000 in infrastructure and equipment replacements.

A significant capital spending plan has been created in alignment with the Village's 10-year Community Improvement Program (CIP) and Strategic Work Plan. Based on the changes that have occurred in the economy over the last several years, the Village Board continues to closely monitor revenues and expenditures (including capital investment) on an annual basis.

The Fiscal Year 2020 budget includes $4.3 million in infrastructure and capital projects, including one bond funded project to complete street and streetscape improvements on Tudor Court. The CIP has laid out a thoughtful, prudent spending plan that reviews available resources against needs and schedules in order to ensure the continued reinvestment in the Village, its infrastructure and equipment necessary for day-to-day operations. A detailed listing of projects can be found on the Village of Glencoe website.

Long Term Financial Planning

The Village has developed a Long-Term Financial Plan as a continuing effort to evaluate the financial condition of the Village and to further identify important infrastructure maintenance and replacement needs and plan for rehabilitation/replacements several years in advance. This plan is reviewed annually prior to the commencement of the budget process. The Plan has been effective in identifying issues needing review prior to those issues becoming critical action items.

Awards

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Village of Glencoe for its comprehensive annual financial report (CAFR) for the fiscal year ended February 28, 2018. This was the thirty-third consecutive year that the Village has received this prestigious award. In order to be awarded a Certificate of Achievement, the government must publish an easily readable and efficiently organized comprehensive annual financial report. This report satisfied both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. However, the Village believes that the current CAFR continues to meet the Certificate of Achievement for Excellence in Financial Reporting Program's requirements, and the Village will submit it to the GFOA to determine its eligibility for another certificate.

Acknowledgements

The preparation of the comprehensive annual financial report on a timely basis was made possible by the dedicated service of the entire staff of the Finance Department. Each member of the department has our sincere appreciation for the contributions made in the preparation of this report. Likewise, the President and Board of Trustees deserve significant gratitude for their thoughtful guidance and support for maintaining the highest standards of professionalism in the management of the Village of Glencoe's finances.

Respectfully submitted,

Philip Kiraly
Village Manager

Nicole Larson
Finance Director/Treasurer

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Village of Glencoe

Illinois

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

February 28, 2018

Christopher P. Morrill

Executive Director/CEO

FINANCIAL SECTION

This section includes:

- Independent Auditors' Report
- Management's Discussion and Analysis
- Basic Financial Statements
- Required Supplementary Information
- Combining and Individual Fund Statements and Schedules
- Supplemental Schedules

INDEPENDENT AUDITORS' REPORT

This section includes the opinion of the Village's independent auditing firm.

Lauterbach & Amen, LLP
CERTIFIED PUBLIC ACCOUNTANTS
668 N. RIVER ROAD • NAPERVILLE, ILLINOIS 60563
PHONE 630.393.1483 • FAX 630.393.2516
www.lauterbachamen.com

INDEPENDENT AUDITORS' REPORT

June 17, 2019

The Honorable Village President
Members of the Board of Trustees
Village of Glencoe, Illinois

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the Village of Glencoe, Illinois, as of and for the year ended February 28, 2019, and the related notes to the financial statements, which collectively comprise the Village's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Village's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Village's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the Village of Glencoe, Illinois, as of February 28, 2019, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis as listed in the table of contents and budgetary information reported in the required supplementary information as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Village of Glencoe, Illinois' basic financial statements. The introductory section, combining and individual fund financial statements and budgetary comparison schedules, supplemental schedules, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual fund financial statements and budgetary comparison schedules and supplemental schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements and budgetary comparison schedules and supplemental schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Lauterbach & Amen, LLP

LAUTERBACH & AMEN, LLP

MANAGEMENT'S DISCUSSION AND ANALYSIS

VILLAGE OF GLENCOE, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
February 28, 2019

The Management Discussion and Analysis (MDA) section of the Village of Glencoe's Comprehensive Annual Financial Report (CAFR) presents discussion and analysis of the Village's financial activities during the Fiscal Year ending February 28, 2019. This section should be used in conjunction with the transmittal letter at the front of this report and with the Village's financial statements that follow this section. Where appropriate the MD&A refers to specific pages in the CAFR for additional information.

Financial Highlights
The following are some of the highlights to be reviewed in greater detail in this analysis and further presented by this CAFR:

1. ***Net position and performance in total:*** The Village's total net position at February 28, 2019 (excluding pension funds) were $52,988,610; an increase of $87,213. (See page 13, Table II and CAFR pages 24-25);

2. ***Governmental Activity Summary:*** Net position for governmental activities decreased by $786,635 during the year (See page 15, Table III and CAFR pages 26-27);

3. ***Business-Type Activity Summary:*** Net position for business-type activities increased by $873,848 during the year. Net position of the Water Fund increased $638,562 during the year and net position of the Glencoe Golf Club increase $235,286 (See page 15, Table III, CAFR pages 26-27 and 36);

4. ***General Fund Summary:*** The Village's General Corporate Fund reported an increase of $327,627 in fund balance for the year. Actual General Fund revenues were $504,053 over budget and General Fund expenditures were $1,290,046 under budget. All expenditures were within legal appropriation limits (See CAFR pages 31 and 105);

5. ***New Capital Assets:*** The net change in capital assets less depreciation expense resulted in a $571,939 decrease in governmental capital assets balance from $84,404,374 to $83,832,435 and a $467,844 increase in business-type capital assets from $7,327,763 to $7,795,607 (see notes to the Financial Statements No. 3 in CAFR pages 59-60, and page 22 Table VI).

Overview of Financial Statements

The discussion and analysis is intended to serve as an introduction to the Village of Glencoe's financial section of the CAFR. The financial section of the CAFR includes five components: 1) independent auditor's report; 2) the basic financial statements, including the MD&A; 3) required supplementary information; 4) combining and individual fund financial statements and schedules; and 5) additional supplemental financial information.

The basic financial statements include two kinds of statements that present different views of the Village: government-wide financial statements and fund financial statements. The basic financial statements also include notes to the financial statements. Government-wide financials statements, including the statement of net position and statement of activities, provide both short and long-term information about the Village's overall financial status.

Fund financial statements focus on individual parts of Village government and report Village operations in more detail than the government-wide financial statements. The fund financial statements describe the Village's governmental funds, proprietary funds, and fiduciary funds. Table I below, summarizes the major features of the Village's financial statements.

		Fund Statements		
Description	**Government-Wide Statements**	**Governmental Funds**	**Proprietary Funds**	**Fiduciary Funds**
Scope	Entire Village government (except Fiduciary Funds) and the Village's component unit.	Activities of the Village that are not proprietary or fiduciary such as public safety	Activities of the Village operates similar to private business such as Water Fund or the Golf Club Fund	Activities in which the Village is trustee or agent of another's resources such as pension plans
Required financial statements	1. Statement of net position 2. Statement of activities	1. Balance sheet 2. Statement of revenues, expenditures and changes in fund balance	1. Statement of net position 2. Statement of revenues, expenses, and changes in net position 3. Statement of cash flows	1. Statement of fiduciary net position 2. Statement of changes in fiduciary net position
Accounting basis	Accrual	Modified Accrual	Accrual	Accrual
Measurement Focus	Economic resource	Current financial resources	Economic resource	Economic resource
Type of asset & liability information	All assets and liabilities; both financial and capital short and long-term	Assets expected to be used and liabilities that come due during the year or shortly thereafter; no capital assets	All assets and liabilities; both financial and capital short and long-term	All assets and liabilities; both short and long-term. Does not contain capital assets
Type of inflow & outflow information	All revenues and expenses during the year regardless of when cash is received or paid	Revenues for which cash is received during the year or shortly thereafter; expenditures for goods and services that have been received and payment is due during the year or shortly thereafter	All revenues and expenses during the year regardless of when cash is received or paid	All revenues and expenses during the year regardless of when cash is received or paid

Government-Wide Financial Statements
The government-wide financial statements are designed to be corporate-like in that all governmental and business-type activities are consolidated into columns that add to a total for the Primary Government. The focus of the Statement of Net Position (the "Unrestricted Net Position") is designed to be similar to bottom line results for the Village and its governmental and business-type activities. This statement combines and consolidates governmental funds' current financial resources (short-term available resources) with capital assets and long term obligations using the accrual basis of accounting and economic resources measurement focus (see pages 24-25 of the CAFR for more information).

The Statement of Activities is focused on both the gross and net cost of various activities (including governmental and business-type), which are supported by the government's general taxes and other resources. This is intended to summarize and simplify the user's analysis of the cost of various government services and/or subsidy to various business-type activities (see pages 26-27 of the CAFR for more information).

The Governmental Activities reflect the Village's basic services, including police, fire, public works and general/debt administration. Property taxes, shared state sales tax, local utility tax, and shared state income taxes, finance the majority of these activities. The business-type activities reflect private sector type operations (Water and Glencoe Golf Club funds), where the fee for service typically covers all or most of the cost of operation, including depreciation.

Fund Financial Statements
Governmental funds are presented on a source of use of liquid resources basis. This is the manner in which the budget is typically developed. Governmental funds provide current resources (short-term) view that helps determine whether there are more or fewer current financial resources available to spend for Village operations.

Proprietary funds account for services that are generally fully supported by user fees (i.e. charges to customers). Proprietary funds are presented on a total economic resources basis. Proprietary fund statements, like government-wide financials statements, provide both short and long-term financial information.

Fiduciary funds are presented for certain activities where the Village's role is that of trustee (i.e. police and fire pension funds) or agent. While fiduciary funds represent trust responsibilities of the government, these assets are restricted in purpose and do not represent discretionary assets of the government. Therefore, these assets are not presented as part of the government-wide financial statements.

While the total column on the business-type fund financial statements is the same as the business-type column at the government-wide financial statement, the governmental major funds total column requires a reconciliation because of the different measurement focus (current financial resources versus total economic resources) which is reflected on the page following each statement. The flow of current financial resources will reflect bond proceeds and inter-fund transfers as other financial sources as well as capital expenditures and bond principal payments as expenditures. The reconciliation will eliminate these transactions and incorporate the capital assets and long-term obligation (bond and others) into the governmental activities column (in the government-wide statements).

Infrastructure Assets
This statement requires that these assets be valued and reported within the governmental column of the government-wide statements. Additionally, the government must elect to either (1) depreciate these assets over their estimated useful life or (2) develop a system of assets management designed to maintain the service delivery potential to near perpetuity. If the government develops the asset management system (the modified approach) which periodically (at least every third year), by category, measures and demonstrates it maintenance of locally established levels of service standards, the government may record its cost of maintenance in lieu of depreciation. The Village has chosen to depreciate assets over their useful life. If a road project is considered maintenance - a recurring cost that does not extend the road's original useful life or expand its capacity - the cost of the project will be expensed. An "overlay" of a road will be considered maintenance whereas a "rebuild" of a road will be capitalized.

GOVERNMENT-WIDE STATEMENTS

Statement of Net Position
Table II reflects the condensed Statement of Net Position as of February 28, 2019 with a comparison to the prior year. Net position related to governmental activities decreased $786,635 or 1.6% from the prior year. Net position related to business-type activities increased $873,848 or 18.7% from the prior year. Net position for total primary government increased $87,213 or 0.2% from the prior year.

Table II
Statement of Net Position
As of February 28, 2019

	Government Activities		*Business-Type Activities*		*Total Primary Government*	
	2018	*2019*	*2018*	*2019*	*2018*	*2019*
Current and other assets	$ 24,866,820	$ 24,433,064	$ 1,430,532	$ 1,941,802	$ 26,297,352	$ 26,374,866
Capital Assets	84,404,374	83,832,435	7,327,763	7,795,607	91,732,137	91,628,042
Total Assets	109,271,194	108,265,499	8,758,295	9,737,409	118,029,489	118,002,908
Deferred Outflows	5,223,135	6,607,863	429,716	984,975	5,652,851	7,592,838
Total Assets & Def. Outflows	114,494,329	114,873,362	9,188,011	10,722,384	123,682,340	125,595,746
$ Change	$ 523,925	$ 379,033	(260,630)	1,534,373	263,295	1,913,406
% Change	0.5%	0.3%	-3.0%	16.7%	0.2%	1.5%
Non-Current	43,461,785	47,972,213	2,909,628	4,117,439	46,371,413	52,089,652
Other Liabilities	4,061,385	4,140,476	533,268	732,870	4,594,653	4,873,346
Total Liabilities	47,523,170	52,112,689	3,442,896	4,850,309	50,966,066	56,962,998
Deferred Inflows	18,749,900	15,326,049	1,064,977	318,089	19,814,877	15,644,138
Total Liabilities & Def. Inflows	66,273,070	67,438,738	4,507,873	5,168,398	70,780,943	72,607,136
$ Change	$ (1,280,787)	$ 1,165,668	(1,093,964)	660,525	(1,335,377)	1,826,193
% Change	-2.6%	1.8%	-24.0%	14.7%	-2.0%	2.6%
Net Position:						
Net investment in capital assets	66,461,674	66,848,456	4,945,585	5,558,764	71,407,259	72,407,220
Restricted	576,161	897,121	-	6,458	576,161	903,579
Unrestricted	(18,816,576)	(20,310,953)	(265,447)	(11,236)	(19,082,023)	(20,322,189)
Total Net Position	48,221,259	47,434,624	4,680,138	5,553,986	52,901,397	52,988,610
$ Change	$ 1,804,712	$ (786,635)	(737,495)	873,848	1,598,672	87,213
% Change	3.5%	-1.6%	-14.96%	18.7%	2.8%	0.2%

For more detailed information see the Statement of Net Position on pages 24-25 of the CAFR.

Normal Impacts

There are six basic (normal) transactions that will affect the comparability of the Statement of Net Position summary presentation.

Net Results of Activities will impact (increase/decrease) current assets and unrestricted net position.

Borrowing for Capital will increase current assets and long-term debt.

Spending Borrowed Proceeds on New Capital will reduce current assets and increase capital assets. There is a second impact, an increase in invested capital assets and an increase in related net debt, which will not change the invested in capital assets, net of debt.

Spending of Non-borrowed Current Assets on New Capital will reduce current assets and increase capital assets and will reduce unrestricted net position and increase investment in capital assets, net of debt.

Principal Payment on Debt will reduce current assets and reduce long-term debt and reduce unrestricted net position and increase invested in capital assets, net of debt.

Reduction of Capital Assets through Depreciation will reduce capital assets and invested in capital assets, net of debt.

Current Year Impacts

The Village's combined net position (the Village's bottom line) increased from a balance of $52,901,397 to $52,988,610, an increase of $87,213 or 0.2%, as a result of the combined governmental and business-type activities.

Deferred outflows of the primary government increased by $1,384,728 and deferred inflows of the primary government decreased by $3,423,851.

Net position of the Village's governmental activities decreased from a balance of $48,221,259 to $47,434,624, a decrease of $786,635 or 1.6% as a result of governmental activities. The Village's unrestricted net position for governmental activities, the part of net position that can be used to finance day-to-day operations, decreased from ($18,816,576) to ($20,310,953).

Net position from business-type activities funding water production/distribution and Glencoe Golf Club operations increased from a balance of $4,680,138 to $5,553,986, an increase of $873,848 or 18.7%. The unrestricted net position for business-type activities increased from ($265,447), to ($11,236), an increase of $276,683 or 104.2%. The Water Fund experienced higher than expected operating revenue, but lower than expected operating expenses. The net unrestricted position for the Water Fund was $728,750 while the Glencoe Golf Club unrestricted net position was ($739,986).

Table III below shows the revenue and expenses of the Village's governmental and business-type activities. For more information see the Statement of Activities on pages 26-27 of the CAFR.

	Governmental Activities		*Business-Type Activities*		*Total Primary Government*	
	2018	2019	*2018*	*2019*	*2018*	*2019*
REVENUES						
Program Revenues						
Charges for Service	$ 3,168,491	2,271,228	$ 4,083,206	$ 4,589,122	$ 7,251,697	$ 6,860,350
Operating Grants and Contributions	-	-	-	-	-	-
Capital Grants and Contributions	220,898	222,579	-	-	220,898	222,579
Total Program Revenue	3,389,389	2,493,807	4,083,206	4,589,122	7,472,595	7,082,929
General Revenues						
Property and Replacement Taxes	11,641,943	11,986,779	-	-	11,641,943	11,986,779
Sales Tax	2,171,536	2,132,872	-	-	2,171,536	2,132,872
Utility Tax	936,102	949,683	-	-	936,102	949,683
Income Tax	801,681	832,575	-	-	801,681	832,575
Other	1,699,916	2,025,401	23,563	49,946	1,723,479	2,075,347
Total General Revenue	17,251,178	17,927,310	23,563	49,946	17,274,741	17,977,256
Total Revenue	**20,640,567**	**20,421,117**	**4,106,769**	**4,639,068**	**24,747,336**	**25,060,185**
$ Change	**719,927**	**(219,450)**	**341,594**	**532,299**	**1,061,521**	**312,849**
% Change	**3.6%**	**-1.1%**	**9.1%**	**13.0%**	**4.5%**	**1.3%**
EXPENSES						
Administration & Finance	2,372,765	2,945,607	-	-	2,372,765	2,945,607
Public Safety	6,420,995	10,186,744	-	-	6,420,995	10,186,744
Public Works	8,083,289	7,614,463	-	-	8,083,289	7,614,463
Debt Service Interest	504,506	460,938	-	-	504,506	460,938
Water			2,214,848	2,195,276	2,214,848	2,195,276
Glencoe Golf Club			1,721,731	1,569,944	1,721,731	1,569,944
Total Expenses	**17,381,555**	**21,207,752**	**3,936,579**	**3,765,220**	**21,318,134**	**24,972,972**
$ Change	**(7,621,329)**	**3,826,197**	**127,658**	**(171,359)**	**(7,493,671)**	**3,654,838**
% Change	**-30.5%**	**22.0%**	**3.4%**	**-4.4%**	**-26.0%**	**17.1%**
CHANGE IN NET POSITION	**3,259,012**	**(786,635)**	**170,190**	**873,848**	**3,429,202**	**152,203**
NET POSITION-BEGINNING	**44,962,247**	**48,221,259**	**4,509,948**	**4,680,138**	**49,472,195**	**52,901,397**
NET POSITION-ENDING	**48,221,259**	**47,434,624**	**4,680,138**	**5,553,986**	**52,901,397**	**52,988,610**

Revenue for governmental activities decreased by $219,450 or 1.1% from the prior year. Property and replacement taxes increased by $344,836 or 3.0%. Utility tax and income tax increased by a combined total of $44,475. Expenses for governmental activities increased by $3,826,197 or 22.0% from the prior year. Revenue for business-type activities increased $532,299 or 13.0% from the prior year and expenses for business-type activities decreased $171,359 or -4.4% from the prior year. The total revenue for primary government activities increased $312,849 or 1.3% from the prior year and total expenses for primary government activities increased $3,654,838 or 17.1% from the prior year.

Normal Impacts – Changes in Net Position

Reflected are eight basic impacts on revenues and expenses as reflected below:

Revenues:
Economic Condition: Can reflect a declining, stable or growing economic environment and has a substantial impact on state income, sales, telecommunications and utility tax revenue as well as public spending habits for items such as building permits, elective user fees and volumes of consumption.

Increase/Decrease in Village approved rates: Although certain tax rates are set by statute, the Village Board has significant authority to impose and periodically increase/decrease rates (property taxes within tax cap limits, water/sewer fees, refuse/recycling fees, building fees, utility tax rates, etc).

Changing Patterns in Intergovernmental and Grant Revenue (both recurring and Nonrecurring): certain recurring revenues (state shared revenues, etc.) may experience significant changes periodically while non-recurring (or one time) grants are less predictable and often distorting in their impact on year-to-year comparisons.

Market Impacts on Investment Income: the Village's investment portfolio is managed using a shorter maturity than many governments, which may result in lower interest income due to the market stability of shorter-term options. However, the Village earns 15 basis points over Illinois Funds on a majority of cash held in bank accounts.

Expenses:
Introduction of New Programs: within the functional expense categories (General Government, Public Safety, Public Works, etc.) individual programs may be added, deleted or modified to meet changing community needs.

Increase in Authorized Personnel: changes in service demand may cause the Village Board to increase/decrease authorized staffing.

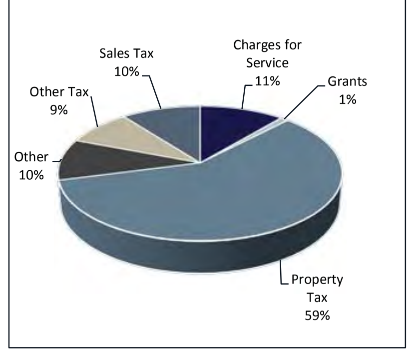
Salary Increases (annual adjustments and merit): the Village strives to maintain a competitive salary range position in the marketplace.

Inflation: Overall inflation, as measured by the change in the consumer price index (CPI) from December to the next December, has varied significantly in recent years. The CPI used for the 2014 tax levy (Fiscal Year 2016 Budget) was based on the change in CPI from December 31, 2012 to December 31, 2013 or 1.50%. The following year CPI (from December 31, 2013 to December 31, 2014) or 0.76% was used for the 2015 tax levy (Fiscal Year 2019 Budget). The change in CPI from December 31, 2014 to December 31, 2015 was 0.73% and was used for the 2016 tax levy (Fiscal Year 2019 Budget). The change in CPI from December 31, 2015 to December 31, 2016 was 2.07% and was used for the 2017 tax levy (Fiscal Year 2019 Budget). The change in CPI from December 31, 2017 to December 31, 2018 was 2.1% and was used for the 2018 tax levy (Fiscal Year 2020 Budget). Also, as a major consumer of certain services and commodities such as supplies, fuel and parts, the Village often experiences increases that vary from the change in CPI factors listed above.

CURRENT YEAR IMPACTS
Governmental Activities

Revenues:

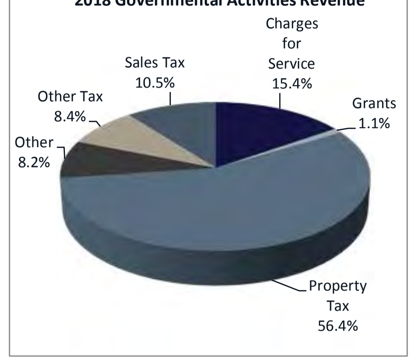
2019 Governmental Activities Revenue



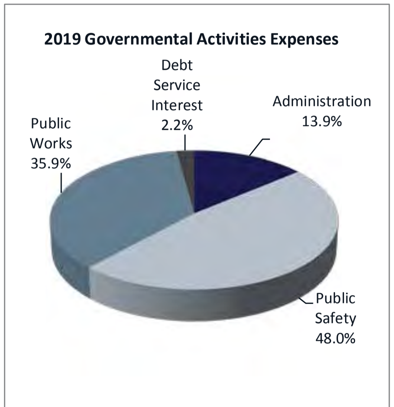
For the fiscal year ended February 28, 2019 revenues from governmental activities totaled $20,421,117.

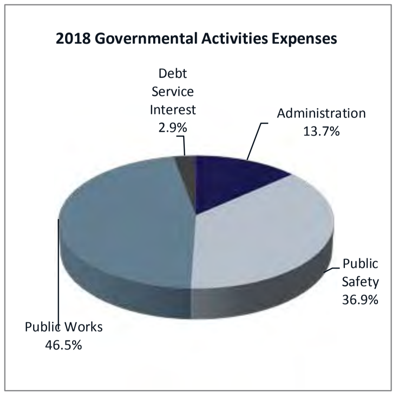
Property taxes (and replacement taxes) continue to be the Village's largest revenue source totaling $11,986,779 representing 59% of total governmental activity revenue. Sales tax revenue was $2,132,872 or 10% of total government activity revenue. Other taxes including, local utility tax revenue was $949,683 and shared state income tax revenue was $832,575 together representing 9% of the total government activity revenue. Total charges for service were $2,271,228 or 11% of governmental activity revenue.

2018 Governmental Activities Revenue



Comparison with Prior Year
Property tax and replacement tax revenue increased by $344,836 or 3.0% from the prior year. Sales tax decreased by $38,664 or 1.8% from the prior year. Income taxes increased by $30,894 or 3.9%. Charges for service decreased $897,263 or 28.3%. Building permits decreased from $1,297,831 to $1,286,922, equivalent to $310,909 or 0.8%. Sewer charges decreased from $565,440 to $516,989, equivalent to $48,451 or 8.6%, and burglar & fire alarm permits decreased from $92,938 to $87,955, equivalent to $4,983 or 5.4%. Grants (capital and operating) increased by $1,681 or less than one percent.





Expenses:

For the fiscal year that ended February 28, 2019, expenses for governmental activities totaled $21,207,752.

The following (Table IV) represents some of the percentage increases experienced by the Village during the year.

Categories included in expenses are administration, debt service interest, public safety and public works.

Comparison with Prior Year:

Total expenses for governmental activities increased $3,826,197 or 18.5% from the prior year. Expenses for administration and finance increased by $572,842 or 24.1% from the prior year. The expenses for Public Safety increased by $3,765,749 or 58.6% from the prior year, which is primarily due to increases in pension contributions and contractual obligations. Expenses for Public Works decreased by $468,826, or 5.8% from the prior year. Expenses related to debt service interest payments also decreased by $43,568 or 8.6%.

Table IV
Cost Factors

Category	2016 Factors		2017 Factors		2018 Factors		2019 Factors	
	% Change	Effective	% Change	Effective	% Change	Effective	% Change	Effective
Change in CPI (Tax Cap)	1.50%	12/31/2013	0.76%	12/31/2014	0.73%	12/31/2015	2.07%	12/31/2016
General Employees	2.50%	3/1/2015	2.50%	3/1/2016	2.50%	3/1/2017	2.50%	3/1/2018
Bargaining Unit Public Safety Officers	2.50%	3/1/2015	2.50%	3/1/2016	2.75%	3/1/2017	2.50%	3/1/2018
Bargaining Unit Public Works Employees	1.98%	3/1/2015	2.52%	3/1/2016	2.50%	3/1/2017	TBD	3/1/2018
Health Insurance-PPO1	0.45%	1/1/2016	2.17%	1/1/2017	14.45%	1/1/2018	6.6%	1/1/2019
Health Insurance-PPO2	2.50%	1/1/2016	2.17%	1/1/2017	13.74%	1/1/2018	6.6%	1/1/2019
Health Insurance-HMO	-2.26%	1/1/2016	7.6%	1/1/2017	3.66%	1/1/2018	2.5%	1/1/2019
Police Pension Contribution	5.43%	1/1/2016	-12.93%	1/1/2017	-14.63%	1/1/2018	54.44%	1/1/2019
IMRF	0.12%	1/1/2016	-0.03%	1/1/2017	0.28%	1/1/2018	-2.54%	1/1/2019

Changes in CPI (Tax Cap)

As a non-home rule community, the Village is subject to tax cap legislation which generally limits future property tax increases to the annual change in the consumer price index (CPI) or 5% whichever is less. The 2018 Tax Levy (for Fiscal Year 2020) was based on a 2.07% increase in the CPI from 2016 to 2017. The 2018 Tax Levy increased the extension by $292,921 or 3.0% to a total extension for capped funds of $10,208,194.

Wage Factors

Included in cost factors in Table IV are factors for general employees, public safety officers and bargaining unit employees. During Fiscal Year 2019 general employees received a 2.5% increase and bargaining unit public safety employees received a 2.50% increase in base pay. The increase in wages for the bargaining unit Public Works employees is pending contract renewal and has not yet been determined.

Health Insurance

The PPO health insurance premium rate increased by 6.6%, the PPO2 (higher deductible plan) increased 6.6% and HMO health insurance rate increased 2.5% effective January 1, 2019. The increase in health insurance premium is due to market conditions and experience.

Police Pension (All Sources)

The annual required contribution (ARC) to the Police Pension Fund is actuarially determined and the actual annual contribution is made up of levied property taxes and other financing sources in the General Fund determined during the budget process to be available for the purpose of funding the Police Pension Fund. The ARC for the Police Pension Fund has increased from $1,569,862 in Fiscal Year 2018 to $1,581,311 in Fiscal Year 2019. The actual contributions to the Police Pension Fund increased from $1,161,172 in Fiscal Year 2018 to $1,793,351 in Fiscal Year 2019, which is a 54.4% increase. Please note, the proportionate share of this increase was due to the timing of contributions into the fund.

Illinois Municipal Retirement Fund (IMRF)
Employees eligible for IMRF benefits contribute 4.5% of their salary towards that pension. All payments have historically been made based on the ARC amount. The IMRF employer rate is at a rate of 9.66% (effective January 1, 2019), which represents a 2.54% decrease from the prior year rate of 12.20%.

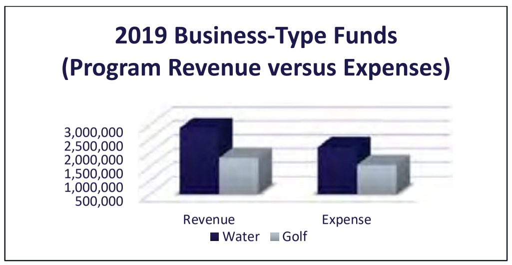
Business Type Activities

Revenue from business-type activity totaled $4,589,122. Revenue generated by business-type activity increased by $505,916 or 12.4% from the prior year. At the end of Fiscal Year 2019, the water rate for the Village was $4.90 per 100 cubic feet.

Charges for service for the Golf Club decreased $71,151 or 3.9% from the prior year. Day-to-day management and excellent course conditions during the fiscal year contributed to the revenue level during a period of adverse weather conditions.

Expenses from business-type activity totaled $3,730,241. Business-type depreciation expenses amounted to $273,333 as compared to $260,021 in the prior year.

During the year, the Water Fund experienced an operating income of $650,615 as compared to operating income of $55,690 during Fiscal Year 2018. The Glencoe Golf Club had an operating gain of $208,266, as compared to the operating gain at the Glencoe Golf Club during Fiscal Year 2018 of $127,130.



Financial Analysis of the Village's Funds

For the Fiscal Year ending February 28, 2019, the governmental funds reflect a combined fund balance of $10,072,572 (see CAFR page 32 for more information). Overall the net change in combined fund balance was a decrease of $538,482.

The net change in fund balance for the General Fund was an increase of $327,627. This increase is primarily due to revenues finishing the fiscal year in excess of budget, including: property taxes received in excess of budget by $35,635, and building and electrical permit revenue received in excess of budget by $117,272. In addition, expenditures finished the fiscal year less than budget, including the Administration and Public Safety Departments.

The net change in fund balance for General Obligation Bonds Fund was an increase of $79,129. The increase in General Obligation Bonds Fund was due to a decrease in payment of principal and interest.

The net change in fund balance for Capital Projects Fund was a decrease of $1,091,432. The decrease in Capital Projects Fund was due to the near completion of the capital projects, budgeted for in fiscal year 2019.

The net change in fund balance for non-major governmental funds (Motor Fuel Tax Fund) during the year was an increase of $146,194. The increase the Motor Fuel Tax Fund was due to capital expenditures in an amount less than the Motor Fuel Tax allotment. Large projects are scheduled to be expended every 2-3 years to allow allotments to aggregate in the fund.

Table V
General Corporate Fund
Budgetary Highlights

General Corporate Fund	*Final Budget*	*Final Appropriation*	*2019 Actual*	*2018 Actual*	*2017 Actual*	*2016 Actual*
REVENUES						
Taxes	$13,903,384	$112,800	$13,939,769	$13,729,864	$13,535,794	$13,481,302
Licenses & Permits	1,720,225	-	1,839,173	1,863,457	1,452,504	1,744,673
Other	1,938,987	12,200	2,162,707	1,968,849	1,446,225	1,433,972
Total	**$17,562,596**	**$125,000**	**$17,941,649**	**17,562,170**	**16,434,523**	**$16,659,947**
$ From Final Budget			$504,053	$1,311,026	$183,379	$408,803.00
% of Final Budget			102.2%	108.2%	1.1%	102.5%
$ from Actual			$379,479	$1,127,648	$(225,424)	$165,986
% from Actual			2.2%	6.9%	-1.4%	1.0%
EXPENDITURES & TRANSFERS						
Expenditures	$19,009,457	$20,783,348	$17,701,322	$16,936,847	$15,363,376	$15,122,847
$ From Final Budget			($1,408,135)	($871,530)	$1,573,471	$(2,685,530)
% from Final Budget			92.6%	95.1%	10.2%	84.9%
$ from Actual			$764,475	$1,573,471	$240,529	$(1,275,291)
% from Actual			4.5%	10.2%	1.6%	-7.8%
Disposal of Capital Assets			($87,300)	($65,000)	($15,500)	-
Transfers in	-	-	-	($403,488)	-	
Transfers out	-	-	-	-	-	433,369
Total	**$19,009,457**	**$20,783,348**	**$17,614,022**	**$16,468,359**	**$15,347,876**	**$15,556,216**
Changes in Fund Balance	($1,446,861)	($20,658,348)	$327,627	$1,093,811	$1,086,647	$1,103,731

Total revenue in the General Fund increased by $379,479 or 2.2% from the prior year actual revenue. Total expenditures in the General Fund increased by $1,145,663 or 7.0%, from the prior year (See CAFR page 108 for more detail about revenue and expenditure in the General Fund). The General Fund received revenues at 102.2% of budget. Fiscal Year 2019 revenue included increases in sales tax revenue. During development of the Fiscal Year 2019 Budget, the Village board reviewed revenue trends to develop strategies to increase revenue and decrease expenditures. The Village Boards ongoing goal is to anticipate and react to the changing economic climate in a timely, prudent and appropriate fashion.

Capital Assets

At the end of Fiscal Year 2019, the Village's Governmental Activities has invested $83,832,435 (see notes to Financial Statement No. 3 on page 59) in a variety of capital assets and infrastructure, as reflected in the following schedule.

Table VI
Governmental Activities
Change in Capital Assets

	Balance February 29, 2017	Balance February 29, 2018	Net Additions/ Deletions	Balance February 28, 2019
Non-Depreciable Assets				
Land & Land Right of Way	$ 44,723,570	$ 44,723,570	$ -	$ 44,723,570
Construction In Progress	53,900	-	165,649	165,649
Sub-Total	**44,777,470**	**44,723,570**	**165,649**	**44,889,219**
Other Capital Assets				
Buildings & Improvements	9,043,883	9,227,205	77,034	9,304,239
Vehicles	6,071,757	5,586,435	(359,370)	5,227,065
Machinery & Equipment	1,034,970	1,856,831	88,896	1,945,727
Infrastructure	51,779,528	54,013,659	900,643	54,914,302
Sub-Total	**67,930,138**	**70,684,130**	707,203	71,391,333
Accumulated Depreciation on other Capital Assets	(29,784,744)	(31,003,326)	(1,444,791)	(32,448,117)
Totals	**82,922,864**	**84,404,374**	**(571,939)**	**83,832,435**
$ Change from prior year	3,441,001	1,481,510		(571,939)
% Change from prior year	4.33%	1.79%		-0.68%

Assets (net of depreciation) decreased $571,939 or 0.68% from Fiscal Year 2018 to Fiscal Year 2019.

Debt Outstanding

As of February 28, 2019, the Village had $17,635,000 in outstanding general obligation debt service and $2,236,843 from an Illinois Environmental Protection Agency (IEPA) loan outstanding. The existing schedule (including the IEPA loan) extends through Fiscal Year 2033. (For more information see Statement Note No. 3 on pages 61-65).

The Village has a legal debt limit of $96,611,853, which is 10.00% of assessed valuation. The Village has used $17,635,000 of this limit leaving a legal debt margin of $78,976,853. As last rated during Fiscal Year 2019, the Village maintained an "AAA" bond rating by Standard & Poor's Corporation. As stated by Standard & Poor, the rating reflects:

- Participation in the deep and diverse Chicago MSA economy;
- Very strong income and extremely strong wealth levels;
- Very strong reserves paired with good financial management practices; and
- Moderate overall net debt burden as a percentage of market value.

Economic Factors

The Village's composition is primarily residential with a commercial component enhanced by three car dealerships. The property tax revenue derived from the current housing stock is stable. The commercial component includes vehicles sales, food and drugs and miscellaneous retail.

Contacting the Village's Financial Management

This financial report is designed to provide our citizens, customers, investors and creditors with a general overview of the Village's finances and to demonstrate the Village's accountability for the money it receives. Questions concerning this report or requests for additional financial information should be directed to Nicole Larson, Director of Finance, Village of Glencoe, 675 Village Court, Illinois 60022.

BASIC FINANCIAL STATEMENTS

The basic financial Statements include integrated sets of financial statements as required by the GASB. The sets of statements include:

- Government-Wide Financial Statements
- Fund Financial Statements
    - Governmental Funds
    - Proprietary Funds
    - Fiduciary Funds

In addition, the notes to the financial statements are included to provide information that is essential to a user's understanding of the basic financial statements.

Statement of Net Position
February 28, 2019

See Following Page

VILLAGE OF GLENCOE, ILLINOIS

Statement of Net Position
February 28, 2019

	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Totals	Glencoe Public Library
ASSETS				
CURRENT ASSETS				
Cash and investments	$ 10,471,368	3,088,385	13,559,753	2,089,388
Receivables - net of allowances				
Property taxes	9,886,292	-	9,886,292	2,079,237
Other taxes	676,870	-	676,870	-
Accounts	112,038	332,982	445,020	3,250
Other	95,612	-	95,612	-
Due from other governments	191,516	-	191,516	-
Internal balances	1,822,453	(1,822,453)	-	-
Prepaids/Inventory	1,176,915	342,888	1,519,803	22,150
Total current assets	24,433,064	1,941,802	26,374,866	4,194,025
NONCURRENT ASSETS				
Capital assets				
Nondepreciable	44,889,219	933,090	45,822,309	75,772
Depreciable	71,391,333	13,173,254	84,564,587	3,837,927
Accumulated depreciation	(32,448,117)	(6,310,737)	(38,758,854)	(1,843,881)
Total noncurrent assets	83,832,435	7,795,607	91,628,042	2,069,818
Total assets	108,265,499	9,737,409	118,002,908	6,263,843
DEFERRED OUTFLOWS OF RESOURCES				
Deferred items - IMRF	2,410,546	964,312	3,374,858	520,189
Deferred items - police pension	4,032,607	-	4,032,607	-
Deferred items - firefighters' pension	60,964	-	60,964	-
Deferred items - RBP	103,746	20,663	124,409	14,596
Total deferred outflows of resources	6,607,863	984,975	7,592,838	534,785
Total assets and deferred outflow of resources	114,873,362	10,722,384	125,595,746	6,798,628

The accompanying notes to the financial statements are an integral part of this statement.

	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Total	Glencoe Public Library
LIABILITIES				
CURRENT LIABILITIES				
Accounts payable and accrued liabilities	$ 2,435,314	293,815	2,729,129	-
Accrued interest payable	88,626	9,320	97,946	-
Unearned revenue	156,212	262,427	418,639	-
Compensated absences payable	125,324	20,150	145,474	-
Notes payable	-	-	-	30,429
General obligation bonds payable	1,335,000	-	1,335,000	-
IEPA loan payable	-	147,158	147,158	-
Total current liabilities	4,140,476	732,870	4,873,346	30,429
NONCURRENT LIABILITIES				
Compensated absences payable	501,297	80,601	581,898	-
Net pension liability - IMRF	4,002,376	1,601,108	5,603,484	863,702
Net pension liability - police pension	24,932,934	-	24,932,934	-
Net pension liability - firefighters' pension	498,161	-	498,161	-
Total OPEB liability - RBP	1,737,445	346,045	2,083,490	244,447
Notes payable	-	-	-	628,313
General obligation bonds payable	16,300,000	-	16,300,000	-
IEPA loan payable	-	2,089,685	2,089,685	-
Total noncurrent liabilities	47,972,213	4,117,439	52,089,652	1,736,462
Total liabilities	52,112,689	4,850,309	56,962,998	1,766,891
DEFERRED INFLOWS OF RESOURCES				
Property Taxes	11,768,966	-	11,768,966	2,448,281
Deferred items - IMRF	698,224	279,317	977,541	150,675
Deferred items - police pension	2,664,188	-	2,664,188	-
Deferred items - total OPEB liability	194,671	38,772	233,443	27,389
Total deferred inflows of resources	15,326,049	318,089	15,644,138	2,626,345
Total liabilities and deferred inflows of resources	67,438,738	5,168,398	72,607,136	4,393,236
NET POSITION				
Net investment in capital assets	66,848,456	5,558,764	72,407,220	1,411,076
Restricted for fire benevolent fund	1,927	-	1,927	-
Restricted for public safety	95,172	-	95,172	-
Restricted for drug abuse prevention	3,171	-	3,171	-
Restricted for IRMA claim deductibles	254,135	6,458	260,593	-
Restricted for debt service	117,273	-	117,273	-
Restricted for roadway maintenance	380,785	-	380,785	-
Restricted for capital projects - SSA	44,658	-	44,658	-
Restricted for donor specified purposes	-	-	-	34,794
Restricted for employee retirement	-	-	-	54,001
Unrestricted (Deficit)	(20,310,953)	(11,236)	(20,322,189)	905,521
TOTAL NET POSITION	47,434,624	5,553,986	52,988,610	2,405,392

The accompanying notes to the financial statements are an integral part of this statement.

VILLAGE OF GLENCOE, ILLINOIS

Statement of Activities
For the Fiscal Year Ended February 28, 2019

		Program Revenues			Net (Expenses)/Revenues			
					Primary Government			Component Unit
	Expenses	Charges for Services	Operating Grants/ Contributions	Capital Grants/ Contributions	Governmental Activities	Business-Type Activities	Totals	Glencoe Public Library
FUNCTIONS/PROGRAMS								
PRIMARY GOVERNMENT								
Governmental activities								
Administration and finance	$ 2,945,607	76,855	-	-	(2,868,752)	-	(2,868,752)	-
Public safety	10,186,744	271,051	-	-	(9,915,693)	-	(9,915,693)	-
Public works	7,614,463	1,923,322	222,579	-	(5,468,562)	-	(5,468,562)	-
Interest on long-term debt	460,938	-	-	-	(460,938)	-	(460,938)	-
Total governmental activities	21,207,752	2,271,228	222,579	-	(18,713,945)	-	(18,713,945)	-
Business-type activities								
Water	2,195,276	2,817,172	-	-	-	621,896	621,896	-
Glencoe golf club	1,569,944	1,771,950	-	-	-	202,006	202,006	-
Total business-type activities	3,765,220	4,589,122	-	-	-	823,902	823,902	-
TOTAL PRIMARY GOVERNMENT	24,972,972	6,860,350	222,579	-	(18,713,945)	823,902	(17,890,043)	-
COMPONENT UNIT								
Glencoe Public Library	2,521,233	12,056	65,037	-	-	-	-	(2,444,140)

	Governmental Activities	Business-Type Activities	Totals	Glencoe Public Library
General revenues				
Taxes				
Property and replacement	11,986,779	-	11,986,779	2,336,812
Utility	949,683	-	949,683	-
Other	488,883	-	488,883	-
Intergovernmental - Unrestricted				
Sales	2,132,872	-	2,132,872	-
Income	832,575	-	832,575	-
Interest	287,001	49,946	336,947	49,727
Miscellaneous	1,249,517	-	1,249,517	2,878
	17,927,310	49,946	17,977,256	2,389,417
CHANGE IN NET POSITION	(786,635)	873,848	87,213	(54,723)
NET POSITION - BEGINNING	48,221,259	4,680,138	52,901,397	2,460,115
NET POSITION - ENDING	47,434,624	5,553,986	52,988,610	2,405,392

The notes to the financial statements are an integral part of this statement.

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VILLAGE OF GLENCOE, ILLINOIS

Balance Sheet - Governmental Funds
February 28, 2019

	General	Debt Service General Obligation Bonds	Capital Projects	Nonmajor Motor Fuel Tax	Totals
ASSETS					
Cash and investments	$ 9,102,913	502,437	502,446	363,572	10,471,368
Receivables - net of allowances					
Property taxes	8,334,410	1,551,882	-	-	9,886,292
Other taxes	659,657	-	-	17,213	676,870
Accounts	112,038	-	-	-	112,038
Other	95,612	-	-	-	95,612
Due from other funds	191,516	-	-	-	191,516
Advances to other funds	1,822,453	-	-	-	1,822,453
Prepaids	1,161,654	-	-	-	1,161,654
Inventory	15,261	-	-	-	15,261
TOTAL ASSETS	21,495,514	2,054,319	502,446	380,785	24,433,064
LIABILITIES					
Accounts payable and accrued liabilities	2,410,833	-	24,481	-	2,435,314
Other payables	156,212	-	-	-	156,212
Total liabilities	2,567,045	-	24,481	-	2,591,526
DEFERRED INFLOWS OF RESOURCES					
Property taxes	9,920,546	1,848,420	-	-	11,768,966
Total liabilities and deferred inflows of resources	12,487,591	1,848,420	24,481	-	14,360,492
FUND BALANCES					
Nonspendable	2,999,368	-	-	-	2,999,368
Restricted	354,405	205,899	695,679	380,785	1,636,768
Unassigned	5,654,150	-	(217,714)	-	5,436,436
Total fund balances	9,007,923	205,899	477,965	380,785	10,072,572
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	21,495,514	2,054,319	502,446	380,785	24,433,064

The notes to the financial statements are an integral part of this statement.

The notes to the financial statements are an integral part of this statement.

VILLAGE OF GLENCOE, ILLINOIS

Reconciliation of Total Governmental Fund Balance to the Statement of Net Position - Governmental Activities

February 28, 2019

TOTAL FUND BALANCES OF GOVERNMENTAL FUNDS	$ 10,072,572
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Capital assets used in governmental activities are not financial resources and therefore, are not reported in the funds.	83,832,435
Deferred outflows (inflows) of resources related to the pensions not reported in the funds.	
Deferred items - IMRF	1,712,322
Deferred items - police pension	1,368,419
Deferred items - firefighters' pension	60,964
Deferred items - RBP	(90,925)
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds.	
Compensated absences payable	(626,621)
Net pension liability - IMRF	(4,002,376)
Net pension liability - police pension	(24,932,934)
Net pension liability - firefighters' pension	(498,161)
Total OPEB liability - RBP	(1,737,445)
General obligation bonds payable	(17,635,000)
Accrued interest payable	(88,626)
NET POSITION OF GOVERNMENTAL ACTIVITIES	47,434,624

The notes to the financial statements are an integral part of this statement.

VILLAGE OF GLENCOE, ILLINOIS

Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds
For the Fiscal Year Ended February 28, 2019

See Following Page

VILLAGE OF GLENCOE, ILLINOIS

Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds
For the Fiscal Year Ended February 28, 2019

	General	Debt Service General Obligation Bonds	Capital Projects	Nonmajor Motor Fuel Tax	Totals
REVENUES					
Property taxes	$ 9,657,375	2,183,343	-	-	11,840,718
Other taxes	4,282,394	-	-	-	4,282,394
Intergovernmental	-	-	-	222,579	222,579
Licenses, permits and fees	1,839,173	-	-	-	1,839,173
Charges for services	567,222	-	-	-	567,222
Fines and forfeitures	132,513	-	-	-	132,513
Interest	213,455	20,348	47,847	5,351	287,001
Miscellaneous	1,249,517	-	-	-	1,249,517
Total revenues	17,941,649	2,203,691	47,847	227,930	20,421,117
EXPENDITURES					
Current					
Administration and finance	2,935,230	-	530	-	2,935,760
Public safety	8,554,329	-	-	-	8,554,329
Public works	5,438,961	-	-	59,383	5,498,344
Capital outlay	772,802	-	1,138,749	22,353	1,933,904
Debt service					
Principal retirement	-	1,655,000	-	-	1,655,000
Interest and fiscal charges	-	469,562	-	-	469,562
Total expenditures	17,701,322	2,124,562	1,139,279	81,736	21,046,899
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	240,327	79,129	(1,091,432)	146,194	(625,782)
OTHER FINANCING SOURCES (USES)					
Disposal of capital assets	87,300	-	-	-	87,300
NET CHANGE IN FUND BALANCES	327,627	79,129	(1,091,432)	146,194	(538,482)
FUND BALANCES - BEGINNING	8,680,296	126,770	1,569,397	234,591	10,611,054
FUND BALANCES - ENDING	9,007,923	205,899	477,965	380,785	10,072,572

The notes to the financial statements are an integral part of this statement.

The notes to the financial statements are an integral part of this statement.

VILLAGE OF GLENCOE, ILLINOIS

Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances to the Statement of Activities - Governmental Activities

For the Fiscal Year Ended February 28, 2019

NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS	$	(538,482)
Amounts reported for governmental activities in the Statement of Activities are different because:		
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.		
Capital outlays		1,355,172
Depreciation expense		(1,898,893)
Disposals - cost		(482,320)
Disposals - accumulated depreciation		454,102
The net effect of deferred outflows (inflows) of resources related to the pensions not reported in the funds.		
Change in deferred items - IMRF		3,419,782
Change in deferred items - police pension		1,098,884
Change in deferred items - firefighters' pension		(28,741)
Changes in deferred items - RBP		20,994
The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal on long-term debt consumes the current financial resources of the governmental funds.		
(Increase) in compensated absences payable		(26,645)
(Increase) in net pension liability - IMRF		(3,448,470)
(Increase) in net pension liability - police pension		(2,335,214)
(Inecrease) in net pension liability - firefighters' pension		(80,743)
Decrease in net total OPEB liability - RBP		40,315
Retirement of debt		1,655,000
Changes to accrued interest on long-term debt in the Statement of Activities does not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.		8,624
CHANGES IN NET POSITION OF GOVERNMENTAL ACTIVITIES		(786,635)

The notes to the financial statements are an integral part of this statement.

VILLAGE OF GLENCOE, ILLINOIS

Statement of Net Position - Proprietary Funds
February 28, 2019

See Following Page

VILLAGE OF GLENCOE, ILLINOIS

Statement of Net Position - Proprietary Funds
February 28, 2019

	Water	Glencoe Golf Club	Totals
ASSETS			
CURRENT ASSETS			
Cash and investments	$ 1,252,479	1,835,906	3,088,385
Receivables - net of allowances			
Customer accounts	332,982	-	332,982
Prepaids	237,256	76,128	313,384
Inventory	7,301	22,203	29,504
Total current assets	1,830,018	1,934,237	3,764,255
NONCURRENT ASSETS			
Capital Assets			
Nondepreciable	933,090	-	933,090
Depreciable	9,670,021	3,503,233	13,173,254
Accumulated depreciation	(4,951,327)	(1,359,410)	(6,310,737)
Total noncurrent assets	5,651,784	2,143,823	7,795,607
DEFERRED OUTFLOWS OF RESOURCES			
Deferred items - IMRF	583,064	381,248	964,312
Deferred items - RBP	13,345	7,318	20,663
Total deferred outflows of resources	596,409	388,566	984,975
Total asset and deferred outflows of rescources	8,078,211	4,466,626	12,544,837

The notes to the financial statements are an integral part of this statement.

	Water	Glencoe Golf Club	Totals
LIABILITIES			
CURRENT LIABILITIES			
Accounts payable and accrued liabilities	$ 224,821	68,994	293,815
Advances from other funds	-	1,822,453	1,822,453
Accrued interest payable	9,320	-	9,320
Other payables	-	262,427	262,427
Compensated absences payable	14,313	5,837	20,150
IEPA loan payable	147,158	-	147,158
Total current liabilities	395,612	2,159,711	2,555,323
NONCURRENT LIABILITIES			
Compensated absences payable	57,255	23,346	80,601
Net pension liability - IMRF	968,098	633,010	1,601,108
Total OPEB liability - RBP	223,485	122,560	346,045
IEPA loan payable	2,089,685	-	2,089,685
Total noncurrent liabilities	3,338,523	778,916	4,117,439
Total liabilities	3,734,135	2,938,627	6,672,762
DEFERRED INFLOWS OF RESOURCES			
Deferred items - IMRF	168,887	110,430	279,317
Deferred items - RBP	25,040	13,732	38,772
Total deferred inflows of resources	193,927	124,162	318,089
Total liabilities and deferred inflows of resources	3,928,062	3,062,789	6,990,851
NET POSITION			
Net investment in capital assets	3,414,941	2,143,823	5,558,764
Restricted	6,458	-	6,458
Unrestricted	728,750	(739,986)	(11,236)
TOTAL NET POSITION	4,150,149	1,403,837	5,553,986

The notes to the financial statements are an integral part of this statement.

VILLAGE OF GLENCOE, ILLINOIS

Statement of Revenues, Expenses and Changes in Net Position - Proprietary Funds
For the Fiscal Year Ended February 28, 2019

	Water	Glencoe Golf Club	Totals
OPERATING REVENUES			
Charges for services	$ 2,557,873	1,753,084	4,310,957
Miscellaneous	259,299	18,866	278,165
Total operating revenues	2,817,172	1,771,950	4,589,122
OPERATING EXPENSES			
Water production	954,781	-	954,781
Water distribution	1,086,936	-	1,086,936
Golf	-	1,415,191	1,415,191
Depreciation	124,840	148,493	273,333
Total operating expenses	2,166,557	1,563,684	3,730,241
OPERATING INCOME	650,615	208,266	858,881
NONOPERATING REVENUES (EXPENSES)			
Disposal of capital assets	-	(6,260)	(6,260)
Interest income	16,666	33,280	49,946
Interest expense	(28,719)	-	(28,719)
	(12,053)	27,020	14,967
CHANGE IN NET POSITION	638,562	235,286	873,848
NET POSITION - BEGINNING	3,511,587	1,168,551	4,680,138
NET POSITION - ENDING	4,150,149	1,403,837	5,553,986

The notes to the financial statements are an integral part of this statement.

VILLAGE OF GLENCOE, ILLINOIS

Statement of Cash Flows - Proprietary Funds
For the Fiscal Year Ended February 28, 2019

	Water	Glencoe Golf Club	Totals
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers and users	$ 2,634,644	1,776,533	4,411,177
Payments to employees	(958,630)	(745,596)	(1,704,226)
Payments to suppliers	(788,278)	(669,734)	(1,458,012)
	887,736	361,203	1,248,939
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Purchase of capital assets	(482,230)	(265,208)	(747,438)
Payment on capital debt	(145,335)	-	(145,335)
Interest expense	(28,719)	-	(28,719)
	(656,284)	(265,208)	(921,492)
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest received	16,666	33,280	49,946
NET CHANGE IN CASH AND CASH EQUIVALENTS	248,118	129,275	377,393
CASH AND CASH EQUIVALENTS - BEGINNING	1,004,361	1,706,631	2,710,992
CASH AND CASH EQUIVALENTS - ENDING	1,252,479	1,835,906	3,088,385
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES			
Operating income (loss)	650,615	208,266	858,881
Adjustments to reconcile operating income to net income to net cash provided by (used in) operating activities:			
Depreciation expense	124,840	148,493	273,333
Other (revenues) expenses	196,465	(119,850)	76,615
(Increase) decrease in current assets	(182,528)	4,583	(177,945)
Increase (decrease) in current liabilities	98,344	119,711	218,055
NET CASH PROVIDED BY OPERATING ACTIVITIES	887,736	361,203	1,248,939

The notes to the financial statements are an integral part of this statement.

VILLAGE OF GLENCOE, ILLINOIS

Statement of Fiduciary Net Position
February 28, 2019

	Pension Trust	Agency
ASSETS		
Cash and cash equivalents	$ 1,793,358	398
Investments		
U.S. government obligations	2,606,279	-
U.S. agency obligations	2,504,452	-
Local government obligations	5,924,991	-
Corporate bonds	1,813,384	-
Mutual funds	13,103,402	-
Common Stock	7,958,151	-
Receivables		
Accrued interest	113,687	-
Due from customers	5,049	204,541
Total assets	35,822,753	204,939
LIABILITIES		
Accounts payable	21,128	-
Due to bond holders	-	204,939
Due to other governments	191,516	-
Total liabilities	212,644	204,939
NET POSITION RESTRICTED FOR PENSIONS	35,610,109	

The notes to the financial statements are an integral part of this statement.

VILLAGE OF GLENCOE, ILLINOIS

Statement of Changes in Fiduciry Net Position
For the Fiscal Year Ended February 28, 2019

	Pension Trust
ADDITIONS	
Contributions - employer	$ 1,839,989
Contributions - plan members	403,604
Total contributions	2,243,593
Investment income	
Interest earned	1,066,085
Net change in fair value	(638,061)
	428,024
Less investment expenses	(84,630)
Net investment income	343,394
Total additions	2,586,987
DEDUCTIONS	
Pensions and refunds	2,822,132
Miscellaneous	
Contractual professional services	27,261
Total deductions	2,849,393
CHANGE IN FIDUCIARY NET POSITION	(262,406)
NET POSITION RESTRICTED FOR PENSIONS	
BEGINNING	35,872,515
ENDING	35,610,109

The notes to the financial statements are an integral part of this statement.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Village of Glencoe (Village), Illinois, incorporated March 29, 1869, is a municipal corporation governed by an elected president and six-member Board of Trustees. The Village's major operations include public safety (police and fire), paramedic services, highways and streets, health, social, and cultural services, public library, water and sanitation, public improvements, planning and zoning, public golf course, and general administrative services.

The government-wide financial statements are prepared in accordance with generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations). The more significant of the Village's accounting policies established in GAAP and used by the Village are described below.

REPORTING ENTITY

The Village's financial reporting entity comprises the following:

Primary Government:	Village of Glencoe
Discretely Presented Component Unit:	Village of Glencoe Public Library (the Library)

In determining the financial reporting entity, the Village complies with the provisions of GASB Statement No. 61, "the Financial Reporting Omnibus – an Amendment of GASB Statements No. 14 and No. 34," and includes all component units that have a significant operational or financial relationship with the Village.

Police Pension Employees Retirement System

The Village's sworn public safety employees participate in the Police Pension Employees Retirement System (PPERS). PPERS functions for the benefit of these employees and is governed by a five-member pension board. Two members appointed by the Village's President, one elected pension beneficiary and two elected public safety employees constitute the pension board. The participants are required to contribute a percentage of salary as established by state statute and the Village is obligated to fund all remaining PPERS costs based upon actuarial valuations. The State of Illinois is authorized to establish benefit levels and the Village is authorized to approve the actuarial assumptions used in the determination of contribution levels. Although it is legally separate from the Village, the PPERS is reported as if it were part of the primary government because its sole purpose is to provide retirement benefits for the Village's public safety employees. The PPERS is reported as a fiduciary fund, and specifically a pension trust fund, due to the fiduciary responsibility exercised over the PPERS.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

REPORTING ENTITY – Continued

Firefighters' Pension Employees Retirement System

The Village's sworn firefighters participate in the Firefighters' Pension Employees Retirement System (FPERS). In 1954, the Village began training "public safety officers" to perform as both police officers and firefighters. Eventually all police officers and firefighters were replaced with public safety officers. All public safety officers participate in the Police Pension Fund. The last active firefighter retired in 1994. FPERS functions for the benefit of those employees and is governed by a five-member pension board, with two members appointed by the Village President, two elected from active participants of the Fund, and one elected from the retired members of the Fund. The participants are required to contribute a percentage of salary as established by state statute and the Village is obligated to fund all remaining FPERS costs based upon actuarial valuations. The State of Illinois is authorized to establish benefit levels and the Village is authorized to approve the actuarial assumptions used in the determination of contribution levels. Although it is legally separate from the Village, the FPERS is reported as if it were part of the primary government because its sole purpose is to provide retirement benefits for the Village's sworn firefighters. The FPERS is reported as a fiduciary fund, and specifically a pension trust fund, due to the fiduciary responsibility exercised over the FPERS.

Discretely Presented Component Unit

Discretely presented component units are separate legal entities that meet the component unit criteria described above but do not meet the criteria for blending.

Village of Glencoe Public Library

The Village of Glencoe Public Library has a separately elected seven-member board and provides services to residents within the geographic boundaries. The Library is included within the Village's financial statements as a discretely presented component unit because the Village approves the budget and the annual tax levy. In addition, bond issuance authorizations are approved by the Village and the legal liability for the general obligation portion of the Library's debt remains with the Village. Separate financial statements for the Library can be obtained from the Glencoe Public Library at 320 Park Avenue, Glencoe, Illinois 60022.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

BASIS OF PRESENTATION

Government-Wide Statements

The Village's basic financial statements include both government-wide (reporting the Village as a whole) and fund financial statements (reporting the Village's major funds). Both the government-wide and fund financial statements categorize primary activities as either governmental or business-type. The Village's public safety (police and fire), paramedic services, highways and streets, health, social, and cultural services, public library, public improvements, planning and zoning, and general administrative services are classified as governmental activities. The Village's water and public golf course services are classified as business-type activities.

In the government-wide Statement of Net Position, both the governmental and business-type activities columns are: (a) presented on a consolidated basis by column, and (b) reported on a full accrual, economic resource basis, which recognizes all long-term assets/deferred outflows and receivables as well as long-term debt/deferred inflows and obligations. The Village's net position is reported in three parts: net investment in capital assets; restricted; and unrestricted. The Village first utilizes restricted resources to finance qualifying activities.

The government-wide Statement of Activities reports both the gross and net cost of each of the Village's functions and business-type activities (administration and finance, public safety, public works, etc.). The functions are supported by general government revenues (property, sales and use taxes, certain intergovernmental revenues, fines, permits and charges, etc.). The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, which include 1) charges to customers or applicants who purchase, use or directly benefit from goods, services or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment.

The net costs (by function or business-type activity) are normally covered by general revenue (property tax, sales tax, intergovernmental revenues, interest income, etc.).

The Village does not allocate indirect costs. An administrative service fee is charged by the General Fund to the other operating funds that is eliminated like a reimbursement (reducing the revenue and expense in the General Fund) to recover the direct costs of General Fund services provided (finance, personnel, purchasing, legal, technology management, etc.).

This government-wide focus is more on the sustainability of the Village as an entity and the change in the Village's net position resulting from the current year's activities.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

BASIS OF PRESENTATION – Continued

Fund Financial Statements

The financial transactions of the Village are reported in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprises its assets/deferred outflows, liabilities/deferred inflows, reserves, fund equity, revenues and expenditures/expenses. Funds are organized into three major categories: governmental, proprietary, and fiduciary. The emphasis in fund financial statements is on the major funds in either the governmental or business-type activities categories.

Nonmajor funds by category are summarized into a single column. GASB Statement No. 34 sets forth minimum criteria (percentage of the assets/deferred outflows, liabilities/deferred inflows, revenues or expenditures/expenses of either fund category or the governmental and enterprise combined) for the determination of major funds. The Village electively added funds, as major funds, which either have debt outstanding or a specific or community focus. The nonmajor funds are combined in a column in the fund financial statements. A fund is considered major if it is the primary operating fund of the Village or meets the following criteria:

> Total assets/deferred outflows, liabilities/deferred inflows, revenues, or expenditures/expenses of that individual governmental or enterprise fund are at least 10 percent of the corresponding total for all funds of that category or type; and

> Total assets/deferred outflows, liabilities/deferred inflows, revenues, or expenditures/expenses of the individual governmental fund or enterprise fund are at least 5 percent of the corresponding total for all governmental and enterprise funds combined.

The various funds are reported by generic classification within the financial statements. The following fund types are used by the Village:

Governmental Funds

The focus of the governmental funds' measurement (in the fund statements) is upon determination of financial position and changes in financial position (sources, uses, and balances of financial resources) rather than upon net income. The following is a description of the governmental funds of the Village:

General Fund is the general operating fund of the Village. It is used to account for all financial resources except those required to be accounted for in another fund. The General Fund is a major fund.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

BASIS OF PRESENTATION – Continued

Fund Financial Statements – Continued

Governmental Funds – Continued

Special Revenue Funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes. The Village maintains one nonmajor special revenue fund, the Motor Fuel Tax Fund.

Debt Service Funds are used to account for the accumulation of funds for the periodic payment of principal and interest on general long-term debt. The Village maintains one major debt service fund, the General Obligation Bonds Fund. The General Obligation Bonds Fund is used to account for the revenues designated for debt service and payments of principal and interest for the following bond issues: the 2009 General Obligation Bonds, 2012A General Obligation Bonds, 2015A General Obligation Bonds and 2016B General Obligation Bonds.

Capital Projects Funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by business-type/proprietary funds). The Capital Projects Fund, a major fund, is used to account for the 2015A General Obligation and 2016B General Obligation bond proceeds used for the construction of various street and sewer improvements.

Proprietary Funds

The focus of proprietary fund measurement is upon determination of operating income, changes in net position, financial position, and cash flows. The generally accepted accounting principles applicable are those similar to businesses in the private sector. The following is a description of the proprietary funds of the Village:

Enterprise Funds are required to account for operations for which a fee is charged to external users for goods or services and the activity (a) is financed with debt that is solely secured by a pledge of the net revenues, (b) has third party requirements that the cost of providing services, including capital costs, be recovered with fees and charges or (c) establishes fees and charges based on a pricing policy designed to recover similar costs. The Village maintains two major enterprise funds, the Water Fund and the Glencoe Golf Club Fund. The Water Fund is used to account for the provision of water to the residents of the Village. All activities necessary to provide such services are accounted for in this fund, including administration, operations, maintenance, and billing and collection. The Glencoe Golf Club Fund is used to account for the activities of the Glencoe Golf Club. All activities necessary to provide such services are accounted for in this fund, including administration, operations, maintenance, and fee collection.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

BASIS OF PRESENTATION – Continued

Fund Financial Statements – Continued

Fiduciary Funds

Fiduciary funds are used to report assets held in a trustee or agency capacity for others and therefore are not available to support Village programs. The reporting focus is on net position and changes in net position and is reported using accounting principles similar to proprietary funds. Since by definition these assets are being held for the benefit of a third party (other local governments, private parties, pension participants, etc.) and cannot be used to address activities or obligations of the Village, these funds are not incorporated into the government-wide statements.

Pension Trust Funds are used to account for assets held in a trustee capacity for pension benefit payments. The Police Pension Fund accounts for the accumulation of resources to pay retirement and other related benefits for sworn members of the Village's police force. The Firefighters' Pension Fund accounts for the accumulation of resources to pay retirement and other related benefits for sworn members of the Village's Fire Department.

Agency Funds are used to account for assets held by the Village in a purely custodial capacity. The Special Service Areas Fund accounts for activities related to the collection of taxes and payments of special service area debt related to the Washington Place Special Service Area.

The Village's fiduciary funds are presented in the fiduciary fund financial statements by type (pension trust and agency). Since by definition these assets are being held for the benefit of a third party (other local governments, private parties, pension participants, etc.) and cannot be used to address activities or obligations of the Village, these funds are not incorporated into the government-wide statements.

MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

Measurement focus is a term used to describe "which" transactions are recorded within the various financial statements. Basis of accounting refers to "when" transactions are recorded regardless of the measurement focus applied.

Measurement Focus

On the government-wide Statement of Net Position and the Statement of Activities, both governmental and business-type activities are presented using the economic resources measurement focus as defined below.

In the fund financial statements, the "current financial resources" measurement focus or the "economic resources" measurement focus is used as appropriate.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

MEASUREMENT FOCUS AND BASIS OF ACCOUNTING – Continued

Measurement Focus – Continued

All governmental funds utilize a "current financial resources" measurement focus. Only current financial assets/deferred outflows and liabilities/deferred inflows are generally included on their balance sheets. Their operating statements present sources and uses of available spendable financial resources during a given period. These funds use fund balance as their measure of available spendable financial resources at the end of the period.

All proprietary and pension trust funds utilize an "economic resources" measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net position (or cost recovery), financial position, and cash flows. All assets/deferred outflows and liabilities/deferred inflows (whether current or noncurrent) associated with their activities are reported. Proprietary and pension trust fund equity is classified as net position.

Agency funds are not involved in the measurement of results of operations; therefore, measurement focus is not applicable to them.

Basis of Accounting

In the government-wide Statement of Net Position and Statement of Activities, both governmental and business-type activities are presented using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability/deferred inflow is incurred or economic asset used. Revenues, expenses, gains, losses, assets/deferred outflows, and liabilities/deferred inflows resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

In the fund financial statements, governmental funds are presented on the modified accrual basis of accounting. Under this modified accrual basis of accounting, revenues are recognized when "measurable and available." Measurable means knowing or being able to reasonably estimate the amount. Available means collectible within the current period or within sixty days after year-end. The Village recognizes property taxes when they become both measurable and available in accordance with GASB Codification Section P70. A sixty-day availability period is used for revenue recognition for all other governmental fund revenues, except for sales taxes and telecommunication taxes, which use a ninety-day availability period. Expenditures (including capital outlay) are recorded when the related fund liability is incurred, except for general obligation bond principal and interest which are recognized when due.

In applying the susceptible to accrual concept under the modified accrual basis, those revenues susceptible to accrual are property taxes, sales and use taxes, franchise taxes, licenses, interest revenue, and charges for services. All other revenues are not susceptible to accrual because generally they are not measurable until received in cash.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

MEASUREMENT FOCUS AND BASIS OF ACCOUNTING – Continued

Basis of Accounting – Continued

All proprietary, pension trust and agency funds utilize the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Village's enterprise funds are charges to customers for sales and services. The Village also recognizes as operating revenue the portion of tap fees intended to recover the cost of connecting new customers to the system. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

ASSETS/DEFERRED OUTFLOWS, LIABILITIES/DEFERRED INFLOWS, AND NET POSITION OR EQUITY

Cash and Investments

For the purpose of the Statement of Net Position, cash and cash equivalents are considered to be cash on hand, demand deposits, and cash with fiscal agent. For the purpose of the proprietary funds "Statement of Cash Flows," cash and cash equivalents are considered to be cash on hand, demand deposits, cash with fiscal agent, and all highly liquid investments with an original maturity of seven months or less.

Investments are generally reported at fair value. Short-term investments are reported at cost, which approximates fair value. For investments, the Village categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

Interfund Receivables, Payables and Activity

Interfund activity is reported as loans, services provided, reimbursements or transfers. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures/expenses. Reimbursements are when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers. Transfers between governmental or proprietary funds are netted as part of the reconciliation to the government-wide financial statements.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

ASSETS/DEFERRED OUTFLOWS, LIABILITIES/DEFERRED INFLOWS, AND NET POSITION OR EQUITY – Continued

Receivables

In the government-wide financial statements, receivables consist of all revenues earned at year-end and not yet received. Allowances for uncollectible accounts receivable are based upon historical trends and the periodic aging of accounts receivable. Major receivables balances for governmental activities include property taxes, sales and use taxes, franchise taxes, and grants. Business-type activities report utility charges and golf fees as their major receivables.

Prepaids/Inventories

Prepaids/inventories are valued at cost, which approximates market, using the first-in/first-out (FIFO) method. The costs of governmental fund-type prepaids/inventories are recorded as expenditures when consumed rather than when purchased. Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaids in both the government-wide and fund financial statements.

Capital Assets

Capital assets purchased or acquired with an original cost of $1,000 to $100,000 or more, depending on asset class, are reported at historical cost or estimated historical cost. Contributed assets are reported at acquisition value as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred.

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. General capital assets are long-lived assets of the Village as a whole. When purchased, such assets are recorded as expenditures in the governmental funds and capitalized. Infrastructure such as streets, traffic signals and signs are capitalized. The valuation basis for general capital assets are historical cost, or where historical cost is not available, estimated historical cost based on replacement costs.

Capital assets in the proprietary funds are capitalized in the fund in which they are utilized. The valuation bases for proprietary fund capital assets are the same as those used for the general capital assets. Donated capital assets are capitalized at acquisition value on the date donated.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

ASSETS/DEFERRED OUTFLOWS, LIABILITIES/DEFERRED INFLOWS, AND NET POSITION OR EQUITY – Continued

Capital Assets – Continued

Depreciation on all assets is computed and recorded using the straight-line method of depreciation over the following estimated useful lives:

Building and Improvements	45 Years
Vehicles	5 - 20 Years
Machinery and Equipment	5 - 20 Years
Infrastructure	40 - 50 Years
Water Transmission System	50 Years
Golf Course Improvements	20 Years

Compensated Absences

The Village accrues accumulated unpaid vacation and associated employee-related costs when earned (or estimated to be earned) by the employee. In accordance with GASB Statement No. 16, no liability is recorded for nonvesting accumulation rights to receive sick pay benefits. However, a liability is recognized for that portion of accumulated sick leave that is estimated to be taken as "terminal leave" prior to retirement.

All vacation pay is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in the governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

Deferred Outflows/Inflows of Resources

Deferred outflow/inflow of resources represents an acquisition/reduction of net position that applies to a future period and therefore will not be recognized as an outflow of resources (expense)/inflow of resources (revenue) until that future time.

Long-Term Obligations

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type Statement of Net Position. Material bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as expenses at the time of issuance.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

ASSETS/DEFERRED OUTFLOWS, LIABILITIES/DEFERRED INFLOWS, AND NET POSITION OR EQUITY – Continued

Long-Term Obligations – Continued

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Net Position

In the government-wide financial statements, equity is classified as net position and displayed in three components:

Net Investment in Capital Assets – Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

Restricted – Consists of net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislations.

Unrestricted – All other net position balances that do not meet the definition of "restricted" or "net investment in capital assets."

NOTE 2 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

BUDGETARY INFORMATION

Budgets are adopted on a basis consistent with GAAP. Annual appropriated budgets are for all funds. All annual appropriations lapse at fiscal year-end.

Encumbrances represent commitments related to unperformed contracts for goods or services. Encumbrance accounting-under which purchase orders, contracts, and other commitments for the expenditure of resources are recorded to reserve that portion of the applicable appropriation-is utilized in the governmental funds. Material encumbrances outstanding at year end, if any, are reported in the applicable category of fund balances and do not constitute expenditures or liabilities because the commitments will be honored during the subsequent year. There were no material encumbrances outstanding at year-end.

NOTE 2 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY – Continued

BUDGETARY INFORMATION – Continued

The Board of Trustees follows these procedures in establishing the budgetary data reflected in the financial statements:

- The budget process and review by the Finance Committee begins in November. The Village Board reviews the budget in preliminary form in advance of the tax levy.
- By no later than the Village Board Finance Committee meeting in February, the Village Manager submits to the Board of Trustees a proposed operating budget for the fiscal year commencing on March 1. The operating budget includes proposed expenditures and the means of financing them. The operating budget can be amended by the Village board as long as the amended budget remains within the legal expenditures ceiling set forth by the appropriations ordinance.
- Public hearings are conducted to obtain taxpayer comments on the appropriations ordinance.
- Prior to April 15 the budget is legally enacted, and prior to May 15 the appropriation ordinance is legally enacted.
- The level of budgetary control (that is, the level at which expenditures cannot exceed the appropriated amount) is established at the fund level. Expenditures in excess of the budgeted amounts at the fund level must be approved by the Board of Trustees. The Board of Trustees may amend the budget of a fund.
- Supplemental appropriations were passed for the General, General Obligation Bonds, Capital Projects, Water and Police Pension Funds during the year.

Although the legal level of budgetary control is the legal appropriation, the Village utilizes a working budget as its management tool to monitor its day to day operations. Due to the high degree of reliance on the budget, both the appropriations and the budget are displayed in the required supplementary information and on the budget and actual schedules throughout this report. The original appropriations was passed as 110% of the working budget for all categories.

EXCESS OF ACTUAL EXPENDITURES OVER BUDGET IN INDIVIDUAL FUNDS

The following funds had an excess of actual expenditures over budget as of the date of this report:

Fund	Excess
Police Pension	$ 40,810
Firefighters' Pension	198

Although over budget, all funds were within the legally adopted appropriation level.

NOTE 3 – DETAIL NOTES ON ALL FUNDS

DEPOSITS AND INVESTMENTS

Investments are governed by four separate investment policies; one for the Village adopted by the Village board and one policy each for the police and firefighters' pension funds and the Library, which are approved by their respective boards.

Both the Village and Library investment policies authorize them to make deposits/invest in commercial banks, savings and loan institutions, obligations of the U.S. Treasury and U.S. Agencies, obligations of States and their political subdivisions, credit union shares, repurchase agreements, commercial paper rated within the three highest classifications by at least two standard rating services, Illinois Funds and the Illinois Metropolitan Investment Fund.

The deposits and investments of the Pension Funds are held separately from those of other Village funds. Statutes authorize the Pension Fund to make deposits/invest in interest bearing direct obligations of the United States of America; obligations that are fully guaranteed or insured as to the payment of principal and interest by the United States of America; bonds, notes, debentures, or similar obligations of agencies of the United States of America; savings accounts or certificates of deposit issued by banks or savings and loan associations chartered by the United States of America or by the State of Illinois, to the extent that the deposits are insured by the agencies or instrumentalities of the federal government; credit unions, to the extent that the deposits are insured by the agencies or instrumentalities of the federal government; State of Illinois bonds; pooled accounts managed by the Illinois Funds Market Fund (Formerly known as IPTIP, Illinois Public Treasurer's Investment Pool), or by banks, their subsidiaries or holding companies, in accordance with the laws of the State of Illinois; bonds or tax anticipation warrants of any county, township, or municipal corporation of the State of Illinois; direct obligations of the State of Israel; money market mutual funds managed by investment companies that are registered under the Federal Investment Company Act of 1940 and the Illinois Securities Law of 1953 and are diversified, open-ended management investment companies, provided the portfolio is limited to specified restrictions; general accounts of life insurance companies; and separate accounts of life insurance companies and mutual funds, the mutual funds must meet specific restrictions, provided the investment in separate accounts and mutual funds does not exceed ten percent of the Pension Fund's plan net position; and corporate bonds managed through an investment advisor, rated as investment grade by one of the two largest rating services at the time of purchase. Pension Funds with plan net position of $2.5 million or more may invest up to forty-five percent of plan net position in separate accounts of life insurance companies and mutual funds. Pension Funds with plan net position of at least $5 million that have appointed an investment advisor, may through that investment advisor invest up to forty-five percent of the plan net position in common and preferred stocks that meet specific restrictions. In addition, Pension Funds with plan net position of at least $10 million that have appointed an investment advisor, may invest up to fifty percent of its net position in common and preferred stocks and mutual funds that meet specific restrictions effective July 1, 2011 and up to fifty-five percent effective July 1, 2012.

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

DEPOSITS AND INVESTMENTS – Continued

The Illinois Funds is an investment pool managed by the Illinois Public Treasurer's Office which allows governments within the State to pool their funds for investment purposes. The Illinois Funds is not registered with the SEC as an investment company. Investments in Illinois Funds are valued at the share price, the price for which the investment could be sold.

The Illinois Metropolitan Investment Fund (IMET) is a non-for-profit investment trust formed pursuant to the Illinois Municipal Code. IMET is managed by a Board of Trustees elected from the participating members. IMET is not registered with the SEC as an Investment Company. Investments in IMET are valued at the share price, the price for which the investment could be sold.

Village – Interest Rate Risk, Credit Risk, Custodial Credit Risk and Concentration Risk

Deposits. At year-end, the carrying amount of the Village's deposits for governmental and business-type activities totaled $9,549,974 and the bank balances totaled $9,559,928.

Investments. The Village has the following investment fair values and maturities:

Investment Type	Fair Value	Investment Maturities (in Years) Less Than 1
Illinois Funds	$ 427,492	427,492
IMET	3,582,287	3,582,287
Totals	4,009,779	4,009,779

The Village's investments in Illinois Funds and IMET are in 2a7-like investment pools that are measured at the net asset value per share determined by the pool.

Interest Rate Risk. Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. In accordance with its investment policy, the Village limits its exposure to interest rate risk by structuring the portfolio to provide liquidity and maximizing yields for funds not needed within a three year period. The investment policy limits the maximum maturity length of investments to three years from the date of purchase. In addition, the policy requires the Village to structure the investment portfolio so that securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities on the open market prior to maturity.

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

DEPOSITS AND INVESTMENTS – Continued

Village – Interest Rate Risk, Credit Risk, Custodial Credit Risk and Concentration Risk – Continued

Credit Risk. Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. Besides investing in security instruments authorized under State Statute, and in the Illinois Funds and IMET, which invest in U.S. government securities, fully collateralized time deposits in financial institutions, collateralized repurchase agreements, and in treasury mutual funds that invest in U.S. treasury obligations and collateralized repurchase agreements, the Village's investment policy does not further limit its exposure to credit risk. At year-end, the Village's investment in the Illinois Funds was rated AAAm by Standard & Poor's. The Illinois Metropolitan Investment Trust 1-3-year Fund is rated AAAf by Moody's.

Custodial Credit Risk. In the case of deposits, this is the risk that in the event of a bank failure, the Village's deposits may not be returned to it. The Village's investment policy requires pledging of collateral with a fair value of 110% of all bank balances in excess of federal depository insurance. At year-end, the full amount of the bank balance of deposits was covered by collateral, federal depository or equivalent insurance.

For an investment, this is the risk that in the event of the failure of the counterparty, the Village will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Village's investment policy does not mitigate custodial credit risk for investments. At year-end, the Village's investment in the Illinois Fund is noncategorizable. The IMET Convenience Fund is a depository vehicle that is 110 percent collateralized with obligations of the United States Treasury and its agencies. All collateral securities are held in the name of IMET at the Federal Reserve Bank of New York.

Concentration Risk. This is the risk of loss attributed to the magnitude of the Village's investment in a single issuer. The Village's investment policy requires that the investment portfolio be diversified to the extent practicable. Investments shall be diversified in order to reduce the risk of loss resulting in over-concentration in a specific maturity, issuer, institution, or class of securities. Diversification strategies shall be determined and revised periodically by the Finance Director. At year-end, the Village does not have any investments over 5 percent of the total cash and investment portfolio (other than investments issued or explicitly guaranteed by the U.S. government and investments in mutual funds, external investment pools, and other pooled investments).

Police Pension Fund – Interest Rate Risk, Credit Risk, Custodial Credit Risk and Concentration Risk

Deposits. At year-end, the carrying amount of the Fund's deposits totaled $1,783,358 and the bank balances totaled $1,785,059.

VILLAGE OF GLENCOE, ILLINOIS

Notes to the Financial Statements
February 28, 2019

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

DEPOSITS AND INVESTMENTS – Continued

Police Pension Fund – Interest Rate Risk, Credit Risk, Custodial Credit Risk and Concentration Risk – Continued

Investments. The Fund has the following investment fair values and maturities:

		Investment Maturities (in Years)			
Investment Type	Fair Value	Less Than 1	1 to 5	6 to 10	More Than 10
U.S. Treasury Obligations	$ 2,606,279	-	1,220,556	1,385,723	-
U.S. Agency Obligations	2,504,452	-	280,627	496,162	1,727,663
Local Government Obligations	5,924,991	352,440	4,174,439	1,138,241	259,871
Corporate Bonds	1,813,384	408,887	922,195	449,193	33,109
Totals	12,849,106	761,327	6,597,817	3,469,319	2,020,643

The Fund has the following recurring fair value measurements as of February 28, 2019:

		Fair Value Measurements Using		
Investments by Fair Value Level	Total	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Debt Securities				
U.S. Treasury Obligations	$ 2,606,279	2,606,279	-	-
U.S. Agency Obligations	2,504,452	-	2,504,452	-
Local Government Obligations	5,924,991	-	5,924,991	-
Corporate Bonds	1,813,384	-	1,813,384	-
Equity Securities				
Mutual Funds	13,103,402	13,103,402	-	-
Common Stock	7,958,151	7,958,151	-	-
Total Investments Measured at Fair Value	33,910,659	23,667,832	10,242,827	-

Debt Securities classified in Level 2 of the fair value hierarchy are valued using a matrix pricing technique. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices.

Interest Rate Risk. In accordance with its investment policy, the Fund limits its exposure to interest rate risk by structuring the portfolio to provide liquidity for operating funds and maximizing yields for funds not needed for anticipated cash flow requirements. The investment policy limits the maximum maturity length of investments in the Fund to 20 years from the date of purchase.

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

DEPOSITS AND INVESTMENTS – Continued

Police Pension Fund – Interest Rate Risk, Credit Risk, Custodial Credit Risk and Concentration Risk – Continued

Credit Risk. The Fund's investment policy helps limit its exposure to credit risk by primarily investing in obligations guaranteed by the United States Government or securities issued by agencies of the United States Government that are explicitly or implicitly guaranteed by the United States Government. The U.S. Agency Obligations ratings are not available, while the local government obligations reported ratings of AA or were not rated, and the corporate bonds reported ratings ranging from BBB- to AAA.

Concentration Risk. At year-end, the Fund also has $13,103,402 invested in mutual funds and $7,958,151 invested in common stock. At year-end, the Fund has no investments over 5 percent of net plan position available for retirement benefits (other than investments issued or explicitly guaranteed by the U.S. government and investments in mutual funds, external investment pools, and other pooled investments). Per the investment policy, the Fund's investment portfolio shall not exceed the following diversification limits:

- Not more than 10% of the Fund monies shall be invested in any one financial institution (excluding Illinois Funds and U.S. treasury securities held in safekeeping by an authorized custodian).
- Funds deposited at a financial institution shall not exceed 5% of the capital stock and surplus of that institution.
- Investments are allowed in mutual funds that have at least $250 million in assets and have been in operations for at least 5 years.
- Equities purchased must be of domestic based corporations in existence for at least 5 years, not in arrears of dividends for the past 5 years, and listed on a national exchange.
- Total investments in separate accounts, mutual funds, and direct equity investments shall not exceed 45% of the market value of the Fund's total assets (evaluated on an annual basis).

The Fund's investment policy in accordance with Illinois Compiled Statutes (ILCS) establishes the following target allocation across asset classes:

Asset Class	Target	Long-Term Expected Real Rate of Return
Fixed Income	35%-65%	7.37%
Equity	35%-65%	11.83%
Cash and Cash Equivalents	0%	0.00%

Illinois Compiled Statutes (ILCS) limit the Fund's investments in equities, mutual funds and variable annuities to 65%. Securities in any one company should not exceed 10% of the total fund.

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

DEPOSITS AND INVESTMENTS – Continued

Police Pension Fund – Interest Rate Risk, Credit Risk, Custodial Credit Risk and Concentration Risk – Continued

Concentration Risk – Continued. The long-term expected rate of return on the Fund's investments was determined using an asset allocation study conducted by the Fund's investment management consultant in March 2018 in which best-estimate ranges of expected future real rates of return (net of pension plan investment expense and inflation) were developed for each major asset class. These ranges were combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding the expected inflation. Best estimates or arithmetic real rates of return for each major asset class included in the Fund's target asset allocation as of February 28, 2019 are listed in the table above.

Custodial Credit Risk. The Fund's investment policy does not require pledging of collateral for all bank balances in excess of federal depository insurance, since flow-through FDIC insurance is available for the Fund's deposits with financial institutions. For investments, the Fund's investment policy limits its exposure to custodial credit risk by requiring that all security transactions that are exposed to custodial credit risk be processed on a delivery versus payment (DVP) basis with the underlying investments held by a third party acting as the Fund's agent separate from where the investment was purchased in the Fund's name. Furthermore, the Fund's investment in U.S. Treasury and Agency securities as well as local government obligations are categorized as insured, registered, or held by the Fund or its agent in the Fund's name.

Rate of Return

For the year ended February 28, 2019, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 1.20%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Firefighters' Pension Fund – Interest Rate Risk, Credit Risk, Custodial Credit Risk and Concentration Risk

Deposits. At year-end, the carrying amount of the Fund's deposits totaled $10,000 and the bank balances totaled $10,000.

Custodial Credit Risk. The Fund's investment policy does not require pledging of collateral for all bank balances in excess of federal depository insurance, since flow-through FDIC insurance is available for the Fund's deposits with financial institutions. For investments, the Fund's investment policy limits its exposure to custodial credit risk by requiring that all security transactions that are exposed to custodial credit risk be processed on a delivery versus payment (DVP) basis with the underlying investments held by a third party acting as the Fund's agent separate from where the investment was purchased in the Fund's name.

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

DEPOSITS AND INVESTMENTS – Continued

Firefighters' Pension Fund – Interest Rate Risk, Credit Risk, Custodial Credit Risk and Concentration Risk – Continued

Credit Risk. The Fund's investment policy helps limit its exposure to credit risk by primarily investing in obligations guaranteed by the United States Government or securities issued by agencies of the United States Government that are explicitly or implicitly guaranteed by the United States Government.

Concentration Risk. The Fund is a "wasting fund" in that no contributions are being made to the Fund and there are no active participants, only inactive participants or spouses of deceased participants. As such, investments are restricted to include only obligations guaranteed by the United States Government or securities issued by agencies of the United States Government that are explicitly or implicitly guaranteed by the United States Government, U.S. Government money market funds, or certificates of deposit insured by the FDIC. At year-end, the Fund has no investments over 5 percent of net plan position available for retirement benefits (other than investments issued or explicitly guaranteed by the U.S. government and investments in mutual funds, external investment pools, and other pooled investments).

The Fund's investment policy in accordance with Illinois Compiled Statutes (ILCS) establishes the following target allocation across asset classes:

Asset Class	Target	Long-Term Expected Real Rate of Return
Cash and Cash Equivalents	100%	0.00%

Since the Fund has no active members there is no long-term expected rate of return for any asset class besides cash and cash equivalents.

The long-term expected rate of return on the Fund's investments was determined using an asset allocation study conducted by the Fund's investment management consultant in March 2018 in which best-estimate ranges of expected future real rates of return (net of pension plan investment expense and inflation) were developed for each major asset class. These ranges were combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding the expected inflation. Best estimates or arithmetic real rates of return for each major asset class included in the Fund's target asset allocation as of February 28, 2019 are listed in the table above.

Rate of Return

For the year ended February 28, 2019, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 2.40%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

PROPERTY TAXES

Property taxes for 2018 attach as an enforceable lien on January 1, 2017, on property values assessed as of the same date. Taxes are levied by December of the subsequent fiscal year (by passage of a Tax Levy Ordinance). Tax bills are prepared by the County and are payable in two installments, on or about March 1, 2019, and September 1, 2019. The County collects such taxes and remits them periodically.

CAPITAL ASSETS

Governmental Activities

Governmental capital asset activity for the year was as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
Nondepreciable Capital Assets				
Land	$ 4,554,971	-	-	4,554,971
Land Right of Way	40,168,599	-	-	40,168,599
Construction in Progress	-	165,649	-	165,649
	44,723,570	165,649	-	44,889,219
Depreciable Capital Assets				
Buildings and Improvements	9,227,205	77,034	-	9,304,239
Vehicles	5,586,435	122,950	482,320	5,227,065
Machinery and Equipment	1,856,831	88,896	-	1,945,727
Infrastructure	54,013,659	900,643	-	54,914,302
	70,684,130	1,189,523	482,320	71,391,333
Less Accumulated Depreciation				
Buildings and Improvements	2,802,495	186,685	-	2,989,180
Vehicles	3,649,135	399,316	454,102	3,594,349
Machinery and Equipment	821,829	150,117	-	971,946
Infrastructure	23,729,867	1,162,775	-	24,892,642
	31,003,326	1,898,893	454,102	32,448,117
Total Net Depreciable Capital Assets	39,680,804	(709,370)	28,218	38,943,216
Total Net Capital Assets	84,404,374	(543,721)	28,218	83,832,435

Depreciation expense was charged to governmental activities as follows:

Administration and Finance	$ 96,995
Public Safety	282,011
Public Works	1,519,887
Total	1,898,893

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

CAPITAL ASSETS – Continued

Business-Type Activities

Business-type capital asset activity for the year was as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
Nondepreciable Capital Assets				
Land	$ 933,090	-	-	933,090
Depreciable Capital Assets				
Buildings and Improvements	1,094,810	30,227	-	1,125,037
Machinery and Equipment	1,683,793	353,067	61,146	1,975,714
Water Transmission System	7,775,821	167,177	-	7,942,998
Golf Course Improvements	1,932,539	196,966	-	2,129,505
	12,486,963	747,437	61,146	13,173,254
Less Accumulated Depreciation				
Buildings and Improvements	556,876	17,552	-	574,428
Machinery and Equipment	1,251,826	86,865	54,886	1,283,805
Water Transmission System	3,698,479	92,943	-	3,791,422
Golf Course Improvements	585,109	75,973	-	661,082
	6,092,290	273,333	54,886	6,310,737
Total Net Depreciable Capital Assets	6,394,673	474,104	6,260	6,862,517
Total Net Capital Assets	7,327,763	474,104	6,260	7,795,607

Depreciation expense was charged to business-type activities as follows:

Water	$ 124,840
Glencoe Golf Club	148,493
Total	273,333

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

INTERFUND ADVANCES

Interfund advances as of the date of this report are as follows:

Receivable Fund	Payable Fund	Amount
General	Glencoe Golf Club	$ 1,822,453

The purpose of the interfund advances is to support the operations of the Glencoe Golf Club. These amounts will be paid over several years.

LONG-TERM DEBT

Component Unit – Public Library Promissory Notes Payable

The Library has an unsecured tax-exempt loan that, together with other funds, was used to finance the renovation and addition to the Library building.

Issue	Fund Debt Retired by	Beginning Balances	Issuances	Retirements	Ending Balances
Note payable ($725,000) dated May 24, 2017 due in monthly installments of $4,417 including interest at 3.50% through June 1, 2024.	Component Unit	$ 706,970	-	48,228	658,742

General Obligation Bonds

The Village issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. General obligation bonds are direct obligations and pledge the full faith and credit of the Village. General obligation bonds currently outstanding are as follows:

Issue	Fund Debt Retired by	Beginning Balances	Issuances	Retirements	Ending Balances
General Obligation Bonds of 2009 due in annual installments of $945,000 to $1,185,000 plus interest at 2.00% to 2.70% through December 15, 2018.	Obligation Bonds	$ 1,185,000	-	1,185,000	-
General Obligation Bonds of 2012A due in annual installments of $860,000 to $1,055,000 plus interest at 2.00% to 2.50% through December 15, 2027.	General Obligation Bonds	8,550,000	-	-	8,550,000

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

LONG-TERM DEBT – Continued

General Obligation Bonds – Continued

Issue	Fund Debt Retired by	Beginning Balances	Issuances	Retirements	Ending Balances
General Obligation Bonds of 2015A due in annual installments of $425,000 to $715,000 plus interest at 3.00% to 3.50% through December 15, 2034.	General Obligation Bonds	$ 5,000,000	-	-	5,000,000
General Obligation Bonds of 2016B due in annual installments of $110,000 to $525,000 plus interest at 2.00% through December 15, 2027.	General Obligation Bonds	4,555,000	-	470,000	4,085,000
		19,290,000	-	1,655,000	17,635,000

Illinois Environmental Protection Agency (IEPA) Loan Payable

The Village has entered into loan agreements with the IEPA to provide low interest financing for water improvements. As of the date of this report the total amount owed to the IEPA is $2,445,237 including interest during construction. IEPA loans currently outstanding are as follows:

Issue	Fund Debt Retired by	Beginning Balances	Issuances	Retirements	Ending Balances
IEPA Loan of 2011 due in semi-annual installments of $68,490 to $86,788 plus interest at 1.25% through November 1, 2032.	Water	$ 2,382,178	-	145,335	2,236,843

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

LONG-TERM DEBT – Continued

Long-Term Liability Activity

Changes in long-term liabilities during the fiscal year were as follows:

Type of Debt	Beginning Balances	Additions	Deductions	Ending Balances	Amounts Due within One Year
Governmental Activities					
Compensated Absences	$ 599,976	53,290	26,645	626,621	125,324
Net Pension Liability - IMRF	553,906	3,448,470	-	4,002,376	-
Net Pension Liability - Police	22,597,720	2,335,214	-	24,932,934	-
Net Pension Liability - Fire	417,418	80,743	-	498,161	-
Total OPEB Liability - RBP	1,777,760	-	40,315	1,737,445	-
General Obligation Bonds	19,290,000	-	1,655,000	17,635,000	1,335,000
	45,236,780	5,917,717	1,721,960	49,432,537	1,460,324
Business-Type Activities					
Compensated Absences	130,493	29,742	59,484	100,751	20,150
Net Pension Liability - IMRF	198,527	1,402,581	-	1,601,108	-
Total OPEB Liability - RBP	369,864	-	23,819	346,045	-
IEPA Loan Payable	2,382,178	-	145,335	2,236,843	147,158
	3,081,062	1,432,323	228,638	4,284,747	167,308
Component Unit - Public Library					
Net Pension Liability - IMRF	100,066	763,636	-	863,702	-
Total OPEB Liability - RBP	232,767	11,680	-	244,447	-
Promissory Note Payable	706,970	-	48,228	658,742	30,429
	1,039,803	775,316	48,228	1,766,891	30,429

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

LONG-TERM DEBT – Continued

Long-Term Liability Activity – Continued

For governmental activities, the compensated absences are liquidated by the General Fund. Payments on the net pension liabilities and the total OPEB liability are made by the General Fund. Additionally, the General Obligation Bonds Fund makes payments on the general obligation bonds. Payments on the compensated absences, the net pension liability, and the total OPEB liability for business-type activities are made by the Water Fund and the Glencoe Golf Club Fund. The IEPA loan payable is being liquidated by the Water Fund.

Debt Service Requirements to Maturity

The annual debt service requirements to maturity, including principal and interest, are as follows:

Fiscal Year	Governmental Activities General Obligation Bonds Principal	Interest	Business-Type Activities IEPA Loan Principal	Interest	Component Unit Promissory Note Payable Principal	Interest
2020	$ 1,335,000	425,400	147,158	27,502	30,429	22,571
2021	1,360,000	398,700	149,003	25,657	31,511	21,489
2022	1,385,000	371,500	150,871	23,788	32,632	20,368
2023	1,410,000	343,800	152,763	21,896	33,793	19,207
2024	1,445,000	315,600	154,679	19,982	34,995	18,005
2025	1,475,000	285,518	156,618	18,042	495,382	5,727
2026	1,510,000	254,806	158,582	16,078	-	-
2027	1,550,000	222,119	160,570	14,090	-	-
2028	1,590,000	187,276	162,584	12,076	-	-
2029	595,000	145,950	164,623	10,037	-	-
2030	615,000	128,100	166,687	7,973	-	-
2031	635,000	109,650	168,776	5,883	-	-
2032	655,000	90,600	170,893	3,767	-	-
2033	670,000	70,950	173,036	1,623	-	-
2034	690,000	49,175	-	-	-	-
2035	715,000	25,025	-	-	-	-
Totals	17,635,000	3,424,169	2,236,843	208,394	658,742	107,367

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

LONG-TERM DEBT – Continued

Legal Debt Margin

Chapter 65, Section 5/8-5-1 of the Illinois Compiled Statutes provides, "…no municipality having a population of less than 500,000 shall become indebted in any manner or for any purpose, to an amount, including existing indebtedness in the aggregate exceeding 8.625% on the value of the taxable property therein, to be ascertained by the last assessment for state and county purposes, previous to the incurring of the indebtedness or, until January 1, 1983, if greater, the sum that is produced by multiplying the municipality's 1978 equalized assessed valuation by the debt limitation percentage in effect on January 1, 1979." However, the Village is a special charter community and has the authority to issue bonds in an amount that does not exceed 10% of the assessed valuation of the property within the limits of the Village.

Assessed Valuation - 2017	$ 966,118,531
Legal Debt Limit - 10.00% of Assessed Value	96,611,853
Amount of Debt Applicable to Limit	
General Obligation Bonds of 2012A	8,550,000
General Obligation Bonds of 2015A	5,000,000
General Obligation Bonds of 2016B	4,085,000
	17,635,000
Legal Debt Margin	78,976,853

Non-Commitment Debt

Special Service Area Bonds

Special service area bonds outstanding as of the date of this report totaled $224,903. These bonds are not an obligation of the government and are secured by the levy of an annual tax on the real property within the special service area. The government is in no way liable for repayment but is only acting as agent for the property owners in levying and collecting the tax, and forwarding the collections to bondholders. Collection of taxes and payments for special service related debt to be reported in the Agency Fund.

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

FUND BALANCE/NET POSITION – Continued

Fund Balance Classifications

In the governmental funds financial statements, the Village considers restricted amounts to have been spent when an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available. The Village first utilizes committed, then assigned and then unassigned fund balance when an expenditure is incurred for purposes for which all three unrestricted fund balances are available.

Nonspendable Fund Balance. Consists of resources that cannot be spent because they are either: a) not in a spendable form; or b) legally or contractually required to be maintained intact.

Restricted Fund Balance. Consists of resources that are restricted to specific purposes, that is, when constraints placed on the use of resources are either: a) externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or b) imposed by law through constitutional provisions or enabling legislation.

Committed Fund Balance. Consists of resources constrained (issuance of an ordinance) to specific purposes by the government itself, using its highest level of decision-making authority, the Board of Trustees; to be reported as committed, amounts cannot be used for any other purpose unless the government takes the same highest-level action to remove or change the constraint.

Assigned Fund Balance. Consists of amounts that are constrained by the Board of Trustees' intent to be used for specific purposes but are neither restricted nor committed. Intent is expressed by a) the Board of Trustees itself or b) a body or official to which the Board of Trustees has delegated the authority to assign amounts to be used for specific purposes. The Village's highest level of decision-making authority is the Board of Trustees, who is authorized to assign amounts to a specific purpose.

Unassigned Fund Balance. Consists of residual net resources of a fund that has not been restricted, committed, or assigned within the General Fund and deficit fund balances of other governmental funds.

Minimum Fund Balance Policy. The Village's policy manual states that the General Fund should maintain a minimum unassigned fund balance equal to 15% of budgeted operating expenditures, excluding capital expenditures. Furthermore, the General Fund unassigned fund balance should not be less than $2,500,000 as of the end of the fiscal year.

VILLAGE OF GLENCOE, ILLINOIS

Notes to the Financial Statements
February 28, 2019

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

PROPERTY TAXES

Property taxes for 2018 attach as an enforceable lien on January 1, 2017, on property values assessed as of the same date. Taxes are levied by December of the subsequent fiscal year (by passage of a Tax Levy Ordinance). Tax bills are prepared by the County and are payable in two installments, on or about March 1, 2019, and September 1, 2019. The County collects such taxes and remits them periodically.

CAPITAL ASSETS

Governmental Activities

Governmental capital asset activity for the year was as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
Nondepreciable Capital Assets				
Land	$ 4,554,971	-	-	4,554,971
Land Right of Way	40,168,599	-	-	40,168,599
Construction in Progress	-	165,649	-	165,649
	44,723,570	165,649	-	44,889,219
Depreciable Capital Assets				
Buildings and Improvements	9,227,205	77,034	-	9,304,239
Vehicles	5,586,435	122,950	482,320	5,227,065
Machinery and Equipment	1,856,831	88,896	-	1,945,727
Infrastructure	54,013,659	900,643	-	54,914,302
	70,684,130	1,189,523	482,320	71,391,333
Less Accumulated Depreciation				
Buildings and Improvements	2,802,495	186,685	-	2,989,180
Vehicles	3,649,135	399,316	454,102	3,594,349
Machinery and Equipment	821,829	150,117	-	971,946
Infrastructure	23,729,867	1,162,775	-	24,892,642
	31,003,326	1,898,893	454,102	32,448,117
Total Net Depreciable Capital Assets	39,680,804	(709,370)	28,218	38,943,216
Total Net Capital Assets	84,404,374	(543,721)	28,218	83,832,435

Depreciation expense was charged to governmental activities as follows:

Administration and Finance	$ 96,995
Public Safety	282,011
Public Works	1,519,887
Total	1,898,893

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

FUND BALANCE/NET POSITION – Continued

Net Position Classifications

Net investment in capital assets was comprised of the following as of February 28, 2019:

Governmental Activities	
Capital Assets - Net of Accumulated Depreciation	$ 83,832,435
Plus Unspent Bond Proceeds	651,021
Less Capital Related Debt:	
General Obligation Bonds of 2012A	(8,550,000)
General Obligation Bonds of 2015A	(5,000,000)
General Obligation Bonds of 2016B	(4,085,000)
Net Investment in Capital Assets	66,848,456
Business-Type Activities	
Capital Assets - Net of Accumulated Depreciation	7,795,607
Less Capital Related Debt:	
IEPA Loan Payable of 2011	(2,236,843)
Net Investment in Capital Assets	5,558,764
Component Unit - Public Library	
Capital Assets - Net of Accumulated Depreciation	2,069,818
Less Capital Related Debt:	
Promissory Note Payable of 2017	(658,742)
Net Investment in Capital Assets	1,411,076

NOTE 4 – OTHER INFORMATION

RISK MANAGEMENT

The Village is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; illnesses of employees; and natural disasters. These risks are covered by commercial insurance purchased from independent third parties and by participating in a public entity risk pool. Settled claims from these risks have not exceeded commercial insurance coverage for the past three fiscal years.

Intergovernmental Risk Management Agency (IRMA)

The Village also participates in the Intergovernmental Risk Management Agency (IRMA). IRMA is an organization of municipalities and special districts in Northeastern Illinois which have formed an association under the Illinois Intergovernmental Cooperations Statute to pool its risk management needs. The agency administers a mix of self-insurance and commercial insurance coverages; property/casualty and workers' compensation claim administration/litigation management services; unemployment claim administration; extensive risk management/loss control consulting and training programs; and a risk information system and financial reporting service for its members.

The Village's payments to IRMA are displayed on the financial statements as expenditures/expenses in appropriate funds. Each member assumes the first $2,500 to $250,000 of each occurrence (depending upon deductible selected), and IRMA has a mix of self-insurance and commercial insurance at various amounts about that level. Since January 1, 2011, the Village has selected a deductible level of $100,000.

Each member appoints one delegate, along with an alternate delegate, to represent the member on the Board of Directors. The Village does not exercise any control over the activities of the Agency beyond its representation on the Board of Directors.

Initial contributions are determined each year based on the individual member's eligible revenue as defined in the by-laws of IRMA, experience modification factors based on past member loss experience and level of deductible selected. Members have a contractual obligation to fund any deficit of IRMA attributable to a membership year during which they were a member. Supplemental contributions may be required to fund these deficits.

NOTE 4 – OTHER INFORMATION – Continued

CONTINGENT LIABILITIES

Litigation

The Village is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, in the opinion of the Village's attorney, the resolution of these matters will not have a material adverse effect on the financial condition of the Village.

Grants

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the Village expects such amounts, if any, to be immaterial.

Solid Waste Agency of Northern Cook County (SWANCC)

Annual payments to SWANCC are based on estimated tonnage of waste transported to SWANCC. It is assumed that there will be no material changes in deliveries to SWANCC. For 2019 through 2023, the Village estimates it will pay approximately $181,040 annually.

JOINT VENTURES

Solid Waste Agency of Northern Cook County (SWANCC)

The Village is a member of the Solid Waste Agency of Northern Cook County (SWANCC) which consists of twenty-three municipalities. SWANCC is a municipal corporation and public body politic established pursuant to the Constitution Act of the State of Illinois and the Intergovernmental Cooperation Act of the State of Illinois, as amended.

SWANCC is empowered to plan, construct, finance, operate, and maintain a solid waste disposal system to serve its members. SWANCC is governed by a Board of Directors which consists of one appointed representative from each member municipality. Each Director has an equal vote. The officers of SWANCC are appointed by the Board of Directors.

NOTE 4 – OTHER INFORMATION – Continued

JOINT VENTURES – Continued

Solid Waste Agency of Northern Cook County (SWANCC) – Continued

The Board of Directors determines the general policy of SWANCC, makes all appropriations, approves contracts, adopts resolutions providing for the issuance of bonds or notes by SWANCC, adopts by-laws, rules and regulations, and exercises such powers and performs such duties as may be prescribed in the SWANCC agreement or the by-laws. Separate audited financial statements are available at 3 Providence Way, Des Plaines, Illinois 60016.

SWANCC's bonds are revenue obligations. They are limited obligations of SWANCC, with a claim for payment solely from and secured by a pledge of the revenues of the system, and amounts in various funds and accounts established by SWANCC resolutions. SWANCC has no power to levy taxes.

Revenues of the system consist of: (a) all receipts derived from Solid Waste Disposal Contracts or any other contracts for the disposal of waste; (b) all income derived from the investment of monies; and (c) all income, fees, service charges, and all grants, rents, and receipts derived by SWANCC from the ownership and operation of the system. SWANCC covenants to establish fees and charges sufficient to provide revenues to meet all its requirements.

SWANCC has entered into Solid Waste Disposal Contracts with the member municipalities. The Contracts are irrevocable, and may not be terminated or amended, except as provided in the Contract. Each member is obligated, on a "take or pay" basis, to purchase or in any event to pay for a minimum annual cost of the system.

The obligation of the Village to make all payments as required by this Contract is unconditional and irrevocable, without regard to performance or nonperformance by SWANCC of its obligations under this Contract.

The payments required to be made by the Village under this Contract are required to be made solely from revenues to be derived by the Village from the operation of the Municipal Waste System Fund. The Village is not prohibited by the Contract from using any other funds to make the payments required by the Contract. The Contract shall not constitute an indebtedness of the Village within the meaning of nay statutory or constitutional limitation.

In accordance with the joint venture agreement, the Village remitted $124,188 to SWANCC for the year ended February 28, 2019, which is recorded in the Village's General Fund.

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS

The Village contributes to three defined benefit pension plans, the Illinois Municipal Retirement Fund (IMRF), a defined benefit agent multiple-employer public employee retirement system; the Police Pension Plan which is a single-employer pension plan; and, the Firefighters' Pension Plan, which is also a single-employer pension plan. Separate reports are issued for the Police and Firefighters' Pension Plans and may be obtained by writing to the Village at 675 Village Court, Glencoe, Illinois 60022. IMRF issues a publicly available financial report that includes financial statements and required supplementary information for the plan as a whole, but not by individual employer. That report may be obtained online at www.imrf.org. The benefits, benefit levels, employee contributions, and employer contributions are governed by Illinois Compiled Statutes (ILCS) and can only be amended by the Illinois General Assembly.

The aggregate amount of pension expense recognized for the three pension plans is:

IMRF	
Village	$ 807,174
Library	189,375
Police Pension	3,029,681
Firefighters' Pension	156,322
	4,182,552

Illinois Municipal Retirement Fund (IMRF)

Plan Descriptions

Plan Administration. All employees (other than those covered by the Police and Firefighters' Pension Plan) hired in positions that meet or exceed the prescribed annual hourly standard must be enrolled in IMRF as participating members. The plan is accounted for on the economic resources measurement focus and the accrual basis of accounting. Employer and employee contributions are recognized when earned in the year that the contributions are required, benefits and refunds are recognized as an expense and liability when due and payable.

Benefits Provided. IMRF has three benefit plans. The vast majority of IMRF members participate in the Regular Plan (RP). The Sheriff's Law Enforcement Personnel (SLEP) plan is for sheriffs, deputy sheriffs, and selected police chiefs. Counties could adopt the Elected County Official (ECO) plan for officials elected prior to August 8, 2011 (the ECO plan was closed to new participants after that date).

IMRF provides two tiers of pension benefits. Employees hired ***before*** January 1, 2011, are eligible for Tier 1 benefits. Tier 1 employees are vested for pension benefits when they have at least eight years of qualifying service credit. Tier 1 employees who retire at age 55 (at reduced benefits) or after age 60 (at full benefits) with eight years of service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1-2/3% of the final rate of earnings for the first 15 years of service credit,

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Illinois Municipal Retirement Fund (IMRF) – Continued

Plan Descriptions – Continued

Benefits Provided – Continued. plus 2% for each year of service credit after 15 years to a maximum of 75% of their final rate of earnings. Final rate of earnings is the highest total earnings during any consecutive 48 months within the last 10 years of service, divided by 48. Under Tier 1, the pension is increased by 3% of the original amount on January 1 every year after retirement.

Employees hired ***on or after*** January 1, 2011, are eligible for Tier 2 benefits. For Tier 2 employees, pension benefits vest after ten years of service. Participating employees who retire at age 62 (at reduced benefits) or after age 67 (at full benefits) with ten years of service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1-2/3% of the final rate of earnings for the first 15 years of service credit, plus 2% for each year of service credit after 15 years to a maximum of 75% of their final rate of earnings. Final rate of earnings is the highest total earnings during any 96 consecutive months within the last 10 years of service, divided by 96. Under Tier 2, the pension is increased on January 1 every year after retirement, upon reaching age 67, by the *lesser* of:

- 3% of the original pension amount, or
- 1/2 of the increase in the Consumer Price Index of the original pension amount.

Plan Membership. As of December 31, 2018, the measurement date, the following employees were covered by the benefit terms:

Inactive Plan Members Currently Receiving Benefits	115
Inactive Plan Members Entitled to but not yet Receiving Benefits	60
Active Plan Members	91
Total	266 *

* The employees in the above table include the Glencoe Library. A detailed breakdown between the Village and the Library is not available.

Contributions. As set by statute, the Village's Regular Plan Members are required to contribute 4.50% of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. For the year-ended February 28, 2019, the Village's contribution was 11.78% of covered payroll and the Library's contribution was 12.97% of covered payroll.

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Illinois Municipal Retirement Fund (IMRF) – Continued

Plan Descriptions – Continued

Net Pension Liability. The Village's net pension liability was measured as of December 31, 2018. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

Actuarial Assumptions. The total pension liability was determined by an actuarial valuation performed, as of December 31, 2018, using the following actuarial methods and assumptions:

Actuarial Cost Method	Entry Age Normal
Asset Valuation Method	Market
Actuarial Assumptions	
Interest Rate	7.25%
Salary Increases	3.39% to 14.25%
Cost of Living Adjustments	2.50%
Inflation	2.50%

For non-disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Blue Collar Health Annuitant Mortality Table with adjustments to match current IMRF experience. For disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Disabled Retirees Mortality Table applying the same adjustment that were applied for non-disabled lives. For active members, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense, and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return to the target asset allocation percentage and adding expected inflation. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Illinois Municipal Retirement Fund (IMRF) – Continued

Plan Descriptions – Continued

Actuarial Assumptions – Continued.

Asset Class	Target	Long-Term Expected Real Rate of Return
Fixed Income	28.00%	3.00%
Domestic Equities	37.00%	6.85%
International Equities	18.00%	6.75%
Real Estate	9.00%	5.75%
Blended	7.00%	2.65% - 7.35%
Cash and Cash Equivalents	1.00%	2.25%

Discount Rate

The discount rate used to measure the total pension liability was 7.25%, and the discount rate in the prior valuation was 7.50%. The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that Village contributions will be made at rates equal to the difference between the actuarially determined contribution rates and the member rate. Based on those assumptions, the Fund's fiduciary net position was projected to be available to make all project future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all period of projected benefit payments to determine the total pension liability.

Discount Rate Sensitivity

The following is a sensitive analysis of the net pension liability to changes in the discount rate. The table below presents the pension liability of the Village calculated using the discount rate as well as what the Village's net pension liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate:

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Net Pension Liability			
Village	$ 10,629,724	5,603,484	1,434,077
Library	1,638,430	863,702	221,044
Totals	12,268,154	6,467,186	1,655,121

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Illinois Municipal Retirement Fund (IMRF) – Continued

Changes in the Net Pension Liability

	Village	Library	Totals
Total Pension Liability			
Service Cost	$ 566,368	87,298	653,666
Interest	2,848,865	455,025	3,303,890
Differences Between Expected and Actual Experience	(589,594)	(90,878)	(680,472)
Change of Assumptions	1,114,378	171,767	1,286,145
Benefit Payments, Including Refunds of Member Contributions	(2,090,900)	(322,284)	(2,413,184)
Net Change in Total Pension Liability	1,849,117	300,928	2,150,045
Total Pension Liability - Beginning	39,403,730	5,527,897	44,931,627
Total Pension Liability - Ending	41,252,847	5,828,825	47,081,672
Plan Fiduciary Net Position			
Contributions - Employer	699,205	107,773	806,978
Contributions - Members	253,905	39,136	293,041
Net Investment Income	(2,101,741)	(323,955)	(2,425,696)
Benefit Payments, Including Refunds of Member Contributions	(2,090,900)	(322,284)	(2,413,184)
Other (Net Transfer)	237,597	36,622	274,219
Net Change in Plan Fiduciary Net Position	(3,001,934)	(462,708)	(3,464,642)
Plan Net Position - Beginning	38,651,297	5,427,831	44,079,128
Plan Net Position - Ending	35,649,363	4,965,123	40,614,486
Employer's Net Pension Liability	5,603,484	863,702	6,467,186

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Illinois Municipal Retirement Fund (IMRF) – Continued

Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions

For the year ended February 28, 2019, the Village recognized pension expense of $807,174 and the Library recognized pension expense of $189,375 for a total pension expense of $996,549. At February 28, 2019, the Village reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Village		Library		
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources	Totals
Difference Between Expected and Actual Experience	$ 140,880	(408,587)	21,715	(62,978)	(308,970)
Change in Assumptions	772,261	(568,954)	119,034	(87,697)	234,644
Net Difference Between Projected and Actual	2,370,865	-	365,436	-	2,736,301
Total Pension Expense to be Recognized in Future Periods	3,284,006	(977,541)	506,185	(150,675)	2,661,975
Pension Contributions Made Subsequent to the Measurement Date	90,852	-	14,004	-	104,856
Total Deferred Amounts Related to IMRF	3,374,858	(977,541)	520,189	(150,675)	2,766,831

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense in future periods as follows:

Fiscal	Net Deferred Outflows of Resources		
Year	Village	Library	Totals
2020	$ 667,400	102,871	770,271
2021	327,115	50,420	377,535
2022	325,468	50,167	375,635
2023	986,482	152,052	1,138,534
2024	-	-	-
Thereafter	-	-	-
Totals	2,306,465	355,510	2,661,975

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Police Pension Plan

Plan Descriptions

Plan Administration. The Police Pension Plan is a single-employer defined benefit pension plan that covers all sworn police personnel. The defined benefits and employee and minimum employer contribution levels are governed by Illinois Compiled Statutes (40 ILCS 5/3-1) and may be amended only by the Illinois legislature. The Village accounts for the Fund as a pension trust fund. The Fund is governed by a five-member pension board. Two members of the Board are appointed by the Village President, one member is elected by pension beneficiaries and two members are elected by active police employees.

Plan Membership. At February 28, 2019, the measurement date, membership consisted of the following:

Inactive Plan Members Currently Receiving Benefits	37
Inactive Plan Members Entitled to but not yet Receiving Benefits	2
Active Plan Members	35
Total	74

Benefits Provided. The following is a summary of the Police Pension Plan as provided for in Illinois State Statutes.

The Police Pension Plan provides retirement benefits through two tiers of benefits as well as death and disability benefits. Covered employees hired before January 1, 2011 (Tier 1), attaining the age of 50 or older with 20 or more years of creditable service are entitled to receive an annual retirement benefit of ½ of the salary attached to the rank held on the last day of service, or for one year prior to the last day, whichever is greater. The annual benefit shall be increased by 2.5 percent of such salary for each additional year of service over 20 years up to 30 years, to a maximum of 75 percent of such salary. Employees with at least eight years but less than 20 years of credited service may retire at or after age 60 and receive a reduced benefit. The monthly benefit of a police officer who retired with 20 or more years of service after January 1, 1977 shall be increased annually, following the first anniversary date of retirement and be paid upon reaching the age of at least 55 years, by 3 percent of the original pension and 3 percent compounded annually thereafter.

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Police Pension Plan – Continued

Plan Descriptions – Continued

Benefits Provided – Continued. Covered employees hired on or after January 1, 2011 (Tier 2), attaining the age of 55 or older with 10 or more years of creditable service are entitled to receive an annual retirement benefit equal to the average monthly salary obtained by dividing the total salary of the police officer during the 96 consecutive months of service within the last 120 months of service in which the total salary was the highest by the number of months of service in that period. Police officer salary for the pension purposes is capped at $106,800, plus the lesser of ½ of the annual change in the Consumer Price Index or 3 percent compounded ($114,952 in calendar year 2019). The annual benefit shall be increased by 2.5 percent of such a salary for each additional year of service over 20 years up to 30 years to a maximum of 75 percent of such salary. Employees with at least 10 years may retire at or after age 50 and receive a reduced benefit (i.e., ½ percent for each month under 55). The monthly benefit of a Tier 2 police officer shall be increased annually at age 60 on the January 1st after the police officer retires, or the first anniversary of the pension starting date, whichever is later. Noncompounding increases occur annually, each January thereafter. The increase is the lesser of 3 percent or ½ of the change in the Consumer Price Index for the proceeding calendar year.

Contributions. Covered employees are required to contribute 9.91% of their base salary to the Police Pension Plan. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without accumulated interest. The Village is required to contribute the remaining amounts necessary to finance the plan and the administrative costs as actuarially determined by an enrolled actuary. However, effective January 1, 2011, ILCS requires the Village to contribute a minimum amount annually calculated using the projected unit credit actuarial cost method that will result in the funding of 90% of the past service cost by the year 2040. For the year-ended February 28, 2019, the Village's contribution was 48.10% of covered payroll.

Concentrations. At year-end, the Pension Plan does not have any investments over 5 percent of net plan position available for retirement benefits (other than investments issued or explicitly guaranteed by the U.S. government and investments in mutual funds, external investment pools, and other pooled investments).

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Police Pension Plan – Continued

Actuarial Assumptions

The total pension liability was determined by an actuarial valuation performed, as of February 28, 2019, using the following actuarial methods and assumptions:

Actuarial Cost Method	Entry Age Normal
Asset Valuation Method	Market
Actuarial Assumptions	
Interest Rate	6.50%
Salary Increases	3.50% to 11.00%
Cost of Living Adjustments	2.50%
Inflation	2.50%

Mortality rates were based on the RP-2014 Mortality Table (BCHA) projected to 2017 using improvement scale MP-2016. The other non-economic actuarial assumptions used in the February 28, 2019 valuation were based on the results of an actuarial experience study conducted by the Illinois Department of Insurance (GRS) in 2017.

Discount Rate

The discount rate used to measure the total pension liability was 6.50% the same as the prior year. The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that Village contributions will be made at rates equal to the difference between the actuarially determined contribution rates and the member rate. Based on those assumptions, the Fund's fiduciary net position was projected to be available to make all project future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all period of projected benefit payments to determine the total pension liability.

VILLAGE OF GLENCOE, ILLINOIS

Notes to the Financial Statements
February 28, 2019

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Police Pension Plan – Continued

Discount Rate Sensitivity

The following is a sensitive analysis of the net pension liability to changes in the discount rate. The table below presents the pension liability of the Village calculated using the discount rate as well as what the Village's net pension liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate:

	1% Decrease (5.50%)	Current Discount Rate (6.50%)	1% Increase (7.50%)
Net Pension Liability	$ 33,438,789	24,932,934	17,984,969

Changes in the Net Pension Liability

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability (A) - (B)
Balances at February 28, 2018	$ 58,461,463	35,863,743	22,597,720
Changes for the Year:			
Service Cost	874,723	-	874,723
Interest on the Total Pension Liability	3,766,664	-	3,766,664
Difference Between Expected and Actual Experience of the Total Pension Liability	(2,196,512)	-	(2,196,512)
Changes of Assumptions	2,403,214	-	2,403,214
Contributions - Employer	-	1,793,151	(1,793,151)
Contributions - Employees	-	403,604	(403,604)
Net Investment Income	-	343,167	(343,167)
Benefit Payments, including Refunds of Employee Contributions	(2,775,011)	(2,775,011)	-
Administrative Expense	-	(27,047)	27,047
Net Changes	2,073,078	(262,136)	2,335,214
Balances at February 28, 2019	60,534,541	35,601,607	24,932,934

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Police Pension Plan – Continued

Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions

For the year ended February 28, 2019, the Village recognized pension expense of $3,029,481. At February 28, 2019, the Village reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Totals
Difference Between Expected and Actual Experience	$ 457,884	(1,996,358)	(1,538,474)
Change in Assumptions	2,684,911	(667,830)	2,017,081
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	889,812	-	889,812
Total Deferred Amounts Related to Police Pension	4,032,607	(2,664,188)	1,368,419

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense in future periods as follows:

Fiscal Year	Net Deferred Outflows/ (Inflows) of Resources
2020	$ 821,729
2021	(249,026)
2022	290,343
2023	470,922
2024	34,451
Thereafter	-
Total	1,368,419

VILLAGE OF GLENCOE, ILLINOIS

Notes to the Financial Statements
February 28, 2019

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Firefighters' Pension Plan

Plan Descriptions – Continued

Plan Administration. The Firefighters' Pension Plan is a single-employer defined benefit pension plan that covers all sworn firefighter personnel. The defined benefits and employee and minimum employer contribution levels are governed by Illinois Compiled Statutes (40 ILCS 5/4-1) and may be amended only by the Illinois legislature. The Village accounts for the Fund as a pension trust fund. The Fund is governed by a five-member pension board. Two members of the Board are appointed by the Village President, one member is elected by pension beneficiaries and two members are elected by active fire employees.

Plan Membership. At February 28, 2019, the measurement date, membership consisted of the following:

Inactive Plan Members Currently Receiving Benefits	1
Inactive Plan Members Entitled to but not yet Receiving Benefits	-
Active Plan Members	-
Total	1

Benefits Provided. The following is a summary of the Firefighters' Pension Plan as provided for in Illinois State Statutes.

The Firefighters' Pension Plan provides retirement benefits through two tiers of benefits as well as death and disability benefits. Covered employees hired before January 1, 2011 (Tier 1), attaining the age of 50 or older with 20 or more years of creditable service are entitled to receive an annual retirement benefit of ½ of the salary attached to the rank held on the last day of service, or for one year prior to the last day, whichever is greater. The annual benefit shall be increased by 2.5 percent of such salary for each additional year of service over 20 years up to 30 years, to a maximum of 75 percent of such salary. Employees with at least eight years but less than 20 years of credited service may retire at or after age 60 and receive a reduced benefit. The monthly benefit of a firefighter who retired with 20 or more years of service after January 1, 1977 shall be increased annually, following the first anniversary date of retirement and be paid upon reaching the age of at least 55 years, by 3 percent of the original pension and 3 percent compounded annually thereafter.

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Firefighters' Pension Plan – Continued

Plan Descriptions – Continued

Benefits Provided – Continued. Covered employees hired on or after January 1, 2011 (Tier 2), attaining the age of 55 or older with 10 or more years of creditable service are entitled to receive an annual retirement benefit equal to the average monthly salary obtained by dividing the total salary of the firefighter during the 96 consecutive months of service within the last 120 months of service in which the total salary was the highest by the number of months of service in that period. Firefighters' salary for the pension purposes is capped at $106,800, plus the lesser of ½ of the annual change in the Consumer Price Index or 3 percent compounded ($114,952 in calendar year 2019). The annual benefit shall be increased by 2.5 percent of such a salary for each additional year of service over 20 years up to 30 years to a maximum of 75 percent of such salary. Employees with at least 10 years may retire at or after age 50 and receive a reduced benefit (i.e., ½ percent for each month under 55). The monthly benefit of a Tier 2 firefighter shall be increased annually at age 60 on the January 1st after the firefighter retires, or the first anniversary of the pension starting date, whichever is later. Noncompounding increases occur annually, each January thereafter. The increase is the lesser of 3 percent or ½ of the change in the Consumer Price Index for the proceeding calendar year.

Contributions. Covered employees are required to contribute 9.455% of their base salary to the Firefighters' Pension Plan. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without accumulated interest. The Village is required to contribute the remaining amounts necessary to finance the plan and the administrative costs as actuarially determined by an enrolled actuary. However, effective January 1, 2011, ILCS requires the Village to contribute a minimum amount annually calculated using the projected unit credit actuarial cost method that will result in the funding of 90% of the past service cost by the year 2040. For the year-ended February 28, 2019, the Village did not have any covered payroll and made $46,838 in contributions to the Firefighters' Pension Plan.

Concentrations. At year-end, the Pension Plan does not have any investments over 5 percent of net plan position available for retirement benefits (other than investments issued or explicitly guaranteed by the U.S. government and investments in mutual funds, external investment pools, and other pooled investments).

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Firefighters' Pension Plan – Continued

Actuarial Assumptions

The total pension liability was determined by an actuarial valuation performed, as of February 28, 2019, using the following actuarial methods and assumptions:

Actuarial Cost Method	Entry Age Normal
Asset Valuation Method	Market
Actuarial Assumptions	
Interest Rate	0.00%
Salary Increases	0.00%
Cost of Living Adjustments	2.50%
Inflation	2.50%

Mortality rates were based on the RP-2014 Mortality Table (BCHA) projected to 2017 using improvement scale MP-2016. The other non-economic actuarial assumptions used in the February 28, 2019 valuation were based on the results of an actuarial experience study conducted by the Illinois Department of Insurance (GRS) in 2017.

Discount Rate

The discount rate used to measure the total pension liability was 0.0%, the same as the prior valuation. The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that Village contributions will be made at rates equal to the difference between the actuarially determined contribution rates and the member rate. Based on those assumptions, the Fund's fiduciary net position was projected to be available to make all project future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all period of projected benefit payments to determine the total pension liability.

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Firefighters' Pension Plan – Continued

Discount Rate Sensitivity

The following is a sensitive analysis of the net pension liability to changes in the discount rate. The table below presents the pension liability of the Village calculated using the discount rate as well as what the Village's net pension liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate:

	1% Decrease N/A	Current Discount Rate (0.00%)	1% Increase (1.00%)
Net Pension Liability	$ N/A	498,161	466,910

Changes in the Net Pension Liability

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability (A) - (B)
Balances at February 28, 2018	$ 426,190	8,772	417,418
Changes for the Year:			
Service Cost	-	-	-
Interest on the Total Pension Liability	-	-	-
Difference Between Expected and Actual Experience of the Total Pension Liability	127,594	-	127,594
Changes of Assumptions	-	-	-
Contributions - Employer	-	46,838	(46,838)
Contributions - Other	-	-	-
Net Investment Income	-	13	(13)
Benefit Payments, including Refunds of Employee Contributions	(47,121)	(47,121)	-
Administrative Expense	-	-	-
Net Changes	80,473	(270)	80,743
Balances at February 28, 2019	506,663	8,502	498,161

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Firefighters' Pension Plan – Continued

Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions

For the year ended February 28, 2019, the Village recognized pension expense of $156,322. At February 28, 2019, the Village reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Totals
Difference Between Expected and Actual Experience	$ 13,444	-	13,444
Change in Assumptions	47,487	-	47,487
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	33	-	33
Total Deferred Amounts Related to Firefighters' Pension	60,964	-	60,964

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense in future periods as follows:

Fiscal Year	Net Deferred Outflows/ (Inflows) of Resources
2020	$ 28,722
2021	28,690
2022	3,555
2023	(3)
2024	-
Thereafter	-
Total	60,964

NOTE 4 – OTHER INFORMATION – Continued

OTHER POST-EMPLOYMENT BENEFITS

General Information about the OPEB Plan

Plan Description. The Village and the Library's defined benefit OPEB plan, Retiree Benefit Plan (RBP), provides OPEB for all permanent full-time general and public safety employees. RBP is a single-employer defined benefit OPEB plan administered by the Village. Article 11 of the State Compiled Statutes grants the authority to establish and amend the benefit terms and financing requirements to the Village Board. No assets are accumulated in a trust that meets the criteria in paragraph 4 of Statement 75.

Benefits Provided. RBP provides medical benefits for full-time IMRF retirees and their dependent/spouse. Retirees pay the full cost of health insurance continuation at the employer rate until they reach age 65. Dependent/spousal coverage may continue should retiree coverage end due to coverage termination, death, or Medicare eligibility with dependent/spouse using COBRA for up to 18 months after the event., There is no coverage offered to retirees once Medicare eligible, except through COBRA. Retirees are not eligible for vision or life insurance in retirement. There is no dental coverage offered to Retirees once Medicare eligible, except through COBRA.

Plan Membership. As of February 28, 2018, the most recent measurement date, the following employees were covered by the benefit terms:

	Village	Library	Total
Inactive plan members currently receiving benefits	19	3	22
Inactive plan members entitled to but not yet receiving benefits	-	-	-
Active plan members	79	16	95
Total	98	19	117

Total OPEB Liability

The Village and Library's total OPEB liability was measured as of February 28, 2019 and was determined by an actuarial valuation as of that date.

NOTE 4 – OTHER INFORMATION – Continued

OTHER POST-EMPLOYMENT BENEFITS – Continued

Total OPEB Liability – Continued

Actuarial Assumptions and Other Inputs. The total OPEB liability in the February 28, 2018 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.50%
Salary increases	4.00%
Discount rate	3.54%
Healthcare cost trend rates	5.89% in fiscal year 2019 and an ultimate trend rate of 5.00% in 2029.
Retirees' share of benefit-related costs	100% of benefit-related costs

Mortality rates were based on the RP-2014 blue collar base rates projected to 2017 using improvement scale MP-2016.

Change in the Total OPEB Liability

	Village	Library	Toal
Balance at February 28, 2018	$ 2,147,624	232,767	2,380,391
Changes for the year:			
Service cost	36,341	4,264	40,605
Interest on the total pension liability	73,751	8,653	82,404
Changes of assumptions or other inputs	(8,035)	18,261	10,226
Benefit payments	(163,597)	(19,194)	(182,791)
Other Charges	(2,594)	(304)	(2,898)
Net changes	(64,134)	11,680	(52,454)
Balance at February 28, 2019	2,083,490	244,447	2,327,937

NOTE 4 – OTHER INFORMATION – Continued

OTHER POST-EMPLOYMENT BENEFITS – Continued

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate

The following presents the total OPEB liability, calculated using a Single Discount Rate of 3.54%, as well as what the total OPEB liability would be if it were calculated using a Single Discount Rate that is one percentage point lower or one percentage point higher:

	1% Decrease (2.54%)	Current Discount Rate (3.54%)	1% Increase (4.54%)
Village OPEB liability	$ 1,940,280	2,083,490	2,247,966
Library OPEB liability	227,644	244,447	263,744
Total OPEB liability	2,167,924	2,327,937	2,511,710

Sensitivity of the Total OPEB liability to Changes in the Healthcare Cost Trend Rates

The following presents the total OPEB liability, calculated using current Healthcare Trend Rates, as well as what the total OPEB liability would be if it were calculated using a Healthcare Trend Rate that is one percentage point lower or one percentage point higher:

	1% Increase (Varies)	Healthcare Cost Trend Rates (Varies)	1% Decrease (Varies)
Village OPEB liability	$ 2,259,946	2,083,490	1,924,162
Library OPEB liability	265,149	244,447	225,753
Total OPEB liability	2,525,095	2,327,937	2,149,915

NOTE 4 – OTHER INFORMATION – Continued

OTHER POST-EMPLOYMENT BENEFITS – Continued

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended February 28, 2019, the Village recognized OPEB expense of $91,564 and the Library recognized OPEB expense of $10,743. At February 28, 2019, the Village and Library reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Village		Library		
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources	Totals
Difference Between Expected and Actual Experience	$ 70,529	-	8,275	-	78,804
Change in Assumptions	53,880	(233,443)	6,321	(27,389)	(200,631)
Net Difference Between Projected and Actual	-	-	-	-	-
Total Deferred Amounts Related to RBP	124,409	(233,443)	14,596	(27,389)	(121,827)

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Fiscal Year	Net Deferred Outflows of Resources		
	Village	Library	Totals
2020	$ (18,528)	(2,174)	(20,702)
2021	(18,528)	(2,174)	(20,702)
2022	(18,528)	(2,174)	(20,702)
2023	(18,528)	(2,174)	(20,702)
2024	(18,528)	(2,174)	(20,702)
Thereafter	(16,394)	(1,923)	(18,317)
Totals	(109,034)	(12,793)	(121,827)

REQUIRED SUPPLEMENTARY INFORMATION

Required supplementary information includes financial information and disclosures that are required by the GASB but are not considered a part of the basic financial statements. Such information includes:

- Schedule of Employer Contributions
  - Illinois Municipal Retirement Fund
  - Police Pension Fund
  - Firefighters' Pension Fund
- Schedule of Changes in the Employer's Net Pension Liability
  - Illinois Municipal Retirement Fund
  - Police Pension Fund
  - Firefighters' Pension Fund
- Schedule of Investment Returns
  - Police Pension Fund
  - Firefighters' Pension Fund
- Schedule of Changes in the Employer's Total OPEB Liability
  - Other Post-Employment Benefit Plan
- Budgetary Comparison Schedules
  - General Fund
  - Garbage - Special Revenue Fund

Notes to the Required Supplementary Information

Budgetary Information – Budgets are adopted on a basis consistent with generally accepted accounting principles.

VILLAGE OF GLENCOE, ILLINOIS

Illinois Municipal Retirement Fund

Required Supplementary Information
Schedule of Changes in the Employer's Net Pension Liability
February 28, 2019

See Following Page

VILLAGE OF GLENCOE, ILLINOIS

Illinois Municipal Retirement Fund

Required Supplementary Information
Schedule of Employer Contributions
February 28, 2019

Fiscal Year		Actuarially Determined Contribution	Contributions in Relation to the Actuarially Determined Contribution	Contribution Excess/ (Deficiency)	Covered Payroll	Contributions as a Percentage of Covered Payroll
2016	Total	$ 724,554	$ 724,554	$ -	$ 6,124,719	11.83%
2017		757,070	757,070	-	6,335,320	11.95%
2018		779,599	779,599	-	6,528,560	11.94%
2019	Village	672,916	672,916	-	5,711,196	11.78%
	Library	103,715	114,200	10,485	880,623	12.97%
	Total	776,631	787,116	10,485	6,591,819	11.94%

Notes to the Required Supplementary Information:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level % Pay (Closed)
Remaining Amortization Period	25 Years
Asset Valuation Method	5-Year Smoothed Market
Inflation	2.75%
Salary Increases	3.75% - 14.50%
Investment Rate of Return	7.50%
Retirement Age	See the Notes to the Financial Statements
Mortality	IMFR specific mortality table was used with fully generational projection scale MP-2014 (base year 2012).

Note:
This schedule is intended to show information for ten years. Information for additional years will be displayed as it becomes available.

VILLAGE OF GLENCOE, ILLINOIS

Police Pension Fund

Required Supplementary Information
Schedule of Employer Contributions
February 28, 2019

Fiscal Year	Actuarially Determined Contribution	Contributions in Relation to the Actuarially Determined Contribution	Contribution Excess/ (Deficiency)	Covered Payroll	Contributions as a Percentage of Covered Payroll
2015	$ 1,114,467	$ 1,482,314	$ 367,847	$ 3,298,679	44.94%
2016	1,167,493	1,562,863	395,370	3,395,836	46.02%
2017	1,358,456	1,360,242	1,786	3,403,855	39.96%
2018	1,569,862	1,161,172	(408,690)	3,750,377	30.96%
2019	1,581,311	1,793,351	212,040	3,728,360	48.10%

Notes to the Required Supplementary Information:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level % Pay (Closed)
Remaining Amortization Period	22 Years
Asset Valuation Method	Market value
Inflation	2.50%
Salary Increases	3.50% - 11.00%
Investment Rate of Return	6.75%
Retirement Age	50-70
Mortality	RP 2014 projected to 2017 using improvement scale MP-2016

Note:
This schedule is intended to show information for ten years. Information for additional years will be displayed as it becomes available.

VILLAGE OF GLENCOE, ILLINOIS

Firefighters' Pension Fund

Required Supplementary Information
Schedule of Employer Contributions
February 28, 2019

Fiscal Year	Actuarially Determined Contribution	Contributions in Relation to the Actuarially Determined Contribution	Contribution Excess/ (Deficiency)	Covered Payroll	Contributions as a Percentage of Covered Payroll
2015	$ 38,224	$ 85,136	$ 46,912	$ -	0.00%
2016	38,232	60,207	21,975	-	0.00%
2017	43,048	51,821	8,773	-	0.00%
2018	28,687	46,573	17,886	-	0.00%
2019	18,559	46,838	28,279	-	0.00%

Notes to the Required Supplementary Information:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level % Pay (Closed)
Remaining Amortization Period	22 Years
Asset Valuation Method	Market value
Inflation	2.50%
Salary Increases	0.00%
Investment Rate of Return	0.00%
Retirement Age	50-70
Mortality	RP 2014 projected to 2017 using improvement scale MP-2016

Note:
This schedule is intended to show information for ten years. Information for additional years will be displayed as it becomes available.

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VILLAGE OF GLENCOE, ILLINOIS

Illinois Municipal Retirement Fund

Required Supplementary Information
Schedule of Changes in the Employer's Net Pension Liability
February 28, 2019

	12/31/2015	12/31/16	12/31/17	12/31/2018		
	Totals	Totals	Totals	Village	Library	Totals
Total Pension Liability						
Service Cost	$ 702,405	672,945	674,045	566,368	87,298	653,666
Interest	2,984,215	3,120,224	3,282,874	2,848,865	455,025	3,303,890
Differences Between Expected and Actual Experience	142,372	569,426	186,455	(589,594)	(90,878)	(680,472)
Change of Assumptions	102,700	(159,474)	(1,486,827)	1,114,378	171,767	1,286,145
Benefit Payments, Including Refunds of Member Contributions	(1,893,991)	(2,085,090)	(2,319,096)	(2,090,900)	(322,284)	(2,413,184)
Net Change in Total Pension Liability	2,037,701	2,118,031	337,451	1,849,117	300,928	2,150,045
Total Pension Liability - Beginning	40,438,444	42,476,145	44,594,176	39,403,730	5,527,897	44,931,627
Total Pension Liability - Ending	42,476,145	44,594,176	44,931,627	41,252,847	5,828,825	47,081,672
Plan Fiduciary Net Position						
Contributions - Employer	$ 724,554	757,070	775,083	699,205	107,773	806,978
Contributions - Members	275,612	287,373	292,607	253,905	39,136	293,041
Net Investment Income	188,058	2,547,393	6,917,972	(2,101,741)	(323,955)	(2,425,696)
Benefit Payments, Including Refunds of Member Contributions	(1,893,991)	(2,085,090)	(2,319,096)	(2,090,900)	(322,284)	(2,413,184)
Other (Net Transfer)	(159,107)	518,584	(806,460)	237,597	36,622	274,219
Net Change in Plan Fiduciary Net Position	(864,874)	2,025,330	4,860,106	(3,001,934)	(462,708)	(3,464,642)
Plan Net Position - Beginning	38,058,566	37,193,692	39,219,022	38,651,297	5,427,831	44,079,128
Plan Net Position - Ending	37,193,692	39,219,022	44,079,128	35,649,363	4,965,123	40,614,486
Employer's Net Pension Liability	$ 5,282,453	5,375,154	852,499	5,603,484	863,702	6,467,186
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	87.56%	87.95%	98.10%	86.42%	85.18%	86.26%
Covered Payroll	$ 6,124,719	6,335,320	6,502,477	5,642,343	869,692	6,512,035
Employer's Net Pension Liability as a Percentage of Covered Payroll	86.25%	84.84%	13.11%	99.31%	99.31%	99.31%

Note:
This schedule is intended to show information for ten years. Information for additional years will be displayed as it becomes available.

VILLAGE OF GLENCOE, ILLINOIS

Police Pension Fund

Required Supplementary Information
Schedule of Changes in the Employer's Net Pension Liability
February 28, 2019

	2015	2016	2017	2018	2019
Total Pension Liability					
Service Cost	$ 768,722	824,280	846,836	819,005	874,723
Interest	2,980,948	3,304,601	3,619,375	3,702,214	3,766,664
Differences Between Expected and Actual Experience	(111,871)	(1,331,838)	1,050,686	121,102	(2,196,512)
Change of Assumptions	3,168,019	4,037,694	(1,846,358)	278,147	2,403,214
Benefit Payments, Including Refunds of Member Contributions	(1,952,395)	(2,069,518)	(2,273,321)	(2,613,260)	(2,775,011)
Net Change in Total Pension Liability	4,853,423	4,765,219	1,397,218	2,307,208	2,073,078
Total Pension Liability - Beginning	45,138,395	49,991,818	54,757,037	56,154,255	58,461,463
Total Pension Liability - Ending	49,991,818	54,757,037	56,154,255	58,461,463	60,534,541
Plan Fiduciary Net Position					
Contributions - Employer	$ 1,482,314	1,562,863	1,360,242	1,161,172	1,793,151
Contributions - Members	317,645	340,092	344,071	354,214	403,604
Net Investment Income	2,209,655	(1,758,880)	4,119,725	3,282,482	343,167
Benefit Payments, Including Refunds of Member Contributions	(1,952,395)	(2,069,518)	(2,273,321)	(2,613,260)	(2,775,011)
Administrative Expense	(17,521)	(21,629)	(20,041)	(19,326)	(27,047)
Net Change in Plan Fiduciary Net Position	2,039,698	(1,947,072)	3,530,676	2,165,282	(262,136)
Plan Net Position - Beginning	30,075,159	32,114,857	30,167,785	33,698,461	35,863,743
Plan Net Position - Ending	32,114,857	30,167,785	33,698,461	35,863,743	35,601,607
Employer's Net Pension Liability	$ 17,876,961	24,589,252	22,455,794	22,597,720	24,932,934
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	64.24%	55.09%	60.01%	61.35%	58.81%
Covered Payroll	$ 3,298,679	3,395,836	3,403,855	3,750,377	3,728,360
Employer's Net Pension Liability as a Percentage of Covered Payroll	541.94%	724.10%	659.72%	602.55%	668.74%

Note:
This schedule is intended to show information for ten years. Information for additional years will be displayed as it becomes available.

VILLAGE OF GLENCOE, ILLINOIS

Firefighters' Pension Fund

Required Supplementary Information
Schedule of Changes in the Employer's Net Pension Liability
February 28, 2019

	2015	2016	2017	2018	2019
Total Pension Liability					
Interest	$ 29,216	33,007	21,409	-	-
Differences Between Expected					
and Actual Experience	48,184	(213,816)	14,016	13,065	127,594
Change of Assumptions	58,711	56,799	111,443	4,852	-
Benefit Payments, Including Refunds of Member Contributions	(91,141)	(64,436)	(44,416)	(45,749)	(47,121)
Net Change in Total Pension Liability	44,970	(188,446)	102,452	(27,832)	80,473
Total Pension Liability - Beginning	495,046	540,016	351,570	454,022	426,190
Total Pension Liability - Ending	540,016	351,570	454,022	426,190	506,663
Plan Fiduciary Net Position					
Contributions - Employer	$ 85,136	60,207	49,446	46,573	46,838
Contributions - Other	-	-	2,375	-	-
Net Investment Income	51	39	42	123	227
Benefit Payments, Including Refunds of Member Contributions	(91,141)	(64,436)	(44,416)	(45,749)	(47,121)
Administrative Expense	(1,161)	282	(193)	(196)	(214)
Net Change in Plan Fiduciary Net Position	(7,115)	(3,908)	7,254	751	(270)
Plan Net Position - Beginning	11,790	4,675	767	8,021	8,772
Plan Net Position - Ending	4,675	767	8,021	8,772	8,502
Employer's Net Pension Liability	$ 535,341	350,803	446,001	417,418	498,161
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	0.87%	0.22%	1.77%	2.06%	1.68%
Covered Payroll	$ -	-	-	-	-
Employer's Net Pension Liability as a Percentage of Covered Payroll	0.00%	0.00%	0.00%	0.00%	0.00%

Note:
This schedule is intended to show information for ten years. Information for additional years will be displayed as it becomes available.

VILLAGE OF GLENCOE, ILLINOIS

Police Pension Fund

Required Supplementary Information
Schedule of Investment Returns
February 28, 2019

Fiscal Year	Annual Money-Weighted Rate of Return, Net of Investment Expense
2015	7.60%
2016	(5.24%)
2017	14.20%
2018	10.10%
2019	1.20%

Note:
This schedule is intended to show information for ten years. Information for additional years will be displayed as it becomes available.

VILLAGE OF GLENCOE, ILLINOIS

Firefighters' Pension Fund

Required Supplementary Information
Schedule of Investment Returns
February 28, 2019

Fiscal Year	Annual Money-Weighted Rate of Return, Net of Investment Expense
2015	0.06%
2016	(1.70%)
2017	0.50%
2018	1.30%
2019	2.40%

Note:
This schedule is intended to show information for ten years. Information for additional years will be displayed as it becomes available.

VILLAGE OF GLENCOE, ILLINOIS

Retiree Benefit Plan

Required Supplementary Information
Schedule of Changes in the Employer's Total OPEB Liability
February 28, 2019

	2018	2019		
	Totals	Village	Library	Totals
Total OPEB Liability				
Service Cost	$ 40,095	36,341	4,264	40,605
Interest	90,403	73,751	8,653	82,404
Differences Between Expected and Actual Experience	105,372	-	-	-
Change of Assumptions or Other Inputs	(148,919)	(8,035)	18,261	10,226
Benefit Payments	(179,636)	(163,597)	(19,194)	(182,791)
Other Charges	(127,927)	(2,594)	(304)	(2,898)
Net Change in Total OPEB Liability	(220,612)	(64,134)	11,680	(52,454)
Total OPEB Liability - Beginning	2,601,003	2,147,624	232,767	2,380,391
Total OPEB Liability - Ending	2,380,391	2,083,490	244,447	2,327,937
Covered Payroll	$ 8,041,768	7,197,336	844,432	8,041,768
Total OPEB Liability as a Percentage of Covered Payroll	29.60%	28.95%	28.95%	28.95%

Notes:
This schedule is intended to show information for ten years. Information for additional years will be displayed as it becomes available.

Changes of Benefit Terms. There was no change in the retirees' share of health insurance premiums.

Changes of Assumptions. Changes of assumptions and other inputs reflect the effects of changes in the discount rate each period. The following are the discount rates used in each period:

Fiscal Year	HMO	PPO1 Plan	PPO2 Plan
2020	5.87%	5.87%	5.87%
2021	5.76%	5.76%	5.76%
2022	5.65%	5.65%	5.65%
2023	5.54%	5.54%	5.54%
2024	5.43%	5.43%	5.43%
2025	5.31%	5.31%	5.31%
2026	5.20%	5.20%	5.20%
2027	5.09%	5.09%	5.09%
Ultimate	5.00%	5.00%	5.00%

In 2019, there was no change in the healthcare trend rates from the prior year.

VILLAGE OF GLENCOE, ILLINOIS

General Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended February 28, 2019

	Appropriations		Budget			Budget Variance Over
	Original	Final	Original	Final	Actual	(Under)
REVENUES						
Property taxes	$ -	-	9,621,740	9,734,540	9,657,375	35,635
Other taxes	-	112,800	4,168,844	4,168,844	4,282,394	113,550
Licenses, permits and fees	-	-	1,720,225	1,720,225	1,839,173	118,948
Charges for services	-	-	660,656	660,656	567,222	(93,434)
Fines and forfeitures	-	-	112,000	112,000	132,513	20,513
Interest	-	-	55,243	55,243	213,455	158,212
Miscellaneous	-	12,200	1,098,888	1,111,088	1,249,517	150,629
Total revenues	-	125,000	17,437,596	17,562,596	17,941,649	504,053
EXPENDITURES						
Administration and finance	3,251,002	3,406,553	2,955,456	3,111,006	2,935,230	(175,776)
Public safety	9,842,129	9,748,378	8,947,391	9,065,480	8,554,329	(393,062)
Public works	5,907,407	5,988,407	5,335,870	5,409,170	5,438,961	29,791
Capital outlay	1,657,810	1,640,010	1,541,601	1,523,801	772,802	(750,999)
Total expenditures	20,658,348	20,783,348	18,780,318	19,109,457	17,701,322	(1,290,046)
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(20,658,348)	(20,658,348)	(1,342,722)	(1,546,861)	240,327	1,794,099
OTHER FINANCING SOURCES						
Disposal of capital assets	-	-	100,000	100,000	87,300	(12,700)
NET CHANGE IN FUND BALANCE	(20,658,348)	(20,658,348)	(1,242,722)	(1,446,861)	327,627	1,781,399
FUND BALANCE - BEGINNING					8,680,296	
FUND BALANCE - ENDING					9,007,923	

OTHER SUPPLEMENTARY INFORMATION

Other supplementary information includes financial statements and schedules not required by the GASB, nor a part of the basic financial statements, but are presented for purposes of additional analysis.

Such statements and schedules include:

- Budgetary Comparison Schedules – Major Governmental Funds
  - General Fund
  - General Obligation Bonds – Debt Service Fund
  - Capital Projects Fund
- Budgetary Comparison Schedule – Nonmajor Governmental Fund
  - Motor Fuel Tax – Special Revenue Fund
- Budgetary Comparison Schedules – Enterprise Funds
  - Water
  - Glencoe Golf Club
- Combining Statements – Pension Trust Funds
- Budgetary Comparison Schedules – Pension Trust Funds
  - Police Pension
  - Firefighters’ Pension
- Schedule of Changes in Assets and Liabilities – Agency Fund

COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES

GENERAL FUND

The General Fund is used to account for all financial resources except those required to be accounted for in another fund.

SPECIAL REVENUE FUNDS

The Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than fiduciary funds or capital projects funds) that are legally restricted to expenditure for specified purposes.

Motor Fuel Tax Fund

The Motor Fuel Tax Fund is used to account for the maintenance and construction of streets and roads as approved by the Illinois Department of Transportation.

DEBT SERVICE FUND

The Debt Service Funds are used account for the accumulation of resources for, and the payment of, general long-term debt principal and interest.

General Obligation Bonds Fund

The General Obligation Bonds Fund is used to account for the revenues designated for debt service and payments of principal and interest for the following bond issues: the 2009 General Obligation Bonds, 2012A General Obligation Bonds, 2015A General Obligation Bonds and 2016B General Obligation Bonds.

CAPITAL PROJECTS FUND

The Capital Projects Fund is used to account for the 2012A General Obligation Bond and 2015A General Obligation Bond proceeds used for the construction of various storm sewer construction projects.

COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES

ENTERPRISE FUNDS

Enterprise Funds are used to account for operations that are financed and operated in a manner similar to private business enterprises where the intent is that costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or where it has been decided that periodic determination of revenues earned, expenses incurred and/or net income is appropriate for capital maintenance, public policy, management control, accountability or other purpose.

Water Fund

The Water Fund is used to account for the provisions of water to the residents of the Village. All activities necessary to provide such services are accounting for in this fund, including administration, operations, maintenance, and billing and collection.

Glencoe Golf Club Fund

The Glencoe Golf Club Fund is used to account for the activities of the Glencoe Golf Club. All activities necessary to provide such services are accounted for in this fund, including administration, operations, maintenance, and fee collection.

PENSION TRUST FUNDS

Police Pension Fund

The Police Pension Fund is used to account for the accumulation of resources to be used for retirement annuity payments to employees on the police force at appropriate amounts and times in the future. Resources are contributed by employees at rates fixed by law and by the Village at amounts determined by an annual actuarial study.

Firefighters' Pension Fund

The Firefighters' Pension Fund is used to account for the accumulation of resources to be used for retirement annuity payments to employees on the fire department at appropriate amounts and times in the future. Resources are contributed by employees at rates fixed by law and by the Village at amounts determined by an annual actuarial study.

AGENCY FUNDS

Washington Place Special Service Area Fund

The Washington Place Special Service Area Fund is used to account for the collection and payment of special agency resources which the Village acts as the paying agent.

VILLAGE OF GLENCOE, ILLINOIS

General Fund

Schedule of Revenues - Budget and Actual
For the Fiscal Year Ended February 28, 2019

	Appropriations		Budget			Budget Variance
	Original	Final	Original	Final	Actual	Over (Under)
PROPERTY TAXES	$ -	-	9,621,740	9,734,540	9,657,375	35,635
OTHER TAXES						
Utility tax	-	-	938,000	938,000	949,683	11,683
Sales tax	-	-	2,120,000	2,120,000	2,132,872	12,872
State income tax	-	-	780,144	780,144	832,575	52,431
Personal property replacement tax	-	112,800	89,400	89,400	91,482	2,082
Cable television	-	-	241,300	241,300	221,203	(20,097)
Foreign fire insurance tax	-	-	-	-	54,579	54,579
Total other taxes	-	112,800	4,168,844	4,168,844	4,282,394	113,550
LICENSES, PERMITS AND FEES						
Vehicle licenses	-	-	266,000	266,000	267,680	1,680
Business licenses	-	-	35,000	35,000	33,145	(1,855)
Animal licenses	-	-	21,700	21,700	20,510	(1,190)
Liquor licenses	-	-	24,150	24,150	23,200	(950)
Building and electrical permits	-	-	1,169,650	1,169,650	1,286,922	117,272
Burglar-fire alarm permits	-	-	93,000	93,000	87,955	(5,045)
Impounding fees	-	-	425	425	350	(75)
Parking lot fees and permits	-	-	108,700	108,700	117,162	8,462
Coin box and meter fees	-	-	1,600	1,600	2,249	649
Total licenses, permits and fees	-	-	1,720,225	1,720,225	1,839,173	118,948
CHARGES FOR SERVICES						
Sewer service charge	-	-	530,656	530,656	516,989	(13,667)
Ambulance fees	-	-	130,000	130,000	50,233	(79,767)
Total charges for services	-	-	660,656	660,656	567,222	(93,434)

VILLAGE OF GLENCOE, ILLINOIS

General Fund

Schedule of Revenues - Budget and Actual - Continued
For the Fiscal Year Ended February 28, 2019

	Appropriations		Budget			Budget Variance
	Original	Final	Original	Final	Actual	Over (Under)
FINES AND FORFEITURES						
Court fines	$ -	-	22,000	22,000	24,035	2,035
Other fines	-	-	90,000	90,000	108,478	18,478
Total fines and forfeitures	-	-	112,000	112,000	132,513	20,513
INTEREST	-	-	55,243	55,243	213,455	158,212
MISCELLANEOUS						
Golf club management fees	-	-	45,004	45,004	-	(45,004)
Water management fees	-	-	46,182	46,182	46,182	-
Sundry	-	-	5,000	5,000	11,828	6,828
Other	-	12,200	1,002,702	1,014,902	1,191,507	188,805
Total miscellaneous	-	12,200	1,098,888	1,111,088	1,249,517	150,629
TOTAL REVENUES	-	125,000	17,437,596	17,562,596	17,941,649	504,053

VILLAGE OF GLENCOE, ILLINOIS

General Fund

Schedule of Expenditures - Budget and Actual
For the Fiscal Year Ended February 28, 2019

	Appropriations Original	Appropriations Final	Budget Original	Budget Final	Actual	Budget Variance Over (Under)
ADMINISTRATION AND FINANCE						
General government	$ 790,470	865,120	718,609	793,259	782,754	(10,505)
Legal	232,650	303,651	211,500	282,500	273,350	(9,150)
Health and community service	95,700	95,700	87,000	87,000	88,500	1,500
Special boards service	88,495	88,495	80,450	80,450	20,940	(59,510)
Information Technology	622,459	622,459	565,872	565,872	520,336	(45,536)
Finance	904,504	977,104	822,276	894,876	871,255	(23,621)
Support service	98,581	110,881	89,619	101,919	104,753	2,834
Risk management	418,143	343,143	380,130	305,130	273,342	(31,788)
Total administration and finance	3,251,002	3,406,553	2,955,456	3,111,006	2,935,230	(175,776)
PUBLIC SAFETY						
Fire protection	2,197,639	2,152,088	1,997,854	1,952,303	1,664,903	(287,400)
Police protection	6,608,744	6,560,544	6,007,950	6,171,590	5,891,693	(279,897)
Paramedic service	1,035,746	1,035,746	941,587	941,587	997,733	56,146
Total public safety	9,842,129	9,748,378	8,947,391	9,065,480	8,554,329	(393,062)
PUBLIC WORKS						
Administration	1,113,063	1,134,563	977,375	998,875	1,000,281	1,406
Streets	1,283,945	1,288,945	1,167,223	1,172,223	1,277,066	104,843
Sewers	955,321	963,821	868,474	876,974	910,474	33,500
Forestry	1,059,942	1,074,942	963,584	978,584	946,446	(32,138)
Buildings	149,331	192,631	135,755	179,055	143,003	(36,052)
Street lighting	99,330	99,330	90,300	90,300	99,987	9,687
Parking and traffic control	65,010	65,010	59,100	59,100	42,795	(16,305)
Municipal garage	520,495	528,195	473,177	473,177	475,225	2,048
Community development	379,370	379,370	344,882	344,882	315,594	(29,288)
Solid waste	281,600	261,600	256,000	236,000	228,090	(7,910)
Total public works	5,907,407	5,988,407	5,335,870	5,409,170	5,438,961	29,791
CAPITAL OUTLAY						
Administration and finance	880,000	880,000	800,000	800,000	144,962	(655,038)
Public safety/capital reserve	288,200	300,400	262,001	274,201	267,440	(6,761)
Public works	489,610	459,610	479,600	449,600	360,400	(89,200)
Total capital outlay	1,657,810	1,640,010	1,541,601	1,523,801	772,802	(750,999)
TOTAL EXPENDITURES	20,658,348	20,783,348	18,780,318	19,109,457	17,701,322	(1,290,046)

VILLAGE OF GLENCOE, ILLINOIS

General Obligation Bonds - Debt Service Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended February 28, 2019

	Appropriations Original	Appropriations Final	Budget Original	Budget Final	Actual	Budget Variance Over (Under)
REVENUES						
Property taxes	$ -	-	2,227,885	2,227,885	2,183,343	(44,542)
Interest	-	-	6,106	7,606	20,348	12,742
Total revenues	-	-	2,233,991	2,235,491	2,203,691	(31,800)
EXPENDITURES						
Debt service						
Principal retirement	2,337,748	2,337,748	1,655,000	1,655,000	1,655,000	-
Interest and fiscal charges	-	-	470,225	471,725	469,562	(2,163)
Total expenditures	2,337,748	2,337,748	2,125,225	2,126,725	2,124,562	(2,163)
NET CHANGE IN FUND BALANCE	(2,337,748)	(2,337,748)	108,766	108,766	79,129	(29,637)
FUND BALANCE - BEGINNING					126,770	
FUND BALANCE - ENDING					205,899	

VILLAGE OF GLENCOE, ILLINOIS

Capital Projects Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended February 28, 2019

	Appropriations		Budget			Budget Variance
	Original	Final	Original	Final	Actual	Over (Under)
REVENUES						
Interest	$ -	-	13,250	13,250	47,847	34,597
EXPENDITURES						
Administration and finance	-	-	-	1,530	530	(1,000)
Capital outlay	1,402,500	1,583,500	1,275,000	1,455,000	1,138,749	(316,251)
Total expenditures	1,402,500	1,583,500	1,275,000	1,456,530	1,139,279	(317,251)
NET CHANGE IN FUND BALANCE	(1,402,500)	(1,583,500)	(1,261,750)	(1,443,280)	(1,091,432)	351,848
FUND BALANCE - BEGINNING					1,569,397	
FUND BALANCE - ENDING					477,965	

VILLAGE OF GLENCOE, ILLINOIS

Motor Fuel Tax - Special Revenue Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended February 28, 2019

	Appropriations		Original and Final		Budget Variance
	Original	Final	Budget	Actual	Over (Under)
REVENUES					
Intergovernmental					
Allotments	$ -	-	227,000	222,579	(4,421)
Interest	-	-	1,000	5,351	4,351
Total revenues	-	-	228,000	227,930	(70)
EXPENDITURES					
Public works					
Street maintenance	65,670	65,670	53,668	59,383	5,715
Capital outlay	25,300	25,300	591,700	22,353	(569,347)
Total expenditures	90,970	90,970	645,368	81,736	(563,632)
NET CHANGE IN FUND BALANCE	(90,970)	(90,970)	(417,368)	146,194	563,562
FUND BALANCE - BEGINNING				234,591	
FUND BALANCE - ENDING				380,785	

VILLAGE OF GLENCOE, ILLINOIS

Water - Enterprise Fund

Schedule of Revenues, Expenses and Changes in Net Position - Budget and Actual
For the Fiscal Year Ended February 28, 2019

	Appropriations		Budget			Budget Variance
	Original	Final	Original	Final	Actual	Over (Under)
OPERATING REVENUES						
Charges for services	$ -	-	2,688,500	2,766,900	2,557,873	(209,027)
Miscellaneous	-	78,400	57,600	57,600	259,299	201,699
Total operating revenues	-	78,400	2,746,100	2,824,500	2,817,172	(7,328)
OPERATING EXPENSES						
Operations						
Water production	1,437,629	1,479,129	1,448,435	1,489,335	1,364,565	(124,770)
Water distribution	1,593,279	1,634,179	1,306,935	1,348,435	1,086,936	(261,499)
Total operations	3,030,908	3,113,308	2,755,370	2,837,770	2,451,501	(386,269)
Less: capital assets capitalized	(676,500)	(676,500)	-	-	(409,784)	(409,784)
	2,354,408	2,436,808	2,755,370	2,837,770	2,041,717	(796,053)
Depreciation	-	-	-	-	124,840	124,840
Total operating expenses	2,354,408	2,436,808	2,755,370	2,837,770	2,166,557	(671,213)
OPERATING INCOME (LOSS)	(2,354,408)	(2,358,408)	(9,270)	(13,270)	650,615	663,885
NONOPERATING REVENUES (EXPENSES)						
Interest income	-	4,000	8,900	12,900	16,666	3,766
Interest expense	-	-	-	-	(28,719)	(28,719)
	-	4,000	8,900	12,900	(12,053)	(24,953)
CHANGE IN NET POSITION	(2,354,408)	(2,354,408)	(370)	(370)	638,562	638,932
NET POSITION - BEGINNING					3,511,587	
NET POSITION - ENDING					4,150,149	

VILLAGE OF GLENCOE, ILLINOIS

Glencoe Golf Club - Enterprise Fund

Schedule of Revenues, Expenses and Changes in Net Position - Budget and Actual
For the Fiscal Year Ended February 28, 2019

	Appropriations		Original and Final		Budget Variance
	Original	Final	Budget	Actual	Over (Under)
OPERATING REVENUES					
Charges for services	$ -	-	1,710,520	1,753,084	42,564
Miscellaneous	-	-	-	18,866	18,866
Total operating revenues	-	-	1,710,520	1,771,950	61,430
OPERATING EXPENSES					
Operations	-	-	1,915,462	1,680,399	(235,063)
Less: capital assets capitalized	-	-	-	(265,208)	(265,208)
Total operations	-	-	1,915,462	1,415,191	(500,271)
Depreciation	-	-	-	148,493	148,493
Total operating expenses	-	-	1,915,462	1,563,684	(351,778)
OPERATING INCOME (LOSS)	-	-	(204,942)	208,266	413,208
NONOPERATING REVENUES (EXPENSES)					
Disposal of capital assets	-	-	-	(6,260)	(6,260)
Interest income	-	-	2,469	33,280	30,811
	-	-	2,469	27,020	24,551
CHANGE IN NET POSITION	-	-	(202,473)	235,286	437,759
NET POSITION - BEGINNING				1,168,551	
NET POSITION - ENDING				1,403,837	

VILLAGE OF GLENCOE, ILLINOIS

Pension Trust Funds

Combining Statement of Fiduciary Net Position
February 28, 2019

	Police Pension	Firefighters' Pension	Totals
ASSETS			
Cash and cash equivalents	$ 1,783,358	10,000	1,793,358
Investments			
U.S. treasury obligations	2,606,279	-	2,606,279
U.S. agency obligations	2,504,452	-	2,504,452
Local government obligations	5,924,991	-	5,924,991
Corporate bonds	1,813,384	-	1,813,384
Mutual funds	13,103,402	-	13,103,402
Common Stock	7,958,151	-	7,958,151
Receivables			
Accrued interest	113,687	-	113,687
Other	5,049	-	5,049
Total assets	35,812,753	10,000	35,822,753
LIABILITIES			
Accounts payable	21,128	-	21,128
Due to other governments	190,018	1,498	191,516
Total liabilities	211,146	1,498	212,644
NET POSITION RESTRICTED FOR PENSIONS	35,601,607	8,502	35,610,109

VILLAGE OF GLENCOE, ILLINOIS

Pension Trust Funds

Combining Statement of Changes in Fiduciary Net Position
For the Fiscal Year Ended February 28, 2019

	Police Pension	Firefighters' Pension	Totals
ADDITIONS			
Contributions - employer	$ 1,793,151	46,838	1,839,989
Contributions - plan members	403,604	-	403,604
Total contributions	2,196,755	46,838	2,243,593
Investment income			
Interest earned	1,065,858	227	1,066,085
Net change in fair value	(638,061)	-	(638,061)
	427,797	227	428,024
Less investment expenses	(84,630)	-	(84,630)
Net investment income	343,167	227	343,394
Total additions	2,539,922	47,065	2,586,987
DEDUCTIONS			
Pensions and refunds	2,775,011	47,121	2,822,132
Miscellaneous			
Contractual professional services	27,047	214	27,261
Total deductions	2,802,058	47,335	2,849,393
CHANGE IN FIDUCIARY NET POSITIN	(262,136)	(270)	(262,406)
NET POSITION RESTRICTED FOR PENSIONS			
BEGINNING	35,863,743	8,772	35,872,515
ENDING	35,601,607	8,502	35,610,109

VILLAGE OF GLENCOE, ILLINOIS

Police Pension - Pension Trust Fund

Schedule of Changes in Fiduciary Net Position - Budget and Actual
For the Fiscal Year Ended February 28, 2019

	Appropriations		Budget			Budget Variance
	Original	Final	Original	Final	Actual	Over (Under)
ADDITIONS						
Contributions - employer	$ -	-	1,587,811	1,587,811	1,793,151	205,340
Contributions - plan members	-	-	385,400	385,400	403,604	18,204
Total contributions	-	-	1,973,211	1,973,211	2,196,755	223,544
Investment income						
Interest earned	-	43,400	667,200	710,600	1,065,858	355,258
Net change in fair value	-	-	-	-	(638,061)	(638,061)
	-	43,400	667,200	710,600	427,797	(282,803)
Less investment expenses	-	-	(80,800)	(80,800)	(84,630)	(3,830)
Net investment income	-	43,400	586,400	629,800	343,167	(286,633)
Total additions	-	43,400	2,559,611	2,603,011	2,539,922	(63,089)
DEDUCTIONS						
Pensions and refunds	3,078,513	3,121,913	2,694,948	2,735,848	2,775,011	39,163
Miscellaneous						
Contractual professional services	-	-	22,900	25,400	27,047	1,647
Total deductions	3,078,513	3,121,913	2,717,848	2,761,248	2,802,058	40,810
CHANGE IN FIDUCIARY NET POSITION	(3,078,513)	(3,078,513)	(158,237)	(158,237)	(262,136)	(103,899)
NET POSITION RESTRICTED FOR PENSIONS						
BEGINNING					35,863,743	
ENDING					35,601,607	

VILLAGE OF GLENCOE, ILLINOIS

Firefighters' Pension - Pension Trust Fund

Schedule of Changes in Fiduciary Net Position - Budget and Actual
For the Fiscal Year Ended February 28, 2019

	Appropriations		Original and Final		Budget Variance
	Original	Final	Budget	Actual	Over (Under)
ADDITIONS					
Contributions - employer	$ -	-	46,887	46,838	(49)
Contributions - other	-	-	-	-	-
	-	-	46,887	46,838	(49)
Investment income					
Interest earned	-	-	100	227	127
Net change in fair value	-	-	-	-	-
	-	-	100	227	127
Less investment expenses	-	-	-	-	-
Net investment income	-	-	100	227	127
Total additions	-	-	46,987	47,065	78
DEDUCTIONS					
Pensions and refunds	51,851	51,851	46,887	47,121	234
Miscellaneous					
Contractual professional services	-	-	250	214	(36)
Total deductions	51,851	51,851	47,137	47,335	198
CHANGE IN FIDUCIARY NET POSITION	(51,851)	(51,851)	(150)	(270)	(120)
NET POSITION RESTRICTED FOR PENSIONS					
BEGINNING				8,772	
ENDING				8,502	

VILLAGE OF GLENCOE, ILLINOIS

Washington Place Special Service Area - Agency Fund

Schedule of Changes in Assets and Liabilities
For the Fiscal Year Ended February 28, 2019

	Beginning Balances	Additions	Deductions	Ending Balances
ASSETS				
Cash and Investments	$ (1,954)	2,352	-	398
Due from customers	250,000	-	45,459	204,541
Total Assets	248,046	2,352	45,459	204,939
LIABILITIES				
Due to bondholders	248,046	2,352	45,459	204,939

VILLAGE OF GLENCOE, ILLINOIS

Consolidated Year-End Financial Report
February 28, 2019

CSFA #	Program Name	State	Federal	Other	Total
494-00-1488	Motro Fuel Tax Program	$ 81,736	-	-	81,736
494-42-0495	Local Surface Transportation Program	9,622	-	-	9,622
	Other Grant Programs and Activities	-	-	23,540	23,540
	All Other Costs Not Allocated	-	-	24,858,074	24,858,074
	Totals	91,358	-	24,881,614	24,972,972

SUPPLEMENTAL SCHEDULES

VILLAGE OF GLENCOE, ILLINOIS

Long-Term Debt Requirements

Promissory Note Payable of 2017 - Library Discretely Presented Component Unit
February 28, 2019

Date of Issue	May 24, 2017
Date of Maturity	June 1, 2024
Principal Amount	$725,000
Interest Rate	3.50%
Monthly Installment Date	First Day of Month
Maturity Date	June 1, 2024
Payable to	Wintrust Bank

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal	Requirements		
Year	Principal	Interest	Totals
2020	$ 30,429	22,571	53,000
2021	31,511	21,489	53,000
2022	32,632	20,368	53,000
2023	33,793	19,207	53,000
2024	34,995	18,005	53,000
2025	495,382	5,727	501,109
Totals	658,742	107,367	766,109

VILLAGE OF GLENCOE, ILLINOIS

Long-Term Debt Requirements

General Obligation Bonds of 2012A
February 28, 2019

Date of Issue	November 15, 2012
Date of Maturity	December 15, 2027
Authorized Issue	$8,550,000
Denomination of Bonds	$5,000
Interest Rates	2.00% - 2.50%
Interest Dates	June 15 and December 15
Principal Maturity Date	December 15
Payable at	Bank of New York Mellon

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Tax Levy Year	Requirements Principal	Interest	Totals	Interest Due on Jun. 15	Amount	Dec. 15	Amount
2018	$ 860,000	185,000	1,045,000	2019	92,500	2019	92,500
2019	880,000	167,800	1,047,800	2020	83,900	2020	83,900
2020	900,000	150,200	1,050,200	2021	75,100	2021	75,100
2021	920,000	132,200	1,052,200	2022	66,100	2022	66,100
2022	945,000	113,800	1,058,800	2023	56,900	2023	56,900
2023	970,000	93,718	1,063,718	2024	46,859	2024	46,859
2024	995,000	73,106	1,068,106	2025	36,553	2025	36,553
2025	1,025,000	50,719	1,075,719	2026	25,360	2026	25,359
2026	1,055,000	26,376	1,081,376	2027	13,188	2027	13,188
Totals	8,550,000	992,919	9,542,919		496,460		496,459

VILLAGE OF GLENCOE, ILLINOIS

Long-Term Debt Requirements

General Obligation Bonds of 2015A
February 28, 2019

Date of Issue	July 30, 2015
Date of Maturity	December 15, 2034
Authorized Issue	$5,000,000
Denomination of Bonds	$5,000
Interest Rates	3.00% - 3.50%
Interest Dates	June 15 and December 15
Principal Maturity Date	December 15
Payable at	Zions First National Bank, Salt Lake City

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Tax Levy Year	Requirements Principal	Interest	Totals	Interest Due on Jun. 15	Amount	Dec. 15	Amount
2018	$ -	158,700	158,700	2019	79,350	2019	79,350
2019	-	158,700	158,700	2020	79,350	2020	79,350
2020	-	158,700	158,700	2021	79,350	2021	79,350
2021	-	158,700	158,700	2022	79,350	2022	79,350
2022	-	158,700	158,700	2023	79,350	2023	79,350
2023	-	158,700	158,700	2024	79,350	2024	79,350
2024	-	158,700	158,700	2025	79,350	2025	79,350
2025	-	158,700	158,700	2026	79,350	2026	79,350
2026	425,000	158,700	583,700	2027	79,350	2027	79,350
2027	595,000	145,950	740,950	2028	72,975	2028	72,975
2028	615,000	128,100	743,100	2029	64,050	2029	64,050
2029	635,000	109,650	744,650	2030	54,825	2030	54,825
2030	655,000	90,600	745,600	2031	45,300	2031	45,300
2031	670,000	70,950	740,950	2032	35,475	2032	35,475
2032	690,000	49,175	739,175	2033	24,588	2033	24,587
2033	715,000	25,025	740,025	2034	12,513	2034	12,512
Totals	5,000,000	2,047,750	7,047,750		1,023,876		1,023,874

VILLAGE OF GLENCOE, ILLINOIS

Long-Term Debt Requirements

General Obligation Bonds of 2016B
February 28, 2019

Date of Issue	August 30, 2016
Date of Maturity	December 15, 2027
Authorized Issue	$5,000,000
Denomination of Bonds	$5,000
Interest Rate	2.00%
Interest Dates	June 15 and December 15
Principal Maturity Date	December 15
Payable at	Zions Bank, National Association, Chicago, Illinois

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Tax Levy Year	Requirements			Interest Due on			
	Principal	Interest	Totals	Jun. 15	Amount	Dec. 15	Amount
2018	$ 475,000	81,700	556,700	2019	40,850	2019	40,850
2019	480,000	72,200	552,200	2020	36,100	2020	36,100
2020	485,000	62,600	547,600	2021	31,300	2021	31,300
2021	490,000	52,900	542,900	2022	26,450	2022	26,450
2022	500,000	43,100	543,100	2023	21,550	2023	21,550
2023	505,000	33,100	538,100	2024	16,550	2024	16,550
2024	515,000	23,000	538,000	2025	11,500	2025	11,500
2025	525,000	12,700	537,700	2026	6,350	2026	6,350
2026	110,000	2,200	112,200	2027	1,100	2027	1,100
Totals	4,085,000	383,500	4,468,500		191,750		191,750

VILLAGE OF GLENCOE, ILLINOIS

Long-Term Debt Requirements

IEPA Loan of 2011
February 28, 2019

Date of Issue	September 29, 2011
Date of Maturity	November 1, 2032
Authorized Issue	$3,014,233
Interest Rate	1.25%
Interest Dates	May 1 and November 1
Principal Maturity Date	November 1
Payable at	Illinois Environmental Protection Agency

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Requirements			Interest Due on			
	Principal	Interest	Totals	May 1	Amount	Nov. 1	Amount
2020	$ 147,158	27,502	174,660	2019	13,980	2019	13,522
2021	149,003	25,657	174,660	2020	13,061	2020	12,596
2022	150,871	23,789	174,660	2021	12,129	2021	11,660
2023	152,763	21,897	174,660	2022	11,186	2022	10,711
2024	154,679	19,981	174,660	2023	10,232	2023	9,749
2025	156,618	18,042	174,660	2024	9,265	2024	8,777
2026	158,582	16,078	174,660	2025	8,286	2025	7,792
2027	160,570	14,090	174,660	2026	7,295	2026	6,795
2028	162,584	12,076	174,660	2027	6,291	2027	5,785
2029	164,623	10,037	174,660	2028	5,275	2028	4,762
2030	166,687	7,973	174,660	2029	4,246	2029	3,727
2031	168,776	5,884	174,660	2030	3,204	2030	2,680
2032	170,893	3,767	174,660	2031	2,150	2031	1,617
2033	173,036	1,624	174,660	2032	1,081	2032	543
Totals	2,236,843	208,397	2,445,240		107,681		100,716

STATISTICAL SECTION
(Unaudited)

This part of the comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the Village's overall financial health.

Financial Trends

These schedules contain trend information to help the reader understand how the Village's financial performance and well-being have changed over time.

Revenue Capacity

These schedules contain information to help the reader assess the Village's most significant local revenue sources.

Debt Capacity

These schedules present information to help the reader assess the affordability of the Village's current levels of outstanding debt and the Village's ability to issue additional debt in the future.

Demographic and Economic Information

These schedules offer demographic and economic indicators to help the reader understand the environment within which the Village's financial activities take place.

Operating Information

These schedules contain service and infrastructure data to help the reader understand how the information in the Village's financial report relates to the services the Village provides and the activities it performs.

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VILLAGE OF GLENCOE, ILLINOIS

Net Position by Component - Last Ten Fiscal Years
February 28, 2019 (Unaudited)

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
GOVERNMENTAL ACTIVITIES										
Net invested in capital assets	$ 66,567,750	66,206,059	67,972,854	68,335,649	67,541,888	67,499,293	66,981,463	66,573,437	66,461,674	66,848,456
Restricted	654,916	1,316,599	1,205,651	1,027,936	1,276,556	1,326,659	1,403,331	1,552,771	576,161	897,121
Unrestricted	3,225,221	3,766,260	3,620,966	4,983,358	6,451,177	6,732,384	(16,886,003)	(21,709,661)	(18,816,576)	(20,310,953)
TOTAL GOVERNMENTAL ACTIVITIES NET POSITION	70,447,887	71,288,918	72,799,471	74,346,943	75,269,621	75,558,336	51,498,791	46,416,547	48,221,259	47,434,624
BUSINESS-TYPE ACTIVITIES										
Net invested in capital assets	3,206,293	3,430,650	3,689,431	3,636,236	3,807,766	3,942,874	4,091,214	4,414,130	4,945,585	5,558,764
				-	-	-	-	-	-	6,458
Unrestricted	(1,119,059)	(459,698)	(229,775)	639,562	1,163,707	1,257,293	838,710	472,048	(265,447)	(11,236)
TOTAL BUSINESS-TYPE ACTIVITIES NET POSITION	2,087,234	2,970,952	3,459,656	4,275,798	4,971,473	5,200,167	4,929,924	4,886,178	4,680,138	5,553,986
PRIMARY GOVERNMENT										
Net invested in capital assets	69,774,043	69,636,709	71,662,285	71,971,885	71,349,654	71,442,167	71,072,677	70,987,567	71,407,259	72,407,220
Restricted	654,916	1,316,599	1,205,651	1,027,936	1,276,556	1,326,659	1,403,331	1,552,771	576,161	903,579
Unrestricted	2,106,162	3,306,562	3,391,191	5,622,920	7,614,884	7,989,677	(16,047,293)	(21,237,613)	(19,082,023)	(20,322,189)
TOTAL PRIMARY GOVERNMENT NET POSITION	72,535,121	74,259,870	76,259,127	78,622,741	80,241,094	80,758,503	56,428,715	51,302,725	52,901,397	52,988,610

Data Source: Village Records

VILLAGE OF GLENCOE, ILLINOIS

Changes in Net Position - Last Ten Fiscal Years
February 28, 2019 (Unaudited)

		2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
EXPENSES											
Governmental activities											
Administration and finance	$	2,161,110	2,210,625	2,228,867	2,165,875	2,083,351	2,666,665	2,537,542	2,357,594	2,372,765	2,945,607
Public safety		7,022,845	7,308,147	7,345,809	7,293,431	7,483,246	8,348,707	11,678,964	14,783,924	6,420,995	10,186,744
Public works		9,118,339	8,492,940	7,219,444	7,187,119	8,363,911	7,810,776	8,245,415	7,572,839	8,083,289	7,614,463
Interest on long-term debt		408,322	254,387	188,549	6,014	345,409	323,771	404,956	288,527	504,506	460,938
Total governmental activities expenses		18,710,616	18,266,099	16,982,669	16,652,439	18,275,917	19,149,919	22,866,877	25,002,884	17,381,555	21,207,752
Business-type activities											
Water		1,784,162	1,589,552	1,767,803	1,938,933	1,764,927	1,947,397	2,101,670	2,074,157	2,214,848	2,195,276
Glencoe golf club		1,312,568	1,412,498	1,335,309	1,366,415	1,423,151	1,442,503	1,638,040	1,734,764	1,721,731	1,569,944
Total business-type activities net position		3,096,730	3,002,050	3,103,112	3,305,348	3,188,078	3,389,900	3,739,710	3,808,921	3,936,579	3,765,220
TOTAL PRIMARY GOVERNMENT EXPENSES		21,807,346	21,268,149	20,085,781	19,957,787	21,463,995	22,539,819	26,606,587	28,811,805	21,318,134	24,972,972
PROGRAM REVENUES											
Governmental activities											
Charges for services											
Administration and finance		51,286	62,559	62,044	69,963	64,446	68,175	66,665	80,450	83,025	76,855
Public safety		344,396	381,330	362,258	411,007	323,050	204,919	371,109	337,899	340,971	271,051
Public works		1,662,405	2,344,329	2,329,511	2,585,227	2,945,114	2,901,824	2,789,029	2,522,552	2,744,495	1,923,322
Operating grants/contributions		-	-	-	-	-	-	-	-	-	222,579
Capital grants/contributions		220,432	259,938	255,882	247,568	256,016	291,561	215,118	222,341	220,898	-
Total governmental activities program revenues		2,278,519	3,048,156	3,009,695	3,313,765	3,588,626	3,466,479	3,441,921	3,163,242	3,389,389	2,493,807
Business-type activities											
Charges for services											
Water		1,721,484	2,208,600	2,096,998	2,451,344	2,170,586	1,897,600	1,951,836	2,010,569	2,240,012	2,817,172
Glencoe golf club		1,617,380	1,669,949	1,490,998	1,665,073	1,708,226	1,715,524	1,732,615	1,741,064	1,843,194	1,771,950
Total business-type activities program revenues		3,338,864	3,878,549	3,587,996	4,116,417	3,878,812	3,613,124	3,684,451	3,751,633	4,083,206	4,589,122
TOTAL PRIMARY GOVERNMENT PROGRAM REVENUES		5,617,383	6,926,705	6,597,691	7,430,182	7,467,438	7,079,603	7,126,372	6,914,875	7,472,595	7,082,929

		2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
NET (EXPENSES) REVENUES											
Governmental activities	$	(16,432,097)	(15,217,943)	(13,972,974)	(13,338,674)	(14,687,291)	(15,683,440)	(19,424,956)	(21,839,642)	(13,992,166)	(18,713,945)
Business-type activities		242,134	876,499	484,884	811,069	690,734	223,224	(55,259)	(57,288)	146,627	823,902
TOTAL PRIMARY GOVERNMENT NET (EXPENSES) REVENUES		(16,189,963)	(14,341,444)	(13,488,090)	(12,527,605)	(13,996,557)	(15,460,216)	(19,480,215)	(21,896,930)	(13,845,539)	(17,890,043)
GENERAL REVENUES AND OTHER CHANGES IN NET POSITION											
Governmental activities											
Taxes											
Property and replacement		10,091,906	10,782,099	10,525,553	9,886,338	10,238,879	10,556,127	10,774,846	10,957,369	11,641,943	11,986,779
Sales		1,668,937	1,748,726	1,694,456	1,790,991	1,942,829	2,090,867	2,107,088	2,156,524	2,171,536	2,132,872
Utility		1,487,638	1,338,875	1,130,667	1,056,834	1,156,935	1,186,958	1,041,829	971,617	936,102	949,683
Income		810,043	690,864	687,752	783,247	843,471	847,050	931,426	830,541	801,681	832,575
Other		446,897	586,188	614,200	631,926	640,836	631,316	608,894	684,205	497,813	488,883
Interest		208,112	106,902	19,354	27,133	34,852	30,225	46,435	68,710	76,548	287,001
Miscellaneous		1,031,411	805,320	811,545	709,677	752,167	629,612	682,792	1,088,432	1,125,555	1,249,517
Total governmental activities		15,744,944	16,058,974	15,483,527	14,886,146	15,609,969	15,972,155	16,193,310	16,757,398	17,251,178	17,927,310
Business-type activities											
Interest		20,818	7,219	3,820	5,073	4,941	5,470	6,360	13,542	23,563	49,946
Contributions		-	-	-	-	-	-	-	-	-	-
Transfers - internal activity		-	-	-	-	-	-	-	-	-	-
Total business-type activities		20,818	7,219	3,820	5,073	4,941	5,470	6,360	13,542	23,563	49,946
TOTAL PRIMARY GOVERNMENT		15,765,762	16,066,193	15,487,347	14,891,219	15,614,910	15,977,625	16,199,670	16,770,940	17,274,741	17,977,256
CHANGES IN NET POSITION											
Governmental activities		(687,153)	841,031	1,510,553	1,547,472	922,678	288,715	(3,231,646)	(5,082,244)	3,259,012	(786,635)
Business-type activities		262,952	883,718	488,704	816,142	695,675	228,694	(48,899)	(43,746)	170,190	873,848
TOTAL PRIMARY GOVERNMENT CHANGES IN NET POSITION		(424,201)	1,724,749	1,999,257	2,363,614	1,618,353	517,409	(3,280,545)	(5,125,990)	3,429,202	87,213

Data Source: Village Records

VILLAGE OF GLENCOE, ILLINOIS

Fund Balances of Governmental Funds - Last Ten Fiscal Years
February 28, 2019 (Unaudited)

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
GENERAL FUND										
Reserved	$ 1,855,477	1,779,760	-	-	-	-	-	-	-	-
Unreserved	2,099,722	2,550,922	-	-	-	-	-	-	-	-
Nonspendable	-	-	1,837,960	1,894,428	1,977,544	2,093,137	2,336,803	2,591,693	2,889,933	2,999,368
Restricted	-	-	193,917	86,069	113,878	129,760	177,857	237,214	266,832	354,405
Committed	-	-	-	-	300,000	-	-	-	-	-
Assigned	-	-	-	-	216,250	-	-	-	-	-
Unassigned	-	-	2,213,910	3,055,642	3,130,595	3,173,210	3,985,178	4,757,578	5,523,531	5,654,150
TOTAL GENERAL FUND	3,955,199	4,330,682	4,245,787	5,036,139	5,738,267	5,396,107	6,499,838	7,586,485	8,680,296	9,007,923
ALL OTHER GOVERNMENTAL FUNDS										
Reserved	5,340,310	1,413,807	-	-	-	-	-	-	-	-
Unreserved, reported in										
Special revenue - garbage fund	184,847	229,865	-	-	-	-	-	-	-	-
Capital projects fund	-	-	-	-	-	-	-	-	-	-
Nonmajor governmental funds	-	-	-	-	-	-	-	-	-	-
Nonspendable	-	-	50,038	56,934	65,170	79,321	103,151	131,202	-	-
Restricted	-	-	1,053,022	1,013,391	1,231,237	1,259,523	5,794,509	5,965,550	1,753,879	1,282,363
Committed	-	-	-	-	-	-	-	-	176,879	-
Assigned	-	-	-	8,740,588	3,762,769	57,569	-	-	-	-
Unassigned	-	-	-	-	-	-	-	-	-	(217,714)
TOTAL ALL OTHER GOVERNMENTAL FUNDS	5,525,157	1,643,672	1,103,060	9,810,913	5,059,176	1,396,413	5,897,660	6,096,752	1,930,758	1,064,649
TOTAL GOVERNMENTAL FUNDS	9,480,356	5,974,354	5,348,847	14,847,052	10,797,443	6,792,520	12,397,498	13,683,237	10,611,054	10,072,572

Data Source: Village Records
The Village implemented GASB 54 in Fiscal Year 2012.

VILLAGE OF GLENCOE, ILLINOIS

Changes in Fund Balances of Governmental Funds - Last Ten Fiscal Years
February 28, 2019 (Unaudited)

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
REVENUES										
Property taxes	$ 10,479,497	10,665,204	10,418,008	9,778,820	10,107,261	10,425,125	10,629,811	10,816,228	11,463,584	11,840,718
Other taxes	4,009,429	4,227,284	3,962,482	4,103,306	4,443,178	4,632,420	4,584,592	4,535,478	4,319,721	4,282,394
Intergovernmental	220,432	259,938	255,882	247,568	256,016	291,561	215,118	222,341	220,898	222,579
Licenses, permits and fees	1,205,211	1,304,857	1,243,485	1,408,675	1,916,490	1,822,569	1,744,673	1,452,504	1,863,457	1,839,173
Charges for services	960,919	1,599,683	1,652,127	1,739,002	1,528,571	1,533,460	1,605,698	1,611,950	1,469,878	567,222
Fines and forfeitures	151,006	137,942	130,339	185,730	160,060	73,662	126,112	124,997	100,926	132,513
Interest	183,376	106,902	19,354	27,133	34,852	30,225	46,435	68,710	76,548	287,001
Miscellaneous	525,208	805,320	811,545	709,677	752,167	629,612	682,792	1,088,432	1,125,555	1,249,517
Total revenues	17,735,078	19,107,130	18,493,222	18,199,911	19,198,595	19,438,634	19,635,231	19,920,640	20,640,567	20,421,117
EXPENDITURES										
Administration and finance	2,121,416	2,057,316	2,049,311	2,062,403	2,204,087	2,450,222	2,203,860	2,265,938	2,580,348	2,935,760
Public safety	7,306,828	7,593,311	7,638,931	7,636,793	7,968,005	8,168,347	8,238,361	8,244,859	8,373,199	8,554,329
Public works	5,065,840	5,470,308	5,667,860	5,509,611	5,869,950	5,997,179	5,675,240	5,697,203	5,707,024	5,498,344
Capital outlay	3,078,301	4,848,415	1,707,923	987,709	5,795,923	5,273,103	1,329,015	6,044,491	5,100,503	1,933,904
Debt service										
Principal retirement	2,230,000	2,325,000	1,805,000	1,140,000	1,185,000	1,225,000	1,265,000	1,090,000	1,580,000	1,655,000
Interest and fiscal charges	313,061	318,782	249,704	333,128	348,374	329,706	318,777	490,921	536,676	469,562
Total expenditures	20,115,446	22,613,132	19,118,729	17,669,644	23,371,339	23,443,557	19,030,253	23,833,412	23,877,750	21,046,899
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(2,380,368)	(3,506,002)	(625,507)	530,267	(4,172,744)	(4,004,923)	604,978	(3,912,772)	(3,237,183)	(625,782)
OTHER FINANCING SOURCES (USES)										
Debt issuance	3,890,000	-	-	8,550,000	-	-	5,000,000	5,000,000	-	-
Discount on debt issuance	-	-	-	-	-	-	-	-	-	-
Premium on debt issuance	148,551	-	-	357,350	-	-	-	183,011	-	-
Payment to escrow agent	(4,200,741)	-	-	-	-	-	-	-	-	-
Disposal of Capital Assets	-	-	-	60,588	123,135	-	-	15,500	165,000	87,300
Transfers in	-	345,998	343,267	450,000	586,182	437,983	433,369	-	403,488	-
Transfers out	-	(345,998)	(343,267)	(450,000)	(586,182)	(437,983)	(433,369)	-	(403,488)	-
	(162,190)	-	-	8,967,938	123,135	-	5,000,000	5,198,511	165,000	87,300
NET CHANGE IN FUND BALANCES	(2,542,558)	(3,506,002)	(625,507)	9,498,205	(4,049,609)	(4,004,923)	5,604,978	1,285,739	(3,072,183)	(538,482)
DEBT SERVICE AS A PERCENTAGE OF NONCAPITAL EXPENDITURES	13.47%	13.44%	11.57%	8.57%	8.08%	8.12%	8.61%	8.53%	10.39%	10.79%

Data Source: Village Records

VILLAGE OF GLENCOE, ILLINOIS

Assessed Value and Actual Value of Taxable Property - Last Ten Tax Levy Years (in Thousands)
February 28, 2019 (Unaudited)

Tax Levy Year	Real Property	Railroad Property	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Estimated Actual Taxable Value
2008	$ 1,159,463	$ 262	1,159,725	0.9208	$ 3,479,175	33.333%
2009	1,238,758	314	1,239,072	0.8740	3,717,216	33.333%
2010	1,046,149	394	1,046,543	1.0037	3,139,629	33.333%
2011	936,968	418	937,386	1.0621	2,812,158	33.333%
2012	874,715	473	875,188	1.1890	2,625,564	33.333%
2013	787,132	584	787,716	1.3490	2,363,148	33.333%
2014	795,985	610	796,595	1.3735	2,389,785	33.333%
2015	770,158	732	770,890	1.4449	2,312,670	33.333%
2016	944,498	745	945,243	1.2395	2,835,729	33.333%
2017	965,358	760	966,118	1.2580	2,898,354	33.333%

Data Source: Office of the County Clerk

Note: Property in the Village is reassessed each year. Property is assessed at 33% of actual value.

VILLAGE OF GLENCOE, ILLINOIS

Direct and Overlapping Property Tax Rates - Last Ten Tax Levy Years
February 28, 2019 (Unaudited)

See Following Page

VILLAGE OF GLENCOE, ILLINOIS

Direct and Overlapping Property Tax Rates - Last Ten Tax Levy Years
February 28, 2019 (Unaudited)

	2007	2009	2010	2011	2012	2013	2014	2015	2016	2017
VILLAGE DIRECT RATES										
General	0.5362	0.5700	0.6991	0.7998	0.8885	1.0095	1.0228	1.0778	0.8902	0.9000
Bonds and interest	0.2211	0.2050	0.1836	0.1245	0.1479	0.1671	0.1769	0.2149	0.2236	0.2300
Garbage	0.0592	-	-	-	-	-	-	-	-	-
Police pension	0.0839	0.0800	0.0984	0.1125	0.1250	0.1420	0.1439	0.1516	0.1252	0.1270
Fire pension	-	-	0.0002	0.0004	0.0005	0.0006	0.0006	0.0006	0.0005	0.0010
Limited bonds	0.0204	0.0190	0.0224	0.0249	0.0271	0.0298	0.0293	-	-	-
Total direct rates	0.9208	0.8740	1.0037	1.0621	1.1890	1.3490	1.3735	1.4449	1.2395	1.2580
OVERLAPPING RATES										
Public Library	0.1650	0.1570	0.1900	0.2170	0.2410	0.2740	0.2780	0.2940	0.2430	0.2460
High School District #203	1.2900	1.2370	1.4740	1.6740	1.8640	2.1110	2.2680	2.3800	1.9740	1.9930
Grade School District #35	1.9970	1.9010	2.3290	2.6590	2.9430	3.3380	3.3780	3.5560	2.9310	2.9550
Cook County	0.4660	0.4640	0.4740	0.5450	0.5940	0.6600	0.6370	0.6550	0.5960	0.4960
Metro Water Recl. Dist.	0.2520	0.2610	0.2740	0.3200	0.3700	0.4170	0.4300	0.4260	0.4060	0.4020
Park District	0.4170	0.3980	0.4840	0.5500	0.5780	0.6800	0.6770	0.7100	0.5850	0.5940
Community College #535	0.1400	0.1400	0.1600	0.1960	0.2190	0.2560	0.2580	0.2710	0.2310	0.2320
Other	0.0420	0.0410	0.0500	0.0570	0.0630	0.0680	0.0730	0.0780	0.0660	0.1600
TOTAL DIRECT AND OVERLAPPING TAX RATE	5.6898	5.4730	6.4387	7.2801	8.0610	9.1530	9.3725	9.8149	8.2715	8.3360
VILLAGE PERCENT OF TOTAL TAX RATE	16.2%	16.0%	15.6%	14.6%	14.8%	14.7%	14.7%	14.7%	15.0%	15.1%

Data Source: Office of the County Clerk

VILLAGE OF GLENCOE, ILLINOIS

Sales Tax Revenue by Category - Last Ten Calendar Years
February 28, 2019 (Unaudited)

	2008	2010	2011	2012	2013	2014	2015	2016	2017	2018
Merchandise	$ 301	449	-	991.88	-	337	186	1,257	1,780	-
Food	140,400	144,455	146,803	151,126	140,320	148,735	143,306	126,424	134,762	139,161
Drinking and eating places	42,347	43,178	60,470	61,310	93,725	92,024	93,680	105,593	110,786	120,858
Apparel	56,161	59,754	58,790	60,804	54,484	20,350	9,637	14,773	22,844	25,435
Furniture and H.H. and radio	5,628	5,032	5,286	3,956	3,223	1,627	2,287	1,479	1,903	3,468
Lumber, building hardware	-	-	372	-	285	-	-	1,414	19,584	20,152
Automobile and filling stations	910,510	1,063,457	993,269	1,082,378	1,185,777	1,320,822	1,285,335	1,292,864	1,279,738	1,238,788
Drugs and miscellaneous retail	164,585	178,503	246,018	231,728	238,303	254,811	282,232	294,338	300,608	239,196
Agriculture and all others	128,631	130,586	55,831	47,337	56,769	75,178	88,743	74,433	88,878	95,906
Manufacturers	1,280	1,683	1,829	1,591	1,575	1,569	1,521	-	-	-
TOTAL	1,449,843	1,627,097	1,568,668	1,641,222	1,774,461	1,915,453	1,906,927	1,912,575	1,960,883	1,882,964
NUMBER OF TAXPAYERS	290	293	320	315	324	295	342	341	338	329

Data Source: Illinois Department of Revenue

VILLAGE OF GLENCOE, ILLINOIS

Sales Tax Revenue by Category as Compared to Surrounding Communities' Sales Tax by Category

February 28, 2019 (Unaudited)

	Village Total	Percent of Total	Surrounding Total (1)	Percent of Total
General merchandise	$ -	0.00%	$ 935,794	3.63%
Food	139,161	7.39%	3,383,608	13.13%
Drinking and eating places	120,858	6.42%	2,509,081	9.74%
Apparel	25,435	1.35%	1,260,732	4.89%
Furniture and H.H. and radio	3,468	0.18%	1,528,687	5.93%
Lumber, building hardware	20,152	1.07%	844,623	3.28%
Automobile and filling stations	1,238,788	65.79%	7,213,727	28.00%
Drugs and miscellaneous retail	239,196	12.70%	4,065,989	15.78%
Agriculture and all others	95,906	5.09%	2,659,390	10.32%
Manufacturers	-	0.00%	1,360,586	5.28%
TOTAL	1,882,964	100.00%	25,762,216	100.00%

Data Source: Illinois Department of Revenue

(1) Includes sales tax from Highland Park, Kenilworth, Northbrook, Northfield, Wilmette and Winnetka.

VILLAGE OF GLENCOE, ILLINOIS

Principal Property Tax Payers - Current Tax Levy Year and Nine Tax Levy Years Ago
February 28, 2019 (Unaudited)

	Tax Levy Year 2017			Tax Levy Year 2008		
Taxpayer	Taxable Assessed Value	Rank	Percentage of Total Village Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Village Taxable Assessed Value
Individual - Real Property	$ 9,743,782	1	0.49%	$ 5,282,315	1	0.46%
Individual - Real Property	4,888,452	2	0.49%	3,240,717	6	0.28%
United Investors Management	4,758,406	3	0.46%	3,577,879	4	0.31%
Lakeshore Country Club	4,203,414	4	0.45%	4,807,160	3	0.41%
Skokie Country Club	4,000,225	5	0.45%	5,082,117	2	0.44%
Individual - Real Property	3,613,780	6	0.42%	2,551,987	9	0.22%
Glencoe One Silverstein	3,506,290	7	0.39%			
Three Waukegan Rd. LLC	2,750,197	8	0.37%	3,551,987	5	0.31%
Individual - Real Property	2,478,046	9	0.35%	2,922,412	7	0.25%
Individual - Real Property	2,334,509	10	0.35%	2,524,101	10	0.22%
Carmax				2,553,607	8	0.22%
	42,277,101		4.22%	36,094,282		3.12%

Data Source: Office of the County Clerk

Note: Tax Year 2017 is the latest data available.

VILLAGE OF GLENCOE, ILLINOIS

Property Tax Levies and Collections - Last Ten Tax Levy Years
February 28, 2019 (Unaudited)

Tax Levy Year	Taxes Levied	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2008	$ 10,681,063	$ 10,465,186	97.98%	$ -	10,465,186	97.98%
2009	10,837,522	10,665,203	98.41%	-	10,665,203	98.41%
2010	10,503,080	10,418,008	99.19%	-	10,418,008	99.19%
2011	9,951,373	9,778,819	98.27%	-	9,778,819	98.27%
2012	10,405,124	10,107,262	97.14%	-	10,107,262	97.14%
2013	10,626,268	10,425,264	98.11%	-	10,425,264	98.11%
2014	10,945,218	10,629,812	97.12%	-	10,629,812	97.12%
2015	11,104,012	10,818,302	97.43%	-	10,818,302	97.43%
2016	11,716,843	11,463,982	97.84%	-	11,463,982	97.84%
2017	12,148,172	11,849,221	97.54%	-	11,849,221	97.54%

Data Source: Office of the County Clerk

Note: Property in the Village is reassessed each year. Property is assessed at 33% of actual value.

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VILLAGE OF GLENCOE, ILLINOIS

Ratios of Outstanding Debt by Type - Last Ten Fiscal Years
February 28, 2019 (Unaudited)

	Governmental Activities		Business-Type Activities				
Fiscal Year	General Obligation Bonds	Installment Contract Certificates	General Obligation Bonds	IEPA Loan Payable	Total Primary Government	Percentage of Personal Income (1)	Per Capita (1)
2010	$ 12,355,000	$ -	$ -	$ -	$ 12,355,000	1.60%	1,410.07
2011	10,030,000	-	-	-	10,030,000	1.11%	1,149.83
2012	8,225,000	-	-	561,675	8,786,675	0.97%	1,007.30
2013	15,635,000	-	-	3,014,143	18,649,143	2.07%	2,137.93
2014	14,450,000	-	-	2,945,742	17,395,742	1.93%	1,994.24
2015	13,225,000	-	-	2,807,473	16,032,473	1.78%	1,837.95
2016	16,960,000	-	-	2,667,471	19,627,471	2.18%	2,250.08
2017	20,870,000	-	-	2,525,713	23,395,713	2.59%	2,682.07
2018	19,290,000	-	-	2,382,178	21,672,178	2.40%	2,484.49
2019	17,635,000	-	-	2,236,843	19,871,843	2.20%	2,278.10

Data Source: Village Records

Note: Details regarding the Village's outstanding debt can be found in the notes to the financial statements.

(1) See the Schedule of Demographic and Economic Statistics for personal income and population data.

VILLAGE OF GLENCOE, ILLINOIS

Ratios of General Bonded Debt Outstanding - Last Ten Fiscal Years
February 28, 2019 (Unaudited)

Fiscal Year	General Obligation Bonds	Less: Amounts Available For Debt Service	Total	Percentage of Total Taxable Assessed Value of Property (1)	Per Capita (2)
2010	$ 12,355,000	$ 19,923	$ 12,335,077	1.06%	$ 1,407.79
2011	$ 10,030,000	$ 36,461	$ 9,993,539	0.81%	$ 1,145.65
2012	8,225,000	95,795	8,129,205	0.78%	931.93
2013	15,635,000	121,106	15,513,894	1.66%	1,778.50
2014	14,450,000	87,752	14,362,248	1.64%	1,646.48
2015	13,225,000	55,119	13,169,881	1.67%	1,509.79
2016	16,960,000	23,773	16,936,227	2.13%	1,941.56
2017	20,870,000	46,888	20,823,112	2.70%	2,387.15
2018	19,290,000	29,520	19,260,480	2.04%	2,208.01
2019	17,635,000	117,273	17,517,727	1.81%	2,008.22

Data Source: Village Records

Note: Details regarding the Village's outstanding debt can be found in the notes to the financial statements.

(1) See the Schedule of Assessed Value and Actual Value of Taxable Property for property value data.

(2) See the Schedule of Demographic and Economic Statistics for population data.

VILLAGE OF GLENCOE, ILLINOIS

Schedule of Direct and Overlapping Governmental Activities Debt
February 28, 2019 (Unaudited)

Governmental Unit	Gross Debt (2)	Percentage to Debt Applicable to Village (1)	Village's Share of Debt
Village of Glencoe	$ 17,635,000	100.000%	$ 17,635,000
Overlapping Units			
County of Cook, including Forest Preserve Dist.	2,950,264,110	0.640%	18,881,690
Metropolitan Water Reclamation District	2,348,253,000	0.650%	15,263,645
High School District #203	84,960,000	17.260%	14,664,096
Glencoe Park District	5,675,000	99.060%	5,621,655
Winnetka Park District	5,770,000	1.640%	94,628
Washington Place Special Service Area	224,903	100.000%	224,903
School District #35	12,950,000	100.000%	12,950,000
School District #36 (3)	8,624,402	1.970%	169,901
Sunset Ridge School District #29	22,513,432	1.620%	364,718
Oakton Community College #535	32,130,000	4.230%	1,359,099
	5,471,364,847		69,594,334
	5,488,999,847		87,229,334

Data Source: Cook County Tax Extension Department

(1) Source: Cook County Clerk. Determined by ratio of assessed valuation of property subject to taxation in the Village of Glencoe to valuation of property subject to taxation in overlapping unit (levy year 2016).

(2) Excludes the following amounts of alternate revenue bonded debt: Cook County Forest Preserve District- $49,810,000; Metropolitan Water Reclamation District - $100,000,000; High School District #203 $1,010,000 .

(3) The Distrct issued General Obligation Refunding Bonds, Series 2016A and Series 2016B during the fiscal year ended June 30, 2017. These bonds payable were used to refund the remaining portion of the District's 2007 General Obligation School Bonds and to restructure the District's Debt.

VILLAGE OF GLENCOE, ILLINOIS

Schedule of Legal Debt Margin - Last Ten Fiscal Years
February 28, 2019 (Unaudited)

	2009	2011	2012	2013	2014	2015	2016	2017	2018	2019
Legal debt limit	$ 115,972,458	123,907,246	104,654,262	93,696,775	87,518,789	78,771,609	79,659,518	77,089,031	94,524,291	96,611,853
Total net debt applicable to limit	12,355,000	10,030,000	8,225,000	15,635,000	14,450,000	13,225,000	16,960,000	20,870,000	19,290,000	17,635,000
Legal debt margin	103,617,458	113,877,246	96,429,262	78,061,775	73,068,789	65,546,609	62,699,518	56,219,031	75,234,291	78,976,853
Total net debt applicable to the limit as a percentage of debt limit	10.65%	8.09%	7.86%	16.69%	16.51%	16.79%	21.29%	27.07%	20.41%	18.25%

Data Source: Village Records

Legal Debt Margin Calculation for Fiscal Year 2019	
Assessed value	$ 966,118,531
Legal debt margin	10.00%
Debt limit	96,611,853
Debt applicable to limit	
General obligation bonds	17,635,000
LEGAL DEBT MARGIN	78,976,853

VILLAGE OF GLENCOE, ILLINOIS

Demographic and Economic Statistics - Last Ten Fiscal Years
February 28, 2019 (Unaudited)

Fiscal Year	Population	Personal Income	Per Capita Personal Income	Unemployment Rate
2010	8,762	$ 771,572,958	$ 88,059	6.50%
2011	8,723	901,609,280	103,360	6.65%
2012	8,723	901,609,280	103,360	5.85%
2013	8,723	901,609,280	103,360	5.60%
2014	8,723	901,609,280	103,360	5.00%
2015	8,723	901,609,280	103,360	4.40%
2016	8,723	901,609,280	103,360	6.40%
2017	8,723	901,609,280	103,360	4.20%
2018	8,723	901,609,280	103,360	N/A
2019	8,723	901,609,280	103,360	N/A

N/A - Not Available

Data Source: Illinois Department of Employment Security (IDES)

VILLAGE OF GLENCOE, ILLINOIS

Principal Employers - Current Fiscal Year and Nine Fiscal Years Ago
February 28, 2019 (Unaudited)

		2019			2010		
Employer	Business	Rank	# of Employees	% of Total Village Employment	Rank	# of Employees	% of Total Village Employment
Glencoe Park District	Park District	1	249	2.85%	3	231	2.64%
Cook County Forest Preserve District	Chicago Botanic Garden	2	240	2.75%	2	280	3.20%
Glencoe School District #35	Elementary School Dist.	3	210	2.29%	1	350	3.99%
Carmax	Auto Dealership	4	100	1.15%			
Village of Glencoe	Municipal Corporation	5	95	1.10%	4	103	1.18%
Fields Infinity	Auto Dealership	6	70	0.80%	10	40	0.46%
Coldwell Banker	Realtor	7	67	0.77%	5	100	1.14%
Optima, Inc.	Real Estate Develop.	8	45	0.52%	9	45	0.51%
Grand Foods Center	Food Store	9	37	0.44%	8	66	0.75%
North Shore Congregation Israel	Congregation	10	35	0.42%			
Harris Bank - Glencoe	Bank				6	92	N/A
AutoHaus on Edens	Auto Dealership				7	86	0.98%

Data Source: Office of the County Clerk

VILLAGE OF GLENCOE, ILLINOIS

Full-Time Equivalent Village Government Employees by Function - Last Ten Fiscal Years
February 28, 2019 (Unaudited)

Function	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
GENERAL GOVERNMENT										
Village Manager	4	4	4	4	4	4	5	5	5	5
Finance	5	5	5	5	5	5	5	5	6	6
PUBLIC SAFETY										
Police										
Officers	35	35	33	33	33	33	36	36	36	36
Civilians	10	9	9	9	9	9	9	9	6	6
PUBLIC WORKS										
Administration	11	11	11	11	11	11	11	11	11	11
Community Development	2	2	2	2	2	2	2	2	2	1
Engineer	1	1	1	1	1	1	1	1	1	1
Mechanic	4	4	4	4	4	4	4	4	4	4
Maintenance Equipment Operator	21	21	21	20	21	21	21	21	21	21
Water Plant Operator	4	4	4	4	4	4	4	4	4	4
TOTAL	97	96	94	93	94	94	98	98	96	95

Data Source: Fiscal Year 2010 - 2019 Pay Plan

VILLAGE OF GLENCOE, ILLINOIS

Operating Indicators by Function/Program - Last Ten Calendar Years
February 28, 2019 (Unaudited)

Function/Program	20019	2010	2011	2012	2013	2014	2015	2017	2018	2019
PUBLIC SAFETY										
Police										
Physical arrests	174	197	324	228	171	144	260	218	158	157
Parking violations	4,235	4,029	3,697	5,113	4,571	2,655	2,572	3,300	3,044	3,469
Traffic violations	1,975	1,672	1,286	1,812	968	1,866	2,260	2,094	2,189	2,366
Fire										
Emergency responses	2,115	1,931	2,084	1,955	1,729	1,326	1,233	1,624	1,489	1,326
Fires extinguished	13	11	31	17	6	6	5	-	-	-
PUBLIC WORKS										
Street resurfacing/repairs (square feet)	12,810	15,334	14,568	15,128	10,088	6,171	9,928	11,038	19,554	10,002
WATER										
New connections	21	12	14	23	30	43	24	21	44	26
Water main breaks	29	21	29	40	24	21	29	49	40	26
Average daily consumption	1,458,000	1,554,000	1,522,000	1,760,000	1,818,000	1,616,000	1,616,000	1,680,000	1,800,000	1,633,000

Data Source: Various Village Departments

VILLAGE OF GLENCOE, ILLINOIS

Capital Asset Statistics by Function/Program - Last Ten Calendar Years
February 28, 2019 (Unaudited)

Function/Program	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
PUBLIC SAFETY										
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Area patrols	2	2	2	2	2	2	2	2	2	2
Patrol units	8	8	8	8	8	8	8	8	8	8
Fire										
Fire stations	1	1	1	1	1	1	1	1	1	1
Fire engines	2	2	2	2	2	2	2	2	2	2
PUBLIC WORKS										
Residential streets (miles)	46	46	46	46	46	46	46	46	46	46
Streetlights	221	221	221	221	221	221	221	221	221	221
Traffic signals	3	3	3	3	3	3	3	3	3	3
WATER										
Water mains (miles)	51	51	51	51	51	51	51	51	58	58
Fire hydrants	460	460	460	460	460	460	460	460	460	460
Storage capacity (gallons)	3,150,000	3,150,000	3,150,000	3,150,000	3,150,000	3,150,000	3,150,000	3,150,000	3,150,000	2,500,000
WASTEWATER										
Sanitary sewers (miles)	40	40	40	40	40	40	40	40	40	40
Storm sewers (miles)	70	70	70	70	70	70	70	70	70	70
Daily treatment capacity (gallons)	8,000,000	8,000,000	8,000,000	8,000,000	8,000,000	8,000,000	8,000,000	8,000,000	8,000,000	8,000,000

Data Source: Various Village Departments

VILLAGE OF GLENCOE, ILLINOIS

Schedule of Insurance in Force
February 28, 2019 (Unaudited)

Insured	Description of Coverage	Limits	Expiration Date of Policy
Village of Glencoe	General liability	$ 10,000,000	12/31/19
	Police professionals		
	Employee benefits (fire/paramedic)		
	Professional liability		
	Abuse/molestation		
	Auto liability	10,000,000	12/31/19
	Uninsured/underinsured motorist	500,000	12/31/19
	Public officials' liability	10,000,000	12/31/19
	Workers' compensation	Statutory	12/31/19
	Employer's liability	2,500,000	12/31/19
	First party property - all risk	250,000,000	12/31/19
	Flood zone A	3,500,000	12/31/19
	Flood zone (Non-Zone A/V)	40,000,000	12/31/19
	Contingent business interruption (sales tax)	10,000,000	12/31/19
	Schedules emergency vehicles-agreed value	Scheduled	12/31/19
	Boiler/machinery	50,000,000	12/31/19
	Crime	Blanket per occurrence	
	Employee theft	5,000,000	12/31/19
	Forgery, alteration and counterfeit	5,000,000	12/31/19
	Credit card forgery	5,000,000	12/31/19
	Computer fraud	5,000,000	12/31/19
	Non-faithful performance	2,500,000	12/31/19
	Public officials' bonds		
	Mayor/president, treasurer, clerk	Blanket	12/31/19
	Special district trustees	Statutory limits	12/31/19
	Yearly Aggregates		
	Member aggregate cap (applies to general/ auto liability and public officials' liability loss fund payments only	6,000,000	12/31/19
	Agency aggregate cap	67,197,536	12/31/19

The above coverages are all provided through membership in IRMA.

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APPENDIX B
DESCRIBING BOOK-ENTRY-ONLY ISSUANCE

1. The Depository Trust Company ("DTC"), New York, New York, will act as securities depository for the Bonds (the "Securities"). The Securities will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Security certificate will be issued for each issue of the Securities, each in the aggregate principal amount of such issue, and will be deposited with DTC.

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

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

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

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

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

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

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

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

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

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

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

APPENDIX C

PROPOSED FORM OF OPINION OF BOND COUNSEL

[LETTERHEAD OF CHAPMAN AND CUTLER LLP]

[TO BE DATED CLOSING DATE]

We hereby certify that we have examined certified copy of the proceedings (the *"Proceedings"*) of the President and Board of Trustees of the Village of Glencoe, Cook County, Illinois (the *"Village"*), passed preliminary to the issue by the Village of its fully registered General Obligation Bonds (Waterworks System Alternate Revenue Source), Series 2020 (the *"Bonds"*), to the amount of $____________, dated __________, 2020, due serially on December 15 of the years and in the amounts and bearing interest at the rates per annum as follows:

2020	$	%
2021		%
2022		%
2023		%
2024		%
2025		%
2026		%
2027		%
2028		%
2029		%
2030		%
2031		%
2032		%
2033		%
2034		%
2035		%
2036		%
2037		%
2038		%
2039		%

the Bonds due on and after December 15, 2029, being subject to redemption prior to maturity at the option of the Village from any available funds, as a whole or in part, and if in part in integral multiples of $5,000 in any order of their maturity as determined by the Village (less than all of the Bonds of a single maturity to be selected by the Bond Registrar), on December 15, 2028, and on any date thereafter, at the redemption price of par plus accrued interest to the redemption, as provided in the Proceedings, and we are of the opinion that the Proceedings show lawful authority for said issue under the laws of the State of Illinois now in force.

We further certify that we have examined the form of bond prescribed for said issue and find the same in due form of law, and in our opinion said issue, to the amount named, is valid and legally binding upon the Village, and is payable from (i) net revenues of the Waterworks System of the Village, and (ii) ad valorem taxes levied against all of the taxable property in the Village without limitation as to rate or amount, except that the rights of the owners of the Bonds and the enforceability of the Bonds may be limited by bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights and by equitable principles, whether considered at law or in equity, including the exercise of judicial discretion.

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

It is also our opinion that the Bonds are "qualified tax-exempt obligations" pursuant to Section 265(b)(3) of the Code.

We express no opinion herein as to the accuracy, adequacy or completeness of any information furnished to any person in connection with any offer or sale of the Bonds.

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

APPENDIX D

VILLAGE OF GLENCOE
COOK COUNTY, ILLINOIS

EXCERPTS OF FISCAL YEAR 2019 COMPREHENSIVE ANNUAL FINANCIAL REPORT
RELATING TO THE VILLAGE'S PENSION PLANS AND OTHER POSTEMPLOYMENT BENEFITS

NOTE 2 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY – Continued

BUDGETARY INFORMATION – Continued

The Board of Trustees follows these procedures in establishing the budgetary data reflected in the financial statements:

- The budget process and review by the Finance Committee begins in November. The Village Board reviews the budget in preliminary form in advance of the tax levy.
- By no later than the Village Board Finance Committee meeting in February, the Village Manager submits to the Board of Trustees a proposed operating budget for the fiscal year commencing on March 1. The operating budget includes proposed expenditures and the means of financing them. The operating budget can be amended by the Village board as long as the amended budget remains within the legal expenditures ceiling set forth by the appropriations ordinance.
- Public hearings are conducted to obtain taxpayer comments on the appropriations ordinance.
- Prior to April 15 the budget is legally enacted, and prior to May 15 the appropriation ordinance is legally enacted.
- The level of budgetary control (that is, the level at which expenditures cannot exceed the appropriated amount) is established at the fund level. Expenditures in excess of the budgeted amounts at the fund level must be approved by the Board of Trustees. The Board of Trustees may amend the budget of a fund.
- Supplemental appropriations were passed for the General, General Obligation Bonds, Capital Projects, Water and Police Pension Funds during the year.

Although the legal level of budgetary control is the legal appropriation, the Village utilizes a working budget as its management tool to monitor its day to day operations. Due to the high degree of reliance on the budget, both the appropriations and the budget are displayed in the required supplementary information and on the budget and actual schedules throughout this report. The original appropriations was passed as 110% of the working budget for all categories.

EXCESS OF ACTUAL EXPENDITURES OVER BUDGET IN INDIVIDUAL FUNDS

The following funds had an excess of actual expenditures over budget as of the date of this report:

Fund	Excess
Police Pension	$ 40,810
Firefighters' Pension	198

Although over budget, all funds were within the legally adopted appropriation level.

VILLAGE OF GLENCOE, ILLINOIS

Notes to the Financial Statements
February 28, 2019

NOTE 3 – DETAIL NOTES ON ALL FUNDS

DEPOSITS AND INVESTMENTS

Investments are governed by four separate investment policies; one for the Village adopted by the Village board and one policy each for the police and firefighters' pension funds and the Library, which are approved by their respective boards.

Both the Village and Library investment policies authorize them to make deposits/invest in commercial banks, savings and loan institutions, obligations of the U.S. Treasury and U.S. Agencies, obligations of States and their political subdivisions, credit union shares, repurchase agreements, commercial paper rated within the three highest classifications by at least two standard rating services, Illinois Funds and the Illinois Metropolitan Investment Fund.

The deposits and investments of the Pension Funds are held separately from those of other Village funds. Statutes authorize the Pension Fund to make deposits/invest in interest bearing direct obligations of the United States of America; obligations that are fully guaranteed or insured as to the payment of principal and interest by the United States of America; bonds, notes, debentures, or similar obligations of agencies of the United States of America; savings accounts or certificates of deposit issued by banks or savings and loan associations chartered by the United States of America or by the State of Illinois, to the extent that the deposits are insured by the agencies or instrumentalities of the federal government; credit unions, to the extent that the deposits are insured by the agencies or instrumentalities of the federal government; State of Illinois bonds; pooled accounts managed by the Illinois Funds Market Fund (Formerly known as IPTIP, Illinois Public Treasurer's Investment Pool), or by banks, their subsidiaries or holding companies, in accordance with the laws of the State of Illinois; bonds or tax anticipation warrants of any county, township, or municipal corporation of the State of Illinois; direct obligations of the State of Israel; money market mutual funds managed by investment companies that are registered under the Federal Investment Company Act of 1940 and the Illinois Securities Law of 1953 and are diversified, open-ended management investment companies, provided the portfolio is limited to specified restrictions; general accounts of life insurance companies; and separate accounts of life insurance companies and mutual funds, the mutual funds must meet specific restrictions, provided the investment in separate accounts and mutual funds does not exceed ten percent of the Pension Fund's plan net position; and corporate bonds managed through an investment advisor, rated as investment grade by one of the two largest rating services at the time of purchase. Pension Funds with plan net position of $2.5 million or more may invest up to forty-five percent of plan net position in separate accounts of life insurance companies and mutual funds. Pension Funds with plan net position of at least $5 million that have appointed an investment advisor, may through that investment advisor invest up to forty-five percent of the plan net position in common and preferred stocks that meet specific restrictions. In addition, Pension Funds with plan net position of at least $10 million that have appointed an investment advisor, may invest up to fifty percent of its net position in common and preferred stocks and mutual funds that meet specific restrictions effective July 1, 2011 and up to fifty-five percent effective July 1, 2012.

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

DEPOSITS AND INVESTMENTS – Continued

The Illinois Funds is an investment pool managed by the Illinois Public Treasurer's Office which allows governments within the State to pool their funds for investment purposes. The Illinois Funds is not registered with the SEC as an investment company. Investments in Illinois Funds are valued at the share price, the price for which the investment could be sold.

The Illinois Metropolitan Investment Fund (IMET) is a non-for-profit investment trust formed pursuant to the Illinois Municipal Code. IMET is managed by a Board of Trustees elected from the participating members. IMET is not registered with the SEC as an Investment Company. Investments in IMET are valued at the share price, the price for which the investment could be sold.

Village – Interest Rate Risk, Credit Risk, Custodial Credit Risk and Concentration Risk

Deposits. At year-end, the carrying amount of the Village's deposits for governmental and business-type activities totaled $9,549,974 and the bank balances totaled $9,559,928.

Investments. The Village has the following investment fair values and maturities:

Investment Type	Fair Value	Investment Maturities (in Years) Less Than 1
Illinois Funds	$ 427,492	427,492
IMET	3,582,287	3,582,287
Totals	4,009,779	4,009,779

The Village's investments in Illinois Funds and IMET are in 2a7-like investment pools that are measured at the net asset value per share determined by the pool.

Interest Rate Risk. Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. In accordance with its investment policy, the Village limits its exposure to interest rate risk by structuring the portfolio to provide liquidity and maximizing yields for funds not needed within a three year period. The investment policy limits the maximum maturity length of investments to three years from the date of purchase. In addition, the policy requires the Village to structure the investment portfolio so that securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities on the open market prior to maturity.

VILLAGE OF GLENCOE, ILLINOIS

Notes to the Financial Statements
February 28, 2019

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

DEPOSITS AND INVESTMENTS – Continued

Village – Interest Rate Risk, Credit Risk, Custodial Credit Risk and Concentration Risk – Continued

Credit Risk. Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. Besides investing in security instruments authorized under State Statute, and in the Illinois Funds and IMET, which invest in U.S. government securities, fully collateralized time deposits in financial institutions, collateralized repurchase agreements, and in treasury mutual funds that invest in U.S. treasury obligations and collateralized repurchase agreements, the Village's investment policy does not further limit its exposure to credit risk. At year-end, the Village's investment in the Illinois Funds was rated AAAm by Standard & Poor's. The Illinois Metropolitan Investment Trust 1-3-year Fund is rated AAAf by Moody's.

Custodial Credit Risk. In the case of deposits, this is the risk that in the event of a bank failure, the Village's deposits may not be returned to it. The Village's investment policy requires pledging of collateral with a fair value of 110% of all bank balances in excess of federal depository insurance. At year-end, the full amount of the bank balance of deposits was covered by collateral, federal depository or equivalent insurance.

For an investment, this is the risk that in the event of the failure of the counterparty, the Village will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Village's investment policy does not mitigate custodial credit risk for investments. At year-end, the Village's investment in the Illinois Fund is noncategorizable. The IMET Convenience Fund is a depository vehicle that is 110 percent collateralized with obligations of the United States Treasury and its agencies. All collateral securities are held in the name of IMET at the Federal Reserve Bank of New York.

Concentration Risk. This is the risk of loss attributed to the magnitude of the Village's investment in a single issuer. The Village's investment policy requires that the investment portfolio be diversified to the extent practicable. Investments shall be diversified in order to reduce the risk of loss resulting in over-concentration in a specific maturity, issuer, institution, or class of securities. Diversification strategies shall be determined and revised periodically by the Finance Director. At year-end, the Village does not have any investments over 5 percent of the total cash and investment portfolio (other than investments issued or explicitly guaranteed by the U.S. government and investments in mutual funds, external investment pools, and other pooled investments).

Police Pension Fund – Interest Rate Risk, Credit Risk, Custodial Credit Risk and Concentration Risk

Deposits. At year-end, the carrying amount of the Fund's deposits totaled $1,783,358 and the bank balances totaled $1,785,059.

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

DEPOSITS AND INVESTMENTS – Continued

Police Pension Fund – Interest Rate Risk, Credit Risk, Custodial Credit Risk and Concentration Risk – Continued

Investments. The Fund has the following investment fair values and maturities:

Investment Type	Fair Value	Investment Maturities (in Years) Less Than 1	1 to 5	6 to 10	More Than 10
U.S. Treasury Obligations	$ 2,606,279	-	1,220,556	1,385,723	-
U.S. Agency Obligations	2,504,452	-	280,627	496,162	1,727,663
Local Government Obligations	5,924,991	352,440	4,174,439	1,138,241	259,871
Corporate Bonds	1,813,384	408,887	922,195	449,193	33,109
Totals	12,849,106	761,327	6,597,817	3,469,319	2,020,643

The Fund has the following recurring fair value measurements as of February 28, 2019:

Investments by Fair Value Level	Total	Fair Value Measurements Using: Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Debt Securities				
U.S. Treasury Obligations	$ 2,606,279	2,606,279	-	-
U.S. Agency Obligations	2,504,452	-	2,504,452	-
Local Government Obligations	5,924,991	-	5,924,991	-
Corporate Bonds	1,813,384	-	1,813,384	-
Equity Securities				
Mutual Funds	13,103,402	13,103,402	-	-
Common Stock	7,958,151	7,958,151	-	-
Total Investments Measured at Fair Value	33,910,659	23,667,832	10,242,827	-

Debt Securities classified in Level 2 of the fair value hierarchy are valued using a matrix pricing technique. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices.

Interest Rate Risk. In accordance with its investment policy, the Fund limits its exposure to interest rate risk by structuring the portfolio to provide liquidity for operating funds and maximizing yields for funds not needed for anticipated cash flow requirements. The investment policy limits the maximum maturity length of investments in the Fund to 20 years from the date of purchase.

VILLAGE OF GLENCOE, ILLINOIS

Notes to the Financial Statements
February 28, 2019

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

DEPOSITS AND INVESTMENTS – Continued

Police Pension Fund – Interest Rate Risk, Credit Risk, Custodial Credit Risk and Concentration Risk – Continued

Credit Risk. The Fund's investment policy helps limit its exposure to credit risk by primarily investing in obligations guaranteed by the United States Government or securities issued by agencies of the United States Government that are explicitly or implicitly guaranteed by the United States Government. The U.S. Agency Obligations ratings are not available, while the local government obligations reported ratings of AA or were not rated, and the corporate bonds reported ratings ranging from BBB- to AAA.

Concentration Risk. At year-end, the Fund also has $13,103,402 invested in mutual funds and $7,958,151 invested in common stock. At year-end, the Fund has no investments over 5 percent of net plan position available for retirement benefits (other than investments issued or explicitly guaranteed by the U.S. government and investments in mutual funds, external investment pools, and other pooled investments). Per the investment policy, the Fund's investment portfolio shall not exceed the following diversification limits:

- Not more than 10% of the Fund monies shall be invested in any one financial institution (excluding Illinois Funds and U.S. treasury securities held in safekeeping by an authorized custodian).
- Funds deposited at a financial institution shall not exceed 5% of the capital stock and surplus of that institution.
- Investments are allowed in mutual funds that have at least $250 million in assets and have been in operations for at least 5 years.
- Equities purchased must be of domestic based corporations in existence for at least 5 years, not in arrears of dividends for the past 5 years, and listed on a national exchange.
- Total investments in separate accounts, mutual funds, and direct equity investments shall not exceed 45% of the market value of the Fund's total assets (evaluated on an annual basis).

The Fund's investment policy in accordance with Illinois Compiled Statutes (ILCS) establishes the following target allocation across asset classes:

Asset Class	Target	Long-Term Expected Real Rate of Return
Fixed Income	35%-65%	7.37%
Equity	35%-65%	11.83%
Cash and Cash Equivalents	0%	0.00%

Illinois Compiled Statutes (ILCS) limit the Fund's investments in equities, mutual funds and variable annuities to 65%. Securities in any one company should not exceed 10% of the total fund.

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

DEPOSITS AND INVESTMENTS – Continued

Police Pension Fund – Interest Rate Risk, Credit Risk, Custodial Credit Risk and Concentration Risk – Continued

Concentration Risk – Continued. The long-term expected rate of return on the Fund's investments was determined using an asset allocation study conducted by the Fund's investment management consultant in March 2018 in which best-estimate ranges of expected future real rates of return (net of pension plan investment expense and inflation) were developed for each major asset class. These ranges were combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding the expected inflation. Best estimates or arithmetic real rates of return for each major asset class included in the Fund's target asset allocation as of February 28, 2019 are listed in the table above.

Custodial Credit Risk. The Fund's investment policy does not require pledging of collateral for all bank balances in excess of federal depository insurance, since flow-through FDIC insurance is available for the Fund's deposits with financial institutions. For investments, the Fund's investment policy limits its exposure to custodial credit risk by requiring that all security transactions that are exposed to custodial credit risk be processed on a delivery versus payment (DVP) basis with the underlying investments held by a third party acting as the Fund's agent separate from where the investment was purchased in the Fund's name. Furthermore, the Fund's investment in U.S. Treasury and Agency securities as well as local government obligations are categorized as insured, registered, or held by the Fund or its agent in the Fund's name.

Rate of Return

For the year ended February 28, 2019, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 1.20%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Firefighters' Pension Fund – Interest Rate Risk, Credit Risk, Custodial Credit Risk and Concentration Risk

Deposits. At year-end, the carrying amount of the Fund's deposits totaled $10,000 and the bank balances totaled $10,000.

Custodial Credit Risk. The Fund's investment policy does not require pledging of collateral for all bank balances in excess of federal depository insurance, since flow-through FDIC insurance is available for the Fund's deposits with financial institutions. For investments, the Fund's investment policy limits its exposure to custodial credit risk by requiring that all security transactions that are exposed to custodial credit risk be processed on a delivery versus payment (DVP) basis with the underlying investments held by a third party acting as the Fund's agent separate from where the investment was purchased in the Fund's name.

VILLAGE OF GLENCOE, ILLINOIS

Notes to the Financial Statements
February 28, 2019

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

DEPOSITS AND INVESTMENTS – Continued

Firefighters' Pension Fund – Interest Rate Risk, Credit Risk, Custodial Credit Risk and Concentration Risk – Continued

Credit Risk. The Fund's investment policy helps limit its exposure to credit risk by primarily investing in obligations guaranteed by the United States Government or securities issued by agencies of the United States Government that are explicitly or implicitly guaranteed by the United States Government.

Concentration Risk. The Fund is a "wasting fund" in that no contributions are being made to the Fund and there are no active participants, only inactive participants or spouses of deceased participants. As such, investments are restricted to include only obligations guaranteed by the United States Government or securities issued by agencies of the United States Government that are explicitly or implicitly guaranteed by the United States Government, U.S. Government money market funds, or certificates of deposit insured by the FDIC. At year-end, the Fund has no investments over 5 percent of net plan position available for retirement benefits (other than investments issued or explicitly guaranteed by the U.S. government and investments in mutual funds, external investment pools, and other pooled investments).

The Fund's investment policy in accordance with Illinois Compiled Statutes (ILCS) establishes the following target allocation across asset classes:

Asset Class	Target	Long-Term Expected Real Rate of Return
Cash and Cash Equivalents	100%	0.00%

Since the Fund has no active members there is no long-term expected rate of return for any asset class besides cash and cash equivalents.

The long-term expected rate of return on the Fund's investments was determined using an asset allocation study conducted by the Fund's investment management consultant in March 2018 in which best-estimate ranges of expected future real rates of return (net of pension plan investment expense and inflation) were developed for each major asset class. These ranges were combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding the expected inflation. Best estimates or arithmetic real rates of return for each major asset class included in the Fund's target asset allocation as of February 28, 2019 are listed in the table above.

Rate of Return

For the year ended February 28, 2019, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 2.40%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS

The Village contributes to three defined benefit pension plans, the Illinois Municipal Retirement Fund (IMRF), a defined benefit agent multiple-employer public employee retirement system; the Police Pension Plan which is a single-employer pension plan; and, the Firefighters' Pension Plan, which is also a single-employer pension plan. Separate reports are issued for the Police and Firefighters' Pension Plans and may be obtained by writing to the Village at 675 Village Court, Glencoe, Illinois 60022. IMRF issues a publicly available financial report that includes financial statements and required supplementary information for the plan as a whole, but not by individual employer. That report may be obtained online at www.imrf.org. The benefits, benefit levels, employee contributions, and employer contributions are governed by Illinois Compiled Statutes (ILCS) and can only be amended by the Illinois General Assembly.

The aggregate amount of pension expense recognized for the three pension plans is:

IMRF	
Village	$ 807,174
Library	189,375
Police Pension	3,029,681
Firefighters' Pension	156,322
	4,182,552

Illinois Municipal Retirement Fund (IMRF)

Plan Descriptions

Plan Administration. All employees (other than those covered by the Police and Firefighters' Pension Plan) hired in positions that meet or exceed the prescribed annual hourly standard must be enrolled in IMRF as participating members. The plan is accounted for on the economic resources measurement focus and the accrual basis of accounting. Employer and employee contributions are recognized when earned in the year that the contributions are required, benefits and refunds are recognized as an expense and liability when due and payable.

Benefits Provided. IMRF has three benefit plans. The vast majority of IMRF members participate in the Regular Plan (RP). The Sheriff's Law Enforcement Personnel (SLEP) plan is for sheriffs, deputy sheriffs, and selected police chiefs. Counties could adopt the Elected County Official (ECO) plan for officials elected prior to August 8, 2011 (the ECO plan was closed to new participants after that date).

IMRF provides two tiers of pension benefits. Employees hired ***before*** January 1, 2011, are eligible for Tier 1 benefits. Tier 1 employees are vested for pension benefits when they have at least eight years of qualifying service credit. Tier 1 employees who retire at age 55 (at reduced benefits) or after age 60 (at full benefits) with eight years of service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1-2/3% of the final rate of earnings for the first 15 years of service credit,

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Illinois Municipal Retirement Fund (IMRF) – Continued

Plan Descriptions – Continued

Benefits Provided – Continued. plus 2% for each year of service credit after 15 years to a maximum of 75% of their final rate of earnings. Final rate of earnings is the highest total earnings during any consecutive 48 months within the last 10 years of service, divided by 48. Under Tier 1, the pension is increased by 3% of the original amount on January 1 every year after retirement.

Employees hired ***on or after*** January 1, 2011, are eligible for Tier 2 benefits. For Tier 2 employees, pension benefits vest after ten years of service. Participating employees who retire at age 62 (at reduced benefits) or after age 67 (at full benefits) with ten years of service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1-2/3% of the final rate of earnings for the first 15 years of service credit, plus 2% for each year of service credit after 15 years to a maximum of 75% of their final rate of earnings. Final rate of earnings is the highest total earnings during any 96 consecutive months within the last 10 years of service, divided by 96. Under Tier 2, the pension is increased on January 1 every year after retirement, upon reaching age 67, by the *lesser* of:

- 3% of the original pension amount, or
- 1/2 of the increase in the Consumer Price Index of the original pension amount.

Plan Membership. As of December 31, 2018, the measurement date, the following employees were covered by the benefit terms:

Inactive Plan Members Currently Receiving Benefits	115
Inactive Plan Members Entitled to but not yet Receiving Benefits	60
Active Plan Members	91
Total	266 *

* The employees in the above table include the Glencoe Library. A detailed breakdown between the Village and the Library is not available.

Contributions. As set by statute, the Village's Regular Plan Members are required to contribute 4.50% of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. For the year-ended February 28, 2019, the Village's contribution was 11.78% of covered payroll and the Library's contribution was 12.97% of covered payroll.

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Illinois Municipal Retirement Fund (IMRF) – Continued

Plan Descriptions – Continued

Net Pension Liability. The Village's net pension liability was measured as of December 31, 2018. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

Actuarial Assumptions. The total pension liability was determined by an actuarial valuation performed, as of December 31, 2018, using the following actuarial methods and assumptions:

Actuarial Cost Method	Entry Age Normal
Asset Valuation Method	Market
Actuarial Assumptions	
Interest Rate	7.25%
Salary Increases	3.39% to 14.25%
Cost of Living Adjustments	2.50%
Inflation	2.50%

For non-disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Blue Collar Health Annuitant Mortality Table with adjustments to match current IMRF experience. For disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Disabled Retirees Mortality Table applying the same adjustment that were applied for non-disabled lives. For active members, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense, and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return to the target asset allocation percentage and adding expected inflation. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Illinois Municipal Retirement Fund (IMRF) – Continued

Plan Descriptions – Continued

Actuarial Assumptions – Continued.

Asset Class	Target	Long-Term Expected Real Rate of Return
Fixed Income	28.00%	3.00%
Domestic Equities	37.00%	6.85%
International Equities	18.00%	6.75%
Real Estate	9.00%	5.75%
Blended	7.00%	2.65% - 7.35%
Cash and Cash Equivalents	1.00%	2.25%

Discount Rate

The discount rate used to measure the total pension liability was 7.25%, and the discount rate in the prior valuation was 7.50%. The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that Village contributions will be made at rates equal to the difference between the actuarially determined contribution rates and the member rate. Based on those assumptions, the Fund's fiduciary net position was projected to be available to make all project future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all period of projected benefit payments to determine the total pension liability.

Discount Rate Sensitivity

The following is a sensitive analysis of the net pension liability to changes in the discount rate. The table below presents the pension liability of the Village calculated using the discount rate as well as what the Village's net pension liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate:

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Net Pension Liability			
Village	$ 10,629,724	5,603,484	1,434,077
Library	1,638,430	863,702	221,044
Totals	12,268,154	6,467,186	1,655,121

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Illinois Municipal Retirement Fund (IMRF) – Continued

Changes in the Net Pension Liability

	Village	Library	Totals
Total Pension Liability			
Service Cost	$ 566,368	87,298	653,666
Interest	2,848,865	455,025	3,303,890
Differences Between Expected and Actual Experience	(589,594)	(90,878)	(680,472)
Change of Assumptions	1,114,378	171,767	1,286,145
Benefit Payments, Including Refunds of Member Contributions	(2,090,900)	(322,284)	(2,413,184)
Net Change in Total Pension Liability	1,849,117	300,928	2,150,045
Total Pension Liability - Beginning	39,403,730	5,527,897	44,931,627
Total Pension Liability - Ending	41,252,847	5,828,825	47,081,672
Plan Fiduciary Net Position			
Contributions - Employer	699,205	107,773	806,978
Contributions - Members	253,905	39,136	293,041
Net Investment Income	(2,101,741)	(323,955)	(2,425,696)
Benefit Payments, Including Refunds of Member Contributions	(2,090,900)	(322,284)	(2,413,184)
Other (Net Transfer)	237,597	36,622	274,219
Net Change in Plan Fiduciary Net Position	(3,001,934)	(462,708)	(3,464,642)
Plan Net Position - Beginning	38,651,297	5,427,831	44,079,128
Plan Net Position - Ending	35,649,363	4,965,123	40,614,486
Employer's Net Pension Liability	5,603,484	863,702	6,467,186

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Illinois Municipal Retirement Fund (IMRF) – Continued

Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions

For the year ended February 28, 2019, the Village recognized pension expense of $807,174 and the Library recognized pension expense of $189,375 for a total pension expense of $996,549. At February 28, 2019, the Village reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Village		Library		
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources	Totals
Difference Between Expected and Actual Experience	$ 140,880	(408,587)	21,715	(62,978)	(308,970)
Change in Assumptions	772,261	(568,954)	119,034	(87,697)	234,644
Net Difference Between Projected and Actual	2,370,865	-	365,436	-	2,736,301
Total Pension Expense to be Recognized in Future Periods	3,284,006	(977,541)	506,185	(150,675)	2,661,975
Pension Contributions Made Subsequent to the Measurement Date	90,852	-	14,004	-	104,856
Total Deferred Amounts Related to IMRF	3,374,858	(977,541)	520,189	(150,675)	2,766,831

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense in future periods as follows:

Fiscal	Net Deferred Outflows of Resources		
Year	Village	Library	Totals
2020	$ 667,400	102,871	770,271
2021	327,115	50,420	377,535
2022	325,468	50,167	375,635
2023	986,482	152,052	1,138,534
2024	-	-	-
Thereafter	-	-	-
Totals	2,306,465	355,510	2,661,975

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Police Pension Plan

Plan Descriptions

Plan Administration. The Police Pension Plan is a single-employer defined benefit pension plan that covers all sworn police personnel. The defined benefits and employee and minimum employer contribution levels are governed by Illinois Compiled Statutes (40 ILCS 5/3-1) and may be amended only by the Illinois legislature. The Village accounts for the Fund as a pension trust fund. The Fund is governed by a five-member pension board. Two members of the Board are appointed by the Village President, one member is elected by pension beneficiaries and two members are elected by active police employees.

Plan Membership. At February 28, 2019, the measurement date, membership consisted of the following:

Inactive Plan Members Currently Receiving Benefits	37
Inactive Plan Members Entitled to but not yet Receiving Benefits	2
Active Plan Members	35
Total	74

Benefits Provided. The following is a summary of the Police Pension Plan as provided for in Illinois State Statutes.

The Police Pension Plan provides retirement benefits through two tiers of benefits as well as death and disability benefits. Covered employees hired before January 1, 2011 (Tier 1), attaining the age of 50 or older with 20 or more years of creditable service are entitled to receive an annual retirement benefit of ½ of the salary attached to the rank held on the last day of service, or for one year prior to the last day, whichever is greater. The annual benefit shall be increased by 2.5 percent of such salary for each additional year of service over 20 years up to 30 years, to a maximum of 75 percent of such salary. Employees with at least eight years but less than 20 years of credited service may retire at or after age 60 and receive a reduced benefit. The monthly benefit of a police officer who retired with 20 or more years of service after January 1, 1977 shall be increased annually, following the first anniversary date of retirement and be paid upon reaching the age of at least 55 years, by 3 percent of the original pension and 3 percent compounded annually thereafter.

VILLAGE OF GLENCOE, ILLINOIS

Notes to the Financial Statements
February 28, 2019

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Police Pension Plan – Continued

Plan Descriptions – Continued

Benefits Provided – Continued. Covered employees hired on or after January 1, 2011 (Tier 2), attaining the age of 55 or older with 10 or more years of creditable service are entitled to receive an annual retirement benefit equal to the average monthly salary obtained by dividing the total salary of the police officer during the 96 consecutive months of service within the last 120 months of service in which the total salary was the highest by the number of months of service in that period. Police officer salary for the pension purposes is capped at $106,800, plus the lesser of ½ of the annual change in the Consumer Price Index or 3 percent compounded ($114,952 in calendar year 2019). The annual benefit shall be increased by 2.5 percent of such a salary for each additional year of service over 20 years up to 30 years to a maximum of 75 percent of such salary. Employees with at least 10 years may retire at or after age 50 and receive a reduced benefit (i.e., ½ percent for each month under 55). The monthly benefit of a Tier 2 police officer shall be increased annually at age 60 on the January 1st after the police officer retires, or the first anniversary of the pension starting date, whichever is later. Noncompounding increases occur annually, each January thereafter. The increase is the lesser of 3 percent or ½ of the change in the Consumer Price Index for the proceeding calendar year.

Contributions. Covered employees are required to contribute 9.91% of their base salary to the Police Pension Plan. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without accumulated interest. The Village is required to contribute the remaining amounts necessary to finance the plan and the administrative costs as actuarially determined by an enrolled actuary. However, effective January 1, 2011, ILCS requires the Village to contribute a minimum amount annually calculated using the projected unit credit actuarial cost method that will result in the funding of 90% of the past service cost by the year 2040. For the year-ended February 28, 2019, the Village's contribution was 48.10% of covered payroll.

Concentrations. At year-end, the Pension Plan does not have any investments over 5 percent of net plan position available for retirement benefits (other than investments issued or explicitly guaranteed by the U.S. government and investments in mutual funds, external investment pools, and other pooled investments).

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Police Pension Plan – Continued

Actuarial Assumptions

The total pension liability was determined by an actuarial valuation performed, as of February 28, 2019, using the following actuarial methods and assumptions:

Actuarial Cost Method	Entry Age Normal
Asset Valuation Method	Market
Actuarial Assumptions	
Interest Rate	6.50%
Salary Increases	3.50% to 11.00%
Cost of Living Adjustments	2.50%
Inflation	2.50%

Mortality rates were based on the RP-2014 Mortality Table (BCHA) projected to 2017 using improvement scale MP-2016. The other non-economic actuarial assumptions used in the February 28, 2019 valuation were based on the results of an actuarial experience study conducted by the Illinois Department of Insurance (GRS) in 2017.

Discount Rate

The discount rate used to measure the total pension liability was 6.50% the same as the prior year. The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that Village contributions will be made at rates equal to the difference between the actuarially determined contribution rates and the member rate. Based on those assumptions, the Fund's fiduciary net position was projected to be available to make all project future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all period of projected benefit payments to determine the total pension liability.

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Police Pension Plan – Continued

Discount Rate Sensitivity

The following is a sensitive analysis of the net pension liability to changes in the discount rate. The table below presents the pension liability of the Village calculated using the discount rate as well as what the Village's net pension liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate:

	1% Decrease (5.50%)	Current Discount Rate (6.50%)	1% Increase (7.50%)
Net Pension Liability	$ 33,438,789	24,932,934	17,984,969

Changes in the Net Pension Liability

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability (A) - (B)
Balances at February 28, 2018	$ 58,461,463	35,863,743	22,597,720
Changes for the Year:			
Service Cost	874,723	-	874,723
Interest on the Total Pension Liability	3,766,664	-	3,766,664
Difference Between Expected and Actual Experience of the Total Pension Liability	(2,196,512)	-	(2,196,512)
Changes of Assumptions	2,403,214	-	2,403,214
Contributions - Employer	-	1,793,151	(1,793,151)
Contributions - Employees	-	403,604	(403,604)
Net Investment Income	-	343,167	(343,167)
Benefit Payments, including Refunds of Employee Contributions	(2,775,011)	(2,775,011)	-
Administrative Expense	-	(27,047)	27,047
Net Changes	2,073,078	(262,136)	2,335,214
Balances at February 28, 2019	60,534,541	35,601,607	24,932,934

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Police Pension Plan – Continued

Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions

For the year ended February 28, 2019, the Village recognized pension expense of $3,029,481. At February 28, 2019, the Village reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Totals
Difference Between Expected and Actual Experience	$ 457,884	(1,996,358)	(1,538,474)
Change in Assumptions	2,684,911	(667,830)	2,017,081
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	889,812	-	889,812
Total Deferred Amounts Related to Police Pension	4,032,607	(2,664,188)	1,368,419

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense in future periods as follows:

Fiscal Year	Net Deferred Outflows/ (Inflows) of Resources
2020	$ 821,729
2021	(249,026)
2022	290,343
2023	470,922
2024	34,451
Thereafter	-
Total	1,368,419

VILLAGE OF GLENCOE, ILLINOIS

Notes to the Financial Statements
February 28, 2019

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Firefighters' Pension Plan

Plan Descriptions – Continued

Plan Administration. The Firefighters' Pension Plan is a single-employer defined benefit pension plan that covers all sworn firefighter personnel. The defined benefits and employee and minimum employer contribution levels are governed by Illinois Compiled Statutes (40 ILCS 5/4-1) and may be amended only by the Illinois legislature. The Village accounts for the Fund as a pension trust fund. The Fund is governed by a five-member pension board. Two members of the Board are appointed by the Village President, one member is elected by pension beneficiaries and two members are elected by active fire employees.

Plan Membership. At February 28, 2019, the measurement date, membership consisted of the following:

Inactive Plan Members Currently Receiving Benefits	1
Inactive Plan Members Entitled to but not yet Receiving Benefits	-
Active Plan Members	-
Total	1

Benefits Provided. The following is a summary of the Firefighters' Pension Plan as provided for in Illinois State Statutes.

The Firefighters' Pension Plan provides retirement benefits through two tiers of benefits as well as death and disability benefits. Covered employees hired before January 1, 2011 (Tier 1), attaining the age of 50 or older with 20 or more years of creditable service are entitled to receive an annual retirement benefit of ½ of the salary attached to the rank held on the last day of service, or for one year prior to the last day, whichever is greater. The annual benefit shall be increased by 2.5 percent of such salary for each additional year of service over 20 years up to 30 years, to a maximum of 75 percent of such salary. Employees with at least eight years but less than 20 years of credited service may retire at or after age 60 and receive a reduced benefit. The monthly benefit of a firefighter who retired with 20 or more years of service after January 1, 1977 shall be increased annually, following the first anniversary date of retirement and be paid upon reaching the age of at least 55 years, by 3 percent of the original pension and 3 percent compounded annually thereafter.

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Firefighters' Pension Plan – Continued

Plan Descriptions – Continued

Benefits Provided – Continued. Covered employees hired on or after January 1, 2011 (Tier 2), attaining the age of 55 or older with 10 or more years of creditable service are entitled to receive an annual retirement benefit equal to the average monthly salary obtained by dividing the total salary of the firefighter during the 96 consecutive months of service within the last 120 months of service in which the total salary was the highest by the number of months of service in that period. Firefighters' salary for the pension purposes is capped at $106,800, plus the lesser of ½ of the annual change in the Consumer Price Index or 3 percent compounded ($114,952 in calendar year 2019). The annual benefit shall be increased by 2.5 percent of such a salary for each additional year of service over 20 years up to 30 years to a maximum of 75 percent of such salary. Employees with at least 10 years may retire at or after age 50 and receive a reduced benefit (i.e., ½ percent for each month under 55). The monthly benefit of a Tier 2 firefighter shall be increased annually at age 60 on the January 1st after the firefighter retires, or the first anniversary of the pension starting date, whichever is later. Noncompounding increases occur annually, each January thereafter. The increase is the lesser of 3 percent or ½ of the change in the Consumer Price Index for the proceeding calendar year.

Contributions. Covered employees are required to contribute 9.455% of their base salary to the Firefighters' Pension Plan. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without accumulated interest. The Village is required to contribute the remaining amounts necessary to finance the plan and the administrative costs as actuarially determined by an enrolled actuary. However, effective January 1, 2011, ILCS requires the Village to contribute a minimum amount annually calculated using the projected unit credit actuarial cost method that will result in the funding of 90% of the past service cost by the year 2040. For the year-ended February 28, 2019, the Village did not have any covered payroll and made $46,838 in contributions to the Firefighters' Pension Plan.

Concentrations. At year-end, the Pension Plan does not have any investments over 5 percent of net plan position available for retirement benefits (other than investments issued or explicitly guaranteed by the U.S. government and investments in mutual funds, external investment pools, and other pooled investments).

VILLAGE OF GLENCOE, ILLINOIS

Notes to the Financial Statements
February 28, 2019

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Firefighters' Pension Plan – Continued

Actuarial Assumptions

The total pension liability was determined by an actuarial valuation performed, as of February 28, 2019, using the following actuarial methods and assumptions:

Actuarial Cost Method	Entry Age Normal
Asset Valuation Method	Market
Actuarial Assumptions	
Interest Rate	0.00%
Salary Increases	0.00%
Cost of Living Adjustments	2.50%
Inflation	2.50%

Mortality rates were based on the RP-2014 Mortality Table (BCHA) projected to 2017 using improvement scale MP-2016. The other non-economic actuarial assumptions used in the February 28, 2019 valuation were based on the results of an actuarial experience study conducted by the Illinois Department of Insurance (GRS) in 2017.

Discount Rate

The discount rate used to measure the total pension liability was 0.0%, the same as the prior valuation. The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that Village contributions will be made at rates equal to the difference between the actuarially determined contribution rates and the member rate. Based on those assumptions, the Fund's fiduciary net position was projected to be available to make all project future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all period of projected benefit payments to determine the total pension liability.

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Firefighters' Pension Plan – Continued

Discount Rate Sensitivity

The following is a sensitive analysis of the net pension liability to changes in the discount rate. The table below presents the pension liability of the Village calculated using the discount rate as well as what the Village's net pension liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate:

	1% Decrease N/A	Current Discount Rate (0.00%)	1% Increase (1.00%)
Net Pension Liability	$ N/A	498,161	466,910

Changes in the Net Pension Liability

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability (A) - (B)
Balances at February 28, 2018	$ 426,190	8,772	417,418
Changes for the Year:			
Service Cost	-	-	-
Interest on the Total Pension Liability	-	-	-
Difference Between Expected and Actual Experience of the Total Pension Liability	127,594	-	127,594
Changes of Assumptions	-	-	-
Contributions - Employer	-	46,838	(46,838)
Contributions - Other	-	-	-
Net Investment Income	-	13	(13)
Benefit Payments, including Refunds of Employee Contributions	(47,121)	(47,121)	-
Administrative Expense	-	-	-
Net Changes	80,473	(270)	80,743
Balances at February 28, 2019	506,663	8,502	498,161

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Firefighters' Pension Plan – Continued

Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions

For the year ended February 28, 2019, the Village recognized pension expense of $156,322. At February 28, 2019, the Village reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Totals
Difference Between Expected and Actual Experience	$ 13,444	-	13,444
Change in Assumptions	47,487	-	47,487
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	33	-	33
Total Deferred Amounts Related to Firefighters' Pension	60,964	-	60,964

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense in future periods as follows:

Fiscal Year	Net Deferred Outflows/ (Inflows) of Resources
2020	$ 28,722
2021	28,690
2022	3,555
2023	(3)
2024	-
Thereafter	-
Total	60,964

NOTE 4 – OTHER INFORMATION – Continued

OTHER POST-EMPLOYMENT BENEFITS

General Information about the OPEB Plan

Plan Description. The Village and the Library's defined benefit OPEB plan, Retiree Benefit Plan (RBP), provides OPEB for all permanent full-time general and public safety employees. RBP is a single-employer defined benefit OPEB plan administered by the Village. Article 11 of the State Compiled Statutes grants the authority to establish and amend the benefit terms and financing requirements to the Village Board. No assets are accumulated in a trust that meets the criteria in paragraph 4 of Statement 75.

Benefits Provided. RBP provides medical benefits for full-time IMRF retirees and their dependent/spouse. Retirees pay the full cost of health insurance continuation at the employer rate until they reach age 65. Dependent/spousal coverage may continue should retiree coverage end due to coverage termination, death, or Medicare eligibility with dependent/spouse using COBRA for up to 18 months after the event., There is no coverage offered to retirees once Medicare eligible, except through COBRA. Retirees are not eligible for vision or life insurance in retirement. There is no dental coverage offered to Retirees once Medicare eligible, except through COBRA.

Plan Membership. As of February 28, 2018, the most recent measurement date, the following employees were covered by the benefit terms:

	Village	Library	Total
Inactive plan members currently receiving benefits	19	3	22
Inactive plan members entitled to but not yet receiving benefits	-	-	-
Active plan members	79	16	95
Total	98	19	117

Total OPEB Liability

The Village and Library's total OPEB liability was measured as of February 28, 2019 and was determined by an actuarial valuation as of that date.

NOTE 4 – OTHER INFORMATION – Continued

OTHER POST-EMPLOYMENT BENEFITS – Continued

Total OPEB Liability – Continued

Actuarial Assumptions and Other Inputs. The total OPEB liability in the February 28, 2018 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.50%
Salary increases	4.00%
Discount rate	3.54%
Healthcare cost trend rates	5.89% in fiscal year 2019 and an ultimate trend rate of 5.00% in 2029.
Retirees' share of benefit-related costs	100% of benefit-related costs

Mortality rates were based on the RP-2014 blue collar base rates projected to 2017 using improvement scale MP-2016.

Change in the Total OPEB Liability

	Village	Library	Toal
Balance at February 28, 2018	$ 2,147,624	232,767	2,380,391
Changes for the year:			
Service cost	36,341	4,264	40,605
Interest on the total pension liability	73,751	8,653	82,404
Changes of assumptions or other inputs	(8,035)	18,261	10,226
Benefit payments	(163,597)	(19,194)	(182,791)
Other Charges	(2,594)	(304)	(2,898)
Net changes	(64,134)	11,680	(52,454)
Balance at February 28, 2019	2,083,490	244,447	2,327,937

NOTE 4 – OTHER INFORMATION – Continued

OTHER POST-EMPLOYMENT BENEFITS – Continued

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate

The following presents the total OPEB liability, calculated using a Single Discount Rate of 3.54%, as well as what the total OPEB liability would be if it were calculated using a Single Discount Rate that is one percentage point lower or one percentage point higher:

	1% Decrease (2.54%)	Current Discount Rate (3.54%)	1% Increase (4.54%)
Village OPEB liability	$ 1,940,280	2,083,490	2,247,966
Library OPEB liability	227,644	244,447	263,744
Total OPEB liability	2,167,924	2,327,937	2,511,710

Sensitivity of the Total OPEB liability to Changes in the Healthcare Cost Trend Rates

The following presents the total OPEB liability, calculated using current Healthcare Trend Rates, as well as what the total OPEB liability would be if it were calculated using a Healthcare Trend Rate that is one percentage point lower or one percentage point higher:

	1% Increase (Varies)	Healthcare Cost Trend Rates (Varies)	1% Decrease (Varies)
Village OPEB liability	$ 2,259,946	2,083,490	1,924,162
Library OPEB liability	265,149	244,447	225,753
Total OPEB liability	2,525,095	2,327,937	2,149,915

VILLAGE OF GLENCOE, ILLINOIS

Notes to the Financial Statements
February 28, 2019

NOTE 4 – OTHER INFORMATION – Continued

OTHER POST-EMPLOYMENT BENEFITS – Continued

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended February 28, 2019, the Village recognized OPEB expense of $91,564 and the Library recognized OPEB expense of $10,743. At February 28, 2019, the Village and Library reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Village		Library		
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources	Totals
Difference Between Expected and Actual Experience	$ 70,529	-	8,275	-	78,804
Change in Assumptions	53,880	(233,443)	6,321	(27,389)	(200,631)
Net Difference Between Projected and Actual	-	-	-	-	-
Total Deferred Amounts Related to RBP	124,409	(233,443)	14,596	(27,389)	(121,827)

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Fiscal Year	Net Deferred Outflows of Resources		
	Village	Library	Totals
2020	$ (18,528)	(2,174)	(20,702)
2021	(18,528)	(2,174)	(20,702)
2022	(18,528)	(2,174)	(20,702)
2023	(18,528)	(2,174)	(20,702)
2024	(18,528)	(2,174)	(20,702)
Thereafter	(16,394)	(1,923)	(18,317)
Totals	(109,034)	(12,793)	(121,827)

VILLAGE OF GLENCOE, ILLINOIS

Illinois Municipal Retirement Fund

Required Supplementary Information
Schedule of Employer Contributions
February 28, 2019

Fiscal Year		Actuarially Determined Contribution	Contributions in Relation to the Actuarially Determined Contribution	Contribution Excess/ (Deficiency)	Covered Payroll	Contributions as a Percentage of Covered Payroll
2016	Total	$ 724,554	$ 724,554	$ -	$ 6,124,719	11.83%
2017		757,070	757,070	-	6,335,320	11.95%
2018		779,599	779,599	-	6,528,560	11.94%
2019	Village	672,916	672,916	-	5,711,196	11.78%
	Library	103,715	114,200	10,485	880,623	12.97%
	Total	776,631	787,116	10,485	6,591,819	11.94%

Notes to the Required Supplementary Information:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level % Pay (Closed)
Remaining Amortization Period	25 Years
Asset Valuation Method	5-Year Smoothed Market
Inflation	2.75%
Salary Increases	3.75% - 14.50%
Investment Rate of Return	7.50%
Retirement Age	See the Notes to the Financial Statements
Mortality	IMFR specific mortality table was used with fully generational projection scale MP-2014 (base year 2012).

Note:
This schedule is intended to show information for ten years. Information for additional years will be displayed as it becomes available.

VILLAGE OF GLENCOE, ILLINOIS

Police Pension Fund

Required Supplementary Information
Schedule of Employer Contributions
February 28, 2019

Fiscal Year	Actuarially Determined Contribution	Contributions in Relation to the Actuarially Determined Contribution	Contribution Excess/ (Deficiency)	Covered Payroll	Contributions as a Percentage of Covered Payroll
2015	$ 1,114,467	$ 1,482,314	$ 367,847	$ 3,298,679	44.94%
2016	1,167,493	1,562,863	395,370	3,395,836	46.02%
2017	1,358,456	1,360,242	1,786	3,403,855	39.96%
2018	1,569,862	1,161,172	(408,690)	3,750,377	30.96%
2019	1,581,311	1,793,351	212,040	3,728,360	48.10%

Notes to the Required Supplementary Information:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level % Pay (Closed)
Remaining Amortization Period	22 Years
Asset Valuation Method	Market value
Inflation	2.50%
Salary Increases	3.50% - 11.00%
Investment Rate of Return	6.75%
Retirement Age	50-70
Mortality	RP 2014 projected to 2017 using improvement scale MP-2016

Note:
This schedule is intended to show information for ten years. Information for additional years will be displayed as it becomes available.

VILLAGE OF GLENCOE, ILLINOIS

Firefighters' Pension Fund

Required Supplementary Information
Schedule of Employer Contributions
February 28, 2019

Fiscal Year	Actuarially Determined Contribution	Contributions in Relation to the Actuarially Determined Contribution	Contribution Excess/ (Deficiency)	Covered Payroll	Contributions as a Percentage of Covered Payroll
2015	$ 38,224	$ 85,136	$ 46,912	$ -	0.00%
2016	38,232	60,207	21,975	-	0.00%
2017	43,048	51,821	8,773	-	0.00%
2018	28,687	46,573	17,886	-	0.00%
2019	18,559	46,838	28,279	-	0.00%

Notes to the Required Supplementary Information:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level % Pay (Closed)
Remaining Amortization Period	22 Years
Asset Valuation Method	Market value
Inflation	2.50%
Salary Increases	0.00%
Investment Rate of Return	0.00%
Retirement Age	50-70
Mortality	RP 2014 projected to 2017 using improvement scale MP-2016

Note:
This schedule is intended to show information for ten years. Information for additional years will be displayed as it becomes available.

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VILLAGE OF GLENCOE, ILLINOIS

Illinois Municipal Retirement Fund

Required Supplementary Information
Schedule of Changes in the Employer's Net Pension Liability
February 28, 2019

	12/31/2015	12/31/16	12/31/17	12/31/2018		
	Totals	Totals	Totals	Village	Library	Totals
Total Pension Liability						
Service Cost	$ 702,405	672,945	674,045	566,368	87,298	653,666
Interest	2,984,215	3,120,224	3,282,874	2,848,865	455,025	3,303,890
Differences Between Expected and Actual Experience	142,372	569,426	186,455	(589,594)	(90,878)	(680,472)
Change of Assumptions	102,700	(159,474)	(1,486,827)	1,114,378	171,767	1,286,145
Benefit Payments, Including Refunds of Member Contributions	(1,893,991)	(2,085,090)	(2,319,096)	(2,090,900)	(322,284)	(2,413,184)
Net Change in Total Pension Liability	2,037,701	2,118,031	337,451	1,849,117	300,928	2,150,045
Total Pension Liability - Beginning	40,438,444	42,476,145	44,594,176	39,403,730	5,527,897	44,931,627
Total Pension Liability - Ending	42,476,145	44,594,176	44,931,627	41,252,847	5,828,825	47,081,672
Plan Fiduciary Net Position						
Contributions - Employer	$ 724,554	757,070	775,083	699,205	107,773	806,978
Contributions - Members	275,612	287,373	292,607	253,905	39,136	293,041
Net Investment Income	188,058	2,547,393	6,917,972	(2,101,741)	(323,955)	(2,425,696)
Benefit Payments, Including Refunds of Member Contributions	(1,893,991)	(2,085,090)	(2,319,096)	(2,090,900)	(322,284)	(2,413,184)
Other (Net Transfer)	(159,107)	518,584	(806,460)	237,597	36,622	274,219
Net Change in Plan Fiduciary Net Position	(864,874)	2,025,330	4,860,106	(3,001,934)	(462,708)	(3,464,642)
Plan Net Position - Beginning	38,058,566	37,193,692	39,219,022	38,651,297	5,427,831	44,079,128
Plan Net Position - Ending	37,193,692	39,219,022	44,079,128	35,649,363	4,965,123	40,614,486
Employer's Net Pension Liability	$ 5,282,453	5,375,154	852,499	5,603,484	863,702	6,467,186
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	87.56%	87.95%	98.10%	86.42%	85.18%	86.26%
Covered Payroll	$ 6,124,719	6,335,320	6,502,477	5,642,343	869,692	6,512,035
Employer's Net Pension Liability as a Percentage of Covered Payroll	86.25%	84.84%	13.11%	99.31%	99.31%	99.31%

Note:
This schedule is intended to show information for ten years. Information for additional years will be displayed as it becomes available.

VILLAGE OF GLENCOE, ILLINOIS

Police Pension Fund

Required Supplementary Information
Schedule of Changes in the Employer's Net Pension Liability
February 28, 2019

	2015	2016	2017	2018	2019
Total Pension Liability					
Service Cost	$ 768,722	824,280	846,836	819,005	874,723
Interest	2,980,948	3,304,601	3,619,375	3,702,214	3,766,664
Differences Between Expected and Actual Experience	(111,871)	(1,331,838)	1,050,686	121,102	(2,196,512)
Change of Assumptions	3,168,019	4,037,694	(1,846,358)	278,147	2,403,214
Benefit Payments, Including Refunds of Member Contributions	(1,952,395)	(2,069,518)	(2,273,321)	(2,613,260)	(2,775,011)
Net Change in Total Pension Liability	4,853,423	4,765,219	1,397,218	2,307,208	2,073,078
Total Pension Liability - Beginning	45,138,395	49,991,818	54,757,037	56,154,255	58,461,463
Total Pension Liability - Ending	49,991,818	54,757,037	56,154,255	58,461,463	60,534,541
Plan Fiduciary Net Position					
Contributions - Employer	$ 1,482,314	1,562,863	1,360,242	1,161,172	1,793,151
Contributions - Members	317,645	340,092	344,071	354,214	403,604
Net Investment Income	2,209,655	(1,758,880)	4,119,725	3,282,482	343,167
Benefit Payments, Including Refunds of Member Contributions	(1,952,395)	(2,069,518)	(2,273,321)	(2,613,260)	(2,775,011)
Administrative Expense	(17,521)	(21,629)	(20,041)	(19,326)	(27,047)
Net Change in Plan Fiduciary Net Position	2,039,698	(1,947,072)	3,530,676	2,165,282	(262,136)
Plan Net Position - Beginning	30,075,159	32,114,857	30,167,785	33,698,461	35,863,743
Plan Net Position - Ending	32,114,857	30,167,785	33,698,461	35,863,743	35,601,607
Employer's Net Pension Liability	$ 17,876,961	24,589,252	22,455,794	22,597,720	24,932,934
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	64.24%	55.09%	60.01%	61.35%	58.81%
Covered Payroll	$ 3,298,679	3,395,836	3,403,855	3,750,377	3,728,360
Employer's Net Pension Liability as a Percentage of Covered Payroll	541.94%	724.10%	659.72%	602.55%	668.74%

Note:
This schedule is intended to show information for ten years. Information for additional years will be displayed as it becomes available.

VILLAGE OF GLENCOE, ILLINOIS

Firefighters' Pension Fund

Required Supplementary Information
Schedule of Changes in the Employer's Net Pension Liability
February 28, 2019

	2015	2016	2017	2018	2019
Total Pension Liability					
Interest	$ 29,216	33,007	21,409	-	-
Differences Between Expected					
and Actual Experience	48,184	(213,816)	14,016	13,065	127,594
Change of Assumptions	58,711	56,799	111,443	4,852	-
Benefit Payments, Including Refunds of Member Contributions	(91,141)	(64,436)	(44,416)	(45,749)	(47,121)
Net Change in Total Pension Liability	44,970	(188,446)	102,452	(27,832)	80,473
Total Pension Liability - Beginning	495,046	540,016	351,570	454,022	426,190
Total Pension Liability - Ending	540,016	351,570	454,022	426,190	506,663
Plan Fiduciary Net Position					
Contributions - Employer	$ 85,136	60,207	49,446	46,573	46,838
Contributions - Other	-	-	2,375	-	-
Net Investment Income	51	39	42	123	227
Benefit Payments, Including Refunds of Member Contributions	(91,141)	(64,436)	(44,416)	(45,749)	(47,121)
Administrative Expense	(1,161)	282	(193)	(196)	(214)
Net Change in Plan Fiduciary Net Position	(7,115)	(3,908)	7,254	751	(270)
Plan Net Position - Beginning	11,790	4,675	767	8,021	8,772
Plan Net Position - Ending	4,675	767	8,021	8,772	8,502
Employer's Net Pension Liability	$ 535,341	350,803	446,001	417,418	498,161
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	0.87%	0.22%	1.77%	2.06%	1.68%
Covered Payroll	$ -	-	-	-	-
Employer's Net Pension Liability as a Percentage of Covered Payroll	0.00%	0.00%	0.00%	0.00%	0.00%

Note:
This schedule is intended to show information for ten years. Information for additional years will be displayed as it becomes available.

VILLAGE OF GLENCOE, ILLINOIS

Police Pension Fund

Required Supplementary Information
Schedule of Investment Returns
February 28, 2019

Fiscal Year	Annual Money-Weighted Rate of Return, Net of Investment Expense
2015	7.60%
2016	(5.24%)
2017	14.20%
2018	10.10%
2019	1.20%

Note:
This schedule is intended to show information for ten years. Information for additional years will be displayed as it becomes available.

VILLAGE OF GLENCOE, ILLINOIS

Firefighters' Pension Fund

Required Supplementary Information
Schedule of Investment Returns
February 28, 2019

Fiscal Year	Annual Money-Weighted Rate of Return, Net of Investment Expense
2015	0.06%
2016	(1.70%)
2017	0.50%
2018	1.30%
2019	2.40%

Note:
This schedule is intended to show information for ten years. Information for additional years will be displayed as it becomes available.

VILLAGE OF GLENCOE, ILLINOIS

Retiree Benefit Plan

Required Supplementary Information
Schedule of Changes in the Employer's Total OPEB Liability
February 28, 2019

	2018	2019		
	Totals	Village	Library	Totals
Total OPEB Liability				
Service Cost	$ 40,095	36,341	4,264	40,605
Interest	90,403	73,751	8,653	82,404
Differences Between Expected and Actual Experience	105,372	-	-	-
Change of Assumptions or Other Inputs	(148,919)	(8,035)	18,261	10,226
Benefit Payments	(179,636)	(163,597)	(19,194)	(182,791)
Other Charges	(127,927)	(2,594)	(304)	(2,898)
Net Change in Total OPEB Liability	(220,612)	(64,134)	11,680	(52,454)
Total OPEB Liability - Beginning	2,601,003	2,147,624	232,767	2,380,391
Total OPEB Liability - Ending	2,380,391	2,083,490	244,447	2,327,937
Covered Payroll	$ 8,041,768	7,197,336	844,432	8,041,768
Total OPEB Liability as a Percentage of Covered Payroll	29.60%	28.95%	28.95%	28.95%

Notes:
This schedule is intended to show information for ten years. Information for additional years will be displayed as it becomes available.

Changes of Benefit Terms. There was no change in the retirees' share of health insurance premiums.

Changes of Assumptions. Changes of assumptions and other inputs reflect the effects of changes in the discount rate each period. The following are the discount rates used in each period:

Fiscal Year	HMO	PPO1 Plan	PPO2 Plan
2020	5.87%	5.87%	5.87%
2021	5.76%	5.76%	5.76%
2022	5.65%	5.65%	5.65%
2023	5.54%	5.54%	5.54%
2024	5.43%	5.43%	5.43%
2025	5.31%	5.31%	5.31%
2026	5.20%	5.20%	5.20%
2027	5.09%	5.09%	5.09%
Ultimate	5.00%	5.00%	5.00%

In 2019, there was no change in the healthcare trend rates from the prior year.

OFFICIAL BID FORM
(Open Speer Auction)

Village of Glencoe
675 Village Court
Glencoe, Illinois 60022

June 18, 2020
Speer Financial, Inc.

President and Board of Trustees:

For the $3,000,000* General Obligation Bonds (Waterworks System Alternate Revenue Source), Series 2020 (the "Bonds"), of the Village of Glencoe, Cook County, Illinois (the "Village"), as described in the annexed Official Notice of Sale, which is expressly made a part of this bid, we will pay you $______________________ (no less than $2,970,000). The Bonds are dated the date of delivery, expected to be on or about July 8, 2020. The Bonds will bear interest as follows (each rate a multiple of 1/8 or 1/100 of 1%). **The premium or discount, if any, is subject to adjustment allowing the same $__________ gross spread per $1,000 bond as bid herein.**

MATURITIES* – DECEMBER 15

$155,000	2020	$140,000	2027	$160,000	2033
120,000	2021	140,000	2028	165,000	2034
120,000	2022	145,000	2029	170,000	2035
125,000	2023	150,000	2030	170,000	2036
130,000	2024	150,000	2031	175,000	2037
130,000	2025	155,000	2032	180,000	2038
135,000	2026			185,000	2039

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

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

As evidence of our good faith, if we are the winning bidder, we will wire transfer the amount of **TWO PERCENT OF PAR** (the "Deposit") **WITHIN TWO HOURS** after the bid opening time to the Village's good faith bank and under the terms provided in the Official Notice of Sale for the Bonds. Alternatively, we have wire transferred or enclosed herewith a check payable to the order of the Treasurer of the Village in the amount of the Deposit under the terms provided in the Official Notice of Sale for the Bonds. In submitting this bid, we represent that (i) this bid constitutes a firm offer to purchase the Bonds, on the terms set forth in this bid form and the Notice of Sale and is not subject to any conditions, except as permitted by the Notice of Sale, and (ii) we have an established industry reputation for underwriting new issuances of municipal bonds and notes.

Form of Deposit (Check One)

Prior to Bid Opening:
Certified/Cashier's Check [ ]
Wire Transfer [ ]

Within **TWO hours** of Bidding:
Wire Transfer [ ]

Amount: $60,000

Account Manager Information

Name ____

Address ______________________________________

By ____

City _______________ State/Zip ________________

Direct Phone (______)________________________

FAX Number (______)_________________________

E-Mail Address _______________________________

The foregoing bid was accepted and the Bonds sold pursuant to an ordinance of the President and Board of Trustees adopted on June 18, 2020, and receipt is hereby acknowledged of the Deposit which is being held in accordance with the terms of the annexed Official Notice of Sale.

VILLAGE OF GLENCOE, COOK COUNTY, ILLINOIS

____
President

**Subject to change.*

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

	Bid	Post Sale Revision
Gross Interest	$	$
Less Premium/Plus Discount	$	$
True Interest Cost	$	$
True Interest Rate	%	%
BOND YEAR DOLLARS	31,828.33	$
AVERAGE LIFE	10.609 Years	Years

OFFICIAL NOTICE OF SALE

$3,000,000*

VILLAGE OF GLENCOE

Cook County, Illinois

General Obligation Bonds (Waterworks System Alternate Revenue Source), Series 2020

(Open Speer Auction)

The Village of Glencoe, Cook County, Illinois (the "Village"), will receive electronic bids on the SpeerAuction ("*SpeerAuction")* website address "www.SpeerAuction.com" for its $3,000,000* General Obligation Bonds (Waterworks System Alternate Revenue Source), Series 2020 (the "Bonds"), on an all or none basis between 9:30 A.M. and 9:45 A.M., C.D.T., Thursday, June 18, 2020. To bid, bidders must have: (1) completed the registration form on the SpeerAuction website, and (2) requested and received admission to the Village's sale (as described below). Award will be made or all bids rejected at a meeting of the Village on that date. The Village reserves the right to change the date or time for receipt of bids. Any such change shall be made not less than twenty-four (24) hours prior to the revised date and time for receipt of the bids for the Bonds and shall be communicated by publishing the changes in the Amendments Page of the SpeerAuction webpage and through *Thomson Municipal News*.

The Bonds are valid and legally binding upon the Village and are payable from (i) net revenues of the waterworks system of the Village, and (ii) ad valorem taxes levied against all taxable property within the Village without limitation as to rate or amount.

Bidding Details

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

(1) All bids must be submitted on the SpeerAuction website at www.SpeerAuction.com. **No telephone, telefax or personal delivery bids will be accepted.** The use of SpeerAuction shall be at the bidder's risk and expense and the Village shall have no liability with respect thereto, including (without limitation) liability with respect to incomplete, late arriving and non-arriving bid. Any questions regarding bidding on the SpeerAuction website should be directed to Grant Street Group at (412) 391-5555 x 370.

(2) Bidders may change and submit bids as many times as they like during the bidding time period; provided, however, each and any bid submitted subsequent to a bidder's initial bid must result in a lower true interest cost ("TIC") with respect to a bid, when compared to the immediately preceding bid of such bidder. In the event that the revised bid does not produce a lower TIC with respect to a bid the prior bid will remain valid.

(3) If any bid in the auction becomes a leading bid two (2) minutes prior to the end of the auction, then the auction will be automatically extended by two (2) minutes from the time such bid was received by SpeerAuction. The auction end time will continue to be extended, indefinitely, until a single leading bid remains the leading bid for at least two minutes.

(4) The last valid bid submitted by a bidder before the end of the bidding time period will be compared to all other final bids submitted by others to determine the winning bidder or bidders.

(5) During the bidding, no bidder will see any other bidder's bid, but bidders will be able to see the ranking of their bid relative to other bids (i.e., "Leader", "Cover", "3rd" etc.)

(6) On the Auction Page, bidders will be able to see whether a bid has been submitted.

Rules of SpeerAuction

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

Establishment of Issue Price

(a) The winning bidder shall assist the Village in establishing the issue price of the Bonds and shall execute and deliver to the Village at closing an "issue price" or similar certificate setting forth the reasonably expected initial offering price to the public or the sales price or prices of the Bonds, together with the supporting pricing wires or equivalent communications, substantially in the form attached hereto as Exhibit A, with such modifications as may be appropriate or necessary, in the reasonable judgment of the winning bidder, the Village and Bond Counsel. All actions to be taken by the Village under this Official Notice of Sale to establish the issue price of the Bonds may be taken on behalf of the Village by the Village's municipal advisor, Speer Financial, Inc., Chicago, Illinois ("Speer"), and any notice or report to be provided to the Village may be provided to Speer. Within one hour of the award, the winning bidder will confirm to the Village the expected initial offering prices of the Bonds, which the winning bidder used in formulating its bid.

(b) The Village intends that the provisions of Treasury Regulation Section 1.148-1(f)(3)(i) (defining "competitive sale" for purposes of establishing the issue price of the Bonds) will apply to the initial sale of the Bonds (the "Competitive Sale Requirements") because:

(1) the Village shall disseminate this Official Notice of Sale to potential underwriters in a manner that is reasonably designed to reach potential underwriters;

(2) all bidders shall have an equal opportunity to bid;

(3) the Village may receive bids from at least three underwriters of municipal bonds who have established industry reputations for underwriting new issuances of municipal bonds; and

(4) the Village anticipates awarding the sale of the Bonds to the bidder who submits a firm offer to purchase the Bonds at the highest price (or lowest interest cost), as set forth in this Official Notice of Sale.

Any bid submitted pursuant to this Official Notice of Sale shall be considered a firm offer for the purchase of the Bonds, as specified in the bid.

**Subject to change.*

(c) In the event that the Competitive Sale Requirements are not satisfied, the Village shall so advise the winning bidder. The Village may determine to treat (i) the first price at which 10% of a maturity of the Bonds (the "10% test") is sold to the public as the issue price of that maturity, or (ii) the initial offering price to the public as of the sale date of any maturity of the Bonds as the issue price of that maturity (the "hold-the-offering-price rule"), in each case applied on a maturity-by-maturity basis (and if different interest rates apply within a maturity, to each separate CUSIP number within that maturity). The winning bidder shall advise the Village if any maturity of the Bonds satisfies the 10% test as of the date and time of the award of the Bonds. The Village will not require bidders to comply with the "hold-the-offering-price rule" and therefore does not intend to use the initial offering price to the public as of the sale date of any maturity of the Bonds as the issue price of that maturity, unless the winning bidder elects to comply with the hold-the-offering-price rule. The Village shall promptly advise the winning bidder, at or before the time of award of the Bonds, which maturities (and if different interest rates apply within a maturity, which separate CUSIP number within that maturity) of the Bonds shall be subject to the 10% test or shall be subject to the hold-the-offering-price rule or both. Bids will **not** be subject to cancellation in the event that the Competitive Sale Requirements are not satisfied. **Bidders should prepare their bids on the assumption that some or all of the maturities of the Bonds will be subject to the 10% test in order to establish the issue price of the Bonds unless the winning bidder elects to comply with the hold-the-offering-price rule.**

(d) If the Competitive Sale Requirements are not satisfied and the winning bidder selects the hold-the-offering-price rule, then by submitting a bid, the winning bidder shall (i) confirm that the underwriters have offered or will offer the Bonds to the public on or before the date of award at the offering price or prices (the "initial offering price"), or at the corresponding yield or yields, set forth in the bid submitted by the winning bidder, and (ii) agree, on behalf of the underwriters participating in the purchase of the Bonds, that the underwriters will neither offer nor sell unsold Bonds of any maturity to which the hold-the-offering-price rule shall apply to any person at a price that is higher than the initial offering price to the public during the period starting on the sale date and ending on the earlier of the following:

(1) the close of the fifth business day after the sale date; or
(2) the date on which the underwriters have sold at least 10% of that maturity of the Bonds to the public at a price that is no higher than the initial offering price to the public.

The winning bidder will advise the Village promptly after the close of the fifth (5th) business day after the sale date whether it has sold 10% of that maturity of the Bonds to the public at a price that is no higher than the initial offering price to the public. Within one hour of the award, the winning bidder will inform the Village of the initial offering price for each maturity of the Bonds.

(e) If the Competitive Sale Requirements are not satisfied, then until the 10% test has been satisfied as to each maturity of the Bonds, the winning bidder agrees to promptly report to the Village the prices at which the unsold Bonds of that maturity have been sold to the public. That reporting obligation shall continue, whether or not the closing date (expected to be July 8, 2020) has occurred, until either (i) all Bonds of that maturity have been sold to the public or (ii) the 10% test has been satisfied as to the Bonds of that maturity, provided that the winning bidder's reporting obligation after the closing date may be at reasonable periodic intervals or otherwise upon request of the Village or Bond Counsel. In addition, if the 10% test has not been satisfied with respect to any maturity of the Bonds prior to closing, then the winning bidder shall provide the Village with a representation as to the price or prices, as of the date of closing, at which the purchaser reasonably expects to sell the remaining Bonds of such maturity.

(f) The Village acknowledges that, in making the representations set forth above, the winning bidder will rely on (i) the agreement of each underwriter to comply with the requirements for establishing issue price of the Bonds, including, but not limited to, its agreement to comply with the hold the offering price rule, if applicable to the Bonds, as set forth in an agreement among underwriters and the related pricing wires, (ii) in the event a selling group has been created in connection with the initial sale of the Bonds to the public, the agreement of each dealer who is a member of the selling group to comply with the requirements for establishing issue price of the Bonds, including, but not limited to, its agreement to comply with the hold the offering price rule, if applicable to the Bonds, as set forth in a selling group agreement and the related pricing wires, and (iii) in the event that an underwriter or dealer who is a member of the selling group is a party to a third party distribution agreement that was employed in connection with the initial sale of the Bonds to the public, the agreement of each broker dealer that is a party to such agreement to comply with the requirements for establishing issue price of the Bonds, including, but not limited to, its agreement to comply with the hold the offering price rule, if applicable to the Bonds, as set forth in the third party distribution agreement and the related pricing wires. The Village further acknowledges that each underwriter shall be solely liable for its failure to comply with its agreement regarding the requirements for establishing issue price of the Bonds, including, but not limited to, its agreement to comply with the hold the offering price rule, if applicable to the Bonds, and that no underwriter shall be liable for the failure of any other underwriter, or of any dealer who is a member of a selling group, or of any broker dealer that is a party to a third party distribution agreement to comply with its corresponding agreement to comply with the requirements for establishing issue price of the Bonds, including, but not limited to, its agreement to comply with the hold the offering price rule, if applicable to the Bonds.

(g) By submitting a bid, each bidder confirms that:

(1) any agreement among underwriters, any selling group agreement and each third-party distribution agreement (to which the bidder is a party) relating to the initial sale of the Bonds to the public, together with the related pricing wires, contains or will contain language obligating each underwriter, each dealer who is a member of the selling group, and each broker-dealer that is a party to such third-party distribution agreement, as applicable: (A) (i) to report the prices at which it sells to the public the unsold Bonds of each maturity allocated to it, whether or not the closing date has occurred, until either all Bonds of that maturity allocated to it have been sold to the public or it is notified by the winning bidder that the 10% test has been satisfied as to the Bonds of that maturity, provided that, the reporting obligation after the closing date may be at reasonable periodic intervals or otherwise upon request of the winning bidder, and (ii) to comply with the hold-the-offering-price rule, if applicable, if and for so long as directed by the winning bidder and as set forth in the related pricing wires, (B) to promptly notify the winning bidder of any sales of Bonds that, to its knowledge, are made to a purchaser who is a related party to an underwriter participating in the initial sale of the Bonds to the public (each such term being used as defined below), and (C) to acknowledge that, unless otherwise advised by the underwriter, dealer or broker-dealer, the winning bidder shall assume that each order submitted by the underwriter, dealer or broker-dealer is a sale to the public.

(2) any agreement among underwriters or selling group agreement relating to the initial sale of the Bonds to the public, together with the related pricing wires, contains or will contain language obligating each underwriter or dealer that is a party to a third-party distribution agreement to be employed in connection with the initial sale of the Bonds to the public to require each broker-dealer that is a party to such third-party distribution agreement to (A) report the prices at which it sells to the public the unsold Bonds of each maturity allocated to it whether or not the closing date has occurred, until either all Bonds of that maturity allocated to it have been sold or it is notified by the winning bidder or such underwriter that the 10% test has been satisfied as to the Bonds of that maturity, provided that, the reporting obligation after the closing date may be at reasonable periodic intervals or otherwise upon the request of the winning bidder or such underwriter, and (B) comply with the hold-the-offering-price rule, if applicable, if and for so long as directed by the winning bidder or the underwriter and as set forth in the related pricing wires, which shall be at least until the 10% test has been satisfied as to the Bonds of that maturity or until the close of business on the fifth business day following the date of the award.

(h) Sales of any Bonds to any person that is a related party to an underwriter participating in the initial sale of the Bonds to the public (each such term being used as defined below) shall not constitute sales to the public for purposes of this Official Notice of Sale. Further, for purposes of this Official Notice of Sale:

(1) "public" means any person other than an underwriter or a related party,

(2) "underwriter" means (A) any person that agrees pursuant to a written contract with the Village (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the public and (B) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (A) to participate in the initial sale of the Bonds to the public (including a member of a selling group or a party to a third-party distribution agreement participating in the initial sale of the Bonds to the public),

(3) a purchaser of any of the Bonds is a "related party" to an underwriter if the underwriter and the purchaser are subject, directly or indirectly, to (A) more than 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (B) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (C) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other), and

(4) "sale date" means the date that the Bonds are awarded by the Village to the winning bidder.

Rules

(1) A bidder ("Bidder") submitting a winning bid ("Winning Bid") is irrevocably obligated to purchase the Bonds at the rates and prices of the winning bid, if acceptable to the Village, as set forth in the related Official Notice of Sale. Winning Bids are not officially awarded to Winning Bidders until formally accepted by the Village.

(2) Neither the Village, Speer Financial, Inc., nor Grant Street Group (the "Auction Administrator") is responsible for technical difficulties that result in loss of Bidder's internet connection with SpeerAuction, slowness in transmission of bids, or other technical problems.

(3) If for any reason a Bidder is disconnected from the Auction Page during the auction after having submitted a Winning Bid, such bid is valid and binding upon such Bidder, unless the Village exercises its right to reject bids, as set forth herein.

(4) Bids which generate error messages are not accepted until the error is corrected and bid is received prior to the deadline.

(5) Bidders accept and agree to abide by all terms and conditions specified in the Official Notice of Sale (including amendments, if any) related to the auction.

(6) Neither the Village, Speer Financial, Inc., nor the Auction Administrator is responsible to any bidder for any defect or inaccuracy in the Official Notice of Sale, amendments, or Official Statement as they appear on SpeerAuction.

(7) Only Bidders who request and receive admission to an auction may submit bids. SpeerAuction and the Auction Administrator reserve the right to deny access to SpeerAuction website to any Bidder, whether registered or not, at any time and for any reason whatsoever, in their sole and absolute discretion.

(8) Neither the Village, Speer Financial, Inc., nor the Auction Administrator is responsible for protecting the confidentiality of a Bidder's SpeerAuction password.

(9) If two bids submitted in the same auction by the same or two or more different Bidders result in same True Interest Cost, the first confirmed bid received by SpeerAuction prevails. Any change to a submitted bid constitutes a new bid, regardless of whether there is a corresponding change in True Interest Cost.

(10) Bidders must compare their final bids to those shown on the Observation Page immediately after the bidding time period ends, and if they disagree with the final results shown on the Observation Page they must report them to SpeerAuction within 15 minutes after the bidding time period ends. Regardless of the final results reported by SpeerAuction, Bonds are definitively awarded to the winning bidder only upon official award by the Village. If, for any reason, the Village fails to: (i) award Bonds to the winner reported by SpeerAuction, or (ii) deliver Bonds to winning bidder at settlement, neither the Village, Speer Financial, Inc., nor the Auction Administrator will be liable for damages.

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

The Bonds will be in fully registered form in the denominations of $5,000 and integral multiples thereof in the name of Cede & Co. as nominee of The Depository Trust Company ("DTC"), New York, New York, to which principal and interest payments on the Bonds will be paid. Individual purchases will be in book-entry only form. Interest on each Bond shall be paid by check or draft of the Bond Registrar to the person in whose name such bond is registered at the close of business on the first day of the month in which an interest payment date occurs. The principal of the Bonds shall be payable in lawful money of the United States of America at the principal corporate trust office of the Bond Registrar in Chicago, Illinois. Semiannual interest is due June 15 and December 15 of each year commencing December 15, 2020, and is payable by Zions Bancorporation, National Association, Chicago, Illinois (the "Bond Registrar"). The Bonds are dated date of delivery, expected to be on or about July 8, 2020.

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

MATURITIES* – DECEMBER 15

Amount	Year	Amount	Year	Amount	Year
$155,000	2020	$140,000	2027	$160,000	2033
120,000	2021	140,000	2028	165,000	2034
120,000	2022	145,000	2029	170,000	2035
125,000	2023	150,000	2030	170,000	2036
130,000	2024	150,000	2031	175,000	2037
130,000	2025	155,000	2032	180,000	2038
135,000	2026			185,000	2039

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

The Bonds due December 15, 2020-2028, inclusive, are non-callable. The Bonds due December 15, 2029-2039, inclusive, are callable in whole or in part on any date on or after December 15, 2028, at a price of par and accrued interest. If less than all the Bonds are called, they shall be redeemed in such principal amounts and from such maturities as determined by the Village and within any maturity by lot.

All interest rates must be in multiples of one-eighth or one one-hundredth of one percent (1/8 or 1/100 of 1%), and not more than one rate for a single maturity shall be specified. The rates bid shall be in non-descending order. The differential between the highest rate bid and the lowest rate bid shall not exceed three percent (3%). All bids must be for all of the Bonds, must be for not less than $2,970,000.

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

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

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

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

The winning bidder will be required to make the standard filings and maintain the appropriate records routinely required pursuant to MSRB Rules G-8, G-11 and G-32. The winning bidder will be required to pay the standard MSRB charge for Bonds purchased. In addition, the winning bidder who is a member of the Securities Industry and Financial Markets Association ("SIFMA") will be required to pay SIFMA's standard charge per bond.

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

The Deposit of the successful bidder will be retained by the Village pending delivery of the Bonds and all others will be promptly returned. Should the successful bidder fail to take up and pay for the Bonds when tendered in accordance with this Notice of Sale and said bid, said Deposit shall be retained as full and liquidated damages to the Village caused by failure of the bidder to carry out the offer of purchase. Such Deposit will otherwise be applied on the purchase price upon delivery of the Bonds. No interest on the Deposit will accrue to the purchaser.

If a wire transfer is used for the Deposit, it must be sent according to the following wire instructions:

Amalgamated Bank of Chicago Corporate Trust
30 N. LaSalle Street, 38th Floor
Chicago, IL 60602
ABA # 071003405
Credit To: 3281 Speer Bidding Escrow
RE: Village of Glencoe, Cook County, Illinois
bid for $3,000,000* General Obligation Bonds (Waterworks System Alternate Revenue Source), Series 2020

**Subject to change.*

Contemporaneously with such wire transfer, the bidder shall send an email to biddingescrow@aboc.com with the following information: (1) indication that a wire transfer has been made, (2) the amount of the wire transfer, (3) the issue to which it applies, and (4) the return wire instructions if such bidder is not awarded the Bonds. The Village and any bidder who chooses to wire the Deposit hereby agree irrevocably that Speer Financial, Inc. ("Speer") shall be the escrow holder of the Deposit wired to such account subject only to these conditions and duties: (i) if the bid is not accepted, Speer shall, at its expense, promptly return the Deposit amount to the unsuccessful bidder; (ii) if the bid is accepted, the Deposit shall be forwarded to the Village; (iii) Speer shall bear all costs of maintaining the escrow account and returning the funds to the bidder; (iv) Speer shall not be an insurer of the Deposit amount and shall have no liability except if it willfully fails to perform, or recklessly disregards, its duties specified herein; and (v) income earned on the Deposit, if any, shall be retained by Speer.

The Village covenants and agrees to enter into a written agreement or contract, constituting an undertaking (the "Undertaking") to provide ongoing disclosure about the Village for the benefit of the beneficial owners of the Bonds on or before the date of delivery of the Bonds as required under Section (b)(5) of Rule 15c2-12 (the "Rule") adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934. The Undertaking shall be as described in the Official Statement, with such changes as may be agreed in writing by the Underwriter.

The Underwriter's obligation to purchase the Bonds shall be conditioned upon the Village delivering the Undertaking on or before the date of delivery of the Bonds.

The winning bidder shall provide a certificate, in form as drafted by or acceptable to Bond Counsel, to evidence the issue price of each maturity of the Bonds, form of which certificate is attached hereto as **Exhibit A**.

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

Bonds will be delivered to the successful purchaser against full payment in immediately available funds as soon as they can be prepared and executed, which is expected to on or about July 8, 2020. Should delivery be delayed beyond sixty (60) days from the date of sale for any reason beyond the control of the Village except failure of performance by the purchaser, the Village may cancel the award or the purchaser may withdraw the good faith deposit and thereafter the purchaser's interest in and liability for the Bonds will cease.

The Official Statement, when further supplemented by an addendum or addenda specifying the maturity dates, principal amounts, and interest rates of the Bonds, and any other information required by law or deemed appropriate by the Village, shall constitute a "Final Official Statement" of the Village with respect to the Bonds, as that term is defined in the Rule. Any such addendum or addenda shall, on and after the date thereof, be fully incorporated herein and made a part hereof by reference. Alternatively, such final terms of the Bonds and other information may be included in a separate document entitled "Final Official Statement" rather than through supplementing the Official Statement by an addendum or addenda. By awarding the Bonds to any underwriter or underwriting syndicate, the Village agrees that, no more than seven (7) business days after the date of such award, it shall provide, without cost to the senior managing underwriter of the syndicate to which the Bonds are awarded, up to 100 copies of the Final Official Statement to permit each "Participating Underwriter" (as that term is defined in the Rule) to comply with the provisions of such Rule. The Village shall treat the senior managing underwriter of the syndicate to which the Bonds are awarded as its designated agent for purposes of distributing copies of the Final Official Statement to each Participating Underwriter. Any underwriter executing and delivering an Official Bid Form with respect to the Bonds agrees thereby that if its bid is accepted by the Village it shall enter into a contractual relationship with all Participating Underwriters of the Bonds for purposes of assuring the receipt by each such Participating Underwriter of the Final Official Statement.

By submission of its bid, the senior managing underwriter of the successful bidder agrees to supply all necessary pricing information and any Participating Underwriter identification necessary to complete the Official Statement within 24 hours after award of the Bonds. Additional copies of the Final Official Statement may be obtained by Participating Underwriters from the printer at cost.

The Village will, at its expense, deliver the Bonds to the purchaser in New York, New York, through the facilities of DTC and will pay for the bond attorney's opinion. At the time of closing, the Village will also furnish to the purchaser the following documents, each dated as of the date of delivery of the Bonds: (1) the unqualified opinion of Chapman and Cutler LLP, Chicago, Illinois, that the Bonds are valid and legally binding obligations of the Village in accordance with their terms; (2) the opinion of said attorneys that the interest on the Bonds is exempt from federal income taxes as and to the extent set forth in the Official Statement for the Bonds; and (3) a no litigation certificate by the Village.

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

The Village has authorized the printing and distribution of an Official Statement containing pertinent information relative to the Village and the Bonds. Copies of such Official Statement or additional information may be obtained from, Ms. Nikki Larson, Finance Director, Village of Glencoe, 675 Village Court, Glencoe, Illinois 60022 or an electronic copy of this Official Statement is available from the www.speerfinancial.com web site under "Debt Auction Center/Official Statements Sales Calendars/Competitive" from the Independent Public Finance Consultants to the Village, Speer Financial, Inc., One North LaSalle Street, Suite 4100, Chicago, Illinois 60602, telephone (312) 346-3700.

/s/ **NIKKI LARSON**
Finance Director
VILLAGE OF GLENCOE
Cook County, Illinois

CERTIFICATE OF PURCHASER

The undersigned, on behalf of ________________ (the *"Purchaser"*), hereby certifies as set forth below with respect to the sale and issuance of the $____________ General Obligation Bonds (Waterworks System Alternate Revenue Source), Series 2020 (the *"Bonds"*), of the Village of Glencoe, Cook County, Illinois (the *"Village"*).

I. GENERAL

On the Sale Date, the Purchaser purchased the Bonds from the Village by submitting electronically an "Official Bid Form" responsive to an "Official Notice of Sale" and having its bid accepted by the Village. The Purchaser has not modified the terms of the purchase since the Sale Date.

II. PRICE

Competitive Sale Rules – 3 Bids Received

Reasonably Expected Initial Offering Price.

(a) As of the Sale Date, the reasonably expected initial offering prices of the Bonds to the Public by the Purchaser are the prices listed in *Exhibit A* (the *"Expected Offering Prices"*). The Expected Offering Prices are the prices for the Maturities of the Bonds used by the Purchaser in formulating its bid to purchase the Bonds. Attached as *Exhibit B* is a true and correct copy of the bid provided by the Purchaser to purchase the Bonds.

(b) The Purchaser was not given the opportunity to review other bids prior to submitting its bid.

(c) The bid submitted by the Purchaser constituted a firm offer to purchase the Bonds.

3 Bids Not Received – At Least 10% of Each Maturity Sold by Closing

As of the date of this certificate, for each Maturity of the Bonds, the first price at which at least 10% of such Maturity of the Bonds was sold to the Public is the respective price listed in *Exhibit A*.

3 Bids Not Received – At Least 10% of Certain Maturities Not Sold by Closing; Expected First Sale Price

1. As of the date of this certificate, for each of the ___________ Maturities of the Bonds, the first price at which at least 10% of such Maturity of the Bonds was sold to the Public is the respective price listed in *Exhibit A*.

2. Expected First Sale Price.

With respect to each of the ____________ Maturities of the Bonds:

(a) As of the date of this certificate, the Purchaser has not sold at least 10% of the Bonds of this Maturity at any price.

(b) As of the date of this certificate, the Purchaser reasonably expects that the first sale to the Public of an amount of Bonds of this Maturity equal to 10% or more of this Maturity will be at or below the Expected Sale Price listed on the attached *Exhibit A* (the *"Expected First Sale Price"*).

3 Bids Not Received – At Least 10% of Certain Maturities Not Sold by Closing; Hold-the Offering-Price

Hold-the-Offering-Price Maturities.

(a) The Purchaser offered the Hold-the-Offering-Price Maturities to the Public for purchase at the respective initial offering prices listed in *Exhibit A* (the *"Initial Offering Prices"*) on or before the Sale Date. A copy of the pricing wire or equivalent communication for the Bonds is attached to this certificate as *Exhibit B*.

(b) As set forth in the Notice of Sale and bid award, the Purchaser agreed in writing that, (i) for each Maturity of the Hold-the-Offering-Price Maturities, it would neither offer nor sell any of the Bonds of such Maturity to any person at a price that is higher than the Initial Offering Price for such Maturity during the Holding Period for such Maturity (the *"hold-the-offering-price rule"*), and (ii) any selling group agreement would contain the agreement of each dealer who is a member of the selling group, and any retail distribution agreement would contain the agreement of each broker-dealer who is a party to the third-party distribution agreement, to comply with the hold-the-offering-price rule.

(c) No Underwriter (as defined below) has offered or sold any Maturity of the Hold-the-Offering-Price Maturities at a price that is higher than the respective Initial Offering Price for that Maturity during the Holding Period.

III. DEFINED TERMS

1. [*"Hold-the-Offering-Price Maturities"* means those Maturities of the Bonds listed in *Exhibit A* hereto as the "Hold-the-Offering-Price Maturities."]

2. [*"Holding Period"* means, with respect to a Hold-the-Offering-Price Maturity, the period starting on the Sale Date and ending on the earlier of (i) the close of the fifth business day after the Sale Date (said fifth business day being ____________, 2020), or (ii) the date on which the Purchaser has sold at least 10% of such Hold-the-Offering-Price Maturity to the Public at prices that are no higher than the Initial Offering Price for such Hold-the-Offering-Price Maturity.]

3. *"Maturity"* means Bonds with the same credit and payment terms. Bonds with different maturity dates, or Bonds with the same maturity date but different stated interest rates, are treated as separate maturities.

4. *"Public"* means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a Related Party to an Underwriter.

5. A person is a *"Related Party"* to an Underwriter if the Underwriter and the person are subject, directly or indirectly, to (i) more than 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (ii) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (iii) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other).

6. *"Sale Date"* means the first day on which there is a binding contract in writing for the sale of a Maturity of the Bonds. The Sale Date of the Bonds is ___________, 2020.

7. "*Underwriter* means (i) any person that agrees pursuant to a written contract with the Village (or with the Underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this paragraph to participate in the initial sale of the Bonds to the Public (including a member of a selling group or a party to a third-party distribution agreement participating in the initial sale of the Bonds to the Public).

The representations set forth in this certificate are limited to factual matters only. Nothing in this certificate represents the Purchaser's interpretation of any laws, including specifically Sections 103 and 148 of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations thereunder. The undersigned understands that the foregoing information will be relied upon by the Village with respect to certain of the representations and with respect to compliance with the federal income tax rules affecting the Bonds, and by Chapman and Cutler LLP, Chicago, Illinois, Bond Counsel, in connection with rendering its opinion concerning interest on the Bonds, the preparation of the Internal Revenue Service Form 8038-G, and other federal income tax advice that it may give to the Village from time to time relating to the Bonds.

IN WITNESS WHEREOF, I hereunto affix my signature, this ____ day of __________, 2020.

_________________________,
____________, _________

By:_________________________________
Title:______________________________

EXHIBIT A

The Bonds are dated ____________, 2020, and are due on December 15 of the years and in the amounts, bear interest at the rates and were sold and offered to the Public as described in the attached Certificate of Purchaser as follows:

HOLD-THE-OFFERING PRICE MATURITY IF MARKED (*)	YEAR	PRINCIPAL AMOUNT ($)	INTEREST RATE (%)	EXPECTED OFFERING PRICE (% OF PAR)	FIRST SALE PRICE OF AT LEAST 10% (% OF PAR)	EXPECTED FIRST SALE PRICE (% OF PAR)	INITIAL OFFERING PRICE (% OF PAR)	TOTAL ISSUE PRICE (%)	TOTAL ISSUE PRICE ($)
	2020								
	2021								
	2022								
	2023								
	2024								
	2025								
	2026								
	2027								
	2028								
	2029								
	2030								
	2031								
	2032								
	2033								
	2034								
	2035								
	2036								
	2037								
	2038								
	2039								
	Total								

EXHIBIT B

PURCHASER'S BID

[EXHIBIT C

PRICING WIRES]