

WINTRUST  
GOVERNMENT FUNDS

BUFFALO GROVE BANK  
& TRUST®

A WINTRUST COMMUNITY BANK



PROPOSAL TO REFINANCE  
ROUTE 83 WATER SPECIAL SERVICE AREA  
SPECIAL TAX BONDS, SERIES 2011



# DISCLAIMER

The following credit structure is not intended to be all-inclusive but rather to serve as a basis for further discussions. This proposal letter does not constitute a commitment to lend by Northbrook Bank & Trust Company, N.A. All terms and conditions contained in this proposal are subject to, among other things, our final credit review and approval and mutually agreeable loan documentation.

**Confidentiality:** This proposal is for your confidential use only and may not be disclosed by you to any person other than your employees, attorneys and financial advisors (but not any commercial bank or finance company), and then only in connection with the proposed credit facility and on a confidential basis, except where disclosure is required by law or where the Bank consents to the proposed disclosure in writing.

## WHY WINTRUST AND BUFFALO GROVE BANK & TRUST

- Successful track-record in the Government Funds sector: Wintrust provides banking services to over 200 Government entities with an average customer relationship of 10+ years.
- We believe that serving the banking needs of local Government is a natural extension of our mission as a community bank: Your funds are reinvested in our communities.
- We have the depth of treasury capabilities you need today and a commitment to technology investment for the future.
- Dedicated, multi-disciplinary team to serve Village of Long Grove with 100+ years of combined experience.
- Financial services for your organization, your leadership team, and your employees.
- Local decision making providing you with access to leadership/key decision makers.
- Safety and security for 25+ profitable years and financial strength.
- Continued opportunity to partner with Buffalo Grove Bank & Trust:
  - Respected and admired local organization with longevity; roots to 1991
  - Reputation as an ethical and disciplined financial institution driven by a demonstrated care and concern for customers, employees, our communities, and our shareholders
  - Wintrust community banks once again have earned the J.D. Power Award for ranking “Highest in Customer Satisfaction for Retail Banking in the Midwest Region”.
  - We would be honored to continue to partner with you!

# WINTRUST GOVERNMENT FUNDS

- Municipal Lending
  - Wintrust Government Funds has individuals who specialize in providing creative and customized financing solutions to local government entities including:
    - General Obligation Limited and Unlimited Tax Bonds
    - Debt Certificates
    - Installment Contracts
    - Alternate Revenue Bonds
    - Revenue Bonds
    - Special Assessment and Special Service Area Bonds
    - Tax Increment Financing
    - Tax Anticipation Warrant and Working Cash Bonds
    - 501(c)(3) Bonds and Industrial Development Revenue Bonds
    - Operating leases (FASB 13)
    - Capital or “\$1” out financings
    - Purchase Leasebacks
    - Lease Lines
    - Technology Upgrades
    - Equipment Disposal



PROSPECTIVE FINANCING TERMS



# SUMMARY OF INDICATIVE TERMS & CONDITIONS

TERMS	PROPOSED TRANSACTION
Borrower:	Village of Long Grove
Lender:	Northbrook Bank & Trust Company, N.A. (the “Bank”)
The Facility:	\$585,000 Special Service Area Refunding Bonds (the “2022 Bonds”)
Purpose:	To redeem \$570,000 in outstanding 2011 Bonds payable through March 1, 2029.
Availability/Term Loan:	Availability: \$585,000 7- year amortizing term funding. Interest will be payable quarterly beginning December 1, 2022. Principal will be payable annually on March 1 and will amortize so that principal and interest payments are essentially level through maturity. Prepayment, in whole or in part, will be permitted without penalty.
Repayment:	Limited obligation of the Village of Long Grove payable from Special Taxes levied on ten parcels in the Route 83 Water Special Service Area. The Village shall levy a Special Tax on the parcels in an amount to make scheduled payments and reimburse the Village for unpaid project costs after repaying the 2022 Bonds.
Security:	First lien on all Special Service Area Taxes levied on property in the Special Service Area.
Debt Service Reserve:	The Village shall maintain with the Bank a debt service reserve account equal to maximum semi-annual interest.
Interest Rate:	Interest Rate shall be determined 15 days prior to closing. Under current market conditions, we anticipate requiring an interest rate of 5.0% fixed, Bank Qualified Tax-Exempt. SUBJECT TO CHANGE, BASED ON PREVAILING MARKET RATES AT CLOSE
Fees & Expenses:	Borrower to reimburse the Bank for all third party expenses incurred in conjunction with the due diligence and documentation of the subject transaction (legal, etc.) Closing costs estimated to be in the \$40,000 range, with an origination fee of \$15,000 payable to the Bank and Bond Counsel fees estimated at \$25,000.
Legal/Documentation:	The Village will be required to engage at its expense Bond Counsel with recognized municipal bond expertise to draft an authorizing ordinance or resolution, the Bonds and documentation customary for similar bonds and issue an opinion that the Bond is a valid and binding Village obligation according to its terms and is Bank Qualified federal tax-exempt obligation.
Savings Estimate	Based on current interest rates, we expect that the refunding would generate \$45,500 in life-time savings, net of \$40,000 in estimated issuance costs.



# REFUNDING SAVINGS ESTIMATE AT 5.0%

**Village of Long Grove  
Special Tax Bonds, Series 2011 Refunding Savings Analysis--Estimated at 5.00% \***

Bond Parameters:

Existing Bonds:

Outstanding Balance:	570,000.00
Accrued Interest Through 8/1/2022 (5 months)	18,406.25
Debt Service Reserve (as of 4/1/2021):	40,358.00

Existing Interest Rate 7.75%

Proposed Refunding Bonds:

Bond Redemption:	570,000.00
Accrued Interest Through 8/1/2022:	18,406.25
Estimated Issuance Costs:	40,000.00
Debt Service Reserve (Maximum Semi-Annual Interest)	14,625.00
Estimated Refunding Bond Issue:	585,000.00
Illustrative Interest Rate	5.00%
Assumed Closing Date:	8/1/2022

Existing Bonds, Series 2011

Payment Date	Principal	Interest	Debt Service	Ending Balance
3/1/2023	65,000.00	25,768.75	90,768.75	505,000.00
3/1/2024	70,000.00	39,137.50	109,137.50	435,000.00
3/1/2025	75,000.00	33,712.50	108,712.50	360,000.00
3/1/2026	80,000.00	27,900.00	107,900.00	280,000.00
3/1/2027	85,000.00	21,700.00	106,700.00	195,000.00
3/1/2028	95,000.00	15,112.50	110,112.50	100,000.00
3/1/2029	<u>100,000.00</u>	<u>7,750.00</u>	<u>107,750.00</u>	-
	<u>570,000.00</u>	<u>171,081.25</u>	<u>741,081.25</u>	

Refunding Bonds, Series 2022

Principal	Interest	Debt Service	Ending Balance	Net Savings After Costs Estimate
68,500.00	16,625.00	85,125.00	516,500.00	5,643.75
77,000.00	25,825.00	102,825.00	439,500.00	6,312.50
80,000.00	21,975.00	101,975.00	359,500.00	6,737.50
83,500.00	17,975.00	101,475.00	276,000.00	6,425.00
86,500.00	13,800.00	100,300.00	189,500.00	6,400.00
93,000.00	9,475.00	102,475.00	96,500.00	7,637.50
<u>96,500.00</u>	<u>4,825.00</u>	<u>101,325.00</u>	-	<u>6,425.00</u>
<u>585,000.00</u>	<u>110,500.00</u>	<u>695,500.00</u>		<u>45,581.25</u>

Savings as % of Refunded Bonds: 8.0%

**Estimated Sources and Uses:**

Sources:

Refunding Bond Proceeds	585,000.00
Debt Service Reserve as of 4/1/2021: **	40,358.00
Accrued Interest Through 8/1/2022 (5 months):	<u>18,406.25</u>
Total	<u>643,764.25</u>

Uses:

Bond Redemption:	
Outstanding Principal	570,000.00
Accrued Interest	18,406.25
Cost of Issuance:	
Bond Counsel: **	25,000.00
Bank Issuance Fee	15,000.00
Fund Debt Service Reserve (Maximum Semi-annual Interest):	14,625.00
Contingency	<u>733.00</u>
Total	<u>643,764.25</u>

**Notes:**

Proposal Only: Not a commitment of Northbrook Bank & Trust, Wintrust Financial or any of its other affiliates. A commitment would require credit approval, which has not yet been obtained.

\* Based on market condition as of June 22, 2022. Subject to change with evolving market conditions

\*\* Estimated and subject to verification



# REFUNDING SAVINGS ESTIMATE AT 6.0%

## Village of Long Grove Special Tax Bonds, Series 2011 Refunding Savings Analysis at 6.00% \*

### Bond Parameters:

#### Existing Bonds:

Outstanding Balance:	570,000.00
Accrued Interest Through 8/1/2022 (5 months)	18,406.25
Debt Service Reserve (as of 4/1/2021):	40,358.00

Existing Interest Rate 7.75%

#### Proposed Refunding Bonds:

Bond Redemption:	570,000.00
Accrued Interest Through 8/1/2022:	18,406.25
Estimated Issuance Costs:	40,000.00
Debt Service Reserve (Maximum Semi-Annual Interest)	17,640.00
Estimated Refunding Bond Issue:	588,000.00
Illustrative Interest Rate	* 6.00%
Assumed Closing Date:	8/1/2022

### Existing Bonds, Series 2011

Payment Date	Principal	Interest	Debt Service	Ending Balance
3/1/2023	65,000.00	25,768.75	90,768.75	505,000.00
3/1/2024	70,000.00	39,137.50	109,137.50	435,000.00
3/1/2025	75,000.00	33,712.50	108,712.50	360,000.00
3/1/2026	80,000.00	27,900.00	107,900.00	280,000.00
3/1/2027	85,000.00	21,700.00	106,700.00	195,000.00
3/1/2028	95,000.00	15,112.50	110,112.50	100,000.00
3/1/2029	<u>100,000.00</u>	<u>7,750.00</u>	<u>107,750.00</u>	-
	<u>570,000.00</u>	<u>171,081.25</u>	<u>741,081.25</u>	

### Refunding Bonds, Series 2022

Principal	Interest	Debt Service	Ending Balance	Net Savings After Costs Estimate
68,500.00	19,950.00	88,450.00	519,500.00	2,318.75
76,000.00	31,170.00	107,170.00	443,500.00	1,967.50
80,000.00	26,610.00	106,610.00	363,500.00	2,102.50
83,500.00	21,810.00	105,310.00	280,000.00	2,590.00
86,500.00	16,800.00	103,300.00	193,500.00	3,400.00
95,000.00	11,610.00	106,610.00	98,500.00	3,502.50
<u>98,500.00</u>	<u>5,910.00</u>	<u>104,410.00</u>	-	<u>3,340.00</u>
<u>588,000.00</u>	<u>133,860.00</u>	<u>721,860.00</u>	**	<u>19,221.25</u>
Savings as % of Refunded Bonds:				3.4%

### Estimated Sources and Uses:

#### Sources:

Refunding Bond Proceeds	588,000.00	
Debt Service Reserve as of 4/1/2021:	40,358.00	**
Accrued Interest Through 8/1/2022 (5 months):	<u>18,406.25</u>	
Total	<u>646,764.25</u>	

#### Uses:

Bond Redemption:	
Outstanding Principal	570,000.00
Accrued Interest	18,406.25
Cost of Issuance:	
Bond Counsel:	25,000.00
Bank Issuance Fee: **	15,000.00
Fund Debt Service Reserve (Maximum Semi-annual Interest):	17,640.00
Contingency	<u>718.00</u>
Total	<u>646,764.25</u>

### Notes:

Proposal Only: Not a commitment of Northbrook Bank & Trust, Wintrust Financial or any of its other affiliates. A commitment would require credit approval, which has not yet been obtained.

\* Downside estimate assuming a 6.0% interest rate on the refunding bonds. The interest rate is subject to change with evolving market conditions.

\*\* Estimated and subject to verification





# REFUNDING SAVINGS ESTIMATE AT 6.7%

## Village of Long Grove Special Tax Bonds, Series 2011 Refunding Savings Analysis at 6.70%

### Bond Parameters:

#### Existing Bonds:

Outstanding Balance:	570,000.00
Accrued Interest Through 8/1/2022 (5 months)	18,406.25
Debt Service Reserve (as of 4/1/2021):	40,358.00

Existing Interest Rate 7.75%

#### Proposed Refunding Bonds:

Bond Redemption:	570,000.00
Accrued Interest Through 8/1/2022:	18,406.25
Estimated Issuance Costs:	40,000.00
Debt Service Reserve (Maximum Semi-Annual Interest)	19,765.00
Estimated Refunding Bond Issue:	590,000.00
Illustrative Interest Rate	6.70%
Assumed Closing Date:	8/1/2022

### Existing Bonds, Series 2011

Payment Date	Principal	Interest	Debt Service	Ending Balance
3/1/2023	65,000.00	25,768.75	90,768.75	505,000.00
3/1/2024	70,000.00	39,137.50	109,137.50	435,000.00
3/1/2025	75,000.00	33,712.50	108,712.50	360,000.00
3/1/2026	80,000.00	27,900.00	107,900.00	280,000.00
3/1/2027	85,000.00	21,700.00	106,700.00	195,000.00
3/1/2028	95,000.00	15,112.50	110,112.50	100,000.00
3/1/2029	<u>100,000.00</u>	<u>7,750.00</u>	<u>107,750.00</u>	-
	<u>570,000.00</u>	<u>171,081.25</u>	<u>741,081.25</u>	

### Refunding Bonds, Series 2022

Principal	Interest	Debt Service	Ending Balance	Net Savings After Costs Estimate
68,500.00	22,277.50	90,777.50	521,500.00	(8.75)
74,200.00	34,940.50	109,140.50	447,300.00	(3.00)
78,700.00	29,969.10	108,669.10	368,600.00	43.40
83,200.00	24,696.20	107,896.20	285,400.00	3.80
87,600.00	19,121.80	106,721.80	197,800.00	(21.80)
96,800.00	13,252.60	110,052.60	101,000.00	59.90
<u>101,000.00</u>	<u>6,767.00</u>	<u>107,767.00</u>	-	<u>(17.00)</u>
<u>590,000.00</u>	<u>151,024.70</u>	<u>741,024.70</u>		56.55
		Savings as % of Refunded Bonds:	**	0.0%

### Estimated Sources and Uses:

#### Sources:

Refunding Bond Proceeds	590,000.00
Debt Service Reserve as of 4/1/2021: *	40,358.00
Accrued Interest Through 8/1/2022 (5 months):	<u>18,406.25</u>
Total	<u>648,764.25</u>

#### Uses:

Bond Redemption:	
Outstanding Principal	570,000.00
Accrued Interest	18,406.25
Cost of Issuance:	
Bond Counsel: *	25,000.00
Bank Issuance Fee:	15,000.00
Fund Debt Service Reserve (Maximum Semi-annual Interest):	19,765.00
Contingency	<u>593.00</u>
Total	<u>648,764.25</u>

#### Notes:

Proposal Only: Not a commitment of Northbrook Bank & Trust, Wintrust Financial or any of its other affiliates. A commitment would require credit approval, which has not yet been obtained.

\* Downside estimate assuming a 6.7% interest rate on the refunding bonds. The interest rate is subject to change with evolving market conditions.

\*\* Estimated and subject to verification

