

## CHAPMAN AND CUTLER

Theodore S. Chapman  
1877-1943  
Henry E. Cutler  
1879-1959

111 West Monroe Street, Chicago, Illinois 60603-4080  
Telephone (312) 845-3000  
Facsimile (312) 701-2361  
chapman.com

2 North Central Avenue  
Phoenix, Arizona 85004  
(602) 256-4060

50 South Main Street  
Salt Lake City, Utah 84144  
(801) 533-0066

October 25, 2000

We hereby certify that we have examined certified copy of the proceedings of the Board of Education of Township High School District Number 225, Cook County, Illinois (the "*District*"), passed preliminary to the issue by the District of its fully registered General Obligation Limited Tax School Bonds, Series 2000A (the "*Bonds*"), to the amount of \$11,300,000, dated October 1, 2000, due serially on December 1 of the years and in the amounts and bearing interest as follows:

2007	\$1,095,000	4.75%
2008	1,505,000	4.75%
2009	1,580,000	4.75%
2010	1,655,000	4.75%
2011	1,730,000	5.00%
2012	1,820,000	5.75%
2013	1,915,000	5.75%

the Bonds due on or after December 1, 2011, being subject to redemption prior to maturity at the option of the District as a whole or in part in any order of their maturity as determined by the District (less than all of the Bonds of a single maturity to be selected by the Bond Registrar), on December 1, 2010, or on any date thereafter, at the redemption price of par plus accrued interest to the redemption date, as provided in such proceedings, and we are of the opinion that such 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 District, and all taxable property in the District is subject to the levy of taxes to pay the same without limitation as to rate, all except as limited by bankruptcy, insolvency, moratorium, reorganization and other similar laws relating to the enforcement of creditors' rights and subject to the exercise of judicial discretion. The amount of said taxes that may be extended to pay the Bonds is, however, limited as provided by the Property Tax Extension Limitation Law of the State of Illinois, as amended (the "*Law*"). The Law provides that the annual amount of said taxes to be extended to pay the Bonds and all other limited bonds (as defined in the Local Government Debt Reform Act of the State of Illinois, as amended) hereafter issued by the District shall not exceed the debt service extension base (as defined in the Law) of the District less the amount extended to pay certain other non-referendum bonds heretofore and hereafter issued by the District, as more fully described in said proceedings.

CHAPMAN AND CUTLER

It is our opinion that, subject to the District's compliance with certain covenants, under present law, interest on the Bonds is not includible in 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 and corporations under the Internal Revenue Code of 1986, as amended (the "*Code*"), but is taken into account in computing an adjustment used in determining the federal alternative minimum tax for certain corporations and in computing the "branch profits tax" imposed on certain foreign corporations. Failure to comply with certain of such District covenants could cause interest on the Bonds to be included 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.

As Bond Counsel, we are passing only upon those matters set forth in this opinion and are not passing upon 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 District with respect to certain material facts solely within the District'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.

KKost:kd

A handwritten signature in cursive script, appearing to read "Chapman and Cutler".

**CHAPMAN AND CUTLER**

Theodore S. Chapman  
1877-1943  
Henry E. Cutler  
1879-1959

111 West Monroe Street, Chicago, Illinois 60603-4080  
Telephone (312) 845-3000  
Facsimile (312) 701-2361  
chapman.com

2 North Central Avenue  
Phoenix, Arizona 85004  
(602) 256-4060

50 South Main Street  
Salt Lake City, Utah 84144  
(801) 533-0066

October 25, 2000

We hereby certify that we have examined certified copy of the proceedings of the Board of Education of Township High School District Number 225, Cook County, Illinois (the "District"), passed preliminary to the issue by the District of its fully registered General Obligation Limited Tax Capital Appreciation School Bonds, Series 2000B (the "Bonds"), to the original principal amount of \$3,701,993.25, dated the date hereof, due serially on December 1 of the years and further described as follows:

**ORIGINAL PRINCIPAL AMOUNT**

YEAR OF MATURITY	TOTAL	PER \$5,000 COMPOUND ACCRETED VALUE AT MATURITY	ORIGINAL YIELD TO MATURITY
2002	\$ 27,016.80	\$4,502.80	5.05%
2003	68,436.00	4,277.25	5.10%
2004	1,181,183.55	4,059.05	5.15%
2005	1,119,840.75	3,848.25	5.20%
2006	1,060,651.35	3,644.85	5.25%
2007	244,864.80	3,448.80	5.30%

and we are of the opinion that such 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 District, and all taxable property in the District is subject to the levy of taxes to pay the same without limitation as to rate, all except as limited by bankruptcy, insolvency, moratorium, reorganization and other similar laws relating to the enforcement of creditors' rights and subject to the exercise of judicial discretion. The amount of said taxes that may be extended to pay the Bonds is, however, limited as provided by the Property Tax Extension Limitation Law of the State of Illinois, as amended (the "Law"). The Law provides that the annual amount of said taxes to be extended to pay the Bonds and all other limited bonds (as defined in the Local Government Debt Reform Act of the State of Illinois, as amended) hereafter issued by the District shall not exceed the debt service extension base (as defined in the

Law) of the District less the amount extended to pay certain other non-referendum bonds heretofore and hereafter issued by the District, as more fully described in said proceedings.

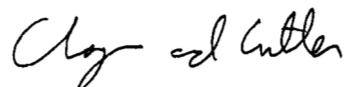
CHAPMAN AND CUTLER

It is our opinion that, subject to the District's compliance with certain covenants, under present law, interest on the Bonds is not includible in 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 and corporations under the Internal Revenue Code of 1986, as amended (the "*Code*"), but is taken into account in computing an adjustment used in determining the federal alternative minimum tax for certain corporations and in computing the "branch profits tax" imposed on certain foreign corporations. Failure to comply with certain of such District covenants could cause interest on the Bonds to be included 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.

As Bond Counsel, we are passing only upon those matters set forth in this opinion and are not passing upon 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 District with respect to certain material facts solely within the District'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.

KKost:kd

A handwritten signature in cursive script, appearing to read "Chapman and Cutler".

STATE OF ILLINOIS    )  
                                  ) SS  
COUNTY OF COOK     )

**ORGANIZATION CERTIFICATE**

We, the undersigned, do hereby certify that we are the duly qualified and acting President and Secretary, respectively, of the Board of Education (the "*Board*") of Township High School District Number 225, Cook County, Illinois (the "*District*"), and as such officials we do further certify as follows:

1. That the District was organized in the year 1947, has continuously since its organization operated under the general laws of the State of Illinois providing for the establishment, operation and maintenance of public schools, is now operating under the provisions of the School Code of the State of Illinois, as amended (105 ILCS 5/1-1 *et seq.*), and is not now operating under the provisions of any special Act or charter.
  
2. That the present duly qualified and acting officials of the District are as follows:  
  
Carol Rogal, President, Board of Education  
  
Karen Long, Vice-President, Board of Education  
  
Sarah Beyne, Member, Board of Education  
  
A. Andrew Olson III, Member, Board of Education  
  
Neal Shact, Member, Board of Education  
  
Jim Seymour, Member, Board of Education  
  
Jeffrey Lerner, Member, Board of Education  
  
James Lacivita, Secretary, Board of Education  
  
Anthony Adams, School Treasurer

and that said members of the Board have been the duly qualified and acting Board since November, 1999, and provided there are no vacancies created by resignation or otherwise, will constitute the Board until the election for members of the Board to be held on April 3, 2001, is canvassed and a new Board duly constituted in November, 2001.

3. That the changes in the boundaries of the District during the last five (5) years), were as follows: NONE.

(Attach copy of the orders providing for all such changes. If no changes have occurred, please so indicate with the word "none".)

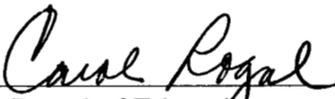
4. That the only cities, villages or incorporated towns located wholly or partly within the District are as follows: Glenview and Northbrook, and that none of said cities, villages or incorporated towns have adopted and are now operating under the provisions of Articles 6, 14 and 18 of the Election Code of the State of Illinois, as amended (10 ILCS 5/6, 5/14 and 5/18), said articles being known as the City Election Law.
5. That The County of Cook, Illinois, is the only county within which the District is wholly or partly located, and that said county has not adopted and is not now operating under the provisions of Article 6A of the Election Code of the State of Illinois, as amended (10 ILCS 5/6A), said article providing for a county board of election commissioners.
6. That all of the District is located in a county of 3,000,000 or more inhabitants.
7. That the *Pioneer Press* (which includes the *Glenview Announcements* and *Northbrook Star*) is a local, community newspaper published in and with a general circulation in the District.
8. That all of the news media that have filed a request for notice of the meetings of the Board pursuant to the Open Meetings Act of the State of Illinois, as amended (5 ILCS 120/1 *et seq.*), are as follows: Pioneer Press.

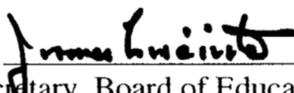
(If no requests have been made, please so indicate with the word "none".)

9. That the regular meetings of the Board are held on the 2nd and 4th Mondays of each month at 7:30 o'clock P.M., at the Administration Building, 1835 Landwehr Road, Glenview, Illinois, within the District, that the Board has given public notice of said schedule of regular meetings stating the regular dates, times and places of said meetings at the beginning of each calendar or fiscal year by posting a copy of said public notice at the principal office of the Board and by supplying copies of said public notice to all of the newspapers, radio or television stations and other news media that have filed a request for such notice, and that the Board has made said schedule available to the public.
10. That the District is now maintaining and operating a school system composed of grades 9 to 12, inclusive, such school system meeting and complying in all respects with all of the standards established for recognition by the State Board of Education of the State of Illinois.

11. That the District does not have an official corporate seal.
12. That the District has an estimated population of 70,294, and that there are approximately 47,770 legal voters in the District.
13. That no petition has been filed or is now pending affecting in any manner whatsoever the boundaries or the corporate existence of the District.
14. That there is no litigation or controversy pending or threatened and there are no tax objections pending or threatened questioning or affecting in any manner whatsoever the corporate existence of the District, the boundaries thereof, the right of the District to levy taxes for school purposes or the title of any of its present officials to their respective offices.

IN WITNESS WHEREOF, we hereunto affix our official signatures, this 25th day of September, 2000.

  
\_\_\_\_\_  
President, Board of Education

  
\_\_\_\_\_  
Secretary, Board of Education

STATE OF ILLINOIS        )  
                                  ) SS  
COUNTY OF COOK         )

**INDEBTEDNESS CERTIFICATE**

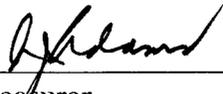
We, the undersigned, do hereby certify that we are the duly qualified and acting Secretary of the Board of Education of Township High School District Number 225, Cook County, Illinois (the "District"), and School Treasurer of the District, respectively, and as such officials we do further certify that the total aggregate indebtedness of the District, of every kind and nature and howsoever evidenced or incurred, excluding the proposed \$15,001,993.25 School Bonds, Series 2000A and 2000B, does not exceed the total sum of \$4,920,000, which said indebtedness is itemized as follows:

Bonds issued by the District.....	\$4,920,000
Bonds of underlying School Districts.....	\$-0-
Contracts (including all payments on installment purchase contracts and public utility contracts).....	\$-0-
Indebtedness resulting from annexations of territory .....	\$-0-
Judgments.....	\$-0-
Leases (including leases with the School Building Commission and public building commissions).....	\$-0-
Miscellaneous floating indebtedness.....	\$-0-
Special assessments levied against District property .....	\$-0-
Other forms of debt (not including warrants issued in anticipation of the collection of taxes levied).....	\$-0-

all of which appears from the books and records in our respective care and custody.

IN WITNESS WHEREOF, we hereunto affix our official signatures, this 25th day of September, 2000.

  
\_\_\_\_\_  
Secretary, Board of Education

  
\_\_\_\_\_  
School Treasurer

STATE OF ILLINOIS        )  
                                      ) SS  
COUNTY OF COOK        )

**1999 VALUATION CERTIFICATE**

I, the undersigned, do hereby certify that I am the duly qualified and acting County Clerk of the County of Cook, Illinois (the "County"), and as such official I do further certify that the equalized assessed value of all taxable real property located in the County included within the boundaries of Township High School District Number 225, Cook County, Illinois, as of the date of this certificate, is the sum of \$3,127,148,690, as last equalized or assessed by the Department of Revenue of the State of Illinois, for State and County taxes for the year 1999, all as appears from the books of assessment of the County now in my possession.

IN WITNESS WHEREOF, I hereunto affix my official signature and the seal of the County, this 28<sup>th</sup> day of September 2000.



---

County Clerk of the County of Cook, Illinois

(SEAL)

STATE OF ILLINOIS        )  
                                      ) SS  
COUNTY OF COOK         )

**TAX EXTENSION CERTIFICATE**

I, the undersigned, do hereby certify that I am the duly qualified and acting County Clerk (the "County Clerk") of The County of Cook, Illinois (the "County"), and as such official I do further certify as follows:

1. That taxes for Township High School District Number 225, Cook County, Illinois (the "District"), for the 1994 levy year were extended in 1995 in the County for payment of principal of and interest on the following outstanding bonds of the District and in the following amounts:

DESCRIPTION OF BONDS	EXTENSION FOR 1994 LEVY YEAR
School Bonds, dated December 1, 1988	\$799,066.38
School Bonds, Series 1994	254,248.39
School Bonds, Series 1995	1,043,629.12

2. That other than the above-described bonds that have not yet become due and the General Obligation School Bonds, Series 2000 now proposed to be issued by the District, there are no outstanding bond issues of the District for which a tax levy for any year after 1999 has been filed with the County Clerk.

IN WITNESS WHEREOF, I hereunto affix my official signature and the seal of the County, this 28 day of September, 2000.



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

[SEAL]

STATE OF ILLINOIS     )  
                                  ) SS  
COUNTY OF COOK     )

**WORKING CASH FUND CERTIFICATE**

I, the undersigned, do hereby certify that I am the duly qualified and acting County Clerk of the County of Cook, Illinois (the "*County*"), and as such official I do further certify as follows:

1. That pursuant to Section 20-3 of the School Code of the State of Illinois, as amended, a tax for working cash fund purposes for Township High School District Number 225, Cook County, Illinois (the "*District*"), was extended in the County for the years 1997 to 1999, inclusive, and in the amounts as follows:

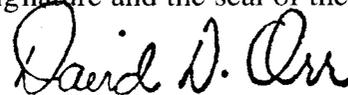
YEAR	AMOUNT
1997	241,846.53
1998	241,307.92
1999	240,790.45

2. That taxes for educational purposes for the District have been extended in the County for the years 1997 to 1999, inclusive, at the rates as follows:

YEAR	EDUCATIONAL TAX RATE
1997	1.5891%
1998	1.5091%
1999	1.4213%

3. That the District is authorized to levy a tax annually for educational purposes at the maximum rate of 1.91% upon all the taxable property of the District at the value, as equalized or assessed by the Department of Revenue of the State of Illinois.

IN WITNESS WHEREOF, I hereunto affix my official signature and the seal of the County, this 28 day of September, 2000.



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

(SEAL)

STATE OF ILLINOIS        )  
  ) SS  
COUNTY OF COOK         )

**WORKING CASH FUND CERTIFICATE**

We, the undersigned, do hereby certify that we are the duly qualified and acting President and Secretary of the Board of Education (the "Board") of Township High School District Number 225, Cook County, Illinois (the "District"), and School Treasurer of the District, respectively, and as such officials we do further certify as follows:

1. That the District is presently maintaining, administering and operating a Working Cash Fund in and for the District (the "Fund") in the manner prescribed in Article 20 of the School Code of the State of Illinois, as amended, for the purpose of enabling the District to have in its treasury at all time sufficient money to meet demands thereon for ordinary and necessary expenditures for corporate purposes, and that the amount now to the credit of the Fund is \$5,409,581, including the amount of any cash on hand in the Fund and the amount of any transfers from the Fund to any other funds of the District.

2. That the District has not abolished or abated any working cash fund in any manner whatsoever at any time after the 30th day of June, 2000.

3. That except for \$4,100,000 School Bonds, Series 1994 and \$4,900,000 School Bonds, Series 1995, the District has never issued bonds for working cash fund purposes, and that \$4,920,000 of said bonds are presently outstanding and unpaid.

4. That on the 21st day of August, 2000, the Board adopted a resolution (the "Resolution") declaring the intention to issue \$15,100,000 Working Cash Fund Bonds of the District (the "Bonds").

5. That notice of intention to issue the Bonds was published on the 24th day of August, 2000, in the *Pioneer Press Publications* (which includes the *Glenview Announcements* and the *Northbrook Star*), the same being a newspaper of general circulation in the District (the "Notice"), and was not posted electronically on the District's World Wide Web pages.

6. That no petition has ever been filed in the office of the Secretary of the Board (the "Secretary") or has ever been presented to the Secretary requesting that the proposition to issue the Bonds be submitted to the voters of the District, but that the Secretary provided a petition form regarding the same to every individual requesting one.

7. That except for the Resolution and the Notice, no resolution has been adopted by the Board declaring the intention to issue working cash fund bonds and no notice of intention to issue working cash fund bonds of the District has been published during the last twelve months.

8. That 10% of the voters of the District is equal to 4,777 voters.

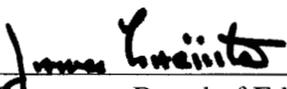
9. That attached hereto as *Exhibit 1* is a true, correct and complete copy of the certificate issued by the Director of the Department of Revenue of the State of Illinois, under signature and seal, certifying the last known entitlement of the District to taxes as by law now imposed by the General Assembly of the State of Illinois to replace revenue lost by units of local government and school districts as a result of the abolition of ad valorem personal property taxes, pursuant to Article IX, Section 5(c) of the Constitution of the State of Illinois.

10. That the District is authorized to levy a tax annually for educational purposes at the maximum rate of 1.91% upon all the taxable property of the District at the value, as equalized or assessed by the Department of Revenue of the State of Illinois.

11. That there is no litigation or controversy pending or threatened questioning or affecting in any manner whatsoever the right of the District to levy taxes for educational purposes at said maximum annual rate, to levy taxes for working cash fund purposes, to maintain, administer or operate the Fund, to increase the Fund or to issue the Bonds.

IN WITNESS WHEREOF, we hereunto affix our official signatures, this 25th day of September, 2000.

  
\_\_\_\_\_  
President, Board of Education

  
\_\_\_\_\_  
Secretary, Board of Education

  
\_\_\_\_\_  
School Treasurer



**Illinois Department of Revenue**

**Glen L. Bower Director**  
101 West Jefferson Street  
Springfield, Illinois 62702

September 18, 2000

Ms. Kelly Fitzgibbons  
William Blair & co  
222 West Adams St  
Chicago, IL-60606

RE: 016-7172250 Glenbrook Twp HS 225

Dear Ms.Fitzgibbons:

Per your request, we are hereby certifying the last known entitlement of the Replacement Tax for the unit of government listed above as provided for under P.A. 81-01265, 50 ILCS 420/4.1, which states in part:

(f) "Certification. At any time, upon the request of a Unit of Government the Director shall certify, under signature and seal, a Unit of Government's last known Entitlement."

The legislation defines Entitlement as "the amount of the Replacement Tax paid or to be paid in any given full year to a Unit of Government."

The amount of Replacement tax allocations received for fiscal year 2000 was \$1,940,266.55. The amount of Replacement Tax allocations to be received for fiscal year 2001 (07-01-2000 thru 06-30-2001) was \$1,862,840.00.

Sincerely,

Glen L. Bower  
Director

GLB:CRJ;bc

MINUTES of a regular public meeting of the Board of Education of Township High School District Number 225, Cook County, Illinois, held in Glenview, Illinois, Illinois, in said School District at 7:30 o'clock P.M., on the 21st day of August, 2000.

\* \* \*

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

Upon the roll being called, Mrs. Rogal, the President, and the following members at said location answered present:

Beyne, Long, Olson, Rogal, Seymour, Shact

The following members were absent from the meeting:

Lerner

Various business was conducted.

The President announced that in view of the current financial condition of the District, the Board of Education would consider the adoption of a resolution declaring its intention to issue working cash fund bonds pursuant to Article 20 of the School Code and directing that notice of such intention be published.

Whereupon Member Shact presented and the Secretary read in full a resolution as follows:

RESOLUTION declaring the intention to avail of the provisions of Article 20 of the School Code of the State of Illinois, as amended, and to issue Working Cash Fund Bonds of Township High School District Number 225, Cook County, Illinois, and directing that notice of such intention be published in the manner provided by law.

\* \* \*

WHEREAS, pursuant to the provisions of Article 20 of the School Code of the State of Illinois, and all laws amendatory thereof and supplementary thereto (the "*Code*"), a fund to be known as a Working Cash Fund (the "*Fund*") may be created, maintained, administered and operated in and for Township High School District Number 225, Cook County, Illinois (the "*District*"), in the manner prescribed in the Code, for the purpose of enabling the District to have in its treasury at all time sufficient money to meet demands thereon for ordinary and necessary expenditures for corporate purposes; and

WHEREAS, the District has heretofore created, maintained, administered and operated such Fund in the manner prescribed by the Code; and

WHEREAS, under the provisions of the Code, the Board of Education of the District (the "*Board*") is authorized to incur an indebtedness and issue bonds as evidence thereof (the "*Bonds*") for the purpose of increasing the Fund; and

WHEREAS, the Board has determined and does hereby determine that it is advisable, necessary and in the best interests of the District that the Fund be increased and that the District incur an indebtedness and issue Bonds as evidence thereof in the amount of \$15,100,000 for said purpose; and

WHEREAS, before such Bonds may be issued for said purpose, the Board must adopt a resolution declaring its intention to issue such Bonds for said purpose and direct that notice of such intention be published as provided by law:

NOW, THEREFORE, Be It and It Is Hereby Resolved by the Board of Education of Township High School District Number 225, Cook County, Illinois, as follows:

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

*Section 2. Declaration of Intent.* The Board hereby declares its intention to avail of the provisions of the Code, and to issue Bonds in the amount of \$15,100,000 for the purpose of increasing the Fund and enabling the District to have in its treasury at all time sufficient money to meet demands thereon for ordinary and necessary expenditures for corporate purposes.

*Section 3. Notice of Intent.* In accordance with the provisions of Section 5 of the Local Government Debt Reform Act of the State of Illinois, as amended, notice of said intention to avail of the provisions of Article 20 of the Code and to issue Bonds for the purpose of increasing the Fund shall be given by publication of such notice at least once in the *Pioneer Press*, the same being a newspaper of general circulation in the District.

*Section 4. Form of Notice.* The notice of intention to issue the Bonds shall be in substantially the following form:

**NOTICE OF INTENTION OF  
TOWNSHIP HIGH SCHOOL DISTRICT NUMBER 225  
COOK COUNTY, ILLINOIS  
TO ISSUE \$15,100,000  
WORKING CASH FUND BONDS**

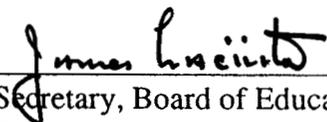
PUBLIC NOTICE is hereby given that on the 21st day of August, 2000, the Board of Education of Township High School District Number 225, Cook County, Illinois, adopted a resolution declaring its intention and determination to issue bonds in the aggregate amount of \$15,100,000 for the purpose of increasing the Working Cash Fund of said School District, and it is the intention of said Board of Education to avail of the provisions of Article 20 of the School Code of the State of Illinois, and all laws amendatory thereof and supplementary thereto, and to issue said bonds for the purpose of increasing said Working Cash Fund. Said Working Cash Fund is to be maintained, administered and operated in accordance with the provisions of said Article and shall be used for the purpose of enabling said School District to have in its treasury at all time sufficient money to meet demands thereon for ordinary and necessary expenditures for corporate purposes. Said Working Cash Fund is to be used to provide moneys with which to meet ordinary and necessary disbursements for salaries and other school purposes in anticipation of the collection of taxes lawfully levied for any and all purposes and said Working Cash Fund is to be reimbursed to the extent of funds so advanced when such taxes shall have been collected.

A petition may be filed with the Secretary of the Board of Education of Township High School District Number 225, Cook County, Illinois, within thirty (30) days after the date of publication of this notice, signed by not less than \_\_\_\_\_ voters of said School District, said number of voters being equal to ten per cent (10%) of the registered voters of said School District, requesting that the proposition to issue said bonds as authorized by the provisions of said Article 20 be submitted to the voters of said School District. If such petition is filed with the

Secretary of said Board of Education within thirty (30) days after the date of publication of this notice, an election on the proposition to issue said bonds shall be held on the 27th day of February, 2001, unless no voters of said School District are scheduled to cast votes for any candidates for nomination for, election to or retention in public office, in which case said election on said proposition shall be held on the 3rd day of April, 2001. The Circuit Court may declare that an emergency referendum should be held prior to either of said election dates pursuant to the provisions of Section 2A-1.4 of the Election Code of the State of Illinois, as amended. If no such petition is filed within said thirty (30) day period, then said School District shall thereafter be authorized to issue said bonds for the purpose hereinabove provided.

By order of the Board of Education of Township High School District Number 225, Cook County, Illinois.

DATED this 21st day of August, 2000.

  
\_\_\_\_\_  
Secretary, Board of Education,  
Township High School District Number 225,  
Cook County, Illinois

  
\_\_\_\_\_  
President, Board of Education,  
Township High School District Number  
225, Cook County, Illinois

\_\_\_\_\_  
Note to Publisher: Please be certain that this notice appears over the names of the President and Secretary of the Board.

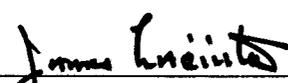
*Section 5. Further Proceedings.* If no petition signed by the requisite number of voters is filed with the Secretary of the Board within thirty (30) days after the date of the publication of such notice of intention to issue the Bonds, the Board shall, by appropriate proceedings to be hereafter taken, fix the details concerning the issue of the Bonds and provide for the levy of a direct annual tax to pay the principal and interest on the same.

*Section 6. Severability.* If any section, paragraph, clause or provision of this Resolution shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such section, paragraph or provision shall not affect any of the remaining provisions of this Resolution.

*Section 7. Repealer and Effective Date.* All resolutions and parts of resolutions in conflict herewith be and the same are hereby repealed and that this Resolution be in full force and effect forthwith upon its adoption.

Adopted August 21, 2000.

  
\_\_\_\_\_  
President, Board of Education

  
\_\_\_\_\_  
Secretary, Board of Education

Member Shact moved and Member Beyne

seconded the motion that said resolution as read be adopted.

After a full and complete discussion thereof, the President directed the Secretary to call the roll for a vote upon the motion to adopt said resolution.

Upon roll call, the following members voted AYE:

Beyne, Long, Olson, Rogal, Seymour, Shact

The following members voted NAY:

None

Whereupon the President declared the motion carried and said resolution adopted, and in open meeting approved and signed said resolution and directed the Secretary to record the same in full in the records of the Board of Education of Township High School District Number 225, Cook County, Illinois, which was done.

Other business not pertinent to the adoption of said resolution was duly transacted at said meeting.

Upon motion duly made, seconded and carried, the meeting was adjourned.

  
Secretary, Board of Education

STATE OF ILLINOIS        )  
                                  ) SS  
COUNTY OF COOK         )

**CERTIFICATION OF MINUTES**

I, the undersigned, do hereby certify that I am the duly qualified and acting Secretary of the Board of Education of Township High School District Number 225, Cook County, Illinois (the "Board"), and that as such official I am the keeper of the records and files of the Board.

I do further certify that the foregoing constitutes a full, true and complete transcript of the minutes of the meeting of the Board held on the 21st day of August, 2000, insofar as same relates to the adoption of a resolution entitled:

RESOLUTION declaring the intention to avail of the provisions of Article 20 of the School Code of the State of Illinois, as amended, and to issue Working Cash Fund Bonds of Township High School District Number 225, Cook County, Illinois, and directing that notice of such intention be published in the manner provided by law.

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

I do further certify that the deliberations of the Board on the adoption of said resolution were conducted openly, that the vote on the adoption of said resolution was taken openly, that said meeting was held at a specified time and place convenient to the public, that notice of said meeting was duly given to all of the news media requesting such notice, that an agenda for said meeting was posted at the location where said meeting was held and at the principal office of the Board at least 48 hours in advance of the holding of said meeting, that said meeting was called and held in strict compliance with the provisions of the Open Meetings Act of the State of Illinois, as amended, and with the provisions of the School Code of the State of Illinois, as amended, and that the Board has complied with all of the provisions of said Act and said Code and with all of the procedural rules of the Board in the conduct of said meeting and in the adoption of said resolution.

IN WITNESS WHEREOF, I hereunto affix my official signature, this 21st day of August, 2000.

  
\_\_\_\_\_  
Secretary, Board of Education

STATE OF ILLINOIS        )  
                                      ) SS  
COUNTY OF COOK        )

**NO PETITION CERTIFICATE**

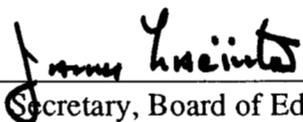
I, the undersigned, do hereby certify that I am the duly qualified and acting Secretary of the Board of Education (the "Board") of Township High School District Number 225, Cook County, Illinois (the "District"), and as such official I do further certify that pursuant to a resolution entitled:

RESOLUTION declaring the intention to avail of the provisions of Article 20 of the School Code of the State of Illinois, as amended, and to issue Working Cash Fund Bonds of Township High School District Number 225, Cook County, Illinois, and directing that notice of such intention be published in the manner provided by law.

duly adopted by the Board on the 21st day of August, 2000, notice of intention of the District to issue \$15,100,000 Working Cash Fund Bonds was published on the 24th day of August, 2000, in the *Pioneer Press*, the same being a newspaper of general circulation in the District, and was not posted electronically on the District's World Wide Web pages.

I do further certify that no petition has ever been filed in my office as Secretary of the Board or has ever been presented to me as such official requesting that the proposition to issue said bonds be submitted to the voters of the District, but that I provided a petition form regarding the same to every individual requesting one.

IN WITNESS WHEREOF, I hereunto affix my official signature, this 25th day of September, 2000.

  
\_\_\_\_\_  
Secretary, Board of Education

# PIONEER PRESS CERTIFICATE OF PUBLICATION

State of Illinois - County of Cook Lake McHenry Kane

Pioneer Press, does hereby certify it has published the attached advertisement in the following secular weekly newspapers. All newspapers meet Illinois Revised Statutes requirements for publication of Legal Notice.

Note: Legal notice appeared in the following checked publications.

### WEDNESDAY PUBLICATIONS: Date(s) 8/23/00

- Maywood Herald, Melrose Park Herald  
West Proviso Herald & Westchester Herald
- Oak Leaves & Forest Leaves
- Franklin Park Herald-Journal & Northlake Herald-Journal
- Elm Leaves & River Grove Messenger

### THURSDAY PUBLICATIONS: Date(s) 8/24/00

- Evanston Review
- Wilmette Life
- Winnetka Talk
- Glencoe News
- Glenview Announcements
- Northbrook Star
- Highland Park News
- Deerfield Express
- Lake Forest
- Libertyville Review, Mundelein Review & Vernon Hills Review
- Antioch Review, Grayslake Review, Gurnee Review  
& Review of Lindenhurst/Lake Villa
- Skokie Review & Lincolnwood Review
- Morton Grove Champion & Niles Herald-Spectator
- Mount Prospect Times & Des Plaines Times
- Norridge/Harwood Heights News
- Park Ridge Herald-Advocate
- Edison-Norwood Times Review
- Buffalo Grove Countryside & Wheeling Countryside
- Palatine Countryside
- Lake Zurich Courier
- Barrington Courier-Review
- Algonquin Countryside & Cary-Grove Countryside
- Arlington Heights Post
- Schaumburg Review, Hoffman Estates Review & Elk Grove Times
- Rolling Meadows Review

Being 1 consecutive week(s)

IN WITNESS WHEREOF, the undersigned, being duly authorized, has caused this Certificate to be signed and its official seal affixed at Glenview, Illinois this 24th day of August, A.D. 2000

By John L. Bisschke  
Legal Advertising Manager (official title)

**NOTICE OF INTENTION OF TOWNSHIP HIGH SCHOOL DISTRICT NUMBER 225 COOK COUNTY, ILLINOIS TO ISSUE \$15,100,000 WORKING CASH FUND BONDS**

PUBLIC NOTICE is hereby given that on the 21st day of August, 2000, the Board of Education of Township High School District Number 225, Cook County, Illinois, adopted a resolution declaring its intention and determination to issue bonds in the aggregate amount of \$15,100,000 for the purpose of increasing the Working Cash Fund of said School District, and it is the intention of said Board of Education to avail of the provisions of Article 20 of the School Code of the State of Illinois, and all laws amendatory thereof and supplementary thereto, and to issue said bonds for the purpose of increasing said Working Cash Fund. Said Working Cash Fund is to be maintained, administered and operated in accordance with the provisions of said Article and shall be used for the purpose of enabling said School District to have in its treasury at all time sufficient money to meet demands thereon for ordinary and necessary expenditures for corporate purposes. Said Working Cash Fund is to be used to provide moneys with which to meet ordinary and necessary disbursements for salaries and other school purposes in anticipation of the collection of taxes lawfully levied for any and all purposes and said Working Cash Fund is to be reimbursed to the extent of funds so advanced when such taxes shall have been collected.

A petition may be filed with the Secretary of the Board of Education of Township High School District Number 225, Cook County, Illinois, within thirty (30) days after the date of publication of this notice, signed by not less than 4,777 voters of said School District, said number of voters being equal to ten per cent (10%) of the registered voters of said School District, requesting that the proposition to issue said bonds as authorized by the provisions of said Article 20 be submitted to the voters of said School District. If such petition is filed with the Secretary of said Board of Education within thirty (30) days after the date of publication of this notice, an election on the proposition to issue said bonds shall be held on the 27th day of February, 2001, unless no voters of said School District are scheduled to cast votes for any candidates for nomination for, election to or retention in public office, in which case said election on said proposition shall be held on the 3rd day of April, 2001. The Circuit Court may declare that an emergency referendum should be held prior to either of said election dates pursuant to the provisions of Section 2A-1.4 of the Election Code of the State of Illinois, as amended. If no such petition is filed within said thirty (30) day period, then said School District shall thereafter be authorized to issue said bonds for the purpose hereinabove provided.

By order of the Board of Education of Township High School District Number 225, Cook County, Illinois.  
DATED this 21st day of August, 2000.

/s/ James Lacivita  
Secretary, Board of Education,  
Township High School District  
Number 225, Cook County, Illinois

/s/ Carol Rosal  
President, Board of Education  
Township High School District  
Number 225, Cook County, Illinois

04 05 8/20/00 #4765 1 weeks

ORDER calling a public hearing concerning the intent of the Board of Education of Township High School District Number 225, Cook County, Illinois, to sell \$15,100,000 Working Cash Fund Bonds.

\* \* \*

WHEREAS, Township High School District Number 225, Cook County, Illinois (the "*District*"), is a duly organized and existing school district created under the provisions of the laws of the State of Illinois, and is now operating under the provisions of the School Code of the State of Illinois, and all laws amendatory thereof and supplementary thereto, including the Local Government Debt Reform Act of the State of Illinois, as amended; and

WHEREAS, the Board of Education of the District (the "*Board*") intends to sell bonds in the amount of \$15,100,000 for the purpose of increasing the working cash fund of the District (the "*Bonds*"); and

WHEREAS, the Bond Issue Notification Act of the State of Illinois, as amended, requires the Board to hold a public hearing concerning the Board's intent to sell the Bonds before adopting a resolution providing for the sale of the Bonds:

NOW, THEREFORE, Be It and It Is Hereby Ordered by the undersigned President of the Board of Education of Township High School District Number 225, Cook County, Illinois, as follows:

1. I hereby call a public hearing to be held at 7:30 o'clock P.M. on the 11th day of September, 2000, in the Board Room, Administration Building,  
1835 Landwehr Road, Glenview, Illinois, in the District, concerning the Board's intent to sell the Bonds and to receive public comments regarding the proposal to sell the Bonds (the "*Hearing*").

2. I hereby direct that the Secretary of the Board (the "*Secretary*") shall (i) publish notice of the Hearing at least once in the *Pioneer Press*, the same being a newspaper of general circulation in the District, not less than 7 nor more than 30 days before the date of the Hearing and (ii) post at least 48 hours before the Hearing a copy of said notice at the principal office of the Board.

3. Notice of the Hearing shall appear above the name of the Secretary and shall be in substantially the following form:

**NOTICE OF PUBLIC HEARING CONCERNING THE INTENT OF  
THE BOARD OF EDUCATION OF TOWNSHIP HIGH SCHOOL DISTRICT NUMBER 225, COOK  
COOK COUNTY, ILLINOIS  
TO SELL \$15,100,000 WORKING CASH FUND BONDS**

PUBLIC NOTICE IS HEREBY GIVEN that Township High School District Number 225, Cook County, Illinois (the "*District*"), will hold a public hearing on the 11th day of September, 2000, at 7:30 o'clock p.m. The hearing will be held in the Board Room, Administration Building, 1835 Landwehr Road, Glenview, Illinois. The purpose of the hearing will be to receive public comments on the proposal to sell bonds of the District in the amount of \$15,100,000 for the purpose of increasing the working cash fund of the District.

By order of the President of the Board of Education of Township High School District Number 225, Cook County, Illinois.

DATED the 21st day of August, 2000.

  
\_\_\_\_\_  
Secretary, Board of Education, Township  
High School District Number 225, Cook  
County, Illinois

\_\_\_\_\_  
Note to Publisher: Please be certain that this notice appears above the name of the Secretary of the Board.

4. At the Hearing, the Board shall explain the reasons for the proposed bond issue and permit persons desiring to be heard an opportunity to present written or oral testimony within reasonable time limits. The Board shall not adopt a resolution selling the Bonds for a period of seven (7) days after the final adjournment of the Hearing.

Ordered this 21st day of August, 2000.



---

President, Board of Education,  
Township High School District Number  
225, Cook County, Illinois

44.64  
0405 8/20/00 #4766 1 wk(s)

# PIONEER PRESS CERTIFICATE OF PUBLICATION

State of Illinois - County of Cook Lake McHenry Kane

Pioneer Press, does hereby certify it has published the attached advertisement in the following secular weekly newspapers. All newspapers meet Illinois Revised Statutes requirements for publication of Legal Notice.

Note: Legal notice appeared in the following checked publications.

**NOTICE OF PUBLIC HEARING  
CONCERNING THE INTENT OF  
THE BOARD OF EDUCATION OF  
TOWNSHIP HIGH SCHOOL  
DISTRICT NUMBER 225  
COOK COUNTY, ILLINOIS  
TO SELL \$15,100,000  
WORKING CASH FUND BONDS**

PUBLIC NOTICE IS HEREBY GIVEN that Township High School District Number 225, Cook County, Illinois (the "District"), will hold a public hearing on the 11th day of September, 2000, at 7:30 o'clock P.M. The hearing will be held in the Board Room, Administration Building, 1835 Landwehr Road, Glenview, Illinois. The purpose of the hearing will be to receive public comments on the proposal to sell bonds of the District in the amount of \$15,100,000 for the purpose of increasing the working cash fund of the District.

By order of the President of the Board of Education of Township High School District Number 225, Cook County, Illinois.

DATED the 21st day of August, 2000.

/s/ James Lacivita  
Secretary, Board of Education,  
Township High School District  
Number 225, Cook County, Illinois

04 05 08/20/00 #4766 1 weeks

### WEDNESDAY PUBLICATIONS: Date(s) 8/23/00

- Maywood Herald, Melrose Park Herald
- West Proviso Herald & Westchester Herald
- Oak Leaves & Forest Leaves
- Franklin Park Herald-Journal & Northlake Herald-Journal
- Elm Leaves & River Grove Messenger

### THURSDAY PUBLICATIONS: Date(s) 8/24/00

- Evanston Review
- Wilmette Life
- Winnetka Talk
- Glencoe News
- Glenview Announcements
- Northbrook Star
- Highland Park News
- Deerfield Review
- Lake Forester
- Libertyville Review, Mundelein Review & Vernon Hills Review
- Antioch Review, Grayslake Review, Gurnee Review & Review of Lindenhurst/Lake Villa
- Skokie Review & Lincolnwood Review
- Morton Grove Champion & Niles Herald-Spectator
- Mount Prospect Times & Des Plaines Times
- Norridge/Harwood Heights News
- Park Ridge Herald-Advocate
- Edison-Norwood Times Review
- Buffalo Grove Countryside & Wheeling Countryside
- Palatine Countryside
- Lake Zurich Courier
- Barrington Courier-Review
- Algonquin Countryside & Cary-Grove Countryside
- Arlington Heights Post
- Schaumburg Review, Hoffman Estates Review & Elk Grove Times
- Rolling Meadows Review

Being 1 consecutive week(s)

IN WITNESS WHEREOF, the undersigned, being duly authorized, has caused this Certificate to be signed and its official seal affixed at Glenview, Illinois this 24th day of August, A.D. 2000

By John P. Bieschke  
Legal Advertising Manager (official title)

MINUTES of a regular public meeting of the Board of Education of Township High School District Number 225, Cook County, Illinois, held in the Board Room, Administration Building, 1835 Landwehr Road, Glenview, Illinois, in said School District at 7:30 o'clock P.M., on the 11th day of September, 2000.

\* \* \*

The meeting was called to order by the President, and upon the roll being called, Carol Rogal, the President, and the following members at said location answered present: Sarah Beyne, Jeffrey Lerner, Karen Long, Andrew Olson, James Seymour

The following members were absent: Neal Shact

Various business was conducted.

At 7:40 o'clock P.M., the President announced that the next agenda item for the Board of Education was a public hearing (the "*Hearing*") to receive public comments on the proposal to sell \$15,100,000 Working Cash Fund Bonds for the purpose of increasing the working cash fund of the District and explained that all persons desiring to be heard would have an opportunity to present written or oral testimony with respect thereto.

The President opened the discussion and explained that the reasons for the proposed issuance of the Bonds were as follows: to provide funds for the additions and renovation of Glenbrook North High School and Glenbrook South High School

Whereupon the President asked for additional comments from the members of the Board of Education:

(If no additional statements were made,  
please so indicate with the word "none.")

- NONE -

Written testimony concerning the proposed issuance of the Bonds was read into the record by the Secretary and is attached hereto as *Exhibit I*.

(If no written testimony was received,  
please so indicate with the word "none.")

-NONE-

Whereupon the President asked for oral testimony or any public comments concerning the proposed issuance of the Bonds. Statements were made by the following:

(If no additional statements were made,  
please so indicate with the word "none.")

-NONE-

The President then announced that all persons desiring to be heard had been given an opportunity to present oral and written testimony with respect to the proposed issuance of the Bonds.

The President finally adjourned the Hearing.

Other business not pertinent to the conduct of the Hearing was duly transacted at said meeting.

Upon motion duly made, seconded and carried, the meeting was adjourned.

A handwritten signature in black ink, appearing to read "James L. White", is written over a horizontal line.

Secretary, Board of Education

STATE OF ILLINOIS        )  
  ) SS  
COUNTY OF COOK         )

**CERTIFICATION OF MINUTES**

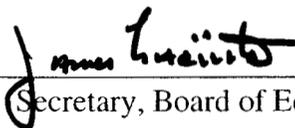
I, the undersigned, do hereby certify that I am the duly qualified and acting Secretary of the Board of Education of Township High School District Number 225, Cook County, Illinois (the "Board"), and as such official I am the keeper of the records and files of the Board.

I do further certify that the foregoing constitutes a full, true and complete transcript of the minutes of the meeting of the Board held on the 11th day of September, 2000, insofar as the same relates to a public hearing concerning the intent of the Board to sell \$15,100,000 Working Cash Fund Bonds.

I do further certify that the deliberations of the Board at said meeting were conducted openly, that said meeting was called and held at a specified time and place convenient to the public, that notice of said meeting was duly given to all of the news media requesting such notice, that an agenda for said meeting was posted at the location where said meeting was held and at the principal office of the Board at least 48 hours in advance of the holding of said meeting, that said meeting was called and held in strict compliance with the provisions of the Open Meetings Act of the State of Illinois, as amended, the School Code of the State of Illinois, as amended, and the Bond Issue Notification Act of the State of Illinois, as amended, and that the Board has complied with all of the provisions of said Acts and said Code and with all of the procedural rules of the Board in the conduct of said meeting.

I do further certify that notice of said public hearing was posted at least 48 hours before said public hearing at the principal office of the Board and that attached hereto as *Exhibit A* is a true, correct and complete copy of said notice as so posted.

IN WITNESS WHEREOF, I hereunto affix my official signature, this 11th day of September, 2000.

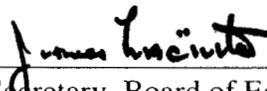
  
\_\_\_\_\_  
Secretary, Board of Education

**NOTICE OF PUBLIC HEARING CONCERNING THE INTENT OF  
THE BOARD OF EDUCATION OF TOWNSHIP HIGH SCHOOL DISTRICT NUMBER 225, COOK  
COOK COUNTY, ILLINOIS  
TO SELL \$15,100,000 WORKING CASH FUND BONDS**

PUBLIC NOTICE IS HEREBY GIVEN that Township High School District Number 225, Cook County, Illinois (the "*District*"), will hold a public hearing on the 11th day of September, 2000, at 7:30 o'clock p.M. The hearing will be held in the Board Room, Administration Building, 1835 Landwehr Road, Glenview, Illinois. The purpose of the hearing will be to receive public comments on the proposal to sell bonds of the District in the amount of \$15,100,000 for the purpose of increasing the working cash fund of the District.

By order of the President of the Board of Education of Township High School District Number 225, Cook County, Illinois.

DATED the 21st day of August, 2000.

  
\_\_\_\_\_  
Secretary, Board of Education, Township  
High School District Number 225, Cook  
County, Illinois

\_\_\_\_\_  
Note to Publisher: Please be certain that this notice appears above the name of the Secretary of the Board.

## OFFICIAL STATEMENT

**NEW ISSUE - Book Entry Only**

**Rating: Standard & Poor's "AAA"**  
(See "RATING" herein.)

*Subject to compliance by the District with certain covenants, in the opinion of Chapman and Cutler, Bond Counsel, under present law, interest on the Bonds is not includible in gross income of the owners thereof for federal income tax purposes, and is not included as an item of tax preference in computing the federal alternative minimum tax for individuals and corporations, but such interest is taken into account in computing an adjustment used in determining the federal alternative minimum tax for certain corporations. See "TAX EXEMPTION" and "ORIGINAL ISSUE DISCOUNT" herein for a more complete discussion. Interest on the Bonds is not exempt from current State of Illinois income taxes.*

### **NORTHFIELD TOWNSHIP HIGH SCHOOL DISTRICT NUMBER 225 COOK COUNTY, ILLINOIS (GLENBROOK)**

**\$11,300,000 General Obligation Limited Tax School Bonds, Series 2000A**  
**\$3,701,993.25 General Obligation Limited Tax Capital Appreciation School Bonds, Series 2000B**  
**\$29,485,000 General Obligation School Bonds (Alternate Revenue Source), Series 2000C**

Dated: Series 2000A Bonds - October 1, 2000  
Series 2000B Bonds - Date of Delivery  
Series 2000C Bonds - October 1, 2000

Due: December 1, as shown on inside cover

The General Obligation Limited Tax School Bonds, Series 2000A (the "2000A Bonds"), the General Obligation Limited Tax Capital Appreciation School Bonds, Series 2000B (the "2000B Bonds" together with the 2000A Bonds, the "Limited Tax Bonds"), and the General Obligation School Bonds (Alternate Revenue Source), Series 2000C (the "2000C Bonds", together with the 2000A Bonds and the 2000B Bonds, the "Bonds") are issued under the provisions of the School Code of the State of Illinois, as amended, and the Local Government Debt Reform Act of the State of Illinois, and all laws amendatory thereof and supplementary thereto, and bond resolutions duly adopted on September 25, 2000 by the Board of Education of the District.

Semiannual interest on the 2000A Bonds and 2000C Bonds is payable each June 1 and December 1, commencing June 1, 2001. The accreted value of the 2000B Bonds will be payable annually at maturity on December 1 of the years shown on the inside cover page.

The Bonds will be issued in fully registered form and will be registered initially only in the name of Cede & Co., as registered owner and nominee of The Depository Trust Company, New York, New York ("DTC"). DTC will act as securities depository for the Bonds. Purchasers of the Bonds will not receive certificates representing their interests in the Bonds purchased. Ownership by the beneficial owners of the Bonds will be evidenced by book-entry only. Principal of and interest on the Bonds will be paid by Cole Taylor Bank, Chicago, Illinois as bond registrar and paying agent, to DTC, which in turn will remit such principal and interest payments to its participants for subsequent disbursement to the beneficial owners of the Bonds. As long as Cede & Co., is the registered owner as nominee of DTC, payments on the Bonds will be made to such registered owner, and disbursement of such payments will be the responsibility of DTC and its participants.

The 2000A Bonds and 2000C Bonds are subject to optional redemption prior to maturity as discussed herein under "REDEMPTION". The 2000B Bonds are not subject to redemption prior to maturity.

In the opinion of Chapman and Cutler, Chicago, Illinois, Bond Counsel, the Limited Tax Bonds are valid and legally binding upon the District, and all taxable property of the District is subject to the levy of ad valorem taxes to pay the same without limitation as to rate, all except as limited by bankruptcy, insolvency, moratorium, reorganization and other similar laws relating to the enforcement of creditors' rights and subject to the exercise of judicial discretion. The amount of said taxes that may be extended to pay the Limited Tax Bonds is limited as provided by law. See "SECURITY FOR THE LIMITED TAX BONDS" herein.

In the opinion of Chapman and Cutler, the Series 2000C Bonds are valid and legally binding upon the District, and are payable from (i) moneys deposited in the operations and maintenance fund of the District and lawfully available for said purpose, and (ii) ad valorem taxes levied against all taxable property in the District without limitation as to rate or amount, and all taxable property in the District is subject to the levy of such taxes all except as limited by bankruptcy, insolvency, moratorium, reorganization and other similar laws relating to the enforcement of creditors' rights and subject to the exercise of judicial discretion. See "SECURITY FOR THE ALTERNATE BONDS" herein.

For maturity schedules, compound accreted values at maturity, amounts and yields or prices, see the inside cover page.

*The Bonds are offered when, as and if issued and received by the Underwriter, subject to prior sale, withdrawal or modification of the offer without any notice, and to the approval of legality by Chapman and Cutler, Chicago, Illinois, Bond Counsel. It is anticipated that the Bonds in definitive form will be available for delivery to the Underwriter through the facilities of DTC in New York, New York on or about October 25, 2000. William Blair & Company, L.L.C. is serving as Financial Advisor. LaSalle Capital Markets, a division of ABN AMRO Financial Services, Inc. and Salomon Smith Barney are serving as Underwriters.*

**William Blair & Company**  
As Financial Advisor

The Date of This Official Statement is September 25, 2000

**\$11,300,000 General Obligation Limited Tax School Bonds, Series 2000A**

**Current Interest Bond Maturities, Amounts, Interest Rates and Yields**

<u>Dec. 1</u> <u>Maturity</u>	<u>Amount</u>	<u>Interest Rate</u>	<u>Yield</u>	<u>Dec. 1</u> <u>Maturity</u>	<u>Amount</u>	<u>Interest Rate</u>	<u>Yield</u>
2007	\$1,095,000	4.75%	4.60%	2011	\$1,730,000	5.00%	4.95%
2008	1,505,000	4.75	4.73	2012	1,820,000	5.75	5.08
2009	1,580,000	4.75	4.79	2013	1,915,000	5.75	5.18
2010	1,655,000	4.75	4.85				

**\$3,701,993.25 General Obligation Limited Tax Capital Appreciation School Bonds, Series 2000B**

**Maturities, Compound Accreted Values at Maturity, Amounts, Yields and Prices**

<u>Due</u> <u>Dec. 1</u>	<u>Aggregate</u> <u>Original Principal</u> <u>Amount</u>	<u>Original Principal</u> <u>Amount Per</u> <u>\$5,000 Compound</u> <u>Accreted Value</u> <u>At Maturity</u>	<u>Aggregate</u> <u>Compound</u> <u>Accreted Value</u> <u>At Maturity</u>	<u>Original</u> <u>Yield</u> <u>To Maturity</u>	<u>Original</u> <u>Price</u>
2002	\$27,016.80	\$4,502.80	\$30,000	5.05%	90.241%
2003	68,436.00	4,277.25	80,000	5.10	85.804
2004	1,181,183.55	4,059.05	1,455,000	5.15	81.507
2005	1,119,840.75	3,848.25	1,455,000	5.20	77.349
2006	1,060,651.35	3,644.85	1,455,000	5.25	73.331
2007	244,864.80	3,448.80	355,000	5.30	69.455

**\$29,485,000 General Obligation School Bonds (Alternate Revenue Source), Series 2000C**

**Current Interest Bond Maturities, Amounts, Interest Rates and Yields**

<u>Dec. 1</u> <u>Maturity</u>	<u>Amount</u>	<u>Interest Rate</u>	<u>Yield</u>	<u>Dec. 1</u> <u>Maturity</u>	<u>Amount</u>	<u>Interest Rate</u>	<u>Yield</u>
2001	\$745,000	5.00%	4.35%	2011	\$1,575,000	5.00%	5.02%
2002	1,025,000	5.00	4.45	2012	1,650,000	5.25	5.12
2003	1,070,000	5.00	4.48	2013	1,735,000	5.50	5.22
2004	1,120,000	5.00	4.53	2014	1,825,000	5.50	5.30
2005	1,200,000	5.00	4.58	2015	1,920,000	5.50	5.37
2006	1,255,000	5.00	4.63	2016	2,020,000	5.50	5.44
2007	1,310,000	5.00	4.69	2017	2,125,000	5.50	5.49
2008	1,370,000	5.00	4.75	2018	2,240,000	5.50	5.54
2009	1,435,000	5.50	4.81	2019	2,360,000	5.50	5.58
2010	1,505,000	5.50	4.88				

No dealer, broker, salesman or other person has been authorized by the District or the Underwriter to give any information or to make any representations other than those contained in this Official Statement and if given or made, such other information or representations must not be relied upon as statements having been authorized by the District, the Underwriter or any other entity. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the Bonds by any person, in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale. Unless otherwise indicated, the District is the source of all tables and statistical and financial information contained in this Official Statement. The information set forth herein relating to governmental bodies or from other sources is believed to be reliable. The information and opinions expressed herein are subject to change without notice, and neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in operations of the District since the date of this Official Statement.

This Official Statement should be considered in its entirety and no one factor considered 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.

The information contained in this Official Statement is tentative and subject to completion, amendment, or other change without notice. Certain terms and conditions described herein are subject to further negotiation. The District reserves the right to withdraw, amend or modify the terms and conditions of this proposed financing at any time without any notice.

**IN CONNECTION WITH THE OFFERING OF THE BONDS, THE UNDERWRITER MAY OVER-ALLOT OR EFFECT TRANSACTIONS THAT STABILIZE OR MAINTAIN THE MARKET PRICES OF THE BONDS OFFERED HEREBY AT LEVELS ABOVE THOSE THAT MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME. THE UNDERWRITER MAY OFFER AND SELL THE BONDS TO CERTAIN DEALERS AND DEALER BANKS AND BANKS ACTING AS AGENTS AT PRICES LOWER THAN THE PUBLIC OFFERING PRICES STATED ON THE INSIDE COVER PAGE HEREOF AND SAID PUBLIC OFFERING PRICES MAY BE CHANGED FROM TIME TO TIME BY THE UNDERWRITER.**

**TABLE OF CONTENTS**

INTRODUCTION.....6

THE BONDS.....6

    Description.....6

    Registration.....7

    Optional Redemption.....7

    General Redemption Terms.....8

    Plan of the Financing.....8

    Book-Entry Only System.....9

SECURITY FOR THE LIMITED TAX BONDS.....10

SECURITY FOR THE 2000C BONDS.....11

THE PLEDGED REVENUES.....12

THE DISTRICT.....12

    Administration.....13

    Board of Education.....14

    Enrollments.....14

GENERAL.....14

    Location.....14

    Transportation.....14

    Population.....15

        Population Trends.....15

    Economics.....15

        Sales Tax Receipts.....15

        Median Family Income and Median Home Value.....16

        Percentage of EAV Per Capita - Ranked Highest to Lowest.....16

        Construction.....17

        Largest Area Employers.....18

FINANCIAL INFORMATION.....20

PROPERTY TAX LEVY AND COLLECTION PROCEDURES, COOK COUNTY.....21

    Assessment.....21

    Equalization.....21

    Exemptions.....22

    Tax Levy.....22

    Collection.....23

    Property Tax Extension Limitation Law.....24

TAX EXEMPTION.....24

    Risk of Audit by Internal Revenue Service.....25

    State Tax Opinion.....26

ORIGINAL ISSUE DISCOUNT.....26

CERTAIN LEGAL MATTERS.....26

NO LITIGATION.....26

CONTINUING DISCLOSURE.....27

UNDERTAKING.....27

    Annual Financial Information Disclosure.....27

    Events Notification; Material Events Disclosure.....27

    Consequences of Failure of the District to Provide Information.....28

    Amendments; Waiver.....28

    Termination of Undertaking.....28

    Additional Information.....28

RATING.....29

CERTIFICATION OF THE OFFICIAL STATEMENT.....30

EXHIBITS.....31

    Exhibit A - Direct General Obligation Bonded Debt.....31

    Exhibit A-1 – Tax Levies for Direct Bonded Debt.....32

    Exhibit B - Overlapping General Obligation Bonded Debt.....33

    Exhibit C - Composition of Equalized Assessed Valuations, 1995-1999.....34

    Exhibit D - School District Tax Rates by Purpose, 1995-1999.....34

    Exhibit E - Representative Total Tax Rates, 1996-1999.....35

    Exhibit F - Representative Largest Taxpayers.....36

    Exhibit G - Combined Statement of Revenues, Expenditures and Changes in Fund Balances, 1995-2000.....37

    Exhibit H - Budget – 2000-2001 Fiscal Year.....38

    Exhibit I - Accreted Bond Value Table.....39

Exhibit J - Proposed Form of Opinion of Bond Counsel – 2000A Bonds.....40  
Exhibit K - Proposed Form of Opinion of Bond Counsel – 2000B Bonds.....42  
Exhibit L - Proposed Form of Opinion of Bond Counsel – 2000C Bonds .....44  
Exhibit M - Audited Financial Statements, June 30, 1999 .....46

**NORTHFIELD TOWNSHIP HIGH SCHOOL DISTRICT NUMBER 225  
COOK COUNTY, ILLINOIS  
(GLENBROOK)**

**\$11,300,000 General Obligation Limited Tax School Bonds, Series 2000A  
\$3,701,993.25 General Obligation Limited Tax Capital Appreciation School Bonds, Series 2000B  
\$29,485,000 General Obligation School Bonds (Alternate Revenue Source), Series 2000C**

**INTRODUCTION**

The purpose of this Official Statement, including the cover page and the Exhibits hereto, is to set forth information in connection with the offering and sale by Northfield Township High School District Number 225, Cook County, Illinois (the "District"), of its \$11,300,000 aggregate principal amount of General Obligation Limited Tax School Bonds, Series 2000A (the "2000A Bonds"), its \$3,701,993.25 General Obligation Limited Tax Capital Appreciation Bonds, Series 2000B (the "2000B Bonds", together with the 2000A Bonds, the "Limited Tax Bonds") and its \$29,485,000 aggregate principal of General Obligation School Bonds (Alternate Revenue Source), Series 2000C Bonds (the "Series 2000C Bonds", together with the Limited Tax Bonds, the "Bonds").

The Bonds will be issued pursuant to the provisions of the School Code of the State of Illinois, as amended (the "School Code"), and the Local Government Debt Reform Act of the State of Illinois, as amended (the "Debt Reform Act"), and all laws amendatory thereof and supplementary thereto, and bond resolutions duly adopted on September 25, 2000 by the Board of Education of the District (collectively, the "Bond Resolution").

The District is issuing the Bonds (i) for additions and renovations at Glenbrook North High School and Glenbrook South High School (the "Project") and (ii) pay the costs of issuing the Bonds.

All references herein to laws, agreements and documents are qualified in their entirety by reference to the definitive forms thereof, and all references to the Bonds are further qualified by reference to the information with respect thereto contained in the Bond Resolution. Copies of the Bond Resolution are available for inspection at the office of the District in Glenview, Illinois. All statements, information and statistics herein are believed to be correct but are not guaranteed by the Underwriters or the District, and all expressions of opinion, whether or not expressly so stated, are intended merely as such and not as representations of fact. The information contained herein is provided as of the date hereof and is subject to change.

**THE BONDS**

**Description**

The Bonds are being issued in three series. The 2000A Bonds and the 2000C Bonds are current interest bonds and are designated hereunder collectively as the "CIBS". The 2000B Bonds are capital appreciation bonds and are designated hereunder as the "CABS".

The CIBs will be dated October 1, 2000, will be in fully registered form, will be in denominations of \$5,000 each and authorized integral multiples thereof (but no single CIB will represent installments of principal maturing on more than one date) and will become due and payable (subject to prior redemption as hereinafter set forth) on December 1 of each of the years, in the amounts and bearing interest per annum as set forth on the cover page. The CIBs will bear interest from their date or from the most recent interest payment date to which interest has been paid or duly provided for, until the principal amount of the CIBs is paid, such interest (computed upon the basis of a 360-day year of twelve 30-day months) being payable on June 1 and December 1 of each year, commencing on June 1, 2001. Interest on each CIB will be paid by check or draft of Cole Taylor Bank, Chicago, Illinois (the "Bond Registrar"), payable upon presentation in lawful money of the United States of America, to the person in whose name such CIB is registered at the close of business on the 15th day of the month next preceding the interest payment date. The principal of the CIBs will be payable in lawful money of the United States of America at the Bond Registrar.

The CABS will be dated the date of issuance thereof, will be in fully registered form, will be in denominations of Original Principal Amounts (as set forth on the inside cover page) or any integral multiple thereof, each representing Compound Accreted Value (as hereinafter defined) at maturity at \$5,000 or any integral multiple thereof (but no single CAB will represent Compound Accreted Value maturing on more than one date). As used herein, the "Compound Accreted Value" of a CAB on any date of determination will be an amount equal to the Original Principal Amount (or integral multiple thereof) plus an investment return accrued to the date of such determination

at a semi-annual compounding rate which is necessary to produce the original yield to maturity for such CAB from the date of such CAB. The Compound Accreted Value of a CAB on any June 1 or December 1, commencing on December 1, 2000, is as specifically set forth in Exhibit I to this Official Statement. The Compound Accreted Value of any CAB on a date other than a June 1 or December 1 will be determined conclusively by the Bond Registrar or a certified public accountant selected by the Bond Registrar by interpolating such Compound Accreted Value, using the straight line method, by reference to the Compound Accreted Values on the respective June 1 and December 1 immediately prior to and immediately subsequent to the date for which such determination is being made and the number of days elapsed since the respective June 1 or December 1 immediately prior to the date for which such determination is being made, calculated on the basis of a 360-day year consisting of twelve 30-day months. The CABs will mature (without option of prior redemption) on December 1 of the years, will bear interest from their date at the rates per annum in each case compounded semi-annually on each June 1 and December 1, commencing on December 1, 2000, which will provide the original yields to maturity until the respective maturity dates thereof, and will be issued in the Original Principal Amount or any integral multiple thereof each representing \$5,000 Compound Accreted Value at maturity as set forth on the inside of the cover page. Interest on the CABs will be payable only at the respective maturity dates thereof. The Compound Accreted Value of the CABs will be payable at maturity in lawful money of the United States of America upon presentation and surrender of the CABs at the Bond Registrar.

### **Registration**

Upon surrender for transfer of any Bond at the principal corporate trust office of the Bond Registrar, duly endorsed by, or accompanied by a written instrument or instruments of transfer in form satisfactory to the Bond Registrar and duly executed by, the registered owner or his attorney duly authorized in writing, the District will execute and the Bond Registrar will authenticate, date and deliver in the name of the transferee or transferees a new fully registered Bond or Bonds of the same maturity of authorized denominations, for a like aggregate principal amount with respect to the CIBS and for alike aggregate Original Principal Amount with respect to the CABS. Any fully registered CIB or CIBs may be exchanged at said office of the Bond Registrar for a like aggregate principal amount of CIB or CIBs of the same maturity of other authorized denominations. Any fully registered CAB or CABs may be exchanged at said office of the Bond Registrar for a like aggregate original principal amount of CAB or CABs of the same maturity of other authorized denominations. The execution by the District of any fully registered Bond will constitute full and due authorization of such Bond and the Bond Registrar will thereby be authorized to authenticate, date and deliver such Bond, provided, however, the principal amount of outstanding Bonds of each maturity authenticated by the Bond Registrar will not exceed the authorized principal amount of Bonds for such maturity less previous retirements.

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

The person in whose name any Bond will be registered will be deemed and regarded as the absolute owner thereof for all purposes, and payment of the principal of or interest on any Bond will be made only to or upon the order of the registered owner thereof or his legal representative. All such payments will 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 will be made for any transfer or exchange of Bonds, but the District or the Bond Registrar may require payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in connection with any transfer or exchange of Bonds except in the case of the issuance of a CIB or CIBs for the unredeemed portion of a CIB surrendered for redemption.

### **Optional Redemption**

#### **2000A Bonds**

The 2000A Bonds due on and after December 1, 2011 are subject to redemption prior to maturity at the option of the District as a whole or in part or any date and after December 1, 2010, and if in part in integral multiples of \$5,000 in any order of their maturity (less than all of the 2000A Bonds of a single maturity to be selected by the Bond Registrar), at par plus accrued interest.

#### **2000B Bonds**

The 2000B Bonds are not subject to optional redemption prior to maturity.

**2000C Bonds**

The 2000C Bonds due on and after December 1, 2011 will be subject to redemption prior to maturity at the option of the District as a whole or in part or any date and after December 1, 2010, and if in part in integral multiples of \$5,000 in any order of their maturity (less than all of the 2000C Bonds of a single maturity to be selected by the Bond Registrar), at par plus accrued interest.

**General Redemption Terms**

The District will, at least 45 days prior to any optional redemption date (unless a shorter time period shall be satisfactory to the Bond Registrar), notify the Bond Registrar of such redemption date and of the principal amount and maturity or maturities of Bonds to be redeemed. For purposes of any redemption of less than all of the Bonds of a single maturity, the particular Bonds or portions of Bonds to be redeemed shall be selected by lot not more than 60 days prior to the redemption date by the Bond Registrar by such method of lottery as the Bond Registrar shall deem fair and appropriate (except when the Bonds are held in a book-entry system, in which case the selection of Bonds to be redeemed will be made in accordance with procedures established by DTC or any other book-entry depository); provided that such lottery shall provide for the selection for redemption of Bonds or portions thereof in principal amounts of \$5,000 and integral multiples thereof.

Unless waived by the registered owner of Bonds to be redeemed, notice of any redemption will be given by the Bond Registrar on behalf of the District by mailing the redemption notice by first class mail at least 30 days and not more than 60 days prior to the date fixed for redemption to each registered owner of the Bond or Bonds to be redeemed at the address shown on the Bond Register or at such other address as is furnished in wiring by such registered owner to the Bond Registrar.

Notice of redemption having been given as described above and in the Bond Resolution, and notwithstanding failure to receive such notice, the Bonds or portions of Bonds 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 District shall default in the payment of the redemption price) such Bonds or portions of Bonds shall cease to bear interest. Upon surrender of such Bonds for redemption in accordance with said notice, such Bonds will be paid by the Bond Registrar at the redemption price.

**Plan of the Financing**

The sources and uses of funds (net of applicable accrued interest) resulting from the Bonds are shown below:

**The 2000A Bonds**

<u>Sources:</u>		
Bond Proceeds		\$11,300,000.00
Premium		<u>176,149.85</u>
Total Sources		\$11,476,149.85
<u>Uses:</u>		
The Project		\$11,401,682.85
Underwriter's Discount		<u>74,467.00</u>
Total Uses		\$11,476,149.85

**The 2000B Bonds**

<u>Sources:</u>		
Bond Proceeds		\$3,701,993.25
Premium		<u>18,608.35</u>
Total Sources		\$3,720,601.60
<u>Uses:</u>		
The Project		\$3,701,993.25
Underwriter's Discount		<u>18,608.35</u>
Total Uses		\$3,720,601.60

**The Series 2000C Bonds**

Sources:

Bond Proceeds	\$29,485,000.00
Premium	<u>368,417.85</u>
Total Sources	\$28,853,417.85

Uses:

The Project	\$29,536,764.15
Costs of Issuance*	<u>316,653.70</u>
Total Uses	\$29,853,417.85

\* Costs of issuance including underwriter's discount.

**Book-Entry Only System**

The following information has been furnished by The Depository Trust Company ("DTC") for use in this Official Statement and neither the District nor the Underwriter takes any responsibility for its accuracy or completeness.

DTC will act as securities depository for the Bonds. The Bonds will be issued as one fully registered certificate for each maturity thereof registered in the name of Cede & Co. (DTC's partnership nominee) and will be deposited with DTC.

DTC 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 securities that its participants ("*Direct Participants*") deposit with DTC. DTC also facilitates the settlement among Direct Participants of securities transactions, such as transfers and pledges, in deposited securities through electronic computerized book-entry changes in Direct Participants' accounts, thereby eliminating the need for physical movement of securities certificates. Direct Participants include securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is owned by a number of its Direct Participants and by the New York Stock Exchange, Inc., the American Stock Exchange LLC., and the National Association of Securities Dealers, Inc. Access to the DTC system is also available to others such as securities brokers and dealers, banks, and trust companies that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("*Indirect Participants*"). The Rules applicable to DTC and its Direct and Indirect Participants are on file with the Securities and Exchange Commission.

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

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

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by

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

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

Redemption proceeds, distributions, and dividend payments on the Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts, upon DTC's receipt of funds and corresponding detail information from the District 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 Bond Registrar or the District, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and dividends to Cede & Co. is the responsibility of the District or the Bond Registrar, disbursement of such payments to Direct Participants is the responsibility of DTC, and disbursement of such payments to the Beneficial Owners shall be the responsibility of Direct and Indirect Participants.

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

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

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

## **SECURITY FOR THE LIMITED TAX BONDS**

The Limited Tax Bonds are limited bonds and are issued pursuant to the School Code, as supplemented by the Debt Reform Act. Although the obligation of the District to pay the Limited Tax Bonds is a general obligation under the School Code and all taxable property of the District is subject to the levy of taxes to pay the Limited Tax Bonds without limitation as to rate, the amount of said taxes that will be extended to pay the Bonds is limited by the Property Tax Extension Limitation Law of the State of Illinois, as amended (the "Tax Extension Limitation Law").

The Debt Reform Act provides that the Limited Tax Bonds are payable from the debt service extension base (the "Base") of the District, which is an amount equal to that portion of the extension for the District for the 1994 levy year constituting an extension for payment of principal and interest on bonds issued by the District without referendum, but not including alternate bonds issued under Section 15 of the Debt Reform Act or refunding obligations issued to refund or to continue to refund obligations of the District initially issued pursuant to referendum. The Tax Extension Limitation Law further provides that the annual amount of taxes to be extended to pay the Limited Tax Bonds and all other limited bonds hereafter issued by the District shall not exceed the Base less the amount extended to pay certain other non-referendum bonds heretofore and hereafter issued by the District and bonds issued to refund such bonds.

The Limited Tax Bonds constitute the only series of limited bonds of the District that are payable from the Base. The District also has outstanding two series of non-referendum bonds payable from property taxes unlimited as to rate or amount ("Unlimited Tax Bonds") and may issue Unlimited Tax Bonds in the future to refund Unlimited Tax Bonds then outstanding. The District is authorized to issue from time to time additional limited bonds payable from the Base and additional Unlimited Tax Bonds, as permitted by law, and to determine the lien priority of payments to be made from the Base to pay the District's limited bonds. The following charts show the Base of the District and outstanding non-referendum bonds including the Limited Tax Bonds.

<u>Levy Year</u>	<u>Outstanding Non-Referendum Debt Service</u>	<u>Plus: Net Debt Service on the Limited Tax Bonds</u>	<u>Total Non-Referendum Debt Service</u>	<u>Aggregate Debt Service Extension Base</u>	<u>Coverage*</u>
1994	\$2,035,198		\$2,035,198	\$2,035,198	1.00
1995	2,109,528		2,109,528	2,035,198	N/A
1996	2,099,603		2,099,603	2,035,198	N/A
1997	2,132,003		2,132,003	2,035,198	N/A
1998	1,435,278		1,435,278	2,035,198	1.42
1999	1,430,478		1,430,478	2,035,198	1.42
2000	1,428,388	\$606,267	2,034,655	2,035,198	1.00
2001	1,423,075	608,425	2,031,500	2,035,198	1.00
2002	1,375,400	658,425	2,033,825	2,035,198	1.00
2003		2,033,425	2,033,425	2,035,198	1.00
2004		2,033,425	2,033,425	2,035,198	1.00
2005		2,033,425	2,033,425	2,035,198	1.00
2006		2,028,425	2,028,425	2,035,198	1.00
2007		2,031,413	2,031,413	2,035,198	1.00
2008		2,034,925	2,034,925	2,035,198	1.00
2009		2,034,875	2,034,875	2,035,198	1.00
2010		2,031,263	2,031,263	2,035,198	1.00
2011		2,034,763	2,034,763	2,035,198	1.00
2012		2,025,113	2,025,113	2,035,198	1.00

\* Debt service levies for bonds issued prior to the effective date of the Tax Extension Limitation Law may lawfully exceed the debt service extension base.

### SECURITY FOR THE 2000C BONDS

The 2000C Bonds are issued pursuant to the provisions of the Debt Reform Act

In the opinion of Chapman and Cutler, Chicago, Illinois, Bond Counsel, the 2000C Bonds are valid and legally binding upon the District, and are payable from (i) moneys deposited in the operations and maintenance fund of the District and lawfully available for said purpose (the “Pledged Revenues”) and (ii) ad valorem property taxes levied against all of the taxable property in the District without limitation as to rate or amount, and all taxable property in the District is subject to the levy of such taxes, all except as limited by bankruptcy, insolvency, moratorium, reorganization and other similar laws relating to the enforcement of creditors’ rights and subject to the exercise of judicial discretion..

Highlight of Alternate Bonds. Under the Debt Reform Act, alternate bonds must meet certain conditions. The following sets forth such conditions and the manner in which the District has complied with the applicable condition.

1. If issued in lieu of authorized revenue bonds, alternate bonds must be issued for the authorized revenue bond purposes and if issued payable from a limited purpose revenue source, the alternate bonds must be issued for such limited purpose. The 2000C Bonds are payable from revenue sources unlimited in their purpose and are therefore not subject to this restriction.
2. Alternate bonds must comply with “backdoor referendum” procedures consisting of publication of the authorizing resolution and a notice of the number of voters required to sign a petition requesting that the issuance of the alternate bonds be submitted to a referendum. If no petition is filed by the requisite number of the registered voters in the governmental unit within 30 days after publication of the resolution and notice, the alternate bonds are authorized to be issued without referendum. The District has adopted and published an authorizing resolution and notice of intent to issue the 2000C Bonds, and no such petition was timely filed with the District.
3. The revenue source from which the alternate bonds are payable must have been determined by the issuer of the alternate bonds to provide in each year not less than 1.25 times coverage of annual debt service on all alternate bonds payable from such source. The District will determine in the 2000C Bond Resolution that the Pledged Revenues are sufficient to meet this requirement. The District’s determination of the sufficiency of the Pledged Revenues will be based on the District’s audited financial statements for its fiscal year ended June 30, 1999.

4. The revenue source must in fact be pledged to the payment of the alternate bonds and the issuer must covenant to provide for, collect and apply such revenue source to the payment of the alternate bonds and the provision of not less than an additional .25 times coverage of debt service. In the 2000C Bond Resolution, the District will so pledge and covenant. The covenant and pledge constitute continuing obligations of the District and continuing appropriations of the amounts received.

Alternate bonds are general, full faith and credit obligations of the governmental issuer, payable from ad valorem taxes, unlimited as to rate or amount, levied upon all taxable property within the boundaries of the governmental unit. Although the Debt Reform Act excludes alternate bonds from statutory limitations on indebtedness, that Act also provides that if ad valorem property taxes are extended pursuant to the general obligation, full faith and credit pledge supporting such bonds, then the outstanding alternate bonds shall be included in computing all statutory limits on indebtedness of the governmental unit until an audit shows that the alternate bonds have been paid from the pledged revenue source for a complete fiscal year.

The 2000C Bond Resolution provides for the levy of the full faith and credit taxes in amounts sufficient to pay, as and when due, all principal of and the interest on the Alternate Bonds. The 2000C Bond Resolution will be filed with the County Clerk of Cook County and will serve as authorization to said County Clerk to extend and collect such property taxes. The District may only direct abatement of such taxes in any year if and to the extent that it has Pledged Revenues or other funds irrevocably set aside in the Bond Fund established pursuant to the Bond Resolution.

Not later than the last date on which property tax abatements may be filed with respect to ad valorem taxes to be extended and collected for each Tax Year (defined below), the District intends to abate the full faith and credit taxes in such Tax Year in an amount equal to the amount then on deposit in the Bond Fund. To the extent that sufficient Pledged Revenues are not deposited by the District in the Bond Fund on or prior to the last date on which property tax abatements may be filed with respect to ad valorem taxes to be extended and collected for each Tax Year, and other funds are not so deposited, the full faith and credit taxes are required to be extended, collected and deposited in the Bond Fund for payment of debt service due on the Bonds during each Tax Year.

The term "Tax Year" is defined as follows:

"Tax year" means, for any year for which full faith and credit taxes are levied in the 2000C Bond Resolution, the tax year in which such full faith and credit taxes are to be extended.

#### **THE PLEDGED REVENUES**

The Pledged Revenues are Operations and Maintenance Fund revenues including, but not limited to property taxes, interest earnings, contributions and donations, rentals, state and federal revenue sources. A five year history of the years ended June 30<sup>th</sup> of the revenues from the Operations and Maintenance Fund are as follows:

1995	\$5,858,627
1996	9,842,584
1997	9,755,392
1998	9,063,706
1999	9,027,647
2000	11,881,243

The coverage of the Operations and Maintenance Fund is over 3.5 times the estimated maximum annual debt service on the 2000C Bonds. The requirement is revenues that are 1.25 times debt service.

#### **THE DISTRICT**

Founded in 1947, the District serves 4,260 pupils in grades 9 through 12. There are two high schools in the District: Glenbrook South primarily serves the students living in Glenview, and Glenbrook North serves those living in Northbrook. The District employs 668 persons of which 627 are full-time and 41 are part-time.

The District is governed by an elected 7-member Board of Education and a full-time administrative staff.

### Administration

**Dr. David Hales, Superintendent**, began his tenure at the Glenbrook High Schools in 1998. He served as superintendent of the Southwest Allen County Schools in Fort Wayne, Indiana for ten years and of the Mt. Pleasant Township Community Schools in Yorktown, Indiana for six years. A graduate of Purdue, he began his career in education as a mathematics teacher in 1970. He received his M.S. in 1973 and his Ph.D. in 1975 in educational administration from Indiana State University. He served as a principal, and has also taught, as an adjunct faculty member, at Ball State University. He has written articles for the *Indiana School Board Association Journal*, *The Hoosier Schoolmaster*, *Job Search* and *Student Advocate*. Dr. Hale was the regional recipient of the Outstanding Secondary School Administrator Award presented by the Indiana Secondary School Administrators, November 1980. He was one of six superintendents from across the state to testify before the House Select Committee on Primary and Secondary Education in 1990 and he was appointed by the State Superintendent of Public Instruction and the Governor to the Board of Directors of the Corporation of Educational Technology, 1991-1998. He was selected by Northern Indiana Rotary District 6540 as one of five Group Study Exchange team members to South Korea, Spring 1995. Dr. Hales was recently selected as part of a group of educators who traveled to China in July to compare and contrast the American vs. Chinese school systems.

**Mr. James Lacivita, Assistant Superintendent**, has served as Assistant Superintendent to three superintendents over the past 35 years. In each case he has assisted the superintendent in carrying out the goals and mission of the Glenbrook High Schools. Following graduation from the University of Illinois, Mr. Lacivita began his career as a math teacher at Glenbrook South High School in 1965. He began his career as an administrator when, in 1969, he was named Student Activities Director. It was during this time that Mr. Lacivita developed the idea for Peer Group. The Peer Group Program was launched at Glenbrook in 1975 and remains one of the most effective ways of helping freshman students adjust to high school, and is credited nationwide as the premier program of its kind. On the administrative side, Mr. Lacivita serves as the lead negotiator with the teachers union. Recently, a three year contract was amicably signed, providing a crucial element of stability while building renovations are planned.

**Dr. Craig Schilling**, Assistant Superintendent for Business Affairs, joined the District in 1992 after having been Assistant Superintendent for Fiscal Affairs for seven years at Rich Township High School District Number 227. Prior to that he held positions at Bellwood Elementary School District 88 and Marquardt Elementary School District 15. He has also served as Township Treasurer and for the last eleven years has taught a school business management course for Northern Illinois University. Dr. Schilling has been a speaker and presenter at over 50 workshops and training seminars throughout the United States and Canada and has been certified as an expert witness in school finance cases. In 1994-95 Dr. Schilling served as the President of the Illinois Association of School Business Officials and served on its Board of Directors from 1996 through 1998. Since 1993, he has served on the Illinois Financial Accounting Committee appointed by the State Superintendent of Instruction to give advice on school finance issues. Dr. Schilling received his undergraduate degree from the University of Maryland, his master's degree from Boston University and a Certificate of Advanced Study in School Business Management and his Ed.D. from Northern Illinois University.

**Ms. Stacey Mallek**, Director of Business Affairs, has held this position since 1997. Prior to that Ms. Mallek was an accounting assistant for the District. Ms. Mallek has been instrumental in the development, presentation and monitoring of the District's annual budget. She serves as an advisor between the business office and school administration on matters relating to the budget, accounting and state and federal claim forms. She assisted in the development of the District's Facilities Master Plan, which consisted of renovations and additions to the high schools. In addition to her responsibilities for the District, she supervises and manages the investment portfolios for the Northfield Township Treasurer's Office which is comprised of six school districts. A member of the Illinois Association for School Business Officials, Ms. Mallek is the Co-Chairman of the Accounting Committee and responsible for the development of workshops and conference presentations related to school accounting. Ms. Mallek received a B.S. from DePaul University and a Masters from Northern Illinois University.

**Board of Education**

	<u>Year Term Expires</u>
Carol Rogal, President	2001
Karen Long, Vice President	2003
Sarah Beyne	2003
A. Andrew Olson III	2003
Neal Shact	2001
Jim Seymour	2001
Jeffrey Lerner	2001
James Lacivita, Secretary	Appointed
Anthony Adams, Treasurer	Appointed

**Enrollments**

Enrollments for the District have been and are projected as follows:

<u>School Year</u>	<u>Enrollment</u>	<u>School Year</u>	<u>Enrollment</u>
1995-1996	3,971	2000-2001*	4,377
1996-1997	4,064	2001-2002*	4,546
1997-1998	4,022	2002-2003*	4,595
1998-1999	4,186	2003-2004*	4,648
1999-2000	4,260	2004-2005*	4,696

\* Projections

**GENERAL**

**Location**

The District is located in the northwestern portion of suburban Cook County, 25 miles northwest of Chicago. The District is primarily in Northfield Township with small portions in both Niles and Maine Townships. Located within the District are some of the wealthiest suburbs of Chicago including Glenview, Northbrook and Deerfield. The commercial and residential populations in these villages has increased dramatically in the last decade. The District contains approximately 32 square miles of land. The estimated population of the District is 70,294.

**Transportation**

The District is served by an excellent network of air, rail and highway facilities. Route 68 (Dundee Road) and Route 43 (Waukegan Road) are two important state highways that intersect the District. The community has easy access to two interstate expressways, the Tri-State Tollway (I-294) and Edens Expressway (I-94). Glenview and Northbrook are on the main branch of the Milwaukee Road Railroad commuter service which provides regular service to Chicago's loop in less than 45 minutes. The Regional Transportation Authority's "Pace" suburban bus service connects Northbrook and Glenview to other suburban areas.

O'Hare International Airport is located 16 miles south of the District and Palwaukee Airport accommodates both private and corporate aircraft approximately 3 miles west of the District.

**Population**

The Villages of Glenview and Northbrook, a portion of which the District services, were incorporated in 1899 and 1923 respectively.

**Population Trends**

	<u>1970</u>	<u>1980</u>	<u>1990</u>	<u>1999<sup>(1)</sup></u>
Village of Glenview	24,880	32,060	37,093	37,170
Village of Northbrook	25,422	30,778	32,308	32,757
Cook County	5,493,766	5,253,655	5,105,067	NA
State of Illinois	11,110,285	11,426,518	11,430,602	NA

Source: US Census of Population and Housing  
(1) Chicago Tribune Homes

**Economics**

The following includes pertinent information as to the underlying socio-economic characteristics of the District and its surrounding area.

The following table shows tax receipts reported by retailers in the Villages of Glenview and Northbrook for calendar years 1991 through 1999, and for 2000 through March. These sales tax receipt statistics provide an indication of consumer spending by individuals and companies only. Governmental spending is not subject to sales tax.

**Sales Tax Receipts**

<u>Village of Glenview</u> <u>Receipts by Type of Retailer</u>				<u>Village of Northbrook</u> <u>Receipts by Type of Retailer</u>			
<u>Year*</u>	<u>Food</u>	<u>Other</u>	<u>Total</u>	<u>Year*</u>	<u>Food</u>	<u>Other</u>	<u>Total</u>
1991	\$760,920	\$13,244,162	\$14,005,082	1991	\$843,413	\$25,090,258	\$25,933,671
1992	736,790	14,710,217	15,456,007	1992	812,892	25,645,578	26,458,470
1993	742,730	17,074,200	17,816,930	1993	825,569	26,235,847	27,061,416
1994	765,497	18,794,405	19,559,902	1994	847,549	24,092,631	24,940,180
1995	798,285	19,758,992	20,557,277	1995	902,933	23,697,731	24,600,664
1996	768,339	19,077,735	19,846,074	1996	907,602	28,050,675	28,958,277
1997	697,754	19,542,126	20,239,880	1997	790,688	32,046,244	32,836,932
1998	831,655	20,493,364	21,325,019	1998	790,840	34,337,939	35,128,779
1999	1,038,204	24,020,792	25,058,996	1999	875,760	35,207,309	36,083,069
2000**	677,130	5,285,894	5,963,024	2000**	205,366	8,199,906	8,405,272

\* Calendar year reports ending December 31  
\*\* Through March, 2000

Source: State of Illinois, Department of Revenue

**Median Family Income and Median Home Value**

	<u>Median Family Income</u>			<u>Median Home Value</u>		
	<u>1980</u>	<u>1990</u>	<u>1999<sup>(1)</sup></u>	<u>1980</u>	<u>1990</u>	<u>1999<sup>(1)</sup></u>
Village of Glenview	\$36,344	\$67,412	\$114,694	\$111,900	\$235,600	\$251,000
Village of Northbrook	42,297	82,229	142,907	128,400	271,000	312,000
Cook County	23,077	39,296	NA	37,500	102,100	NA
State of Illinois	22,746	38,664	NA	53,900	80,900	NA

Source: U.S. Census Bureau  
 (1) Chicago Tribune Homes

**Percentage of EAV Per Capita - Ranked Highest to Lowest**

<b>District</b>	<b>EAV per Capita</b>
<b><i>H.S.D. No. 225 (Glenbrook)</i></b>	<b><i>\$44,487</i></b>
H.S.D. No. 203 (New Trier)(1)	\$40,501
H.S.D. No. 113 (Highland Park- Deerfield)	\$39,044
S.D. No 109 (Deerfield)	\$37,074
S.D. No. 112 (Highland Park)	\$36,448
H.S.D. No. 125 (Stevenson)	\$35,691
S.D. No. 35 (Glencoe)	\$33,578
C.H.S.D. No. 128 (Libertyville)	\$30,852
S.D. No. 70 (Libertyville)	\$29,863
C.U.S.D. No. 95 (Lake Zurich)	\$29,102
S. D. No. 68 (Skokie)	\$27,747
S.D. No. 30 (Northbrook-Glenview)	\$25,631
T.H.S.D. No. 207 (Maine Township)	\$23,198
C.C.S.D. No. 54 (Schaumburg)	\$22,468
T.H.S.D. No. 211 (Palatine)	\$21,692
T.H.S.D. No. 202 (Evanston)	\$18,730

(1) Uses 1990 Census population.

Source: William Blair & Company, L.L.C.

**Construction**

Construction values listed below are exclusive of land costs.

<u>Village of Glenview</u>				<u>Village of Northbrook</u>			
<u>Year</u>	<u>No. of Permits</u>	<u>Value</u>	<u>All Construction</u>	<u>Year</u>	<u>No. of Permits</u>	<u>Value</u>	<u>All Construction</u>
1991	58	\$10,738,035	\$32,420,237	1991	40	\$10,818,498	\$34,132,152
1992	80	14,193,074	33,780,498	1992	41	10,584,125	48,256,030
1993	125	22,443,433	52,518,419	1993	69	23,248,001	48,331,983
1994	90	16,191,294	47,141,812	1994	62	20,710,567	57,304,603
1995	44	10,370,240	38,518,599	1995	68	23,697,289	84,213,823
1996	203	28,699,538	43,911,770	1996	48	17,963,142	74,962,112
1997	185	27,308,042	59,353,892	1997	120	33,206,449	58,953,197
1998	128	33,503,748	71,006,698	1998	155	41,218,624	86,218,861
1999	94	17,665,128	43,511,055	1999	124	34,512,421	78,120,809
2000*	38	8,167,280	11,772,133	2000*	49	14,515,865	43,411,718

\* Through June, 2000

---

Source: LaSalle Bank FSB Survey of Building – Chicago Metropolitan Area

Largest Area Employers

<u>Company</u>	<u>Type of Business</u>	<u>Number of Employees</u>
Allstate Insurance Co.	Insurance corporate office	5,000
Walgreen Co.	Drug stores corporate office	1,800
Andersen Consulting LLP Worldwide	Management consulting services	1,800
Deluxe Video Services, Inc.	Video cassettes	1,700
Underwriters Laboratories Inc.	Independent non-profit testing and certification	1,600
Kraft Foods, Inc.	Food sales and distribution	1,200
Federal Cleaning Contractors	Janitorial service	1,100
Household International, Inc.	Financial services	1,100
Motorola Automotive Products Inc.	Automotive electronics	800
Caremark, Inc.	Integrated health care services	750
General Binding Corp.	Binding systems	750
Scott Foresman/Addison Wesley	Textbook and learning material printing	730
Baxter Healthcare Corp.	Wholesale medical supplies and services	700
Culligan International Co.	Water quality treatment products	681
Glenbrook H.S.D. 225	Education	668
Glenbrook Hospital	General hospital	600
Illinois Student Assistance Commission	Student financial aid program	512
Trinity International University	Christian liberal arts university and theology school	500
Zenith Electronics Corp.	Television sets, electronic components and cable products corporate headquarters	500
Alliant Foodservice, Inc.	Food service group	450
Tenneco Packaging, Specialty Packaging Group	Aluminum foil and heat-resistant paperboard containers corporate office	400
BTI Americas Inc.	Corporate travel management	400
Yaskawa Electric America, Inc.	Machine tool controls	383
MMI Cos.	Health care risk management services	380
Neiman Marcus	Retail department store	350
Parts Co. of America	Wholesale industrial equipment repair parts	350
Omni-Circuits, Inc.	Printed circuit boards	330
Major Reflector Products	Reflective lighting fixture components	325
Guarantee Trust Life Insurance Co.	Life and health insurance services	310
Fujisawa Healthcare, Inc.	Wholesale pharmaceutical products	300
West Group	Law book publishing	300
Glenview State Bank	Banking services	300
Commonwealth Edison Co.	Electric utility	300
Utilities Inc.	Water and sewer utility holding company	300

Source: 2000 Illinois Manufacturers and 2000 Services Directories. Includes employers in Deerfield, Glenview, Northbrook, Northfield and Prospect Heights.

**Employment Statistics**

(As of June, 2000)

	<u>Village of Glenview</u>	<u>Village of Northbrook</u>	<u>Cook County</u>	<u>State of Illinois</u>
Labor Force	22,466	18,873	2,786,687	6,551,359
Employment	21,724	18,435	2,654,181	6,258,010
Unemployment	742	438	132,506	293,349
Unemployment Rate	2.9%	2.3%	4.8%	4.5%

---

Source: Illinois Bureau of Employment Security

**Unemployment**

<u>Year</u>	<u>Village of Glenview</u>	<u>Village of Northbrook</u>	<u>Cook County</u>	<u>State of Illinois</u>
1991	4.4%	4.1%	7.6%	7.2%
1992	5.0	4.5	8.0	7.6
1993	5.0	4.2	8.0	7.5
1994	3.7	3.2	6.1	5.7
1995	3.1	2.7	5.6	5.2
1996	3.0	2.5	5.6	5.3
1997	2.6	2.3	5.0	4.7
1998	2.6	2.3	4.7	4.5
1999	2.3	2.3	4.5	4.3
2000*	2.9	2.3	4.8	4.5

\* June, 2000 Average

---

Source: Illinois Bureau of Employment Security

**FINANCIAL INFORMATION**

Estimated Full Value of Taxable Property, 1999		\$9,381,446,070
Equalized Assessed Valuation of Taxable Property, 1999		\$3,127,148,690
General Obligation Bonded Debt (including the Limited Tax Bonds): (Exhibit A)*		\$19,921,993
Percentage to Full Value of Taxable Property:	0.21%	
Percentage to Equalized Assessed Valuation:	0.64%	
Per Capita:	\$283.41	
Percentage of Debt Limit (6.9% of EAV)	9.23%	
Overlapping General Obligation Bonded Debt: (Exhibit B)		\$293,168,821
Direct and Overlapping General Obligation Bonded Debt:		\$313,090,814
Percentage to Full Value of Taxable Property:	3.34%	
Percentage to Equalized Assessed Valuation:	10.01%	
Per Capita:	\$4,454.02	
Population, 1999 Official Estimate:		70,294
Area:		Approximately 28 square miles

\* Alternate revenue bonds do not count towards debt limit, unless the pledged taxes have been extended pursuant to the general obligation, full faith and credit promise supporting the 2000C Bonds.

**TAXES EXTENDED and COLLECTED, ASSESSED VALUATIONS and TAX RATES:**  
(Exhibits C, D, and E)

<u>Year</u>	<u>Taxes</u>	<u>Taxes</u>	<u>Percentage</u>	<u>Assessed</u>	<u>Tax</u>
<u>Levies/Col.</u>	<u>Extended</u>	<u>Collected</u>		<u>Valuation</u>	<u>Rate</u>
1990/91	\$36,859,120	\$36,537,080	99.13%	\$2,019,677,814	\$1.825
1991/92	39,039,662	39,462,623	101.08%	2,072,168,887	1.884
1992/93	41,394,684	41,464,456	100.17%	2,409,469,382	1.718
1993/94	45,059,519	45,240,461	100.40%	2,467,662,593	1.826
1994/95	48,985,191	49,467,916	100.99%	2,421,413,275	2.023
1995/96	50,444,727	51,161,073	101.42%	2,656,383,712	1.899
1996/97	51,835,713	52,629,116	101.53%	2,723,894,554	1.903
1997/98	53,096,307	52,943,353	99.71%	2,748,256,068	1.932
1998/99	54,815,626	53,993,937	98.50%	2,979,110,106	1.840
1999/00	58,477,680	N/A	N/A	3,127,148,690	1.870

Source: Offices of the County Clerk and County Treasurer, Cook County, IL and the District.

## PROPERTY TAX LEVY AND COLLECTION PROCEDURES, COOK COUNTY

All of the "Equalized Assessed Valuation" (described below) of taxable property in the District is located in Cook County (the "County"). The Illinois laws relating to real property taxation are contained in the Illinois Property Tax Code (the "Property Tax Code"). Information under this caption describes the current procedures for real property assessment, tax levy and tax collection in the County. There is no assurance that the procedures described under this caption will not be changed.

### Assessment

The Cook County Assessor (the "Assessor") is responsible for the assessment of all taxable real property within the County, except for certain railroad property and pollution control equipment assessed directly by the State. One third of the County is reassessed each year on a repeating triennial schedule established by the Assessor. Suburbs in the north portion of the County including the District, were reassessed in 1998.

Real property in the County is separated into nine classifications for assessment purposes. After the Assessor establishes the fair cash value of a parcel of land, that value is multiplied by one of the classification percentages to arrive at the assessed valuation (the "Assessed Valuation") for the parcel. The current classification percentages range from 16% for certain residential, commercial and industrial properties to 36% and 38%, respectively, for other industrial and commercial property.

The Assessor has established procedures enabling taxpayers to contest their tentative Assessed Valuation. Once the Assessor certifies final Assessed Valuations, a taxpayer can seek review of its assessment through a process that has been modified as the result of recently enacted amendments to the Property Tax Code (the "Property Tax Code Amendments"). Prior to January 1, 1996, a taxpayer generally was required to seek a review of its assessment by filing a complaint with the Cook County Board of Appeals, from which there was generally no further appeal. However, pursuant to the Property Tax Code Amendments, the Cook County Board of Appeals was replaced in December 1998 by a Board of Review with three members elected by the voters of the County at the General Election in November, 1998. The Board of Review has powers similar to, but somewhat broader than, those previously vested in the Board of Appeals to review and adjust Assessed Valuations set by the Assessor.

The Property Tax Code Amendments also provide that, beginning with assessments for the year 1996, owners of residential property having six or fewer units are able to appeal decisions of the Board of Appeals or the Board of Review to the Illinois Property Tax Appeal Board (the "PTAB"), a state-wide administrative body. Owners of real estate other than residential property with six or fewer units have been able to appeal Assessed Valuations to the PTAB since 1997. 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 decisions of the PTAB to either the Circuit Court of Cook County or the Illinois Appellate Court under the Illinois Administrative Review Law.

### Equalization

After the Assessor has established the Assessed Valuation for each parcel for a given year (including any revision made by the Board of Review), the Illinois Department of Revenue reviews the assessments and determines an equalization factor (the "Equalization Factor"), commonly called the "multiplier," for each county. The purpose of equalization is to bring the aggregate assessed value of all real estate in each county to the statutory requirement of 33-1/3 percent of estimated fair cash value. Adjustments in Assessed Valuation made by the PTAB or the courts are not reflected in the Equalization Factor. The Assessed Valuation of each parcel of real estate in the County is multiplied by the County's Equalization Factor to determine the parcel's equalized assessed valuation (the "Equalized Assessed Valuation").

The Equalized Assessed Valuation for each parcel is the final property valuation used for the determination of tax liability. The aggregate Equalized Assessed Valuation for all parcels in any taxing body's jurisdiction, after reduction for all applicable exemptions, 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 Factors for the last ten years. The Equalization Factor for a given year has been used in computing the taxes extended for collection in the following year.

<u>Tax Year</u>	<u>Equalization Factor</u>
1999	2.2505
1998	2.1799
1997	2.1489
1996	2.1517
1995	2.1243
1994	2.1135
1993	2.1407
1992	2.0897
1991	2.0523
1990	1.9946

The Equalized Assessed Valuation used to determine any applicable tax limits is the one for the immediately preceding year and not the current year, subject to certain adjustments for new, annexed and disconnected property and for any recovered value from tax increment financing districts. See “*Property Tax Extension Limitation Law*” below.

**Exemptions**

An annual General Homestead Exemption provides for the reduction of the Equalized Assessed Valuation of certain property owned and used for residential purposes by the amount of any increase over the 1977 Equalized Assessed Valuation, up to a maximum reduction of \$4,500. Additional exemptions exist for (i) senior citizens, with the exemption operating annually to reduce the Equalized Assessed Valuation on a senior citizen’s home by \$2,500, and (ii) disabled veterans, with the exemption operating annually to exempt up to \$58,000 of the Assessed Valuation of property owned and used exclusively by such veterans or their spouses for residential purposes. A Homestead Improvement Exemption allows owners of single family residences to make up to \$45,000 in home improvements without increasing the Assessed Valuation of their property for at least four years. For rehabilitation of certain historic property, the Equalized Assessed Valuation is limited for eight years to the value when the rehabilitation work began. The Senior Citizens Assessment Freeze Homestead Exemption freezes property tax assessments for homeowners who are 65 and older and have annual incomes of \$35,000 or less prior to taxable year 1999, or annual incomes of \$40,000 or less in 1999 and taxable years thereafter. Certain property is also exempt from taxation on the basis of ownership and/or use.

Additionally, since 1996 counties have been authorized to create special property tax exemptions in long-established residential areas or in areas of deteriorated, vacant or abandoned homes and properties. Under such an exemption, longtime, residential owner-occupants in eligible areas would be entitled to a deferral or exemption from that portion of property taxes resulting from an increase in market value because of refurbishment or renovation of other residences or construction of new residences in the area. The County has not established such a property tax exemption in the District. However, if the County were in the future to provide for such a property tax exemption in the District, the District would be required to participate in the program.

**Tax Levy**

There are over 800 units of local government (the “Units”) located in whole or in part in the County which have taxing power. As part of the annual budgetary process of the Units, each year in which the determination is made to levy real estate taxes, proceedings are adopted by the designated body for each Unit. The tax levy proceedings impose the Units’ respective real estate taxes in terms of a dollar amount. Each Unit certifies its real estate tax levy, as established by the proceedings, to the County Clerk’s Office. The remaining administration and collection of the real estate taxes is statutorily assigned to the County Clerk and the County Treasurer, who is also the County Collector.

After the Units file their annual tax levies, the County Clerk computes the annual tax rate for each Unit by dividing the levy of each Unit by the Assessment Base of the respective Unit. If any tax rate thus calculated or any component of such a tax rate (such as a levy for a particular fund) exceeds any applicable statutory rate limit, the County Clerk disregards the excessive rate and applies the maximum rate permitted by law.

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 enters in the books prepared

for the County Collector (the "Warrant Books") the tax (determined by multiplying the total tax rate by the Equalized Assessed Valuation of the parcel), along with the tax rates, the Assessed Valuation and the Equalized Assessed Valuation. 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.

The Truth in Taxation Law, contained within the Property Tax Code, imposes procedural limitations on the Unit's real estate taxing powers and requires that notice in prescribed form must be published if the aggregate annual levy is estimated to exceed 105 percent of the levy of the preceding year, exclusive of levies for debt service, levies made for the purpose of paying amounts due under public building commission leases and election costs. A public hearing must also be held, which may not be in conjunction with the budget hearing of the Unit on the adoption of the annual levy. No amount in excess of 105 percent of the preceding year's levy may be used as the basis for issuing tax bills to property owners unless the levy is accompanied by certification of compliance with the foregoing procedures.

As of the date of this Official Statement, the District is in compliance with the Truth in Taxation Law. The taxes levied by the District to make payments of principal of and interest on the Bonds will not be included in the District's aggregate annual levy and will not be subject to the notice and hearing provision of the Truth in Taxation Law.

### Collection

Property taxes are collected by the County Collector 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 due on the later of August 1 or 30 days after the mailing of the tax bills. The first installment is an estimated bill equal to one-half of the prior year's tax bill. The second installment is for the balance of the current year's tax bill, and is based on the current levy, assessed value and Equalization Factor and tax rates, and reflects any changes from the prior year in those factors. Taxes on railroad real property used for transportation purposes are payable in one lump sum on the same date as the second installment. Other than as described below, for the last ten years, the second installment "penalty date" (that is, the date after which interest is due on unpaid amounts) was no later than September 25. The second installment "penalty date" for 1994 taxes was November 3, 1995 because of delays experienced in the assessment process. The second installment "penalty date" for the 1997 taxes was October 28, 1998, because of changes to the assessment appeal process described above. It is possible that delays in the assessment process or changes to the assessment appeal process described above will cause delays similar to those experienced in 1995 and 1998 in the preparation and mailing of second installment tax bills in future years.

The County may provide for tax bills to be payable in four installments instead of two. The County has not determined to require payment of tax bills in four installments. During the periods of peak collections, tax receipts are forwarded to each Unit weekly.

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 order resulting from the application for judgment provides for an annual sale of all unpaid taxes shown on the year's Warrant Books (the "Annual Tax Sale"). The Annual Tax Sale is a public sale, at which time successful tax buyers pay the unpaid taxes plus penalties. 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 Circuit Court, notifying the necessary parties in accordance with 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 are eligible to be purchased at any time thereafter at an amount equal to all delinquent taxes and interest to the date of purchase. Redemption periods and procedures are the same as applicable to the Annual Tax Sale.

A scavenger sale (the "Scavenger Sale"), like the Annual Tax Sale, are sales of unpaid taxes. The Scavenger Sale is scheduled to be 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 the Scavenger Sale, which may be less than the amount of the delinquent taxes. Redemption periods vary from six months to two and one-half years depending upon the type and occupancy of the property.

The annual budget of the District has a provision for an allowance for uncollectible taxes. The District reviews this provision annually and makes adjustments accordingly. The allowance for uncollectible taxes is 5% of the gross tax levy. Uncollected taxes are written off by the District after four years.

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

In 1995, the provisions of the Tax Extension Limitation Law previously applicable only to non-home rule taxing districts located in DuPage, Kane, Lake, McHenry and Will Counties was extended to non-home rule taxing districts in the County, including the District. The effects of the Tax Extension Limitation Law are to limit or retard the growth in the amount of property taxes that can be extended for a non-home rule taxing body and to impose direct referendum requirements upon the issuance of certain types of general obligation bonds by such non-home rule taxing bodies. The Tax Extension Limitation Law specifically limits the annual growth in property tax extensions for the District to the lesser of 5% or the percentage increase in the Consumer Price Index for All Urban Consumers during the calendar year preceding the relevant levy year. Generally, extensions can be increased beyond this limitation only due to increases in the equalized assessed value attributable to new construction and referendum approval of tax or limitation rate increases. Beginning March 1, 1995, general obligation bonds secured by an unlimited tax levy can only be issued with referendum approval, with limited exceptions such as for refunding bonds.

Although the extension limitations contained in the Tax Extension Limitation Law upon its original enactment in 1991 did not apply to the District, the Tax Extension Limitation Law as originally enacted requires the County Clerk, in extending taxes for taxing districts in the County, including the District, to use the Equalized Assessed Valuation of all property within the taxing district for the levy year prior to the levy year for which taxes are then being extended. The Tax Extension Limitation Law retains this requirement.

The limitations on the extensions of property taxes contained in the Limitation Law do not apply to the taxes levied by the District to pay the principal of and interest on the 2000C Bonds.

In 1995, the provisions of the Tax Extension Limitation Law were amended to (i) authorize the issuance of "limited bonds" payable from a non-home rule taxing district's "debt service extension base"; and (ii) to exclude certain types of general obligation bonds, known as "alternate bonds" issued pursuant to section 15 of the Debt Reform Act, from the direct referendum requirements of the Tax Extension Limitation Law.

### **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 District has covenanted to comply with all requirements that must be satisfied in order for the interest on the Bonds to be excludible 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 District's compliance with the above-referenced covenants, under present law, in the opinion of Bond Counsel, interest on the Bonds is not includible in the gross income of the owners thereof for federal income tax purposes, and is not included as an item of tax preference in computing the federal alternative minimum tax for individuals and corporations. Interest on the Bonds is taken into account, however, in computing an adjustment used in determining the federal alternative minimum tax for certain corporations and in computing the "branch profits tax" imposed on certain foreign corporations.

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

The Internal Revenue Code of 1986, as amended (the "Code"), includes provisions for an alternative minimum tax ("AMT") for corporations in addition to the corporate regular tax in certain cases. The AMT, if any, depends upon the corporation's alternative minimum taxable income ("AMTI"), which is the corporation's taxable income with certain adjustments. One of the adjustment items used in computing the AMTI of a corporation (excluding S Corporations, Regulated Investment Companies, Real Estate Investment Trusts, REMICs and FASITs) is an amount equal to 75% of the excess of such corporation's "adjusted current earnings" over an amount equal to its AMTI

(before such adjustment item and the alternative tax net operating loss deduction). “Adjusted current earnings” would include all tax exempt interest, including interest on the Bonds.

Under the provisions of Section 884 of the Code, a branch profits tax is levied on the “effectively connected earnings and profits” of certain foreign corporations, which include tax-exempt interest such as interest on the Bonds.

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

If a Bond is purchased at any time for a price that is less than the Bond's stated redemption price at maturity, or, in the case of a Bond issued with original issue discount, its Revised Issue Price (as discussed below), 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. 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.

There are or may be pending in the Congress of the United States legislative proposals, including some that carry retroactive effective dates, that, if enacted, could alter or amend the federal tax matters referred to above or adversely 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.

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 affect 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.

### **Risk of Audit by Internal Revenue Service**

The Internal Revenue Service (the “Service”) has an ongoing program of auditing tax-exempt obligations to determine whether, in the view of the Service, interest on such tax-exempt obligations is includible in the gross income of the owners thereof for federal income tax purposes.

No assurances can be given as to whether or not the Service will commence an audit of the Bonds. If an audit is commenced, under current procedures the Service will treat the District as the taxpayer and the Bondholders may have no right to participate in such procedure. Neither the Underwriter nor Bond Counsel is obligated to defend the tax-exempt status of the Bonds. The District has covenanted that it will not take any action, omit to take any action or permit the taking or omission of any action within its control (including, without limitation, making or permitting any use of the proceeds of the Bonds) if taking, permitting or omitting to take such action would cause any of the Bonds to be an arbitrage bond or a private activity bond within the meaning of the Code or would otherwise cause the interest on the Bonds to be included in the gross income of the recipients thereof for federal income tax purposes and that, to the extent possible under Illinois law, it will comply with whatever federal tax law is adopted in the future which applies to the Bonds and affects the tax-exempt status of the Bonds. The District has acknowledged that, in the event of an examination by the Service of the exemption from Federal income taxation for interest paid on the Bonds, under present rules, the District is treated as the “taxpayer” in such examination and agrees that it will respond in a commercially reasonable manner to any inquiries from the Service in connection with such an examination. None of the District, the Underwriter or Bond Counsel is responsible to pay or reimburse the costs of any Bondholder with respect to any audit or litigation relating to the Bonds.

### State Tax Opinion

Interest on the Bonds is not exempt from Illinois 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.

### **ORIGINAL ISSUE DISCOUNT**

The 2000C Bonds do not pay interest until a date that is more than one year after the date of issue. The interest payments on the 2000C bonds are not "qualified stated interest" for federal income tax purposes and will accordingly be included in the computation of original issue discount as described below. The difference between the Issue Price of each maturity of the 2000C Bonds and the sum of all interest payments thereon plus the amount payable at maturity is original issue discount. The Issue Price for each maturity of the 2000C Bonds is the price at which a substantial amount of such maturity of the 2000C Bonds is first sold to the public. The Issue Price of each maturity of the 2000C bonds is expected to be the amount set forth on the cover page hereof but is subject to change based on actual sales.

For an investor who purchases a 2000B Bond in the initial public offering at the Issue Price for such maturity and who holds such 2000B Bond to its stated maturity, subject to the condition that the District complies with the covenants discussed under "TAX EXEMPTION" above, (a) the full amount of original issue discount with respect to such 2000B Bond constitutes interest which is not includable in 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 2000B Bond at its stated maturity; (c) such original issue discount is not included as an item of tax preference in computing an adjustment used in determining the alternative minimum tax for individuals and corporations under the Code, but is taken into account in computing an adjustment used in determining the alternative minimum tax for certain corporations under the Code, as described above; and (d) the accretion of original issue discount in each year may result in an alternative minimum tax liability for corporations or certain other collateral federal income tax consequences in each year even though a corresponding cash payment may not be received until a later year.

If a 2000B Bond issued with original issue discount is purchased at any time for a price that is less than the 2000B Bond's Issue Price plus accreted original issue discount (the "Revised Issue Price"), the purchaser will be treated as having purchased such 2000B Bond with market discount subject to the market discount rules of the Code (unless a statutory *de minimis* rule applies). Such treatment would apply to any purchaser who purchases such 2000B Bond for a price that is less than its Revised Issue Price.

Owners of 2000B Bonds who dispose of 2000B Bonds prior to the stated maturity (whether by sale, redemption or otherwise), purchase 2000B Bonds in the initial public offering, but at a price different from the Issue Price or purchase 2000B Bonds subsequent to the initial public offering should consult their own tax advisors. Based upon the stated position of the Illinois Department of Revenue under Illinois income tax law, accreted original issue discount on such 2000B Bonds is subject to taxation as it accretes, even though there may not be a corresponding cash payment until a later year. Owners of 2000B Bonds issued with original issue discount should consult their own tax advisors with respect to the state and local tax consequences of original issue discount on such 2000B Bonds.

### **CERTAIN LEGAL MATTERS**

Legal matters incidental to the authorization and issuance of the Bonds are subject to the approval of Chapman and Cutler, Chicago, Illinois, Bond Counsel, whose approving opinions will be delivered with the Bonds. See Exhibits J, K and L for forms of approving opinions.

### **NO LITIGATION**

No litigation is now pending or threatened affecting the issuance or delivery of the Securities, or in any way contesting the validity or enforceability of the Securities. A no litigation certificate will be included with the customary closing papers when the Securities are delivered.

## CONTINUING DISCLOSURE

The District will enter into a Continuing Disclosure Undertaking (the “*Undertaking*”) for the benefit of the beneficial owners of the Bonds to send certain information annually and to provide notice of certain events to certain information repositories pursuant to the requirements of Section (b)(5) of Rule 15c2-12 (the “*Rule*”) adopted by the Securities and Exchange Commission (the “*Commission*”) under the Securities Exchange Act of 1934 (the “1934 Act”). 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 District has not previously been required to deliver an undertaking pursuant to the Rule. A failure by the District to comply with the Undertaking will not constitute a default under the Bond Resolution and beneficial owners of the Securities are limited to the remedies described in the Undertaking. See “*THE UNDERTAKING - Consequences of Failure of the District to Provide Information*.” A failure by the District to comply with the Undertaking must be reported in accordance with the Rule and must be considered by any broker, dealer or municipal securities dealer before recommending the purchase or sale of the Securities in the secondary market. Consequently, such a failure may adversely affect the transferability and liquidity of the Securities and their market price.

Bond Counsel expresses no opinion as to whether the Undertaking complies with the requirements of Section (b)(5) of the Rule.

## UNDERTAKING

The following is a brief summary of certain provisions of the Undertaking of the District 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 District. The District has not previously been required to deliver an undertaking pursuant to the Rule.

### **Annual Financial Information Disclosure**

The District covenants that it will disseminate its Annual Financial Information and its Audited Financial Statements, if any (as described below) to each Nationally Recognized Municipal Securities Information Repository (a “NRMSIR”) then recognized by the Securities and Exchange Commission for purposes of the Rule and to the repository, if any, designated by the State of Illinois as the state depository (the “SID”) and recognized as such by the Commission for purposes of the Rule. There currently is no SID. The District is required to deliver such information so that such entities receive the information on the date specified in the Undertaking.

“*Annual Financial Information*” means information appearing in this Official Statement under the following captions:

<u>Caption</u>	<u>Page</u>
FINANCIAL INFORMATION	20
Exhibit A - Direct General Obligation Bonded Debt	31
Exhibit A-1- Tax Levies for Direct Bonded Debt	32
Exhibit C - Composition of Equalized Assessed Valuation	34
Exhibit D - School District Tax Rates by Purpose	34
Exhibit G - Combined Statement of Revenues, Expenditures and Changes in Fund Balance	37

“*Audited Financial Statements*” means the District’s general purpose financial statements as of June 30 and for the year then ended, prepared in accordance with generally accepted accounting principles.

### **Events Notification; Material Events Disclosure**

The District covenants that it will disseminate to each NRMSIRs or to the Municipal Securities Rulemaking Board (the “MSRB”) and to the SID, if any, in a timely manner the disclosure of the occurrence of an Event (as described

below) that is material, as materiality is interpreted under the 1934 Act. The “Events”, certain of which may not apply to the Bonds, are:

1. Principal and interest payment delinquencies on the Bonds.
2. Non-payment related defaults;
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 or events affecting the tax-exempt status of interest on the Bonds;
7. Modification of rights of security holders;
8. Bond calls;
9. Defeasances;
10. Release, substitution or sale of property securing repayment of the Bonds; and
11. Rating changes.

#### **Consequences of Failure of the District to Provide Information**

If the District shall fail to provide disclosure of Annual Financial Information and Audited Financial Statements when the same are due under the Undertaking, the District shall give notice of such fact to all NRMSIRs and the SID, if any, in a timely manner.

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

#### **Amendments; Waiver**

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

- (a) The amendment or waiver is made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature, or status of the District, or type of business conducted.
- (b) 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
- (c) The amendment or waiver does not materially impair the interests of the beneficial owners of the Securities, as determined by parties unaffiliated with the District (such as Bond Counsel).

#### **Termination of Undertaking**

The Undertaking shall be terminated if the District shall no longer have any legal liability for any obligation on or relating to repayment of the Securities under the Bond Resolution. The District shall give notice to each NRMSIR or to the MSRB and the SID, if any, in a timely manner if this paragraph is applicable.

#### **Additional Information**

Nothing in the Undertaking shall be deemed to prevent the District 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 material Event, in addition to that which is required by the Undertaking. If the District chooses to include any information from any document or notice of occurrence of a material Event in addition to that which is specifically required by the Undertaking, the District shall have no obligation under the Undertaking to update such information or include it in any future disclosure or notice of occurrence of a material Event.

**Dissemination Agent**

The District 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.

**RATING**

The Bonds are rated "AAA" by Standard and Poor's Ratings Services, a division of McGraw-Hill, Inc. ("S&P"). Such rating reflects only the views of such organization and any desired explanation of the significance of such rating should be obtained from the rating agency furnishing the same, at the following address; Standard & Poor's Corporation, 55 Water Street, New York, New York 10041. Generally, a rating agency bases its rating on the information and materials furnished to it and on investigations, studies and assumptions of its own. There is no assurance such rating will continue for any given period of time or that such rating will be revised downward or withdrawn entirely by the rating agency, if in the judgment of such rating agency, circumstances so warrant. Any such downward revision or withdrawal of such rating may have an adverse effect on the market price of the Bonds.

**UNDERWRITING**

The Bonds were offered for sale by the District at a public, competitive sale on September 25, 2000. The best bid submitted for the 2000A Bonds was submitted by Salomon Smith Barney (the "2000A Bonds Underwriter"). The District awarded the contract for sale of the 2000A Bonds to the 2000A Bonds Underwriter at a price of 100.900%. The best bid submitted for the 2000B Bonds was submitted by Salomon Smith Barney (the "2000B Bonds Underwriter"). The District awarded the contract for sale of the 2000B Bonds to the 2000B Bonds Underwriter at a price of 100.000%.

The best bid submitted for the 2000C Bonds was submitted by LaSalle Capital Markets, a division of ABN AMRO Financial Services, Inc. (the "2000C Bonds Underwriter"). The District awarded the contract for sale of the 2000C Bonds to the 2000C Bonds Underwriter at a price of 100.558%.

The Underwriters have represented to the District that the Bonds have been subsequently re-offered to the public initially at the yields or prices set forth on the cover to this Official Statement.

**CERTIFICATION OF THE OFFICIAL STATEMENT**

At the time of payment for and delivery of the Bonds, the Underwriters will be furnished a certificate, executed by proper officers, acting in their official capacity, to the effect that to the best of their knowledge and belief: (a) the descriptions and statements of or pertaining to the District contained in this Official Statement and any addenda, supplement or amendment hereto on the date of this Official Statement, and on the date of delivery of the Bonds, were and are true and correct in all material respects; (b) insofar as the District and its affairs, including its financial affairs, are concerned, this Official Statement did not and does not contain an untrue statement of a material fact or omit to state a material fact required to be stated herein or necessary to make the statements herein in the light of the circumstances under which they were made not misleading; (c) insofar as the descriptions and statements, including financial data, of or pertaining to entities, other than the District, and their activities contained in this Official Statement are concerned, such statements and data have been obtained from sources which the District believes to be reliable and that the District has no reason to believe that they are untrue in any material respect; and (d) there has been no material adverse change in the financial condition of the District since June 30, 1999, the date of the last financial statement of the District.

/s/ Carol Rogal

President, Board of Education  
Northfield Township High School District Number 225  
Cook County, Illinois

Attest:

/s/ James Lacivita

Secretary, Board of Education  
Northfield Township High School District Number 225  
Cook County, Illinois

**EXHIBITS**

Exhibits A, A-1, and B present information about direct and overlapping bonded debt. Exhibit C provides information about the composition of equalized assessed valuations. Exhibits D and E provide information about tax rates for the District and overlapping jurisdictions. Exhibit F lists the District's largest taxpayers. Exhibits G shows the District's recent financial history. Exhibit H shows the Fiscal 2000-2001 Budget. Exhibit I shows the Accreted Bond Value Table. Exhibit J shows the Proposed Form of Opinion of Bond Counsel for Series 2000A Bonds. Exhibit K shows the Proposed Form of Opinion of Bond Counsel for Series 2000B Bonds. Exhibit L shows the Proposed Form of Opinion of Bond Counsel for Series 2000C Bonds. Exhibit M shows the Audited Financial Statement of the District for the year ended June 30, 1999.

**Exhibit A - Direct General Obligation Bonded Debt**

<u>Principal Due (Dec. 1)</u>	<u>Outstanding Bonds</u>	<u>Plus: 2000A Bonds</u>	<u>Plus: 2000B Bonds</u>	<u>Total</u>
2000	\$1,140,000			\$1,140,000.00
2001	1,205,000			1,205,000.00
2002	1,275,000		\$27,016.80	1,302,016.80
2003	1,300,000		68,436.00	1,368,436.00
2004			1,181,183.55	1,181,183.55
2005			1,119,840.75	1,119,840.75
2006			1,060,651.35	1,060,651.35
2007		\$1,095,000	244,864.80	1,339,864.80
2008		1,505,000		1,505,000.00
2009		1,580,000		1,580,000.00
2010		1,655,000		1,655,000.00
2011		1,730,000		1,730,000.00
2012		1,820,000		1,820,000.00
2013		1,915,000		1,915,000.00
<b>Total</b>	<b>\$4,920,000</b>	<b>\$11,300,000</b>	<b>\$3,701,993.25</b>	<b>\$19,921,993.25</b>

Note: Alternate revenue bonds do not count towards debt limit, unless the pledged taxes have been extended pursuant to the general obligation, full faith and credit promise supporting the 2000C Bonds.

**Exhibit A-1 – Tax Levies for Direct Bonded Debt**

<u>Tax Year</u>	<u>Outstanding Bonds</u>	<u>The 2000A Bonds</u>	<u>The 2000B Bond</u>	<u>Less: Accrued Interest and District Funds on Hand</u>	<u>Total</u>
1999	\$1,430,478				\$1,430,478
2000	1,428,388	\$674,829		(\$68,562)	2,034,655
2001	1,423,075	578,425	\$30,000		2,031,500
2002	1,375,400	578,425	80,000		2,033,825
2003		578,425	1,455,000		2,033,425
2004		578,425	1,455,000		2,033,425
2005		578,425	1,455,000		2,033,425
2006		1,673,425	355,000		2,028,425
2007		2,031,413			2,031,413
2008		2,034,925			2,034,925
2009		2,034,875			2,034,875
2010		2,031,263			2,031,263
2011		2,034,763			2,034,763
2012		2,025,113			2,025,113
<b>Total</b>	<b>\$5,657,341</b>	<b>\$17,432,729</b>	<b>\$4,830,000</b>	<b>(\$68,562)</b>	<b>\$27,851,508</b>

Note: Alternate revenue bonds do not count towards debt limit, unless the pledged taxes have been extended pursuant to the general obligation, full faith and credit promise supporting the 2000C Bonds.

**Exhibit B - Overlapping General Obligation Bonded Debt**

(As of August 23, 2000)

<u>Taxing Authority</u>	<u>Outstanding Bonds</u>	<u>Estimated Percentage Applicable</u>	<u>Amount Applicable*</u>
Cook County	\$1,816,860,000	3.81%	\$69,259,001
Cook County Forest Preserve District	41,795,000	3.81%	1,593,232
Met. Water Reclamation District of Greater Chicago	876,010,000	3.90%	34,134,849
Village of Golf	1,490,000	100.00%	1,490,000
Village of Northbrook	52,480,000	99.53%	42,234,234
Village of Deerfield	37,560,000	11.85%	4,452,446
City of Prospect Heights	13,065,000	14.97%	1,956,163
Village of Glenview	61,765,000	90.76%	56,057,559
Northbrook Park District	25,790,485	98.79%	25,479,520
Glenview Park District	33,255,000	82.58%	27,462,447
Deerfield Park District	4,000,000	5.06%	202,517
Village of Northbrook SSA #1	27,300	100.00%	27,300
Village of Northbrook SSA #2	71,201	100.00%	71,201
Village of Northbrook SSA #3	19,616	100.00%	19,616
Village of Northbrook SSA #4	49,200	100.00%	49,200
Village of Northbrook SSA #5	63,200	100.00%	63,200
Village of Glenview SSA #5	8,219	100.00%	8,219
Village of Glenview SSA #9	110,010	100.00%	110,010
Village of Glenview SSA #10	110,010	100.00%	110,010
Village of Glenview SSA #11	97,803	100.00%	97,803
Village of Glenview SSA #12	59,802	100.00%	59,802
Village of Glenview SSA #17	90,800	100.00%	90,800
Village of Glenview SSA #18	39,285	100.00%	39,285
Village of Glenview SSA #24	20,807	100.00%	20,807
Village of Glenview SSA #27	7,509	100.00%	7,509
Village of Glenview SSA #31	9,692	100.00%	9,692
Village of Glenview SSA #33	66,351	100.00%	66,351
School District #30	7,024,642	99.50%	6,989,763
School District #31	7,095,000	99.99%	7,095,000
School District #34	3,635,000	99.23%	3,606,831
Northfield Woods Sanitary District	305,000	100.00%	<u>305,000</u>
			\$293,168,821

\* Calculations might differ due to rounding.

Source: Cook County Clerk's Office.

**Exhibit C - Composition of Equalized Assessed Valuations, 1995-1999**

	<u>1995</u>	<u>1996</u>	<u>1997</u>	<u>1998</u>	<u>1999*</u>
Residential	\$1,500,495,757	\$1,537,179,387	\$1,539,566,780	\$1,691,388,292	
Commercial	747,995,427	775,149,602	796,194,930	843,998,381	
Industrial	407,480,317	410,821,889	411,855,087	443,070,315	N.A
Farm	138,226	143,825	95,989	107,485	
Railroad	<u>273,985</u>	<u>599,851</u>	<u>543,282</u>	<u>545,633</u>	
Total	\$2,656,383,712	\$2,723,894,554	\$2,748,256,068	\$2,979,110,106	\$3,127,148,690

\* 1999 Composition of Equalized Assessed Valuations is not available.

Source: Cook County Clerk's Office.

**Effects of Exemptions and Multipliers**

In addition to the effect of exemptions the multiplier is an important factor in determining taxable valuation.

The table below shows the effect of the multiplier and exemptions in tax years 1995 through 1998.

	<u>1995</u>	<u>1996</u>	<u>1997</u>	<u>1998</u>
Assessed Value	\$1,309,184,211	\$1,324,433,449	\$1,338,159,025	\$1,426,640,233
Equalization factor	<u>X 2.1243</u>	<u>X 2.1517</u>	<u>X 2.1489</u>	<u>X 2.1799</u>
Pre-exemption EAV	2,781,100,019	2,849,783,452	2,875,569,927	3,109,933,044
Homeowners Exemption	105,187,500	105,121,350	106,143,750	105,965,547
Senior Citizen Exemption	15,515,000	15,868,000	16,832,250	17,356,226
Tax Freeze Exemption	5,013,807	4,899,548	4,337,859	7,501,165
Taxable Equalized Assessed Valuation	\$2,656,383,712	\$2,723,894,554	\$2,748,256,068	\$2,979,110,106

Source: Cook County Clerk's Office.

**Exhibit D - School District Tax Rates by Purpose, 1995-1999**

<u>Fund</u>	<u>1995</u>	<u>1996</u>	<u>1997</u>	<u>1998</u>	<u>1999</u>	<u>Limits</u>
IMRF	\$0.0273	\$0.0281	\$0.0287	\$0.0211	\$0.0201	None
Social Security	0.0273	0.0281	0.0286	0.0211	0.0201	None
Liability Insurance	0.0000	0.0000	0.0000	0.0000	0.0000	None
Transportation	0.0216	0.0224	0.0231	0.0235	0.0235	\$0.1200
Education	1.4994	1.4816	1.5891	1.5091	1.4213	1.9100
Building	0.2520	0.2532	0.2061	0.2451	0.3294	0.3750
Bonds and Interest	0.0296	0.0000	0.0000	0.0000	0.0471	None
Working Cash Funds	0.0075	0.0075	0.0088	0.0081	0.0077	0.0500
Life Safety	0.0000	0.0466	0.0468	0.0112	0.0000	0.0500
Special Education	0.0000	0.0000	0.0000	0.0000	0.0000	0.0200
Life Safety Bond	0.0334	0.0346	0.0000	0.0000	0.0000	None
Total	\$1.899	\$1.903	\$1.932	\$1.840	\$1.870*	

\* Equivalent to \$187.00 per \$10,000 equalized assessed property valuation.

Source: Cook County Clerk's Office

**Exhibit E - Representative Total Tax Rates, 1996-1999**

<u>Taxing Authority</u>	<u>1996 Tax Rate (per \$100)</u>	<u>1997 Tax Rate (per \$100)</u>	<u>1998 Tax Rate (per \$100)</u>	<u>1999 Tax Rate (per \$100)</u>
Cook County	\$0.989	\$0.919	\$0.911	\$0.854
Cook County Forest Preserve	0.074	0.074	0.072	0.070
Suburban TB Sanitarium	0.008	0.008	0.008	0.008
Consolidated Elections	0.000	0.027	0.000	0.023
Northfield Township	0.022	0.022	0.020	0.019
Northfield Road and Bridge	0.040	0.041	0.039	0.038
Northfield General Assistance	0.009	0.009	0.000	0.000
Met. Water Reclamation Dist.	0.492	0.451	0.444	0.419
North Shore Mosquito Abatement Dist.	0.011	0.011	0.011	0.011
High School District 225	1.903	1.932	1.840	1.870
Community College 535	0.208	0.216	0.205	0.203
Glenview Park District	0.476	0.498	0.587	0.578
Village of Glenview	0.990	1.039	0.929	0.903
School District 34	3.071	3.188	2.991	2.839
<u>Total</u>	<u>\$8.293</u>	<u>\$8.435</u>	<u>\$8.057</u>	<u>\$7.835*</u>

\* A total tax rate of \$7.835 results in a tax bill of \$783.50 per \$10,000 of equalized assessed valuation.

Source: Cook County Clerk's Office

**Exhibit F - Representative Largest Taxpayers**

<u>Taxpayer</u>	<u>Product or Service</u>	1998 Equalized Assessed <u>Valuation</u>
Allstate Insurance Co.	Insurance corporate office	\$100,677,407
Northbrook Court Shopping Center	Shopping mall	58,361,955*
Village Square Shopping Center	Shopping mall	34,686,510*
Underwriters Laboratories Inc.	Independent non-profit testing and certification	25,758,489*
Sheraton North Shore Hotel	Hotel	17,873,469*
Korman Lederer	Numerous commercial and industrial properties	17,492,070*
Motorola Automotive Products Inc.	Automotive electronics	17,167,023*
Dayton Hudson	Retail store	16,644,745*
Combined Center	Commercial building over three stories	15,697,622*
AON Insurance	Insurance company	15,147,415
Illinois Tool Works	Engineered components and industrial systems corporate headquarters	14,306,488
Embassy Suites	Hotel	13,251,715
North Suburban Development Corp.	Commercial building over three stories	12,296,090*
Commonwealth Edison	Electric utility	10,323,975
Scott Foresman/Addison Wesley	Corporate headquarters – book publishing	10,106,010
Doubletree Hotel	Hotel	9,047,365
Plaza Del Prado Shopping Center	Shopping mall	7,281,298
Evanston NW Healthcare	Medical office buildings	5,586,872

Note: The 1998 Cook County multiplier of 2.1799 has been applied to the 1998 assessed valuations of these taxpayers.

\* The 1999 Cook County multiplier of 2.2505 has been applied to the 1999 assessed valuations of these taxpayers.

---

Source: Cook County Clerk's Office, the Northfield Township Assessor's Office and the Village of Glenview

**Exhibit G - Combined Statement of Revenues, Expenditures and Changes in Fund Balances, 1995-2000**

	General	Special Revenue	Capital Projects	Bond and Interest	Working Cash	Memorandum
<b>Beginning Balance July 1, 1994</b>	\$10,721,907	\$653,419	\$2,836,970	\$577,059	\$2,616,091	\$17,405,446
<b>Revenues</b>	49,733,007	2,557,988	185,379	1,408,587	594,408	54,479,369
<b>Expenditures</b>	46,127,696	2,183,394	402,650	960,490	0	49,674,230
<b>Transfers</b>	0	0	0	0	0	0
<b>Other</b>	0	0	0	33,535	9,000,000	9,033,535
<b>Ending Balance June 30, 1995</b>	\$14,327,218	\$1,028,013	\$2,619,699	\$1,058,691	\$12,210,499	\$31,244,120
<b>Beginning Balance July 1, 1995</b>	\$14,327,218	\$1,028,013	\$2,619,699	\$1,058,691	\$12,210,499	\$31,244,120
<b>Revenues</b>	55,265,499	2,478,970	149,691	1,982,488	1,085,656	60,962,304
<b>Expenditures</b>	52,234,092	2,305,224	1,052,209	2,023,672	0	57,615,197
<b>Transfers</b>	3,000,000	0	0	0	(3,000,000)	0
<b>Other</b>	135,073	0	0	0	0	135,073
<b>Ending Balance June 30, 1996</b>	\$20,493,698	\$1,201,759	\$1,717,181	\$1,017,507	\$10,296,155	\$34,726,300
<b>Beginning Balance July 1, 1996</b>	\$20,493,698	\$1,201,759	\$1,717,181	\$1,017,507	\$10,296,155	\$34,726,300
<b>Revenues</b>	57,200,142	2,593,856	672,946	2,492,412	561,489	63,520,845
<b>Expenditures</b>	58,369,875	2,505,796	866,049	2,057,154	0	63,798,874
<b>Transfers</b>	6,000,000	0	0	0	(6,000,000)	0
<b>Other</b>	0	0	0	0	0	0
<b>Ending Balance June 30, 1997</b>	\$25,323,965	\$1,289,819	\$1,524,078	\$1,452,765	\$4,857,644	\$34,448,271
<b>Beginning Balance July 1, 1997</b>	\$25,323,965	\$1,289,819	\$1,524,078	\$1,452,765	\$4,857,644	\$34,448,271
<b>Revenues</b>	58,695,580	2,690,748	1,354,203	1,850,330	554,077	65,144,938
<b>Expenditures</b>	58,571,539	2,543,766	824,327	2,055,910	0	63,995,542
<b>Transfers</b>	1,017,625	0	0	0	(1,017,625)	0
<b>Other</b>	0	0	0	0	0	0
<b>Ending Balance June 30, 1998</b>	\$26,465,631	\$1,436,801	\$2,053,954	\$1,247,185	\$4,394,096	\$35,597,667
<b>Beginning Balance July 1, 1998</b>	\$26,465,631	\$1,436,801	\$2,053,954	\$1,247,185	\$4,394,096	\$35,597,667
<b>Revenues</b>	60,766,941	2,602,928	852,533	1,555,295	479,599	66,257,296
<b>Expenditures</b>	60,325,601	2,582,493	2,486,806	2,083,297	0	67,478,197
<b>Transfers</b>	0	0	0	0	0	0
<b>Other</b>	0	0	0	0	0	0
<b>Ending Balance June 30, 1999</b>	\$26,906,971	\$1,457,236	\$419,681	\$719,183	\$4,873,695	\$34,376,766
<b>Beginning Balance July 1, 1999</b>	\$26,906,971	\$1,457,236	\$419,681	\$719,183	\$4,873,695	\$34,376,766
<b>Revenues</b>	62,222,682	3,273,678	1,731,866	1,489,351	535,166	69,252,743
<b>Expenditures</b>	59,501,756	3,272,158	0	1,404,472	0	64,178,386
<b>Transfers</b>	0	0	0	0	0	0
<b>Other</b>	0	0	0	0	0	0
<b>Ending Balance June 30, 2000</b>	\$29,627,897	\$1,458,756	\$2,151,547	\$804,062	\$5,408,861	\$39,451,123

Source: Audited financial statements of the District for the years-ending 1995-1999. Unaudited figures for 2000.

**Exhibit H - Budget – 2000-2001 Fiscal Year**

	<b>General</b>	<b>Special Revenue</b>	<b>Capital Projects</b>	<b>Bond and Interest</b>	<b>Working Cash</b>	<b>Memorandum</b>
<b>Beginning Balance July 1, 2000</b>	\$29,627,897	\$1,458,756	\$2,151,547	\$804,062	\$5,408,861	\$39,451,123
<b>Revenues</b>	65,455,637	3,495,953	30,526,000	1,762,195	500,000	101,739,785
<b>Expenditures</b>	68,611,546	3,444,920	8,666,772	1,805,950	0	82,529,188
<b>Transfers</b>	15,600,000	0	0		(15,600,000)	0
<b>Other</b>	0	0	0	0	15,600,000	15,600,000
<b>Ending Balance June 30, 2001</b>	\$42,071,988	\$1,509,789	\$24,010,775	\$760,307	\$5,908,861	\$74,261,720

**Exhibit I – Accreted Bond Value Table**

**BOND ACCRETED VALUE TABLE**

Northfield Township High School District Number 225  
 General Obligation Limited Tax Capital Appreciation Bonds  
 Series 2000B

Date	12/01/2002 5.05%	12/01/2003 5.1%	12/01/2004 5.15%	12/01/2005 5.2%	12/01/2006 5.25%	12/01/2007 5.3%
10/25/2000	4,502.80	4,277.25	4,059.05	3,848.25	3,644.85	3,448.80
12/01/2000	4,525.30	4,298.85	4,079.75	3,868.05	3,663.80	3,466.90
06/01/2001	4,639.60	4,408.50	4,184.80	3,968.65	3,759.95	3,558.80
12/01/2001	4,756.75	4,520.90	4,292.60	4,071.80	3,858.65	3,653.10
06/01/2002	4,876.85	4,636.20	4,403.10	4,177.70	3,959.95	3,749.90
12/01/2002	5,000.00	4,754.40	4,516.50	4,286.30	4,063.90	3,849.25
06/01/2003		4,875.65	4,632.80	4,397.75	4,170.55	3,951.25
12/01/2003		5,000.00	4,752.10	4,512.10	4,280.05	4,056.00
06/01/2004			4,874.45	4,629.40	4,392.40	4,163.45
12/01/2004			5,000.00	4,749.75	4,507.70	4,273.80
06/01/2005				4,873.25	4,626.05	4,387.05
12/01/2005				5,000.00	4,747.45	4,503.30
06/01/2006					4,872.10	4,622.65
12/01/2006					5,000.00	4,745.15
06/01/2007						4,870.90
12/01/2007						5,000.00

Exhibit J - Proposed Form of Opinion of Bond Counsel – 2000A Bonds

**PROPOSED FORM OF OPINION OF BOND COUNSEL**

**[LETTERHEAD OF CHAPMAN AND CUTLER]**

**[TO BE DATED CLOSING DATE]**

We hereby certify that we have examined certified copy of the proceedings of the Board of Education of Township High School District Number 225, Cook County, Illinois (the “*District*”), passed preliminary to the issue by the District of its fully registered General Obligation Limited Tax School Bonds, Series 2000A (the “*Bonds*”), to the amount of \$11,300,000, dated October 1, 2000, due serially on December 1 of the years and in the amounts and bearing interest as follows:

2007	\$1,095,000	4.75%
2008	1,505,000	4.75%
2009	1,580,000	4.75%
2010	1,655,000	4.75%
2011	1,730,000	5.00%
2012	1,820,000	5.75%
2013	1,915,000	5.75%

the Bonds due on or after December 1, 2011, being subject to redemption prior to maturity at the option of the District as a whole or in part in any order of their maturity as determined by the District (less than all of the Bonds of a single maturity to be selected by the Bond Registrar), on December 1, 2010, or on any date thereafter, at the redemption price of par plus accrued interest to the redemption date, as provided in such proceedings, and we are of the opinion that such 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 District, and all taxable property in the District is subject to the levy of taxes to pay the same without limitation as to rate, all except as limited by bankruptcy, insolvency, moratorium, reorganization and other similar laws relating to the enforcement of creditors’ rights and subject to the exercise of judicial discretion. The amount of said taxes that may be extended to pay the Bonds is, however, limited as provided by the Property Tax Extension Limitation Law of the State of Illinois, as amended (the “*Law*”). The Law provides that the annual amount of said taxes to be extended to pay the Bonds and all other limited bonds (as defined in the Local Government Debt Reform Act of the State of Illinois, as amended) hereafter issued by the District shall not exceed the debt service extension base (as defined in the Law) of the District less the amount extended to pay certain other non-referendum bonds heretofore and hereafter issued by the District, as more fully described in said proceedings.

It is our opinion that, subject to the District's compliance with certain covenants, under present law, interest on the Bonds is not includible in 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 and corporations under the Internal Revenue Code of 1986, as amended (the "*Code*"), but is taken into account in computing an adjustment used in determining the federal alternative minimum tax for certain corporations and in computing the "branch profits tax" imposed on certain foreign corporations. Failure to comply with certain of such District covenants could cause interest on the Bonds to be included 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.

As Bond Counsel, we are passing only upon those matters set forth in this opinion and are not passing upon 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 District with respect to certain material facts solely within the District'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.

**Exhibit K - Proposed Form of Opinion of Bond Counsel – 2000B Bonds**

**PROPOSED FORM OF OPINION OF BOND COUNSEL**

**[LETTERHEAD OF CHAPMAN AND CUTLER]**

**[TO BE DATED CLOSING DATE]**

We hereby certify that we have examined certified copy of the proceedings of the Board of Education of Township High School District Number 225, Cook County, Illinois (the “*District*”), passed preliminary to the issue by the District of its fully registered General Obligation Limited Tax Capital Appreciation School Bonds, Series 2000B (the “*Bonds*”), to the original principal amount of \$3,701,993.25, dated the date hereof, due serially on December 1 of the years and further described as follows:

**ORIGINAL PRINCIPAL AMOUNT**

YEAR OF MATURITY	TOTAL	PER \$5,000 COMPOUND ACCRETED VALUE AT MATURITY	ORIGINAL YIELD TO MATURITY
2002	\$27,016.80	\$4,502.80	5.05%
2003	68,436.00	4,277.25	5.10%
2004	1,181,183.55	4,059.05	5.15%
2005	1,119,840.75	3,848.25	5.20%
2006	1,060,651.35	3,644.85	5.25%
2007	244,864.80	3,448.80	5.30%

and we are of the opinion that such 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 District, and all taxable property in the District is subject to the levy of taxes to pay the same without limitation as to rate, all except as limited by bankruptcy, insolvency, moratorium, reorganization and other similar laws relating to the enforcement of creditors’ rights and subject to the exercise of judicial discretion. The amount of said taxes that may be extended to pay the Bonds is, however, limited as provided by the Property Tax Extension Limitation Law of the State of Illinois, as amended (the “*Law*”). The Law provides that the annual amount of said taxes to be extended to pay the Bonds and all other limited bonds (as defined in the Local Government Debt Reform Act of the State of Illinois, as amended) hereafter issued by the District shall not exceed the debt service extension base (as defined in the Law) of the District less the amount extended to pay certain other non-referendum bonds heretofore and hereafter issued by the District, as more fully described in said proceedings.

It is our opinion that, subject to the District's compliance with certain covenants, under present law, interest on the Bonds is not includible in 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 and corporations under the Internal Revenue Code of 1986, as amended (the "*Code*"), but is taken into account in computing an adjustment used in determining the federal alternative minimum tax for certain corporations and in computing the "branch profits tax" imposed on certain foreign corporations. Failure to comply with certain of such District covenants could cause interest on the Bonds to be included 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.

As Bond Counsel, we are passing only upon those matters set forth in this opinion and are not passing upon 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 District with respect to certain material facts solely within the District'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.

**Exhibit L - Proposed Form of Opinion of Bond Counsel – 2000C Bonds**

**PROPOSED FORM OF OPINION OF BOND COUNSEL**

**[LETTERHEAD OF CHAPMAN AND CUTLER]**

**[TO BE DATED CLOSING DATE]**

We hereby certify that we have examined certified copy of the proceedings of the Board of Education of Township High School District Number 225, Cook County, Illinois (the “*District*”), passed preliminary to the issue by the District of its fully registered General Obligation School Bonds (Alternate Revenue Source), Series 2000C (the “*Bonds*”), to the amount of \$29,485,000, dated October 1, 2000, due serially on December 1 of the years and in the amounts and bearing interest as follows:

2001	\$ 745,000	5.00%
2002	1,025,000	5.00%
2003	1,070,000	5.00%
2004	1,120,000	5.00%
2005	1,200,000	5.00%
2006	1,255,000	5.00%
2007	1,310,000	5.00%
2008	1,370,000	5.00%
2009	1,435,000	5.50%
2010	1,505,000	5.50%
2011	1,575,000	5.00%
2012	1,650,000	5.25%
2013	1,735,000	5.50%
2014	1,825,000	5.50%
2015	1,920,000	5.50%
2016	2,020,000	5.50%
2017	2,125,000	5.50%
2018	2,240,000	5.50%
2019	2,360,000	5.50%

the Bonds due on or after December 1, 2011, being subject to redemption prior to maturity at the option of the District as a whole or in part in any order of their maturity (less than all of the Bonds of a single maturity to be selected by the Bond Registrar), on December 1, 2010, or on any date thereafter, at the redemption price of par plus accrued interest to the redemption date, and we are of the opinion that such 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 District, and is payable from (i) moneys deposited in the operations and maintenance fund of the District and lawfully available for said purpose and (ii) ad valorem

property taxes levied against all of the taxable property in the District without limitation as to rate or amount, and all taxable property in the District is subject to the levy of such taxes, all except as limited by bankruptcy, insolvency, moratorium, reorganization and other similar laws relating to the enforcement of creditors' rights and subject to the exercise of judicial discretion.

It is our opinion that, subject to the District's compliance with certain covenants, under present law, interest on the Bonds is not includible in 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 and corporations under the Internal Revenue Code of 1986, as amended (the "*Code*"), but is taken into account in computing an adjustment used in determining the federal alternative minimum tax for certain corporations and in computing the "branch profits tax" imposed on certain foreign corporations. Failure to comply with certain of such District covenants could cause interest on the Bonds to be included 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.

As Bond Counsel, we are passing only upon those matters set forth in this opinion and are not passing upon 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 District with respect to certain material facts solely within the District'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.

**[This Page Intentionally Left Blank]**

**Exhibit M - Audited Financial Statements, June 30, 1999**

**NORTHFIELD TOWNSHIP HIGH  
SCHOOL DISTRICT NO. 225**

**FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED JUNE 30, 1999  
AND  
INDEPENDENT AUDITORS' REPORT**

# NORTHFIELD TOWNSHIP HIGH SCHOOL DISTRICT NO. 225

## TABLE OF CONTENTS

JUNE 30, 1999

---

<u>EXHIBIT</u>		<u>PAGE</u>
	Independent Auditors' Report.....	1
<b><u>COMBINED FINANCIAL STATEMENTS</u></b>		
<b><u>All Fund Types and Account Groups</u></b>		
A	Combined Statement of Assets and Liabilities Arising from Cash Transactions .....	3
<b><u>All Fund Types</u></b>		
B	Combined Statement of Cash Receipts, Expenditures and Changes in Fund Balances.....	5
C	Combined Statement of Cash Receipts, Expenditures and Changes in Fund Balances - Budget and Actual.....	7
	Notes to Financial Statements.....	9
<b><u>REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)</u></b>		
	Illinois Municipal Retirement Fund - Analysis of Funding Progress.....	23
	Year 2000 Information.....	24
<b><u>COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS</u></b>		
<b><u>General Funds</u></b>		
D	Combining Statement of Assets and Liabilities Arising from Cash Transactions .....	25
D-1	Combining Statements of Cash Receipts, Expenditures and Changes in Fund Balance.....	26
D-2	<b>Educational Fund</b> - Statement of Cash Receipts, Expenditures and Changes in Fund Balances - Budget and Actual.....	27
D-5	<b>Operations and Maintenance Fund</b> - Statement of Cash Receipts, Expenditures and Changes in Fund Balances - Budget and Actual.....	37

# NORTHFIELD TOWNSHIP HIGH SCHOOL DISTRICT NO. 225

## TABLE OF CONTENTS

JUNE 30, 1999

---

<u>EXHIBIT</u>		<u>PAGE</u>
<b><u>COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS (CONTINUED)</u></b>		
<b><u>Special Revenue Funds</u></b>		
E	Combining Statements of Assets and Liabilities Arising from Cash Transactions .....	39
E-1	Combining Statement of Cash Receipts, Expenditures and Changes in Fund Balances.....	40
E-2	<b>Transportation Fund</b> - Statement of Cash Receipts, Expenditures and Changes in Fund Balances - Budget and Actual.....	41
E-3	<b>Municipal Retirement/Social Security Fund</b> - Statement of Cash Receipts, Expenditures and Changes in Fund Balances - Budget and Actual.....	42
<b><u>Debt Service Fund</u></b>		
F	<b>Bond and Interest Fund</b> - Comparative Statement of Assets and Liabilities Arising from Cash Transactions.....	44
F-1	<b>Bond and Interest Fund</b> - Statement of Cash Receipts, Expenditures and Changes in Fund Balances - Budget and Actual.....	45
<b><u>Capital Projects Funds</u></b>		
G	Combining Statement of Assets and Liabilities Arising from Cash Transactions .....	46
G-1	Combining Statement of Cash Receipts, Expenditures and Changes in Fund Balances.....	47
G-2	<b>Site and Construction Fund</b> - Statement of Cash Receipts, Expenditures and Changes in Fund Balances - Budget and Actual.....	48
G-3	<b>Fire Prevention and Safety Fund</b> - Statement of Cash Receipts, Expenditures and Changes in Fund Balances - Budget and Actual.....	49
<b><u>Fiduciary Fund Types (Trust and Agency Funds)</u></b>		
H	Combining Statement of Assets and Liabilities Arising from Cash Transactions .....	50
H-1	<b>Working Cash Fund</b> - Statement of Cash Receipts, Expenditures and Changes in Fund Balances - Budget and Actual.....	51
H-2	<b>Agency Funds</b> - Statement of Changes in Assets and Liabilities.....	52

# NORTHFIELD TOWNSHIP HIGH SCHOOL DISTRICT NO. 225

## TABLE OF CONTENTS

JUNE 30, 1999

### SCHEDULE

### PAGE

#### SUPPLEMENTAL SCHEDULES

1	Five Year Summary of Assessed Valuations, Tax Rates and Extensions.....	53
2	Debt Service to Maturity \$4,100,000 School Bonds, Series 1994.....	54
3	Debt Service to Maturity \$4,900,000 School Bonds, Series 1995.....	55
4	Operating Cost and Tuition Charge.....	56
5	Student Activity Funds – Detailed Statement of Changes in Assets and Liabilities.....	57

### TABLE

#### STATISTICAL TABLES

1	General and Special Revenue Funds - Revenues by Source.....	62
2	General and Special Revenue Funds - Expenditures by Object.....	64

#### FEDERAL COMPLIANCE REPORT

	Report on Compliance and on Internal Control over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance with <u>Government Auditing Standards</u> .....	66
--	--	----

***This page was intentionally left blank***

***FINANCIAL SECTION***

---

---

# WILLIAM F. GURRIE & CO., LTD.

---

---

CERTIFIED PUBLIC ACCOUNTANTS

SUITE 240  
1010 JORIE BOULEVARD  
OAK BROOK, ILLINOIS 60523-9791  
TELEPHONE (630) 990-3131  
FAX (630) 990-0039

MEMBERS AICPA AND  
ILLINOIS CPA SOCIETY

SIXTY-FIFTH ANNIVERSARY  
1934-1999

## INDEPENDENT AUDITORS' REPORT

August 22, 1999

To the Board of Education  
Northfield Township High School District No. 225  
1835 Landwehr Road  
Glenview, Illinois 60025

We have audited the accompanying combined financial statements and the combining financial statements of Northfield Township High School District No. 225, as of and for the year ended June 30, 1999, and the individual fund financial statements of the District as of and for the years ended June 30, 1999 and 1998, as listed in the table of contents. These financial statements are the responsibility of Northfield Township High School District No. 225's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. 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 includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As described in Note 1, Northfield Township High School District No. 225 prepares its financial statements on the cash basis, which is a comprehensive basis of accounting other than generally accepted accounting principles.

In our opinion the combined, combining, and individual fund financial statements referred to above present fairly, in all material respects, the assets, liabilities, and fund balances arising from cash transactions of Northfield Township High School District No. 225 as of June 30, 1999, and its receipts, expenditures and changes in fund balances for the year then ended on the basis of accounting described in Note 1. Also, in our opinion, the individual fund financial statements as of June 30, 1998, present fairly, in all material respects, the assets, liabilities, and fund balances arising from cash transactions of each of the individual funds as of June 30, 1998 and the receipts, expenditures and changes in fund balances for the year then ended of such funds on the basis of accounting described in Note 1.

In accordance with Government Auditing Standards, we have also issued a report dated August 22, 1999 on our consideration of Northfield Township High School District No. 225's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants.

Our audit of the 1999 financial statements was conducted for the purpose of forming an opinion on the combined financial statements taken as a whole and on the combining and individual fund financial statements. The financial information listed as supplementary schedules in the table of contents is presented for purposes of additional analysis and is not a required part of the aforementioned financial statements of Northfield Township High School District No. 225. Such information has been subjected to the auditing procedures applied in the audit of the combined, combining and individual fund financial statements and, in our opinion, is fairly presented in all material respects in relation to the financial statements of each of the respective individual funds taken as a whole.

The required supplementary information listed in the table of contents is not a required part of the combined financial statements but is supplementary information required by the Government Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, we did not audit the information and express no opinion on it. In addition, we do not provide assurance that the Northfield Township High School District No. 225 is or will become year 2000 compliant, that the Northfield Township High School District No. 225's year 2000 remediation efforts will be successful in whole or in part, or that parties with which the Northfield Township High School District No. 225 does business are or will become year 2000 compliant.

*William F. Gurrie & Co., Ltd.*  
**WILLIAM F. GURRIE & CO., LTD.**

**NORTHFIELD TOWNSHIP HIGH SCHOOL DISTRICT NO. 225**  
**ALL FUND TYPES AND ACCOUNT GROUPS**  
**COMBINED STATEMENT OF ASSETS AND LIABILITIES ARISING FROM CASH TRANSACTIONS**  
**JUNE 30, 1999**  
**WITH COMPARATIVE TOTALS FOR JUNE 30, 1998**

	GOVERNMENTAL FUND TYPES		
	GENERAL	SPECIAL REVENUE	DEBT SERVICE
<b>ASSETS AND OTHER DEBITS</b>			
Cash	\$ 447,195	\$ 8,929	\$ 550
Investments	26,406,866	1,448,307	718,633
Other current assets	70,388	-	-
Fixed assets	-	-	-
Amount available for retirement of General Long-Term Debt	-	-	-
Amount to be provided from future receipts	-	-	-
<b>TOTAL ASSETS AND OTHER DEBITS</b>	<b>\$ 26,924,449</b>	<b>\$ 1,457,236</b>	<b>\$ 719,183</b>
<b>LIABILITIES, FUND EQUITY AND OTHER CREDITS</b>			
<b>LIABILITIES</b>			
Due to Activity Fund Organizations	\$ -	\$ -	\$ -
Other current liabilities	17,478	-	-
Bonds payable	-	-	-
Installment contracts payable	-	-	-
<b>TOTAL LIABILITIES</b>	<b>17,478</b>	<b>-</b>	<b>-</b>
<b>FUND EQUITY AND OTHER CREDITS</b>			
Invested in General Fixed Assets	-	-	-
<b>FUND BALANCE</b>			
Unreserved Fund Balance:			
Other designations	300,000	-	-
Other designations	-	-	-
Undesignated	26,606,971	1,457,236	719,183
<b>TOTAL FUND EQUITY AND OTHER CREDITS</b>	<b>26,906,971</b>	<b>1,457,236</b>	<b>719,183</b>
<b>TOTAL LIABILITIES, FUND EQUITY AND OTHER CREDITS</b>	<b>\$ 26,924,449</b>	<b>\$ 1,457,236</b>	<b>\$ 719,183</b>

See Accompanying Notes to Combined Financial Statements

CAPITAL PROJECTS	FIDUCIARY FUND TYPES TRUST AND AGENCY	ACCOUNT GROUPS		TOTAL (MEMORANDUM ONLY)	
		GENERAL FIXED ASSETS	GENERAL LONG-TERM DEBT	1999	1998
\$ 97	\$ 673,143	\$ -	\$ -	\$ 1,129,914	\$ 1,243,474
419,584	4,873,600	-	-	33,866,990	34,942,271
-	-	-	-	70,388	8,346
-	-	102,867,473	-	102,867,473	61,178,178
-	-	-	719,183	719,183	1,247,185
-	-	-	5,280,817	5,280,817	6,465,260
<u>\$ 419,681</u>	<u>\$ 5,546,743</u>	<u>\$ 102,867,473</u>	<u>\$ 6,000,000</u>	<u>\$ 143,934,765</u>	<u>\$ 105,084,714</u>
\$ -	\$ 673,048	\$ -	\$ -	\$ 673,048	\$ 581,407
-	-	-	-	17,478	15,017
-	-	-	6,000,000	6,000,000	7,675,000
-	-	-	-	-	37,445
-	<u>673,048</u>	-	<u>6,000,000</u>	<u>6,690,526</u>	<u>8,308,869</u>
-	-	102,867,473	-	102,867,473	61,178,178
-	-	-	-	300,000	300,000
-	-	-	-	-	675,947
<u>419,681</u>	<u>4,873,695</u>	-	-	<u>34,076,766</u>	<u>34,621,720</u>
<u>419,681</u>	<u>4,873,695</u>	<u>102,867,473</u>	-	<u>137,244,239</u>	<u>96,775,845</u>
<u>\$ 419,681</u>	<u>\$ 5,546,743</u>	<u>\$ 102,867,473</u>	<u>\$ 6,000,000</u>	<u>\$ 143,934,765</u>	<u>\$ 105,084,714</u>

**NORTHFIELD TOWNSHIP HIGH SCHOOL DISTRICT NO. 225**

**ALL FUND TYPES**

**COMBINED STATEMENT OF CASH RECEIPTS, EXPENDITURES AND CHANGES IN FUND BALANCES**

FOR THE YEAR ENDED JUNE 30, 1999

WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 1998

	GOVERNMENTAL FUND TYPES			
	GENERAL	SPECIAL REVENUE	DEBT SERVICE	CAPITAL PROJECTS
<b>RECEIPTS</b>				
Local sources:				
Property taxes	\$ 49,418,908	\$ 2,038,605	\$ (1,741)	\$ 819,483
Replacement taxes	1,181,937	102,000	500,000	-
Other payments in lieu of taxes	890,474	-	-	-
Tuition	329,331	-	-	-
Earnings on investments	1,382,117	80,387	57,036	33,050
Food services	1,026,549	-	-	-
Pupil activities	93,135	-	-	-
Textbooks	1,038,271	-	-	-
Rentals	106,143	-	-	-
Contributions and donations from private sources	270,419	-	-	-
Services provided other LEA's	73,734	-	-	-
Refund of prior years' expenditures	105,818	-	-	-
Other local sources	16,076	-	-	-
<b>Total Local Sources</b>	<b>55,932,912</b>	<b>2,220,992</b>	<b>555,295</b>	<b>852,533</b>
State Sources	4,438,167	381,936	1,000,000	-
Federal Sources	395,862	-	-	-
<b>Total Receipts</b>	<b>60,766,941</b>	<b>2,602,928</b>	<b>1,555,295</b>	<b>852,533</b>
<b>EXPENDITURES</b>				
Current:				
Instruction	30,454,982	396,215	-	-
Support Services	23,704,134	2,184,715	-	-
Community Services	26,144	1,563	-	-
Nonprogrammed Charges	884,606	-	-	-
Debt Service:				
Principal	-	-	1,675,000	-
Interest and other	-	-	408,297	-
Capital Outlay	5,255,735	-	-	2,486,806
<b>Total Expenditures</b>	<b>60,325,601</b>	<b>2,582,493</b>	<b>2,083,297</b>	<b>2,486,806</b>
<b>EXCESS (DEFICIENCY) OF RECEIPTS OVER EXPENDITURES</b>	<b>441,340</b>	<b>20,435</b>	<b>(528,002)</b>	<b>(1,634,273)</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	-	-	-	-
Transfers (Out)	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>EXCESS (DEFICIENCY) OF RECEIPTS AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER (USES)</b>	<b>441,340</b>	<b>20,435</b>	<b>(528,002)</b>	<b>(1,634,273)</b>
<b>FUND BALANCE, BEGINNING OF YEAR</b>	<b>26,465,631</b>	<b>1,436,801</b>	<b>1,247,185</b>	<b>2,053,954</b>
<b>FUND BALANCE, END OF YEAR</b>	<b>\$ 26,906,971</b>	<b>\$ 1,457,236</b>	<b>\$ 719,183</b>	<b>\$ 419,681</b>

See Accompanying Notes to Combined Financial Statements

Exhibit B

FIDUCIARY		TOTAL	
FUND TYPES	(MEMORANDUM ONLY)		
EXPENDABLE	1999	1998	
TRUST			
\$ 235,526	\$ 52,510,781	\$ 51,515,962	
-	1,783,937	1,743,480	
-	890,474	857,787	
-	329,331	299,581	
244,073	1,796,663	2,451,422	
-	1,026,549	859,562	
-	93,135	77,803	
-	1,038,271	925,353	
-	106,143	97,928	
-	270,419	240,613	
-	73,734	99,054	
-	105,818	327,725	
-	16,076	14,530	
479,599	60,041,331	59,510,800	
-	5,820,103	5,310,750	
-	395,862	320,848	
479,599	66,257,296	65,142,398	
-	30,851,197	28,940,181	
-	25,888,849	24,356,720	
-	27,707	4,822	
-	884,606	933,503	
-	1,675,000	1,550,000	
-	408,297	505,910	
-	7,742,541	7,701,866	
-	67,478,197	63,993,002	
479,599	(1,220,901)	1,149,396	
-	-	1,017,625	
-	-	(1,017,625)	
-	-	-	
479,599	(1,220,901)	1,149,396	
4,394,096	35,597,667	34,448,271	
\$ 4,873,695	\$ 34,376,766	\$ 35,597,667	

# NORTHFIELD TOWNSHIP HIGH SCHOOL DISTRICT NO. 225

## ALL FUND TYPES

### COMBINED STATEMENT OF CASH RECEIPTS, EXPENDITURES AND CHANGES IN FUND BALANCES BUDGET AND ACTUAL FOR THE YEAR ENDED JUNE 30, 1999

	GOVERNMENTAL FUND TYPES					
	GENERAL		SPECIAL REVENUE		DEBT SERVICE	
	BUDGET	ACTUAL	BUDGET	ACTUAL	BUDGET	ACTUAL
<b>RECEIPTS</b>						
Local sources:						
Property taxes	\$ 49,966,332	\$ 49,418,908	\$ 2,213,109	\$ 2,038,605	\$ -	\$ (1,741)
Replacement taxes	600,000	1,181,937	102,000	102,000	500,000	500,000
Other payments in lieu of taxes	750,000	890,474	-	-	-	-
Tuition	273,481	329,331	-	-	-	-
Earnings on investments	1,231,000	1,382,117	72,000	80,387	40,000	57,036
Food services	867,000	1,026,549	-	-	-	-
Pupil activities	64,000	93,135	-	-	-	-
Textbooks	839,500	1,038,271	-	-	-	-
Rentals	85,700	106,143	-	-	-	-
Contributions and donations from private sources	130,000	270,419	-	-	-	-
Services provided other LEA's	80,000	73,734	-	-	-	-
Refund of prior years' expenditures	5,000	105,818	-	-	-	-
Other local sources	16,000	16,076	-	-	-	-
<b>Total Local Sources</b>	<b>54,908,013</b>	<b>55,932,912</b>	<b>2,387,109</b>	<b>2,220,992</b>	<b>540,000</b>	<b>555,295</b>
State Sources	1,220,771	1,422,331	360,000	381,936	1,000,000	1,000,000
Federal Sources	314,111	395,862	-	-	-	-
<b>Total Receipts</b>	<b>56,442,895</b>	<b>57,751,105</b>	<b>2,747,109</b>	<b>2,602,928</b>	<b>1,540,000</b>	<b>1,555,295</b>
<b>EXPENDITURES</b>						
Current:						
Instruction	28,493,847	27,439,146	268,960	396,215	-	-
Support Services	24,163,758	23,704,134	2,440,670	2,184,715	-	-
Community Services	19,600	26,144	-	1,563	-	-
Nonprogrammed Charges	1,024,000	884,606	-	-	-	-
Debt Service:						
Principal	-	-	-	-	1,675,000	1,675,000
Interest and other	-	-	-	-	412,800	408,297
Capital Outlay	5,739,582	5,255,735	-	-	-	-
Provision for Contingencies	-	-	94,000	-	50,000	-
<b>Total Expenditures</b>	<b>59,440,787</b>	<b>57,309,765</b>	<b>2,803,630</b>	<b>2,582,493</b>	<b>2,137,800</b>	<b>2,083,297</b>
<b>EXCESS (DEFICIENCY) OF RECEIPTS OVER EXPENDITURES</b>	<b>\$ (2,997,892)</b>	<b>441,340</b>	<b>\$ (56,521)</b>	<b>20,435</b>	<b>\$ (597,800)</b>	<b>(528,002)</b>
<b>FUND BALANCE, BEGINNING OF YEAR</b>		<b>26,465,631</b>		<b>1,436,801</b>		<b>1,247,185</b>
<b>FUND BALANCE, END OF YEAR</b>		<b>\$ 26,906,971</b>		<b>\$ 1,457,236</b>		<b>\$ 719,183</b>

See Accompanying Notes to Combined Financial Statements

CAPITAL PROJECTS		FIDUCIARY FUND TYPES WORKING CASH		TOTAL (MEMORANDUM ONLY)	
BUDGET	ACTUAL	BUDGET	ACTUAL	BUDGET	ACTUAL
\$ 823,244	\$ 819,483	\$ 238,096	\$ 235,526	\$ 53,240,781	\$ 52,510,781
-	-	-	-	1,202,000	1,783,937
-	-	-	-	750,000	890,474
-	-	-	-	273,481	329,331
70,000	33,050	197,000	244,073	1,610,000	1,796,663
-	-	-	-	867,000	1,026,549
-	-	-	-	64,000	93,135
-	-	-	-	839,500	1,038,271
-	-	-	-	85,700	106,143
-	-	-	-	130,000	270,419
-	-	-	-	80,000	73,734
-	-	-	-	5,000	105,818
-	-	-	-	16,000	16,076
<u>893,244</u>	<u>852,533</u>	<u>435,096</u>	<u>479,599</u>	<u>59,163,462</u>	<u>60,041,331</u>
-	-	-	-	2,580,771	2,804,267
-	-	-	-	314,111	395,862
<u>893,244</u>	<u>852,533</u>	<u>435,096</u>	<u>479,599</u>	<u>62,058,344</u>	<u>63,241,460</u>
-	-	-	-	28,762,807	27,835,361
-	-	-	-	26,604,428	25,888,849
-	-	-	-	19,600	27,707
-	-	-	-	1,024,000	884,606
-	-	-	-	1,675,000	1,675,000
-	-	-	-	412,800	408,297
2,447,200	2,486,806	-	-	8,186,782	7,742,541
150,000	-	-	-	294,000	-
<u>2,597,200</u>	<u>2,486,806</u>	<u>-</u>	<u>-</u>	<u>66,979,417</u>	<u>64,462,361</u>
<u>\$ (1,703,956)</u>	<u>(1,634,273)</u>	<u>\$ 435,096</u>	<u>479,599</u>	<u>\$ (4,921,073)</u>	<u>(1,220,901)</u>
	<u>2,053,954</u>		<u>4,394,096</u>		<u>35,597,667</u>
	<u>\$ 419,681</u>		<u>\$ 4,873,695</u>		<u>\$ 34,376,766</u>

# NORTHFIELD TOWNSHIP HIGH SCHOOL DISTRICT NO. 225

## NOTES TO FINANCIAL STATEMENTS

JUNE 30, 1999

---

### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of Northfield Township High School District No. 225 (the "District") conform to the cash basis of accounting, as applicable to local governmental units of this type. The following is a summary of the more significant accounting policies of the District:

#### A. Reporting Entity

In evaluating how to define the District for financial reporting purposes, management has considered all potential component units. The decision to include a potential component unit in the reporting entity is made by applying the criteria established by the Governmental Accounting Standards Board (GASB). The definition of a component unit is a legally separate organization for which the District is financially accountable and other organizations for which the nature and significance of their relationship with the District are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. The District is financially accountable if it appoints a voting majority of the organization's governing body and (1) it is able to impose its will on that organization or (2) there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the District. The District also may be financially accountable if an organization is fiscally dependent on the District, regardless of whether the organization has (1) a separately elected governing board, (2) a governing board appointed by a higher level of government or (3) a jointly-appointed board. There are no component units, as defined by GASB, which are included in the District's reporting entity. Even though there are local government agencies within the geographic area served by the District, such as the municipality, library and park district, these agencies have been excluded from the report because they are legally separate and the District is not financially accountable for them. Also, the District is not included as a component unit in any other governmental reporting entity, as defined by GASB pronouncements.

#### B. Measurement Focus, Basis of Accounting and Basis of Presentation

The accounts of the District are organized and operated on the basis of funds and account groups. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts that comprise its assets, liabilities, fund balance, receipts and expenditures, as appropriate. Fund accounting segregates funds according to their intended purpose, and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds are maintained consistent with legal and managerial requirements. Account groups are reporting devices to account for certain assets and liabilities of the governmental funds not recorded directly in those funds.

Basis of accounting refers to when revenues received and expenditures disbursed are recognized in the accounts and how they are reported on the financial statements. The District maintains its accounting records for all funds and account groups on the cash basis of accounting under guidelines prescribed by the Illinois State Board of Education.

# NORTHFIELD TOWNSHIP HIGH SCHOOL DISTRICT NO. 225

## NOTES TO FINANCIAL STATEMENTS

JUNE 30, 1999

---

Accordingly, revenues are recognized and recorded in the accounts when cash is received. In the same manner, expenditures are recognized and recorded upon the disbursement of cash. Guidelines prescribed by the Illinois State Board of Education consider payments by the State of Illinois to the Teachers' Retirement System ("TRS") on behalf of the District's employees who are members of TRS ("on-behalf payments") to be cash transactions of the District. Assets of a fund are only recorded when a right to receive cash exists which arises from a previous cash transaction. Liabilities of a fund, similarly, result from previous cash transactions.

Cash basis financial statements omit recognition of receivables and payables and other accrued and deferred items that do not arise from previous cash transactions.

Proceeds from sales of bonds are included as "other financing sources" in the appropriate fund on the date received. Related bond principal payable in the future is recorded at the same time in the General Long-Term Debt Account Group.

The District has the following types of funds and account groups, which are accounted for using the cash basis of accounting:

### **Governmental Fund Types**

Governmental funds are those through which most governmental functions of the District are financed. The acquisition, use, and balances of the District's expendable financial resources and the related liabilities are accounted for through governmental funds. The measurement focus is upon determination of changes in financial position, rather than upon net income determination. The following are the District's governmental funds:

**General Fund** - The General Fund is the general operating fund of the District. It is used to account for all financial resources except those required to be accounted for in another fund. The General Fund consists of the following:

**Educational Fund** - This fund is used for most of the instructional and administrative aspects of the District's operations. The receipts consist primarily of local property taxes and state government aid.

**Operations and Maintenance Fund** - This fund is used for expenditures made for repair and maintenance of District property. Receipts consist primarily of local property taxes.

**Special Revenue Funds** - Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than those accounted for in the Debt Service Fund, Capital Projects Fund or Fiduciary Funds) that are legally restricted to expenditures for specified purposes.

Each of the District's Special Revenue Funds has been established as a separate fund in accordance with the fund structure required by the State of Illinois for local educational agencies. These funds account for local property taxes restricted to specific purposes. A brief description of the District's Special Revenue Funds follows:

# NORTHFIELD TOWNSHIP HIGH SCHOOL DISTRICT NO. 225

## NOTES TO FINANCIAL STATEMENTS

JUNE 30, 1999

---

***Transportation Fund*** - This fund accounts for all revenue and expenditures made for student transportation. Receipts are derived primarily from local property taxes and state reimbursement grants.

***Municipal Retirement/Social Security Fund*** - This fund accounts for the District's portion of pension contributions to the Illinois Municipal Retirement Fund, payments to Medicare for certified employees and payments to the Social Security System for non-certified employees. Receipts to finance the contributions are derived primarily from local property taxes.

***Debt Service Fund*** - The Debt Service Fund is used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest and related costs. A brief description of the District's Debt Service Fund is as follows:

***Bond and Interest Fund*** - This fund accounts for the periodic principal and interest payments on the bond issues of the District. The primary receipt source is local property taxes levied specifically for debt service, general state aid and corporate personal property replacement taxes.

***Capital Projects Fund*** - The Capital Projects Fund is used to account for the financial resources to be used for the acquisition or construction of, and/or additions to, major capital facilities.

***Site and Construction Fund*** - This fund is used to account for construction projects and renovations financed through serial bond issues.

***Fire Prevention and Life Safety Fund*** - This fund is used to account for State-approved life safety projects financed through serial bond issues and local property taxes levied specifically for life safety construction projects.

***Fiduciary Fund Types (Trust and Agency Funds)*** - Fiduciary Funds (Trust and Agency Funds) are used to account for assets held by the District in a trustee capacity or as an agent for individuals, private organizations, other governments or other funds.

***Expendable Trust Fund*** - The Expendable Trust Fund (Working Cash Fund) accounts for financial resources held by the District to be used as temporary interfund loans for working capital requirements to the General Fund and the Special Revenue Fund's Transportation Fund. Money loaned by the Working Cash Fund to other funds must be repaid within one year. As allowed by the School Code of Illinois, this fund may be permanently abolished and become a part of the Educational Fund within the General Fund.

# NORTHFIELD TOWNSHIP HIGH SCHOOL DISTRICT NO. 225

## NOTES TO FINANCIAL STATEMENTS

JUNE 30, 1999

---

**Agency Funds** - The Agency Funds include Student Activity Funds, Convenience Accounts and Other Agency Funds. These funds are custodial in nature and do not involve the measurement of results of operations. Although the Board of Education has the ultimate responsibility for Activity Funds, they are not local education agency funds. Student Activity Funds account for assets held by the District which are owned, operated and managed generally by the student body, under the guidance and direction of adults or a staff member, for educational, recreational or cultural purposes. Convenience Accounts account for assets that are normally maintained by a local education agency as a convenience for its faculty, staff, etc. The District maintains no pension trust funds or non-expendable trust funds.

### **General Fixed Assets and General Long-Term Debt Account Groups**

Account groups are used to establish accounting control and accountability for the District's general fixed assets and general long-term debt. The accounting and financial reporting treatment applied to the fixed assets and long-term liabilities associated with a fund are determined by its measurement focus.

**Fixed Assets** - General fixed assets have been acquired for general governmental purposes. At the time of purchase, assets are recorded as expenditures paid in the Governmental Funds and capitalized at cost in the General Fixed Assets Account Group. Donated general fixed assets are listed at estimated fair market value as of the date of acquisition. Depreciation accounting is not applicable, except to determine the per capita tuition charge. Interest costs incurred during construction are not capitalized as part of fixed assets.

**Long-Term Liabilities** - Long-term liabilities expected to be financed from governmental funds are accounted for in the General Long-Term Debt Account Group, not in the governmental funds. The debt recorded in the District's General Long-Term Debt Account Group consists of serial bond issues and capital lease obligations.

The two account groups are not "funds." They are concerned only with the measurement of financial position. They are not involved with measurement of results of operations.

### **C. Assets, Liabilities and Fund Equity**

#### **Deposits and Investments**

The District's cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of acquisition.

State statutes authorize the District to invest in obligations of the U.S. Treasury, certain highly-rated commercial paper, corporate bonds, repurchase agreements, and the State Treasurer's Investment Pool. Investments are stated at cost or amortized cost.

# NORTHFIELD TOWNSHIP HIGH SCHOOL DISTRICT NO. 225

## NOTES TO FINANCIAL STATEMENTS

JUNE 30, 1999

---

### **Property Tax Receipts**

The District must file its tax levy ordinance by the last Tuesday in December of each year. The District's 1998 Levy Ordinance was approved during the December 15, 1998 board meeting. The District's property tax is levied each year on all taxable real property located in the District and it becomes a lien on the property on January 1 of that year. The owner of real property on January 1 in any year is liable for taxes of that year. The District has a statutory tax rate limit in various operating funds subject to change only by approval of the voters of the District. Also, the District is subject to the Property Tax Extension Limitation Act, which, in general, limits the amount of taxes to be extended to the lesser of 5% or the percentage increase in the consumer price index for the year preceding the levy. Certain bond issue levies and referendum increases are exempt from this limitation.

Property taxes are collected by the Cook County Collector/Treasurer, who remits to the District its share of collections. Taxes levied in one year become due and payable in two installments: the first due on March 1 and the second due on the later of August 1 or 30 days after the second installment tax bill is mailed (typically, this is due in late August or early September). The first installment is an estimated bill, and is one-half of the prior year's taxbill. The second installment is based on the current levy, assessment and equalization, and any changes from the prior year will be reflected in the second installment bill. Property taxes are normally collected by the District within 60 days of the respective installment dates.

### **Fixed Assets**

Fixed assets used in governmental fund types of the District are recorded in the general fixed assets account group at cost or estimated historical cost if purchased or constructed. Donated fixed assets are recorded at their estimated fair value at the date of donation. Assets in the general fixed assets account group are depreciated on the straight-line method over the estimated useful life of the asset, as follows: buildings – 50 years, improvements other than buildings – 20 years, and equipment – ten years. Interest incurred during construction is not capitalized as a part of general fixed assets.

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not included in the general fixed assets account group.

### **Long-Term Obligations**

The District reports long-term debt of governmental funds at face value in the general long-term debt account group. Certain other governmental fund obligations not expected to be financed with current available financial resources are also reported in the general long-term debt account group.

For governmental fund types, bond premiums and discounts, as well as issuance costs are recognized during the current period. Bond proceeds are reported as an "other financing source", net of the applicable premium or discount.

# NORTHFIELD TOWNSHIP HIGH SCHOOL DISTRICT NO. 225

## NOTES TO FINANCIAL STATEMENTS

JUNE 30, 1999

---

### **Designated Fund Equity**

A portion (\$300,000) of the Educational Fund balance is designated for future health insurance claims.

### **Memorandum Only - Total Columns**

Total columns on the combined financial statements are captioned as "Memorandum Only" because they do not represent consolidated financial information and are presented only to facilitate financial analysis. The amounts in these columns do not present information that reflects financial position, results of operations or cash flows in accordance with generally accepted accounting principles.

### **Comparative Data**

Comparative totals for the prior year have been presented in selected sections of the accompanying financial statements in order to provide an understanding of the changes in the District's financial position and operations.

## **2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY**

### **A. Budgetary Data**

Budgeted amounts for the Governmental Funds and Expendable Trust Fund are adopted on a basis consistent with the cash basis of accounting prescribed by the program accounting manual for Illinois School Districts.

For each fund, total fund expenditures may not legally exceed the budgeted amounts.

The Board of Education follows these procedures in establishing the budgetary data reflected in the general purpose financial statements:

1. The Administration submits to the Board of Education a proposed operating budget for the fiscal year commencing July 1. The operating budget includes proposed expenditures and the means of financing them.
2. Public hearings are conducted and the proposed budget is available for inspection to obtain taxpayer comments.
3. Prior to September 30, the budget is legally adopted through passage of an ordinance. By the last Tuesday in December, a tax levy ordinance is filed with the county clerk to obtain tax revenues.
4. Management is authorized to transfer budget amounts, provided funds are transferred between the same function and object codes. The Board of Education is authorized to transfer up to a legal level of 10% of the total budget between functions within any fund; however, any revisions that alter the total expenditures of any fund must be approved by the Board of Education, after following the public hearing process mandated by law. There were no supplemental appropriations during the year.

# NORTHFIELD TOWNSHIP HIGH SCHOOL DISTRICT NO. 225

## NOTES TO FINANCIAL STATEMENTS

JUNE 30, 1999

5. Formal budgetary integration is employed as a management control device during the year for all governmental funds.
6. Budgeted amounts for the governmental funds are adopted on a basis consistent with the cash basis of accounting prescribed by the program accounting manual for Illinois School Districts. The level of budgetary control is established by function and activity within an individual fund.
7. All budget appropriations lapse at the end of the fiscal year.
8. The budget amounts shown in the financial statements are as originally adopted.

### **B. Budget Reconciliations**

Items required to adjust actual receipts and expenditures reported on the budgetary basis to those reported on the Combined Statement of Receipts, Expenditures and Changes in Fund Balance - All Governmental Fund Types and Expendable Trust Funds (Financial Reporting Basis) are as follows:

	<u>Receipts</u>	<u>Expenditures</u>
General Fund Budgetary Basis	\$ 57,755,911	\$ 57,309,765
To adjust for on-behalf payments received	3,015,836	-
To adjust for on-behalf payments made	-	3,015,836
Financial Reporting Basis	<u>\$ 60,771,747</u>	<u>\$ 60,325,601</u>

### **3. DETAILED NOTES ON ALL FUNDS AND ACCOUNT GROUPS**

#### **A. Deposits and Investments**

Under Illinois Compiled Statutes, the Northfield Township School Treasurer is the lawful custodian of all school funds. The Treasurer is appointed by the Township School Trustees, an independent elected body, to serve the school districts in the township. The Treasurer is the direct recipient of property taxes, replacement taxes and most state and federal aid and disburses school funds upon lawful order of the school board. The Treasurer invests excess funds at his discretion, subject to the legal restrictions discussed below. For these purposes, the Treasurer is permitted to combine monies from more than one fund of a single district and to combine monies of more than one district in the township. Monies combined under these circumstances, as well as investment earnings, are accounted for separately for each fund and/or district.

Cash and investments, other than the student activity and imprest funds, are part of a common pool for all school districts and cooperatives within the township. The Treasurer maintains records that segregate the cash and investment balance by district or cooperative. Income from investments is distributed annually based on the District's percentage participation in the pool. All cash for all funds, including cash applicable to the Bond and Interest Fund and the Illinois Municipal Retirement/Social Security Fund, is not deemed available for purposes other than those for which these balances are intended.

# NORTHFIELD TOWNSHIP HIGH SCHOOL DISTRICT NO. 225

## NOTES TO FINANCIAL STATEMENTS

JUNE 30, 1999

The Treasurer's investment policies are established by the Northfield Township School Trustees as prescribed by the Illinois School Code and the Illinois Compiled Statutes. The Treasurer is authorized to invest in obligations of the U.S. Treasury, backed by the full faith and credit of the U.S. Government, certificates of deposit issued by commercial banks and savings and loan associations, and commercial paper rated within the three highest classifications by at least two standard rating services (subject to certain limitations).

At year end, the District's cash and investments totaled \$34,996,904. This amount is segregated into three components: 1) cash on hand; 2) deposits with financial institutions, which include amounts held in demand accounts, savings accounts and non-negotiable certificates of deposit; 3) deposits with public treasurer pools, which are noncategorizable; and, 4) marketable securities, which consist of all investments other than certificates of deposit. The carrying amount of cash on hand, deposits with financial institutions, deposits with treasurer pools and investments at year end was \$2,200, \$31,440,383, \$2,554,348 and \$999,973, respectively.

The District's bank balances of deposits at June 30, 1999 are entirely insured or collateralized with securities held by the District or its agents in the District's name.

Marketable securities are categorized into these three categories of credit risk:

1. Insured or registered, or securities held by the District or its agent in the District's name.
2. Uninsured and unregistered, with securities held by the counter-party's trust department or agent in the District's name.
3. Uninsured and unregistered, with securities held by the counter-party, or by its trust department or agent but not in the District's name.

At year end, the District's marketable securities were as follows:

	<i>Category</i>			<i>Carrying</i>	<i>Market</i>
	<i>1</i>	<i>2</i>	<i>3</i>	<i>Amount</i>	<i>Value</i>
U.S. Government Securities	\$ 999,973	\$ -	\$ -	\$ 999,973	\$ 1,024,279
Total	\$ 999,973	\$ -	\$ -	\$ 999,973	\$ 1,024,279

Separate cash and investment accounts are not maintained for all District funds; instead, the individual funds maintain their invested and uninvested balances in the common checking and investment accounts, with accounting records being maintained to show the portion of the common account balance attributable to each participating fund.

Occasionally certain funds participating in the common bank accounts will incur overdrafts (deficits) in the account. The overdrafts result from expenditures that have been approved by the Board of Education.

# NORTHFIELD TOWNSHIP HIGH SCHOOL DISTRICT NO. 225

## NOTES TO FINANCIAL STATEMENTS

JUNE 30, 1999

**B. Loan Receivable**

During fiscal years 1995, 1996, 1997 and 1999, the Board of Education authorized the purchase, and interest-free financing, of personal computer equipment by District employees up to \$10,000 per employee. The District will be repaid by the participating employees over a 10 – 20 month period of time through payroll deductions. Upon termination of employment with the District, the employee is required to pay any remaining balance of the loan.

**C. Fixed Assets**

Activity in the general fixed assets account group for the District for the year ended June 30, 1999 was as follows:

	<b><u>Balance</u></b> <b><u>July 1,</u></b> <b><u>1998</u></b>	<b><u>Additions</u></b>	<b><u>Retirements</u></b>	<b><u>Balance</u></b> <b><u>June 30,</u></b> <b><u>1999</u></b>
Land	\$ 384,837	\$ 298,587	\$ -	\$ 683,424
Buildings and Improvements	71,771,318	6,343,078	-	78,114,396
Improvements other than buildings	5,868,742	-	-	5,868,742
Machinery and Equipment	<u>17,110,620</u>	<u>1,100,876</u>	<u>10,585</u>	<u>18,200,911</u>
 Total general fixed assets	 \$ <u>95,135,517</u>	 \$ <u>7,742,541</u>	 \$ <u>10,585</u>	 102,867,473
 Accumulated depreciation				 <u>(37,225,436)</u>
 Net fixed assets				 \$ <u>65,642,037</u>

**NORTHFIELD TOWNSHIP HIGH SCHOOL DISTRICT NO. 225**

**NOTES TO FINANCIAL STATEMENTS**

JUNE 30, 1999

**D. Long-Term Debt**

*General Obligation Bonds.* General obligation bonds are direct obligations and pledge the full faith and credit of the District. General obligation bonds currently outstanding are as follows:

<u>Purpose</u>	<u>Interest Rates</u>	<u>Amount</u>
Working Cash, dated 12-1-1994	5.70% - 7.00%	\$ 4,100,000
Working Cash, dated 1-1-1995	5.30% - 8.45%	<u>1,900,000</u>
 Total		 \$ <u>6,000,000</u>

Annual debt service requirements to maturity for general obligation bonds are as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2000	\$ 1,080,000	\$ 322,878	\$ 1,402,878
2001	1,140,000	256,933	1,396,933
2002	1,205,000	185,731	1,390,731
2003	1,275,000	111,738	1,386,738
2004	<u>1,300,000</u>	<u>37,700</u>	<u>1,337,700</u>
 Total	 \$ <u>6,000,000</u>	 \$ <u>914,980</u>	 \$ <u>6,914,980</u>

The District is subject to Illinois School Code, which limits the amount of certain bond indebtedness to 6.9% of the most recent available equalized assessed valuation of the District. As of June 30, 1999, the statutory debt limit for the District was \$189,629,808, providing a debt margin of \$183,629,808.

*Changes in General Long-term Liabilities.* During the year ended June 30, 1999, the following changes occurred in liabilities which were reported in the general long-term debt account group:

	<u>Balance June 30, 1998</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance June 30, 1999</u>
Capitalized lease obligation	\$ 37,445	\$ -	\$ 37,445	\$ -
General Obligation Bonds	<u>7,675,000</u>	<u>-</u>	<u>1,675,000</u>	<u>6,000,000</u>
 Totals	 \$ <u>7,712,445</u>	 \$ <u>-</u>	 \$ <u>1,712,445</u>	 \$ <u>6,000,000</u>

# NORTHFIELD TOWNSHIP HIGH SCHOOL DISTRICT NO. 225

## NOTES TO FINANCIAL STATEMENTS

JUNE 30, 1999

---

### 4. OTHER INFORMATION

#### A. Risk Management

The District is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters. The District is a member of two public entity risk pools, described below, that provide property and liability coverage and purchases. Claims settlements have not exceeded these coverages for any of the preceding three years and there has been no significant reduction in coverage since last year.

The District is self-insured for employee medical and dental benefits. These programs are administered by Blue Cross and Blue Shield, which administers the self-insurance programs, evaluates claims, and makes payments in accordance with the benefit plans. For fiscal 1999, actual medical and dental insurance expenditures were \$ 3,881,422.

#### B. Public Entity Risk Pools

The District is a member of the Secondary School Cooperative Risk Management Program (SSCRMP) and the School Employee Loss Fund (SELF). SSCRMP insures all of the District's property, general liability, automobile, employee dishonesty, and excess liability claims, up to specified limits. SELF covers workers' compensation claims.

In each instance, the pool is a separate entity which sets rates and purchases commercial excess and stop-loss coverage. The District pays an annual premium to the pool for coverage. Supplementary payments may also be required upon the determination by the pool's Board of Directors that the annual premiums are insufficient to fund the operations of the pool. No such supplemental payments have been required by either pool in the last three years.

#### C. Joint Agreements

The District is a member of various joint agreements which provides certain special education services to residents of member school districts. It is also a member of the risk management pools listed above. The District does not control the selection of the governing authorities of these organizations nor does it control employment of management personnel, operations, scope of public service, and special financing relationships exercised by the joint agreement governing boards. Therefore, these are not included as component units of the District.

#### D. Deferred Compensation

The District offers eligible employees a deferred compensation arrangement created in accordance with Internal Revenue Code Section 403(b). The arrangement permits participants to defer a portion of their salary until future years. Funds, which are deferred under this arrangement, are invested by the employees in annuities. The annuities are the property of the employees, the assets are not recognized in the accompanying statements and are not subject to the claims of the districts general creditors.

# NORTHFIELD TOWNSHIP HIGH SCHOOL DISTRICT NO. 225

## NOTES TO FINANCIAL STATEMENTS

JUNE 30, 1999

---

### **E. Other Post-employment Benefits**

Retirees of the District are given an opportunity at retirement to continue with the health and dental plan administered by the District. The District calculates a monthly premium for each retiree, of which most is paid for by the District depending on the type of coverage the retiree elects to receive. Retirees can also elect to receive cash in lieu of coverage.

As of year end, fifty-two retirees qualified for the above-mentioned plan of which forty-five chose to participate in the insurance plan and seven elected to receive the cash. For the year ended June 30, 1999, the District recognized \$129,241 of expenditures for this benefit program.

### **F. Federal Funding**

The District receives Federal Funding and is subject to the Single Audit Act. A separate report has been issued under the Single Audit Act requirements dated August 22, 1999. The nature of the Federal funds the District receives, which are accounted for in the General Fund per State Statutes, is to supplement educational programs of the District. Because expenditures exceed revenues, there are no restricted fund balances for these programs.

### **G. Teachers' Retirement System**

The District participates in the Teachers' Retirement System of the State of Illinois (TRS). TRS is a cost-sharing, multiple-employer public employee retirement system that was created by the Illinois legislature for the benefit of Illinois public school teachers employed outside of the city of Chicago. The Illinois Pension Code outlines the benefit provisions of TRS, and amendments to the plan can be made only by legislative action with the governor's approval. The State of Illinois maintains primary responsibility for the funding of the plan, but contributions from participating employers and members are also required. The TRS Board of Trustees is responsible for the System's administration.

Members of TRS include all active nonannuitants that are employed by a TRS-covered employer to provide services for which teacher certification is required. Active TRS members are required to contribute 9 percent of their creditable earnings. These contributions, which may be paid on behalf of employees by the employer, are submitted to TRS by the District. In addition, the District pays a ½ of 1 percent contribution to the Teachers' Health Insurance Security Fund, a separate fund in the State Treasury that is not part of this retirement plan. The District's payroll for the year ended June 30, 1999 was \$36,799,779; of this amount \$29,567,020 was reported to TRS as creditable earnings of members.

Employer pension contributions to TRS on behalf on district employees who are TRS members are made by the State of Illinois. For the year ended June 30, 1999, contributions made by the State were at the rate of 10.2% of creditable earnings, or \$3,015,836. This amount has been recognized in the financial statements as both a revenue and expenditure. Contributions for the years ended June 30, 1998 and 1997 were \$2,455,973 (8.7% of creditable earnings) and \$2,079,800 (7.62%), respectively.

# NORTHFIELD TOWNSHIP HIGH SCHOOL DISTRICT NO. 225

## NOTES TO FINANCIAL STATEMENTS

JUNE 30, 1999

---

For the year ended June 30, 1999, TRS-covered employers were required to contribute .3 percent of covered salaries as the employer share of the newly enacted 2.2 formula change. The contribution for the year ended June 30, 1999 was \$88,701. This was the first year that contributions for the formula change were required.

When TRS members are paid from federal and trust funds administered by the district, there is a statutory requirement for the district to pay an employer contribution that is different from the state funding requirement. The employer contribution for members paid from federal and trust funds is currently 10.5%. For the year ended June 30, 1999, salaries totaling \$30,771 were paid from federal and trust funds, which required employer contributions of \$3,231. The District's required contributions for the years ended June 30, 1998 and 1997 were \$1,036 and \$3,807, respectively.

The District is required to make employer contributions to TRS for members who retired under the 1993 - 1995 early retirement incentive (ERI). For each year of service purchased, members received an equal number of years of age. Employers contributed 20 percent of the highest salary used in the calculation of final average salary for each year purchased, member contributions were also required. Employer contributions could be made in a lump sum, over five years in quarterly installments, or under a different schedule approved by the TRS Board of Trustees. For the year ended June 30, 1999, the District paid \$594,294 for employer contributions under the early retirement incentive. The District's required contributions for the years ended June 30, 1998 and 1997 were \$765,107 and \$677,641, respectively.

The District is also required to make one-time employer contributions to TRS for members retiring under the early retirement option (ERO), which is separate and distinct from the ERI. These payments vary depending upon the age and salary of the member. The maximum employer payment of 100 percent of the member's highest salary used in the calculation of final average salary is required if the member is 55 years old. During the year ended June 30, 1999, The District paid \$394,375 for employer contributions under ERO. The District's required contributions for the year ended June 30, 1998 were \$87,541. The District was not required to make contributions under this program in 1997.

TRS financial information, an explanation of the System's benefits and descriptions of member and state funding requirements, can be found in the TRS *Comprehensive Annual Financial Report* for the year ended June 30, 1998. The System's report for the year ended June 30, 1999 is expected to be available in late 1999. The reports may be obtained by writing to the Teachers' Retirement System of the State of Illinois, P.O. Box 19253, 2815 West Washington Street, Springfield, Illinois 62794-9253.

# NORTHFIELD TOWNSHIP HIGH SCHOOL DISTRICT NO. 225

## NOTES TO FINANCIAL STATEMENTS

JUNE 30, 1999

---

### **H. Illinois Municipal Retirement Fund**

The District's defined benefit pension plan, Illinois Municipal Retirement (IMRF), provides retirement, disability, annual cost of living adjustments and death benefits to plan members and beneficiaries. IMRF is an agent multiple employer pension plan that acts as a common investment and administrative agent for local governments and school districts in Illinois. The Illinois Pension Code establishes the benefit provisions of the plan that can only be amended by the Illinois General Assembly. IMRF issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to the Illinois Municipal Retirement Fund, 2211 York Road, Suite 500, Oak Brook Illinois 60523.

Employees participating in IMRF are required to contribute 4.50 percent of their annual covered salary. The member rate is established by state statute. The District is required to contribute at an actuarially determined rate. The employer rate for calendar year 1998 was 10.17 percent of payroll. The employer contribution requirements are established and may be amended by the IMRF Board of Trustees.

For December 31, 1998, the District's annual pension cost of \$760,565 was equal to the District's required and actual contributions. The required contribution was determined as part of the December 31, 1996 actuarial valuation using the entry age actuarial cost method. The actuarial assumptions included (a) 7.50% investment rate of return (net of administrative expenses), (b) projected salary increases ranging from 0.4% to 11.6% per year, and (c) 3% per year cost-of-living adjustments. Both (a) and (b) included an inflation component of 4.25%. the actuarial value of IMRF assets was determined using techniques that smooth the effects of short-term volatility in the market value of investments over a five-year period. IMRF's unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on a closed basis. The remaining amortization period at December 31, 1998 was 34 years.

The District's annual pension cost under this plan was \$759,641 and \$761,559 at December 31, 1997 and 1996, respectively. For each of the past three years, the District has contributed 100% of the annual pension cost and has had no net pension obligation at the end of the year.

***This page was intentionally left blank***

**NORTHFIELD TOWNSHIP HIGH SCHOOL DISTRICT 225**

**ILLINOIS MUNICIPAL RETIREMENT FUND  
ANALYSIS OF FUNDING PROGRESS (UNAUDITED)  
JUNE 30, 1999**

<b>Actuarial Valuation Date</b>	<b>Annual Pension Cost (APC)</b>	<b>Percentage of APC Contributed</b>	<b>Net Pension Obligation</b>
12/31/98	\$ 760,565	100%	\$ -
12/31/97	759,641	100%	-
12/31/96	761,559	100%	-
12/31/95	762,031	100%	-
12/31/94	769,733	100%	-
12/31/93	735,780	100%	-
12/31/92	839,292	100%	-

<b>Actuarial Valuation Date</b>	<b>Actuarial Value of Assets (a)</b>	<b>Actuarial Accrued Liability (AAL) Entry Age (b)</b>	<b>Unfunded AAL (UAAL) (b-a)</b>	<b>Funded Ratio (a/b)</b>	<b>Covered Payroll (c)</b>	<b>UAAL as a Percentage of Covered Payroll ((b-a)/c)</b>
12/31/98	\$ 12,718,731	\$ 12,246,859	\$ (471,872)	103.85%	\$ 7,478,517	None
12/31/97	10,851,833	12,498,323	1,646,490	86.83%	7,282,799	22.61%
12/31/96	10,272,442	12,681,223	2,408,781	81.01%	7,046,107	34.19%
12/31/95	9,247,891	12,050,608	2,802,717	76.74%	6,774,449	41.37%
12/31/94	7,397,334	11,000,160	3,602,826	67.25%	6,781,793	53.12%
12/31/93	7,223,414	11,414,664	4,191,250	63.28%	6,707,197	62.49%
12/31/92	6,560,911	10,800,118	4,239,207	60.75%	6,868,182	61.72%

**\*Digest of Changes**

**Assumptions**

The actuarial assumptions used to determine the actuarial accrued liability for 1996 were changed due to the 1993-1995 Experience Study.

The principal changes were:

- Fewer members are expected to take refunds.
- More SLEP members are expected to retire.
- The inflation salary assumption was lowered to 4.00% from 4.25%.
- Expected salary increase due to longevity were increased.

***This page was intentionally left blank***

# NORTHFIELD TOWNSHIP HIGH SCHOOL DISTRICT NO. 225

YEAR 2000 INFORMATION (UNAUDITED)

JUNE 30, 1999

---

The Year 2000 issue is the result of shortcomings in many electronic data processing systems and other electronic equipment that may adversely affect the District's operations.

The District has completed an inventory of computer systems and other electronic equipment that may be affected by the Year 2000 issue and that are necessary to conduct District operations. For evaluation purposes, the District's systems were categorized into four areas: general operations, wide-area network, administrative computing, and desktop computing. The assessment of each is as follows:

*General operations* – defined as maintaining the ability to provide secure, functional school buildings. The administration is evaluating the security systems. The system at Glenbrook South ("GBS") appears to be compliant. The staff is awaiting further information from the vendor of the systems used at Glenbrook North ("GBN"). The telephone and voice mail systems have been determined not to be compliant and are being replaced. The utility services are provided by outside vendors. The District is surveying these vendors.

*Wide-area network* – defined as maintaining the ability to communicate, share resources and support the instructional and administrative functions of the District. The District has assessed all of its systems and has either determined that they are compliant, or has made plans for upgrading or replacing the systems.

*Administrative computing* – defined as maintaining the ability to track students, manage finances, order supplies and pay employees. The District has assessed these systems and believes that these are now compliant. Testing of these systems will continue into the fall.

*Desktop computing* – defined as maintaining the ability for students and staff to use their desktop computers as tools to accomplish their instructional and administrative goals. The District has evaluated most of the desktop hardware and believes that it is compliant. The remaining hardware is not considered critical to District operations and has been given the highest priority for replacement. There is a large number and variety of software being used on these machines. Fortunately, little of this is critical to the District operations. The most widely-used software has been assessed and is compliant; the remainder will be evaluated.

Cook County collects property taxes for distribution to the District. The County is responsible for remediating the tax collection system.

The State of Illinois distributes money to the District in the form of state and federal aid. The State is responsible for remediating these systems.

Because of the unprecedented nature of the Year 2000 issue, its effects and the success of related remediation efforts will not be fully determinable until the Year 2000 and after. Management cannot assure that the District is or will be Year 2000 ready, that the District's remediation efforts will be successful in whole or in part, or that parties with whom the District does business will be Year 2000 ready.

***This page was intentionally left blank***

***COMBINING AND INDIVIDUAL FUND  
FINANCIAL STATEMENTS AND SCHEDULES***

***This page was intentionally left blank***

## **GENERAL FUNDS**

To account for resources traditionally associated with government operations which are not required to be accounted for in another fund, the District maintains the following General Operating Accounts:

**Educational Fund** - to account for most of the instructional and administrative aspects of the District's operations.

**Operations and Maintenance Fund** - to account for repair and maintenance of District property.

**NORTHFIELD TOWNSHIP HIGH SCHOOL DISTRICT NO. 225**  
**GENERAL FUND**  
 COMBINING STATEMENT OF ASSETS AND LIABILITIES ARISING FROM CASH TRANSACTIONS  
 JUNE 30, 1999  
 WITH COMPARATIVE TOTALS FOR JUNE 30, 1998

	EDUCATIONAL FUND	OPERATIONS AND MAINTENANCE	TOTAL	
			1999	1998
<b>ASSETS</b>				
Cash	\$ 441,751	\$ 5,444	\$ 447,195	\$ 653,303
Investments	20,672,398	5,734,468	26,406,866	25,818,999
Other Current Assets	70,388	-	70,388	8,346
Total Assets	<u>\$ 21,184,537</u>	<u>\$ 5,739,912</u>	<u>\$ 26,924,449</u>	<u>\$ 26,480,648</u>
 <b>LIABILITIES AND FUND BALANCE</b>				
<b>LIABILITIES</b>				
Other Current Liabilities	17,478	-	17,478	15,017
Total Liabilities	<u>17,478</u>	<u>-</u>	<u>17,478</u>	<u>15,017</u>
 <b>FUND BALANCES</b>				
Unreserved:				
Designated for health insurance claims	300,000	-	300,000	300,000
Designated for early ret obligation	-	-	-	675,947
Undesignated	20,867,059	5,739,912	26,606,971	25,489,684
Total Fund Balance	<u>21,167,059</u>	<u>5,739,912</u>	<u>26,906,971</u>	<u>26,465,631</u>
Total Liabilities and Fund Balance	<u>\$ 21,184,537</u>	<u>\$ 5,739,912</u>	<u>\$ 26,924,449</u>	<u>\$ 26,480,648</u>

# NORTHFIELD TOWNSHIP HIGH SCHOOL DISTRICT NO. 225

## GENERAL FUND

### COMBINING STATEMENT OF CASH RECEIPTS, EXPENDITURES AND CHANGES IN FUND BALANCES

FOR THE YEAR ENDED JUNE 30, 1999

WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 1998

	EDUCATIONAL FUND	OPERATIONS AND MAINTENANCE	TOTAL	
			1999	1998
<b>RECEIPTS</b>				
Local Sources:				
Property Taxes	\$ 43,154,689	\$ 6,264,219	\$ 49,418,908	\$ 47,426,622
Replacement taxes	-	1,181,937	1,181,937	968,480
Other payments in lieu of taxes	-	890,474	890,474	749,997
Tuition	329,331	-	329,331	299,581
Earnings on investments	1,147,408	234,709	1,382,117	1,808,049
Food services	1,026,549	-	1,026,549	859,562
Pupil activities	47,587	45,548	93,135	77,803
Textbooks	1,038,271	-	1,038,271	925,353
Rentals	12,126	94,017	106,143	97,928
Contributions and Donations from Private Sources	-	270,419	270,419	240,613
Services Provided Other LEA's	73,734	-	73,734	99,054
Refund of Prior Years' Expenditures	105,818	-	105,818	327,725
Other local sources	16,076	-	16,076	14,530
<b>Total Local Sources</b>	<b>46,951,589</b>	<b>8,981,323</b>	<b>55,932,912</b>	<b>53,895,297</b>
State Sources	4,391,843	46,324	4,438,167	4,476,895
Federal Sources	395,862	-	395,862	320,848
<b>Total Receipts</b>	<b>51,739,294</b>	<b>9,027,647</b>	<b>60,766,941</b>	<b>58,693,040</b>
<b>EXPENDITURES</b>				
Current:				
Instruction	30,454,982	-	30,454,982	28,574,088
Support Services	19,680,827	4,023,307	23,704,134	22,179,394
Community Services	26,144	-	26,144	4,475
Nonprogrammed Charges	884,606	-	884,606	933,503
Capital Outlay	1,025,726	4,230,009	5,255,735	6,877,539
<b>Total Expenditures</b>	<b>52,072,285</b>	<b>8,253,316</b>	<b>60,325,601</b>	<b>58,568,999</b>
<b>EXCESS (DEFICIENCY) OF RECEIPTS OVER EXPENDITURES</b>	<b>(332,991)</b>	<b>774,331</b>	<b>441,340</b>	<b>124,041</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	-	-	-	1,017,625
<b>Total Other Financing Sources (Uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,017,625</b>
<b>EXCESS (DEFICIENCY) OF RECEIPTS AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER (USES)</b>	<b>(332,991)</b>	<b>774,331</b>	<b>441,340</b>	<b>1,141,666</b>
<b>FUND BALANCE, BEGINNING OF YEAR</b>	<b>21,500,050</b>	<b>4,965,581</b>	<b>26,465,631</b>	<b>25,323,965</b>
<b>FUND BALANCE, END OF YEAR</b>	<b>\$ 21,167,059</b>	<b>\$ 5,739,912</b>	<b>\$ 26,906,971</b>	<b>\$ 26,465,631</b>

**NORTHFIELD TOWNSHIP HIGH SCHOOL DISTRICT NO. 225**  
**EDUCATIONAL FUND**

STATEMENT OF CASH RECEIPTS, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
 FOR THE YEAR ENDED JUNE 30, 1999  
 WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 1998

	1999		VARIANCE FAVORABLE (UNFAVORABLE)	1998 ACTUAL
	BUDGET	ACTUAL		
<b>RECEIPTS</b>				
<b>LOCAL SOURCES</b>				
General Levy	\$ 44,287,878	\$ 43,154,689	\$ (1,133,189)	\$ 41,274,985
Regular Tuition from Pupils or Parents	12,681	12,800	119	-
Summer School Tuition from Pupils or Parents	250,000	316,531	66,531	299,581
Special Education Tuition from Other LEA's	10,000	-	(10,000)	-
Adult Tuition from Pupils or Parents	800	-	(800)	-
Interest on Investments	1,018,000	1,147,408	129,408	1,496,583
Sales to Pupils - Lunch	-	3,108	3,108	4,432
Sales to Pupils - A la Carte	704,000	867,536	163,536	696,607
Sales to Adults	85,000	94,108	9,108	88,010
Other Food Service	78,000	61,797	(16,203)	70,513
Admissions - Athletic	16,000	18,681	2,681	10,682
Other Pupil Activity Revenue	18,000	28,906	10,906	23,610
Sales - Regular Textbook	839,500	1,038,271	198,771	925,353
Rentals	10,700	12,126	1,426	10,081
Services Provided Other LEA's	80,000	73,734	(6,266)	99,054
Refund of Prior Years' Expenditures	5,000	105,818	100,818	325,717
Local Fees	16,000	16,076	76	14,530
Total Local Sources	<u>47,431,559</u>	<u>46,951,589</u>	<u>(479,970)</u>	<u>45,339,738</u>
<b>STATE SOURCES</b>				
General State Aid	103,604	46,701	(56,903)	149,958
General State Aid - Supplemental/Hold Harmless	-	56,822	56,822	-
General State Aid - Interest	-	-	-	561
Other Unrest. Grants-In-Aid from State Sources	-	-	-	1,861
Special Education - Private Facility Tuition	5,000	11,355	6,355	15,599
Special Education - Extraordinary	150,000	213,200	63,200	199,065
Special Education - Personnel	340,000	279,736	(60,264)	375,069
Special Education - Orphanage - Individual	120,000	312,146	192,146	229,212
Special Education - Summer School	3,500	3,413	(87)	3,846
Vocational Education - Technical Preparation	-	-	-	29,531
Vocational Education - Formula	42,692	32,726	(9,966)	51,856
Vocational Education -				
Secondary Program Improvement	3,660	2,085	(1,575)	2,595
Vocational Education - Agriculture Education	1,368	1,037	(331)	1,368
Bilingual Education - Downstate - T.P.I.	44,429	25,458	(18,971)	93,862
Bilingual Education - Downstate - T.B.E.	72,684	30,929	(41,755)	-
Gifted Education	46,793	36,946	(9,847)	41,001
Driver Education	90,000	129,246	39,246	129,817
Block Grant for School Improvement	63,953	63,953	-	55,534
Report Cards	1,500	-	(1,500)	1,607
Criminal Background Investigation	2,000	1,454	(546)	1,149

**NORTHFIELD TOWNSHIP HIGH SCHOOL DISTRICT NO. 225**  
**EDUCATIONAL FUND**

STATEMENT OF CASH RECEIPTS, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
 FOR THE YEAR ENDED JUNE 30, 1999  
 WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 1998

	1999		VARIANCE FAVORABLE (UNFAVORABLE)	1998 ACTUAL
	BUDGET	ACTUAL		
ADA Safety and Educational Block Grant (Flat Grant)	\$ 126,688	\$ 126,688	\$ -	\$ 128,807
State Library Grant	2,900	-	(2,900)	3,017
Other State Sources	-	2,112	2,112	-
Total State Sources	<u>1,220,771</u>	<u>1,376,007</u>	<u>155,236</u>	<u>1,515,315</u>
<b>FEDERAL SOURCES</b>				
IASA - Title VI - Formula	17,723	12,196	(5,527)	11,609
Title I - Low Income	3,500	-	(3,500)	(2,445)
Safe and Drug Free Schools - Formula (Title IV)	21,733	21,733	-	19,949
Fed. - Sp. Ed. - I.D.E.A. - Flow Through	113,356	94,118	(19,238)	115,446
Fed. - Sp. Ed. - I.D.E.A. - Room & Board	60,000	171,533	111,533	92,317
V.E. - Perkins - Title IIC Secondary	39,687	34,677	(5,010)	44,719
V.E. - Perkins - Title III E Technical Preparation	19,418	20,755	1,337	1,603
Emergency Immigrant Assistance	22,263	20,866	(1,397)	16,783
IASA - Title II - Eisenhower - Professional Development Formula	10,431	9,390	(1,041)	11,464
S.T.E.P.	6,000	10,594	4,594	9,403
Total Federal Sources	<u>314,111</u>	<u>395,862</u>	<u>81,751</u>	<u>320,848</u>
Total Receipts	<u>48,966,441</u>	<u>48,723,458</u>	<u>(242,983)</u>	<u>47,175,901</u>
<b>EXPENDITURES</b>				
<b>Instruction</b>				
<b>Regular Programs</b>				
Salaries	15,997,355	15,708,068	289,287	14,743,646
Employee Benefits	2,567,100	2,150,538	416,562	1,907,112
Purchased Services	278,775	271,935	6,840	244,216
Supplies and Materials	220,581	186,345	34,236	176,037
Capital Outlay	269,080	247,374	21,706	196,456
Other Objects	22,400	8,312	14,088	3,330
Total	<u>19,355,291</u>	<u>18,572,572</u>	<u>782,719</u>	<u>17,270,797</u>
<b>Special Education Programs</b>				
Salaries	1,628,800	1,607,567	21,233	1,558,001
Employee Benefits	177,200	180,060	(2,860)	182,132
Purchased Services	288,684	144,506	144,178	290,540
Supplies and Materials	21,100	17,843	3,257	18,393
Capital Outlay	21,750	19,934	1,816	23,560
Other Objects	4,500	4,508	(8)	4,207
Tuition	800,000	730,744	69,256	774,066
Total	<u>2,942,034</u>	<u>2,705,162</u>	<u>236,872</u>	<u>2,850,899</u>

**NORTHFIELD TOWNSHIP HIGH SCHOOL DISTRICT NO. 225****EDUCATIONAL FUND**

STATEMENT OF CASH RECEIPTS, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL

FOR THE YEAR ENDED JUNE 30, 1999

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 1998

	1999		VARIANCE FAVORABLE (UNFAVORABLE)	1998 ACTUAL
	BUDGET	ACTUAL		
<b>Educationally Deprived/ Remedial Programs</b>				
Employee Benefits	\$ -	\$ -	\$ -	\$ 1,399
Supplies and Materials	-	-	-	3,354
Capital Outlay	-	-	-	2,614
Other Objects	-	345	(345)	-
Total	-	345	(345)	7,367
<b>Adult/Continuing Education Programs</b>				
Salaries	800	-	800	-
Total	800	-	800	-
<b>Vocational Programs</b>				
Salaries	1,975,700	1,988,275	(12,575)	1,907,663
Employee Benefits	239,200	244,097	(4,897)	245,823
Purchased Services	106,550	81,624	24,926	77,001
Supplies and Materials	104,660	80,430	24,230	99,312
Capital Outlay	106,051	107,941	(1,890)	150,844
Total	2,532,161	2,502,367	29,794	2,480,643
<b>Interscholastic Programs</b>				
Salaries	2,392,800	2,391,857	943	2,295,656
Employee Benefits	127,400	133,043	(5,643)	131,409
Purchased Services	236,836	280,200	(43,364)	261,713
Supplies and Materials	162,605	144,987	17,618	142,876
Capital Outlay	22,190	19,430	2,760	34,236
Total	2,941,831	2,969,517	(27,686)	2,865,890
<b>Summer School Programs</b>				
Salaries	275,600	248,582	27,018	263,410
Supplies and Materials	15,750	15,757	(7)	13,453
Total	291,350	264,339	27,011	276,863
<b>Gifted Programs</b>				
Salaries	382,000	371,178	10,822	350,670
Employee Benefits	57,500	58,415	(915)	59,095
Purchased Services	41,000	30,965	10,035	15,266
Supplies and Materials	17,946	10,623	7,323	24,302
Capital Outlay	500	-	500	2,488
Total	498,946	471,181	27,765	451,821

**NORTHFIELD TOWNSHIP HIGH SCHOOL DISTRICT NO. 225**  
**EDUCATIONAL FUND**

STATEMENT OF CASH RECEIPTS, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
 FOR THE YEAR ENDED JUNE 30, 1999  
 WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 1998

	1999		VARIANCE FAVORABLE (UNFAVORABLE)	1998 ACTUAL
	BUDGET	ACTUAL		
<b>Bilingual Programs</b>				
Salaries	\$ 253,500	\$ 254,685	\$ (1,185)	\$ 225,600
Supplies and Materials	10,005	6,157	3,848	5,240
Capital Outlay	1,345	1,314	31	2,532
Total	<u>264,850</u>	<u>262,156</u>	<u>2,694</u>	<u>233,372</u>
<b>Truant's Alternative and Optional Programs</b>				
Salaries	-	-	-	95,733
Tuition	87,500	87,500	-	-
Total	<u>87,500</u>	<u>87,500</u>	<u>-</u>	<u>95,733</u>
Total Instruction	<u>28,914,763</u>	<u>27,835,139</u>	<u>1,079,624</u>	<u>26,533,385</u>
<b>Support Services</b>				
<b>Pupils</b>				
<b>Attendance and Social Work Services</b>				
Salaries	541,119	680,987	(139,868)	485,133
Employee Benefits	195,250	212,527	(17,277)	201,631
Purchased Services	204,973	218,195	(13,222)	128,842
Supplies and Materials	11,280	6,932	4,348	5,093
Capital Outlay	9,900	11,424	(1,524)	16,329
Total	<u>962,522</u>	<u>1,130,065</u>	<u>(167,543)</u>	<u>837,028</u>
<b>Guidance Services</b>				
Salaries	2,423,000	2,451,582	(28,582)	2,438,103
Employee Benefits	515,950	494,382	21,568	321,069
Purchased Services	49,551	43,849	5,702	56,293
Supplies and Materials	23,631	21,820	1,811	21,141
Capital Outlay	8,468	8,030	438	19,901
Total	<u>3,020,600</u>	<u>3,019,663</u>	<u>937</u>	<u>2,856,507</u>
<b>Health Services</b>				
Salaries	136,000	138,658	(2,658)	127,934
Employee Benefits	19,900	20,047	(147)	20,406
Purchased Services	7,650	7,758	(108)	8,272
Supplies and Materials	2,750	3,751	(1,001)	3,074
Capital Outlay	1,000	35	965	3,384
Total	<u>167,300</u>	<u>170,249</u>	<u>(2,949)</u>	<u>163,070</u>

**NORTHFIELD TOWNSHIP HIGH SCHOOL DISTRICT NO. 225**  
**EDUCATIONAL FUND**

STATEMENT OF CASH RECEIPTS, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
 FOR THE YEAR ENDED JUNE 30, 1999  
 WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 1998

	1999		VARIANCE FAVORABLE (UNFAVORABLE)	1998 ACTUAL
	BUDGET	ACTUAL		
<b>Psychological Services</b>				
Salaries	\$ 205,500	\$ 174,752	\$ 30,748	\$ 177,914
Employee Benefits	16,400	16,854	(454)	17,037
Purchased Services	60,500	43,993	16,507	34,015
Supplies and Materials	12,000	8,412	3,588	12,130
Total	<u>294,400</u>	<u>244,011</u>	<u>50,389</u>	<u>241,096</u>
<b>Speech Pathology and Audiology Services</b>				
Purchased Services	30,000	44,990	(14,990)	14,159
Total	<u>30,000</u>	<u>44,990</u>	<u>(14,990)</u>	<u>14,159</u>
<b>Other Support Services - Pupils</b>				
Salaries	513,000	510,316	2,684	430,892
Employee Benefits	66,414	66,223	191	68,364
Total	<u>579,414</u>	<u>576,539</u>	<u>2,875</u>	<u>499,256</u>
Total Pupils	<u>5,054,236</u>	<u>5,185,517</u>	<u>(131,281)</u>	<u>4,611,116</u>
<b>Instructional Staff</b>				
<b>Improvement of Instruction Services</b>				
Salaries	697,853	669,165	28,688	461,804
Employee Benefits	34,000	39,812	(5,812)	23,741
Purchased Services	130,279	100,173	30,106	120,218
Supplies and Materials	500	1,331	(831)	-
Total	<u>862,632</u>	<u>810,481</u>	<u>52,151</u>	<u>605,763</u>
<b>Educational Media Services</b>				
Salaries	1,406,500	1,326,341	80,159	1,280,940
Employee Benefits	161,650	163,176	(1,526)	165,146
Purchased Services	68,200	53,079	15,121	39,912
Supplies and Materials	249,749	227,890	21,859	180,813
Capital Outlay	311,962	286,744	25,218	275,450
Total	<u>2,198,061</u>	<u>2,057,230</u>	<u>140,831</u>	<u>1,942,261</u>
Total Instructional Staff	<u>3,060,693</u>	<u>2,867,711</u>	<u>192,982</u>	<u>2,548,024</u>

**NORTHFIELD TOWNSHIP HIGH SCHOOL DISTRICT NO. 225**  
**EDUCATIONAL FUND**

STATEMENT OF CASH RECEIPTS, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
 FOR THE YEAR ENDED JUNE 30, 1999  
 WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 1998

	1999		VARIANCE FAVORABLE (UNFAVORABLE)	1998 ACTUAL
	BUDGET	ACTUAL		
<b>General Administration</b>				
<b>Board of Education Services</b>				
Salaries	\$ 25,000	\$ -	\$ 25,000	\$ -
Purchased Services	581,060	497,948	83,112	378,261
Supplies and Materials	1,500	1,231	269	523
Capital Outlay	-	-	-	14,116
Other Objects	16,000	22,705	(6,705)	-
Total	<u>623,560</u>	<u>521,884</u>	<u>101,676</u>	<u>392,900</u>
<b>Executive Administration Services</b>				
Salaries	359,000	267,153	91,847	391,526
Employee Benefits	62,900	53,471	9,429	52,322
Purchased Services	13,700	12,609	1,091	37,434
Supplies and Materials	950	1,168	(218)	1,632
Capital Outlay	20,800	15,506	5,294	107
Other Objects	6,400	2,525	3,875	1,657
Total	<u>463,750</u>	<u>352,432</u>	<u>111,318</u>	<u>484,678</u>
<b>Special Area Administrative Services</b>				
Salaries	439,000	437,234	1,766	410,581
Employee Benefits	87,800	94,802	(7,002)	174,396
Purchased Services	3,570	7,246	(3,676)	3,457
Supplies and Materials	10,200	2,280	7,920	4,198
Capital Outlay	17,700	14,265	3,435	6,144
Total	<u>558,270</u>	<u>555,827</u>	<u>2,443</u>	<u>598,776</u>
Total General Administration	<u>1,645,580</u>	<u>1,430,143</u>	<u>215,437</u>	<u>1,476,354</u>
<b>School Administration</b>				
<b>Office of the Principal Services</b>				
Salaries	1,075,200	996,819	78,381	1,367,128
Employee Benefits	680,450	568,530	111,920	578,634
Purchased Services	144,617	113,673	30,944	131,492
Supplies and Materials	44,264	52,840	(8,576)	54,072
Capital Outlay	10,550	7,814	2,736	19,218
Total	<u>1,955,081</u>	<u>1,739,676</u>	<u>215,405</u>	<u>2,150,544</u>

**NORTHFIELD TOWNSHIP HIGH SCHOOL DISTRICT NO. 225  
EDUCATIONAL FUND**

STATEMENT OF CASH RECEIPTS, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 1999  
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 1998

	1999		VARIANCE FAVORABLE (UNFAVORABLE)	1998 ACTUAL
	BUDGET	ACTUAL		
<b>Other Support Services -</b>				
<b>School Administration</b>				
Salaries	\$ 2,310,700	\$ 2,263,940	\$ 46,760	\$ 1,954,631
Employee Benefits	150,500	331,145	(180,645)	-
Total	2,461,200	2,595,085	(133,885)	1,954,631
Total School Administration	4,416,281	4,334,761	81,520	4,105,175
<b>Business</b>				
<b>Direction of Business Support Services</b>				
Salaries	156,000	165,690	(9,690)	508,679
Employee Benefits	22,150	29,883	(7,733)	100,148
Purchased Services	9,300	8,491	809	18,141
Supplies and Materials	1,750	1,989	(239)	1,923
Capital Outlay	1,000	-	1,000	-
Total	190,200	206,053	(15,853)	628,891
<b>Fiscal Services</b>				
Salaries	315,250	288,452	26,798	-
Employee Benefits	40,550	50,854	(10,304)	-
Purchased Services	9,300	7,005	2,295	-
Supplies and Materials	3,500	2,922	578	-
Capital Outlay	2,000	2,000	-	-
Total	370,600	351,233	19,367	-
<b>Operation and Maintenance of</b>				
<b>Plant Services</b>				
Employee Benefits	-	-	-	215,330
Purchased Services	225,000	240,804	(15,804)	1,254,070
Supplies and Materials	1,195,000	1,208,350	(13,350)	9,930
Capital Outlay	11,600	10,331	1,269	-
Total	1,431,600	1,459,485	(27,885)	1,479,340
<b>Pupil Transportation Services</b>				
Salaries	-	-	-	37,410
Purchased Services	39,420	35,330	4,090	-
Total	39,420	35,330	4,090	37,410

**NORTHFIELD TOWNSHIP HIGH SCHOOL DISTRICT NO. 225**  
**EDUCATIONAL FUND**

STATEMENT OF CASH RECEIPTS, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
 FOR THE YEAR ENDED JUNE 30, 1999  
 WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 1998

	1999		VARIANCE FAVORABLE (UNFAVORABLE)	1998 ACTUAL
	BUDGET	ACTUAL		
<b>Instructional Services</b>				
Salaries	\$ -	\$ -	\$ -	\$ 430
Employee Benefits	800	-	800	750
Purchased Services	434,000	556,335	(122,335)	440,799
Supplies and Materials	419,000	469,245	(50,245)	384,299
Capital Outlay	45,000	28,221	16,779	20,180
<b>Total</b>	<u>898,800</u>	<u>1,053,801</u>	<u>(155,001)</u>	<u>846,458</u>
<b>Normal Services</b>				
Salaries	256,000	267,739	(11,739)	232,071
Employee Benefits	17,000	32,940	(15,940)	17,461
Purchased Services	280,912	279,175	1,737	259,056
Supplies and Materials	975,000	908,507	66,493	948,320
Capital Outlay	30,700	28,281	2,419	40,366
Other Objects	8,800	10,603	(1,803)	8,995
<b>Total</b>	<u>1,568,412</u>	<u>1,527,245</u>	<u>41,167</u>	<u>1,506,269</u>
<b>Total Business</b>	<u>4,499,032</u>	<u>4,633,147</u>	<u>(134,115)</u>	<u>4,498,373</u>
<b>Central</b>				
<b>Administration of Central Support Services</b>				
Salaries	2,500	414	2,086	30,120
Employee Benefits	4,500	-	4,500	4,674
Purchased Services	44,000	49,244	(5,244)	19,763
Supplies and Materials	11,000	16,408	(5,408)	15,508
Capital Outlay	35,000	26,594	8,406	12,742
<b>Total</b>	<u>97,000</u>	<u>92,660</u>	<u>4,340</u>	<u>82,807</u>
<b>Planning, Research, Development and Evaluation Services</b>				
Purchased Services	17,000	-	17,000	13,842
<b>Total</b>	<u>17,000</u>	<u>-</u>	<u>17,000</u>	<u>13,842</u>
<b>Information Services</b>				
Salaries	55,500	55,342	158	53,782
Employee Benefits	10,700	10,426	274	10,576
Purchased Services	8,500	6,406	2,094	5,887
Supplies and Materials	900	881	19	713
Capital Outlay	500	-	500	72
Other Objects	280	50	230	100
<b>Total</b>	<u>76,380</u>	<u>73,105</u>	<u>3,275</u>	<u>71,130</u>

(Continued)

**NORTHFIELD TOWNSHIP HIGH SCHOOL DISTRICT NO. 225****EDUCATIONAL FUND**

STATEMENT OF CASH RECEIPTS, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL

FOR THE YEAR ENDED JUNE 30, 1999

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 1998

	1999		VARIANCE	1998
	BUDGET	ACTUAL	FAVORABLE (UNFAVORABLE)	ACTUAL
<b>Staff Services</b>				
Salaries	\$ 253,000	\$ 252,121	\$ 879	\$ 239,231
Employee Benefits	106,850	89,343	17,507	92,718
Purchased Services	13,500	21,864	(8,364)	28,102
Supplies and Materials	2,150	1,313	837	2,697
Capital Outlay	500	-	500	-
Other Objects	1,200	599	601	751
Total	377,200	365,240	11,960	363,499
<b>Data Processing Services</b>				
Salaries	609,360	552,859	56,501	532,269
Employee Benefits	73,700	73,504	196	74,572
Purchased Services	480,739	475,613	5,126	390,401
Supplies and Materials	67,402	28,499	38,903	44,359
Capital Outlay	195,322	190,488	4,834	259,016
Other Objects	9,435	7,313	2,122	8,041
Total	1,435,958	1,328,276	107,682	1,308,658
Total Central	2,003,538	1,859,281	144,257	1,839,936
Total Support Services	20,679,360	20,310,560	368,800	19,078,978
<b>Community Services</b>				
Salaries	19,600	26,144	(6,544)	4,475
Total	19,600	26,144	(6,544)	4,475
<b>Nonprogrammed Charges</b>				
<b>Payments for Regular Programs</b>				
Tuition	5,000	-	5,000	-
Total	5,000	-	5,000	-
<b>Payments for Special Education Programs</b>				
Tuition	1,019,000	884,606	134,394	933,503
Total	1,019,000	884,606	134,394	933,503
Total Nonprogrammed Charges	1,024,000	884,606	139,394	933,503
Total Expenditures	50,637,723	49,056,449	1,581,274	46,550,341
EXCESS (DEFICIENCY) OF RECEIPTS OVER EXPENDITURES	(1,671,282)	(332,991)	1,338,291	625,560

(Continued)

# NORTHFIELD TOWNSHIP HIGH SCHOOL DISTRICT NO. 225

## EDUCATIONAL FUND

STATEMENT OF CASH RECEIPTS, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL

FOR THE YEAR ENDED JUNE 30, 1999

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 1998

	1999		VARIANCE FAVORABLE (UNFAVORABLE)	1998 ACTUAL
	BUDGET	ACTUAL		
<b>OTHER FINANCING SOURCES (USES)</b>				
Permanent Transfer from Working Cash Fund - Interest	\$ -	\$ -	\$ -	\$ 1,017,625
Total Other Financing Sources (Uses)	-	-	-	1,017,625
EXCESS (DEFICIENCY) OF RECEIPTS AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER (USES)	<u>\$ (1,671,282)</u>	(332,991)	<u>\$ 1,338,291</u>	1,643,185
FUND BALANCE, BEGINNING OF YEAR		<u>21,500,050</u>		<u>19,856,865</u>
FUND BALANCE, END OF YEAR		<u>\$ 21,167,059</u>		<u>\$ 21,500,050</u>

(Concluded)

**NORTHFIELD TOWNSHIP HIGH SCHOOL DISTRICT NO. 225****OPERATIONS AND MAINTENANCE FUND**

STATEMENT OF CASH RECEIPTS, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL

FOR THE YEAR ENDED JUNE 30, 1999

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 1998

	1999		VARIANCE FAVORABLE (UNFAVORABLE)	1998 ACTUAL
	BUDGET	ACTUAL		
<b>RECEIPTS</b>				
<b>LOCAL SOURCES</b>				
General Levy	\$ 5,678,454	\$ 6,264,219	\$ 585,765	\$ 6,151,637
Corporate Personal Property				
Replacement Taxes	600,000	1,181,937	581,937	968,480
Other Payments in Lieu of Taxes	750,000	890,474	140,474	749,997
Interest on Investments	213,000	234,709	21,709	311,466
Fees	30,000	45,548	15,548	43,511
Rentals	75,000	94,017	19,017	87,847
Contributions and Donations from Private Sources	130,000	270,419	140,419	240,613
Refund of Prior Years' Expenditures	-	-	-	2,008
Total Local Sources	<u>7,476,454</u>	<u>8,981,323</u>	<u>1,504,869</u>	<u>8,555,559</u>
<b>STATE SOURCES</b>				
General State Aid	-	46,324	46,324	508,147
Total State Sources	<u>-</u>	<u>46,324</u>	<u>46,324</u>	<u>508,147</u>
Total Receipts	<u>7,476,454</u>	<u>9,027,647</u>	<u>1,551,193</u>	<u>9,063,706</u>
<b>EXPENDITURES</b>				
<b>Support Services</b>				
<b>Business</b>				
<b>Facilities Acquisition and Construction Services</b>				
Capital Outlay	4,514,664	4,149,629	365,035	5,710,667
Total	<u>4,514,664</u>	<u>4,149,629</u>	<u>365,035</u>	<u>5,710,667</u>
<b>Operation and Maintenance of Plant Services</b>				
Salaries	2,759,550	2,703,855	55,695	2,596,740
Employee Benefits	424,850	424,474	376	437,913
Purchased Services	564,000	547,215	16,785	457,104
Supplies and Materials	318,000	297,763	20,237	295,684
Capital Outlay	102,000	80,380	21,620	67,117
Other Objects	120,000	50,000	70,000	-
Total	<u>4,288,400</u>	<u>4,103,687</u>	<u>184,713</u>	<u>3,854,558</u>
Total Business	<u>8,803,064</u>	<u>8,253,316</u>	<u>549,748</u>	<u>9,565,225</u>
Total Support Services	<u>8,803,064</u>	<u>8,253,316</u>	<u>549,748</u>	<u>9,565,225</u>
Total Expenditures	<u>8,803,064</u>	<u>8,253,316</u>	<u>549,748</u>	<u>9,565,225</u>

**NORTHFIELD TOWNSHIP HIGH SCHOOL DISTRICT NO. 225**

**OPERATIONS AND MAINTENANCE FUND**

STATEMENT OF CASH RECEIPTS, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL

FOR THE YEAR ENDED JUNE 30, 1999

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 1998

	1999		VARIANCE FAVORABLE (UNFAVORABLE)	1998 ACTUAL
	BUDGET	ACTUAL		
EXCESS (DEFICIENCY) OF RECEIPTS OVER EXPENDITURES	<u>\$ (1,326,610)</u>	774,331	<u>\$ 2,100,941</u>	(501,519)
FUND BALANCE, BEGINNING OF YEAR		<u>4,965,581</u>		<u>5,467,100</u>
FUND BALANCE, END OF YEAR		<u>\$ 5,739,912</u>		<u>\$ 4,965,581</u>

***This page was intentionally left blank***

### **SPECIAL REVENUE FUNDS**

To account for proceeds from specific revenue sources which are designated to finance expenditures for specific purposes, the District maintains the following Special Revenue Funds:

**Transportation Fund** - to account for activity relating to student transportation to and from school.

**Municipal Retirement Fund** - to account for the District's portion of pension contributions to the Illinois Municipal Retirement Fund for noncertified employees.

**NORTHFIELD TOWNSHIP HIGH SCHOOL DISTRICT NO. 225**  
**SPECIAL REVENUE FUNDS**  
 COMBINING STATEMENT OF ASSETS AND LIABILITIES ARISING FROM CASH TRANSACTIONS  
 JUNE 30, 1999  
 WITH COMPARATIVE TOTALS FOR JUNE 30, 1998

	TRANSPORTATION	MUNICIPAL	TOTAL	
		RETIREMENT/ SOCIAL SEC.	1999	1998
<b>ASSETS</b>				
Cash	\$ 8,654	\$ 275	\$ 8,929	\$ 7,924
Investments	<u>509,502</u>	<u>938,805</u>	<u>1,448,307</u>	<u>1,428,877</u>
Total assets	<u>\$ 518,156</u>	<u>\$ 939,080</u>	<u>\$ 1,457,236</u>	<u>\$ 1,436,801</u>
<b>LIABILITIES AND FUND BALANCE</b>				
<b>LIABILITIES</b>				
Total liabilities	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<b>FUND BALANCE</b>				
Unreserved:				
Undesignated	<u>518,156</u>	<u>939,080</u>	<u>1,457,236</u>	<u>1,436,801</u>
Total fund balance	<u>518,156</u>	<u>939,080</u>	<u>1,457,236</u>	<u>1,436,801</u>
Total liabilities and fund balance	<u>\$ 518,156</u>	<u>\$ 939,080</u>	<u>\$ 1,457,236</u>	<u>\$ 1,436,801</u>

# NORTHFIELD TOWNSHIP HIGH SCHOOL DISTRICT NO. 225

## SPECIAL REVENUE FUNDS

COMBINING STATEMENT OF CASH RECEIPTS, EXPENDITURES AND CHANGES IN FUND BALANCES  
FOR THE YEAR ENDED JUNE 30, 1999

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 1998

	TRANSPORTATION	MUNICIPAL RETIREMENT/ SOCIAL SEC.	TOTAL	
			1999	1998
<b>RECEIPTS</b>				
Local Sources:				
Property taxes	\$ 648,494	\$ 1,390,111	\$ 2,038,605	\$ 2,139,694
Replacement taxes	-	102,000	102,000	102,000
Interest on investments	27,410	52,977	80,387	103,199
Total Local Sources	675,904	1,545,088	2,220,992	2,344,893
State Sources	381,936	-	381,936	345,855
Total Receipts	1,057,840	1,545,088	2,602,928	2,690,748
<b>EXPENDITURES</b>				
Current:				
Instruction	-	396,215	396,215	366,093
Support Services	976,240	1,208,475	2,184,715	2,177,326
Community Services	-	1,563	1,563	347
Total Expenditures	976,240	1,606,253	2,582,493	2,543,766
EXCESS (DEFICIENCY) OF RECEIPTS OVER EXPENDITURES	81,600	(61,165)	20,435	146,982
FUND BALANCE, BEGINNING OF YEAR	436,556	1,000,245	1,436,801	1,289,819
FUND BALANCE, END OF YEAR	\$ 518,156	\$ 939,080	\$ 1,457,236	\$ 1,436,801

***This page was intentionally left blank***

# NORTHFIELD TOWNSHIP HIGH SCHOOL DISTRICT NO. 225

## TRANSPORTATION FUND

STATEMENT OF CASH RECEIPTS, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL

FOR THE YEAR ENDED JUNE 30, 1999

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 1998

	1999		VARIANCE FAVORABLE (UNFAVORABLE)	1998 ACTUAL
	BUDGET	ACTUAL		
<b>RECEIPTS</b>				
<b>LOCAL SOURCES</b>				
General Levy	\$ 639,669	\$ 648,494	\$ 8,825	\$ 612,430
Interest on Investments	26,000	27,410	1,410	39,465
Total Local Sources	<u>665,669</u>	<u>675,904</u>	<u>10,235</u>	<u>651,895</u>
<b>STATE SOURCES</b>				
Transportation - Special Education	360,000	381,936	21,936	345,855
Total State Sources	<u>360,000</u>	<u>381,936</u>	<u>21,936</u>	<u>345,855</u>
Total Receipts	<u>1,025,669</u>	<u>1,057,840</u>	<u>32,171</u>	<u>997,750</u>
<b>EXPENDITURES</b>				
<b>Support Services</b>				
<b>    Pupils</b>				
<b>    Business</b>				
<b>    Pupil Transportation Services</b>				
Purchased Services	968,685	976,240	(7,555)	1,012,409
Total	<u>968,685</u>	<u>976,240</u>	<u>(7,555)</u>	<u>1,012,409</u>
Total Support Services	<u>968,685</u>	<u>976,240</u>	<u>(7,555)</u>	<u>1,012,409</u>
<b>Provision for Contingencies</b>	<u>69,000</u>	-	<u>69,000</u>	-
Total Expenditures	<u>1,037,685</u>	<u>976,240</u>	<u>61,445</u>	<u>1,012,409</u>
<b>EXCESS (DEFICIENCY) OF RECEIPTS OVER EXPENDITURES</b>	<u>\$ (12,016)</u>	81,600	<u>\$ 93,616</u>	(14,659)
<b>FUND BALANCE, BEGINNING OF YEAR</b>		<u>436,556</u>		<u>451,215</u>
<b>FUND BALANCE, END OF YEAR</b>		<u>\$ 518,156</u>		<u>\$ 436,556</u>

**NORTHFIELD TOWNSHIP HIGH SCHOOL DISTRICT NO. 225****MUNICIPAL RETIREMENT / SOCIAL SECURITY FUND**

STATEMENT OF CASH RECEIPTS, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL

FOR THE YEAR ENDED JUNE 30, 1999

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 1998

	1999			1998 ACTUAL
	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)	
<b>RECEIPTS</b>				
<b>LOCAL SOURCES</b>				
General Levy	\$ 788,732	\$ 695,771	\$ (92,961)	\$ 764,947
Social Security/Medicare Only Levy	784,708	694,340	(90,368)	762,317
Corporate Personal Property				
Replacement Taxes	102,000	102,000	-	102,000
Interest on Investments	46,000	52,977	6,977	63,734
Total Local Sources	<u>1,721,440</u>	<u>1,545,088</u>	<u>(176,352)</u>	<u>1,692,998</u>
Total Receipts	<u>1,721,440</u>	<u>1,545,088</u>	<u>(176,352)</u>	<u>1,692,998</u>
<b>EXPENDITURES</b>				
<b>Instruction</b>				
Regular Programs	96,417	173,941	(77,524)	131,799
Special Education Programs	55,358	55,046	312	59,734
Vocational Educational Programs	16,295	19,558	(3,263)	20,789
Interscholastic Programs	78,603	119,101	(40,498)	124,664
Summer School Programs	12,702	18,838	(6,136)	20,480
Gifted Programs	-	2,346	(2,346)	2,088
Bilingual Programs	9,585	7,385	2,200	6,539
Total Instruction	<u>268,960</u>	<u>396,215</u>	<u>(127,255)</u>	<u>366,093</u>
<b>Support Services</b>				
<b>Pupils</b>				
Attendance and Social Work Services	58,695	22,580	36,115	29,087
Guidance Services	97,293	94,276	3,017	91,392
Health Services	7,309	7,536	(227)	7,147
Psychological Services	1,858	2,633	(775)	3,076
Other Support Services - Pupils	102,685	88,297	14,388	77,769
Total Pupils	<u>267,840</u>	<u>215,322</u>	<u>52,518</u>	<u>208,471</u>
<b>Instructional Staff</b>				
Improvement of Instruction Services	134,317	18,994	115,323	10,325
Educational Media Services	-	98,540	(98,540)	96,406
Total Instructional Staff	<u>134,317</u>	<u>117,534</u>	<u>16,783</u>	<u>106,731</u>

# NORTHFIELD TOWNSHIP HIGH SCHOOL DISTRICT NO. 225

## MUNICIPAL RETIREMENT / SOCIAL SECURITY FUND

STATEMENT OF CASH RECEIPTS, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL

FOR THE YEAR ENDED JUNE 30, 1999

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 1998

	1999		VARIANCE FAVORABLE (UNFAVORABLE)	1998 ACTUAL
	BUDGET	ACTUAL		
<b>General Administration</b>				
Executive Administration Services	\$ 26,104	\$ 23,516	\$ 2,588	\$ 19,448
Special Area Administrative Services	45,812	25,299	20,513	23,763
Total General Administration	<u>71,916</u>	<u>48,815</u>	<u>23,101</u>	<u>43,211</u>
<b>School Administration</b>				
Office of the Principal Services	162,465	62,136	100,329	119,506
Other Support Services - School Administration	-	101,286	(101,286)	-
Total School Administration	<u>162,465</u>	<u>163,422</u>	<u>(957)</u>	<u>119,506</u>
<b>Business</b>				
Direction of Business Support Services	74,019	19,984	54,035	71,707
Fiscal Services	-	37,346	(37,346)	-
Operation and Maintenance of Plant Services	633,927	470,572	163,355	458,574
Food Services	172	-	172	77
Internal Services	56,329	44,162	12,167	38,402
Total Business	<u>764,447</u>	<u>572,064</u>	<u>192,383</u>	<u>568,760</u>
<b>Central</b>				
Direction of Central Support Services	7,549	1,011	6,538	30,033
Information Services	-	9,655	(9,655)	9,627
Staff Services	19,890	15,649	4,241	15,060
Data Processing Services	43,561	65,003	(21,442)	63,518
Total Central	<u>71,000</u>	<u>91,318</u>	<u>(20,318)</u>	<u>118,238</u>
Total Support Services	<u>1,471,985</u>	<u>1,208,475</u>	<u>263,510</u>	<u>1,164,917</u>
<b>Community Services</b>	-	1,563	(1,563)	347
<b>Provision for Contingencies</b>	25,000	-	25,000	-
Total Expenditures	<u>1,765,945</u>	<u>1,606,253</u>	<u>159,692</u>	<u>1,531,357</u>
<b>EXCESS (DEFICIENCY) OF RECEIPTS OVER EXPENDITURES</b>	<u>\$ (44,505)</u>	<u>(61,165)</u>	<u>\$ (16,660)</u>	<u>161,641</u>
<b>FUND BALANCE, BEGINNING OF YEAR</b>		<u>1,000,245</u>		<u>838,604</u>
<b>FUND BALANCE, END OF YEAR</b>		<u>\$ 939,080</u>		<u>\$ 1,000,245</u>

***This page was intentionally left blank***

**DEBT SERVICE FUND**

To account for the accumulation of resources for, and the payment of, principal and interest on general long-term debt, and related costs.

**NORTHFIELD TOWNSHIP HIGH SCHOOL DISTRICT NO. 225**

**BOND AND INTEREST FUND**

**COMPARATIVE STATEMENT OF ASSETS AND LIABILITIES ARISING FROM CASH TRANSACTIONS**

**JUNE 30, 1999 AND JUNE 30, 1998**

	1999	1998
<b>ASSETS</b>		
Cash	\$ 550	\$ 389
Investments	<u>718,633</u>	<u>1,246,796</u>
Total Assets	<u>\$ 719,183</u>	<u>\$ 1,247,185</u>
 <b>LIABILITIES AND FUND BALANCES</b>		
<b>LIABILITIES</b>		
Total Liabilities	<u>\$ -</u>	<u>\$ -</u>
 <b>FUND BALANCE</b>		
Unreserved:		
Undesignated	<u>719,183</u>	<u>1,247,185</u>
Total Fund Balance	<u>719,183</u>	<u>1,247,185</u>
Total Liabilities And Fund Balance	<u>\$ 719,183</u>	<u>\$ 1,247,185</u>

# NORTHFIELD TOWNSHIP HIGH SCHOOL DISTRICT NO. 225

## BOND AND INTEREST FUND

STATEMENT OF CASH RECEIPTS, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL

FOR THE YEAR ENDED JUNE 30, 1999

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 1998

	1999		VARIANCE FAVORABLE (UNFAVORABLE)	1998 ACTUAL
	BUDGET	ACTUAL		
<b>RECEIPTS</b>				
<b>LOCAL SOURCES</b>				
General Levy	\$ -	\$ (1,741)	\$ (1,741)	\$ 485,017
Corporate Personal Property Replacement Taxes	500,000	500,000	-	673,000
Other Payments in Lieu of Taxes	-	-	-	107,790
Interest on Investments	40,000	57,036	17,036	96,523
Total Local Sources	<u>540,000</u>	<u>555,295</u>	<u>15,295</u>	<u>1,362,330</u>
<b>STATE SOURCES</b>				
General State Aid	1,000,000	825,000	(175,000)	488,000
General State Aid - Supplemental/Hold Harmless	-	175,000	175,000	-
Total State Sources	<u>1,000,000</u>	<u>1,000,000</u>	<u>-</u>	<u>488,000</u>
Total Receipts	<u>1,540,000</u>	<u>1,555,295</u>	<u>15,295</u>	<u>1,850,330</u>
<b>EXPENDITURES</b>				
<b>Debt Service</b>				
<b>Debt Services - Interest</b>				
Bonds - Interest	406,800	406,140	660	503,303
Total Debt Service - Interest	<u>406,800</u>	<u>406,140</u>	<u>660</u>	<u>503,303</u>
<b>Bond Principal Retired</b>	<u>1,675,000</u>	<u>1,675,000</u>	<u>-</u>	<u>1,550,000</u>
<b>Other Debt Service</b>				
Purchased Services	6,000	2,157	3,843	2,607
Total	<u>6,000</u>	<u>2,157</u>	<u>3,843</u>	<u>2,607</u>
Total Debt Service	<u>2,087,800</u>	<u>2,083,297</u>	<u>4,503</u>	<u>2,055,910</u>
<b>Provision for Contingencies</b>	50,000	-	50,000	-
Total Expenditures	<u>2,137,800</u>	<u>2,083,297</u>	<u>54,503</u>	<u>2,055,910</u>
<b>EXCESS (DEFICIENCY) OF RECEIPTS OVER EXPENDITURES</b>	<u>\$ (597,800)</u>	<u>(528,002)</u>	<u>\$ 69,798</u>	<u>(205,580)</u>
<b>FUND BALANCE, BEGINNING OF YEAR</b>		<u>1,247,185</u>		<u>1,452,765</u>
<b>FUND BALANCE, END OF YEAR</b>		<u>\$ 719,183</u>		<u>\$ 1,247,185</u>

***This page was intentionally left blank***

**CAPITAL PROJECTS FUND**

To account for financial resources to be used for the acquisition or construction of major capital facilities.

**NORTHFIELD TOWNSHIP HIGH SCHOOL DISTRICT NO. 225**  
**CAPITAL PROJECT FUNDS**  
 COMBINING STATEMENT OF ASSETS AND LIABILITIES ARISING FROM CASH TRANSACTIONS  
 JUNE 30, 1999  
 WITH COMPARATIVE TOTALS FOR JUNE 30, 1998

	SITE AND CONSTRUCTION FUND	FIRE PREVENTION AND SAFETY FUND	TOTAL	
			1999	1998
<b>ASSETS</b>				
Cash	\$ 29	\$ 68	\$ 97	\$ 357
Investments	<u>9,905</u>	<u>409,679</u>	<u>419,584</u>	<u>2,053,597</u>
Total Assets	<u>\$ 9,934</u>	<u>\$ 409,747</u>	<u>\$ 419,681</u>	<u>\$ 2,053,954</u>
 <b>LIABILITIES AND FUND BALANCES</b>				
<b>LIABILITIES</b>				
Total Liabilities	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
 <b>FUND BALANCE</b>				
Unreserved:				
Undesignated	<u>9,934</u>	<u>409,747</u>	<u>419,681</u>	<u>2,053,954</u>
Total Fund Balance	<u>9,934</u>	<u>409,747</u>	<u>419,681</u>	<u>2,053,954</u>
Total Liabilities and Fund Balance	<u>\$ 9,934</u>	<u>\$ 409,747</u>	<u>\$ 419,681</u>	<u>\$ 2,053,954</u>

## NORTHFIELD TOWNSHIP HIGH SCHOOL DISTRICT NO. 225

### CAPITAL PROJECT FUNDS

COMBINING STATEMENT OF CASH RECEIPTS, EXPENDITURES AND CHANGES IN FUND BALANCES

FOR THE YEAR ENDED JUNE 30, 1999

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 1998

	SITE AND CONSTRUCTION FUND	FIRE PREVENTION AND SAFETY FUND	TOTAL	
			1999	1998
<b>RECEIPTS</b>				
Local Sources:				
Property taxes	\$ -	\$ 819,483	\$ 819,483	\$ 1,245,956
Earnings on investments	<u>4,028</u>	<u>29,022</u>	<u>33,050</u>	<u>108,247</u>
Total Local Sources	4,028	848,505	852,533	1,354,203
 Total Receipts	 <u>4,028</u>	 <u>848,505</u>	 <u>852,533</u>	 <u>1,354,203</u>
 <b>EXPENDITURES</b>				
Capital Outlay	<u>91,000</u>	<u>2,395,806</u>	<u>2,486,806</u>	<u>824,327</u>
Total Expenditures	<u>91,000</u>	<u>2,395,806</u>	<u>2,486,806</u>	<u>824,327</u>
 EXCESS (DEFICIENCY) OF RECEIPTS OVER EXPENDITURES	 (86,972)	 (1,547,301)	 (1,634,273)	 529,876
 FUND BALANCE, BEGINNING OF YEAR	 <u>96,906</u>	 <u>1,957,048</u>	 <u>2,053,954</u>	 <u>1,524,078</u>
FUND BALANCE, END OF YEAR	<u>\$ 9,934</u>	<u>\$ 409,747</u>	<u>\$ 419,681</u>	<u>\$ 2,053,954</u>

**NORTHFIELD TOWNSHIP HIGH SCHOOL DISTRICT NO. 225  
SITE & CONSTRUCTION FUND**

STATEMENT OF CASH RECEIPTS, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 1999  
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 1998

	1999			1998 ACTUAL
	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)	
<b>RECEIPTS</b>				
<b>LOCAL SOURCES</b>				
Interest on Investments	\$ 1,000	\$ 4,028	\$ 3,028	\$ 6,580
Total Local Sources	<u>1,000</u>	<u>4,028</u>	<u>3,028</u>	<u>6,580</u>
Total Receipts	<u>1,000</u>	<u>4,028</u>	<u>3,028</u>	<u>6,580</u>
<b>EXPENDITURES</b>				
<b>Support Services</b>				
<b>Facilities Acquisition and Construction Services</b>				
Capital Outlay	<u>91,000</u>	<u>91,000</u>	<u>-</u>	<u>-</u>
Total	<u>91,000</u>	<u>91,000</u>	<u>-</u>	<u>-</u>
Total Support Services	<u>91,000</u>	<u>91,000</u>	<u>-</u>	<u>-</u>
Total Expenditures	<u>91,000</u>	<u>91,000</u>	<u>-</u>	<u>-</u>
FUND BALANCE, BEGINNING OF YEAR		<u>96,906</u>		<u>90,326</u>
FUND BALANCE, END OF YEAR		<u>\$ 9,934</u>		<u>\$ 96,906</u>

**NORTHFIELD TOWNSHIP HIGH SCHOOL DISTRICT NO. 225****FIRE PREVENTION AND SAFETY FUND**

STATEMENT OF CASH RECEIPTS, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL

FOR THE YEAR ENDED JUNE 30, 1999

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 1998

	1999		VARIANCE FAVORABLE (UNFAVORABLE)	1998 ACTUAL
	BUDGET	ACTUAL		
<b>RECEIPTS</b>				
<b>LOCAL SOURCES</b>				
General Levy	\$ 823,244	\$ 819,483	\$ (3,761)	\$ 1,245,956
Interest on Investments	69,000	29,022	(39,978)	101,667
Total Local Sources	892,244	848,505	(43,739)	1,347,623
Total Receipts	892,244	848,505	(43,739)	1,347,623
<b>EXPENDITURES</b>				
<b>Support Services</b>				
<b>Facilities Acquisition and Construction Services</b>				
Capital Outlay	2,356,200	2,395,806	(39,606)	824,327
Total	2,356,200	2,395,806	(39,606)	824,327
Total Support Services	2,356,200	2,395,806	(39,606)	824,327
Provision for Contingencies	150,000	-	150,000	-
Total Expenditures	2,506,200	2,395,806	110,394	824,327
EXCESS (DEFICIENCY) OF RECEIPTS OVER EXPENDITURES	\$ (1,613,956)	(1,547,301)	\$ 66,655	523,296
FUND BALANCE, BEGINNING OF YEAR		1,957,048		1,433,752
FUND BALANCE, END OF YEAR		\$ 409,747		\$ 1,957,048

***This page was intentionally left blank***

**FIDUCIARY FUNDS - TRUST AND AGENCY FUNDS**

**EXPENDABLE TRUST FUND**

**Working Cash Fund** - to account for financial resources held by the District which may be temporarily loaned to other funds.

**NORTHFIELD TOWNSHIP HIGH SCHOOL DISTRICT NO. 225**  
**TRUST AND AGENCY FUNDS**  
 COMBINING STATEMENT OF ASSETS AND LIABILITIES ARISING FROM CASH TRANSACTIONS  
 JUNE 30, 1999  
 WITH COMPARATIVE TOTALS FOR JUNE 30, 1998

	EXPENDABLE	AGENCY	TOTAL	
	TRUST	STUDENT	1999	1998
	WORKING CASH	ACTIVITY		
<b>ASSETS</b>				
Cash	\$ 95	\$ 673,048	\$ 673,143	\$ 581,501
Investments	4,873,600	-	4,873,600	4,394,002
Total Assets	<u>\$ 4,873,695</u>	<u>\$ 673,048</u>	<u>\$ 5,546,743</u>	<u>\$ 4,975,503</u>
<b>LIABILITIES AND FUND BALANCES</b>				
<b>LIABILITIES</b>				
Due to Activity Fund Organization	\$ -	\$ 673,048	\$ 673,048	\$ 581,407
Total Liabilities	-	673,048	673,048	581,407
<b>FUND BALANCE</b>				
Unreserved:				
Undesignated	4,873,695	-	4,873,695	4,394,096
Total Fund Balance	4,873,695	-	4,873,695	4,394,096
Total Liabilities and Fund Balance	<u>\$ 4,873,695</u>	<u>\$ 673,048</u>	<u>\$ 5,546,743</u>	<u>\$ 4,975,503</u>

**NORTHFIELD TOWNSHIP HIGH SCHOOL DISTRICT NO. 225****FIDUCIARY (EXPENDABLE TRUST) FUND - WORKING CASH FUND**

STATEMENT OF CASH RECEIPTS, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL

FOR THE YEAR ENDED JUNE 30, 1999

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 1998

	1999		VARIANCE FAVORABLE (UNFAVORABLE)	1998 ACTUAL
	BUDGET	ACTUAL		
<b>RECEIPTS</b>				
<b>LOCAL SOURCES</b>				
General Levy	\$ 238,096	\$ 235,526	\$ (2,570)	\$ 218,673
Interest on Investments	197,000	244,073	47,073	335,404
Total Local Sources	435,096	479,599	44,503	554,077
Total Receipts	435,096	479,599	44,503	554,077
<b>EXPENDITURES</b>				
Total Expenditures	-	-	-	-
EXCESS (DEFICIENCY) OF RECEIPTS OVER EXPENDITURES	435,096	479,599	44,503	554,077
<b>OTHER FINANCING SOURCES (USES)</b>				
Permanent Transfer of Working Cash Fund - Interest	-	-	-	(1,017,625)
Total Other Financing Sources (Uses)	-	-	-	(1,017,625)
EXCESS (DEFICIENCY) OF RECEIPTS AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER (USES)	\$ 435,096	479,599	\$ 44,503	(463,548)
FUND BALANCE, BEGINNING OF YEAR		4,394,096		4,857,644
FUND BALANCE, END OF YEAR		\$ 4,873,695		\$ 4,394,096

***This page was intentionally left blank***

## NORTHFIELD TOWNSHIP HIGH SCHOOL DISTRICT NO. 225

## STUDENT ACTIVITY FUNDS

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
FOR THE YEAR ENDED JUNE 30, 1999

	Balance June 30, 1998	Additions	Deletions	Transfers	Balance June 30, 1999
<b>ASSETS</b>					
Cash	\$ 581,407	\$ 2,066,195	\$ 1,971,687	\$ (2,867)	\$ 673,048
<b>LIABILITIES</b>					
Due to Student Organizations:					
District	\$ 122,072	\$ 65,223	\$ 47,274	\$ (10,496)	\$ 129,525
Glenbrook North High School	211,116	791,827	859,179	5,396	149,160
Glenbrook South High School	248,219	1,209,145	1,065,234	2,233	394,363
Total	\$ 581,407	\$ 2,066,195	\$ 1,971,687	\$ (2,867)	\$ 673,048

***This page was intentionally left blank***

**SUPPLEMENTAL SCHEDULES**

## NORTHFIELD TOWNSHIP HIGH SCHOOL DISTRICT NO. 225

### FIVE YEAR SUMMARY OF ASSESSED VALUATIONS, TAX RATES, EXTENSIONS AND COLLECTIONS JUNE 30, 1999

	1994	1995	1996	1997	1998
<b>Assessed Valuation</b>	<u>\$2,421,413,000</u>	<u>\$2,656,383,712</u>	<u>\$2,723,894,554</u>	<u>\$2,748,256,068</u>	<u>\$2,979,110,106</u>
<b><u>TAX RATES</u></b>					
Educational	1.6339	1.4994	1.4816	1.5891	1.5091
Operations and Maintenance	0.2127	0.2520	0.2532	0.2061	0.2451
Bond and interest	0.0866	0.0630	0.0346	-	-
Transportation	0.0237	0.0216	0.0224	0.0231	0.0235
IMRF/Social security	0.0578	0.0546	0.0562	0.0573	0.0422
Working Cash	0.0083	0.0075	0.0075	0.0068	0.0081
Fire Prevention and Safety	-	-	0.0466	0.0488	0.0112
<b>Total</b>	<u>2.0230</u>	<u>1.8981</u>	<u>1.9021</u>	<u>1.9312</u>	<u>1.8392</u>
<b><u>TAX EXTENSION</u></b>					
Educational	\$ 39,563,247	\$ 39,829,780	\$ 40,357,008	\$ 43,671,971	\$ 44,957,085
Operations and Maintenance	5,150,000	6,695,000	6,895,850	5,665,000	7,302,700
Bond and interest	2,096,944	1,673,264	943,042	-	-
Transportation	575,000	575,000	609,691	634,533	700,000
IMRF/Social security	1,400,000	1,449,000	1,531,300	1,575,254	1,260,000
Working Cash	200,000	200,000	203,231	241,727	242,000
Fire Prevention and Safety	-	-	1,270,190	1,287,500	334,750
<b>Total</b>	<u>\$ 48,985,191</u>	<u>\$ 50,422,044</u>	<u>\$ 51,810,312</u>	<u>\$ 53,075,985</u>	<u>\$ 54,796,535</u>
<b>Amounts Collected as of June 30, 1999</b>	<u>\$ 48,410,301</u>	<u>\$ 50,221,957</u>	<u>\$ 51,672,033</u>	<u>\$ 52,448,882</u>	<u>\$ 24,967,947</u>
<b>Percentage Collected</b>	<u>98.83%</u>	<u>99.60%</u>	<u>99.73%</u>	<u>98.82%</u>	<u>45.56%</u>

## NORTHFIELD TOWNSHIP HIGH SCHOOL DISTRICT NO. 225

## DEBT SERVICE TO MATURITY

JUNE 30, 1999

\$4,100,000 SCHOOL BONDS, SERIES 1994

<b>FISCAL YEAR ENDED JUNE 30,</b>	<b>PRINCIPAL</b>	<b>INTEREST</b>	<b>TOTAL</b>
2000	\$ -	\$ 245,788	\$ 245,788
2001	320,000	234,587	554,587
2002	1,205,000	185,731	1,390,731
2003	1,275,000	111,737	1,386,737
2004	1,300,000	37,700	1,337,700
Total	<u>\$ 4,100,000</u>	<u>\$ 815,543</u>	<u>\$ 4,915,543</u>

Purpose: Working Cash

Dated: December 1, 1994

Interest Payment Dates: June 1 and December 1

Principal Payment Dates: December 1

Paying Agent: LaSalle National Bank

Interest Rates: 5.70% - 7.00%

## NORTHFIELD TOWNSHIP HIGH SCHOOL DISTRICT NO. 225

## DEBT SERVICE TO MATURITY

JUNE 30, 1999

\$4,900,000 SCHOOL BONDS, SERIES 1995

FISCAL YEAR ENDED JUNE 30,	PRINCIPAL	INTEREST	TOTAL
2000	\$ 1,080,000	\$ 77,090	\$ 1,157,090
2001	<u>820,000</u>	<u>22,345</u>	<u>842,345</u>
Total	<u>\$ 1,900,000</u>	<u>\$ 99,435</u>	<u>\$ 1,999,435</u>

Purpose:	Working Cash
Dated:	January 1, 1995
Interest Payment Dates:	June 1 and December 1
Principal Payment Dates:	December 1
Paying Agent:	LaSalle National Bank
Interest Rates:	4.90% - 8.45%

## NORTHFIELD TOWNSHIP HIGH SCHOOL DISTRICT NO. 225

## OPERATING COST AND TUITION CHARGE

JUNE 30, 1999

	1999	1998
<b><u>OPERATING COST PER PUPIL</u></b>		
Average Daily Attendance (ADA):	<u>3,860</u>	<u>3,875</u>
Operating Costs:		
Education	\$ 49,056,449	\$ 46,550,341
Operations and Maintenance	8,253,316	9,565,225
Bond and Interest	2,083,297	2,055,910
Transportation	976,240	1,012,409
Municipal Retirement/Social Security	<u>1,606,253</u>	<u>1,531,357</u>
Subtotal	<u>61,975,555</u>	<u>60,715,242</u>
Less Revenues/Expenditures of Nonregular Programs:		
Tuition	1,702,850	1,803,302
Adult education	-	-
Summer school	283,177	297,343
Capital outlay	5,255,735	6,873,359
Debt principal retired	1,675,000	1,550,000
Community services	<u>27,707</u>	<u>4,822</u>
Subtotal	<u>8,944,469</u>	<u>10,528,826</u>
Operating costs	<u>\$ 53,031,086</u>	<u>\$ 50,186,416</u>
Operating Cost Per Pupil - Based on ADA	<u>\$ 13,739</u>	<u>\$ 12,951</u>
<b><u>TUITION CHARGE</u></b>		
Operating Costs	\$ 53,031,086	\$ 50,186,416
Less - revenues from specific programs, such as special education or lunch programs	<u>4,404,190</u>	<u>4,103,868</u>
Net operating costs	48,626,896	46,082,548
Depreciation allowance	<u>3,676,875</u>	<u>3,439,925</u>
Allowable Tuition Costs	<u>\$ 52,303,771</u>	<u>\$ 49,522,473</u>
Tuition Charge Per Pupil - based on ADA	<u>\$ 13,550</u>	<u>\$ 12,780</u>

***This page was intentionally left blank***

## NORTHFIELD TOWNSHIP HIGH SCHOOL DISTRICT NO. 225

**STUDENT ACTIVITY FUNDS**  
**DETAILED STATEMENT OF CHANGES IN ASSETS AND LIABILITIES**  
**FOR THE YEAR ENDED JUNE 30, 1999**

	Balance June 30, 1998	Additions	Deletions	Transfers	Balance June 30, 1999
<b><u>District Activity</u></b>					
Accommodations	\$ (6,609)	\$ 4,386	\$ 1,000	\$ -	\$ (3,223)
Administration	769	-	-	-	769
Community Chorus	2,542	7,592	10,334	48	(152)
Glenbrook Symphony	200	-	-	-	200
Glenbrook Musical	1,169	28,884	25,255	2,368	7,166
Retirement	1,603	185	116	-	1,672
Scholarship and Trust	50,682	2,170	-	-	52,852
Johnson Scholarship	50,000	-	-	-	50,000
Biology	298	-	-	-	298
Student Aid	80	-	-	-	80
Student Activities	(2,455)	-	4,612	6,456	(611)
Student Teachers	147	-	-	-	147
Interest earned	23,646	22,006	5,957	(19,368)	20,327
Total District Activity	<u>122,072</u>	<u>65,223</u>	<u>47,274</u>	<u>(10,496)</u>	<u>129,525</u>
<b><u>North Activity</u></b>					
Activity tickets	6,202	4,555	7,847	-	2,910
Advanced Placement	11,014	56,241	56,508	-	10,747
International Club	673	-	622	-	51
Aquiana Swim Club	1,511	11,789	11,822	-	1,478
Art Club	-	-	-	-	-
Art Supplies	4,314	583	3,073	-	1,824
Practical Horticulture Club	6,863	11,435	7,825	-	10,473
Basics	928	1,897	2,218	-	607
Bookstore	(999)	276,094	228,598	(105,954)	(59,457)
Boy's P.E. Rental	1,953	3,444	1,465	-	3,932
Business Club	2,710	12	1,145	-	1,577
Cap and Gown	354	1,008	5,240	4,332	454
Central Suburban	3,247	20,375	16,004	(200)	7,418
Cheerleaders	7,286	17,733	14,734	-	10,285
Custodial Vending	213	-	-	-	213
Dispenser Fund	187	-	-	-	187
Drama Productions	4,508	3,862	8,418	4,554	4,506
English Department	-	969	953	-	16
Environmental Award	1,908	-	-	-	1,908
Field Trips	3,476	17,654	18,201	-	2,929
Football Club	-	-	-	-	-
French Club	383	118	170	-	331
Friends & Comp	467	2,181	1,320	300	1,628
Future Educators	-	810	55	951	1,706
Gadget Club	-	349	100	-	249
GBN Sports Tournaments	30,472	62,561	86,195	200	7,038
German Club	150	69	-	-	219

## NORTHFIELD TOWNSHIP HIGH SCHOOL DISTRICT NO. 225

**STUDENT ACTIVITY FUNDS**  
**DETAILED STATEMENT OF CHANGES IN ASSETS AND LIABILITIES**  
**FOR THE YEAR ENDED JUNE 30, 1999**

	Balance June 30, 1998	Additions	Deletions	Transfers	Balance June 30, 1999
Helicon	\$ 4,410	\$ -	\$ 11,375	\$ 4,655	\$ (2,310)
Home Economics	2,278	8,697	9,133	(951)	891
North End Restaurant	-	-	-	-	-
Illinois Science	945	200	280	-	865
In-HSE Grad	5,862	3,190	3,987	-	5,065
Industrial Education	1,123	-	-	-	1,123
Interact Club	6,099	2,450	1,400	-	7,149
Jordan Roby Fund	-	-	-	-	-
Key Club	1,807	3,346	2,843	(282)	2,028
Laconian	8,915	32,146	88,797	62,191	14,455
Varsity Club	463	612	425	-	650
Lost Illinois Loaned Texts	44	471	-	-	515
Mary Sharp Scholarship	-	-	-	-	-
Model U N Club	219	8,857	8,259	-	817
Music General	6,021	11,831	10,317	(48)	7,487
National Forensic League-DEB	6,713	50,610	53,194	-	4,129
National Forensic League	613	1,533	1,352	-	794
National Honor Society	462	980	1,134	-	308
Newcomers Welcoming Committee	680	786	743	-	723
North Suburban Science Supervisors	1,265	-	-	-	1,265
Orchesis	6,034	14,056	14,474	135	5,751
Parents' Association	-	6	-	-	6
Performing Arts	24	2,594	1,627	-	991
Pom Pom Squad	817	16,770	15,100	-	2,487
PSAT/PACT Registration	1,273	8,106	7,357	-	2,022
Reach America	3,095	1,924	4,177	-	842
Retirement Events	890	3,825	4,796	-	(81)
S.A.D.D.	178	110	19	-	269
Science Club	2,717	171	5,458	4,757	2,187
Scholarship GBN - A	704	-	-	-	704
Scholarship North	-	500	-	-	500
Snowball	1,033	5,616	6,210	-	439
Spanish Honor Society	392	873	714	-	551
Spartan Marching Band	8,467	26,167	29,142	-	5,492
Sports Banquets	635	-	232	-	403
Spring festival	(1,027)	1,675	2,523	1,026	(849)
Student Together Ed & Prev	-	-	-	-	-
Student Association	3,637	11,653	24,947	10,365	708
Student Special	921	-	-	(921)	-
S.O.A.R.	495	23	90	-	428
Student Teachers	393	-	103	-	290
Student Teachers-Business	-	-	-	-	-
Student Teachers-English	-	-	-	-	-

## NORTHFIELD TOWNSHIP HIGH SCHOOL DISTRICT NO. 225

## STUDENT ACTIVITY FUNDS

DETAILED STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
FOR THE YEAR ENDED JUNE 30, 1999

	Balance June 30, 1998	Additions	Deletions	Transfers	Balance June 30, 1999
Student Teachers-South	\$ 125	\$ -	\$ -	\$ -	\$ 125
Test Prep Program	56	11,060	11,060	-	56
Torch North	3,209	2,551	9,058	6,679	3,381
Towel Fees	24,269	152	12,605	7,076	18,892
Variety Show	4,459	12,487	10,805	-	6,141
Vending Machine	5,817	6,464	7,650	(180)	4,451
Welfare Memorial	683	1,758	1,231	-	1,210
WGKB Radio	140	3,013	2,873	-	280
Youth Empowerment	-	-	-	-	-
Interest account	(1,840)	-	2,111	6,396	2,445
Class of 1996	-	-	-	-	-
Class of 1997	191	-	-	(191)	-
Class of 1998	1,210	16	1,232	-	(6)
Class of 1999	2,191	4,412	1,892	-	4,711
Class of 2000	1,853	27,454	7,378	-	21,929
Class of 2001	2,336	4,657	5,068	-	1,925
Class of 2002	-	4,286	3,495	506	1,297
Total North Activity	211,116	791,827	859,179	5,396	149,160
<b>South Activity</b>					
Activity tickets	4,698	2,350	36	-	7,012
Advanced Placement Testing	12,513	83,268	81,587	-	14,194
Aid	(6,435)	-	-	-	(6,435)
American Field Service Club	179	-	-	-	179
Art Supplies	3,319	59	5,156	2,600	822
Auto Shop Repairs	957	6,634	7,524	-	67
Bel Canto	-	1,007	-	-	1,007
Bookstore	2,578	418,656	292,483	(122,752)	5,999
Titan Booster	3,111	58,257	9,679	-	51,689
Pep Club	7,525	23,371	17,780	24	13,140
Business Education	750	-	-	-	750
Calliope	-	-	1,983	3,390	1,407
Cap and Gown	3,349	629	6,831	5,928	3,075
Chamber Singers	-	1,310	935	-	375
Cheerleaders	67	6,545	4,055	-	2,557
Concessions	11,384	55,578	55,105	(22)	11,835
Counsellors Accounts	4,623	9,128	8,087	-	5,664
Cum Laude Society	(215)	-	266	-	(481)
Debate Club	4,724	10,442	12,825	(2,867)	(526)
Dispenser Fund	568	197	-	-	765
Diversified Cooperative Education	2,897	-	-	-	2,897
Drama Club	946	2,057	1,148	-	1,855
Drama Productions	1,296	2,240	12,370	9,153	319
High Adventure	5	-	1,274	-	(1,269)

## NORTHFIELD TOWNSHIP HIGH SCHOOL DISTRICT NO. 225

## STUDENT ACTIVITY FUNDS

DETAILED STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
FOR THE YEAR ENDED JUNE 30, 1999

	Balance June 30, 1998	Additions	Deletions	Transfers	Balance June 30, 1999
English Dept. Activities	\$ 64	\$ 542	\$ 2,456	\$ 2,676	\$ 826
Etruscan	18,813	25,283	34,554	58,550	68,092
Field Trips	308	-	-	-	308
Fine Arts Community	14	-	-	-	14
Foreign Language Club	54	-	56	-	(2)
Forensics	142	660	660	-	142
French Club	-	149	13	-	136
Girls' Letter Club	5,889	6,442	5,368	-	6,963
GBS Sports Tournament	5,590	65,433	67,343	(128)	3,552
Grad Night	5,804	32,864	35,784	1,000	3,884
In-House Grade Program	8,469	3,040	2,880	-	8,629
Industrial Education	4,214	4,127	8,298	-	43
Interact Club	3,632	4,605	6,824	(150)	1,263
Jazz Choir	(70)	-	-	-	(70)
Key Club	4,273	4,549	12,319	9,864	6,367
Late Exam Fees	155	140	-	-	295
Library Account	19,285	3,369	361	129	22,422
Living in Space	-	1,909	1,816	-	93
Lost Illinois Loaned Texts	(389)	-	-	-	(389)
Master Singers	640	13,208	13,420	217	645
Master Singers	-	94,597	92,485	(217)	1,895
Music & Folder	653	5	858	-	(200)
National Forensics League	3,380	-	-	-	3,380
National Honor Society	154	-	204	500	450
National Science Foundation	1,698	79	1,563	-	214
NSTA Toyota	-	10,240	-	-	10,240
Northsuburban Science	4,668	8,250	8,424	-	4,494
Northfield Township Coop	302	-	-	-	302
Oracle	2,349	5,544	11,547	6,543	2,889
Parents Association	7,027	10,868	1,149	(5,325)	11,421
Photography Club	30	-	-	-	30
Retirement Events	173	6,698	5,559	-	1,312
Scholarship - South	10,300	30,725	22,800	850	19,075
Science Club	7,084	12,659	14,426	-	5,317
Senior Pictures	245	-	-	-	245
Social Studies Field Trips	1,029	18,872	12,408	-	7,493
Sports Banquet	164	12,839	13,040	65	28
Stadium Lights	1,044	-	-	-	1,044
Student Council	3,572	30,394	41,499	10,759	3,226
Student Special	(4,980)	-	-	-	(4,980)
Student-to-Student	-	4,618	710	70	3,978
Studen Teachers-General	55	-	-	-	55
Student Teachers-English	(736)	-	-	-	(736)
Student Teachers	-	2,305	2,535	-	(230)
Student Teachers-Language	(50)	5,275	5,279	-	(54)

## NORTHFIELD TOWNSHIP HIGH SCHOOL DISTRICT NO. 225

**STUDENT ACTIVITY FUNDS**  
**DETAILED STATEMENT OF CHANGES IN ASSETS AND LIABILITIES**  
**FOR THE YEAR ENDED JUNE 30, 1999**

	Balance June 30, 1998	Additions	Deletions	Transfers	Balance June 30, 1999
Student Teachers-IMC	\$ (120)	\$ -	\$ -	\$ -	\$ (120)
Student Teachers- Math	100	-	-	-	100
Student Teachers-Music	1	4,997	4,727	-	271
Student Teachers-P.E	132	1,294	992	-	434
Student Teachers-Social Studies	965	309	-	-	1,274
Student Teachers-Special Ed	152	-	-	-	152
Test Prep Programs	33,428	22,625	19,693	-	36,360
Titannaires	2,995	5,780	5,423	(118)	3,234
Towel Fees	20,392	809	8,426	8,012	20,787
Tutoring Project	(228)	-	-	-	(228)
Variety Show	325	35,651	33,146	-	2,830
Video Yearbook	2,292	2,929	1,376	3,256	7,101
Teachers' Welfare	1,628	381	1,399	-	610
Student Council	788	-	8,787	7,456	(543)
Class of 1996	-	-	-	-	-
Class of 1997	562	-	525	-	37
Class of 1998	5,333	-	2,443	-	2,890
Class of 1999	118	4,986	3,176	564	2,492
Class of 2000	5,166	20,907	23,649	981	3,405
Class of 2001	303	5,074	3,788	615	2,204
Class of 2002	-	1,387	1,922	610	75
Total South Activity	<u>248,219</u>	<u>1,209,145</u>	<u>1,065,234</u>	<u>2,233</u>	<u>394,363</u>
Grand Total	<u>\$ 581,407</u>	<u>\$ 2,066,195</u>	<u>\$ 1,971,687</u>	<u>\$ (2,867)</u>	<u>\$ 673,048</u>

***This page was intentionally left blank***

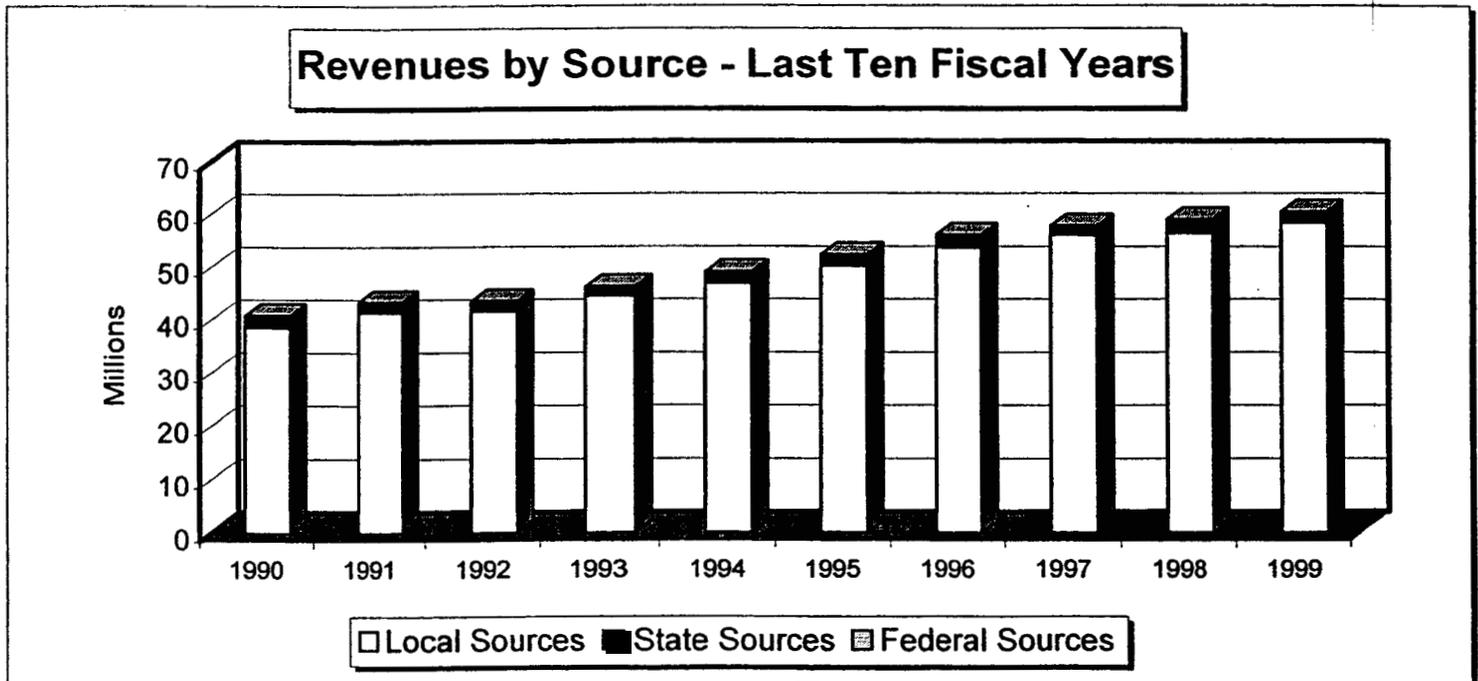
**STATISTICAL TABLES**

# NORTHFIELD TOWNSHIP HIGH SCHOOL DISTRICT NO. 225

## GENERAL AND SPECIAL REVENUE FUNDS REVENUES BY SOURCE

### LAST TEN FISCAL YEARS

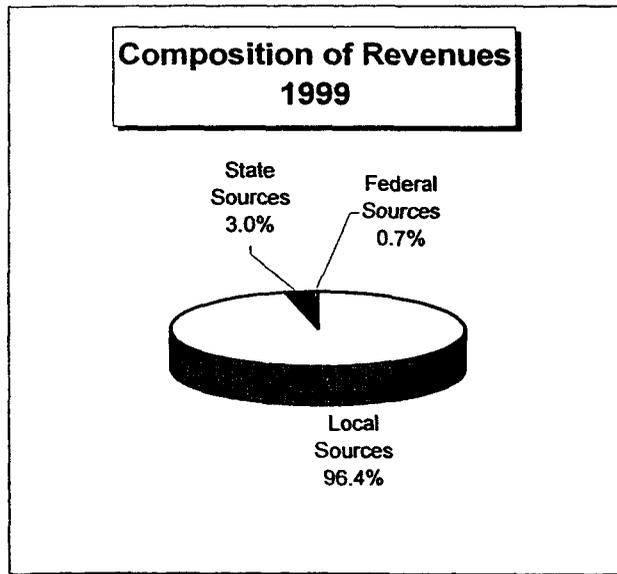
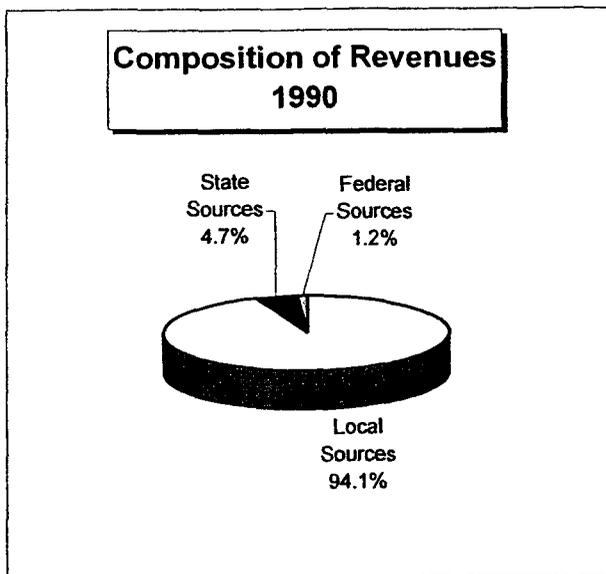
	1990	1991	1992	1993
<b>LOCAL SOURCES:</b>				
Property Taxes	\$ 33,401,048	\$ 35,330,868	\$ 36,736,187	\$ 38,809,204
Replacement Taxes	1,161,275	1,051,803	985,555	1,161,135
Tuition	168,709	176,707	239,609	241,552
Interest on Investments	2,074,959	1,821,877	1,207,579	876,444
Other Local Revenue	<u>1,713,289</u>	<u>2,937,703</u>	<u>2,368,251</u>	<u>3,236,530</u>
<b>Total Local Sources</b>	<u>38,519,280</u>	<u>41,318,958</u>	<u>41,537,181</u>	<u>44,324,865</u>
<b>STATE SOURCES:</b>				
General State Aid	970,236	928,063	729,137	824,242
Other State Aid	924,680	735,088	897,553	775,195
Flow Through	<u>12,704</u>	<u>(1,838)</u>	<u>20,356</u>	<u>-</u>
<b>Total State Sources</b>	<u>1,907,620</u>	<u>1,661,313</u>	<u>1,647,046</u>	<u>1,599,437</u>
<b>FEDERAL SOURCES:</b>				
Restricted Grants	450,615	313,598	315,794	317,785
Flow Through	<u>45,441</u>	<u>48,236</u>	<u>48,182</u>	<u>21,923</u>
<b>Total Federal Sources</b>	<u>496,056</u>	<u>361,834</u>	<u>363,976</u>	<u>339,708</u>
<b>Total Revenues</b>	<u>\$ 40,922,956</u>	<u>\$ 43,342,105</u>	<u>\$ 43,548,203</u>	<u>\$ 46,264,010</u>



SOURCE OF INFORMATION: 1989-1998 financial statements

Table 1

1994	1995	1996	1997	1998	1999
\$ 42,141,049	\$ 44,828,370	\$ 47,698,969	\$ 49,322,575	\$ 49,566,316	\$ 51,461,686
1,304,275	1,407,014	1,401,355	1,494,570	1,070,480	1,283,937
278,654	299,503	291,591	290,805	299,581	329,331
530,654	870,954	1,038,087	1,501,369	1,911,248	1,462,504
<u>2,474,928</u>	<u>2,602,894</u>	<u>3,021,438</u>	<u>3,246,109</u>	<u>3,392,565</u>	<u>3,620,619</u>
46,729,560	50,008,735	53,451,440	55,855,428	56,240,190	58,158,077
872,286	933,503	993,242	91,977	658,105	149,847
905,189	1,035,692	1,096,810	1,424,445	1,711,212	1,654,420
5,618	-	-	-	-	-
<u>1,783,093</u>	<u>1,969,195</u>	<u>2,090,052</u>	<u>1,516,422</u>	<u>2,369,317</u>	<u>1,804,267</u>
439,340	313,065	440,686	342,348	320,848	395,862
60,050	-	-	-	-	-
<u>499,390</u>	<u>313,065</u>	<u>440,686</u>	<u>342,348</u>	<u>320,848</u>	<u>395,862</u>
<u>\$ 49,012,043</u>	<u>\$ 52,290,995</u>	<u>\$ 55,982,178</u>	<u>\$ 57,714,198</u>	<u>\$ 58,930,355</u>	<u>\$ 60,358,206</u>

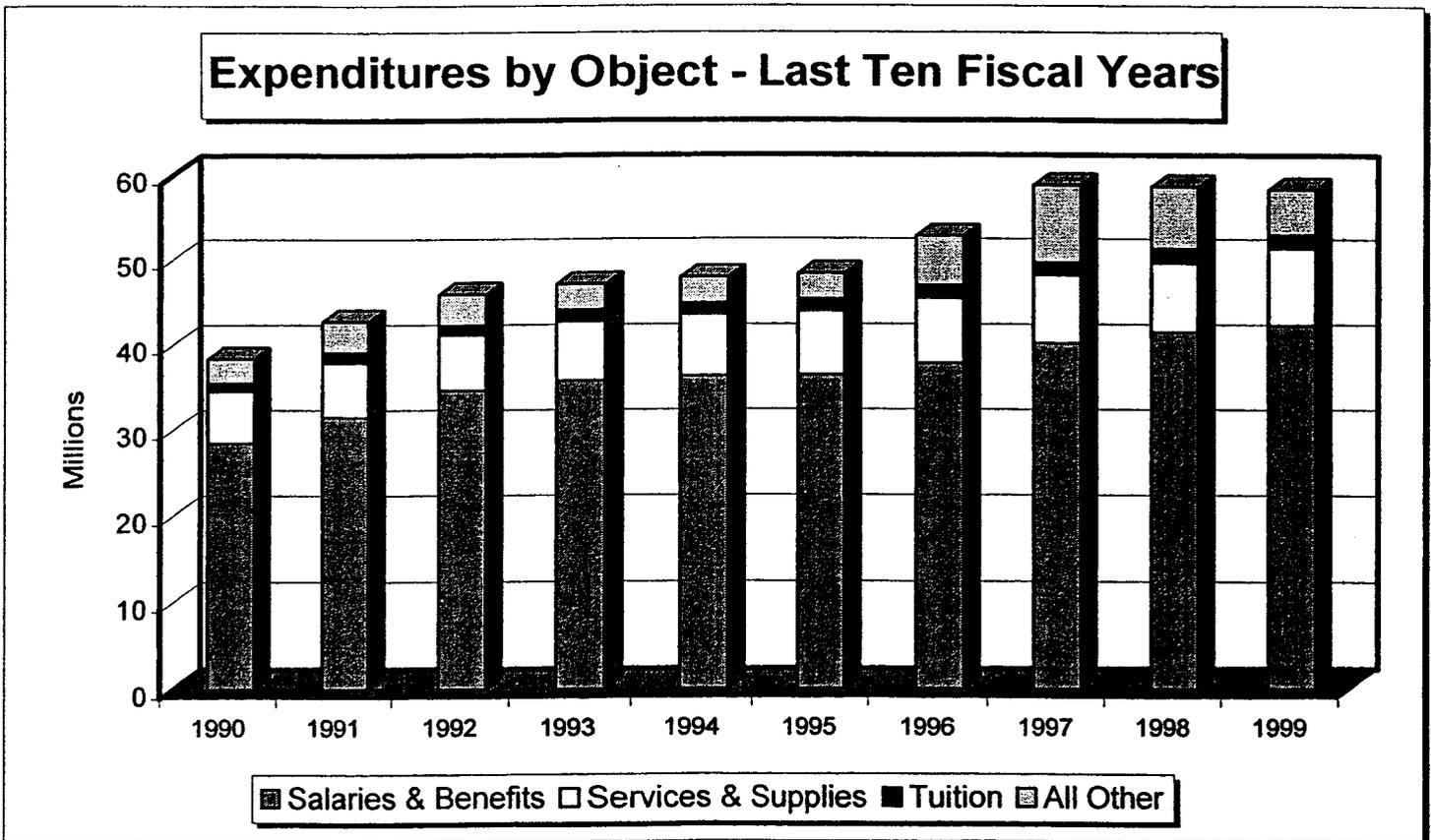


# NORTHFIELD TOWNSHIP HIGH SCHOOL DISTRICT NO. 225

## GENERAL AND SPECIAL REVENUE FUNDS EXPENDITURES BY OBJECT

LAST TEN FISCAL YEARS

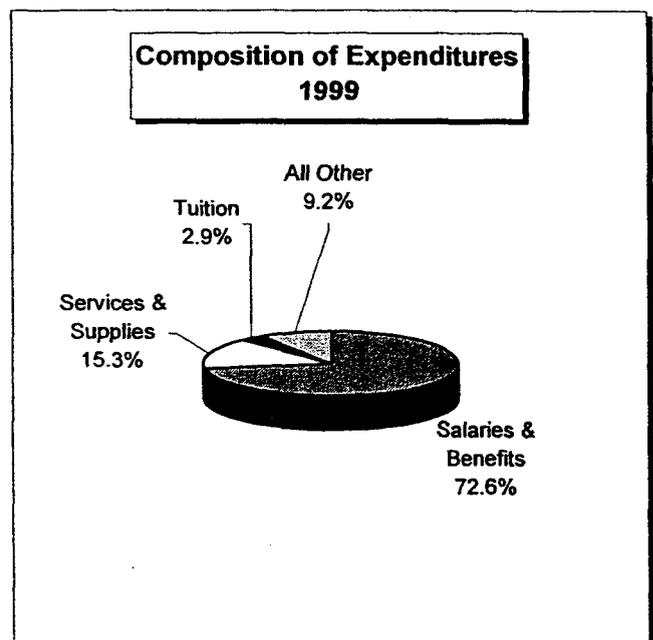
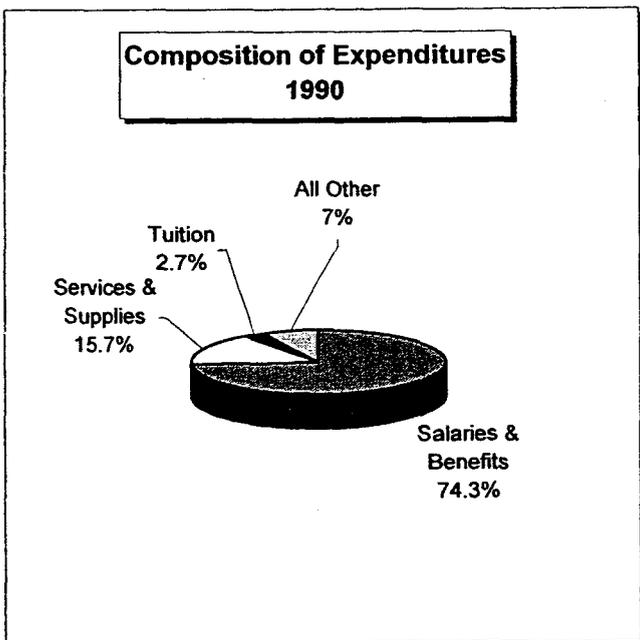
	1990	1991	1992	1993
<b>GENERAL FUND</b>				
Salaries and Employee Benefits	\$ 27,513,904	\$ 30,280,174	\$ 33,291,859	\$ 34,418,825
Purchased Services and Supplies	5,453,314	5,722,533	5,845,316	6,173,145
Tuition	1,045,780	1,272,818	1,207,800	1,460,507
All other Expenditures	<u>2,803,088</u>	<u>3,637,964</u>	<u>3,622,668</u>	<u>2,950,736</u>
 Total General Fund	 <u>36,816,086</u>	 <u>40,913,489</u>	 <u>43,967,643</u>	 <u>45,003,213</u>
<b>SPECIAL REVENUE FUNDS</b>				
Salaries and Employee Benefits	1,023,927	1,253,907	1,415,954	1,429,972
Purchased Services and Supplies	569,983	640,163	607,535	695,421
All other Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
 Total Special Revenue Funds	 <u>1,593,910</u>	 <u>1,894,070</u>	 <u>2,023,489</u>	 <u>2,125,393</u>
 Total Expenditures	 <u>\$ 38,409,996</u>	 <u>\$ 42,807,559</u>	 <u>\$ 45,991,132</u>	 <u>\$ 47,128,606</u>



SOURCE OF INFORMATION: 1989-1998 financial statements

Table 2

1994	1995	1996	1997	1998	1999
\$ 34,871,892	\$ 34,982,486	\$ 36,362,693	\$ 38,633,138	\$ 39,957,557	\$ 42,338,321
6,507,333	6,736,320	6,757,618	6,970,949	7,019,898	7,905,899
1,392,656	1,435,406	1,529,987	1,534,495	1,803,302	1,702,850
3,033,270	2,973,484	5,821,503	9,151,493	7,334,809	5,362,695
<u>45,805,151</u>	<u>46,127,696</u>	<u>50,471,801</u>	<u>56,290,075</u>	<u>56,115,566</u>	<u>57,309,765</u>
1,429,690	1,448,363	1,462,219	1,542,747	1,531,357	1,606,253
693,565	735,031	843,007	963,049	1,012,409	976,240
-	-	-	-	-	-
<u>2,123,255</u>	<u>2,183,394</u>	<u>2,305,226</u>	<u>2,505,796</u>	<u>2,543,766</u>	<u>2,582,493</u>
<u>\$ 47,928,406</u>	<u>\$ 48,311,090</u>	<u>\$ 52,777,027</u>	<u>\$ 58,795,871</u>	<u>\$ 58,659,332</u>	<u>\$ 59,892,258</u>



***This page was intentionally left blank***

**FEDERAL COMPLIANCE REPORT**

---

---

# WILLIAM F. GURRIE & CO., LTD.

---

---

CERTIFIED PUBLIC ACCOUNTANTS

SUITE 240  
1010 JORIE BOULEVARD  
OAK BROOK, ILLINOIS 60523-9791  
TELEPHONE (630) 990-3131  
FAX (630) 990-0039

MEMBERS AICPA AND  
ILLINOIS CPA SOCIETY

SIXTY-FIFTH ANNIVERSARY  
1934-1999

## **REPORT ON COMPLIANCE AND ON INTERNAL CONTROL OVER FINANCIAL REPORTING BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

August 22, 1999

To the Board of Education  
Northfield Township High School District No. 225  
1835 Landwehr Road  
Glenview, Illinois 60025

We have audited the combined, combining and individual fund financial statements of Northfield Township High School District No. 225 as of and for the year ended June 30, 1999, and have issued our report thereon dated August 22, 1999. In our report, our opinion was qualified because Northfield Township High School District No. 225 prepares its financial statements on the cash basis of accounting, which is a comprehensive basis of accounting other than generally accepted accounting principles. We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained Government Auditing Standards, issued by the Comptroller General of the United States.

### **Compliance**

As part of obtaining reasonable assurance about whether Northfield Township High School District No. 225's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under Government Auditing Standards.

### **Internal Control Over Financial Reporting**

In planning and performing our audit, we considered Northfield Township High School District No. 225's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

This report is intended solely for the information and use of the Northfield Township High School District No. 225 Board of Education, management, the Illinois State Board of Education, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

*William F. Gurrie & Co., Ltd*  
**WILLIAM F. GURRIE & CO., LTD.**

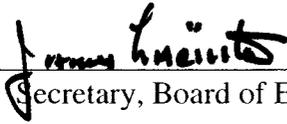
***This page was intentionally left blank***

STATE OF ILLINOIS        )  
                                      ) SS  
COUNTY OF COOK         )

**CONTRACT CERTIFICATE**

I, the undersigned, do hereby certify that I am the duly qualified and acting Secretary of the Board of Education of Township High School District Number 225, Cook County, Illinois (the "*District*"), and as such official I do further certify that attached hereto is a true, correct and complete copy of the contract made on the 25th day of September, 2000, between the District and the purchaser of the \$11,300,000 General Obligation Limited Tax School Bonds, Series 2000A, dated October 1, 2000, of the District, regarding the sale and purchase of said bonds.

IN WITNESS WHEREOF, I hereunto affix my official signature, this 25th day of September, 2000.

  
\_\_\_\_\_  
Secretary, Board of Education

**SERIES 2000A BONDS**

Form of Deposit

Check One:

Certified/Cashier's Check      [ ]  
Financial Surety Bond            [ X ]

Amount: \$213,800

The above Certified/Cashier's Check was returned and received

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

Check Number: \_\_\_\_\_

Enclosed herewith is a certified or cashier's check or financial surety bond in the amount of \$213,800 payable to said District as a guarantee of good faith, to be applied in accordance with the Notice of Sale if this bid is accepted, otherwise to be promptly returned.

Co-Managers:

Morgan Stanley/Dean Witter  
CIBC Oppenheimer  
Bear Stearns  
Hutchinson Shockey Early  
Robert W. Baird  
Charles Schwab

**Salomon Smith Barney**

Managing Underwriter

Name: John R. Breit  
Address: 70 W. Madison, Ste. 5200  
City: Chicago  
State/Zip: IL 60602  
Direct Phone: ( 312 ) 419-3596  
Fax Number: ( 312 ) 419-3299

The foregoing offer is hereby accepted this 25<sup>th</sup> day of September, 2000 by the Board of Education of Northfield Township High School District Number 225, Cook County, Illinois, and in recognition therefore is signed by the Officer empowered and authorized to make such acceptance. Receipt is also acknowledged of the good faith Deposit which will be held in accordance with the terms of the annexed Notice of Sale.



\_\_\_\_\_  
President, Board of Education  
Northfield Township High School District Number 225  
Cook County, Illinois

9-25-2000  
2:32 PM

NORTHFIELD TWP, IL HSD#225 LT G.O.  
SERIES 2000A

- FINAL -

DEL DATE: 10/25/2000 INT FROM: 10/ 1/2000 FIRST COUP: 6/ 1/2001

MATURITY	AMOUNT	BOND YRS	COUPON	YIELD	PRICE	PTC?	1ST CALL DT OR PTC DATE	CALL PRICE	
2/ 1/ 7	1,095	7,847,500	4.750	4.670	100.474				
2/ 1/ 8	1,505	12,290,833	4.750	4.730	100.128				
2/ 1/ 9	1,580	14,483,333	4.750	4.790	99.703				
2/ 1/10	1,655	16,825,833	4.750	4.850	99.204				
2/ 1/11	1,730	19,318,333	5.000	4.950	100.388	*Y*	12/ 1/10	100.000	
2/ 1/12	1,820	22,143,333	5.750	5.080	105.236	*Y*	12/ 1/10	100.000	
2/ 1/13	1,915	25,214,167	5.750	5.180	104.433	*Y*	12/ 1/10	100.000	
-----		-----		-----		-----		-----	
	11,300	118,123,333	5.192	4.948					

	TOTAL	PER \$1000	PER \$100
PAR AMOUNT = \$	11,300,000.00		
GROSS PROD = \$	11,476,149.85	1,015.5885	101.55885
BID = \$	11,401,682.85	1,008.9985	100.89985
SPREAD = \$	74,467.00	6.5900	0.65900
ACCRUED INT = \$	38,561.67	3.4125	0.34125
ACC INT/DAY = \$	1,606.74	0.1422	0.01422
VALUE .05% = \$	42,515.40	3.7624	0.37624

AVG LIFE = 10 YEARS 5 MONTHS 13 DAYS OR 10.4534 YEARS

\* NIC \* CALCULATION

TOTAL BOND YEARS:	118,123.33		
GROSS INTEREST COST: \$	6,132,729.17		
LESS PREMIUM: \$	101,682.85		
OR PLUS DISCOUNT: \$	0.00	** NIC% **	** TIC% **
NET INTEREST COST: \$	6,031,046.32	5.105720%	5.059868%
\$1 OF SPREAD =	0.0096 TO NIC		( 5.059299% to delivery)
.01 OF NIC =	1.0453 TO SPREAD (PER 1000)		

STATE OF ILLINOIS        )  
                                      ) SS  
COUNTY OF COOK         )

**CONTRACT CERTIFICATE**

I, the undersigned, do hereby certify that I am the duly qualified and acting Secretary of the Board of Education of Township High School District Number 225, Cook County, Illinois (the "*District*"), and as such official I do further certify that attached hereto is a true, correct and complete copy of the contract made on the 25th day of September, 2000, between the District and the purchaser of the \$3,701,993.25 General Obligation Limited Tax Capital Appreciation School Bonds, Series 2000B, dated the date of issue thereof, of the District, regarding the sale and purchase of said bonds.

IN WITNESS WHEREOF, I hereunto affix my official signature, this 25th day of September, 2000.

  
\_\_\_\_\_  
Secretary, Board of Education

SERIES 2000B BONDS

Form of Deposit

Check One:

Certified/Cashier's Check [ ]  
Financial Surety Bond [ X ]

Amount: \$88,000

The above Certified/Cashier's Check was returned and received

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

Check Number: \_\_\_\_\_

Enclosed herewith is a certified or cashier's check or financial surety bond in the amount of \$88,000 payable to said District as a guarantee of good faith, to be applied in accordance with the Notice of Sale if this bid is accepted, otherwise to be promptly returned.

Co-Managers:

Morgan Stanley/Dean Witter  
CIBC Oppenheimer  
Bear Stearns  
Hutchinson Shockey Early  
Robert W. Baird  
Charles Schwab

**Soloman Smith Barney**  
Managing Underwriter

Name: Maureen McCan  
Address: 390 Greenwich  
City: New York  
State/Zip: NY 10013  
Direct Phone: ( 212 ) 723-7100  
Fax Number: ( 212 ) 723-8951

The foregoing offer is hereby accepted this 25<sup>th</sup> day of September, 2000 by the Board of Education of Northfield Township High School District Number 225, Cook County, Illinois, and in recognition therefore is signed by the Officer empowered and authorized to make such acceptance. Receipt is also acknowledged of the good faith Deposit which will be held in accordance with the terms of the annexed Notice of Sale.



\_\_\_\_\_  
President, Board of Education  
Northfield Township High School District Number 225  
Cook County, Illinois

(MON) 9:25:00 16:56/ST. 16:56/NO. 486:145753 P 1

**Northfield Township High School District Number 225  
\$3,701,993.25 Series 2000**

Dated: 10/25/00  
Delivery: 10/25/00

A	B	C	D	E	F	G	H	I	J	K	L	M
Period Ending	Maturity Value	CAB Offering Yield	Price	Production	Takedown/ \$1000 Mat	\$Takedown	Insurance 0.00000%	Costs	Price to Issuer	Yield to Issuer	Net Proceeds to Issuer	PV of DS @ 5.2121%
10/25/00												
12/01/02	30,000.00	5.050%	90.056	27,016.80	0.000	0.00	0.00	0.00	90.056	5.050%	27,016.80	26,927.44
12/01/03	80,000.00	5.100%	85.545	68,436.00	0.000	0.00	0.00	0.00	85.545	5.100%	68,436.00	68,205.27
12/01/04	1,455,000.00	5.150%	81.181	1,181,183.55	0.000	0.00	0.00	0.00	81.181	5.150%	1,181,183.55	1,178,270.89
12/01/05	1,455,000.00	5.200%	78.985	1,119,840.75	0.000	0.00	0.00	0.00	78.985	5.200%	1,119,840.75	1,119,178.44
12/01/06	1,455,000.00	5.250%	72.897	1,060,851.35	0.000	0.00	0.00	0.00	72.897	5.250%	1,060,851.35	1,063,049.58
12/01/07	355,000.00	5.300%	68.976	244,884.80	0.000	0.00	0.00	0.00	68.976	5.300%	244,884.80	246,361.83
<b>4,830,000.00</b>				<b>3,701,993.25</b>		<b>0.00</b>	<b>0.00</b>	<b>0.00</b>			<b>3,701,993.25</b>	<b>3,701,993.25</b>

Production:	3,701,993.25
Less Insurance Premium	0.00
Less Discount:	0.00
Target:	3,701,993.25
PV of Debt Service:	3,701,993.25
Difference:	0.00

M Total Capital Appreciation Bond Principal and Interest (E):	4,830,000.00
N Less Purchase Price (E - G - H - I)**:	3,701,993.25
O Total Interest Cost:	1,128,006.75
P For All of The Bonds, We Offer a Price of (N / E)	100.000%
Q True Interest Cost:	5.212071%

- denotes inputs

\* Subject to Change.  
\*\* Or sumproduct of B and I divided by 100.

FROM SALOMOV SMITH BARNEY MUNI SYNDICATE

MINUTES of a regular public meeting of the Board of Education of Township High School District Number 225, Cook County, Illinois, held at the Board Room, Administration Building, 1835 Landwehr Road, Glenview, Illinois, in said School District at 7:30 o'clock P.M., on the 25th day of September, 2000.

\* \* \*

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

Upon the roll being called, Carol Rogal, the President, and the following members at said location answered present: Karen Long, Sarah Beyne, A. Andrew Olson III, Neal Shact, Jim Seymour and Jeffrey Lerner.

The following members were absent: None.

The President announced that a proposal had been received from Salomon Smith Barney for the purchase of the District's general obligation limited tax working cash fund bonds to be issued by the District pursuant to Article 20 of the School Code and that the Board of Education would consider the adoption of a resolution providing for the issue of said bonds and the levy of a direct annual tax to pay the principal and interest thereon.

Whereupon Member Rogal presented and the Secretary read in full a resolution as follows:

RESOLUTION providing for the issue of \$15,001,993.25 School Bonds, Series 2000, of Township High School District Number 225, Cook County, Illinois, and for the levy of a direct annual tax to pay the principal and interest on said bonds.

\* \* \*

WHEREAS, pursuant to the provisions of Article 20 of the School Code of the State of Illinois (the "*Act*"), and all laws amendatory thereof and supplementary thereto, Township High School District Number 225, Cook County, Illinois (the "*District*"), is authorized to create, establish, maintain and operate a Working Cash Fund in and for the District; and

WHEREAS, pursuant to authority of the provisions of said Article 20 the Board of Education of the District (the "*Board*") adopted a resolution declaring its intention to avail of the provisions of said Article and issue bonds of the District in the aggregate amount of \$15,100,000 for working cash fund purposes as in and by said Article 20 provided; and

WHEREAS, pursuant to and in accordance with the Act and the provisions of Section 5 of the Local Government Debt Reform Act of the State of Illinois, as amended, notice of intention to issue said bonds pursuant to the provisions of said Article 20 was published in the *Pioneer Press Publications*, the same being a newspaper of general circulation in the District, and an affidavit evidencing the publication of such notice of intention, together with a newspaper clipping of such notice as published attached thereto, have heretofore been presented to the Board and made a part of the permanent records of the Board; and

WHEREAS, more than thirty (30) days have expired since the date of the publishing of such notice of intention to issue said bonds, and no petition with the requisite number of valid signatures thereon has been filed with the Secretary of the Board requesting that the proposition to issue said bonds as authorized by the provisions of said Article 20 be submitted to the legal voters of the District; and

WHEREAS, pursuant to and in accordance with the provisions of the Bond Issue Notification Act of the State of Illinois, as amended, the President of the Board, on the 21st day of August, 2000, executed an Order calling a public hearing (the "*Hearing*") for the 11th day of September, 2000, concerning the intent of the Board to sell said bonds; and

WHEREAS, notice of the Hearing was given (i) by publication at least once not less than seven (7) nor more than thirty (30) days before the date of the Hearing in the *Pioneer Press—Glenview Announcements* and *Northbrook Star*, the same being newspapers of general circulation in the District, and (ii) by posting at least 48 hours before the Hearing a copy of said notice at the principal office of the Board; and

WHEREAS, the Hearing was held on the 11th day of September, 2000, and at the Hearing the Board explained the reasons for the proposed bond issue and permitted persons desiring to be heard an opportunity to present written or oral testimony within reasonable time limits; and

WHEREAS, the Hearing was finally adjourned on the 11th day of September, 2000; and

WHEREAS, the Board is now authorized to issue bonds to the amount of \$15,100,000 as authorized by the provisions of said Article 20 for working cash fund purposes and to levy taxes to pay principal of and interest on such bonds; and

WHEREAS, the bonds so authorized shall be issued as limited bonds under the provisions of Section 15.01 of the Local Government Debt Reform Act of the State of Illinois, as amended (the "*Debt Reform Act*"), and as such it is not necessary to submit the proposition of the issuance of the bonds to the voters of the District for approval:

NOW, THEREFORE, Be It and It Is Hereby Resolved by the Board of Education of Township High School District Number 225, Cook County, Illinois, as follows:

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

*Section 2. Authorization.* It is hereby found and determined that the working cash fund of the District be increased and the Board has been authorized by law to borrow the sum of \$15,100,000 upon the credit of the District and as evidence of such indebtedness to issue bonds of the District in said amount, the proceeds of said bonds to be used for working cash fund purposes.

*Section 3. Bond Details.* (a) *General.* There be borrowed on the credit of and for and on behalf of the District the sum of \$15,001,993.25 for the purposes aforesaid; and that bonds of the District (the "*Bonds*") shall be issued in said amount and shall be designated "School Bonds, Series 2000." The Bonds shall be issued in two series designated "General Obligation Limited Tax School Bonds, Series 2000A" (the "*Series A Bonds*"), and "General Obligation Limited Tax Capital Appreciation School Bonds, Series 2000B" (the "*Series B Bonds*").

(b) *Series A Bonds.* The Series A Bonds shall be dated October 1, 2000, and shall also bear the date of authentication, shall be in fully registered form, shall be in denominations of \$5,000 each and authorized integral multiples thereof (but no single Bond shall represent installments of principal maturing on more than one date), shall be numbered 1 and upward, and the Series A Bonds shall become due and payable (subject to prior redemption as hereinafter set forth) on December 1 of each of the years, in the amounts and bearing interest per annum as follows:

YEAR OF MATURITY	PRINCIPAL AMOUNT	RATE OF INTEREST
2007	\$1,095,000	4.75%
2008	1,505,000	4.75%
2009	1,580,000	4.75%
2010	1,655,000	4.75%
2011	1,730,000	5.00%
2012	1,820,000	5.75%
2013	1,915,000	5.75%

The Series A Bonds shall bear interest from their date or from the most recent interest payment date to which interest has been paid or duly provided for, until the principal amount of the Series A Bonds is paid, such interest (computed upon the basis of a 360-day year of twelve 30-day months) being payable on June 1 and December 1 of each year, commencing on June 1, 2001. Interest on each Series A Bond shall be paid by check or draft of Cole Taylor Bank, Chicago, Illinois (the “*Bond Registrar*”), payable upon presentation in lawful money of the United States of America, to the person in whose name such Bond is registered at the close of business on the 15th day of the month next preceding the interest payment date. The principal of the Series A Bonds shall be payable in lawful money of the United States of America at the Bond Registrar.

(c) *Series B Bonds.* The Series B Bonds shall be dated the date of issuance thereof, and shall also bear the date of authentication, shall be in fully registered form, shall be in denominations of Original Principal Amounts (as defined in the following table) or any integral multiple thereof, each representing Compound Accreted Value (as hereinafter defined) at maturity at \$5,000 or any integral multiple thereof (but no single Series B Bond shall represent Compound Accreted Value maturing on more than one date) and shall be numbered 1 and upward. As used herein, the “Compound Accreted Value” of a Series B Bond on any date of determination shall be an amount equal to the Original Principal Amount (or integral multiple thereof) plus an investment return accrued to the date of such determination at a semi-annual

compounding rate which is necessary to produce the original yield to maturity for such Series B Bond shown in the table below from the date of such Series B Bond. The Compound Accreted Value of a Series B Bond on any June 1 or December 1, commencing on December 1, 2000, is as specifically set forth in *Exhibit A* attached hereto. The Compound Accreted Value of any Series B Bond on a date other than a June 1 or December 1 shall be determined conclusively by the Bond Registrar or a certified public accountant selected by the Bond Registrar by interpolating such Compound Accreted Value, using the straight line method, by reference to the Compound Accreted Values on the respective June 1 and December 1 immediately prior to and immediately subsequent to the date for which such determination is being made and the number of days elapsed since the respective June 1 or December 1 immediately prior to the date for which such determination is being made, calculated on the basis of a 360-day year consisting of twelve 30-day months. The Series B Bonds shall mature (without option of prior redemption) on December 1 of the years, shall bear interest from their date at the rates per annum in each case compounded semi-annually on each June 1 and December 1, commencing on December 1, 2000, which will provide the original yields to maturity until the respective maturity dates thereof, and shall be issued in the Original Principal Amount or any integral multiple thereof each representing \$5,000 Compound Accreted Value at maturity as follows:

**ORIGINAL PRINCIPAL AMOUNT**

YEAR	TOTAL	PER \$5,000 COMPOUND ACCREDITED VALUE AT MATURITY (“ORIGINAL PRINCIPAL AMOUNT”)	YIELD TO MATURITY
2002	\$ 27,016.80	\$4,502.80	5.05%
2003	68,436.00	4,277.25	5.10%
2004	1,181,183.55	4,059.05	5.15%
2005	1,119,840.75	3,848.25	5.20%
2006	1,060,651.35	3,644.85	5.25%
2007	244,864.80	3,448.80	5.30%

Interest on the Series B Bonds shall be payable only at the respective maturity dates thereof.

The Compound Accreted Value of the Series B Bonds shall be payable at maturity in lawful money of the United States of America upon presentation and surrender of the Series B Bonds at the Bond Registrar.

(d) *Execution of Bonds.* The Bonds shall be signed by the manual or facsimile signatures of the President and Secretary of the Board, and shall be registered, numbered and countersigned by the manual or facsimile signature of the School Treasurer who receives the taxes of the District, and in case any officer whose signature shall appear on any Bond shall cease to be such officer before the delivery of such Bond, such signature shall nevertheless be valid and sufficient for all purposes, the same as if such officer had remained in office until delivery.

All Bonds shall have thereon a certificate of authentication substantially in the form hereinafter set forth duly executed by the Bond Registrar, as authenticating agent of the District and showing the date of authentication. No Bond shall be valid or obligatory for any purpose or be entitled to any security or benefit under this resolution unless and until such certificate of authentication shall have been duly executed by the Bond Registrar by manual signature, and such certificate of authentication upon any such Bond shall be conclusive evidence that such Bond has been authenticated and delivered under this resolution. The certificate of authentication on any Bond shall be deemed to have been executed by the Bond Registrar if signed by an authorized officer of the Bond Registrar, but it shall not be necessary that the same officer sign the certificate of authentication on all of the Bonds issued hereunder.

*Section 4. Registration of Bonds; Persons Treated as Owners.* (a) *General.* The District shall cause books (the "*Bond Register*") for the registration and for the transfer of the

Bonds as provided in this resolution to be kept at the principal corporate trust office of the Bond Registrar, which is hereby constituted and appointed the registrar of the District. The District is authorized to prepare, and the Bond Registrar shall keep custody of, multiple Bond blanks executed by the District for use in the transfer and exchange of Bonds.

Upon surrender for transfer of any Bond at the principal corporate trust office of the Bond Registrar, duly endorsed by, or accompanied by a written instrument or instruments of transfer in form satisfactory to the Bond Registrar and duly executed by, the registered owner or his attorney duly authorized in writing, the District shall execute and the Bond Registrar shall authenticate, date and deliver in the name of the transferee or transferees a new fully registered Bond or Bonds of the same maturity of authorized denominations, for a like aggregate principal amount with respect to the Series A Bonds and for a like aggregate Original Principal Amount with respect to the Series B Bonds. Any fully registered Series A Bond or Series A Bonds may be exchanged at said office of the Bond Registrar for a like aggregate principal amount of Series A Bond or Series A Bonds of the same maturity of other authorized denominations. Any fully registered Series B Bond or Series B Bonds may be exchanged at said office of the Bond Registrar for a like aggregate Original Principal Amount of Series B Bond or Series B Bonds of the same maturity of other authorized denominations. The execution by the District of any fully registered Bond shall constitute full and due authorization of such Bond and the Bond Registrar shall thereby be authorized to authenticate, date and deliver such Bond, provided, however, the principal amount of outstanding Bonds of each maturity authenticated by the Bond Registrar shall not exceed the authorized principal amount of Bonds for such maturity less previous retirements.

The Bond Registrar shall not be required to transfer or exchange any Bond during the period beginning at the close of business on the 15th day of the month next preceding any

interest payment date on such Bond and ending on such interest payment date nor to transfer or exchange any Series A Bond after notice calling such Series A Bond for redemption has been mailed, nor during a period of fifteen (15) days next preceding mailing of a notice of redemption of any Series A 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, interest on, Compound Accreted Value of or redemption price of any Bond (the "*Payment Amount*") shall be made only to or upon the order of the registered owner thereof or his legal representative. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid.

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

(b) *Global Book-Entry System.* The Bonds shall be initially issued in the form of a separate single fully registered Bond for each of the maturities of the Bonds determined as described in Section 3 hereof. Upon initial issuance, the ownership of each such Bond shall be registered in the Bond Register in the name of Cede & Co., or any successor thereto ("*Cede*"), as nominee of The Depository Trust Company, New York, New York, and its successors and assigns ("*DTC*"). All of the outstanding Bonds shall be registered in the Bond Register in the name of Cede, as nominee of DTC, except as hereinafter provided. The President and Secretary of the Board and the Bond Registrar are each authorized to execute and deliver, on behalf of the

District, such letters to or agreements with DTC as shall be necessary to effectuate such book-entry system (any such letter or agreement being referred to herein as the "*Representation Letter*"), which Representation Letter may provide for the payment of the Payment Amount by wire transfer.

With respect to Bonds registered in the Bond Register in the name of Cede, as nominee of DTC, the District and the Bond Registrar shall have no responsibility or obligation to any broker-dealer, bank or other financial institution for which DTC holds Bonds from time to time as securities depository (each such broker-dealer, bank or other financial institution being referred to herein as a "*DTC Participant*") or to any person on behalf of whom such a DTC Participant holds an interest in the Bonds. Without limiting the immediately preceding sentence, the District and the Bond Registrar shall have no responsibility or obligation with respect to (i) the accuracy of the records of DTC, Cede or any DTC Participant with respect to any ownership interest in the Bonds, (ii) the delivery to any DTC Participant or any other person, other than a registered owner of a Bond as shown in the Bond Register, of any notice with respect to the Bonds, including any notice of redemption, or (iii) the payment to any DTC Participant or any other person, other than a registered owner of a Bond as shown in the Bond Register, of any amount with respect to the Payment Amount on the Bonds. The District and the Bond Registrar may treat and consider the person in whose name each Bond is registered in the Bond Register as the holder and absolute owner of such Bond for the purpose of payment of the Payment Amount with respect to such Bond, for the purpose of giving notices of redemption and other matters with respect to such Bond, for the purpose of registering transfers with respect to such Bond, and for all other purposes whatsoever. The Bond Registrar shall pay the Payment

Amount on the Bonds only to or upon the order of the respective registered owners of the Bonds, as shown in the Bond Register, or their respective attorneys duly authorized in writing, and all such payments shall be valid and effective to fully satisfy and discharge the District's obligations with respect to payment of the Payment Amount on the Bonds to the extent of the sum or sums so paid. No person other than a registered owner of a Bond as shown in the Bond Register, shall receive a Bond evidencing the obligation of the District to make payments of the Payment Amount with respect to any Bond. Upon delivery by DTC to the Bond Registrar of written notice to the effect that DTC has determined to substitute a new nominee in place of Cede, and subject to the provisions in Section 3 hereof with respect to the payment to the registered owners of Bonds at the close of business on the 15th day of the month next preceding the applicable payment date, the name "Cede" in this resolution shall refer to such new nominee of DTC.

In the event that (i) the District determines that DTC is incapable of discharging its responsibilities described herein and in the Representation Letter, (ii) the agreement among the District, the Bond Registrar and DTC evidenced by the Representation Letter shall be terminated for any reason or (iii) the District determines that it is in the best interests of the beneficial owners of the Bonds that they be able to obtain certificated Bonds, the District shall notify DTC and DTC Participants of the availability through DTC of certificated Bonds and the Bonds shall no longer be restricted to being registered in the Bond Register in the name of Cede, as nominee of DTC. At that time, the District may determine that the Bonds shall be registered in the name of and deposited with such other depository operating a universal book-entry system, as may be acceptable to the District, or such depository's agent or designee, and if the District does not select such alternate universal book-entry system, then the Bonds may be registered in whatever

name or names registered owners of Bonds transferring or exchanging Bonds shall designate, in accordance with the provisions of Section 4(a) hereof.

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

*Section 5. Redemption.* The Series A Bonds maturing on and after December 1, 2011, shall be subject to redemption prior to maturity at the option of the District as a whole, or in part in integral multiples of \$5,000 in any order of their maturity as determined by the District (less than all of the Series A Bonds of a single maturity to be selected by the Bond Registrar), on December 1, 2010, and on any date thereafter, at the redemption price of par plus accrued interest to the redemption date.

The Series A Bonds shall be redeemed only in the principal amount of \$5,000 and integral multiples thereof. The District shall, at least forty-five (45) days prior to the redemption date (unless a shorter time period shall be satisfactory to the Bond Registrar) notify the Bond Registrar of such redemption date and of the principal amount and maturity or maturities of Series A Bonds to be redeemed. For purposes of any redemption of less than all of the outstanding Series A Bonds of a single maturity, the particular Series A Bonds or portions of Series A Bonds to be redeemed shall be selected by lot not more than sixty (60) days prior to the redemption date by the Bond Registrar, by such method of lottery as the Bond Registrar shall deem fair and appropriate; provided that such lottery shall provide for the selection for redemption of Series A Bonds or portions of Series A Bonds in principal amounts of \$5,000 and integral multiples thereof.

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

*Section 6. Redemption Procedure.* Unless waived by any holder of Series A Bonds to be redeemed, notice of the call for any such redemption shall be given by the Bond Registrar on behalf of the District by mailing the redemption notice by first-class mail at least thirty (30) days and not more than sixty (60) days prior to the date fixed for redemption to the registered owner of the Series A Bond or Series A Bonds to be redeemed at the address shown on the Bond Register or at such other address as is furnished in writing by such registered owner to the Bond Registrar.

All notices of redemption shall state:

- (1) the redemption date,
- (2) the redemption price,
- (3) if less than all outstanding Series A Bonds are to be redeemed, the identification (and, in the case of partial redemption, the respective principal amounts) of the Series A Bonds to be redeemed,
- (4) that on the redemption date the redemption price will become due and payable upon each such Series A Bond or portion thereof called for redemption, and that interest thereon shall cease to accrue from and after said date,
- (5) the place where such Series A Bonds are to be surrendered for payment of the redemption price, which place of payment shall be the principal corporate trust office of the Bond Registrar, and
- (6) such other information then required by custom, practice or industry standard.

Prior to any redemption date, the District shall deposit with the Bond Registrar an amount of money sufficient to pay the redemption price of all the Series A Bonds or portions of Series A Bonds which are to be redeemed on that date.

Notice of redemption having been given as aforesaid, the Series A Bonds or portions of Series A Bonds so to be redeemed shall, on the redemption date, become due and payable at the redemption price therein specified, and from and after such date (unless the District shall default in the payment of the redemption price) such Series A Bonds or portions of Series A Bonds shall cease to bear interest. Upon surrender of such Series A Bonds for redemption in accordance with said notice, such Series A Bonds shall be paid by the Bond Registrar at the redemption price. Installments of interest due on or prior to the redemption date shall be payable as herein provided for payment of interest. Upon surrender for any partial redemption of any Series A Bond, there shall be prepared for the registered holder a new Series A Bond or Series A Bonds of the same maturity in the amount of the unpaid principal.

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

*Section 7. Form of Bond.* The Bonds shall be in substantially the following form; provided, however, that if the text of the Bond is to be printed in its entirety on the front side of the Bond, then paragraph [2] and the legend, "See Reverse Side for Additional Provisions", shall be omitted and paragraphs [6] through [9] (or [11] with respect to the Series A Bonds) shall be inserted immediately after paragraph [1]:

(Form of Series A Bond - Front Side)

REGISTERED  
NO. \_\_\_\_\_

REGISTERED  
\$ \_\_\_\_\_

UNITED STATES OF AMERICA

STATE OF ILLINOIS

COUNTY OF COOK

TOWNSHIP HIGH SCHOOL DISTRICT NUMBER 225

GENERAL OBLIGATION LIMITED TAX SCHOOL BOND, SERIES 2000A

See Reverse Side  
for Additional  
Provisions

Interest Rate: \_\_\_\_\_%      Maturity Date: December 1, 20\_\_      Dated Date: October 1, 2000      CUSIP \_\_\_\_\_

Registered Owner: CEDE & CO.

Principal Amount:

[1] KNOW ALL MEN BY THESE PRESENTS, that Township High School District Number 225, Cook County, Illinois (the "District"), hereby acknowledges itself to owe and for value received promises to pay to the Registered Owner identified above, or registered assigns as hereinafter provided, on the Maturity Date identified above, the Principal Amount identified above and to pay interest (computed on the basis of a 360-day year of twelve 30-day months) on such Principal Amount from the date of this Bond or from the most recent interest payment date to which interest has been paid at the Interest Rate per annum set forth above on June 1 and December 1 of each year, commencing June 1, 2001, until said Principal Amount is paid. Principal of this Bond is payable in lawful money of the United States of America upon presentation and surrender hereof at the principal corporate trust office of Cole Taylor Bank, Chicago, Illinois, as bond registrar and paying agent (the "Bond Registrar"). Payment of the installments of interest shall be made to the Registered Owner hereof as shown on the

registration books of the District maintained by the Bond Registrar, at the close of business on the 15th day of the month next preceding each interest payment date and shall be paid by check or draft of the Bond Registrar, payable upon presentation in lawful money of the United States of America, mailed to the address of such Registered Owner as it appears on such registration books or at such other address furnished in writing by such Registered Owner to the Bond Registrar.

[2] Reference is hereby made to the further provisions of this Bond set forth on the reverse hereof and such further provisions shall for all purposes have the same effect as if set forth at this place.

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

[3] It is hereby certified and recited that all conditions, acts and things required by law to exist or to be done precedent to and in the issuance of this Bond did exist, have happened, been done and performed in regular and due form and time as required by law; that the indebtedness of the District, including the issue of bonds of which this is one, does not exceed any limitation imposed by law; and that provision has been made for the collection of a direct annual tax to pay the interest hereon as it falls due and also to pay and discharge the principal hereof at maturity. Although this Bond constitutes a general obligation of the District and no limit exists on the rate of said direct annual tax, the amount of said tax is limited by the

provisions of the Property Tax Extension Limitation Law of the State of Illinois, as amended (the "*Law*"). The Law provides that the annual amount of the taxes to be extended to pay the issue of bonds of which this Bond is one and all other limited bonds (as defined in the Local Government Debt Reform Act of the State of Illinois, as amended) hereafter issued by the District shall not exceed the debt service extension base (as defined in the Law) of the District (the "*Base*") less the amount extended to pay certain other non-referendum bonds heretofore and hereafter issued by the District, as more fully described in the proceedings of the District providing for the issue of this Bond. The District is authorized to issue from time to time additional limited bonds payable from the Base and additional non-referendum bonds payable from property taxes unlimited as to rate or amount, as permitted by law, and to determine the lien priority of payments to be made from the Base to pay the District's limited bonds.

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

[5] IN WITNESS WHEREOF, said Township High School District Number 225, Cook County, Illinois, by its Board of Education, has caused this Bond to be signed by the manual or duly authorized facsimile signatures of the President and Secretary of said Board of Education, and to be registered, numbered and countersigned by the manual or the duly authorized facsimile signature of the School Treasurer who receives the taxes of the District, all as of the Dated Date identified above.

---

President, Board of Education

---

Secretary, Board of Education

Registered, Numbered and Countersigned:

---

School Treasurer

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

CERTIFICATE  
OF  
AUTHENTICATION

Bond Registrar and Paying Agent:  
Cole Taylor Bank, Chicago, Illinois

This Bond is one of the Bonds described in the within mentioned resolution and is one of the General Obligation Limited Tax School Bonds, Series 2000A, of Township High School District Number 225, Cook County, Illinois.

COLE TAYLOR BANK,  
as Bond Registrar

By \_\_\_\_\_ (Manual Signature)  
Authorized Officer

[Form of Series A Bond - Reverse Side]

**TOWNSHIP HIGH SCHOOL DISTRICT NUMBER 225**

**COOK COUNTY, ILLINOIS**

**GENERAL OBLIGATION LIMITED TAX SCHOOL BOND, SERIES 2000A**

[6] This Bond is one of a series of bonds issued by the District for working cash fund purposes, in full compliance with the provisions of the School Code of the State of Illinois, and the Local Government Debt Reform Act of the State of Illinois, and all laws amendatory thereof and supplementary thereto, and is authorized by the Board of Education of the District by resolutions duly and properly adopted for that purpose, in all respects as provided by law.

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

[8] Bonds of the issue of which this Bond is one maturing on and after December 1, 2011, are subject to redemption prior to maturity at the option of the District as a whole, or in part in integral multiples of \$5,000 in any order of their maturity as determined by the District (less than all the Bonds of a single maturity to be selected by lot by the Bond Registrar), on December 1, 2010, and on any date thereafter, at the redemption price of par plus accrued interest to the redemption date.

[9] Notice of any such redemption shall be sent by first-class mail not less than thirty (30) days nor more than sixty (60) days prior to the date fixed for redemption to the registered owner of each Bond to be redeemed at the address shown on the registration books of the District

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

[10] The Bonds are issued in fully registered form in the denomination of \$5,000 each or authorized integral multiples thereof. This Bond may be exchanged at the principal corporate trust office of the Bond Registrar for a like aggregate principal amount of Bonds of the same maturity of other authorized denominations, upon the terms set forth in the authorizing resolution. The Bond Registrar shall not be required to transfer or exchange any Bond during the period beginning at the close of business on the 15th day of the month next preceding any interest payment date on such Bond and ending 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.

[11] The District and the Bond Registrar may deem and treat the registered holder hereof as the absolute owner hereof for the purpose of receiving payment of or on account of principal hereof and interest due hereon and for all other purposes and neither the District nor the Bond Registrar shall be affected by any notice to the contrary.

(ASSIGNMENT)

FOR VALUE RECEIVED, the undersigned sells, assigns and transfers unto \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_

(Name and Address of Assignee)

the within Bond and does hereby irrevocably constitute and appoint \_\_\_\_\_

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

Dated: \_\_\_\_\_

Signature guaranteed: \_\_\_\_\_

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

(Form of Series B Bond - Front Side)

REGISTERED  
NO. \_\_\_\_\_

REGISTERED  
\$ \_\_\_\_\_  
Compound Accreted  
Value at Maturity  
("Maturity Amount")

**UNITED STATES OF AMERICA**

**STATE OF ILLINOIS**

**COUNTY OF COOK**

**TOWNSHIP HIGH SCHOOL DISTRICT NUMBER 225**

**GENERAL OBLIGATION LIMITED TAX CAPITAL APPRECIATION**

**SCHOOL BOND, SERIES 2000B**

See Reverse Side  
for Additional  
Provisions

Original Yield to Maturity: \_\_\_\_\_%      Maturity Date: December 1, \_\_\_\_\_      Dated Date: \_\_\_\_\_, 2000      Original Principal Amount: \$ \_\_\_\_\_      CUSIP \_\_\_\_\_

Registered Owner: CEDE & CO.

[1] KNOW ALL MEN BY THESE PRESENTS, that Township High School District Number 225, Cook County, Illinois (the "District"), hereby acknowledges itself to owe and for value received promises to pay to the Registered Owner identified above, or registered assigns as hereinafter provided, on the Maturity Date identified above, the Maturity Amount identified above. The amount of interest payable on this Bond on the Maturity Date hereof is the amount of interest accrued from the Dated Date hereof at a semi-annual compounding rate necessary to produce the Original Yield to Maturity set forth above, compounded semi-annually on each June 1 and December 1, commencing December 1, 2000. The Maturity Amount of this Bond is payable in lawful money of the United States of America upon presentation and surrender of this

Bond at the principal corporate trust office of Cole Taylor Bank, Chicago, Illinois, as bond registrar and paying agent (the "*Bond Registrar*"). The Compound Accreted Value of this Bond on June 1 and December 1 of each year, commencing December 1, 2000, determined by the semi-annual compounding described in this paragraph shall be as set forth in the table of Compound Accreted Values attached hereto.

[2] Reference is hereby made to the further provisions of this Bond set forth on the reverse hereof and such further provisions shall for all purposes have the same effect as if set forth at this place.

[3] It is hereby certified and recited that all conditions, acts and things required by law to exist or to be done precedent to and in the issuance of this Bond did exist, have happened, been done and performed in regular and due form and time as required by law; that the indebtedness of the District, including the issue of bonds of which this is one, does not exceed any limitation imposed by law; and that provision has been made for the collection of a direct annual tax to pay and discharge the Maturity Amount hereof when due. Although this Bond constitutes a general obligation of the District and no limit exists on the rate of said direct annual tax, the amount of said tax is limited by the provisions of the Property Tax Extension Limitation Law of the State of Illinois, as amended (the "*Law*"). The Law provides that the annual amount of the taxes to be extended to pay the issue of Bonds of which this Bond is one and all other limited bonds (as defined in the Local Government Debt Reform Act of the State of Illinois, as amended) hereafter issued by the District shall not exceed the debt service extension base (as defined in the Law) of the District (the "*Base*") less the amount extended to pay certain other outstanding non-referendum bonds heretofore and hereafter issued by the District, as more fully described in the proceedings of the District providing for the issue of this Bond. The District is authorized to issue from time to time additional limited bonds payable from the Base and

additional non-referendum bonds payable from property taxes unlimited as to rate or amount, as permitted by law, and to determine the lien priority of payments to be made from the Base to pay the District's limited bonds.

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

[5] IN WITNESS WHEREOF, said Township High School District Number 225, Cook County, Illinois, by its Board of Education, has caused this Bond to be signed by the President of said Board of Education, and to be registered, numbered and countersigned by the School Treasurer who receives the taxes of the District, all as of the Dated Date identified above.

---

President, Board of Education

---

Secretary, Board of Education

Registered, Numbered and Countersigned:

---

School Treasurer

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

CERTIFICATE  
OF  
AUTHENTICATION

Bond Registrar and Paying Agent:  
Cole Taylor Bank,  
Chicago, Illinois

This Bond is one of the Bonds described in the within mentioned resolution and is one of the General Obligation Limited Tax Capital Appreciation School Bonds, Series 2000B, of Township High School District Number 225, Cook County, Illinois.

COLE TAYLOR BANK,  
as Bond Registrar

By \_\_\_\_\_ (Manual Signature)  
Authorized Officer

[Form of Series B Bond - Reverse Side]

**TOWNSHIP HIGH SCHOOL DISTRICT NUMBER 225**

**COOK COUNTY, ILLINOIS**

**GENERAL OBLIGATION LIMITED TAX CAPITAL APPRECIATION**

**SCHOOL BOND, SERIES 2000B**

[6] This Bond is one of a series of bonds issued by the District for working cash fund purposes, in full compliance with the provisions of the School Code of the State of Illinois, and the Local Government Debt Reform Act of the State of Illinois, and all laws amendatory thereof and supplementary thereto, and is authorized by the Board of Education of the District by resolutions duly and properly adopted for that purpose, in all respects as provided by law.

[7] This Bond is transferable by the registered holder hereof in person or by his attorney duly authorized in writing at the principal corporate trust office of the Bond Registrar in Chicago, Illinois, but only in the manner, subject to the limitations and upon payment of the charges provided in the authorizing resolution, and upon surrender and cancellation of this Bond. Upon such transfer a new Bond or Bonds of authorized denominations of the same maturity and for the same aggregate Original Principal Amount will be issued to the transferee in exchange therefor.

[8] The Bonds are issued in fully registered form in Original Principal Amount representing \$5,000 Maturity Amount or any integral multiple thereof. This Bond may be exchanged at the principal office of the Bond Registrar for a like aggregate Original Principal Amount of Bonds of the same maturity of other authorized denominations, upon the terms set forth in the authorizing resolution. The Bond Registrar shall not be required to transfer or exchange any Bond after the close of business on the 15th day of the month next preceding the Maturity Date of such Bond.

[9] The District and the Bond Registrar may deem and treat the registered holder hereof as the absolute owner hereof for the purpose of receiving payment of or on account of the Maturity Amount hereof and for all other purposes and neither the District nor the Bond Registrar shall be affected by any notice to the contrary.

(ASSIGNMENT)

FOR VALUE RECEIVED, the undersigned sells, assigns and transfers unto \_\_\_\_\_

\_\_\_\_\_  
(Name and Address of Assignee)

the within Bond and does hereby irrevocably constitute and appoint \_\_\_\_\_

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

Dated: \_\_\_\_\_

Signature guaranteed: \_\_\_\_\_

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

*Section 8. Sale of Bonds.* The Bonds hereby authorized shall be executed as in this resolution provided as soon after the passage hereof as may be, and thereupon be deposited with the Treasurer who receives the taxes of the District, and be by said Treasurer delivered to Salomon Smith Barney, the purchaser thereof, upon receipt of the purchase price therefor, the same being \$15,103,676.10, plus accrued interest to date of delivery for the Series A Bonds; the contract for the sale of the Bonds heretofore entered into (the "Purchase Contract") is in all respects ratified, approved and confirmed, it being hereby found and determined that the Bonds have been sold at such price and bear interest at such rates that neither the true interest cost

(yield) nor the net interest rate received upon such sale exceed the maximum rate otherwise authorized by Illinois law and that the Purchase Contract is in the best interests of the District and that no person holding any office of the District, either by election or appointment, is in any manner financially interested directly in his own name or indirectly in the name of any other person, association, trust or corporation, in the Purchase Contract for the purchase of the Bonds; and the Bonds before being issued shall be registered, numbered and countersigned by said Treasurer, such registration being made in a book provided for that purpose, in which shall be entered the record of the resolution authorizing the Board to borrow said money and a description of the Bonds issued, including the number, date, to whom issued, amount, rate of interest and when due.

The use by said purchaser of any Preliminary Official Statement and any final Official Statement relating to the Bonds and before the Board at the time of the adoption hereof is hereby ratified, approved and authorized; the execution and delivery of said final Official Statement is hereby authorized; and the officers of the Board are hereby authorized to take any action as may be required on the part of the District to consummate the transactions contemplated by the Purchase Contract, this Resolution, said Preliminary Official Statement, said final Official Statement and the Bonds.

*Section 9. Tax Levy. (a) Series A Bonds.* In order to provide for the collection of a direct annual tax to pay the interest on the Series A Bonds as it falls due, and also to pay and discharge the principal thereof at maturity, there be and there is hereby levied upon all the taxable property within the District a direct annual tax for each of the years while the Series A Bonds or any of them are outstanding, in amounts for that purpose, and that there be and there is hereby levied upon all of the taxable property in the District, the following direct annual tax, to-wit:

FOR THE YEAR	A TAX TO PRODUCE THE SUM OF:
2000	\$ 606,267.00 for interest up to and including December 1, 2001
2001	\$ 578,425.00 for interest
2002	\$ 578,425.00 for interest
2003	\$ 578,425.00 for interest
2004	\$ 578,425.00 for interest
2005	\$ 578,425.00 for interest
2006	\$1,673,425.00 for interest
2007	\$2,031,412.50 for interest and principal
2008	\$2,034,925.00 for interest and principal
2009	\$2,034,875.00 for interest and principal
2010	\$2,031,262.50 for interest and principal
2011	\$2,034,762.50 for interest and principal
2012	\$2,025,112.50 for interest and principal

Principal or interest maturing at any time when there are not sufficient funds on hand from the foregoing tax levy to pay the same shall be paid from the general funds of the District, and the fund from which such payment was made shall be reimbursed out of the taxes hereby levied when the same shall be collected.

(b) *Series B Bonds.* In order to provide for the collection of a direct annual tax to pay and discharge the Compound Accreted Value of the Series B Bonds as it falls due, there be and there is hereby levied upon all the taxable property within the District a direct annual tax for each of the years and in amounts for that purpose, and that there be and there is hereby levied upon all of the taxable property in the District, the following direct annual tax, to-wit:

FOR THE YEAR	A TAX TO PRODUCE THE SUM OF:
2001	\$ 30,000 for interest and principal
2002	\$ 80,000 for interest and principal
2003	\$1,455,000 for interest and principal
2004	\$1,455,000 for interest and principal
2005	\$1,455,000 for interest and principal
2006	\$ 355,000 for interest and principal

Compound Accreted Value coming due at any time when there are not sufficient funds on hand from the foregoing tax levy to pay the same shall be paid from the general funds of the

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

(c) *General.* The District covenants and agrees with the purchasers and the holders of the Bonds that so long as any of the Bonds remain outstanding, the District will take no action or fail to take any action which in any way would adversely affect the ability of the District to levy and collect the foregoing tax levy and the District and its officers will comply with all present and future applicable laws in order to assure that the foregoing taxes will be levied, extended and collected as provided herein and deposited in the fund established to pay the principal of and interest on the Bonds.

*Section 10. Filing of Resolution.* Forthwith upon the passage of this resolution, the Secretary of the Board is hereby directed to file a certified copy of this resolution with the County Clerk of Cook County, Illinois (the "*County Clerk*"), and it shall be the duty of the County Clerk to annually in and for each of the years 2000 to 2012, inclusive, ascertain the rate necessary to produce the tax herein levied, and extend the same for collection on the tax books against all of the taxable property within the District in connection with other taxes levied in each of said years for school purposes, in order to raise the respective amounts aforesaid and in each of said years such annual tax shall be computed, extended and collected in the same manner as now or hereafter provided by law for the computation, extension and collection of taxes for general school purposes of the District, and when collected, the taxes hereby levied shall be placed to the credit of the special fund to be designated "School Bond and Interest Fund of 2000" (the "*Bond Fund*"), which taxes are hereby irrevocably pledged to and shall be used only for the purpose of paying the principal of and interest on the Bonds; and a certified copy of this resolution shall also be filed with the School Treasurer who receives the taxes of the District.

Interest earnings on the Bond Fund have not been earmarked or restricted by the Board for a designated purpose.

*Section 11. Limitation on Extension; General Obligation Pledge; Additional Obligations.* Notwithstanding any other provision of this Resolution, the annual amount of the taxes to be extended by the County Clerk to pay the Bonds and all other limited bonds (as defined in the Debt Reform Act) hereafter issued by the District shall not exceed the debt service extension base (as defined in the Property Tax Extension Limitation Law of the State of Illinois, as amended) of the District (the “Base”) less the amount extended to pay (a) the District’s outstanding School Bonds, Series 1994 and School Bonds, Series 1995 and (b) unlimited tax bonds issued to refund such bonds described in (a).

No limit, however, exists on the rate of the direct annual tax levied herein, and the Bonds shall constitute a general obligation of the District.

The District is authorized to issue from time to time additional limited bonds payable from the Base and additional non-referendum-bonds payable from property taxes unlimited as to rate or amount, as permitted by law, and to determine the lien priority of payments to be made from the Base to pay the District’s limited bonds.

*Section 12. Use of Bond Proceeds.* All moneys derived from the issuance of the Bonds hereby authorized shall be used only for the purpose and in the manner provided by the Act. Accrued interest and any premium received on the delivery of the Bonds are hereby appropriated for the purpose of paying first interest due on the Bonds and are hereby ordered deposited into the Bond Fund. The principal proceeds of the Bonds are hereby appropriated for working cash fund purposes and shall be set aside in a separate fund known and designated as the “Working Cash Fund of Township High School District Number 225, Cook County, Illinois,” which said

fund shall be held apart, maintained and administered as provided in Article 20 of the Act at least until all the Bonds have been retired, and shall not be used for any other purpose whatsoever.

*Section 13. Non-Arbitrage and Tax-Exemption.* One purpose of this Section is to set forth various facts regarding the Bonds and to establish the expectations of the Board and the District as to future events regarding the Bonds and the use of Bond proceeds. The certifications, covenants and representations contained herein and at the time of the Closing are made on behalf of the District for the benefit of the owners from time to time of the Bonds. In addition to providing the certifications, covenants and representations contained herein, the District hereby covenants that it will not take any action, omit to take any action or permit the taking or omission of any action within its control (including, without limitation, making or permitting any use of the proceeds of the Bonds) if taking, permitting or omitting to take such action would cause any of the Bonds to be an arbitrage bond or a private activity bond within the meaning of the Code or would otherwise cause the interest on the Bonds to be included in the gross income of the recipients thereof for federal income tax purposes. The District acknowledges that, in the event of an examination by the Internal Revenue Service of the exemption from Federal income taxation for interest paid on the Bonds, under present rules, the District is treated as the “taxpayer” in such examination and agrees that it will respond in a commercially reasonable manner to any inquiries from the Internal Revenue Service in connection with such an examination. The Board and the District certify, covenant and represent as follows:

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

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

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

*“Closing”* means the first date on which the District is receiving the purchase price for the Bonds.

*“Code”* means the Internal Revenue Code of 1986.

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

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

- (a) to approve and to remove without cause a controlling portion of the governing body of a Controlled Entity; or
- (b) to require the use of funds or assets of a Controlled Entity for any purpose.

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

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

*“Controlled Group”* means a group of entities directly or indirectly subject to Control by the same entity or group of entities, including the entity that has the Control of the other entities.

*“Costs of Issuance”* means the costs of issuing the Bonds, including underwriters’ discount and legal fees.

*“De minimis Amount of Original Issue Discount or Premium”* means (a) any original issue discount or premium that does not exceed two percent of the stated redemption price at maturity of the Bonds plus (b) any original issue premium that is attributable exclusively to reasonable underwriter’s compensation.

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

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

*“Gross Proceeds”* means amounts in the Bond Fund and the Project Fund.

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

*“Project Fund”* means that portion of the fund or funds of the District from which the costs of the Project are being paid.

*“Qualified Administrative Costs of Investments”* means (a) reasonable, direct administrative costs (other than carrying costs) such as separately stated brokerage or selling commissions (other than a broker’s commission paid on behalf of either the District or the provider of a GIC to the extent such commission exceeds the lesser of a reasonable amount or the present value of annual payments equal to 0.05 percent of the weighted average amount reasonably expected to be invested each year of the term of the GIC; for this purpose, present value is computed using the taxable discount rate used to compute the commission or, if not readily ascertainable, a reasonable taxable discount rate), but not legal and accounting fees, recordkeeping, custody and similar costs; (b) all administrative costs, direct or indirect, incurred by a publicly offered regulated investment company or an External Commingled Fund; or (c) in the case of purpose investments, costs or expenses paid directly to purchase, carry, sell or retire the investment and costs of issuing, carrying, or repaying the Bonds, and any placement agent fee or underwriter’s discount.

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

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

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

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

*"Reimbursed Expenditures"* means amounts, if any, used from Sale Proceeds or investment earnings thereon to reimburse the District for an expenditure paid prior to Closing.

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

*"Sale Proceeds Funds"* means the funds containing amounts derived by the sale of the Bonds or investment earnings thereon.

*"Yield"* means that discount rate which when used in computing the present value of all payments of principal and interest paid and to be paid on an obligation (using semiannual compounding on the basis of a 360-day year) produces an amount equal to the obligation's purchase price (or in the case of the Bonds, the issue price as established in paragraph 5.1 hereof), including accrued interest.

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

2.1. *Purpose of the Bonds.* The Bonds are being issued to finance the Project in a prudent manner consistent with the revenue needs of the District. A breakdown of the sources and uses of funds is set forth in the preceding Section of this Resolution. At least 75% of the sum of (i) Sale Proceeds plus (ii) investment earnings thereon, less (iii) Costs of Issuance paid from Sale Proceeds or investment earnings thereon, less (iv) Sale Proceeds or investment earnings thereon deposited in a reasonably required reserve or replacement fund, are expected to be used for construction purposes with respect to property owned by a governmental unit or a Section 501(c)(3) organization.

2.2. *The Project — Binding Commitment and Timing.* The District has incurred or will, within six months of the Closing, incur a substantial binding obligation (not subject to contingencies within the control of the District or any member of the same

Controlled Group as the District) to a third party to expend at least five percent of the Sale Proceeds on the Project. It is expected that the work of acquiring and constructing the Project and the expenditure of amounts deposited into the Project Fund will continue to proceed with due diligence through October 1, 2003, at which time it is anticipated that all Sale Proceeds and investment earnings thereon will have been spent.

The investment earnings on the Project Fund will be spent to pay costs of the Project and interest on the Bonds not later than the date set forth in the preceding paragraph, the investment earnings on the Bond Fund will be spent to pay interest on the Bonds, or to the extent permitted by law, investment earnings on amounts in the Project Fund and the Bond Fund will be commingled with substantial revenues from the governmental operations of the District, and the earnings are reasonably expected to be spent for governmental purposes within six months of the date earned. Interest earnings on the Project Fund and the Bond Fund have not been earmarked or restricted by the Board for a designated purpose. No proceeds of the Bonds will be used more than 30 days after the date of issue of the Bonds for the purpose of paying any principal or interest on any issue of bonds, notes, certificates or warrants or on any installment contract or other obligation of the District or for the purpose of replacing any funds of the District used for such purpose.

2.3. *Reimbursement.* None of the Sale Proceeds or investment earnings thereon will be used for Reimbursed Expenditures.

2.4. *Working Capital.* All amounts in the Sale Proceeds Funds will be used, directly or indirectly, to finance Capital Expenditures other than the following:

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

2.5. *Consequences of Contrary Expenditure.* The District acknowledges that if amounts in the Sale Proceeds Funds and investment earnings thereon are spent for non-

Capital Expenditures other than as permitted by paragraph 2.4 hereof, a like amount of then available funds of the District will be treated as unspent Sale Proceeds.

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

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

2.8. *Hedges.* Neither the District nor any member of the same Controlled Group as the District has entered into or expects to enter into any hedge (*e.g.*, an interest rate swap, interest rate cap, futures contract, forward contract or an option) with respect to the Bonds. The District acknowledges that any such hedge could affect the calculation of Bond Yield under the Regulations, and that the Internal Revenue Service could recalculate Bond Yield if the failure to account for the hedge fails to clearly reflect the economic substance of the transaction.

3.1. *Use of Proceeds.* (a) The use of the Sale Proceeds and investment earnings thereon and the funds held under the Resolution at the time of Closing are described in the preceding Section of this Resolution.

(b) Only the funds and accounts described in said Section will be funded at Closing. There are no other funds or accounts created under this Resolution.

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

(d) Any Costs of Issuance incurred in connection with the Bonds to be paid by the District will be paid from the Project Fund.

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

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

3.3. *No Other Gross Proceeds.* (a) Except for the Bond Fund and the Project Fund, and except for investment earnings that have been commingled as described in paragraph 2.2 and any credit enhancement or liquidity device related to the Bonds, after the issuance of the Bonds, neither the District nor any member of the same Controlled Group as the District has or will have any property, including cash or securities that constitutes:

(i) Sale Proceeds;

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

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

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

(v) any amounts held pursuant to any agreement (such as an agreement to maintain certain levels of types of assets) made for the benefit of the Bondholders or any credit enhancement provider, including any liquidity device or negative pledge (any amount pledged to pay principal of or interest on an issue held under an agreement to maintain the amount at a particular level for the direct or indirect benefit of Bondholders or a guarantor of the bonds); or

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

(b) No compensating balance, liquidity account, negative pledge of property held for investment purposes or similar arrangement exists with respect to, in any way, the Bonds or any credit enhancement or liquidity device related to the Bonds.

(c) The term of the Bonds is not longer than is reasonably necessary for the governmental purposes of the Bonds. The average reasonably expected economic life of the Project is at least 20 years. The weighted average maturity of the Bonds does not exceed 10 years and does not exceed 120 percent of the average reasonably expected economic life of the Project. The maturity schedule of the Bonds (the "*Principal*

*Payment Schedule*") is based on an analysis of revenues expected to be available to pay debt service on the Bonds. The Principal Payment Schedule is not more rapid (*i.e.*, having a lower average maturity) because a more rapid schedule would place an undue burden on tax rates and cause such rates to be increased beyond prudent levels, and would be inconsistent with the governmental purpose of the Bonds as set forth in paragraph 2.1 hereof.

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

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

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

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

4.4. *Prohibited Payments; Certificates of Deposit and Investment Agreements.* In making investments of Gross Proceeds, the District shall take into account prudent investment standards including the date on which moneys to be invested may be needed. The District shall provide that all amounts which constitute Gross Proceeds and any amounts in the Rebate Fund shall be invested at all times to the greatest extent practicable in investments permitted under this Resolution, and no amounts may be held as cash or be invested in zero Yield investments other than obligations of the United States purchased directly from the United States; provided, however, that in the event moneys cannot be invested, other than as provided in this sentence, due to the denomination, price

or availability of investments, such amounts shall be invested in an interest bearing deposit account of a bank with a Yield not less than that paid to the general public or held uninvested (but uninvested amounts shall be held to the minimum amount necessary).

For purposes of determining the purchase price of investments (for either yield restriction or rebate purposes), Gross Proceeds and any amounts in the Rebate Fund that are invested in certificates of deposit or in GICs shall be invested only in accordance with the following provisions:

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

(b) Investments in GICs shall be made only if

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

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

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

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

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

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

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

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

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

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

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

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

(i) a copy of the GIC;

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

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

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

Moneys to be rebated to the United States shall be invested to mature on or prior to the anticipated rebate payment date. All investments made with Gross Proceeds or amounts in the Rebate Fund shall be bought and sold at fair market value. The fair

market value of an investment is the price at which a willing buyer would purchase the investment from a willing seller in a bona fide, arm's length transaction. Except for investments specifically described in this Section and United States Treasury obligations that are purchased directly from the United States Treasury, only investments that are traded on an established securities market, within the meaning of regulations promulgated under Section 1273 of the Code, will be purchased with Gross Proceeds. In general, an "established securities market" includes: (i) property that is listed on a national securities exchange, an interdealer quotation system or certain foreign exchanges; (ii) property that is traded on a Commodities Futures Trading Commission designated board of trade or an interbank market; (iii) property that appears on a quotation medium; and (iv) property for which price quotations are readily available from dealers and brokers. A debt instrument is not treated as traded on an established market solely because it is convertible into property which is so traded.

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

The foregoing provisions of this paragraph 4.4 satisfy various safe harbors set forth in the Regulations relating to the valuation of certain types of investments. The safe harbor provisions of this paragraph 4.4 are contained herein for the protection of the District, who has covenanted not to take any action to adversely affect the tax-exempt status of the interest on the Bonds. The District will contact Bond Counsel if it does not wish to comply with the provisions of this paragraph 4.4 and forego the protection provided by the safe harbors provided herein.

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

*5.1. Issue Price.* For purposes of determining the Yield on the Bonds, the purchase price of the Bonds is equal to the first offering price at which the Purchaser sold at least ten percent of each maturity of the Bonds or is equal to par, plus accrued interest, if the Purchaser does not intend to resell the Bonds.

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

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

(i) amounts invested in Qualified Tax Exempt Obligations (to the extent permitted by the Act and this Resolution);

(ii) amounts in the Rebate Fund;

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

(iv) amounts on deposit in the Project Fund prior to the earlier of three years after Closing or the completion (or abandonment) of the Project;

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

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

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

(c) An amount not to exceed the lesser of \$100,000 or five percent of the Sale Proceeds may be invested without regard to Yield restriction.

5.3. *Continuing Nature of Yield Limits.* Except as provided in paragraph 7.6, once moneys are subject to the Yield limits of paragraph 5.2 hereof, such moneys remain Yield restricted until they cease to be Gross Proceeds.

5.4. *Federal Guarantees.* Except for investments meeting the requirements of paragraph 5.2(b) hereof, investments of Gross Proceeds shall not be made in (a) investments constituting obligations of or guaranteed, directly or indirectly, by the United States (except obligations of the United States Treasury, obligations guaranteed by the Federal Housing Administration, the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation, the Government National Mortgage Association, the Student Loan Marketing Association, any guarantee by the Bonneville Power Authority pursuant to the Northwest Power Act (16 U.S.C. 839d) as in effect on the date of enactment of the Tax Reform Act of 1984, or investments in obligations issued pursuant to Section 21B(d)(3) of the Federal Home Loan Bank, as amended (e.g., Refcorp Strips)); or (b) federally insured deposits or accounts (as defined in Section 149(b)(4)(B) of the Code). Except as permitted in the immediately prior sentence and in the Regulations, no portion of the payment of principal or interest on the Bonds or any other credit enhancement or liquidity device relating to the foregoing is or will be guaranteed, directly or indirectly (in whole or in part), by the United States (or any agency or instrumentality thereof). No portion of the Gross Proceeds has been or will be

used to make loans the payment of principal or interest with respect to which is or will be guaranteed (in whole or in part) by the United States (or any agency or instrumentality thereof).

*6.1. Payment and Use Tests.* (a) No more than five percent of the Sale Proceeds plus investment earnings thereon will be used, directly or indirectly, in whole or in part, in any activity carried on by any person other than a state or local governmental unit.

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

(c) No more than the lesser of five percent of the Sale Proceeds and investment earnings thereon or \$5,000,000 will be used, directly or indirectly, to make or finance loans to any persons.

(d) No user of the Project other than a state or local governmental unit will use more than five percent of the Project, in the aggregate, on any basis other than the same basis as the general public; and no person other than a state or local governmental unit will be a user of more than five percent of the Project, in the aggregate, as a result of (i) ownership, (ii) actual or beneficial use pursuant to a lease or a management, service, incentive payment, research or output contract, or (iii) any other similar arrangement, agreement or understanding, whether written or oral.

(e) The District has not and will not enter into any arrangement that conveys to any person, other than a state or local government unit, special legal entitlements to any portion of the Project that is available for use by the general public. No person, other than a state or local governmental unit, is receiving or will receive any special economic benefit from use of any portion of the Project that is not available for use by the general public.

(f) No more than the lesser of five percent of the proceeds of the Bonds or \$5,000,000 have been or will be used to provide professional sports facilities. For purposes of this paragraph, the term "professional sports facilities" (i) means real property or related improvements used for professional sports exhibitions, games or training, regardless of whether the admission of the public or press is allowed or paid and (ii) includes any use of a facility that generates a direct or indirect monetary benefit (other than reimbursement for out-of-pocket expenses) for a person who uses such facilities for professional sport exhibitions, games or training.

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

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

7.2. *Common Plan of Financing.* Since a date that is 15 days prior to the date of sale of the Bonds by the District to the Purchaser, neither the District nor any member of the same Controlled Group as the District has sold or delivered any obligations other than the Bonds that are reasonably expected to be paid out of substantially the same source of funds as the Bonds. Neither the District nor any member of the same Controlled Group as the District will sell or deliver within 15 days after the date hereof any obligations other than the Bonds that are reasonably expected to be paid out of substantially the same source of funds as the Bonds. Except for the General Obligation School Bonds (Alternate Revenue Source), Series 2000C, no obligation other than the Bonds were sold on the same date as the Bonds, are being issued on the date of the Closing and were or are being offered pursuant to a single offering document.

7.2. *Common Plan of Financing.* The District hereby elects under Treas. Reg. Section 1.150-1(c)(4)(iii) to treat the following series of bonds as part of the same issue: the Bonds and the General Obligation School Bonds (Alternate Revenue Source), Series 2000C. All of the bonds described in the preceding sentence are general obligation bonds of the District secured by the full faith and credit of the District (or a substantially similar pledge) and were sold and will be issued on the same dates pursuant to a single offering document.

7.3. *No Sale of the Project.* (a) Other than as provided in the next sentence, neither the Project nor any portion thereof has been, is expected to be, or will be sold or otherwise disposed of, in whole or in part, prior to the earlier of (i) the last date of the reasonably expected economic life to the District of the property (determined on the date of issuance of the Bonds) or (ii) the last maturity date of the Bonds. The District may dispose of personal property in the ordinary course of an established government program prior to the earlier of (i) the last date of the reasonably expected economic life to the District of the property (determined on the date of issuance of the Bonds) or (ii) the last maturity of the Bonds, provided: (A) the weighted average maturity of the Bonds financing the personal property is not greater than 120 percent of the reasonably expected actual use of that property for governmental purposes; (B) the District reasonably expects on the issue date that the fair market value of that property on the date of disposition will

be not greater than 25 percent of its cost; (C) the property is no longer suitable for its governmental purposes on the date of disposition; and (D) the District deposits amounts received from the disposition in a commingled fund with substantial tax or other governmental revenues and the District reasonably expects to spend the amounts on governmental programs within six months from the date of the commingling.

(b) The District acknowledges that if Bond-financed property is sold or otherwise disposed of in a manner contrary to (a) above, such sale or disposition may constitute a “deliberate action” within the meaning of the Regulations that may require remedial actions to prevent the Bonds from becoming private activity bonds. The District shall promptly contact Bond Counsel if a sale or other disposition of bond-financed property is considered by the District.

7.4. *Use of Project.* The District acknowledges and agrees that it will not use, or allow the Project to be used, in a manner which is prohibited by the Establishment of Religion Clause of the First Amendment to the Constitution of the United States of America or by any comparable provisions of the Constitution of the State of Illinois.

7.5. *Future Events.* The District acknowledges that any changes in facts or expectations from those set forth herein may result in different Yield restrictions or rebate requirements from those set forth herein. Such changes in facts or expectations might include, but are not in any respect whatsoever limited to, moneys or investments being pledged or otherwise set aside for payment of principal of or interest on the Bonds, amounts being derived from the sale of any right that is part of the terms of a Bond or is otherwise associated with a Bond (e.g., a redemption right), the District entering into any agreement to maintain certain levels of types of assets for the benefit of a holder of a bond or any credit enhancement with respect to the Bonds or the sale of any Bond-financed property. The District shall promptly contact Bond Counsel if such changes do occur.

7.6. *Permitted Changes; Opinion of Bond Counsel.* The Yield restrictions contained in paragraph 5.2 or any other restriction or covenant contained herein need not be observed or may be changed if the District receives an opinion of Bond Counsel to the effect that such nonobservance or change will not result in the loss of any exemption for the purpose of federal income taxation to which interest on the Bonds is otherwise entitled.

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

7.8. *Expectations.* The Board has reviewed the facts, estimates and circumstances in existence on the date of issuance of the Bonds. Such facts, estimates and circumstances, together with the expectations of the District as to future events, are set forth in summary form in this Section. Such facts and estimates are true and are not incomplete in any material respect. On the basis of the facts and estimates contained

herein, the District has adopted the expectations contained herein. On the basis of such facts, estimates, circumstances and expectations, it is not expected that the Sale Proceeds or investment earnings thereon or any other moneys or property will be used in a manner that will cause the Bonds to be arbitrage bonds within the meaning of the Rebate Provisions and the Regulations. Such expectations are reasonable and there are no other facts, estimates and circumstances that would materially change such expectations.

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

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

*Section 14. Registered Form.* The District recognizes that Section 149(a) of the Code requires the Bonds to be issued and to remain in fully registered form in order that interest thereon is exempt from federal income taxation under laws in force at the time the Bonds are

delivered. In this connection, the District agrees that it will not take any action to permit the Bonds to be issued in, or converted into, bearer or coupon form.

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

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

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

*Section 17. Continuing Disclosure Undertaking.* The President of the Board is hereby authorized, empowered and directed to execute and deliver a Continuing Disclosure Undertaking under Section (b)(5) of Rule 15c2-12 adopted by the Securities and Exchange Commission pursuant to the Securities Exchange Act of 1934, as amended (the "*Continuing Disclosure Undertaking*"). When the Continuing Disclosure Undertaking is executed and delivered on behalf of the District as herein provided, the Continuing Disclosure Undertaking will be binding

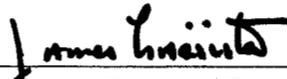
on the District and the officers, employees and agents of the District, and the officers, employees and agents of the District are hereby authorized, empowered and directed to do all such acts and things and to execute all such documents as may be necessary to carry out and comply with the provisions of the Continuing Disclosure Undertaking as executed. Notwithstanding any other provision of this Resolution, the sole remedies for failure to comply with the Continuing Disclosure Undertaking shall be the ability of the beneficial owner of any Bond to seek mandamus or specific performance by court order to cause the District to comply with its obligations under the Continuing Disclosure Undertaking.

*Section 18. Severability.* If any section, paragraph or provision of this resolution shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such section, paragraph or provision shall not affect any of the remaining provisions of this resolution.

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

Adopted September 25, 2000.

  
\_\_\_\_\_  
President, Board of Education

  
\_\_\_\_\_  
Secretary, Board of Education

**BOND ACCRETED VALUE TABLE**

Glenbrook High School District No. 225  
Final Numbers for Series 2000B with Takedown

Date	12/01/2002 5.05%	12/01/2003 5.1%	12/01/2004 5.15%	12/01/2005 5.2%	12/01/2006 5.25%	12/01/2007 5.3%
10/25/2000	4,502.80	4,277.25	4,059.05	3,848.25	3,644.85	3,448.80
12/01/2000	4,525.30	4,298.85	4,079.75	3,868.05	3,663.80	3,466.90
06/01/2001	4,639.60	4,408.50	4,184.80	3,968.65	3,759.95	3,558.80
12/01/2001	4,756.75	4,520.90	4,292.60	4,071.80	3,858.65	3,653.10
06/01/2002	4,876.85	4,636.20	4,403.10	4,177.70	3,959.95	3,749.90
12/01/2002	5,000.00	4,754.40	4,516.50	4,286.30	4,063.90	3,849.25
06/01/2003		4,875.65	4,632.80	4,397.75	4,170.55	3,951.25
12/01/2003		5,000.00	4,752.10	4,512.10	4,280.05	4,056.00
06/01/2004			4,874.45	4,629.40	4,392.40	4,163.45
12/01/2004			5,000.00	4,749.75	4,507.70	4,273.80
06/01/2005				4,873.25	4,626.05	4,387.05
12/01/2005				5,000.00	4,747.45	4,503.30
06/01/2006					4,872.10	4,622.65
12/01/2006					5,000.00	4,745.15
06/01/2007						4,870.90
12/01/2007						5,000.00

Member Shact moved and Member Olson seconded the motion that said resolution as read be adopted.

After a full and complete discussion of said resolution, the President directed the Secretary to call the roll for a vote upon the motion to adopt said resolution.

Upon the roll being called, the following members voted

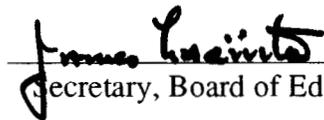
AYE: Rogal, Long, Beyne, Olson, Shact, Seymour and Lerner.

NAY: None.

Whereupon the President declared the motion carried and said resolution duly adopted, in open meeting approved and signed said resolution and directed the Secretary to record the same in full in the records of the Board of Education of Township High School District Number 225, Cook County, Illinois, which was done.

Other business not pertinent to the adoption of said resolution was duly transacted at the meeting.

Upon motion duly made, seconded and carried, the meeting was adjourned.

  
\_\_\_\_\_  
Secretary, Board of Education

STATE OF ILLINOIS        )  
  ) SS  
COUNTY OF COOK        )

**CERTIFICATION OF MINUTES**

I, the undersigned, do hereby certify that I am the duly qualified and acting Secretary of the Board of Education of Township High School District Number 225, Cook County, Illinois (the "Board"), and as such official I am the keeper of the records and files of the Board.

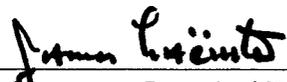
I do further certify that the foregoing is a full, true and complete transcript of that portion of the minutes of the meeting of the Board held on the 25th day of September, 2000, insofar as same relates to the adoption of a resolution entitled:

RESOLUTION providing for the issue of \$15,001,993.25 School Bonds, Series 2000, of Township High School District Number 225, Cook County, Illinois, and for the levy of a direct annual tax to pay the principal and interest on said bonds.

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

I do further certify that the deliberations of the Board on the adoption of said resolution were conducted openly, that the vote on the adoption of said resolution was taken openly, that said meeting was held at a specified time and place convenient to the public, that notice of said meeting was duly given to all of the news media requesting such notice, that an agenda for said meeting was posted at the location where said meeting was held and at the principal office of the Board at least 48 hours in advance of the holding of said meeting, that said meeting was called and held in strict compliance with the provisions of the Open Meetings Act of the State of Illinois, as amended, the School Code of the State of Illinois, as amended, and the Local Government Debt Reform Act of the State of Illinois, as amended, that the Board has complied with all of the provisions of said Acts and said Code and with all of the procedural rules of the Board in the conduct of said meeting and in the adoption of said resolution.

IN WITNESS WHEREOF, I hereunto affix my official signature, this 25th day of September, 2000.

  
\_\_\_\_\_  
Secretary, Board of Education

STATE OF ILLINOIS        )  
                                  ) SS  
COUNTY OF COOK        )

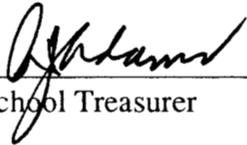
**FILING CERTIFICATE**

I, the undersigned, do hereby certify that I am the duly qualified and acting School Treasurer who receives the taxes of Township High School District Number 225, Cook County, Illinois, and as such official I do further certify that on the 6<sup>th</sup> day of October, 2000, there was filed in my office a duly certified copy of a resolution entitled:

RESOLUTION providing for the issue of \$15,001,993.25 School Bonds, Series 2000, of Township High School District Number 225, Cook County, Illinois, and for the levy of a direct annual tax to pay the principal and interest on said bonds.

duly adopted by the Board of Education of said School District on the 25th day of September, 2000, and that the same has been deposited in the official files and records of my office.

IN WITNESS WHEREOF, I hereunto affix my official signature, this 25th day of September, 2000.

  
\_\_\_\_\_  
School Treasurer

STATE OF ILLINOIS        )  
  ) SS  
COUNTY OF COOK        )

**FILING CERTIFICATE**

I, the undersigned, do hereby certify that I am the duly qualified and acting County Clerk of the County of Cook, Illinois, and as such official I do further certify that on the 24 day of October, 2000, there was filed in my office a duly certified copy of a resolution entitled:

RESOLUTION providing for the issue of \$15,001,993.25 School Bonds, Series 2000, of Township High School District Number 225, Cook County, Illinois, and for the levy of a direct annual tax to pay the principal and interest on said bonds.

duly adopted by the Board of Education of Township High School District Number 225, Cook County, Illinois, on the 25th day of September, 2000, and that the same has been deposited in the official files and records of my office.

IN WITNESS WHEREOF, I hereunto affix my official signature and the seal of said County, this 24 day of October, 2000.



---

County Clerk of the County of Cook, Illinois

(SEAL)

STATE OF ILLINOIS        )  
  ) SS  
COUNTY OF COOK         )

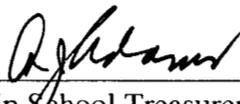
**TREASURER'S SURETY BOND CERTIFICATE**

I, the undersigned, do hereby certify that I am the duly qualified and acting School Treasurer of Township Number Ooo, Range Number Ppp, Cook County, Illinois, and as such official I do further certify that I am ex-officio Clerk of the Trustees of Schools of said Township and Range (the "Trustees") and am also the Township School Treasurer who receives the taxes of Township High School District Number 225, Cook County, Illinois (the "District"), all or the greater part of which District is located within said Township and Range.

I do further certify that I have executed a surety bond in accordance with all of the provisions of Section 19-6 of the School Code of the State of Illinois, as amended, said surety bond being payable to the Trustees and conditioned upon the faithful discharge of my duties with respect to the disbursement of the proceeds of the sale of the \$15,001,993.25 School Bonds, Series 2000A and Series 2000B, proposed to be issued by the District.

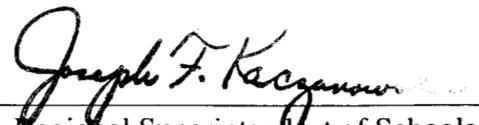
I do further certify that said surety bond in the amount of \$ 3,775,000 and with CGU Insurance Co. as surety thereon was duly submitted to the Trustees for approval or rejection at a legally convened meeting held on the 30<sup>th</sup> day of September, 2000, and pursuant to motion duly made, seconded and adopted was approved by the Trustees.

IN WITNESS WHEREOF, I hereunto affix my official signature, this 25th day of September, 2000.

  
\_\_\_\_\_  
Township School Treasurer and ex-officio  
Clerk of the Trustees of Schools

I, the undersigned, do hereby certify that I am the duly qualified and acting Regional Superintendent of Schools for the Regional Office of Education serving the Educational Service Region consisting of that portion of Cook County, Illinois, outside a city of 500,000 or more population, and as such official I do further certify that as of the date hereof said surety bond has been filed in my office and has been approved by me and deposited in the official files and records of my office.

IN WITNESS WHEREOF, I hereunto affix my official signature, this 24<sup>th</sup> day of October, 2000.

  
\_\_\_\_\_  
Regional Superintendent of Schools 

**PUBLIC OFFICIAL  
BOND**

**Surety Bond**

**CGU INSURANCE COMPANY**

**SB0056580**

**Bond Number**

**Know all men by these presents: That we,** Anthony Adams

as Principal, and CGU Insurance Company, a corporation organized under the laws of the State of Pennsylvania,  
and authorized to transact surety business in the State of Illinois as Surety,  
are held and firmly bound unto Glenbrook School District #225

in the sum of Three million seven hundred seventyfive thousand and no/100ths-----

(\$ 3,775,000.00) Dollar(s), lawful money of the United States of America, for the payment of which, well and truly to be made, we bind ourselves, our heirs, legal representatives, successors and assigns, jointly and severally, firmly by these presents.

**Whereas,** the above bounden Principal has been duly elected or appointed to the office of  
Treasurer to hand the Workers Compensation Funds for this Special Issue

for the term beginning October 1, 2000, and ending "until cancelled"

**Now, Therefore, the condition of this Obligation is such,** That, if the Principal shall well, truly and faithfully execute and perform the duties of said office during said term, according to all laws now in force or which may be enacted subsequent to the execution of this bond, then this obligation shall be void; otherwise it shall remain in full force and effect.

This Bond may be cancelled by the Surety effective upon the expiration of thirty (30) days from the date of written notice of such cancellation to the Principal and Obligee named herein at their last known address, provided no such cancellation shall affect or abridge the liability of the Principal or the Surety to the Obligee for losses occurring during the term covered by this bond prior to the effective date of cancellation.

Dated this 14th day of September 20 00

Anthony Adams  
(Principal) (Seal)

By [Signature]

CGU Insurance Company  
(Surety) (Seal)

By [Signature]  
Attorney-in-fact

Sharon L. Sinople

\*If appointment is for an indefinite term strike out "and ending \_\_\_\_\_".

STATE OF ILLINOIS )  
 ) SS  
COUNTY OF COOK )

**SIGNATURE CERTIFICATE**

I, the undersigned, do hereby certify under oath that I am the duly qualified and acting President of the Board of Education of Township High School District Number 225, Cook County, Illinois, and as such official I do further certify under oath as follows:

1. That I am an Authorized Official within the meaning of the provisions of Section 1(c) of the Uniform Facsimile Signature of Public Officials Act, as amended.
2. That my signature is required or permitted on a public security or instrument of payment as defined in said Act.
3. That I am filing my signature with the Secretary of State of the State of Illinois, certified under oath, so as to permit the use of a facsimile thereof upon a public security or instrument of payment requiring or permitting my signature as provided in said Act.

Therefore, I, Carol Rogal, do hereby certify under oath, that the following is my manual signature:

Carol Rogal  
President, Board of Education

Subscribed and sworn to before me  
this 9th day of October, 2000.

Joan T. Savage  
Notary Public

My commission expires: \_\_\_\_\_  
(NOTARY SEAL)



**FILED**  
INDEX DEPARTMENT  
OCT 23 2000  
IN THE OFFICE OF  
SECRETARY OF STATE



STATE OF ILLINOIS )  
 ) SS  
COUNTY OF COOK )

**SIGNATURE CERTIFICATE**

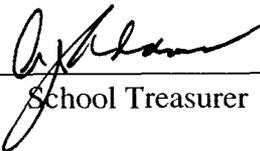
I, the undersigned, do hereby certify under oath that I am the duly qualified and acting School Treasurer of Township High School District Number 225, Cook County, Illinois, and as such official I do further certify under oath as follows:

1. That I am an Authorized Official within the meaning of the provisions of Section 1(c) of the Uniform Facsimile Signature of Public Officials Act, as amended.

2. That my signature is required or permitted on a public security or instrument of payment as defined in said Act.

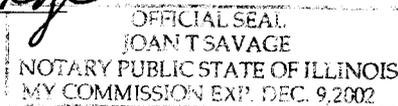
3. That I am filing my signature with the Secretary of State of the State of Illinois, certified under oath, so as to permit the use of a facsimile thereof upon a public security or instrument of payment requiring or permitting my signature as provided in said Act.

Therefore, I, Anthony Adams, do hereby certify under oath, that the following is my manual signature:

  
\_\_\_\_\_  
School Treasurer

Subscribed and sworn to before me  
this 9th day of October, 2000.

  
\_\_\_\_\_  
Notary Public



My commission expires: \_\_\_\_\_

(NOTARY SEAL)

**FILED**  
INDEX DEPARTMENT  
OCT 23 2000  
IN THE OFFICE OF  
SECRETARY OF STATE

STATE OF ILLINOIS        )  
                                      ) SS  
COUNTY OF COOK         )

**NO PETITION CERTIFICATE**

I, the undersigned, do hereby certify that I am the duly qualified and acting School Treasurer of Township Number 42, Range Number 12, Cook County, Illinois, and as such official I do further certify that I am ex-officio Clerk of the Trustees of Schools of said Township and Range and am also the Township School Treasurer who receives the taxes of Township High School District Number 225, Cook County, Illinois (the "*District*"), all or the greater part of which District is located within said Township and Range.

I do further certify that as such official I do further certify that the records of my office do evidence that there has not been filed in my office nor is there now pending any petition or petitions affecting in any manner whatsoever the present boundaries of the District as the District is now constituted.

IN WITNESS WHEREOF, I hereunto affix my official signature, this 6<sup>th</sup> day of October, 2000.

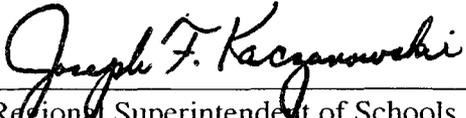
  
\_\_\_\_\_  
Township School Treasurer and ex-officio  
Clerk of the Trustees of Schools

STATE OF ILLINOIS        )  
                                      ) SS  
COUNTY OF COOK         )

**NO PETITION CERTIFICATE**

I, the undersigned, do hereby certify that I am the duly qualified and acting Regional Superintendent of Schools for the Regional Office of Education serving the Educational Service Region consisting of that portion of Cook County, Illinois, outside a city of 500,000 or more population, and as such official I do further certify that the records of my office do evidence that Township High School District Number 225, Cook County, Illinois, or any part thereof, is not involved in any manner whatsoever in any proceedings to organize a new School District, a Community Consolidated School District, a Community Unit School District or a Combined School District pursuant to the provisions of Articles 7A, 11A, 11B or 11D of the School Code of the State of Illinois, as amended, or of any other provision of said Code.

IN WITNESS WHEREOF, I hereunto affix my official signature, this 24th day of October, 2000.

  
\_\_\_\_\_  
Regional Superintendent of Schools

STATE OF ILLINOIS        )  
   ) SS  
 COUNTY OF COOK         )

**INCUMBENCY, NON-LITIGATION, NON-CERTIFICATION, NON-ARBITRAGE,  
 COMFORT AND SIGNATURE IDENTIFICATION CERTIFICATE**

We, the undersigned, being authorized and directed to sign the bonds hereinafter described, do hereby certify that we are now and were at the time of signing said bonds the duly qualified and acting officials of Township High School District Number 225, Cook County, Illinois (the "*District*"), as indicated by the titles appended to our respective signatures, and that as such officials we have executed \$15,001,993.25 School Bonds, Series 2000, of the District (the "*Bonds*"), in two series as follows:

(a) \$11,300,000 General Obligation Limited Tax School Bonds, Series 2000A (the "*Series A Bonds*") dated October 1, 2000, fully registered and without coupons, due serially on December 1 of the years and in the amounts and bearing interest as follows:

YEAR OF MATURITY	PRINCIPAL AMOUNT	RATE OF INTEREST
2007	\$1,095,000	4.75%
2008	1,505,000	4.75%
2009	1,580,000	4.75%
2010	1,655,000	4.75%
2011	1,730,000	5.00%
2012	1,820,000	5.75%
2013	1,915,000	5.75%

; and

(b) \$3,701,993.25 General Obligation Limited Tax Capital Appreciation School Bonds, Series 2000B, dated the date hereof, fully registered and without coupons, due serially on December 1 of the years and as further described as follows:

**ORIGINAL PRINCIPAL AMOUNT**

YEAR OF MATURITY	TOTAL	PER \$5,000 COMPOUND ACCRETED VALUE AT MATURITY	ORIGINAL YIELD TO MATURITY
2002	\$ 27,016.80	\$4,502.80	5.05%
2003	68,436.00	4,277.25	5.10%
2004	1,181,183.55	4,059.05	5.15%
2005	1,119,840.75	3,848.25	5.20%
2006	1,060,651.35	3,644.85	5.25%
2007	244,864.80	3,448.80	5.30%

the Series A Bonds due on or after December 1, 2010, being subject to redemption prior to maturity at the option of the District as a whole or in part in any order of their maturity as determined by the District (less than all of the Series A Bonds of a single maturity to be selected by the Bond Registrar), on December 1, 2009, or on any date thereafter, at the redemption price of par plus accrued interest to the redemption date, by signing the Bonds in the manner and capacity indicated by our respective signatures and titles appended hereto.

We do further certify that there is no litigation or controversy pending or threatened questioning or affecting in any manner whatsoever the corporate existence of the District, the boundaries thereof, the right of the District to levy taxes for school purposes, the title of any of its present officials to their respective offices, the proceedings incident to the issue or sale of the Bonds or the issue, sale or validity of the Bonds, and that none of the proceedings providing for the issue or sale of the Bonds have been revoked or rescinded.

We do further certify that the District has not been certified to be in financial difficulty by the State Board of Education of the State of Illinois pursuant to Section 1A-8 of the School Code of the State of Illinois, as amended.

We do further certify that all of the certifications, conclusions, expectations, representations and statements made and set forth by the Board of Education of the District in Section 13 of the resolution adopted on the 25th day of September, 2000, authorizing the Bonds (the "*Resolution*") are still reasonable and true; that the foregoing certification is based in part upon the amounts set forth in said section of the Resolution having actually been received and paid into the various funds and accounts of the District as set forth in said section; that the undersigned have reviewed the facts, estimates and circumstances in existence on the date hereof and such facts, estimates and circumstances, together with the expectations of the District as to future events, are set forth in summary form in said section; that said facts and estimates are true and are not incomplete in any material respect; and that such expectations are reasonable and there are no other facts, estimates or circumstances that would materially change such expectations.

We do further certify that to the best of our knowledge and belief all Official Statements, Notices of Sale and other documents, information or materials, together with any supplements thereto, distributed and all representations made by the District and by its officials in any manner whatsoever in connection with the sale of the Bonds were at all times and are now true and correct in all material respects and did not at any time and do not now contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made therein, in light of the circumstances under which they were made, not misleading; that the District has duly performed all of its obligations under the Resolution to be performed on or prior to the date hereof; and that all representations and warranties of the District contained in all contracts entered into by the District providing for the sale of the Bonds are true and correct on and as of the date hereof as if made at the date hereof and the District has complied with all of the agreements and satisfied all the conditions on its part to be performed or satisfied prior to the date hereof.

We do further certify that the District is in compliance with each and every undertaking, if any, previously entered into by it pursuant to Rule 15c2-12 adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934.

IN WITNESS WHEREOF, we hereunto affix our official signatures, this 25th day of October, 2000.

SIGNATURES	OFFICIAL TITLES
<u>Carol Royal</u>	, President, Board of Education
<u>Jana Luovisto</u>	, Secretary, Board of Education
<u>Aghlens</u>	, School Treasurer

I do hereby certify that I am a an associate of William Blair & Company and that I am personally acquainted with the officials whose signatures appear above and that I know that they are now and were at the time of signing the Bonds the duly qualified and acting officials of the District, as indicated by the titles appended to their respective signatures, and I do hereby identify said signatures, together with those on the Bonds, as being in all respects true and genuine.

DATED as of the date shown hereinabove.

Tanumi Beckwith

(BANK SEAL)

## TREASURER'S RECEIPT

I, the undersigned, do hereby certify that I am the duly qualified and acting School Treasurer who receives the taxes of Township High School District Number 225, Cook County, Illinois (the "*District*"), and as such official I do further certify that \$15,001,993.25 School Bonds, Series 2000A and Series 2000B, of the District (the "*Bonds*"), fully registered and without coupons, have been delivered to the purchaser thereof, namely, Salomon Smith Barney, and that the Bonds have been paid for in full by said purchaser in accordance with the terms of sale and at a price of not less than \$15,103,676.10, plus accrued interest to date of delivery, and that the Bonds have been sold at such price and bear interest at such rates that neither the true interest cost (yield) nor the net interest rate received by the District upon such sale exceed 9.00%.

I do further certify that the total aggregate indebtedness of the District, howsoever evidenced and howsoever incurred, including the Bonds, does not exceed the sum of \$20,023,676.10, and that the amount now to the credit of the Working Cash Fund of the District (the "*Fund*"), including the amount of cash on hand and any transfers from the Fund to any other funds of the District, the amount of all taxes levied or extended for the Fund, but not yet received by the District, and the proceeds received by the District from the issue of the Bonds, does not exceed the sum of \$20,509,581.

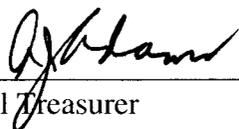
I do further certify that the officials whose signatures appear upon the Bonds were in occupancy and possession of their respective offices at the time of signing and delivery of the Bonds.

I do further certify that simultaneously and as a part of the same transaction as the issue and delivery of the Bonds, I deposited \$30,000 derived from funds of the District on hand and lawfully available therefor into the Bond Fund created in connection with the Bonds for the purpose of paying a portion of the debt service on the Bonds up to and including June 1, 2001.

I do further certify that in addition to the Bonds, the only outstanding bond issues of the District that include bonds issued by the District without referendum, but not including (alternate or double-barrelled) bonds issued under Section 15 of the Local Government Debt Reform Act of the State of Illinois, as amended, or refunding obligations issued to refund or continue to refund obligations initially issued pursuant to referendum, are as follows:

DESCRIPTION OF BONDS	ORIGINAL PRINCIPAL AMOUNT	PRINCIPAL AMOUNT OUTSTANDING
School Bonds, Series 1994	\$4,100,000	\$4,100,000
School Bonds, Series 1995	4,900,000	820,000

IN WITNESS WHEREOF, I hereunto affix my official signature, this 25th day of October, 2000.

  
 \_\_\_\_\_  
 School Treasurer



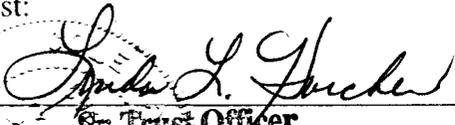
6. That the Bond Registrar acknowledges receipt of a certified copy of the Bond Resolution.

IN WITNESS WHEREOF, we hereunto affix our signatures and the seal of the Bond Registrar, this 25th day of October, 2000.

COLE TAYLOR BANK  
Chicago, Illinois

By   
Its Coleen F. Danaher  
Asst. Vice President

Attest:

  
Its Linda L. Archer  
Sr. Trust Officer

(SEAL OF BOND REGISTRAR)

**CONTINUING DISCLOSURE UNDERTAKING  
FOR THE PURPOSE OF PROVIDING  
CONTINUING DISCLOSURE INFORMATION  
UNDER SECTION (b)(5) OF RULE 15c2-12**

This Continuing Disclosure Undertaking (the "*Agreement*") is executed and delivered by Township High School District Number 225, Cook County, Illinois (the "*District*"), in connection with the issuance of \$11,300,000 General Obligation Limited Tax School Bonds, Series 2000A (the "*Bonds*"). The Bonds are being issued pursuant to a Resolution adopted by the Board of Education of the District on the 25th day of September, 2000 (the "*Resolution*").

In consideration of the issuance of the Bonds by the District and the purchase of such Bonds by the beneficial owners thereof, the District covenants and agrees as follows:

1. **PURPOSE OF THIS AGREEMENT.** This Agreement is executed and delivered by the District as of the date set forth below, for the benefit of the beneficial owners of the Bonds and in order to assist the Participating Underwriters in complying with the requirements of the Rule (as defined below). The District represents that it will be the only obligated person with respect to the Bonds at the time the Bonds are delivered to the Participating Underwriters and that no other person is expected to become so committed at any time after issuance of the Bonds.

2. **DEFINITIONS.** The terms set forth below shall have the following meanings in this Agreement, unless the context clearly otherwise requires.

*Annual Financial Information* is defined in the Final Official Statement.

*Annual Financial Information Disclosure* means the dissemination of disclosure concerning Annual Financial Information and the dissemination of the Audited Financial Statements as set forth in Section 4.

*Audited Financial Statements* means the audited financial statements of the District prepared pursuant to the standards and as described in *Exhibit I*.

*Commission* means the Securities and Exchange Commission.

*Dissemination Agent* means any agent designated as such in writing by the District and which has filed with the District a written acceptance of such designation, and such agent's successors and assigns.

*Exchange Act* means the Securities Exchange Act of 1934, as amended.

*Material Event* means the occurrence of any of the Events with respect to the Bonds set forth in *Exhibit II* that is material, as materiality is interpreted under the Exchange Act.

*Material Events Disclosure* means dissemination of a notice of a Material Event as set forth in Section 5.

*MSRB* means the Municipal Securities Rulemaking Board.

*NRMSIRs* means, as of any date, all Nationally Recognized Municipal Securities Information Repositories then recognized by the Commission for purposes of the Rule. As of the date of this Agreement, the NRMSIRs are:

Bloomberg Municipal Repositories  
P.O. Box 840  
Princeton, NJ 08542-0840  
Phone: (609) 279-3225  
Fax: (609) 279-5962  
E-Mail: Munis@Bloomberg.com

DPC DataInc.  
One Executive Drive  
Fort Lee, NJ 07024  
Phone: (201) 346-0701  
Fax: (201) 947-0107  
E-Mail: nrmsir@dpcdata.com

Interactive Data  
Attn: Repository  
100 Williams Street  
New York, NY 10038  
Phone: (212) 771-6899  
Fax: (212) 771-7390  
E-Mail: NRMSIR@interactivedata.com  
Website: <http://www.InteractiveData.com>

Standard & Poor's J.J. Kenny Repository  
55 Water Street, 45th Floor  
New York, NY 10041  
Phone: (212) 438-4595  
Fax: (212) 438-3975  
E-Mail: nrmsir@repository@sandp.com

The names and addresses of all current NRMSIRs should be verified each time information is delivered to the NRMSIRs pursuant to this Agreement.

*Participating Underwriter* means each broker, dealer or municipal securities dealer acting as an underwriter in the primary offering of the Bonds.

*Rule* means Rule 15c2-12 adopted by the Commission under the Exchange Act, as the same may be amended from time to time.

*SID* means the public or private repository designated by the State as the state repository and recognized as such by the Commission for purposes of the Rule. As of the date of this Agreement there is no *SID*.

*Undertaking* means the obligations of the District pursuant to Sections 4 and 5.

3. CUSIP NUMBERS/FINAL OFFICIAL STATEMENT. The CUSIP Numbers of the Bonds are set forth in *Exhibit III*. The Final Official Statement relating to the Bonds is dated September 25, 2000 (the "*Final Official Statement*").

4. ANNUAL FINANCIAL INFORMATION DISCLOSURE. Subject to Section 9 of this Agreement, the District hereby covenants that it will disseminate its Annual Financial Information and its Audited Financial Statements (in the form and by the dates set forth in *Exhibit I*) to each NRMSIR and to the *SID*, if any. The District is required to deliver such information in such manner and by such time so that such entities receive the information by the dates specified.

If any part of the Annual Financial Information can no longer be generated because the operations to which it is related have been materially changed or discontinued, the District will disseminate a statement to such effect as part of its Annual Financial Information for the year in which such event first occurs.

If any amendment is made to this Agreement, the Annual Financial Information for the year in which such amendment is made (or in any notice or supplement provided to each NRMSIR and the *SID*, if any) shall contain a narrative description of the reasons for such amendment and its impact on the type of information being provided.

5. MATERIAL EVENTS DISCLOSURE. Subject to Section 9 of this Agreement, the District hereby covenants that it will disseminate in a timely manner Material Events Disclosure to each NRMSIR or to the MSRB and to the *SID*, if any. Notwithstanding the foregoing, notice of optional or unscheduled redemption of any Bonds or defeasance of any Bonds need not be given under this Agreement any earlier than the notice (if any) of such redemption or defeasance is given to the Bondholders pursuant to the Resolution.

6. DUTY TO UPDATE NRMSIRs/*SID*. The District shall determine, in the manner it deems appropriate, the names and addresses of the then existing NRMSIRs and *SID* each time it is required to file information with such entities.

7. CONSEQUENCES OF FAILURE OF THE DISTRICT TO PROVIDE INFORMATION. The District shall give notice in a timely manner to each NRMSIR or to the MSRB and to the *SID*, if any, of any failure to provide Annual Financial Information Disclosure when the same is due hereunder.

In the event of a failure of the District to comply with any provision of this Agreement, the beneficial owner of any Bond may seek mandamus or specific performance by court order, to cause the District to comply with its obligations under this Agreement. A default under this

Agreement shall not be deemed a default under the Resolution, and the sole remedy under this Agreement in the event of any failure of the District to comply with this Agreement shall be an action to compel performance.

8. AMENDMENTS; WAIVER. Notwithstanding any other provision of this Agreement, the District by resolution authorizing such amendment or waiver, may amend this Agreement, and any provision of this Agreement may be waived, if:

(a) The amendment or waiver is made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature, or status of the District, or type of business conducted;

(b) This Agreement, 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

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

9. TERMINATION OF UNDERTAKING. The Undertaking of the District shall be terminated hereunder if the District shall no longer have any legal liability for any obligation on or relating to repayment of the Bonds under the Resolution. The District shall give notice in a timely manner if this Section is applicable to each NRMSIR or to the MSRB and to the SID, if any.

10. DISSEMINATION AGENT. The District may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Agreement, and may discharge any such Dissemination Agent, with or without appointing a successor Dissemination Agent.

11. ADDITIONAL INFORMATION. Nothing in this Agreement shall be deemed to prevent the District from disseminating any other information, using the means of dissemination set forth in this Agreement or any other means of communication, or including any other information in any Annual Financial Information Disclosure or notice of occurrence of a Material Event, in addition to that which is required by this Agreement. If the District chooses to include any information from any document or notice of occurrence of a Material Event in addition to that which is specifically required by this Agreement, the District shall have no obligation under this Agreement to update such information or include it in any future disclosure or notice of occurrence of a Material Event.

12. BENEFICIARIES. This Agreement has been executed in order to assist the Participating Underwriters in complying with the Rule; however, this Agreement shall inure solely to the benefit of the District, the Dissemination Agent, if any, and the beneficial owners of the Bonds, and shall create no rights in any other person or entity.

13. RECORDKEEPING. The District shall maintain records of all Annual Financial Information Disclosure and Material Events Disclosure, including the content of such disclosure, the names of the entities with whom such disclosure was filed and the date of filing such disclosure.

14. ASSIGNMENT. The District shall not transfer its obligations under the Resolution unless the transferee agrees to assume all obligations of the District under this Agreement or to execute an Undertaking under the Rule.

15. GOVERNING LAW. This Agreement shall be governed by the laws of the State of Illinois.

TOWNSHIP HIGH SCHOOL DISTRICT NUMBER  
225, COOK COUNTY, ILLINOIS

By:   
Its: President, Board of Education  
Address: 1835 Landwehr Road  
Glenview, Illinois 60025-1289

Date: October 25, 2000

**EXHIBIT I**  
**ANNUAL FINANCIAL INFORMATION AND TIMING AND AUDITED**  
**FINANCIAL STATEMENTS**

All or a portion of the Annual Financial Information and the Audited Financial Statements as set forth below may be included by reference to other documents which have been submitted to each NRMSIR and to the SID, if any, or filed with the Commission. If the information included by reference is contained in a Final Official Statement, the Final Official Statement must be available from the MSRB; the Final Official Statement need not be available from each NRMSIR, the SID or the Commission. The District shall clearly identify each such item of information included by reference.

Annual Financial Information exclusive of Audited Financial Statements will be provided to each NRMSIR and to the SID, if any, by 210 days after the last day of the District's fiscal year. Audited Financial Statements as described below should be filed at the same time as the Annual Financial Information. If Audited Financial Statements are not available when the Annual Financial Information is filed, unaudited financial statements shall be included.

Audited Financial Statements will be prepared in accordance with the accounting principles described in the Final Official Statement. Audited Financial Statements will be provided to each NRMSIR and to the SID, if any within 30 days after availability to District.

If any change is made to the Annual Financial Information as permitted by Section 4 of the Agreement, the District will disseminate a notice of such change as required by Section 4.

**EXHIBIT II**  
**EVENTS WITH RESPECT TO THE BONDS**  
**FOR WHICH MATERIAL EVENTS DISCLOSURE IS REQUIRED**

1. Principal and interest payment delinquencies
2. Non-payment related defaults
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 or events affecting the tax-exempt status of the security
7. Modifications to the rights of security holders
8. Bond calls
9. Defeasances
10. Release, substitution or sale of property securing repayment of the securities
11. Rating changes



**APPENDIX A**  
**TO CERTIFICATE OF PURCHASER**

<b>Maturity Date</b>	<b>Principal</b>	<b>Coupon Rate</b>	<b>Yield</b>	<b>% Par</b>	<b>Cost to Public</b>
12/01/2007	\$1,095,000.00	4.750%	4.670%	100.474	1,100,190.30
12/01/2008	\$1,505,000.00	4.750%	4.730%	100.128	1,506,926.40
12/01/2009	\$1,580,000.00	4.750%	4.790%	99.703	1,575,307.40
12/01/2010	\$1,655,000.00	4.750%	4.850%	99.204	1,641,826.20
12/01/2011	\$1,730,000.00	5.000%		100.388	1,736,712.40
12/01/2012	\$1,820,000.00	5.750%		105.236	1,915,295.20
12/01/2013	\$1,915,000.00	5.750%		104.433	1,999,891.95
	<b>\$11,300,000.00</b>				<b>\$11,476,149.85</b>

**CERTIFICATE OF PURCHASER**

The undersigned is an officer of Salomon Smith Barney, New, York, New York (the "Purchaser"), and as such officer I hereby certify as follows:

1. The Purchaser and Township High School District Number 225, Cook County, Illinois (the "Issuer"), have executed a bond purchase agreement (as evidenced by an executed bid form) in connection with the \$3,701,993.25 General Obligation Limited Tax Capital Appreciation School Bonds, Series 2000B (the "Bonds") of the Issuer on September 25, 2000 (the "Sale Date"). The bond purchase agreement has not been modified since its execution on the Sale Date.

2. The Purchaser hereby confirms that the first price at which at least ten percent of the principal amount of each maturity of the Bonds has been sold to the public (excluding bond houses, brokers or similar persons or organizations acting in the capacity of underwriters, placement agents or wholesalers) is equal to the prices as shown on attached Appendix A.

3. All of the Bonds have been the subject of a bona fide initial offering to the public (excluding bond houses, brokers, or similar persons or organizations acting in the capacity of underwriters, placement agents or wholesalers) at prices equal to those set forth on Appendix A. Based upon our assessment of then prevailing market conditions, the prices shown on attached Appendix A are not greater than the fair market value of each Bond as of the Sale Date.

Dated: October 25, 2000

Very truly yours,

SALOMON SMITH BARNEY  
NEW YORK, NEW YORK

By   
Its Director



## Book-Entry-Only Municipal Bonds

### Letter of Representations

[To be Completed by Issuer and Agent]

Township High School District 225, Cook County, Illinois

[Name of Issuer]

Cole Taylor Bank, Chicago, Illinois

[Name of Agent]

October 25, 2000

[Date]

Attention: Underwriting Department  
**The Depository Trust Company**  
55 Water Street 19th Floor  
New York, NY 10041-0099

Re: Township High School District 225, Cook County, Illinois

General Obligation Limited Tax School Bonds, Series 2000A

[Issue description (the "Securities")]

Ladies and Gentlemen:

This letter sets forth our understanding with respect to certain matters relating to the Securities. Agent shall act as trustee, paying agent, fiscal agent, or other agent of Issuer with respect to the Securities. The Securities have been issued pursuant to a trust indenture, bond resolution, or other such document authorizing the issuance of the Securities dated September 25, 2000

(the "Document"). Salomon Smith Barney is distributing the Securities  
[“Underwriter”]

through The Depository Trust Company (“DTC”).

To induce DTC to accept the Securities as eligible for deposit at DTC, and to act in accordance with its Rules with respect to the Securities, Issuer and Agent, if any, make the following

representations to DTC:

1. Prior to closing on the Securities on October 25, 2000, there shall be deposited with DTC one or more Security certificates registered in the name of DTC's nominee, Cede & Co., for each stated maturity of the Securities in the face amounts set forth on Schedule A hereto, the total of which represents 100% of the principal amount of such Securities. If, however, the aggregate principal amount of any maturity exceeds \$400 million, one certificate shall be issued with respect to each \$400 million of principal amount and an additional certificate shall be issued with respect to any remaining principal amount. Each Security certificate shall bear the following legend:

Unless this certificate is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to Issuer or its agent for registration of transfer, exchange, or payment, and any certificate issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

Issuer represents: ***[Note: Issuer must represent one of the following, and shall cross out the other.]***

~~[The Security certificate(s) shall remain in Agent's custody as a "Balance Certificate" subject to the provisions of the Balance Certificate Agreement between Agent and DTC currently in effect.~~

On each day on which Agent is open for business and on which it receives an instruction originated by a DTC participant ("Participant") through DTC's Deposit/Withdrawal at Custodian ("DWAC") system to increase the Participant's account by a specified number of Securities (a "Deposit Instruction"), Agent shall, no later than 6:30 p.m. (Eastern Time) that day, either approve or cancel the Deposit Instruction through the DWAC system.

On each day on which Agent is open for business and on which it receives an instruction originated by a Participant through the DWAC system to decrease the Participant's account by a specified number of Securities (a "Withdrawal Instruction"), Agent shall, no later than 6:30 p.m. (Eastern Time) that day, either approve or cancel the Withdrawal Instruction through the DWAC system.

Agent agrees that its approval of a Deposit or Withdrawal Instruction shall be deemed to be the receipt by DTC of a new reissued or reregistered certificated Security on registration of transfer to the name of Cede & Co. for the quantity of Securities evidenced by the Balance Certificate after ~~the Deposit or Withdrawal Instruction is effected.~~

[The Security certificate(s) shall be custodied with DTC.]

2. Issuer: (a) understands that DTC has no obligation to, and will not, communicate to its Participants or to any person having an interest in the Securities any information contained in the Security certificate(s); and (b) acknowledges that neither DTC's Participants nor any person having

an interest in the Securities shall be deemed to have notice of the provisions of the Security certificate(s) by virtue of submission of such certificate(s) to DTC.

3. In the event of any solicitation of consents from or voting by holders of the Securities, Issuer or Agent shall establish a record date for such purposes (with no provision for revocation of consents or votes by subsequent holders) and shall send notice of such record date to DTC no fewer than 15 calendar days in advance of such record date. Notices to DTC pursuant to this Paragraph by telecopy shall be directed to DTC's Reorganization Department, Proxy Unit at (212) 855-5181 or (212) 855-5182. If the party sending the notice does not receive a telecopy receipt from DTC confirming that the notice has been received, such party shall telephone (212) 855-5187. Notices pursuant to this Paragraph, by mail or by any other means, shall be sent to:

Supervisor, Proxy Unit  
Reorganization Department  
The Depository Trust Company  
55 Water Street 50th Floor  
New York, NY 10041-0099

4. In the event of a full or partial redemption or an advance refunding of part of the outstanding Securities, Issuer or Agent shall send a notice to DTC specifying: (a) the amount of the redemption or refunding; (b) in the case of a refunding, the maturity date(s) established under the refunding; and (c) the date such notice is to be mailed to beneficial owners or published (the "Publication Date"). Such notice shall be sent to DTC by a secure means (*e.g.*, legible telecopy, registered or certified mail, overnight delivery) and in a timely manner designed to assure that such notice is in DTC's possession no later than the close of business on the business day before or, if possible, two business days before the Publication Date. Issuer or Agent shall forward such notice either in a separate secure transmission for each CUSIP number or in a secure transmission for multiple CUSIP numbers (if applicable) which includes a manifest or list of each CUSIP submitted in that transmission. (The party sending such notice shall have a method to verify subsequently the use of such means and the timeliness of such notice.) The Publication Date shall be no fewer than 30 days nor more than 60 days prior to the redemption date or, in the case of an advance refunding, the date that the proceeds are deposited in escrow. Notices to DTC pursuant to this Paragraph by telecopy shall be directed to DTC's Call Notification Department at (516) 227-4164 or (516) 227-4190. If the party sending the notice does not receive a telecopy receipt from DTC confirming that the notice has been received, such party shall telephone (516) 227-4070. Notices to DTC pursuant to this Paragraph, by mail or by any other means, shall be sent to:

Call Notification Department  
The Depository Trust Company  
711 Stewart Avenue  
Garden City, NY 11530-4719

5. In the event of an invitation to tender the Securities, notice by Issuer or Agent to Security holders specifying the terms of the tender and the Publication Date of such notice shall be sent to DTC by a secure means (*e.g.*, legible telecopy, registered or certified mail, overnight delivery) in a timely manner designed to assure that such notice is in DTC's possession no later than the close of business on the business day before or, if possible, two business days before the Publication Date. Issuer or Agent shall forward such notice either in a separate secure transmission for each CUSIP number or in a secure transmission for multiple CUSIP numbers (if applicable) which includes a

manifest or list of each CUSIP number submitted in that transmission. (The party sending such notice shall have a method to verify subsequently the use and timeliness of such notice.) Notices to DTC pursuant to this Paragraph and notices of other actions (including mandatory tenders, exchanges, and capital changes) by telecopy shall be directed to DTC's Reorganization Department at (212) 855-5488. If the party sending the notice does not receive a telecopy receipt from DTC confirming that the notice has been received, such party shall telephone (212) 855-5135. Notices to DTC pursuant to this Paragraph, by mail or by any other means, shall be sent to:

Manager, Reorganization Department  
Reorganization Window  
The Depository Trust Company  
55 Water Street 50th Floor  
New York, NY 10041-0099

6. All notices and payment advices sent to DTC shall contain the CUSIP number of the Securities.

7. In the event of a change in the interest rate, Agent shall send notice to DTC of such change and Agent shall indicate the stated coupon rate. Such notice, which shall include Agent contact's name and telephone number, by telecopy shall be directed to DTC's Dividend Department at (212) 855-4555. If the party sending the notice does not receive a telecopy receipt from DTC confirming that the notice has been received, such party shall telephone (212) 855-4550. Notices to DTC pursuant to this Paragraph, by mail or by any other means, shall be sent to:

Manager, Announcements  
Dividend Department  
The Depository Trust Company  
55 Water Street 25th Floor  
New York, NY 10041-0099

8. Issuer or Agent shall provide a written notice of interest payment information, including stated coupon rate information, to DTC as soon as the information is available. Issuer or Agent shall provide this information directly to DTC electronically, as previously arranged by Issuer or Agent and DTC. If electronic transmission has not been arranged, absent any other arrangements between Issuer or Agent and DTC, such information shall be sent by telecopy to DTC's Dividend Department at (212) 855-4555 or (212) 855-4556. If the party sending the notice does not receive a telecopy receipt from DTC confirming that the notice has been received, such party shall telephone (212) 855-4550. Notices to DTC pursuant to this Paragraph, by mail or by any other means, shall be sent to:

Manager, Announcements  
Dividend Department  
The Depository Trust Company  
55 Water Street 25th Floor  
New York, NY 10041-0099

9. Interest payments and principal payments that are part of periodic principal-and-interest payments shall be received by Cede & Co., as nominee of DTC, or its registered assigns in same-day funds no later than 2:30 p.m. (Eastern Time) on the payment date. Issuer shall remit by

1:00 p.m. (Eastern Time) on the payment date all such interest payments due Agent, or at such earlier time as required by Agent to guarantee that DTC shall receive payment in same-day funds no later than 2:30 p.m. (Eastern Time) on the payment date. Absent any other arrangements between Issuer or Agent and DTC, such funds shall be wired to the Dividend Deposit Account number that will be stamped on the signature page hereof at the time DTC executes this Letter of Representations.

10. Agent shall provide DTC's Dividend Department, no later than 12:00 noon (Eastern Time) on the payment date, automated notification of CUSIP-level detail. If circumstances prevent the funds paid to Cede & Co., as nominee of DTC, by 2:30 p.m. (Eastern Time) from equaling the dollar amount associated with the detail payments by 12:00 noon (Eastern Time), Issuer or Agent must provide CUSIP-level reconciliation to DTC no later than 2:30 p.m. (Eastern Time). Reconciliation must be provided by either automated means or written format. Such reconciliation notice, if sent by telecopy, shall be directed to DTC's Dividend Department at (212) 855-4633, and receipt of such reconciliation notice shall be confirmed by telephoning (212) 855-4430.

11. Maturity and redemption payments shall be received by Cede & Co., as nominee of DTC, or its registered assigns, in same-day funds no later than 2:30 p.m. (Eastern Time) on the payment date. Issuer shall remit by 1:00 p.m. (Eastern Time) on the payment date, all maturity and redemption payments due Agent, or at such earlier time as required by Agent to guarantee that DTC shall receive payment in same-day funds no later than 2:30 p.m. (Eastern Time) on the payment date. Absent any other arrangements between Issuer or Agent and DTC, such funds shall be wired to the Redemption Deposit Account number that will be stamped on the signature page hereof at the time DTC executes this Letter of Representations.

12. Principal payments (plus accrued interest, if any) as a result of optional tenders for purchase effected by means of DTC's Repayment Option Procedures shall be received by Cede & Co., as nominee of DTC, or its registered assigns, in same-day funds no later than 2:30 p.m. (Eastern Time) on the payment date. Issuer shall remit by 1:00 p.m. (Eastern Time) on the payment date all such reorganization payments due Agent, or at such earlier time as required by Agent to guarantee that DTC shall receive payment in same-day funds no later than 2:30 p.m. (Eastern Time) on the payment date. Absent any other arrangements between Issuer or Agent and DTC, such funds shall be wired to the Reorganization Deposit Account number that will be stamped on the signature page hereof at the time DTC executes this Letter of Representations.

13. DTC may direct Issuer or Agent to use any other telephone number or address as the number or address to which notices or payments may be sent.

14. In the event of a redemption, acceleration, or any other similar transaction (*e.g.*, tender made and accepted in response to Issuer's or Agent's invitation) necessitating a reduction in the aggregate principal amount of Securities outstanding or an advance refunding of part of the Securities outstanding, DTC, in its discretion: (a) may request Issuer or Agent to issue and authenticate a new Bond certificate, or (b) may make an appropriate notation on the Bond certificate indicating the date and amount of such reduction in principal except in the case of final maturity, in which case the certificate will be presented to Issuer or Agent prior to payment if required.

15. In the event that Issuer determines that beneficial owners of Securities shall be able to obtain certificated Securities, Issuer or Agent shall notify DTC of the availability of Security certificates. In such event, Issuer or Agent shall issue, transfer, and exchange Security certificates in appropriate amounts, as required by DTC and others.

16. DTC may discontinue providing its services as securities depository with respect to the Securities at any time by giving reasonable notice to Issuer or Agent (at which time DTC will confirm with Issuer or Agent the aggregate principal amount of Securities outstanding). Under such circumstances, at DTC's request, Issuer and Agent shall cooperate fully with DTC by taking appropriate action to make available one or more separate certificates evidencing Securities to any Participant having Securities credited to its DTC accounts.

17. Nothing herein shall be deemed to require Agent to advance funds on behalf of Issuer.

18. This Letter of Representations may be executed in any number of counterparts, each of which when so executed shall be deemed to be an original, but all such counterparts together shall constitute but one and the same instrument.

19. This Letter of Representations shall be governed by, and construed in accordance with, the laws of the State of New York, without giving effect to principles of conflicts of law.

20. The sender of each notice delivered to DTC pursuant to this Letter of Representations is responsible for confirming that such notice was properly received by DTC.

21. Issuer recognizes that DTC does not in any way undertake to, and shall not have any responsibility to, monitor or ascertain the compliance of any transactions in the Securities with the following, as amended from time to time: (a) any exemptions from registration under the Securities Act of 1933; (b) the Investment Company Act of 1940; (c) the Employee Retirement Income Security Act of 1974; (d) the Internal Revenue Code of 1986; (e) any rules of any self-regulatory organizations (as defined under the Securities Exchange Act of 1934); or (f) any other local, state, or federal laws or regulations thereunder.

22. Issuer hereby authorizes DTC to provide to Agent listings of Participants' holdings, known as Security Position Listings ("SPLs") with respect to the Securities from time to time at the request of the Agent. DTC charges a fee for such SPLs. This authorization, unless revoked by Issuer, shall continue with respect to the Securities while any Securities are on deposit at DTC, until and unless Agent shall no longer be acting. In such event, Issuer shall provide DTC with similar evidence, satisfactory to DTC, of the authorization of any successor thereto so to act. Requests for SPLs shall be sent by telecopy to the Proxy Unit of DTC's Reorganization Department at (212) 855-5181 or (212) 855-5182. Receipt of such requests shall be confirmed by telephoning (212) 855-5202. Requests for SPLs sent by mail or by any other means shall be directed to the address indicated in Paragraph 3.

23. Issuer and Agent shall comply with the applicable requirements stated in DTC's Operational Arrangements, as they may be amended from time to time. DTC's Operational Arrangements are posted on DTC's website at "www.DTC.org."

24. The following riders, attached hereto, are hereby incorporated into this Letter of Representations:

None

---

---

Notes:

A. If there is an Agent (as defined in this Letter of Representations), Agent, as well as Issuer, must sign this Letter. If there is no Agent, in signing this Letter Issuer itself undertakes to perform all of the obligations set forth herein.

B. Under the Rules of the Municipal Securities Rulemaking Board relating to "good delivery", a municipal securities dealer must be able to determine the date that a notice of a partial call or of an advance refunding of a part of an issue is distributed or published (the "Publication Date"). The establishment of such a Publication Date is addressed in Paragraph 3 of the Letter.

C. Schedule B contains statements that DTC believes accurately describe DTC, the method of effecting book-entry transfers of securities distributed through DTC, and certain related matters.

Very truly yours,  
Township High School District 225, Cook County,  
Illinois

\_\_\_\_\_  
[Issuer]

By: Caree Royal  
[Authorized Officer's Signature]  
Cole Taylor Bank, Chicago, Illinois

\_\_\_\_\_  
[Agent]

By: [Signature]  
[Authorized Officer's Signature]

Received and Accepted:  
THE DEPOSITORY TRUST COMPANY

By: Denise Russo

**Funds should be wired to:**

**The Chase Manhattan Bank**  
ABA # 021 000 021  
For credit to a/c Code & Co.  
c/o The Depository Trust Company

*[Select Appropriate Account.]*

Dividend Deposit Account # 066-026776  
Sweep Deposit Account # 066-027306  
Municipal Bond Deposit Account # 066-027608

cc: Underwriter  
Underwriter's Counsel

**SCHEDULE A**

Township High School District 225, Cook County, Illinois

General Obligation Limited Tax School Bonds, Series 2000A

[Describe Issue Including Issuer's Name]

<u>CUSIP Number</u>	<u>Principal Amount</u>	<u>Maturity Date</u>	<u>Interest Rate</u>
215777FX6	\$1,095,000	12-1-2007	4.75%
215777FY4	1,505,000	12-1-2008	4.75%
215777FZ1	1,580,000	12-1-2009	4.75%
215777GA5	1,655,000	12-1-2010	4.75%
215777GB3	1,730,000	12-1-2011	5.00%
215777GC1	1,820,000	12-1-2012	5.75%
215777GD9	1,915,000	12-1-2013	5.75%

## **SCHEDULE B**

### **SAMPLE OFFICIAL STATEMENT LANGUAGE** **DESCRIBING BOOK-ENTRY-ONLY ISSUANCE**

(Prepared by DTC--bracketed material may be applicable only to certain issues)

1. The Depository Trust Company (“DTC”), New York, NY, will act as securities depository for the securities (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. [If, however, the aggregate principal amount of [any] issue exceeds \$400 million, one certificate will be issued with respect to each \$400 million of principal amount and an additional certificate will be issued with respect to any remaining principal amount of such issue.]

2. DTC 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 securities that its participants (“Direct Participants”) deposit with DTC. DTC also facilitates the settlement among Direct Participants of securities transactions, such as transfers and pledges, in deposited securities through electronic computerized book-entry changes in Direct Participants’ accounts, thereby eliminating the need for physical movement of securities certificates. Direct Participants include securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is owned by a number of its Direct Participants and by the New York Stock Exchange, Inc., the American Stock Exchange LLC, and the National Association of Securities Dealers, Inc. Access to the DTC system is also available to others such as securities brokers and dealers, banks, and trust companies that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly (“Indirect Participants”). The Rules applicable to DTC and its Direct and Indirect Participants are on file with the Securities and Exchange Commission.

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, but Beneficial Owners are 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 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 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. 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, or in the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of the 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 such other DTC nominee) will consent or vote with respect to the Securities. Under its usual procedures, DTC mails an Omnibus Proxy to Issuer as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the 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 Issuer or 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, Agent, or Issuer, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and dividends to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of Issuer or Agent, disbursement of such payments to Direct Participants shall be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners shall 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 [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 [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 [Tender/Remarketing] Agent's DTC account.]

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

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

12. The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that Issuer believes to be reliable, but Issuer takes no responsibility for the accuracy thereof.

REGISTERED  
NO. 1

REGISTERED  
\$1,095,000

UNITED STATES OF AMERICA  
STATE OF ILLINOIS  
COUNTY OF COOK  
TOWNSHIP HIGH SCHOOL DISTRICT NUMBER 225  
GENERAL OBLIGATION LIMITED TAX SCHOOL BOND, SERIES 2000A

See Reverse Side for  
Additional Provisions

Interest  
Rate: 4.75%

Maturity  
Date: December 1, 2007

Dated  
Date: October 1, 2000

CUSIP: 215777 FX6

Registered Owner: CEDE & CO.

Principal Amount: ONE MILLION NINETY-FIVE THOUSAND DOLLARS

KNOW ALL MEN BY THESE PRESENTS, that Township High School District Number 225, Cook County, Illinois (the "District"), hereby acknowledges itself to owe and for value received promises to pay to the Registered Owner identified above, or registered assigns as hereinafter provided, on the Maturity Date identified above, the Principal Amount identified above and to pay interest (computed on the basis of a 360-day year of twelve 30-day months) on such Principal Amount from the date of this Bond or from the most recent interest payment date to which interest has been paid at the Interest Rate per annum set forth above on June 1 and December 1 of each year, commencing June 1, 2001, until said Principal Amount is paid. Principal of this Bond is payable in lawful money of the United States of America upon presentation and surrender hereof at the principal corporate trust office of Cole Taylor Bank, Chicago, Illinois, as bond registrar and paying agent (the "Bond Registrar"). Payment of the installments of interest shall be made to the Registered Owner hereof as shown on the registration books of the District maintained by the Bond Registrar, at the close of business on the 15th day of the month next preceding each interest payment date and shall be paid by check or draft of the Bond Registrar, payable upon presentation in lawful money of the United States of America, mailed to the address of such Registered Owner as it appears on such registration books or at such other address furnished in writing by such Registered Owner to the Bond Registrar.

Reference is hereby made to the further provisions of this Bond set forth on the reverse hereof and such further provisions shall for all purposes have the same effect as if set forth at this place.

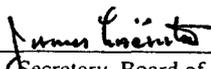
It is hereby certified and recited that all conditions, acts and things required by law to exist or to be done precedent to and in the issuance of this Bond did exist, have happened, been done and performed in regular and due form and time as required by law; that the indebtedness of the District, including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

It is hereby certified and recited that all conditions, acts and things required by law to exist or to be done precedent to and in the issuance of this Bond did exist, have happened, been done and performed in regular and due form and time as required by law; that the indebtedness of the District, including the issue of bonds of which this is one, does not exceed any limitation imposed by law; and that provision has been made for the collection of a direct annual tax to pay the interest hereon as it falls due and also to pay and discharge the principal hereof at maturity. Although this Bond constitutes a general obligation of the District and no limit exists on the rate of said direct annual tax, the amount of said tax is limited by the provisions of the Property Tax Extension Limitation Law of the State of Illinois, as amended (the "Law"). The Law provides that the annual amount of the taxes to be extended to pay the issue of bonds of which this Bond is one and all other limited bonds (as defined in the Local Government Debt Reform Act of the State of Illinois, as amended) hereafter issued by the District shall not exceed the debt service extension base (as defined in the Law) of the District (the "Base") less the amount extended to pay certain other non-referendum bonds heretofore and hereafter issued by the District, as more fully described in the proceedings of the District providing for the issue of this Bond. The District is authorized to issue from time to time additional limited bonds payable from the Base and additional non-referendum bonds payable from property taxes unlimited as to rate or amount, as permitted by law, and to determine the lien priority of payments to be made from the Base to pay the District's limited bonds.

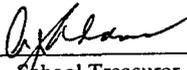
This Bond shall not be valid or become obligatory for any purpose until the certificate of authentication hereon shall have been signed by the Bond Registrar.

IN WITNESS WHEREOF, said Township High School District Number 225, Cook County, Illinois, by its Board of Education, has caused this Bond to be signed by the manual or duly authorized facsimile signatures of the President and Secretary of said Board of Education, and to be registered, numbered and countersigned by the manual or the duly authorized facsimile signature of the School Treasurer who receives the taxes of the District, all as of the Dated Date identified above.

  
\_\_\_\_\_  
President, Board of Education

  
\_\_\_\_\_  
Secretary, Board of Education

Registered, Numbered and Countersigned:

  
\_\_\_\_\_  
School Treasurer

Date of Authentication: OCT 25 2000

CERTIFICATE  
OF  
AUTHENTICATION

Bond Registrar and Paying Agent:  
Cole Taylor Bank, Chicago, Illinois

This Bond is one of the Bonds described in the within mentioned resolution and is one of the General Obligation Limited Tax School Bonds, Series 2000A, of Township High School District Number 225, Cook County, Illinois.

COLE TAYLOR BANK,  
as Bond Registrar

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

**TOWNSHIP HIGH SCHOOL DISTRICT NUMBER 225  
COOK COUNTY, ILLINOIS  
GENERAL OBLIGATION LIMITED TAX SCHOOL BOND, SERIES 2000A**

This Bond is one of a series of bonds issued by the District for working cash fund purposes, in full compliance with the provisions of the School Code of the State of Illinois, and the Local Government Debt Reform Act of the State of Illinois, and all laws amendatory thereof and supplementary thereto, and is authorized by the Board of Education of the District by resolutions duly and properly adopted for that purpose, in all respects as provided by law.

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

Bonds of the issue of which this Bond is one maturing on and after December 1, 2011, are subject to redemption prior to maturity at the option of the District as a whole, or in part in integral multiples of \$5,000 in any order of their maturity as determined by the District (less than all the Bonds of a single maturity to be selected by lot by the Bond Registrar), on December 1, 2010, and on any date thereafter, at the redemption price of par plus accrued interest to the redemption date.

Notice of any such redemption shall be sent by first-class mail not less than thirty (30) days nor more than sixty (60) days prior to the date fixed for redemption to the registered owner of each Bond to be redeemed at the address shown on the registration books of the District maintained by the Bond Registrar or at such other address as is furnished in writing by such registered owner to the Bond Registrar. When so called for redemption, this Bond will cease to bear interest on the specified redemption date, provided funds for redemption are on deposit at the place of payment at that time, and shall not be deemed to be outstanding.

The Bonds are issued in fully registered form in the denomination of \$5,000 each or authorized integral multiples thereof. This Bond may be exchanged at the principal corporate trust office of the Bond Registrar for a like aggregate principal amount of Bonds of the same maturity of other authorized denominations, upon the terms set forth in the authorizing resolution. The Bond Registrar shall not be required to transfer or exchange any Bond during the period beginning at the close of business on the 15th day of the month next preceding any interest payment date on such Bond and ending 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 District and the Bond Registrar may deem and treat the registered holder hereof as the absolute owner hereof for the purpose of receiving payment of or on account of principal hereof and interest due hereon and for all other purposes and neither the District nor the Bond Registrar shall be affected by any notice to the contrary.

**ASSIGNMENT**

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

---

(Name and Address of Assignee)

the within Bond and does hereby irrevocably constitute and appoint

---

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

Dated: \_\_\_\_\_

Signature guaranteed: \_\_\_\_\_

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

REGISTERED  
NO. 2

REGISTERED  
\$1,505,000

UNITED STATES OF AMERICA  
STATE OF ILLINOIS  
COUNTY OF COOK  
TOWNSHIP HIGH SCHOOL DISTRICT NUMBER 225  
GENERAL OBLIGATION LIMITED TAX SCHOOL BOND, SERIES 2000A

See Reverse Side for  
Additional Provisions

Interest Rate: 4.75%      Maturity Date: December 1, 2008      Dated Date: October 1, 2000      CUSIP: 215777 FY4  
Registered Owner: CEDE & CO.  
Principal Amount: ONE MILLION FIVE HUNDRED FIVE THOUSAND DOLLARS

KNOW ALL MEN BY THESE PRESENTS, that Township High School District Number 225, Cook County, Illinois (the "District"), hereby acknowledges itself to owe and for value received promises to pay to the Registered Owner identified above, or registered assigns as hereinafter provided, on the Maturity Date identified above, the Principal Amount identified above and to pay interest (computed on the basis of a 360-day year of twelve 30-day months) on such Principal Amount from the date of this Bond or from the most recent interest payment date to which interest has been paid at the Interest Rate per annum set forth above on June 1 and December 1 of each year, commencing June 1, 2001, until said Principal Amount is paid. Principal of this Bond is payable in lawful money of the United States of America upon presentation and surrender hereof at the principal corporate trust office of Cole Taylor Bank, Chicago, Illinois, as bond registrar and paying agent (the "Bond Registrar"). Payment of the installments of interest shall be made to the Registered Owner hereof as shown on the registration books of the District maintained by the Bond Registrar, at the close of business on the 15th day of the month next preceding each interest payment date and shall be paid by check or draft of the Bond Registrar, payable upon presentation in lawful money of the United States of America, mailed to the address of such Registered Owner as it appears on such registration books or at such other address furnished in writing by such Registered Owner to the Bond Registrar.

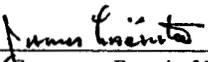
Reference is hereby made to the further provisions of this Bond set forth on the reverse hereof and such further provisions shall for all purposes have the same effect as if set forth at this place.

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

It is hereby certified and recited that all conditions, acts and things required by law to exist or to be done precedent to and in the issuance of this Bond did exist, have happened, been done and performed in regular and due form and time as required by law; that the indebtedness of the District, including the issue of bonds of which this is one, does not exceed any limitation imposed by law; and that provision has been made for the collection of a direct annual tax to pay the interest hereon as it falls due and also to pay and discharge the principal hereof at maturity. Although this Bond constitutes a general obligation of the District and no limit exists on the rate of said direct annual tax, the amount of said tax is limited by the provisions of the Property Tax Extension Limitation Law of the State of Illinois, as amended (the "Law"). The Law provides that the annual amount of the taxes to be extended to pay the issue of bonds of which this Bond is one and all other limited bonds (as defined in the Local Government Debt Reform Act of the State of Illinois, as amended) hereafter issued by the District shall not exceed the debt service extension base (as defined in the Law) of the District (the "Base") less the amount extended to pay certain other non-referendum bonds heretofore and hereafter issued by the District, as more fully described in the proceedings of the District providing for the issue of this Bond. The District is authorized to issue from time to time additional limited bonds payable from the Base and additional non-referendum bonds payable from property taxes unlimited as to rate or amount, as permitted by law, and to determine the lien priority of payments to be made from the Base to pay the District's limited bonds.

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

IN WITNESS WHEREOF, said Township High School District Number 225, Cook County, Illinois, by its Board of Education, has caused this Bond to be signed by the manual or duly authorized facsimile signatures of the President and Secretary of said Board of Education, and to be registered, numbered and countersigned by the manual or the duly authorized facsimile signature of the School Treasurer who receives the taxes of the District, all as of the Dated Date identified above.

  
\_\_\_\_\_  
President, Board of Education  
  
\_\_\_\_\_  
Secretary, Board of Education

Registered, Numbered and Countersigned:

  
\_\_\_\_\_  
School Treasurer

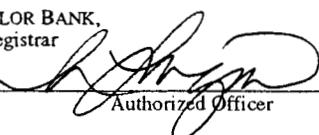
Date of Authentication:           OCT 25 2000          

CERTIFICATE  
OF  
AUTHENTICATION

Bond Registrar and Paying Agent:  
Cole Taylor Bank, Chicago, Illinois

This Bond is one of the Bonds described in the within mentioned resolution and is one of the General Obligation Limited Tax School Bonds, Series 2000A, of Township High School District Number 225, Cook County, Illinois.

COLE TAYLOR BANK,  
as Bond Registrar

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

REGISTERED  
NO. 3

REGISTERED  
\$1,580,000

UNITED STATES OF AMERICA  
STATE OF ILLINOIS  
COUNTY OF COOK  
TOWNSHIP HIGH SCHOOL DISTRICT NUMBER 225  
GENERAL OBLIGATION LIMITED TAX SCHOOL BOND, SERIES 2000A

See Reverse Side for  
Additional Provisions

Interest Rate: 4.75%      Maturity Date: December 1, 2009      Dated Date: October 1, 2000      CUSIP: 215777 FZ1

Registered Owner: CEDE & CO.

Principal Amount: ONE MILLION FIVE HUNDRED EIGHTY THOUSAND DOLLARS

KNOW ALL MEN BY THESE PRESENTS, that Township High School District Number 225, Cook County, Illinois (the "District"), hereby acknowledges itself to owe and for value received promises to pay to the Registered Owner identified above, or registered assigns as hereinafter provided, on the Maturity Date identified above, the Principal Amount identified above and to pay interest (computed on the basis of a 360-day year of twelve 30-day months) on such Principal Amount from the date of this Bond or from the most recent interest payment date to which interest has been paid at the Interest Rate per annum set forth above on June 1 and December 1 of each year, commencing June 1, 2001, until said Principal Amount is paid. Principal of this Bond is payable in lawful money of the United States of America upon presentation and surrender hereof at the principal corporate trust office of Cole Taylor Bank, Chicago, Illinois, as bond registrar and paying agent (the "Bond Registrar"). Payment of the installments of interest shall be made to the Registered Owner hereof as shown on the registration books of the District maintained by the Bond Registrar, at the close of business on the 15th day of the month next preceding each interest payment date and shall be paid by check or draft of the Bond Registrar, payable upon presentation in lawful money of the United States of America, mailed to the address of such Registered Owner as it appears on such registration books or at such other address furnished in writing by such Registered Owner to the Bond Registrar.

Reference is hereby made to the further provisions of this Bond set forth on the reverse hereof and such further provisions shall for all purposes have the same effect as if set forth at this place.

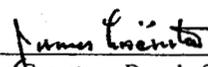
It is hereby certified and recited that all conditions, acts and things required by law to exist or to be done precedent to and in the issuance of this Bond did exist, have happened, been done and performed in regular and due form and time as required by law; that the indebtedness of the District, including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

It is hereby certified and recited that all conditions, acts and things required by law to exist or to be done precedent to and in the issuance of this Bond did exist, have happened, been done and performed in regular and due form and time as required by law; that the indebtedness of the District, including the issue of bonds of which this is one, does not exceed any limitation imposed by law; and that provision has been made for the collection of a direct annual tax to pay the interest hereon as it falls due and also to pay and discharge the principal hereof at maturity. Although this Bond constitutes a general obligation of the District and no limit exists on the rate of said direct annual tax, the amount of said tax is limited by the provisions of the Property Tax Extension Limitation Law of the State of Illinois, as amended (the "Law"). The Law provides that the annual amount of the taxes to be extended to pay the issue of bonds of which this Bond is one and all other limited bonds (as defined in the Local Government Debt Reform Act of the State of Illinois, as amended) hereafter issued by the District shall not exceed the debt service extension base (as defined in the Law) of the District (the "Base") less the amount extended to pay certain other non-referendum bonds heretofore and hereafter issued by the District, as more fully described in the proceedings of the District providing for the issue of this Bond. The District is authorized to issue from time to time additional limited bonds payable from the Base and additional non-referendum bonds payable from property taxes unlimited as to rate or amount, as permitted by law, and to determine the lien priority of payments to be made from the Base to pay the District's limited bonds.

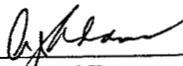
This Bond shall not be valid or become obligatory for any purpose until the certificate of authentication hereon shall have been signed by the Bond Registrar.

IN WITNESS WHEREOF, said Township High School District Number 225, Cook County, Illinois, by its Board of Education, has caused this Bond to be signed by the manual or duly authorized facsimile signatures of the President and Secretary of said Board of Education, and to be registered, numbered and countersigned by the manual or the duly authorized facsimile signature of the School Treasurer who receives the taxes of the District, all as of the Dated Date identified above.

  
\_\_\_\_\_  
President, Board of Education

  
\_\_\_\_\_  
Secretary, Board of Education

Registered, Numbered and Countersigned:

  
\_\_\_\_\_  
School Treasurer

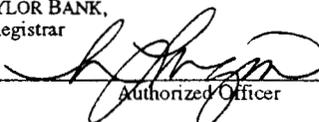
Date of Authentication: OCT 25 2000

CERTIFICATE  
OF  
AUTHENTICATION

Bond Registrar and Paying Agent:  
Cole Taylor Bank, Chicago, Illinois

This Bond is one of the Bonds described in the within mentioned resolution and is one of the General Obligation Limited Tax School Bonds, Series 2000A, of Township High School District Number 225, Cook County, Illinois.

COLE TAYLOR BANK,  
as Bond Registrar

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

REGISTERED  
NO. 4

REGISTERED  
\$1,655,000

UNITED STATES OF AMERICA  
STATE OF ILLINOIS  
COUNTY OF COOK  
TOWNSHIP HIGH SCHOOL DISTRICT NUMBER 225  
GENERAL OBLIGATION LIMITED TAX SCHOOL BOND, SERIES 2000A

See Reverse Side for  
Additional Provisions

Interest Rate: 4.75%      Maturity Date: December 1, 2010      Dated Date: October 1, 2000      CUSIP: 215777 GA5  
Registered Owner: CEDE & CO.  
Principal Amount: ONE MILLION SIX HUNDRED FIFTY-FIVE THOUSAND DOLLARS

KNOW ALL MEN BY THESE PRESENTS, that Township High School District Number 225, Cook County, Illinois (the "District"), hereby acknowledges itself to owe and for value received promises to pay to the Registered Owner identified above, or registered assigns as hereinafter provided, on the Maturity Date identified above, the Principal Amount identified above and to pay interest (computed on the basis of a 360-day year of twelve 30-day months) on such Principal Amount from the date of this Bond or from the most recent interest payment date to which interest has been paid at the Interest Rate per annum set forth above on June 1 and December 1 of each year, commencing June 1, 2001, until said Principal Amount is paid. Principal of this Bond is payable in lawful money of the United States of America upon presentation and surrender hereof at the principal corporate trust office of Cole Taylor Bank, Chicago, Illinois, as bond registrar and paying agent (the "Bond Registrar"). Payment of the installments of interest shall be made to the Registered Owner hereof as shown on the registration books of the District maintained by the Bond Registrar, at the close of business on the 15th day of the month next preceding each interest payment date and shall be paid by check or draft of the Bond Registrar, payable upon presentation in lawful money of the United States of America, mailed to the address of such Registered Owner as it appears on such registration books or at such other address furnished in writing by such Registered Owner to the Bond Registrar.

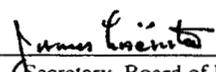
Reference is hereby made to the further provisions of this Bond set forth on the reverse hereof and such further provisions shall for all purposes have the same effect as if set forth at this place.

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

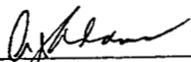
It is hereby certified and recited that all conditions, acts and things required by law to exist or to be done precedent to and in the issuance of this Bond did exist, have happened, been done and performed in regular and due form and time as required by law; that the indebtedness of the District, including the issue of bonds of which this is one, does not exceed any limitation imposed by law; and that provision has been made for the collection of a direct annual tax to pay the interest hereon as it falls due and also to pay and discharge the principal hereof at maturity. Although this Bond constitutes a general obligation of the District and no limit exists on the rate of said direct annual tax, the amount of said tax is limited by the provisions of the Property Tax Extension Limitation Law of the State of Illinois, as amended (the "Law"). The Law provides that the annual amount of the taxes to be extended to pay the issue of bonds of which this Bond is one and all other limited bonds (as defined in the Local Government Debt Reform Act of the State of Illinois, as amended) hereafter issued by the District shall not exceed the debt service extension base (as defined in the Law) of the District (the "Base") less the amount extended to pay certain other non-referendum bonds heretofore and hereafter issued by the District, as more fully described in the proceedings of the District providing for the issue of this Bond. The District is authorized to issue from time to time additional limited bonds payable from the Base and additional non-referendum bonds payable from property taxes unlimited as to rate or amount, as permitted by law, and to determine the lien priority of payments to be made from the Base to pay the District's limited bonds.

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

IN WITNESS WHEREOF, said Township High School District Number 225, Cook County, Illinois, by its Board of Education, has caused this Bond to be signed by the manual or duly authorized facsimile signatures of the President and Secretary of said Board of Education, and to be registered, numbered and countersigned by the manual or the duly authorized facsimile signature of the School Treasurer who receives the taxes of the District, all as of the Dated Date identified above.

  
\_\_\_\_\_  
President, Board of Education  
  
\_\_\_\_\_  
Secretary, Board of Education

Registered, Numbered and Countersigned:

  
\_\_\_\_\_  
School Treasurer

Date of Authentication:           OCT 25 2000          

CERTIFICATE  
OF  
AUTHENTICATION

Bond Registrar and Paying Agent:  
Cole Taylor Bank, Chicago, Illinois

This Bond is one of the Bonds described in the within mentioned resolution and is one of the General Obligation Limited Tax School Bonds, Series 2000A, of Township High School District Number 225, Cook County, Illinois.

COLE TAYLOR BANK,  
as Bond Registrar  
By   
\_\_\_\_\_  
Authorized Officer

REGISTERED  
NO. 5

REGISTERED  
\$1,730,000

UNITED STATES OF AMERICA  
STATE OF ILLINOIS  
COUNTY OF COOK  
TOWNSHIP HIGH SCHOOL DISTRICT NUMBER 225  
GENERAL OBLIGATION LIMITED TAX SCHOOL BOND, SERIES 2000A

See Reverse Side for  
Additional Provisions

Interest Rate: 5.00%      Maturity Date: December 1, 2011      Dated Date: October 1, 2000      CUSIP: 215777 GB3  
Registered Owner: CEDE & CO.  
Principal Amount: ONE MILLION SEVEN HUNDRED THIRTY THOUSAND DOLLARS

KNOW ALL MEN BY THESE PRESENTS, that Township High School District Number 225, Cook County, Illinois (the "District"), hereby acknowledges itself to owe and for value received promises to pay to the Registered Owner identified above, or registered assigns as hereinafter provided, on the Maturity Date identified above, the Principal Amount identified above and to pay interest (computed on the basis of a 360-day year of twelve 30-day months) on such Principal Amount from the date of this Bond or from the most recent interest payment date to which interest has been paid at the Interest Rate per annum set forth above on June 1 and December 1 of each year, commencing June 1, 2001, until said Principal Amount is paid. Principal of this Bond is payable in lawful money of the United States of America upon presentation and surrender hereof at the principal corporate trust office of Cole Taylor Bank, Chicago, Illinois, as bond registrar and paying agent (the "Bond Registrar"). Payment of the installments of interest shall be made to the Registered Owner hereof as shown on the registration books of the District maintained by the Bond Registrar, at the close of business on the 15th day of the month next preceding each interest payment date and shall be paid by check or draft of the Bond Registrar, payable upon presentation in lawful money of the United States of America, mailed to the address of such Registered Owner as it appears on such registration books or at such other address furnished in writing by such Registered Owner to the Bond Registrar.

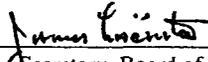
Reference is hereby made to the further provisions of this Bond set forth on the reverse hereof and such further provisions shall for all purposes have the same effect as if set forth at this place.

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

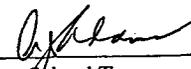
It is hereby certified and recited that all conditions, acts and things required by law to exist or to be done precedent to and in the issuance of this Bond did exist, have happened, been done and performed in regular and due form and time as required by law; that the indebtedness of the District, including the issue of bonds of which this is one, does not exceed any limitation imposed by law; and that provision has been made for the collection of a direct annual tax to pay the interest hereon as it falls due and also to pay and discharge the principal hereof at maturity. Although this Bond constitutes a general obligation of the District and no limit exists on the rate of said direct annual tax, the amount of said tax is limited by the provisions of the Property Tax Extension Limitation Law of the State of Illinois, as amended (the "Law"). The Law provides that the annual amount of the taxes to be extended to pay the issue of bonds of which this Bond is one and all other limited bonds (as defined in the Local Government Debt Reform Act of the State of Illinois, as amended) hereafter issued by the District shall not exceed the debt service extension base (as defined in the Law) of the District (the "Base") less the amount extended to pay certain other non-referendum bonds heretofore and hereafter issued by the District, as more fully described in the proceedings of the District providing for the issue of this Bond. The District is authorized to issue from time to time additional limited bonds payable from the Base and additional non-referendum bonds payable from property taxes unlimited as to rate or amount, as permitted by law, and to determine the lien priority of payments to be made from the Base to pay the District's limited bonds.

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

IN WITNESS WHEREOF, said Township High School District Number 225, Cook County, Illinois, by its Board of Education, has caused this Bond to be signed by the manual or duly authorized facsimile signatures of the President and Secretary of said Board of Education, and to be registered, numbered and countersigned by the manual or the duly authorized facsimile signature of the School Treasurer who receives the taxes of the District, all as of the Dated Date identified above.

  
\_\_\_\_\_  
President, Board of Education  
  
\_\_\_\_\_  
Secretary, Board of Education

Registered, Numbered and Countersigned:

  
\_\_\_\_\_  
School Treasurer

Date of Authentication:     OCT 25 2000    

CERTIFICATE  
OF  
AUTHENTICATION

Bond Registrar and Paying Agent:  
Cole Taylor Bank, Chicago, Illinois

This Bond is one of the Bonds described in the within mentioned resolution and is one of the General Obligation Limited Tax School Bonds, Series 2000A, of Township High School District Number 225, Cook County, Illinois.

COLE TAYLOR BANK,  
as Bond Registrar

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

REGISTERED  
NO. 6

REGISTERED  
\$1,820,000

UNITED STATES OF AMERICA  
STATE OF ILLINOIS  
COUNTY OF COOK  
TOWNSHIP HIGH SCHOOL DISTRICT NUMBER 225  
GENERAL OBLIGATION LIMITED TAX SCHOOL BOND, SERIES 2000A

See Reverse Side for  
Additional Provisions

Interest  
Rate: 5.75%

Maturity  
Date: December 1, 2012

Dated  
Date: October 1, 2000

CUSIP: 215777 GC1

Registered Owner: CEDE & CO.

Principal Amount: ONE MILLION EIGHT HUNDRED TWENTY THOUSAND DOLLARS

KNOW ALL MEN BY THESE PRESENTS, that Township High School District Number 225, Cook County, Illinois (the "District"), hereby acknowledges itself to owe and for value received promises to pay to the Registered Owner identified above, or registered assigns as hereinafter provided, on the Maturity Date identified above, the Principal Amount identified above and to pay interest (computed on the basis of a 360-day year of twelve 30-day months) on such Principal Amount from the date of this Bond or from the most recent interest payment date to which interest has been paid at the Interest Rate per annum set forth above on June 1 and December 1 of each year, commencing June 1, 2001, until said Principal Amount is paid. Principal of this Bond is payable in lawful money of the United States of America upon presentation and surrender hereof at the principal corporate trust office of Cole Taylor Bank, Chicago, Illinois, as bond registrar and paying agent (the "Bond Registrar"). Payment of the installments of interest shall be made to the Registered Owner hereof as shown on the registration books of the District maintained by the Bond Registrar, at the close of business on the 15th day of the month next preceding each interest payment date and shall be paid by check or draft of the Bond Registrar, payable upon presentation in lawful money of the United States of America, mailed to the address of such Registered Owner as it appears on such registration books or at such other address furnished in writing by such Registered Owner to the Bond Registrar.

Reference is hereby made to the further provisions of this Bond set forth on the reverse hereof and such further provisions shall for all purposes have the same effect as if set forth at this place.

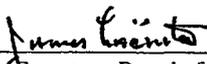
It is hereby certified and recited that all conditions, acts and things required by law to exist or to be done precedent to and in the issuance of this Bond did exist, have happened, been done and performed in regular and due form and time as required by law; that the indebtedness of the District, including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

It is hereby certified and recited that all conditions, acts and things required by law to exist or to be done precedent to and in the issuance of this Bond did exist, have happened, been done and performed in regular and due form and time as required by law; that the indebtedness of the District, including the issue of bonds of which this is one, does not exceed any limitation imposed by law; and that provision has been made for the collection of a direct annual tax to pay the interest hereon as it falls due and also to pay and discharge the principal hereof at maturity. Although this Bond constitutes a general obligation of the District and no limit exists on the rate of said direct annual tax, the amount of said tax is limited by the provisions of the Property Tax Extension Limitation Law of the State of Illinois, as amended (the "Law"). The Law provides that the annual amount of the taxes to be extended to pay the issue of bonds of which this Bond is one and all other limited bonds (as defined in the Local Government Debt Reform Act of the State of Illinois, as amended) hereafter issued by the District shall not exceed the debt service extension base (as defined in the Law) of the District (the "Base") less the amount extended to pay certain other non-referendum bonds heretofore and hereafter issued by the District, as more fully described in the proceedings of the District providing for the issue of this Bond. The District is authorized to issue from time to time additional limited bonds payable from the Base and additional non-referendum bonds payable from property taxes unlimited as to rate or amount, as permitted by law, and to determine the lien priority of payments to be made from the Base to pay the District's limited bonds.

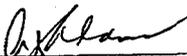
This Bond shall not be valid or become obligatory for any purpose until the certificate of authentication hereon shall have been signed by the Bond Registrar.

IN WITNESS WHEREOF, said Township High School District Number 225, Cook County, Illinois, by its Board of Education, has caused this Bond to be signed by the manual or duly authorized facsimile signatures of the President and Secretary of said Board of Education, and to be registered, numbered and countersigned by the manual or the duly authorized facsimile signature of the School Treasurer who receives the taxes of the District, all as of the Dated Date identified above.

  
\_\_\_\_\_  
President, Board of Education

  
\_\_\_\_\_  
Secretary, Board of Education

Registered, Numbered and Countersigned:

  
\_\_\_\_\_  
School Treasurer

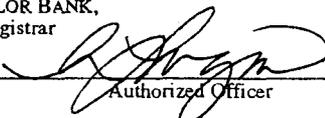
Date of Authentication:           OCT 25 2000          

CERTIFICATE  
OF  
AUTHENTICATION

Bond Registrar and Paying Agent:  
Cole Taylor Bank, Chicago, Illinois

This Bond is one of the Bonds described in the within mentioned resolution and is one of the General Obligation Limited Tax School Bonds, Series 2000A, of Township High School District Number 225, Cook County, Illinois.

COLE TAYLOR BANK,  
as Bond Registrar

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

REGISTERED  
NO. 7

REGISTERED  
\$1,915,000

UNITED STATES OF AMERICA  
STATE OF ILLINOIS  
COUNTY OF COOK  
TOWNSHIP HIGH SCHOOL DISTRICT NUMBER 225  
GENERAL OBLIGATION LIMITED TAX SCHOOL BOND, SERIES 2000A

See Reverse Side for  
Additional Provisions

Interest Rate: 5.75%      Maturity Date: December 1, 2013      Dated Date: October 1, 2000      CUSIP: 215777 GD9  
Registered Owner: CEDE & CO.  
Principal Amount: ONE MILLION NINE HUNDRED FIFTEEN THOUSAND DOLLARS

KNOW ALL MEN BY THESE PRESENTS, that Township High School District Number 225, Cook County, Illinois (the "District"), hereby acknowledges itself to owe and for value received promises to pay to the Registered Owner identified above, or registered assigns as hereinafter provided, on the Maturity Date identified above, the Principal Amount identified above and to pay interest (computed on the basis of a 360-day year of twelve 30-day months) on such Principal Amount from the date of this Bond or from the most recent interest payment date to which interest has been paid at the Interest Rate per annum set forth above on June 1 and December 1 of each year, commencing June 1, 2001, until said Principal Amount is paid. Principal of this Bond is payable in lawful money of the United States of America upon presentation and surrender hereof at the principal corporate trust office of Cole Taylor Bank, Chicago, Illinois, as bond registrar and paying agent (the "Bond Registrar"). Payment of the installments of interest shall be made to the Registered Owner hereof as shown on the registration books of the District maintained by the Bond Registrar, at the close of business on the 15th day of the month next preceding each interest payment date and shall be paid by check or draft of the Bond Registrar, payable upon presentation in lawful money of the United States of America, mailed to the address of such Registered Owner as it appears on such registration books or at such other address furnished in writing by such Registered Owner to the Bond Registrar.

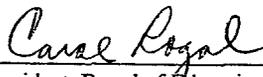
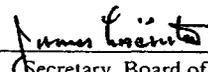
Reference is hereby made to the further provisions of this Bond set forth on the reverse hereof and such further provisions shall for all purposes have the same effect as if set forth at this place.

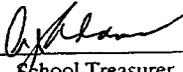
It is hereby certified and recited that all conditions, acts and things required by law to exist or to be done precedent to and in the issuance of this Bond did exist, have happened, been done and performed in regular and due form and time as required by law; that the indebtedness of the District, including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

It is hereby certified and recited that all conditions, acts and things required by law to exist or to be done precedent to and in the issuance of this Bond did exist, have happened, been done and performed in regular and due form and time as required by law; that the indebtedness of the District, including the issue of bonds of which this is one, does not exceed any limitation imposed by law; and that provision has been made for the collection of a direct annual tax to pay the interest hereon as it falls due and also to pay and discharge the principal hereof at maturity. Although this Bond constitutes a general obligation of the District and no limit exists on the rate of said direct annual tax, the amount of said tax is limited by the provisions of the Property Tax Extension Limitation Law of the State of Illinois, as amended (the "Law"). The Law provides that the annual amount of the taxes to be extended to pay the issue of bonds of which this Bond is one and all other limited bonds (as defined in the Local Government Debt Reform Act of the State of Illinois, as amended) hereafter issued by the District shall not exceed the debt service extension base (as defined in the Law) of the District (the "Base") less the amount extended to pay certain other non-referendum bonds heretofore and hereafter issued by the District, as more fully described in the proceedings of the District providing for the issue of this Bond. The District is authorized to issue from time to time additional limited bonds payable from the Base and additional non-referendum bonds payable from property taxes unlimited as to rate or amount, as permitted by law, and to determine the lien priority of payments to be made from the Base to pay the District's limited bonds.

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

IN WITNESS WHEREOF, said Township High School District Number 225, Cook County, Illinois, by its Board of Education, has caused this Bond to be signed by the manual or duly authorized facsimile signatures of the President and Secretary of said Board of Education, and to be registered, numbered and countersigned by the manual or the duly authorized facsimile signature of the School Treasurer who receives the taxes of the District, all as of the Dated Date identified above.

  
\_\_\_\_\_  
President, Board of Education  
  
\_\_\_\_\_  
Secretary, Board of Education

Registered, Numbered and Countersigned:  
  
\_\_\_\_\_  
School Treasurer

Date of Authentication: OCT 25 2000

CERTIFICATE  
OF  
AUTHENTICATION

Bond Registrar and Paying Agent:  
Cole Taylor Bank, Chicago, Illinois

This Bond is one of the Bonds described in the within mentioned resolution and is one of the General Obligation Limited Tax School Bonds, Series 2000A, of Township High School District Number 225, Cook County, Illinois.

COLE TAYLOR BANK,  
as Bond Registrar  
By   
\_\_\_\_\_  
Authorized Officer

REGISTERED  
NO. 1

REGISTERED  
\$30,000  
Compound Accreted  
Value at Maturity  
("Maturity Amount")

UNITED STATES OF AMERICA  
STATE OF ILLINOIS  
COUNTY OF COOK  
TOWNSHIP HIGH SCHOOL DISTRICT NUMBER 225  
GENERAL OBLIGATION LIMITED TAX CAPITAL APPRECIATION  
SCHOOL BOND, SERIES 2000B

See Reverse Side for  
Additional Provisions

Original Yield to Maturity: 5.05%      Maturity Date: December 1, 2002      Dated Date: October 25, 2000      Original Principal Amount: \$27,016.80      CUSIP 215777 FR9

Registered Owner: CEDE & CO.

KNOW ALL MEN BY THESE PRESENTS, that Township High School District Number 225, Cook County, Illinois (the "District"), hereby acknowledges itself to owe and for value received promises to pay to the Registered Owner identified above, or registered assigns as hereinafter provided, on the Maturity Date identified above, the Maturity Amount identified above. The amount of interest payable on this Bond on the Maturity Date hereof is the amount of interest accrued from the Dated Date hereof at a semi-annual compounding rate necessary to produce the Original Yield to Maturity set forth above, compounded semi-annually on each June 1 and December 1, commencing December 1, 2000. The Maturity Amount of this Bond is payable in lawful money of the United States of America upon presentation and surrender of this Bond at the principal corporate trust office of Cole Taylor Bank, Chicago, Illinois, as bond registrar and paying agent (the "Bond Registrar"). The Compound Accreted Value of this Bond on June 1 and December 1 of each year, commencing December 1, 2000, determined by the semi-annual compounding described in this paragraph shall be as set forth in the table of Compound Accreted Values attached hereto.

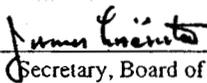
Reference is hereby made to the further provisions of this Bond set forth on the reverse hereof and such further provisions shall for all purposes have the same effect as if set forth at this place.

It is hereby certified and recited that all conditions, acts and things required by law to exist or to be done precedent to and in the issuance of this Bond did exist, have happened, been done and performed in regular and due form and time as required by law; that the indebtedness of the District, including the issue of bonds of which this is one, does not exceed any limitation imposed by law; and that provision has been made for the collection of a direct annual tax to pay and discharge the Maturity Amount hereof when due. Although this Bond constitutes a general obligation of the District and no limit exists on the rate of said direct annual tax, the amount of said tax is limited by the provisions of the Property Tax Extension Limitation Law of the State of Illinois, as amended (the "Law"). The Law provides that the annual amount of the taxes to be extended to pay the issue of Bonds of which this Bond is one and all other limited bonds (as defined in the Local Government Debt Reform Act of the State of Illinois, as amended) hereafter issued by the District shall not exceed the debt service extension base (as defined in the Law) of the District (the "Base") less the amount extended to pay certain other outstanding non-referendum bonds heretofore and hereafter issued by the District, as more fully described in the proceedings of the District providing for the issue of this Bond. The District is authorized to issue from time to time additional limited bonds payable from the Base and additional non-referendum bonds payable from property taxes unlimited as to rate or amount, as permitted by law, and to determine the lien priority of payments to be made from the Base to pay the District's limited bonds.

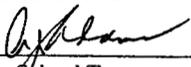
This Bond shall not be valid or become obligatory for any purpose until the certificate of authentication hereon shall have been signed by the Bond Registrar.

IN WITNESS WHEREOF, said Township High School District Number 225, Cook County, Illinois, by its Board of Education, has caused this Bond to be signed by the President of said Board of Education, and to be registered, numbered and countersigned by the School Treasurer who receives the taxes of the District, all as of the Dated Date identified above.

  
\_\_\_\_\_  
President, Board of Education

  
\_\_\_\_\_  
Secretary, Board of Education

Registered, Numbered and Countersigned:

  
\_\_\_\_\_  
School Treasurer

Date of Authentication: OCT 25 2000

CERTIFICATE  
OF  
AUTHENTICATION

Bond Registrar and Paying Agent:  
Cole Taylor Bank,  
Chicago, Illinois

This Bond is one of the Bonds described in the within mentioned resolution and is one of the General Obligation Limited Tax Capital Appreciation School Bonds, Series 2000B, of Township High School District Number 225, Cook County, Illinois.

COLE TAYLOR BANK,  
as Bond Registrar

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

**TOWNSHIP HIGH SCHOOL DISTRICT NUMBER 225  
COOK COUNTY, ILLINOIS  
GENERAL OBLIGATION LIMITED TAX CAPITAL APPRECIATION  
SCHOOL BOND, SERIES 2000B**

This Bond is one of a series of bonds issued by the District for working cash fund purposes, in full compliance with the provisions of the School Code of the State of Illinois, and the Local Government Debt Reform Act of the State of Illinois, and all laws amendatory thereof and supplementary thereto, and is authorized by the Board of Education of the District by resolutions duly and properly adopted for that purpose, in all respects as provided by law.

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

The Bonds are issued in fully registered form in Original Principal Amount representing \$5,000 Maturity Amount or any integral multiple thereof. This Bond may be exchanged at the principal office of the Bond Registrar for a like aggregate Original Principal Amount of Bonds of the same maturity of other authorized denominations, upon the terms set forth in the authorizing resolution. The Bond Registrar shall not be required to transfer or exchange any Bond after the close of business on the 15th day of the month next preceding the Maturity Date of such Bond.

The District and the Bond Registrar may deem and treat the registered holder hereof as the absolute owner hereof for the purpose of receiving payment of or on account of the Maturity Amount hereof and for all other purposes and neither the District nor the Bond Registrar shall be affected by any notice to the contrary.

**ASSIGNMENT**

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

---

(Name and Address of Assignee)

the within Bond and does hereby irrevocably constitute and appoint

---

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

Dated: \_\_\_\_\_

Signature guaranteed: \_\_\_\_\_

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

REGISTERED  
NO. 2

REGISTERED  
\$80,000  
Compound Accreted  
Value at Maturity  
("Maturity Amount")

UNITED STATES OF AMERICA  
STATE OF ILLINOIS  
COUNTY OF COOK  
TOWNSHIP HIGH SCHOOL DISTRICT NUMBER 225  
GENERAL OBLIGATION LIMITED TAX CAPITAL APPRECIATION  
SCHOOL BOND, SERIES 2000B

See Reverse Side for  
Additional Provisions

Original Yield to Maturity: 5.10%	Maturity Date: December 1, 2003	Dated Date: October 25, 2000	Original Principal Amount: \$68,436.00	CUSIP 215777 FS7
-----------------------------------	---------------------------------	------------------------------	--	------------------

Registered Owner: CEDE & CO.

KNOW ALL MEN BY THESE PRESENTS, that Township High School District Number 225, Cook County, Illinois (the "District"), hereby acknowledges itself to owe and for value received promises to pay to the Registered Owner identified above, or registered assigns as hereinafter provided, on the Maturity Date identified above, the Maturity Amount identified above. The amount of interest payable on this Bond on the Maturity Date hereof is the amount of interest accrued from the Dated Date hereof at a semi-annual compounding rate necessary to produce the Original Yield to Maturity set forth above, compounded semi-annually on each June 1 and December 1, commencing December 1, 2000. The Maturity Amount of this Bond is payable in lawful money of the United States of America upon presentation and surrender of this Bond at the principal corporate trust office of Cole Taylor Bank, Chicago, Illinois, as bond registrar and paying agent (the "Bond Registrar"). The Compound Accreted Value of this Bond on June 1 and December 1 of each year, commencing December 1, 2000, determined by the semi-annual compounding described in this paragraph shall be as set forth in the table of Compound Accreted Values attached hereto.

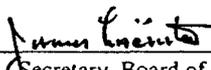
Reference is hereby made to the further provisions of this Bond set forth on the reverse hereof and such further provisions shall for all purposes have the same effect as if set forth at this place.

It is hereby certified and recited that all conditions, acts and things required by law to exist or to be done precedent to and in the issuance of this Bond did exist, have happened, been done and performed in regular and due form and time as required by law; that the indebtedness of the District, including the issue of bonds of which this is one, does not exceed any limitation imposed by law; and that provision has been made for the collection of a direct annual tax to pay and discharge the Maturity Amount hereof when due. Although this Bond constitutes a general obligation of the District and no limit exists on the rate of said direct annual tax, the amount of said tax is limited by the provisions of the Property Tax Extension Limitation Law of the State of Illinois, as amended (the "Law"). The Law provides that the annual amount of the taxes to be extended to pay the issue of Bonds of which this Bond is one and all other limited bonds (as defined in the Local Government Debt Reform Act of the State of Illinois, as amended) hereafter issued by the District shall not exceed the debt service extension base (as defined in the Law) of the District (the "Base") less the amount extended to pay certain other outstanding non-referendum bonds heretofore and hereafter issued by the District, as more fully described in the proceedings of the District providing for the issue of this Bond. The District is authorized to issue from time to time additional limited bonds payable from the Base and additional non-referendum bonds payable from property taxes unlimited as to rate or amount, as permitted by law, and to determine the lien priority of payments to be made from the Base to pay the District's limited bonds.

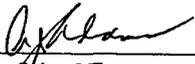
This Bond shall not be valid or become obligatory for any purpose until the certificate of authentication hereon shall have been signed by the Bond Registrar.

IN WITNESS WHEREOF, said Township High School District Number 225, Cook County, Illinois, by its Board of Education, has caused this Bond to be signed by the President of said Board of Education, and to be registered, numbered and countersigned by the School Treasurer who receives the taxes of the District, all as of the Dated Date identified above.

  
\_\_\_\_\_  
President, Board of Education

  
\_\_\_\_\_  
Secretary, Board of Education

Registered, Numbered and Countersigned:

  
\_\_\_\_\_  
School Treasurer

Date of Authentication: **OCT 25 2000**

CERTIFICATE  
OF  
AUTHENTICATION

Bond Registrar and Paying Agent:  
Cole Taylor Bank,  
Chicago, Illinois

This Bond is one of the Bonds described in the within mentioned resolution and is one of the General Obligation Limited Tax Capital Appreciation School Bonds, Series 2000B, of Township High School District Number 225, Cook County, Illinois.

COLE TAYLOR BANK,  
as Bond Registrar

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

REGISTERED  
NO. 3

REGISTERED  
\$1,455,000  
Compound Accreted  
Value at Maturity  
("Maturity Amount")

UNITED STATES OF AMERICA  
STATE OF ILLINOIS  
COUNTY OF COOK  
TOWNSHIP HIGH SCHOOL DISTRICT NUMBER 225  
GENERAL OBLIGATION LIMITED TAX CAPITAL APPRECIATION  
SCHOOL BOND, SERIES 2000B

See Reverse Side for  
Additional Provisions

Original Yield to Maturity: 5.15%      Maturity Date: December 1, 2004      Dated Date: October 25, 2000      Original Principal Amount: \$1,181,183.55      CUSIP 215777 FT5

Registered Owner: CEDE & CO.

KNOW ALL MEN BY THESE PRESENTS, that Township High School District Number 225, Cook County, Illinois (the "District"), hereby acknowledges itself to owe and for value received promises to pay to the Registered Owner identified above, or registered assigns as hereinafter provided, on the Maturity Date identified above, the Maturity Amount identified above. The amount of interest payable on this Bond on the Maturity Date hereof is the amount of interest accrued from the Dated Date hereof at a semi-annual compounding rate necessary to produce the Original Yield to Maturity set forth above, compounded semi-annually on each June 1 and December 1, commencing December 1, 2000. The Maturity Amount of this Bond is payable in lawful money of the United States of America upon presentation and surrender of this Bond at the principal corporate trust office of Cole Taylor Bank, Chicago, Illinois, as bond registrar and paying agent (the "Bond Registrar"). The Compound Accreted Value of this Bond on June 1 and December 1 of each year, commencing December 1, 2000, determined by the semi-annual compounding described in this paragraph shall be as set forth in the table of Compound Accreted Values attached hereto.

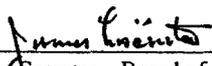
Reference is hereby made to the further provisions of this Bond set forth on the reverse hereof and such further provisions shall for all purposes have the same effect as if set forth at this place.

It is hereby certified and recited that all conditions, acts and things required by law to exist or to be done precedent to and in the issuance of this Bond did exist, have happened, been done and performed in regular and due form and time as required by law; that the indebtedness of the District, including the issue of bonds of which this is one, does not exceed any limitation imposed by law; and that provision has been made for the collection of a direct annual tax to pay and discharge the Maturity Amount hereof when due. Although this Bond constitutes a general obligation of the District and no limit exists on the rate of said direct annual tax, the amount of said tax is limited by the provisions of the Property Tax Extension Limitation Law of the State of Illinois, as amended (the "Law"). The Law provides that the annual amount of the taxes to be extended to pay the issue of Bonds of which this Bond is one and all other limited bonds (as defined in the Local Government Debt Reform Act of the State of Illinois, as amended) hereafter issued by the District shall not exceed the debt service extension base (as defined in the Law) of the District (the "Base") less the amount extended to pay certain other outstanding non-referendum bonds heretofore and hereafter issued by the District, as more fully described in the proceedings of the District providing for the issue of this Bond. The District is authorized to issue from time to time additional limited bonds payable from the Base and additional non-referendum bonds payable from property taxes unlimited as to rate or amount, as permitted by law, and to determine the lien priority of payments to be made from the Base to pay the District's limited bonds.

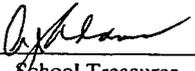
This Bond shall not be valid or become obligatory for any purpose until the certificate of authentication hereon shall have been signed by the Bond Registrar.

IN WITNESS WHEREOF, said Township High School District Number 225, Cook County, Illinois, by its Board of Education, has caused this Bond to be signed by the President of said Board of Education, and to be registered, numbered and countersigned by the School Treasurer who receives the taxes of the District, all as of the Dated Date identified above.

  
\_\_\_\_\_  
President, Board of Education

  
\_\_\_\_\_  
Secretary, Board of Education

Registered, Numbered and Countersigned:

  
\_\_\_\_\_  
School Treasurer

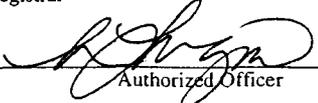
Date of Authentication: **OCT 25, 2000**

CERTIFICATE  
OF  
AUTHENTICATION

Bond Registrar and Paying Agent:  
Cole Taylor Bank,  
Chicago, Illinois

This Bond is one of the Bonds described in the within mentioned resolution and is one of the General Obligation Limited Tax Capital Appreciation School Bonds, Series 2000B, of Township High School District Number 225, Cook County, Illinois.

COLE TAYLOR BANK,  
as Bond Registrar

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

REGISTERED  
NO. 4

REGISTERED  
\$1,455,000  
Compound Accreted  
Value at Maturity  
("Maturity Amount")

UNITED STATES OF AMERICA  
STATE OF ILLINOIS  
COUNTY OF COOK  
TOWNSHIP HIGH SCHOOL DISTRICT NUMBER 225  
GENERAL OBLIGATION LIMITED TAX CAPITAL APPRECIATION  
SCHOOL BOND, SERIES 2000B

See Reverse Side for  
Additional Provisions

Original Yield to Maturity: 5.20%      Maturity Date: December 1, 2005      Dated Date: October 25, 2000      Original Principal Amount: \$1,119,840.75      CUSIP 215777 FU2

Registered Owner: CEDE & CO.

KNOW ALL MEN BY THESE PRESENTS, that Township High School District Number 225, Cook County, Illinois (the "District"), hereby acknowledges itself to owe and for value received promises to pay to the Registered Owner identified above, or registered assigns as hereinafter provided, on the Maturity Date identified above, the Maturity Amount identified above. The amount of interest payable on this Bond on the Maturity Date hereof is the amount of interest accrued from the Dated Date hereof at a semi-annual compounding rate necessary to produce the Original Yield to Maturity set forth above, compounded semi-annually on each June 1 and December 1, commencing December 1, 2000. The Maturity Amount of this Bond is payable in lawful money of the United States of America upon presentation and surrender of this Bond at the principal corporate trust office of Cole Taylor Bank, Chicago, Illinois, as bond registrar and paying agent (the "Bond Registrar"). The Compound Accreted Value of this Bond on June 1 and December 1 of each year, commencing December 1, 2000, determined by the semi-annual compounding described in this paragraph shall be as set forth in the table of Compound Accreted Values attached hereto.

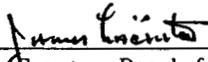
Reference is hereby made to the further provisions of this Bond set forth on the reverse hereof and such further provisions shall for all purposes have the same effect as if set forth at this place.

It is hereby certified and recited that all conditions, acts and things required by law to exist or to be done precedent to and in the issuance of this Bond did exist, have happened, been done and performed in regular and due form and time as required by law; that the indebtedness of the District, including the issue of bonds of which this is one, does not exceed any limitation imposed by law; and that provision has been made for the collection of a direct annual tax to pay and discharge the Maturity Amount hereof when due. Although this Bond constitutes a general obligation of the District and no limit exists on the rate of said direct annual tax, the amount of said tax is limited by the provisions of the Property Tax Extension Limitation Law of the State of Illinois, as amended (the "Law"). The Law provides that the annual amount of the taxes to be extended to pay the issue of Bonds of which this Bond is one and all other limited bonds (as defined in the Local Government Debt Reform Act of the State of Illinois, as amended) hereafter issued by the District shall not exceed the debt service extension base (as defined in the Law) of the District (the "Base") less the amount extended to pay certain other outstanding non-referendum bonds heretofore and hereafter issued by the District, as more fully described in the proceedings of the District providing for the issue of this Bond. The District is authorized to issue from time to time additional limited bonds payable from the Base and additional non-referendum bonds payable from property taxes unlimited as to rate or amount, as permitted by law, and to determine the lien priority of payments to be made from the Base to pay the District's limited bonds.

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

IN WITNESS WHEREOF, said Township High School District Number 225, Cook County, Illinois, by its Board of Education, has caused this Bond to be signed by the President of said Board of Education, and to be registered, numbered and countersigned by the School Treasurer who receives the taxes of the District, all as of the Dated Date identified above.

  
\_\_\_\_\_  
President, Board of Education

  
\_\_\_\_\_  
Secretary, Board of Education

Registered, Numbered and Countersigned:

  
\_\_\_\_\_  
School Treasurer

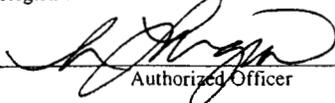
Date of Authentication: **OCT 25 2000**

CERTIFICATE  
OF  
AUTHENTICATION

Bond Registrar and Paying Agent:  
Cole Taylor Bank,  
Chicago, Illinois

This Bond is one of the Bonds described in the within mentioned resolution and is one of the General Obligation Limited Tax Capital Appreciation School Bonds, Series 2000B, of Township High School District Number 225, Cook County, Illinois.

COLE TAYLOR BANK,  
as Bond Registrar

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

REGISTERED  
NO. 5

REGISTERED  
\$1,455,000  
Compound Accreted  
Value at Maturity  
("Maturity Amount")

UNITED STATES OF AMERICA  
STATE OF ILLINOIS  
COUNTY OF COOK  
TOWNSHIP HIGH SCHOOL DISTRICT NUMBER 225  
GENERAL OBLIGATION LIMITED TAX CAPITAL APPRECIATION  
SCHOOL BOND, SERIES 2000B

See Reverse Side for  
Additional Provisions

Original Yield to Maturity: 5.25%      Maturity Date: December 1, 2006      Dated: October 25, 2000      Original Principal Amount: \$1,060,651.35      CUSIP 215777 FV0

Registered Owner: CEDE & CO.

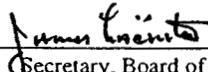
KNOW ALL MEN BY THESE PRESENTS, that Township High School District Number 225, Cook County, Illinois (the "District"), hereby acknowledges itself to owe and for value received promises to pay to the Registered Owner identified above, or registered assigns as hereinafter provided, on the Maturity Date identified above, the Maturity Amount identified above. The amount of interest payable on this Bond on the Maturity Date hereof is the amount of interest accrued from the Dated Date hereof at a semi-annual compounding rate necessary to produce the Original Yield to Maturity set forth above, compounded semi-annually on each June 1 and December 1, commencing December 1, 2000. The Maturity Amount of this Bond is payable in lawful money of the United States of America upon presentation and surrender of this Bond at the principal corporate trust office of Cole Taylor Bank, Chicago, Illinois, as bond registrar and paying agent (the "Bond Registrar"). The Compound Accreted Value of this Bond on June 1 and December 1 of each year, commencing December 1, 2000, determined by the semi-annual compounding described in this paragraph shall be as set forth in the table of Compound Accreted Values attached hereto.

Reference is hereby made to the further provisions of this Bond set forth on the reverse hereof and such further provisions shall for all purposes have the same effect as if set forth at this place.

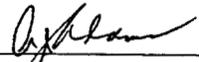
It is hereby certified and recited that all conditions, acts and things required by law to exist or to be done precedent to and in the issuance of this Bond did exist, have happened, been done and performed in regular and due form and time as required by law; that the indebtedness of the District, including the issue of bonds of which this is one, does not exceed any limitation imposed by law; and that provision has been made for the collection of a direct annual tax to pay and discharge the Maturity Amount hereof when due. Although this Bond constitutes a general obligation of the District and no limit exists on the rate of said direct annual tax, the amount of said tax is limited by the provisions of the Property Tax Extension Limitation Law of the State of Illinois, as amended (the "Law"). The Law provides that the annual amount of the taxes to be extended to pay the issue of Bonds of which this Bond is one and all other limited bonds (as defined in the Local Government Debt Reform Act of the State of Illinois, as amended) hereafter issued by the District shall not exceed the debt service extension base (as defined in the Law) of the District (the "Base") less the amount extended to pay certain other outstanding non-referendum bonds heretofore and hereafter issued by the District, as more fully described in the proceedings of the District providing for the issue of this Bond. The District is authorized to issue from time to time additional limited bonds payable from the Base and additional non-referendum bonds payable from property taxes unlimited as to rate or amount, as permitted by law, and to determine the lien priority of payments to be made from the Base to pay the District's limited bonds.

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

IN WITNESS WHEREOF, said Township High School District Number 225, Cook County, Illinois, by its Board of Education, has caused this Bond to be signed by the President of said Board of Education, and to be registered, numbered and countersigned by the School Treasurer who receives the taxes of the District, all as of the Dated Date identified above.

  
\_\_\_\_\_  
President, Board of Education  
  
\_\_\_\_\_  
Secretary, Board of Education

Registered, Numbered and Countersigned:

  
\_\_\_\_\_  
School Treasurer

Date of Authentication: **OCT 25 2000**

CERTIFICATE  
OF  
AUTHENTICATION

Bond Registrar and Paying Agent:  
Cole Taylor Bank,  
Chicago, Illinois

This Bond is one of the Bonds described in the within mentioned resolution and is one of the General Obligation Limited Tax Capital Appreciation School Bonds, Series 2000B, of Township High School District Number 225, Cook County, Illinois.

COLE TAYLOR BANK,  
as Bond Registrar

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

REGISTERED  
NO. 6

REGISTERED  
\$355,000  
Compound Accreted  
Value at Maturity  
("Maturity Amount")

UNITED STATES OF AMERICA  
STATE OF ILLINOIS  
COUNTY OF COOK  
TOWNSHIP HIGH SCHOOL DISTRICT NUMBER 225  
GENERAL OBLIGATION LIMITED TAX CAPITAL APPRECIATION  
SCHOOL BOND, SERIES 2000B

See Reverse Side for  
Additional Provisions

Original Yield to Maturity: 5.30%      Maturity Date: December 1, 2007      Dated: October 25, 2000      Original Principal Amount: \$244,864.80      CUSIP 215777 FW8

Registered Owner: CEDE & CO.

KNOW ALL MEN BY THESE PRESENTS, that Township High School District Number 225, Cook County, Illinois (the "District"), hereby acknowledges itself to owe and for value received promises to pay to the Registered Owner identified above, or registered assigns as hereinafter provided, on the Maturity Date identified above, the Maturity Amount identified above. The amount of interest payable on this Bond on the Maturity Date hereof is the amount of interest accrued from the Dated Date hereof at a semi-annual compounding rate necessary to produce the Original Yield to Maturity set forth above, compounded semi-annually on each June 1 and December 1, commencing December 1, 2000. The Maturity Amount of this Bond is payable in lawful money of the United States of America upon presentation and surrender of this Bond at the principal corporate trust office of Cole Taylor Bank, Chicago, Illinois, as bond registrar and paying agent (the "Bond Registrar"). The Compound Accreted Value of this Bond on June 1 and December 1 of each year, commencing December 1, 2000, determined by the semi-annual compounding described in this paragraph shall be as set forth in the table of Compound Accreted Values attached hereto.

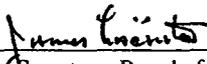
Reference is hereby made to the further provisions of this Bond set forth on the reverse hereof and such further provisions shall for all purposes have the same effect as if set forth at this place.

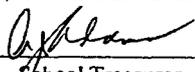
It is hereby certified and recited that all conditions, acts and things required by law to exist or to be done precedent to and in the issuance of this Bond did exist, have happened, been done and performed in regular and due form and time as required by law; that the indebtedness of the District, including the issue of bonds of which this is one, does not exceed any limitation imposed by law; and that provision has been made for the collection of a direct annual tax to pay and discharge the Maturity Amount hereof when due. Although this Bond constitutes a general obligation of the District and no limit exists on the rate of said direct annual tax, the amount of said tax is limited by the provisions of the Property Tax Extension Limitation Law of the State of Illinois, as amended (the "Law"). The Law provides that the annual amount of the taxes to be extended to pay the issue of Bonds of which this Bond is one and all other limited bonds (as defined in the Local Government Debt Reform Act of the State of Illinois, as amended) hereafter issued by the District shall not exceed the debt service extension base (as defined in the Law) of the District (the "Base") less the amount extended to pay certain other outstanding non-referendum bonds heretofore and hereafter issued by the District, as more fully described in the proceedings of the District providing for the issue of this Bond. The District is authorized to issue from time to time additional limited bonds payable from the Base and additional non-referendum bonds payable from property taxes unlimited as to rate or amount, as permitted by law, and to determine the lien priority of payments to be made from the Base to pay the District's limited bonds.

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

IN WITNESS WHEREOF, said Township High School District Number 225, Cook County, Illinois, by its Board of Education, has caused this Bond to be signed by the President of said Board of Education, and to be registered, numbered and countersigned by the School Treasurer who receives the taxes of the District, all as of the Dated Date identified above.

  
\_\_\_\_\_  
President, Board of Education

  
\_\_\_\_\_  
Secretary, Board of Education

Registered, Numbered and Countersigned:  
  
\_\_\_\_\_  
School Treasurer  
Date of Authentication: **OCT 25 2000**

CERTIFICATE  
OF  
AUTHENTICATION

Bond Registrar and Paying Agent:  
Cole Taylor Bank,  
Chicago, Illinois

This Bond is one of the Bonds described in the within mentioned resolution and is one of the General Obligation Limited Tax Capital Appreciation School Bonds, Series 2000B, of Township High School District Number 225, Cook County, Illinois.

COLE TAYLOR BANK,  
as Bond Registrar

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

**Information Return for Tax-Exempt Governmental Obligations**

Under Internal Revenue Code section 149(e)

See separate instructions.

Caution: Use Form 8038-GC if the issue price is under \$100,000.

OMB No. 1545-0720

Part I Reporting Authority		If Amended Return, check here <input type="checkbox"/>	
1 Issuer's name Township High School District Number 225, Cook County, Illinois	2 Issuer's employer identification number 36 : 6004414	3 Number and street (or P.O. box if mail is not delivered to street address) 1835 Landwehr Road	4 Report number G 00 - 01
5 City, town, or post office, state, and ZIP code Glenview, Illinois 60025-1289	6 Date of issue 10-25-00	7 Name of issue General Obligation Limited Tax School Bonds, Series 2000A	8 CUSIP number 215777 GD9
9 Name and title of officer or legal representative whom the IRS may call for more information Craig Schilling, Assistant Superintendent for Business	10 Telephone number of officer or legal representative ( 847 ) 486-4725		

Part II Type of Issue (check applicable box(es) and enter the issue price) See instructions and attach schedule	
11 <input checked="" type="checkbox"/> Education . . . . .	11 11,476,150
12 <input type="checkbox"/> Health and hospital . . . . .	12
13 <input type="checkbox"/> Transportation . . . . .	13
14 <input type="checkbox"/> Public safety. . . . .	14
15 <input type="checkbox"/> Environment (including sewage bonds) . . . . .	15
16 <input type="checkbox"/> Housing . . . . .	16
17 <input type="checkbox"/> Utilities . . . . .	17
18 <input type="checkbox"/> Other. Describe <input type="checkbox"/>	18
19 If obligations are TANs or RANs, check box <input type="checkbox"/> If obligations are BANs, check box <input type="checkbox"/>	
20 If obligations are in the form of a lease or installment sale, check box <input type="checkbox"/>	

Part III Description of Obligations. (Complete for the entire issue for which this form is being filed.)					
	(a) Final maturity date	(b) Issue price	(c) Stated redemption price at maturity	(d) Weighted average maturity	(e) Yield
21	12-01-2013	\$ 11,476,150	\$ 11,300,000	10.420 years	5.1467 %

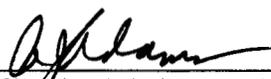
Part IV Uses of Proceeds of Bond Issue (including underwriters' discount)	
22 Proceeds used for accrued interest . . . . .	22 38,561.67
23 Issue price of entire issue (enter amount from line 21, column (b)) . . . . .	23 11,476,150.00
24 Proceeds used for bond issuance costs (including underwriters' discount) . . . . .	24 74,467
25 Proceeds used for credit enhancement . . . . .	25
26 Proceeds allocated to reasonably required reserve or replacement fund . . . . .	26
27 Proceeds used to currently refund prior issues . . . . .	27
28 Proceeds used to advance refund prior issues . . . . .	28
29 Total (add lines 24 through 28) . . . . .	29 74,467.00
30 Nonrefunding proceeds of the issue (subtract line 29 from line 23 and enter amount here) . . . . .	30 11,401,683.00

Part V Description of Refunded Bonds (Complete this part only for refunding bonds.)	
31 Enter the remaining weighted average maturity of the bonds to be currently refunded . . . . .	_____ years
32 Enter the remaining weighted average maturity of the bonds to be advance refunded . . . . .	_____ years
33 Enter the last date on which the refunded bonds will be called . . . . .	_____
34 Enter the date(s) the refunded bonds were issued <input type="checkbox"/>	_____

Part VI Miscellaneous	
35 Enter the amount of the state volume cap allocated to the issue under section 141(b)(5) . . . . .	35
36a Enter the amount of gross proceeds invested or to be invested in a guaranteed investment contract (see instructions)	36a
b Enter the final maturity date of the guaranteed investment contract <input type="checkbox"/>	
37 Pooled financings: a Proceeds of this issue that are to be used to make loans to other governmental units	37a
b If this issue is a loan made from the proceeds of another tax-exempt issue, check box <input type="checkbox"/> and enter the name of the issuer <input type="checkbox"/> and the date of the issue <input type="checkbox"/>	
38 If the issuer has designated the issue under section 265(b)(3)(B)(i)(III) (small issuer exception), check box <input type="checkbox"/>	
39 If the issuer has elected to pay a penalty in lieu of arbitrage rebate, check box <input type="checkbox"/>	
40 If the issuer has identified a hedge, check box <input type="checkbox"/>	

Under penalties of perjury, I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete.

Please Sign Here

  
 Signature of issuer's authorized representative

October 25, 2000  
 Date

Anthony Adams, Treasurer  
 Type or print name and title

Form **8038-G**

**Information Return for Tax-Exempt Governmental Obligations**

(Rev. May 1999)

Under Internal Revenue Code section 149(e)

See separate instructions.

OMB No. 1545-0720

Department of the Treasury  
Internal Revenue Service

Caution: Use Form 8038-GC if the issue price is under \$100,000.

<b>Part I Reporting Authority</b>			If Amended Return, check here <input type="checkbox"/>	
1 Issuer's name Township High School District Number 225, Cook County, Illinois	2 Issuer's employer identification number 36 : 6004414			
3 Number and street (or P.O. box if mail is not delivered to street address) 1835 Landwehr Road	Room/suite	4 Report number G 00 - 02		
5 City, town, or post office, state, and ZIP code Glenview, Illinois 60025-1289		6 Date of issue 10-25-00		
7 Name of issue General Obligation Limited Tax Capital Appreciation School Bonds, Series 2000B		8 CUSIP number 215777 FW8		
9 Name and title of officer or legal representative whom the IRS may call for more information Craig Schilling, Assistant Superintendent for Business		10 Telephone number of officer or legal representative ( 847 ) 486-4725		

<b>Part II Type of Issue (check applicable box(es) and enter the issue price)</b> See instructions and attach schedule	
11 <input checked="" type="checkbox"/> Education	11 3,720,602
12 <input type="checkbox"/> Health and hospital	12
13 <input type="checkbox"/> Transportation	13
14 <input type="checkbox"/> Public safety	14
15 <input type="checkbox"/> Environment (including sewage bonds)	15
16 <input type="checkbox"/> Housing	16
17 <input type="checkbox"/> Utilities	17
18 <input type="checkbox"/> Other. Describe	18
19 If obligations are TANs or RANs, check box <input type="checkbox"/> If obligations are BANs, check box <input type="checkbox"/>	
20 If obligations are in the form of a lease or installment sale, check box <input type="checkbox"/>	

<b>Part III Description of Obligations.</b> (Complete for the entire issue for which this form is being filed.)					
	(a) Final maturity date	(b) Issue price	(c) Stated redemption price at maturity	(d) Weighted average maturity	(e) Yield
21	12-1-2007	\$ 3,720,602	\$ 4,830,000	5.141 years	5.1467 %

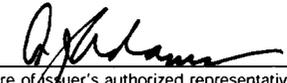
<b>Part IV Uses of Proceeds of Bond Issue (including underwriters' discount)</b>					
22	Proceeds used for accrued interest	22	-0-		
23	Issue price of entire issue (enter amount from line 21, column (b))	23	3,720,602		
24	Proceeds used for bond issuance costs (including underwriters' discount)	24	18,609		
25	Proceeds used for credit enhancement	25			
26	Proceeds allocated to reasonably required reserve or replacement fund	26			
27	Proceeds used to currently refund prior issues	27			
28	Proceeds used to advance refund prior issues	28			
29	Total (add lines 24 through 28)	29	18,609		
30	Nonrefunding proceeds of the issue (subtract line 29 from line 23 and enter amount here)	30	3,701,993		

<b>Part V Description of Refunded Bonds (Complete this part only for refunding bonds.)</b>		
31	Enter the remaining weighted average maturity of the bonds to be currently refunded	years
32	Enter the remaining weighted average maturity of the bonds to be advance refunded	years
33	Enter the last date on which the refunded bonds will be called	
34	Enter the date(s) the refunded bonds were issued	

<b>Part VI Miscellaneous</b>		
35	Enter the amount of the state volume cap allocated to the issue under section 141(b)(5)	35
36a	Enter the amount of gross proceeds invested or to be invested in a guaranteed investment contract (see instructions)	36a
b	Enter the final maturity date of the guaranteed investment contract	
37	Pooled financings: a Proceeds of this issue that are to be used to make loans to other governmental units	37a
b	If this issue is a loan made from the proceeds of another tax-exempt issue, check box <input type="checkbox"/> and enter the name of the issuer	
38	If the issuer has designated the issue under section 265(b)(3)(B)(i)(III) (small issuer exception), check box	<input type="checkbox"/>
39	If the issuer has elected to pay a penalty in lieu of arbitrage rebate, check box	<input type="checkbox"/>
40	If the issuer has identified a hedge, check box	<input type="checkbox"/>

Under penalties of perjury, I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete.

Please Sign Here

  
Signature of issuer's authorized representative

10-25-00

Date

Anthony Adams, Treasurer

Type or print name and title