

**VILLAGE OF DOWNERS GROVE**  
**REPORT FOR THE VILLAGE COUNCIL WORKSHOP**  
**FEBRUARY 27, 2007 AGENDA**

SUBJECT:	TYPE:	SUBMITTED BY:
Professional Services Agreement – Financial Advisor for the bond issuance for Fire Station 2	✓ Resolution Ordinance Motion Discussion Only	David Fieldman Deputy Village Manager

**SYNOPSIS**

A resolution has been prepared authorizing the Manager to execute a professional services agreement with Speer Financial, Inc. of Chicago, Illinois for financial advisor services for the bond issuance for Fire Station 2.

**FISCAL IMPACT**

The agreement includes a fee of \$20,000 plus 3/10 of 1% of municipal securities issued in excess of \$11 million. Additional fees would have to be paid for reimbursable expenses and additional services if requested by the Village. The fees for the services would be included in the principal amount of the bond issue. The FY08 Debt Service Fund will include funding for the principal and interest payments on the bonds.

**RECOMMENDATION**

Approval at the March 6, 2007 active agenda.

**BACKGROUND**

FY07 Municipal Budget included the issuance of bonds for the construction of a new Fire Station 2. Specifically, Fund 223, Major Buildings, which is classified as a Capital Projects Fund, includes \$10 million in expenditures over two fiscal years for the new Fire Station 2 (specifically, \$7.5 million in FY07 and \$2.5 million in FY08). These expenditures would include site/building costs, professional fees, furnishings/fixtures and equipment (FF&E). The source of revenue would be bond proceeds transferred from the Debt Service Fund.

On August 8, 2006 the Village Council discussed options for funding the construction of the new Fire Station 2. The Council supported the issuance of General Obligation (G.O.) bonds to finance the Fire Station 2 project over twenty years with a portion of the one-half cent Home Rule Sales Tax in the Capital Fund being used to pay the annual debt service. Generally, the project bond would be an estimated \$10 million issue and require annual Principal and Interest (P&I) payments of \$723,000 at a 3.8% average interest rate over twenty years. The Fire Station will have a useful life in excess of thirty years.

On January 16, 2007, the Village Council adopted the reimbursement resolution which expresses the Village's intent to issue General Obligation bonds and allows the Village to reimburse itself for all or a portion of the expenditures relating to the Fire Station 2 project that have been paid up to 60 days prior to adoption of the reimbursement resolution or that will be paid after the adoption of the resolution.

At this time, it is recommended the Village select a financial advisor to assist in the bond issuance. The financial advisor's role is to guide the Village through the entire bond issuance process. Key responsibilities include:

- Developing a financing plan
- Coordinating the activities of all participants in the bond issuance process
- Obtaining a bond rating, if necessary
- Obtaining municipal bond insurance, if necessary
- Interfacing with prospective bond bidders and investor groups
- Preparing the documents required to issue bonds
- Preparing an official statement
- Determining the method of sale
- Coordinating the sale of the bonds
- Delivering the bond proceeds to the Village

A detailed description of these activities is included in the attached proposal.

To select the financial advisor, the Village followed the process for the selection of professional services per the Village’s Purchasing Policy. On January 8, 2007, the Village published a Request for Proposal (RFP) for Financial Consulting Services. Proposals were due to the Village on January 31, 2007. The Village received nine proposals in response to its RFP. Staff recommends the Village select Speer Financial Inc., as the firm whose services most closely meet the Village’s needs. In making this recommendation, staff carefully reviewed the proposals of the nine firms that responded to the RFP. In addition, staff conducted interviews with Crowe, Speer Financial, Inc. and Oppenheimer. The firms and their proposed fees are summarized in the table below:

<b>Firm</b>	<b>Fee Calculation</b>	<b>Estimated Fee based on a \$10 Million Issue</b>
A.C. Advisory, Inc.	\$3,000 per month + \$1.00 per bond; or \$10,000 per month; or \$1.50 to \$1.75 per bond; or Time and materials basis	\$19,000
Crowe	\$9,500 + \$1.50 per bond	\$24,500
George K. Baum & Company	\$7,500 or \$1.00 per bond up to \$10 million \$10,000 + \$.75 per bond over \$10 million	\$17,500
Mesirow Financial	\$3.00 per bond up to \$10 million and \$2.50 per bond above \$10 million	\$30,000
Oppenheimer	\$.85 per bond	\$8,500
The PFM Group	\$16,000 up to \$5 million \$20,000 for \$5 to \$10 million \$24,000 for over \$10 million	\$20,000
PMA Securities, Inc	\$1.25 per bond	\$12,500
RBC Capital Markets	\$30,000 flat fee	\$30,000
Speer Financial, Inc.	\$20,000 + 3/10 of 1% in excess of \$11 million	\$20,000

As the above table highlights, there are a number of methods by which financial advisors will “price” their services. However, the interest rate the Village obtains via a competitive sale of a GO bond accounts for approximately 98% of the Village’s expenses associated with a bond issues. Therefore, in evaluating the above firms, staff was focused on the prospective Financial Advisor’s ability to obtain the best interest rate for a competitive bond issue. In addition, staff considered the firms experience in issuing general obligation bonds for municipalities in Illinois with attributes similar to Downers Grove and their ability to adhere to the Village’s bond issuance schedule.

Staff recommends Speer Financial, Inc. for the following reasons:

Lowest Overall Cost – Speer uses an on-line open auction public bidding process. This process allows bidders to submit multiple bids as the auction proceeds. The amounts of the bids are not shared with the bidders and the process remains “blind”, however bidders know how their bid ranks among others and are offered the chance to revise their bid before the auction closes. This on-line open auction process is unique to Speer and has been in practice for approximately 10 months. This process recently improved a bid by .0081% resulting in a savings of over \$13,000 on a \$6.9 million issuance.

Experience – Speer has worked extensively with DuPage County municipalities and other governments including the Downers Grove Park District, Elmhurst, Lombard, Addison, Carol Stream, Woodridge and Roselle. Speer has been in business since 1954 and currently maintains a 53% share of the Illinois municipal bond issuance market.

Responsiveness – Speer has assigned a three person team to manage the bond issuance. They are aware of the Village’s schedule and are able to adhere to it.

**ATTACHMENTS**

Resolution

Proposal from Speer Financial, Inc. dated January 31, 2007

**RESOLUTION NO. \_\_\_\_\_**

**A RESOLUTION AUTHORIZING EXECUTION OF AN  
AGREEMENT FOR PROFESSIONAL SERVICES  
BETWEEN THE VILLAGE OF DOWNERS GROVE  
AND SPEER FINANCIAL, INC.**

BE IT RESOLVED by the Village Council of the Village of Downers Grove, DuPage County, Illinois, as follows:

1. That the form and substance of a certain Agreement (the “Agreement”), between the Village of Downers Grove (the “Village”) and Speer Financial, Inc. (the “Financial Advisor”), for financial advisor services for bond issuance in relation to the new fire station and administrative office building (Station #2), as set forth in the form of the Agreement submitted to this meeting with the recommendation of the Village Manager, is hereby approved.

2. That the Village Manager and Village Clerk are hereby respectively authorized and directed for and on behalf of the Village to execute, attest, seal and deliver the Agreement, substantially in the form approved in the foregoing paragraph of this Resolution, together with such changes as the Manager shall deem necessary.

3. That the proper officials, agents and employees of the Village are hereby authorized and directed to take such further action as they may deem necessary or appropriate to perform all obligations and commitments of the Village in accordance with the provisions of the Agreement.

4. That all resolutions or parts of resolutions in conflict with the provisions of this Resolution are hereby repealed.

5. That this Resolution shall be in full force and effect from and after its passage as provided by law.

\_\_\_\_\_  
Mayor

Passed:

Attest: \_\_\_\_\_  
Village Clerk



KEVIN W. McCANNA  
PRESIDENT

DAVID F. PHILLIPS  
SR. VICE PRESIDENT

LARRY P. BURGER  
VICE PRESIDENT

DANIEL D. FORBES  
VICE PRESIDENT

BARBARA L. CHEVALIER  
VICE PRESIDENT

RAPHALIATA MCKENZIE  
VICE PRESIDENT

January 29, 2007

Mr. David Fieldman  
Village Manager  
Village of Downers Grove  
801 Burlington Avenue  
Downers Grove, IL 60515

Dear Mr. Fieldman:

Enclosed is Speer Financial's proposal to act as the Village's financial advisor in your proposed bond issue.

Speer Financial is the most active financial advisor in Illinois, advising on almost 50% of the long term new money issues in 2005. We are employee-owned and therefore independent of any conflict of interest with underwriting relationships. Speer takes its independent advisory role very seriously and is an active charter member of National Association of Independent Public Financial Advisors advocating high educational and ethical standards.

Speer is aggressive in the application of technology to better serve our clients. We were the first firm in Illinois to establish a Debt Auction Calendar on a web page available to underwriters as well as to establish an internet bidding site. We have continued this leadership by going beyond single bids to an open auction of debt.

Speer Financial's client base is diverse including other high quality credits, many other home rule communities and many long term DuPage County clients (including the Downers Grove Park District). We are very familiar with the County and the community.

We look forward to participating in the selection process and to serving the Village in the years to come. Please contact me to coordinate interview date and time options on my direct line at 312-780-2280.

Sincerely,

David F. Phillips  
Senior Vice President/  
Director of Marketing  
DFP:nm



SPEER FINANCIAL, INC

*Financial Advisory/Consulting Services*

PROPOSAL TO THE  
VILLAGE OF DOWNERS GROVE  
DUPAGE COUNTY, ILLINOIS

January 29, 2007

**TABLE OF CONTENTS**  
**VILLAGE OF DOWNERS GROVE**

**DUPAGE COUNTY, ILLINOIS**

Proposal

Appendices to the Proposal

Appendix	A1 -	2006 Illinois Financial Advisor Rankings - Tax Exempt Long Term Municipal New Issues
Appendix	A2 -	2006 National Financial Advisor Rankings – Tax Exempt Long Term Municipal New Issues
Appendix	A3 -	2006 Client Sales of Securities
Appendix	B1 -	Long-Term Clients
Appendix	B2 -	Home Rule Municipal References
	B3 -	DuPage County Regional References
Appendix	C -	Financial Planning and Municipal Security Sale Services
Appendix	D1 -	Competitive and Negotiated Security Sales
Appendix	D2 -	Official Statement With Bids and Bidders Summary \$6,900,000 General Obligation Bonds, Series 2006C and \$6,100,000 General Obligation Bonds, Series 2007, sold on behalf of the Village of Addison with 6 and 5 bidders respectively.
Appendix	E1 -	Credit Rating and/or Insuring Debt
	E2 -	Credit Rating Criteria
	E3 -	G.O. Bonds Ratings of a Sampling of Clients
Appendix	F -	Speer Financial, Inc. Completed “Proposer’s Certification” Forms



KEVIN W. McCANNA  
PRESIDENT

DAVID F. PHILLIPS  
SR. VICE PRESIDENT

LARRY P. BURGER  
VICE PRESIDENT

DANIEL D. FORBES  
VICE PRESIDENT

BARBARA L. CHEVALIER  
VICE PRESIDENT

RAPHALIATA McKENZIE  
VICE PRESIDENT

January 29, 2007

Mr. David Fieldman  
Deputy Village Manager  
Village of Downers Grove  
801 Burlington Avenue  
Downers Grove, IL 60515

Dear Mr. Fieldman:

Speer Financial, Inc. is pleased to submit a proposal for financial advisory services for the planning and issuance of general obligation debt anticipated to not exceed \$11,000,000 for a new fire station in 2007 and potential future issuances for other public improvement projects.

## **VILLAGE REQUIREMENT**

### **Scope of Services Requested**

**In order to adequately evaluate proposals, the following information is requested from all submitting firms:**

***1. Transmittal letter introducing the firm and outlining the firm's accomplishments in the field of municipal financial consulting and bond marketing.***

### **SPEER FINANCIAL'S RESPONSE**

1. Transmittal letter enclosed.

## **VILLAGE REQUIREMENT**

***2. Overview of the qualifications of the firm.***

### **SPEER FINANCIAL'S RESPONSE**

#### **2.a. Background on Firm**

Speer Financial, Inc. is a nationally recognized, employee-owned equal opportunity firm of municipal finance consultants working in a drug free workplace. We are charter members of the National Association of Independent Public Finance Advisors (NAIPFA), an industry coalition seeking to develop and promote ethical and professional standards for financial advisory firms and their employees. We bring our clients years of experience in the financial markets. Since the firm's founding in 1954, Speer Financial has participated in the planning and sale of over \$18.3 Billion in taxable and tax-exempt securities for more than 650 clients. We routinely handle securities such as installment purchase contracts, notes, general obligation bonds, revenue bonds and current and advance refunding issues. We are experienced in issuing bonds for municipal purposes.

## SPEER FINANCIAL, INC.

Speer Financial works solely with governments, and financial consulting is the firm's only business. **Speer Financial does not underwrite, purchase or sell bonds, nor is the firm affiliated with any bank, underwriter or investing institution. We are able, therefore, to render financial advice to clients without bias or conflict of interest.** Our services are solely for the benefit of our governmental clients.

The firm maintains a staff with varied backgrounds and disciplines which equip the staff to respond promptly to client questions. Speer Financial only accepts assignments within its staff's expertise and available time. Our many long-term relationships demonstrate the level of client satisfaction with our services. We base our recommendations on what a client needs to hear, not on what a client wants to hear.

### **2.b. Role of an Independent Financial Advisor**

The role of the independent financial advisor includes recommending a method of sale that is in the best interest of the Village. **The Village should ask each firm proposing to serve as its financial advisor whether that firm benefits financially in the purchase and resale of the securities to be issued.** If so, the underwriter/advisor has two clients with contrary interests:

- (1) The issuer (who wants low interest rates); and
- (2) The investors (who want high interest rates).

Impartial advice by a financial advisor assures that decisions made are in the Village's best interest. Speer Financial uses both methods of sale. Perceived conflicts of interest are sometimes as damaging to the image of public bodies as actual conflicts of interest. Speer Financial has no potential conflict of interest. We do not purchase or trade in municipal securities. Speer Financial has believed since its founding that the best protection for an issuer is hiring an independent financial advisor.

In 2006, 62 of Speer Financial's 210 sales were negotiated or privately placed with a commercial bank or an investment bank. In all cases we acted as financial advisor. This represents 29.52% of our sales and 31.03% of our dollar volume in calendar year 2006.

In a negotiated sale, the financial advisor serves as the firewall to protect the client from being over charged on interest rates, or to be over restricted in the terms and conditions of the sale. As the independent financial expert serving on behalf of the client, Speer Financial acts as the financing intermediary to the client with all on the financing team. As the financial facilitator, we assist the client making wise decisions in a timely manner.

### **2.c. Independent Financial Advisor versus Senior Managing Underwriter**

Hiring a senior managing underwriter prior to developing a financing plan and setting forth competitive bidding parameters is akin to deciding on which contractor to hire before retaining the architect and developing specifications for the fire station project that are acceptable to all parties.

The role of the independent financial advisor is to develop the financing plan and subsequent financing specifications. Should the Village later seek to negotiate the sale with a specific underwriter, the independent financial advisor will orchestrate the sale with the selected underwriter and protect the interests of the Village.

### **2.d. Speer Financial's Recent Bond Sale Experience**

In the last five calendar years, Speer Financial competitively sold 66.29% of our security sales, totaling over \$3.51 billion of securities.

SPEER FINANCIAL, INC.

Calendar Year	Number of Sales			Bond Volume		
	Competitive	Negotiated	Total	Competitive	Negotiated	Total Par
2002	131	83	214	\$713,400,212	\$644,329,624	\$1,357,729,836
2003	148	79	227	\$657,908,683	\$369,992,632	\$1,027,901,315
2004	130	72	202	\$569,571,862	\$310,641,131	\$880,212,993
2005	143	60	203	\$734,438,844	\$628,216,722	\$1,362,655,566
2006	148	62	210	\$835,710,307	\$375,935,000	\$1,211,645,307
Five Year Total	700	356	1,056	\$3,511,029,908	\$2,329,115,109	\$5,840,145,017
Five Year Average	140	71	211	\$702,205,982	\$465,823,022	\$1,168,029,003
Five Year Average%	66.29%	33.71%	100.00%	60.12%	39.88%	100.00%

Attached as **Appendix A1** is the summary of the top Illinois financial advisors of Tax Exempt Long Term Municipal New Issues in 2006. This information is compiled by Thompson Securities Data Company, an independent information clearinghouse for the municipal bond industry. This 2006 ranking shows Speer Financial has retained the ranking held for more than 20 years as the most active financial advisor in Illinois, advising on 53.53% (129 of 241) of tax exempt long term new money issues brought to market in Illinois.

Attached as **Appendix A2** is the summary of the top nation-wide financial advisors of Tax Exempt Long Term Municipal New Issues in 2006. This information, also compiled by Thompson Securities Data Company shows Speer Financial, Inc. is the sixth most active advisor in the U.S. with 157 tax exempt sales of long term municipal new issues.

A more detailed analysis of Speer Financial's 2006 sales shows that Speer Financial has extensive experience in selecting and completing the most cost effective type of debt offering and method of sale for each issue of each client:

**NUMBER OF SALES**

	Official Statements		Termsheets		Combined Total	
	No.	%	No.	%	No.	%
<b>Competitive</b>	99	64.71%	41	85.96%	148	70.48%
<b>Negotiated</b>	54	35.29%	16	14.04%	62	29.52%
<b>TOTAL</b>	153	100.00%	57	100.00%	210	100.00%
<b>Par</b>	\$1,176,616,397		\$35,028,910		\$1,211,645,307	
<b>Average Size</b>	\$ 7,690,303		\$ 614,542		\$ 5,769,740	

Attached as **Appendix A3** is the Client Sales of Securities for calendar year 2006. This lists the 210 sales in 2006 chronologically by client; by security; by rating; by type of sale and by result.

SPEER FINANCIAL, INC.

## VILLAGE REQUIREMENT

### ***3. Profile description of the firm's practice regarding overall financial consulting services.***

## SPEER FINANCIAL'S RESPONSE

### **3.a. List of municipal clients with the length of service and services performed.**

Please refer to **Appendix B1** for a listing of long-term municipal, special district, and school district clients. We encourage you to contact our clients.

For a list of some of our clients, please see our reference appendices and the recent client sales listing. In addition to the listing of long term clients, we provide here a select list of services and tenure for other high quality home rule clients.

Arlington Heights - Bond sales, debt planning and rating management since 1975.

Aurora – Bond sales , debt planning, rating management and pass-through issues, since 1971.

Bensenville – Bond sales, debt planning; and financial analyses, since 1986.

Elgin – Bond sales, debt planning; rating management and analyses of industrial development bond applicants since 1975.

Highland Park – Bond sales, debt planning and rating management, since 1992.

Orland Park – Bond sales, debt planning, rating management and economic development loan reviews since 1998.

**Appendix B2** provides Illinois Home Rule references, while **Appendix B3** provides DuPage County regional references. Speer Financial has established many long-term client relationships that reflect a trusted working relationship among the elected officials, the staff and Speer Financial.

SPEER FINANCIAL, INC.

## **VILLAGE REQUIREMENT**

### ***3.b. Listing of professional affiliations.***

## **SPEER FINANCIAL'S RESPONSE**

1. Government Finance Officers Association (GFOA)
2. Illinois Government Finance Officers Association (IGFOA)
3. Illinois Association of Park Districts (IAPD)
4. Iowa Municipal Finance Officers Association (IMFOA)
5. Illinois Association of School Business Officials (IASBO)
6. Illinois Association of School Administrators (IASA)
7. Illinois Park and Recreation Association (IPRA)
8. Illinois Library Association (ILA)
9. Illinois Municipal League (IML)
10. National Association of Public Financial Advisors (NAIPFA)

## **VILLAGE REQUIREMENT**

### ***c. Longevity of practice.***

## **SPEER FINANCIAL'S RESPONSE**

The firm was founded in 1954 and deals exclusively with governmental units. Our professional staff average nearly 20 years in governmental consulting with the firm.

## **VILLAGE REQUIREMENT**

### ***3.d. Resumes of all principals and staff and who would be involved in the project.***

## **SPEER FINANCIAL'S RESPONSE**

Speer Financial will provide a team of finance professionals to serve the Village. A coordinated distribution of responsibility in the planning and issuance of the Village's securities by Speer Financial benefits the Village. The financing team will be composed of **Vice President Barbara Chevalier; Senior Vice President David Phillips, and Vice President Daniel Forbes** with the latter serving as Project Manager and primary contact.

Speer Financial's team approach assures that someone familiar with the issue is available at all times. Our team approach provides us with the extra flexibility to meet with Village officials at your convenience without unnecessary delays. The team approach also enables varied perspectives to surface in the planning phase and for specialization, like computer modeling, within the team.

## **SPEER FINANCIAL, INC.**

While our main business activity is to provide municipal finance consulting services, our professional staff includes individuals with accounting, banking, economics, computer science, legal planning, and public management expertise. While the quality of our people is clearly more important than the quantity, it is important that the firm you select as your financial advisor be able to provide prompt and uninterrupted service to you during periods of vacations, periods of illness and conflicts in schedules. Working with a team assures you of prompt and professional service.

**Daniel D. Forbes, CIPFA** - Vice President, Director and Owner, Certified Independent Public Finance Advisor by National Association of Independent Public Finance Advisors. Certified Municipal Securities Representative by the National Association of Securities Dealers (NASD), B.S. Economics, Beloit College; J.D., and M.B.A., Finance, Washington University. Served as a financial analyst with a Chicago investment banking firm (1990-1994) which specialized in municipal economic development. Previously with Chapman and Cutler (1984-1990) and served as bond counsel, underwriter's counsel and corporation counsel for health care, cultural and educational organizations. Member of the Illinois Government Finance Officers. Has been employed by Speer Financial since 1994.

**Barbara L. Chevalier, CIPFA** - Vice President, Director and Owner, Certified Independent Public Finance Advisor by National Association of Independent Public Finance Advisors. B.A., University of Illinois, Political Science, M.B.A. DePaul University, Concentration - Finance. Nine years previous experience as a Financial Analyst with Benjamin and Lang, Inc., Municipal Finance Consultants. Also served as technical consultant to a Chicago area underwriter - broker. Clients included cities and villages, park districts, schools, fire protection districts, libraries and other special districts. Member of the Illinois Government Finance Officers Association. Has been employed by Speer Financial since 1993.

**David F. Phillips, CIPFA** - Senior Vice President/Director of Marketing, Director and Owner. Certified Independent Public Finance Advisor by National Association of Independent Public Finance Advisors. B.S. Municipal Park and Recreation Administration, University of Iowa; Served as Park District Manager of the Wheeling Park District in northwest suburban Chicago (1972-1986), President of the National Recreation and Park Association (NRPA) Council of Affiliate Presidents (1985); President of the Illinois Park and Recreation Association (1983), Member of the Illinois City Management Association, Illinois Government Finance Officers Association, Illinois Association of School Business Officials, Illinois Association of School Administrators, Illinois Association of School Boards, Illinois Association of Park Districts, Illinois Park and Recreation Association, and Michigan Municipal Electric Association. Contributor to various professional magazines. Speaker at local, state and national gatherings. Has been employed by Speer Financial since 1986.

## **VILLAGE REQUIREMENT**

### ***4. Overview of the entire bonding process, including the formation of a bond marketing/sale schedule.***

## **SPEER FINANCIAL'S RESPONSE**

Speer Financial will prepare a financial plan and then implement it through the proposed sale and issuance of debt. The Village will make all final decisions, but Speer Financial will make recommendations on all aspects of the financing and work closely with the Village's staff, attorney and bond counsel. We will develop alternative debt schedules for the Village's review. After consultation, we will recommend maturity schedules and other terms for the proposed debt issuance to meet both the Village's needs and to match market requirements.

## SPEER FINANCIAL, INC.

We will research financial and economic data relating to the Village and compile an Official Statement for each debt issuance. If rating the debt is appropriate, we will recommend which rating service(s) to use and make application. If insurance is appropriate, we will make such application. We will recommend the most appropriate scope of sale and the best method of sale. When a competitive sale is appropriate we will distribute the Official Statement to underwriters and investors and work to develop bidding groups. We will attend all competitive sales, check the bids and recommend which bid to accept. When a negotiated placement is most advantageous to the Village, we will work with you to select an underwriter. We will assist in negotiating the interest rates, spread, terms and conditions of the issue with the selected underwriter on your behalf.

We will arrange for the preparation and registration of the securities, the delivery of the securities to the purchaser and the simultaneous transfer of security proceeds to the Village. We will advise, if requested, on the investment of security proceeds until they are scheduled to be expended. If requested, under separate contract, we will assist the Village to comply with continuing disclosure requirements.

Please see **Appendix C** for entitled 'Financial Planning And Municipal Security Sale Services" for a detailed outline of tasks.

In general, the process encompasses an estimated 60 days of preparation from when the client decides to proceed with an issuance of debt to the sale award and another 14 days following the award to close the issue and have funds delivered by the purchaser to the client. A detailed timeline is a result from the initial conversation with the client.

## VILLAGE REQUIREMENT

### ***5. The applicability of existing or proposed federal and state laws which affect the proposed issuance.***

## SPEER FINANCIAL'S RESPONSE

We will work with the Village's bond counsel to ensure that all applicable laws are satisfied. As financial advisors, we do not provide legal advice.

Usual legal concerns are:

- A. **State Law** – Does the Village, a home rule entity, have legal authority to issue the debt and is the debt for a legal purpose under state law? This is usually only a concern in economic development situations.
- B. **Federal Tax Law** – Will the issue be tax exempt? If so, will it be bank qualified under I.R.C. 265 (b)? Is there an AMT question? The difficult proposal at this time is the applicability of Circular 230, which deals with tax shelters and which will eventually apply in some form, necessitating expanded due diligence.

SPEER FINANCIAL, INC.

**VILLAGE REQUIREMENT**

**6. Financial marketing services to be performed:**

**6.a. The merits of a competitive vs. negotiated sale.**

**SPEER FINANCIAL'S RESPONSE**

**6.a. 1. Competitive or Negotiated Sale?**

Speer Financial will examine a number of factors to determine which method of sale is best for each debt issue of the Village. Neither method is inherently superior in sale results, but the openness and objectivity of the competitive sale is more attractive to most public bodies.

Speer Financial, without a conflict of interest, will analyze these factors and make a recommendation whether to pursue a competitive or negotiated sale. A preliminary analysis for an \$11,000,000 financing would suggest:

Factor to Evaluate	Method of Sale		Village of Downers Grove
	Competitive	Negotiated	Projected Optimum Method of Sale
Issue Size	Above \$500,000 and under \$100 Million	Under \$500,000 or over \$100 Million	Competitive
Financing Structure	Traditional GOs, enterprise revenue bonds, installment contracts	Non-traditional, i.e.: TIF, SSA, Special Assessment	Competitive
Issuer	Good reputation in the bond market	No reputation or a poor reputation in the bond market	Competitive
Credit Strength	At or above investment grade	Below investment grade	Competitive
Bond Market	Relatively stable conditions	Volatile conditions	Competitive

A preliminary review of the factors involved in selecting a method of sale finds that all five of the factors evaluated resulted in a competitive sale suggestion.

While a negotiated sale is an appropriate choice, the optimal decision based on the previous criteria for the Village is to select a competitive sale and let the various underwriters 'sharpen their pencils' to reduce the borrowing costs in an open bidding process that encourages all interested parties to participate.

We present an overview of these factors and the related advantages of each method of sale in Appendix D1, entitled "Competitive and Negotiated Security Sales."

## SPEER FINANCIAL, INC.

The Government Finance Officers Association's (GFOA's) Government Finance research center prepared a study of methods of sale on behalf of the City of Pittsburgh. This study analyzed the negotiated and competitive methods of selling debt and determined that **"issuers may want to strongly consider a competitive method of sale when market conditions, structural or security considerations, or issue type make this option feasible. Bonds sold through a competitive process were consistently priced at or below the market."** A copy of the executive summary is available upon request.

In 2006, 148 of Speer's 210 (70.48%) sales were competitively bid. This represents 68.37% of our dollar volume. A recent historical analysis of such most active bidders, shows that even the most active bidder wins only 1 of every 4 issues. Even the most successful bidder was **not** low bid on more than 75% of the issues they bid upon as either manager or syndicate member proving the value of competition when it is appropriate to the situation. Therefore, no single underwriting firm can claim that it is consistently the lowest cost underwriter of Illinois debt.

In the 148 competitive official statement and term sheets sales held by Speer Financial, Inc in 2006, the average interest rate variance between the low bidder and the high bidder was 0.3120%. Of the 99 competitive sales with an official statement, the average high/low variance was 0.1868%.

### 6. a. 2. Marketing Your Securities

Speer Financial will develop a debt structure to encourage favorable pricing by bidders. If a competitive sale is selected, Speer Financial will circulate the sale document as widely as is appropriate. We will also directly solicit bidders to obtain the most bids possible. As an example of a recent competitive sale marketing effort, enclosed as **Appendix D2** is the Official Statement and "bids and bidders" results of the recent sale of "AA/AA+" rated and bidder option insured \$6,900,000 G.O. Series 2006C and \$6,100,000 G.O. Series 2007 sold by the Village of Addison with 6 and 5 bidders respectively.

When you examine the sale results of this similarly sized (in aggregate) and secured debt issuance by the Village of Addison, you can see the varied interest rate and underwriter profit opinions of the bidders. There is over \$146,000 of cost variance between the low bids and the high bids, in aggregate.

~~The winning bid on the Series 2006C issuance improved their bid by .0081% saving the client \$8,900 of interest costs in the open auction. The six bidders bid 15 times with the top 3 bidders bidding 12 times to improve their bids. An open auction is still blind bidding by the underwriter but it allows them to see their bid rank, (1<sup>st</sup>, 2<sup>nd</sup>, etc.) and enables them to improve their bid should they so choose.~~

It is these types of results that help support and quantify the fact that the costs associated with the retention of an independent financial advisor and the selection of a competitive method of sale is not only cost effective, but in fact provides a significant reduction of total costs.

On any given day, the order of bidding could be reversed, so that the ability to keep all bidders active up to the day of sale is inherently to the advantage of the Village. An independent financial advisor can keep this interest in bidding even to the point now of multiple bids by a bidder in the open auctions on each issue.

## SPEER FINANCIAL, INC.

### **6.a.3. Technology**

Speer Financial's web page ([www.SpeerFinancial.com](http://www.SpeerFinancial.com)) Debt Auction Center provides a sale calendar listing of all competitive sales being sold with Preliminary Official Statements (POS's). All competitive sales with POS's (not just larger competitive sales) are aggressively marketed utilizing the latest in technology to benefit our clients, and other municipal bond market participants, including rating agencies, insurance companies, banks (bidders), registrar/paying/escrow agents, and bond counsel.

We electronically notify all potential bidders of an upcoming sale and direct them to the competitive sale calendar where they can access the Preliminary Official Statement, the Notice of Sale, the Financials and the Bid Form.

Since May of 1999, Speer Financial, Inc. has been competitively selling larger issues of securities utilizing the Internet. We were the first financial advisor in Illinois, and only the second one in the United States, with a private label ([www.SpeerAuction.com](http://www.SpeerAuction.com)) web site for conducting the bidding by receiving bids electronically and posting bid results after the sale. In 2006, 67 of the 99 competitive sales (68%), using Official Statements were sold on [SpeerAuction.com](http://SpeerAuction.com) totaling over \$667,228,000. During the six and one half year of its operation, [SpeerAuction.com](http://SpeerAuction.com) has facilitated the sale of 275 issues totaling over \$2.75 billion of securities through calendar year 2006.

In addition, a competitive Term Sheet sale calendar, material posting and electronic sale notice distribution was initiated in 2005 so that even smaller transactions are benefiting by the application of technology to provide expanded services to our clients.

We also have a Negotiated Official Statement sale calendar available to assist the underwriter(s) in electronically posting and distributing the Preliminary Official Statement for their sales team and to provide clients easy accessibility to the information contained in such documents.

While the role of technology in the municipal bond market is still evolving, Speer Financial, Inc. is a leading innovator in the application of technology to better serve our clients.

We utilize the most current and sophisticated software available to analyze refunding opportunities and to structure debt issues to meet very specific planning targets.

## **VILLAGE REQUIREMENT**

### ***6.b. The merits of using fixed rate and/or variable rate debt structures.***

## **SPEER FINANCIAL, INC.'S RESPONSE**

Fixed rates offer certainty. Variable rates offer lower costs on the day of issuance, which over time may continue to be true or which relationship may change. It is essentially a question of whether the issuer is accepting of interest rate risk. In today's market there is little benefit for accepting the risk of variable rates due to a flat yield curve coupled with low long term rates. Variable rates are more viable when issuing in a high interest rate environment.

SPEER FINANCIAL, INC.  
**VILLAGE REQUIREMENT**

***6.c. The merits of purchasing bond insurance.***

**SPEER FINANCIAL, INC.'S RESPONSE**

**6. c. 1. Credit Rating and/or Insurance Experience & Expertise**

Speer Financial is a specialist in both obtaining bond ratings upgrading our clients and preserving our clients bond ratings from downgrades. We assist our clients in presenting themselves in the best possible way to the rating agencies and insurance companies. In 2006, 73% (153 of 210) of Speer Financial's sales were sold with an Official Statement (O.S.). Of those 153 O.S. sales, 18% (28) were rated without other credit enhancement. As appropriate, Speer Financial will arrange for rating agency analysts to visit a client for a tour and an in-person presentation. Where it is advantageous, Speer Financial will arrange for in-person presentations at raters offices. Speer Financial assist in the preparation and submission of all written material for the analysts review and ultimate decision, and assist the client during telephone meetings with analysts where appropriate.

Insurance is now being utilized for more than one half of the municipal debt being issued nationwide. Due to dropping premiums and rising investor demand for lower risks, even good to high quality debt is being insured. In 2006, 10% (15 of 153) of Speer's O.S. sales were insured or otherwise enhanced without an underlying rating, while 46% (70) were insured with an underlying rating. Insured or insured and rated issues comprised 56% (85 of 153) of 2006 O.S. sales, including not only the traditional general obligation and revenue debt, but also installment contract certificates, debt certificates and G. O. (Alternate) bonds.

Please refer to **Appendix E1** for more information on Credit Ratings and/or Insurance and **Appendix E2** for Credit Rating Criteria. **Appendix E3** lists Selected Client Bond Ratings.

**6.c.2. Specific Response**

The Village as a "AA/Aa2" credit should, in a competitive sale, make each bidder determine the cost effectiveness of insurance for their particular end purchasers, by offering bidders option insurance. Even on a AA credit, as in the AA/AA+ Village of Addison's recent sale, the winning bidders did buy insurance. We do not recommend the Village purchase insurance directly, but that the financial advisor gets the issue qualified for insurance and the bidders then make the determination on the day of the sale.

**VILLAGE REQUIREMENT**

***6.d. The merits of obtaining a rating from one or more rating agency firms.***

**SPEER FINANCIAL, INC.'S RESPONSE**

See above section 6.C. for Speer Financials rating expertise and experience.

## **SPEER FINANCIAL, INC.**

The Village's existing ratings are "AA" from Standard & Poor's and "Aa2" from Moody's. Speer Financial will submit the necessary information and facilitate conversations with the Village and the rating agencies to obtain the best investment rating commitment possible for the new issue. Bidder option insurance is most cost effective for high quality issues like the Village.

The multiple rating decision is both financial as well as affirming. "Aa/Aa2 rated bonds draw much more competition and sell better than unrated bonds hence the costs to rate the bonds is recaptured and multiplied. Interest savings are significant and increased competition results. Multiple ratings are beneficial where there is a borderline decision and a resulting question about the correctness of the rating from the initial firm (is the rating too low and a second opinion may be higher?) and where very large issues are brought to market. Both ratings existing are mid level double A (AA/Aa2) and while somewhat duplicative, is not unusual. We would not recommend dropping one rating agency but a second rating is not adding economic value. It does perhaps add community self image affirmation in a complementary objective evaluation from a respected external source that is useful for the elected officials and the community.

## **VILLAGE REQUIREMENT**

***6.e. The merit, or lack thereof, of issuing general obligation bonds.***

### **SPEER FINANCIAL, INC.'S RESPONSE**

General obligation bonds offer the best credit worthiness and therefore the lowest cost. For a home rule unit, these are the usual vehicle, except where special districts or segregated enterprises are funded. The main drawback is potential harm to the bond rating level if overused. The levies can be partially or fully abated should other revenue sources be available so that the bond levy lends a stronger security to the issue, not necessarily the real final source of repayment.

## **VILLAGE REQUIREMENT**

***7. Complete the attached "Proposer's Certification form.***

### **SPEER FINANCIAL, INC.'S RESPONSE**

Completed and attached as **Appendix F**.

## **VILLAGE REQUIREMENT**

***8. Compensation***

### **SPEER FINANCIAL, INC.'S RESPONSE**

This proposal is for our professional services only and does not include the expenditure of any funds on behalf of the Village. The Village is to pay all of its own ordinary expenses in connection with the issue. These include, but may not be limited to, professional services (attorney, bond counsel, architect, engineer and auditor), credit enhancement (rating, insurance, letters of credit), delivery (postage, express mail, fax service), publication/printing fees (official statement, notice of sale, bid forms, report duplication, printing and delivery of the bonds) and transaction costs (CUSIP, registration/paying agent). The usual costs billed by Speer include out of pocket mailing costs for the official statement, any overnight costs and any printing costs, all without markup.

SPEER FINANCIAL, INC.

Our fee for security sales is payable from sale proceeds. Our fee for each sale is based upon the par amount of securities issued and is calculated as follows:

Financial Advisory Fee: \$20,000 plus 3/10 of 1% of municipal securities issued in excess of \$11,000,000.

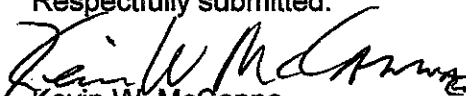
Our fee is the same for competitive and negotiated sales. Our recommendation on the method of sale is based on the best interests of the Village and is not influenced by our fee. The fee is due upon the sale of the debt instrument and payable upon receipt of proceeds. Should the debt not be sold, there is no obligation to pay our fee.

**Authorization**

This proposal, upon acceptance, constitutes an agreement between the Village of Downers Grove, DuPage County, Illinois, and Speer Financial, Inc. for financial consulting services.

We look forward to working with the Village and are ready to proceed upon your notification of our employment. Should you need additional information, please call.

Respectfully submitted:

  
Kevin W. McCanna  
President

KWM/mj

This proposal is accepted on behalf of the Village of Downers Grove, DuPage County, Illinois, this \_\_\_\_\_ day of \_\_\_\_\_, 2007. By this action, a contract is established between the Village of Downers Grove, Illinois, and Speer Financial, Inc. This contract will extend until canceled by either party upon 90 days written notice.

VILLAGE OF DOWNERS GROVE  
DUPAGE COUNTY, ILLINOIS

---

# State of Illinois

## Financial Advisor Rankings

### Tax-Exempt Long-Term Municipal New Issues Full Credit to Each Financial Advisor Year End 2006

Appendix A1

<u>Financial Advisors</u>	# of Issues	Rank Activity	Principal Amount \$ (000,000)	Average Principal Amount \$ (000,000)
1 <b>Speer Financial, Inc.</b>	<b>129</b>	<b>1</b>	<b>\$ 886.0</b>	<b>\$ 6.87</b>
2 Ehlers & Associates	13	2	179.2	13.78
3 Kane, McKenna Capital Inc.	8	3	58.5	7.31
4 Scott Balce Strategies	8	4	1,216.9	152.11
5 Crowe Chizek	7	5	34.0	4.86
6 Crowe-Norene LLC	7	6	40.7	5.81
7 John S. Vincent & Company (IL)	6	7	310.9	51.82
8 Public Finance Resources, Ltd	6	8	19.1	3.18
9 A.C. Advisory, Inc.	5	9	1,030.0	\$ 206.00
10 PMA Securities Inc.	4	10	33.7	8.43
11 First Midstate Inc.	4	11	22.6	5.65
12 Kaplan Financial Consulting Inc.	4	12	346.4	86.60
13 William Blair & Company	4	13	198.5	49.63
14 Austin Meade Financial Ltd.	3	14	35.7	11.90
15 Kaufman Hall & Associates, Inc.	3	15	104.4	34.80
16 Mesrow Financial, Inc	3	16	500.9	166.97
17 Public Financial Management, Inc.	3	17	446.7	148.90
18 Public Sector Group, Inc.	3	18	86.4	28.80
19 DA Davidson & Co.	2	19	502.9	251.45
20 Fullerton & Friar Inc.	2	20	111.6	55.80
21 Gardner Underwood & Bacon	2	21	305.9	152.95
22 Healthcare Capital Resources	2	22	13.2	6.60
23 Robert W. Baird & Co. Incorporated	2	23	20.6	10.30
24 Columbia Capital Management	1	24	269.1	269.10
25 Crystal Financial Consultants, Inc.	1	25	3.0	3.00
26 First Trust Portfolio	1	26	3.6	3.60
27 Griffin Kubik Stephens & Thompson	1	27	50.5	50.50
28 JP Morgan Securities Inc.	1	28	10.0	10.00
29 Leisure Time Consulting	1	29	0.6	0.60
30 McDonald Partners Inc.	1	30	139.5	139.50
31 Municipal Finance Consulting Services, Inc.	1	31	10.0	10.00
32 Providential Capital LLC	1	32	8.3	8.30
33 TKG & Associates LLP	1	33	125.2	125.20
34 WM Financial Strategies	1	34	6.3	6.30

Totals      241                                      \$7,130.90                                      \$29.59

Average  
Issue Size

**Calendar Year 2006 Totals**

**Speer Financial, Inc.'s**

**Percent of Total Volume                      53.53%**

**Source: Thomson Financial Securities Data Company**

# National Financial Advisor Rankings

## Tax Exempt Long-Term Municipal New Issues

Full Credit to Each Financial Advisor

Appendix A2

Year End 2006

Financial Advisors	# of Issues	Rank By # of Sales	Gross Principal Amount (000,000)	Average Principal Amount (000,000)
1 Public Financial Management Inc.	674	1	\$34,222.7	\$50.78
2 First Southwest Company	573	2	18,516.6	32.32
3 Ehlers & Associates	345	3	2,051.5	5.95
4 Springsted Incorporated	234	4	2,439.7	10.43
5 RBC Capital Markets	199	5	9,459.8	47.54
6 <b>SPEER FINANCIAL, INC.</b>	<b>157</b>	<b>6</b>	<b>1,064.0</b>	<b>6.78</b>
7 Ross, Sinclair & Associates, Inc.	147	7	1,932.0	13.14
8 Stauder Barch & Associates	145	8	1,936.0	13.35
9 Piper Jaffray & Co	136	9	2,455.8	18.06
10 Southwest Securities	106	10	1,716.5	16.19
11 Public Resources Advisory Group	97	11	17,532.6	180.75
12 CSG Advisors Incorporated	77	12	2,895.2	37.60
13 Umbaugh LLP	75	13	1,049.7	14.00
14 Kaufman Hall & Associates	74	14	6,476.1	87.51
15 Kelling, Northcross & Nobriga	71	15	2,931.2	41.28
16 Feldman Rolapp & Associates	68	16	1,905.1	28.02
17 Robert W. Baird & Co. Incorporated	63	17	2,796.2	44.38
18 Estrada Hinojosa & Company	51	18	1,951.4	38.26
19 Cain Mitter & Associates Inc.	48	19	2,013.7	41.95
20 Acacia Financial Group Inc.	47	20	3,212.3	68.35
21 Lamont Financial Services Corp.	46	21	4,584.5	99.66
22 Government Consultants Inc.	43	22	1,075.8	25.02
23 Ponder & Co.	42	23	4,231.7	100.75
24 Morgan Keegan & Co. Inc	38	24	983.4	25.88
25 Seattle Northwest Securities Corp	32	25	2,416.8	75.53
26 A.G. Edwards & Sons, Inc.	28	26	1,502.4	53.66
27 Western Financial Group	28	26	1,006.4	35.94
28 First Albany Capital Inc.	25	28	2,336.7	93.47
29 Nevada State Bank Public Finance	25	28	2,040.6	81.62
30 PG Corbin & Company Inc.	23	30	1,892.7	82.29
31 Govt Consultants of Louisiana	22	31	1,810.2	82.28
32 Killamy Group LLC	18	32	1,095.2	60.84
33 Montague DeRose & Associates	17	33	1,578.6	92.86
34 Shattuck Hammond Partners Inc.	17	33	1,454.9	85.58
35 Ford and Associates	16	35	1,170.9	73.18
36 Hobbs Ong & Associates	16	35	1,300.4	81.28
37 Seasongood & Mayer	16	35	1,391.0	86.94
38 Stern Brothers & Co.	16	35	1,206.7	75.42
39 Gardner Underwood & Bacon	14	39	1,272.8	90.91
40 Government Finance Associates, Inc.	13	40	2,615.0	201.15
41 AC Advisory	12	41	3,031.4	252.62
42 Scott Balice Strategies	9	42	1,255.1	139.46
43 Tamalpais Advisors	9	42	1,197.9	133.10
44 Lehman Brothers	8	44	943.4	117.93
45 NW Financial	8	44	2,872.1	359.01
46 Ross Financial	8	44	1,135.7	141.96
47 Bear Stearns & Co.	7	47	2,515.9	359.41
48 Goldman Sachs & Co.	6	48	2,222.7	370.45
49 Hopkins & Company	6	48	1,014.5	169.08
50 Raymond James & Associates Inc.	4	50	1,390.6	347.65
<b>Calendar Year 2006 Totals</b>	<b>3,285</b>		<b>\$173,104.1</b>	<b>\$94.82</b>

Source: Thomson Financial Securities Data:  
Municipal Market Analysis

# SPEER FINANCIAL, INC.

CLIENT SALES OF SECURITIES

2006

1/29/2007

Appendix A3

Issuer	Investment Rating	Issue Size	Type of Security	Date of Sale	# of Bidders	Net/True Interest Rate	Last Maturity
						Low Bid High Bid	
1 Michigan Public Power Agency, MI	Aaa/AAA(Ins)/A1	9,000,000	Campbell Project Rev	9-Jan	6	3.8761% 3.9635%	2016
2 Lansing, MI	N/R	12,325,000	Water Supply Steam & Elec.	12-Jan	Neg	3.9154%	2014
3 Mt. Zion, IL	N/R	305,000	G.O.	16-Jan	Neg	3.4974%	2010
4 Wood Dale, IL	N/R	3,775,000	SSA No. 13	19-Jan	Neg	4.5516%	2025
5 Bartlett PD, IL	N/R	187,245	G.O. Ltd Tax Park	23-Jan	5	3.5500%	2006
6 Oakbrook Terrace, IL	N/R	600,000	SSA No. 2	24-Jan	3	4.7269%	2025
7 Elkhart CSD, IN	N/R	10,500,000	Tax Anticipation Time Warrants	24-Jan	Neg	4.3500%	2006
8 Darien PD, IL	N/R	875,000	G.O. Ltd Tax	26-Jan	7	3.4500%	2006
9 Decatur PD, IL	N/R	450,000	G.O. Airport	31-Jan	8	3.6000%	2006
10 Decatur PD, IL	N/R	2,955,000	G.O. Park	31-Jan	6	3.6185%	2007
11 Elkhart CS Building Corp, IN	N/R	11,775,000	First Mortgage Ref	1-Feb	Neg	3.9049%	2017
12 River Trails PD, IL	N/R	721,775	G.O. Ltd Tax Park	2-Feb	4	3.3900%	2006
13 Black Hawk County, IA (PPI, II)	N/R	1,350,000	Care Facility Rev	6-Feb	2	4.8490%	2026
14 Des Moines, IA (Water works)	Aa2/AA+/Aaa(Ins)	52,435,000	Water Revenue	7-Feb	9	4.2225%	2026
15 Knox County, IL	Aaa(Ins)/A3	1,048,341	Certificates of Indebtedness	8-Feb	2	4.2289%	2019
16 Elmhurst, IL	Aaa(Ins)/Aa2	9,500,000	G.O.	13-Feb	10	3.9320%	2024
17 Collinsville, IL	Aaa(Ins)/A2	20,000,000	G.O.	13-Feb	5	4.2963%	2026
18 Riverside/Brookfield Twp HSD 208, IL	MIG1	1,500,000	G.O. Ltd Tax	14-Feb	4	3.4821%	2006
19 Norridge PD, IL	N/R	393,000	G.O. Ltd Tax Park	14-Feb	5	3.7100%	2007
20 Lake Delhi Recreation Assoc, IA	N/R	550,000	Revenue	17-Feb	1	4.8654%	2006
21 Lake Delhi Recreation Assoc, IA	N/R	1,650,000	Revenue	17-Feb	1	4.9980%	2006
22 Des Plaines PD, IL	N/R	2,709,000	G.O. Ltd Tax Park	21-Feb	7	3.4809%	2006
23 Thayer, IL	N/R	305,000	Taxable Sewer Rev Ref	21-Feb	Neg	6.6187%	2015
24 Matteson, IL	Aaa(Ins)/A1	3,500,000	G.O. (Water Alt Rev)	6-Mar	6	3.9183%	2020
25 Orland Park, IL	Aaa/AAA(Ins)/Aa3/AA	12,000,000	G.O.	6-Mar	6	4.3308%	2025
26 Countryside, IL	Aaa(Ins)/A1	5,000,000	G.O.	8-Mar	8	4.0240%	2025
27 Lake in the Hills, IL	Aaa(Ins)/Aa3	5,550,000	G.O.	9-Mar	7	3.8687%	2020
28 Batavia, IL	Aaa(Ins)/Aa3	10,000,000	G.O. (Alt Rev)	20-Mar	8	4.3657%	2026
29 Mt. Vernon, IA	N/R	1,225,000	G.O. Capital Loan	21-Mar	4	3.8733%	2016
30 Urban, IA	N/R	510,000	G.O. Street Improvement & Ref.	22-Mar	4	3.8439%	2016
31 Elmhurst, IL	N/R	17,860,000	Taxable Sales Tax Rev Ref	23-Mar	Neg		2006
32 Yorkville, IL	N/R	19,000,000	Special Service Area No. 2005-109	27-Mar	Neg		2016
33 North Aurora, IL	A+	3,500,000	G.O. (Alt Rev)	27-Mar	9	4.1388%	2017
34 Matteson SD #162, IL	N/R	2,795,000	G.O. Ltd. Tax School	28-Mar	Neg	4.8136%	2020
35 Forest City, IA	N/R	900,000	Storm Water Utility Rev	3-Apr	4	4.2267%	2021
36 Zion, IL	AAA(Ins)	2,480,000	G.O. Ref (Waterworks & SS Alt Rev)	4-Apr	Neg	4.1725%	2021
37 Hiawatha, IA	AAA(Ins)	2,995,000	G.O. Capital Loan	5-Apr	8	3.9373%	2016
38 Glendale Heights, IL	Aaa(Ins)/Aa3	3,000,000	G.O.	6-Apr	5	4.0793%	2021
39 St. Charles PD, IL	AA-	4,115,000	G.O. Ref (Alt Rev)	11-Apr	9	3.9260%	2018
40 Yorkville, IL	N/R	14,980,000	SSA No 2005-108	11-Apr	Neg		2024
41 Elgin, IL	Aaa/AAA(Ins)/Aa2/AA	8,090,000	G.O. Corporate Purpose	12-Apr	4	4.3058%	2024
42 Elgin, IL	Aaa/AAA(Ins)/Aa2/AA	5,322,248	G.O. Corporate Purpose (CAB)	12-Apr	3	4.9269%	2025
43 Winnebago County FPD, IL	Aaa(Ins)/A1	583,985	Ltd. G.O. (CAB)	13-Apr	5	4.9079%	2025

# SPEER FINANCIAL, INC.

## CLIENT SALES OF SECURITIES

2006

Appendix A3

1/29/2007

Issuer	Investment Rating	Issue Size	Type of Security	Date of Sale	# of Bidders	Net/True Interest Rate	High Bid	Last Maturity
44 Evansdale, IA	N/R	580,000	G.O. Corporate Purpose	18-Apr	3	4.2365%	4.4717%	2016
45 Sugar Grove, IL	AAA(Ins)	2,640,000	G.O. Water & Sewer Alt Rev Ref	18-Apr	4	4.1291%	4.2399%	2021
46 Springfield PD, IL	Aaa(Ins)/A3	3,625,000	G.O. Ltd Tax Park	19-Apr	7	4.1434%	4.2184%	2019
47 Batavia CUSD # 101, IL	Aaa/AAA(Ins)	20,465,000	G.O. Ref	25-Apr	13	4.0807%	4.2128%	2014
48 Clinton, IA	Aaa(Ins)/A1	7,620,000	G.O.	25-Apr	3	4.2289%	4.2660%	2018
49 Clinton, IA	Aaa(Ins)/A1	3,470,000	G.O. Taxable	25-Apr	5	5.7563%	5.9333%	2018
50 Harwood Heights, IL	AAA(Ins)/A+	2,510,000	G.O.	27-Apr	4	4.2471%	4.3581%	2025
51 Harwood Heights, IL	AAA(Ins)/A+	490,000	G.O.	27-Apr	Neg	4.2471%		2011
52 Vinton, IA	N/R	1,150,000	Water Rev Improvement Ref	27-Apr	4	4.1557%	4.4930%	2015
53 Winnebago County, IL	Aaa(Ins)/A1	44,000,000	G.O. (Pub Safety Sales Tax Alt Rev)	27-Apr	5	4.4730%	4.5859%	2024
54 Winnebago County, IL	Aaa(Ins)/A1	10,000,000	G.O. (Matching Aid & MFT Alt Rev)	27-Apr	5	4.4845%	4.5833%	2022
55 Winnebago County, IL	Aaa(Ins)/A1	3,500,000	G.O. (State Income Tax Alt Rev)	27-Apr	1	4.5366%		2024
56 Cortland, IL	N/R	23,845,000	Special Tax Revenue	27-Apr	Neg	5.6240%		2014
57 Hampshire, IL	N/R	12,120,000	SSA # 14	2-May	Neg	5.7850%		2026
58 Campton Township, IL	AA-	345,000	Taxable G.O.	9-May	3	5.9500%	6.5200%	2008
59 Lake County Forest Preserve District	Aaa/AAA	45,000,000	G.O. Ltd Tax Land Acq. & Deve	11-May	9	4.4549%	4.5403%	2025
60 Gilbertville, IA	N/R	600,000	G.O. Water Improvement Notes	15-May	3	4.6239%	4.8232%	2021
61 Oak Park, IL	Aaa/AAA(Ins)/Aa3/AA	5,000,000	G.O. Corp Purpose	15-May	3	4.6474%	4.6953%	2026
62 Oak Park, IL	Aaa/AAA(Ins)/Aa3/AA	13,495,649	G.O. Corp Purp (CAB)	15-May	7	5.2504%	5.3837%	2032
63 Sycamore PD, IL	AAA(Ins)/A-	2,555,000	G.O. Park (Alt Rev Source)	16-May	4	4.1983%	5.1244%	2025
64 Glenside Public Library Dist.	AAA(Ins)/A	4,580,000	G.O. Ref Library (Alt Rev)	18-May	2	4.2509%	4.2547%	2028
65 Peotone, IL	N/R	400,000	Debt Certificates	22-May	3	4.2147%	4.3900%	2009
66 Waterloo CSD, IA	SP1+	35,000,000	School Infrastructure Service Tax	22-May	1	4.1282%		2009
67 Bensenville, IL	N/R	5,935,000	Taxable Ltd Tax G.O. D. C.	22-May	Neg	5.9500%		2015
68 Bensenville, IL	N/R	2,065,000	Taxable Ltd Tax G.O. D. C.	22-May	Neg	4.4308%		2016
69 Black Hawk County, IA	N/R	1,300,000	G.O.	23-May	6	3.9813%	4.6877%	2016
70 Hampshire, IL	N/R	1,600,000	G.O. Alt Rev	1-Jun	1	4.8767%		2023
71 Waterloo, IA	N/R	250,000	G.O. Capital Loan	5-Jun	3	6.4999%	7.7500%	2007
72 Sugar Grove, IL	AAA(Ins)/A	8,500,000	G.O. Alt Rev	6-Jun	6	4.0624%	4.1449%	2025
73 Waterloo, IA	Aaa(Ins)/A1	8,200,000	G.O.	6-Jun	9	3.9505%	4.0321%	2021
74 Waterloo, IA	Aaa(Ins)/A1	1,900,000	G.O. Taxable	6-Jun	7	5.8200%	6.6920%	2021
75 Elkhart CSD, IN	Aaa(Ins)/Aa3/A2	34,000,000	G.O. Pension (Taxable)	6-Jun	7	5.9434%	6.2020%	2027
76 Kane County, IL	Aaa/AAA(Ins)/Aa3/AA-	24,995,000	Debt Certificates	12-Jun	4	4.4907%	4.6325%	2024
77 Bannockburn, IL	N/R	1,300,000	Taxable Tax Incr. Alloc. Rev	12-Jun	Neg	6.0000%		2006
78 Bannockburn, IL	N/R	1,995,000	Tax Increment Allocation Rev	12-Jun	Neg	4.6530%		2009
79 Paris, IL	Aaa(Ins)	4,000,000	G.O. (Sales Tax Alt Rev)	12-Jun	4	4.1249%	4.2202%	2026
80 Elk Run Heights, IA	N/R	720,000	G.O. Capital Loan	13-Jun	5	4.1553%	4.2435%	2012
81 Darien, IL	Aaa(Ins)/Aa3	3,900,000	G.O. Water	19-Jun	4	4.2560%	4.2888%	2025
82 Campton Township, IL	AAA(Ins)/AA-	5,060,000	G.O.	20-Jun	Neg	4.1499%		2018
83 Bensenville PD, IL	AAA(Ins)/A	6,015,000	G.O. Ref. (Alt Rev)	21-Jun	6	4.2880%	4.4063%	2025
84 Boone, IA	N/R	5,840,000	G.O.	22-Jun	7	4.1385%	4.5652%	2016
85 Davis Junction, IL	N/R	7,000,000	G.O. Ref. (Alt Rev)	23-Jun	Neg			
86 Kane County FPD, IL	AAA(Ins)/AA	9,495,866	G.O. Ltd Tax (CAB)	10-Jul	6	4.7665%	5.4938%	2025

**SPEER FINANCIAL, INC.**  
**CLIENT SALES OF SECURITIES**  
 2006

1/29/2007

Appendix A3

Issuer	Investment Rating	Issue Size	Type of Security	Date of Sale	# of Bidders	Net/True Interest Rate	Last Maturity
						Low Bid High Bid	
87 Postville, IA	N/R	610,000	G.O. Capital Loan Notes	10-Jul	Neg	6.8741%	2021
88 Yorkville, IL	AAA/AAA(Ins)/AA	1,500,000	G.O. Library	11-Jul	3	4.5214%	2024
89 Chicago Ridge PD, IL	A-	3,000,000	G.O. Park (Alt. Rev Source)	12-Jul	4	4.5838%	2025
90 Peoria, IL	N/R	4,575,000	Special Tax Ref	18-Jul	Neg	4.8200%	2017
91 Prospect Heights, IL	A3/A-JAA(Ins)	2,220,000	G.O. Debt Certificates	18-Jul	Neg	4.3111%	2011
92 Cary, IL	N/R	8,945,000	SSA No. 1	19-Jul	Neg	5.0550%	2030
93 Cary, IL	N/R	11,595,000	SSA No. 2	19-Jul	Neg	5.0510%	2030
94 Lake Bluff, IL	Aa1	2,100,000	G.O.	24-Jul	5	4.1979%	2020
95 Libertyville, IL	Aa1	3,000,000	WWS Alternate Revenue Source	25-Jul	7	4.2181%	2022
96 Aurora, IL	AAA(Ins)/AA+	31,070,000	G.O.	25-Jul	5	4.6739%	2036
97 Lynwood, IL	N/R	1,750,000	G.O. Alternate Revenue Source	25-Jul	Neg	4.9397%	2026
98 Vinton, IA	AAA(Ins)	2,875,000	G.O. Corp Purpose & Ref	27-Jul	7	4.9219%	2023
99 Elkhart CSD, IN	Aaa(Ins)/Aa3/A2	5,300,000	First Mortgage	8-Aug	4	4.5028%	2026
100 McHenry, IL	Aaa(Ins)	2,995,000	G.O. Alternate Revenue Source	14-Aug	9	4.0684%	2024
101 Decatur PD, IL	N/R	485,000	Debt Certificates	15-Aug	4	4.2000%	2013
102 Warrenville PD, IL	N/R	122,000	G.O. Ltd Tax Park	16-Aug	1	3.9967%	2009
103 Lombard, IL	N/R	255,000	Special Assessment No. 219	17-Aug	Neg	4.7500%	2021
104 Western Springs, IL	N/R	55,000,000	Special Assessment	22-Aug	Neg		2021
105 Dysart, IA	N/R	1,200,000	G.O. Corp. Purpose	23-Aug	4	4.4332%	2024
106 Lena PD, IL	N/R	243,460	G.O. Ltd Tax Park	24-Aug	4	4.5800%	2007
107 Hiawatha, IA	Aaa(Ins)/A3	5,500,000	G.O.	30-Aug	10	4.0069%	2026
108 Kankakee, IL	AAA(Ins)/A	9,555,000	G.O.	5-Sep	Neg	4.3341%	2025
109 Harvard, IL	N/R	1,700,000	G.O. Waterworks & Sewerage Alt	7-Sep	Neg	5.8509%	2019
110 Savanna PD, IL	N/R	120,000	G.O. Park	11-Sep	5	3.9000%	2007
111 Bensenville PD, IL	AAA(Ins)/A	1,500,000	Debt Certificates	13-Sep	3	4.1206%	2025
112 Maita	N/R	6,250,000	Tax Increment Revenue	13-Sep	Neg	5.8531%	2025
113 Addison, IL	AA/JA	3,075,000	G.O. Refunding	18-Sep	Neg	4.1171%	2026
114 Addison, IL	AA/JA	2,375,000	Taxable G.O. Refunding	18-Sep	Neg	5.5173%	2011
115 Arlington Heights, IL	Aaa(Ins)/Aa2	20,000,000	G.O.	18-Sep	13	3.9854%	2019
116 Clermont, IA	N/R	800,000	G.O. Corp Purpose & Ref	18-Sep	3	4.0446%	2017
117 LaPorte City, IA	N/R	920,000	G.O. Capital Loan	19-Sep	6	4.0471%	2018
118 Matteson SD #162, IL	N/R	3,000,000	Debt Certificates	19-Sep	Neg	4.0000%	2007
119 Janesville CSD, IA	N/R	1,600,000	Tax Rev Anticipation	20-Sep	4	4.0318%	2009
120 Crystal Lake PD, IL	AA-	521,055	G.O. Ltd Tax Park	21-Sep	6	3.5572%	2007
121 Crystal Lake PD, IL	AA-	1,500,000	G.O. Alternate Revenue Source	21-Sep	11	3.7030%	2015
122 Mt. Prospect PD, IL	N/R	3,500,000	G.O. Ltd. Tax Park	27-Sep	2	3.7006%	2010
123 Westchester PD, IL	N/R	458,750	G.O. Ltd Tax Park	9-Oct	2	3.8000%	2007
124 Ottumwa, IA	AAA(Ins)	2,600,000	G.O.	10-Oct	7	3.8711%	2016
125 Pekin PD, IL	N/R	250,000	Debt Certificates	11-Oct	5	3.8756%	2012
126 Pekin PD, IL	N/R	505,000	G.O. Ltd Tax Park	11-Oct	5	3.6967%	2008
127 Fairfax, IA	N/R	800,000	G.O. Urban Renewal Land	11-Oct	6	3.8961%	2011
128 Arlington Heights, IL	Aa2	16,515,000	G.O. Refunding	16-Oct	11	3.7964%	2018
129 Lake County, IL	Aaa/AAA(Ins)/Aa3	17,170,000	Water & Sewer System Rev Ref	18-Oct	Neg	4.2958%	2021

**SPEER FINANCIAL, INC.**  
**CLIENT SALES OF SECURITIES**  
**2006**

1/29/2007

Appendix A3

Issuer	Investment Rating	Issue Size	Type of Security	Date of Sale	# of Bidders	Net/True Interest Rate		Last Maturity
						Low Bid	High Bid	
130 Forest Park PD, IL	N/R	525,000	Debt Certificates	19-Oct	Neg	4.1556%		2013
131 Forest Park PD, IL	A2	945,562	G.O. Ltd Tax (CAB) Park	19-Oct	2	4.1777%	4.6743%	2019
132 Forest Park PD, IL	A3	1,000,000	G.O. Park (Alt. Rev Source)	19-Oct	1	4.1747%		2023
133 Clarendon Hills PD, IL	N/R	140,000	G.O. Park	23-Oct	5	3.9500%	4.7500%	2007
134 Palos Park, IL	N/R	570,000	Debt Certificates	23-Oct	Neg	4.1717%		2025
135 Aurora, IL	AAA(In)/AA	33,485,000	Waterworks & Sewerage Rev	24-Oct	7	4.5743%	4.6673%	2036
136 Pleasant Dale PD, IL	Aaa/A2	6,135,000	G.O. (Alt Rev)	24-Oct	2	4.1626%	4.1820%	2026
137 Shelbyville, IL	N/R	2,400,000	G.O. Ltd Tax Debt Certificates	24-Oct	Neg	5.0266%		2025
138 Shelbyville, IL	N/R	1,100,000	Waterworks & Sewerage Rev	24-Oct	Neg	4.9067%		2019
139 Hanover Park PD, IL	N/R	734,955	G.O. Ltd Tax Park	30-Oct	3	4.0900%	4.2435%	2007
140 Hanover Park PD, IL	N/R	353,000	Debt Certificates	30-Oct	3	4.1700%	4.5977%	2007
141 Dundee Township PD, IL	N/R	1,639,140	G.O. Ltd Tax Park	1-Nov	4	3.9080%	4.1500%	2007
142 Lake County, IL	Aaa/AAA(In)/Aa3	6,700,000	Water & Sewer System Rev Ref	3-Nov	Neg	3.7862%		2017
143 Bloomingdale PD, IL	N/R	657,505	G.O. Ltd Tax Park	6-Nov	5	3.8500%	4.8900%	2007
144 Flora, IL	AA	4,000,000	G.O.	6-Nov	Neg	4.7080%		2030
145 Des Plaines PD, IL	Aa3/AAA	7,270,000	G.O. Ltd Tax Ref Park	6-Nov	Neg	3.8849%		2019
146 South Holland, IL	Aaa(In)/A2	6,500,000	G.O.	6-Nov	5	4.0004%	4.0424%	2025
147 Joliet, IL	AAA(In)s	6,290,000	Waterworks & Sewerage Rev Ref	6-Nov	2	4.0527%	4.2394%	2022
148 Freeport PD, IL	N/R	912,170	G.O. Ltd Tax Park	7-Nov	5	3.9800%	4.2500%	2007
149 Wauconda, IL	Aaa(In)/A1	2,500,000	G.O. (Alt Rev)	7-Nov	2	4.0354%	4.1714%	2026
150 Wauconda, IL	Aaa(In)/A2	5,000,000	G.O. (Alt Rev)	7-Nov	5	3.9563%	4.0761%	2026
151 Bensenville PD, IL	N/R	600,000	G.O. Ltd Tax Park	8-Nov	3	3.8774%	4.8674%	2009
152 Oak Forest PD, IL	N/R	600,000	G.O. Ltd Tax Park	9-Nov	2	4.2500%	4.2988%	2007
153 Franklin Park, IL	AAA(In)s	9,500,000	G.O. Ref (Alt Rev)	9-Nov	Neg	4.2932%		2030
154 Findlay, IL	N/R	400,000	Debt Certificates	10-Nov	Neg	4.3000%		2016
155 Bannockburn, IL	AAA	2,500,000	G.O.	13-Nov	4	3.9840%	4.0426%	2026
156 Carbondale PD, IL	N/R	320,000	Debt Certificates	13-Nov	3	4.2500%	4.6000%	2010
157 Channahon PD, IL	N/R	700,000	Debt Certificates	14-Nov	3	4.1000%	4.4570%	2007
158 Channahon PD, IL	N/R	985,000	G.O. Park	14-Nov	4	3.9000%	4.3500%	2007
159 Hazel Crest, IL	Aaa(In)/A2	2,105,000	G.O.	14-Nov	4	3.8858%	4.0635%	2020
160 Prospect Heights PD, IL	N/R	490,045	G.O. Ltd Tax Park	14-Nov	4	3.9000%	4.2297%	2007
161 Waukegan PD, IL	N/R	1,000,000	G.O. Ltd Tax Park	14-Nov	5	3.4800%	4.0600%	2007
162 Yorkville, IL	A-/A-/A/A	5,555,000	Refunding Debt Certificates	14-Nov	Neg	4.2413%		2021
163 Yorkville, IL	A-/A-/A/A	3,000,000	G.O. Ref Alt Rev	14-Nov	Neg	4.3630%		2023
164 Chicago Ridge PD, IL	N/R	294,265	G.O. Ltd Tax Park	15-Nov	3	3.7900%	4.6250%	2007
165 Hawthorne PD, IL	N/R	148,190	G.O. Ltd Tax Park	15-Nov	2	3.9200%	4.6900%	2007
166 Cary PD, IL	N/R	600,700	G.O. Ltd Tax Park	16-Nov	5	3.8200%	4.5000%	2007
167 Country Club Hills PD, IL	N/R	102,050	Taxable G.O. Ltd Tax Park	16-Nov	2	7.6500%	8.2500%	2007
168 Country Club Hills PD, IL	N/R	398,600	G.O. Ltd Tax Park	16-Nov	2	3.9200%	4.8750%	2007
169 Lombard, IL	AA-	3,500,000	G.O. Debt Certificates	16-Nov	5	3.7440%	4.0460%	2014
170 New Trier Township SD # 203, IL	Aaa	3,735,000	G.O. Ltd Tax School	20-Nov	8	3.6219%	3.7017%	2013
171 Gurnee PD, IL	N/R	702,595	G.O. Ltd Tax Park	21-Nov	7	3.5900%	5.0080%	2007
172 Homewood-Flossmoor PD, IL	N/R	867,895	G.O. Ltd Tax Park	21-Nov	4	3.9000%	4.2500%	2007

# SPEER FINANCIAL, INC.

## CLIENT SALES OF SECURITIES

2006

Appendix A3

1/29/2007

Issuer	Investment Rating	Issue Size	Type of Security	Date of Sale	# of Bidders	Net/True Interest Rate Low Bid	High Bid	Last Maturity
173 Sycamore PD, IL	N/R	504,850	G.O. Ltd Tax Park	21-Nov	8	3.6500%	4.6250%	2007
174 Winnebago County, IL	A1	18,765,000	G.O. Ref Alt Rev	21-Nov	Neg	4.3338%		2022
175 Winnebago County, IL	Aaa/A1	10,000,000	G.O. Debt Certificates	21-Nov	5	4.1745%	4.2059%	2026
176 Forest City, IA	N/R	2,000,000	G.O. Capital Loan Notes	21-Nov	3	4.1697%	4.4899%	2026
177 Bensenville, IL	N/R	265,000	G.O. Ltd Tax Ref.	21-Nov	Neg	4.5003%		2008
178 Bartlett PD, IL	Aaa(Ins)	4,140,000	G.O. Ltd Tax Ref Park	28-Nov	2	4.0426%	4.0683%	2026
179 Aurora, IL	AAA(Ins)/AA	4,760,000	Refunding Debt Certificates	28-Nov	Neg	3.8584%		2019
180 Oak Park, IL	Aaa/AAA(Ins)/A1/A+	3,745,000	Taxable Sales Tax Rev	30-Nov	6	5.0641%	5.1352%	2015
181 Oak Park, IL	Aaa/AAA(Ins)/A1/A+	9,995,000	Sales Tax Rev	30-Nov	4	4.2262%	4.3435%	2026
182 Flora, IL	AA	400,000	Taxable G.O.	4-Dec	Neg	5.4960%		2010
183 Will County, IL	AAA/AAA	10,000,000	G.O. Alt Rev	4-Dec	Neg			2026
184 Addison, IL	AAA/AAA(Ins)/AA/AA+	6,900,000	G.O.	4-Dec	6	3.9420%	4.0180%	2026
185 Addison, IL	AAA/AAA(Ins)/AA/AA+	6,100,000	G.O.	4-Dec	5	3.9500%	4.0280%	2026
186 East Moline, IL	Aaa(Ins)	7,000,000	G.O. Debt Certificates	4-Dec	3	4.4581%	4.7164%	2022
187 Matteson, IL	Aaa(Ins)/A1	2,340,000	G.O. Ref	4-Dec	Neg	3.8751%		2020
188 Glen Eilyn PD, IL	AAA(Ins)/AA	4,965,000	G.O. Park	5-Dec	6	3.7406%	3.8608%	2017
189 Vernon Hills, IL	Aa1/AA	2,050,000	G.O. Alt Rev	5-Dec	3	3.9970%	4.0743%	2026
190 Peoria, IL	N/R	5,200,000	Special Assessment	5-Dec	Neg	5.6436%		2026
191 Freeport, IL	AAA(Ins)/A	10,000,000	G.O. Ref	5-Dec	Neg	5.5000%		2026
192 Romeoville, IL		8,200,000		6-Dec	Neg	3.7500%		2007
193 Downers Grove PD, IL	A1	2,900,000	G.O. Park (Alt. Rev Source)	7-Dec	4	3.8357%	4.0722%	2025
194 Fox Valley PD	Aa3	1,933,800	G.O. Ltd Tax Park	11-Dec	3	3.6600%	3.8400%	2007
195 Geneva PD	AAA(Ins)/AA	9,500,000	G.O. (Alt Rev)	11-Dec	7	3.9606%	4.0362%	2026
196 Montgomery, IL	N/R	14,270,000	Special Assessment Improvement Ref	11-Dec	Neg	4.9200%		2030
197 Paris, IL	Aaa(Ins)	6,000,000	G.O. (WSS Alt Rev)	11-Dec	Neg	4.3340%		2035
198 Hinsdale, IL	Aaa/AAA	3,045,000	G.O. (Library Fund Tax Alt Rev)	12-Dec	3	3.9723%	4.0450%	2026
199 Hampshire, IL		2,890,000	SSA No 9 Special Tax Ref	14-Dec	Neg	4.8425%		2020
200 Evanston/Skokie SD # 65	Aa3	5,000,000	G.O. Ltd Tax School	18-Dec	5	3.6040%	3.6854%	2011
201 Evanston/Skokie SD # 65	Aa3	5,000,000	G.O. Ltd Tax School 2007	18-Dec	5	3.6314%	3.6590%	2011
202 Rochester CUSD # 3A, IL	MIG1	2,899,691	G.O. School (Capital Appreciation)	18-Dec	4	3.9116%	4.2802%	2008
203 Batavia PD, IL	N/R	1,672,920	G.O. Ltd. Tax Park	18-Dec	3	3.8156%	4.1500%	2009
204 Monmouth, IL	Aaa(Ins)	10,000,000	G.O. Capital Appreciation	18-Dec	5	4.3706%	4.6580%	2036
205 Matteson SD #162, IL	Aaa(Ins)/A2	3,500,000	Taxable G.O. Ltd Tax School	19-Dec	6	5.1870%	5.3456%	2017
206 Matteson SD #162, IL	Aaa(Ins)/A2	3,100,000	G.O. Ltd Tax School	19-Dec	4	4.0850%	4.1303%	2026
207 Geneva, IL	Aaa(Ins)/Aa3	4,905,000	G.O. Ref	19-Dec	Neg			2007
208 Geneva, IL	Aaa(Ins)/Aa3	840,000	G.O. Ref Elec WS & Sales Tax Alt Rev	19-Dec	Neg			
209 Geneva, IL	Aaa(Ins)/Aa3	1,515,000	G.O. Ref Elec Sys Alt Rev	19-Dec	Neg			
210 Hawthorn Woods, IL	N/R	3,950,000	SSA No 4 Special Tax	20-Dec	Neg	5.6178%		2026

# SPEER FINANCIAL, INC.

CLIENT SALES OF SECURITIES

2006

Appendix A3

1/29/2007

<u>Issuer</u>	<u>Investment Rating</u>	<u>Issue Size</u>	<u>Type of Security</u>	<u>Date of Sale</u>	<u># of Bidders</u>	<u>Net/True Interest Rate</u>	<u>Low Bid</u>	<u>High Bid</u>	<u>Last Maturity</u>
---------------	--------------------------	-------------------	-------------------------	---------------------	---------------------	-------------------------------	----------------	-----------------	----------------------

The above listing is a full and complete record of Speer Financial's sales of municipal securities for the time period shown.  
 Note: All interest rates are Net Interest Cost (NIC) except where True Interest Cost (TIC) is specified.

THSD = Township High School District  
 PBC = Public Building Commission  
 SD = School District  
 PD = Park District  
 CCD = Community College District  
 FPD = Forest Preserve District  
 CUSD = Community Unit School District

Ref. = Refunding  
 ICC = Installment Contract Certificates  
 (Alt.) = G.O. (Alternate Revenue Source) Bonds  
 (Ins.) = Insured  
 DC = Debt Certificates

Moody's Rating Code: High to Low  
 Grades: Aaa, Aa, A, Baa  
 Within Each Non-Aaa Grade: 1, 2, 3  
 N/R = Not Rated

<u>Type of Sale</u>	<u>Number of Issues To Date in 2006</u>	<u>%</u>	<u>Par Amount To Date in 2006</u>	<u>%</u>	<u>Number of Bidders</u>
Negotiated .....	62	29.52%	375,935,000	31.03%	
Competitive .....	148	70.48%	835,710,307	68.97%	716 Bidders
<b>Total Bond Sales To Date In 2006</b>	<b>210</b>	<b>100.00%</b>	<b>1,211,645,307</b>	<b>100.00%</b>	<b>4.838 Average</b>

**FOR PRIOR YEAR 2005:**

<u>Type of Sale</u>	<u>Number of Issues</u>	<u>%</u>	<u>Par Amount</u>	<u>%</u>	<u>Number of Bidders</u>
Negotiated .....	60	35.64%	628,216,722	46.10%	
Competitive .....	143	64.36%	734,438,844	53.90%	717 Bidders
<b>Total Bond Sales In Calendar Year 2005</b>	<b>203</b>	<b>100.00%</b>	<b>1,362,655,566</b>	<b>100.00%</b>	<b>5.049 Average</b>

## LONG-TERM CLIENTS

Since 1954, Speer Financial, Inc. has assisted over 650 public agencies in the issuance of over \$17.0 Billion in tax-exempt securities. Below are some of the clients with which Speer Financial has enjoyed at least a ten year continuous relationship.

<u>Client</u>	<u>Services Performed</u>	<u>Retained Since</u>	<u>Number of Issues</u>	<u>Amount of Sales (000)</u>
Algonquin, Illinois	Bond Sales	1973	11	\$ 19,270
Arlington Heights, Illinois	Bond Sales Financial Studies	1975	28	204,485
Batavia, Illinois	Bond Sales Financial Studies	1959	27	31,685
Charleston, Illinois	Bond Sales Financial Studies	1969	6	18,425
Clinton, Iowa	Bond Sales Financial Studies	1963	26	71,232
Elmhurst, IL	Bond Sales Financial Studies I.R.B. Reports	1974	15	106,830
Galesburg, Illinois	Bond Sales Financial Studies	1957	11	38,495
Gurnee, Illinois	Bond Sales	1973	11	34,550
Joliet, Illinois	Bond Sales Financial Studies I.R.B. Reports	1969	30	288,538
Kane County Public Building Commission, Illinois	Bond Sales	1976	25	194,410
Lake County, Illinois	Bond Sales Financial Studies	1964	28	118,273

**SPEER FINANCIAL INC.****LONG-TERM CLIENTS  
(Page 2 of 2)**

<u>Client</u>	<u>Services Performed</u>	<u>Retained Since</u>	<u>Number of Issues</u>	<u>Amount of Sales (000)</u>
Lake County Public Building Commission, Illinois	Bond Sales	1964	5	\$ 86,635
Moline School District Number 40, Illinois	Bond Sales	1973	22	107,730
New Trier Township High School District No. 203, Illinois	Bond Sales	1981	15	95,645
Oak Park, Illinois	Bond Sales Financial Studies	1986	27	115,405
Palos Heights, Illinois	Bond Sales	1978	12	27,730
Paris, Illinois	Bond Sales Financial Studies	1959	8	9,568
Peoria Public Building Commission, Illinois	Bond Sales	1976	22	122,756
Waterloo, Iowa	Bond Sales Financial Studies	1968	79	763,100
Western Dubuque County Comm. School Dist., Iowa	Bond Sales	1977	6	17,950
Winnetka, Illinois	Bond Sales	1977	11	19,200
Woodridge, Illinois	Bond Sales Financial Studies	1971	16	71,642

## ILLINOIS HOME RULE MUNICIPAL REFERENCES

### VILLAGE OF ADDISON

Contact: Ms. Rosanne Benson  
Finance Director  
One Friendship Plaza  
Addison IL 60101  
rbenson@addison-il.org

### VILLAGE OF ARLINGTON HEIGHTS

Contact: Mr. Thomas Kuehne  
Finance Director  
33 South Arlington Heights Road  
Arlington Heights IL 60005  
(847) 368-5510  
tkuehne@vah.com

### CITY OF AURORA

Contact: Mr. Brian Caputo  
Finance Director  
44 East Downer Place  
Aurora IL 6050703302  
(630) 844-3613  
BWCaputo@aurora-il.org

### VILLAGE OF BERKELEY

Contact: Ms. Andriana M. Pekroon  
Village Administrator  
5819 Electric Avenue  
Berkeley IL 60163  
(708) 449-8840  
andria@berkeley.il.us

### VILLAGE OF BLOOMINGDALE

Contact: Mr. Gary Szott  
Finance Director  
201 South Bloomingdale Road  
Bloomingdale IL 60108  
(630) 893-7000 x 5613  
scottg@vil.bloomington.il.us

### VILLAGE OF CAROL STREAM

Contact: Mr. Stanley Helgerson  
Director of Finance  
500 North Gary Avenue  
Carol Stream IL 60188  
(630) 871-6225  
finance@carolstream.org

### CITY OF DECATUR

Contact: Mr. Stephen L. Garman  
City Manager  
One Gary K. Anderson Plaza  
Decatur IL 62525  
(217) 424-2801  
sgarman@decaturnet.org

### CITY OF DES PLAINES

Contact: Mr. David Niemeyer  
City Manager  
1420 Miner Street  
Des Plaines IL 60016-4498  
(847) 391-5328  
jegeberg@desplaines.org

### VILLAGE OF EAST HAZEL CREST

Contact: Ms. Patricia Lazuka  
Administrator  
17223 Throop Street  
Hazel Crest IL 60429  
(708) 798-0213  
admin@easthazelcrest.com

## ILLINOIS HOME RULE MUNICIPAL REFERENCES

### CITY OF ELGIN

Contact: Mr. James R. Nowicki  
 Director of Finance  
 150 Dexter Court  
 Elgin IL 60120-5570  
 (847) 931-6100 x 5625  
 nowicki\_j@cityofelgin.org

### CITY OF ELMHURST

Contact: Ms. Marilyn Gaston  
 Director of Finance  
 209 North York Road  
 Elmhurst IL 60126-2759  
 (630) 530-3000  
 marilyn.gaston@elmhurst.org

### CITY OF FREEPORT

Contact: Mr. Craig S. Joesten  
 Finance Director  
 230 West Stephenson Street  
 Freeport IL 61034  
 (815) 599-5816

### CITY OF GALESBURG

Contact:  
 55 West Tompkins  
 P.O. Box 1387  
 Galesburg IL 61402-1387  
 (309) 345-3628

### VILLAGE OF GURNEE

Contact: Ms. Tina Smigielski  
 Finance Officer  
 325 North O'Plaine Road  
 Gurnee IL 60031  
 (847) 623-7650  
 TinaS@village.gurnee.il.us

### VILLAGE OF HANOVER PARK

Contact: Mr. Harry Sakai  
 Finance Director  
 2121 West Lake Street  
 Hanover Park IL 60103  
 (630) 372-4200  
 hsakai@hanoverillinois.org

### CITY OF HIGHLAND PARK

Contact: Ms. Elizabeth Holleb  
 Director of Finance  
 1707 St. Johns Avenue  
 Highland Park IL 60035-3532  
 (847) 432-0800  
 espencer@cityhpil.com

### CITY OF JOLIET

Contact: Mr. Robert D. Fraser  
 Treasurer  
 150 West Jefferson Street  
 Joliet IL 60432-1148  
 (815) 724-3900  
 rfraser@jolietcity.org

### CITY OF KANKAKEE

Contact: Mr. James A. Spice  
 Comptroller  
 385 East Oak Street  
 Kankakee Illinois 60901-3924  
 (815) 933-0480  
 jaspice@citykankakee-il.gov

### VILLAGE OF LAKE BLUFF

Contact: Ms. Susan Griffin  
 Director of Finance  
 40 East Center Avenue  
 Lake Bluff Illinois 60044  
 (847) 234-0774  
 sgriffin@lakebluff.org

## ILLINOIS HOME RULE MUNICIPAL REFERENCES

### VILLAGE OF LAKE IN THE HILLS

Contact: Mr. Peter Stefan  
 Director of Finance/Treasurer  
 600 Harvest Gate  
 Lake in the Hills IL 60156-3398  
 (847) 960-7400 x 368  
 pstefan@lith.org

### CITY OF MONMOUTH

Contact: Ms. Shannon Thompson  
 Administrator  
 100 East Broadway  
 Monmouth IL 61462  
 (309) 734-2141  
 administrator@cityofmonmouth.com

### VILLAGE OF MORTON GROVE

Contact: Ms. Daniela Portapilo  
 Finance Director  
 6010 Cupulina  
 Morton Grove IL 60053  
 dportapilo@mortongrove.il.org

### VILLAGE OF OAK PARK

Contact: Mr. Tom Barwin  
 Village Manager  
 123 Madison Street  
 Oak Park IL 60302-4295  
 (708) 358-5770

### VILLAGE OF ORLAND PARK

Contact: Ms. AnnMarie Mampe  
 Director of Finance  
 14700 South Ravinia Avenue  
 Orland Park IL 60462  
 (708) 403-6100  
 amampe@orland-park.il.us

### CITY OF PEORIA

Contact: Mr. James Scroggins  
 Director of Finance/Comptroller  
 419 Fulton Street  
 Peoria IL 61602  
 (309) 494-8686  
 jscroggins@ci.peoria.il.us

### VILLAGE OF ROMEOVILLE

Contact: Mr. Kirk Openchowski  
 Finance Director  
 13 Montrose Drive  
 Romeoville IL 60446-1329  
 (815) 723-8500  
 kopenchowski@romeoville.org

### VILLAGE OF SOUTH HOLLAND

Contact: Ms. Beth Herman  
 Treasurer  
 16226 Wausau Avenue  
 South Holland IL 60473-2156  
 (708) 210-2900

### VILLAGE OF UNIVERSITY PARK

Contact: Mr. David Sevier  
 Finance Director  
 698 Burnham Drive  
 University Park IL 60466-2708  
 (708) 534-6451 x 813  
 snr832up@aol.com

### CITY OF WAUKEGAN

Contact: Mr. Don Bruessel  
 Director of Finance/Administrative Services  
 100 North Martin Luther King Jr. Avenue  
 Waukegan IL 60085-4328  
 (847) 599-2548  
 Don.Bruessel@ci.waukegan.il.us

## ILLINOIS HOME RULE MUNICIPAL REFERENCES

### VILLAGE OF WHEELING

Contact: Mr. Michael Monsdchain  
Director of Finance  
255 West Dundee Road  
Wheeling IL 60090-0567  
(847) 459-2600  
mmonsdchain@vi.wheeling.il.us

### VILLAGE OF WOODRIDGE

Contact: Ms. Deborah Freishlag  
Director of Finance  
Five Plaza Drive  
Woodridge IL 60517-5014  
(630) 852-7000  
ctromp@vil.woodridge.il.us

## DUPAGE COUNTY REGIONAL REFERENCES

### VILLAGE OF ADDISON

Contact: Ms. Rosanne Benson  
Finance Director  
One Friendship Plaza  
Addison, IL 60101  
[rbenson@addison-il.org](mailto:rbenson@addison-il.org)

### VILLAGE OF BLOOMINGDALE

Contact: Mr. Gary Szott  
Finance Director  
201 South Bloomingdale Road  
Bloomingdale, IL 60108  
(630) 893-7000 x 5613  
[scottg@vil.bloomingtondale.il.us](mailto:scottg@vil.bloomingtondale.il.us)

### BARTLETT PARK DISTRICT

Contact: Mr. Rita Fletcher  
Executive Director  
696 Stearns Road  
Bartlett, IL 60102  
(630) 837-6568  
[rfletcher@bartlett-parkdistrict.com](mailto:rfletcher@bartlett-parkdistrict.com)

### BLOOMINGDALE PARK DISTRICT

Contact: Mr. Steve Scholten  
Director of Parks & Recreation  
172 South Circle Avenue  
Bloomingdale, IL 60108  
(630) 529-3650  
[steve@bloomingdaleparks.org](mailto:steve@bloomingdaleparks.org)

### VILLAGE OF BENSENVILLE

Contact: Mr. Thomas Walter  
Finance Director  
12 South Center Street  
Bensenville, IL 60106  
(630) 766-8200  
[twalter@bensenville.il.us](mailto:twalter@bensenville.il.us)

### VILLAGE OF BURR RIDGE

Contact: Mr. Steve Stricker  
City Manager  
7660 South County Line Road  
Burr Ridge, IL 60521-6950  
(630) 654-8181  
[sstricker@burr-ridge.gov](mailto:sstricker@burr-ridge.gov)

### BENSENVILLE PARK DISTRICT

Contact: Mr. Michael Benard  
Director of Parks & Recreation  
1000 West Wood Street  
Bensenville, IL 60106  
(630) 766-7015  
[mberard@bensenvilleparkdistrict.org](mailto:mberard@bensenvilleparkdistrict.org)

### VILLAGE OF CAROL STREAM

Contact: Mr. Stanley Helgerson  
Director of Finance  
500 North Gary Avenue  
Carol Stream, IL 60188  
(630) 871-6225  
[finance@carolstream.org](mailto:finance@carolstream.org)

## DUPAGE COUNTY REGIONAL REFERENCES

### VILLAGE OF CLARENDON HILLS

Contact: Ms. Kathy T. Redding  
Finance Director  
One North Prospect Avenue  
Clarendon Hills, IL 60514-1227  
(630) 323-3500  
[kredding@village.clarendon.hills.il.us](mailto:kredding@village.clarendon.hills.il.us)

### VILLAGE OF HINSDALE

Contact: Mr. David C. Cook  
Village Manager  
19 East Chicago Avenue  
Hinsdale, IL 60521-3489  
(630) 789-7000  
[dcook@villageofhinsdale.org](mailto:dcook@villageofhinsdale.org)

### DOWNERS GROVE PARK DISTRICT

Contact: Ms. Deborah Utecht  
Administrative Services Manager  
2455 Warrenville Road  
Downers Grove, IL 60515  
(630) 963-1304  
[dutecht@dgparcs.org](mailto:dutecht@dgparcs.org)

### LISLE PARK DISTRICT

Contact: Mr. Dan Garvy  
Executive Director  
1825 Short Street  
Lisle, IL 60532  
(630) 964-3410 x 18  
[dgarvy@lisleparkdistrict.org](mailto:dgarvy@lisleparkdistrict.org)

### CITY OF ELMHURST

Contact: Ms. Marilyn Gaston  
Director of Finance  
209 North York Road  
Elmhurst, IL 60126-2759  
(630) 530-3000  
[marilyn.gaston@elmhurst.org](mailto:marilyn.gaston@elmhurst.org)

### VILLAGE OF LOMBARD

Contact: Mr. Leonard J. Flood  
Director of Finance  
255 East Wilson  
Lombard, IL 60148-3969  
(630) 620-5700  
[floodl@villageoflombard.org](mailto:floodl@villageoflombard.org)

### HANOVER PARK PARK DISTRICT

Contact: Mr. Larry R. Wheeler  
Financial Services Manager  
1919 Walnut Street  
Hanover Park, IL 60103  
(630) 837-2468  
[l.wheeler@hpparks.com](mailto:l.wheeler@hpparks.com)

### LOMBARD PARK DISTRICT

Contact: Mr. Paul Fredericks  
Superintendent of Finance  
227 W. Parkside  
Lombard, IL 60148-2592  
(630) 627-1281  
[pfredericks@lombardparcs.com](mailto:pfredericks@lombardparcs.com)

## DUPAGE COUNTY REGIONAL REFERENCES

### VILLAGE OF ROSELLE

Contact: Mr. Patrick Watkins  
Community Development Director  
31 South Prospect Street  
Roselle, IL 60172-2023  
(630) 980-2021 x 240

### WINFIELD PARK DISTRICT

Contact: Mr. Mark Pawlowski  
Executive Director  
O N. 020 County Farm Road  
Winfield, IL 60190  
(630) 653-3811  
markatthepark@ameritech.com

### VILLAGE OF VILLA PARK

Contact: Mr. Eric J. Dubrowski  
Finance Director  
20 South Ardmore  
Villa Park, IL 60181-2610  
(630) 834-8500  
ericd@vppd.org

### CITY OF WOOD DALE

Contact: Ms. Maggie Powers  
Administration & Financial Services  
404 North Wood Dale Road  
Wood Dale, IL 60191-1534  
(630) 766-4900  
mpowers@wooddale.com

### WARRENVILLE PARK DISTRICT

Contact: Ms. Dianne Dillow  
Executive Director  
3 S 260 Warren Avenue  
Warrenville, IL 60555  
(630) 393-7279  
DianeD@warrenvilleparks.org

### VILLAGE OF WOODRIDGE

Contact: Ms. Deborah Freishlag  
Director of Finance  
Five Plaza Drive  
Woodridge, IL 60517-5014  
(630) 852-7000  
ctromp@vil.woodridge.il.us

### VILLAGE OF WILLOWBROOK

Contact: Ms. Sue Stanish  
Finance Director  
7760 Quincy Street  
Willowbrook, IL 60521  
(630) 323-8215  
sstanish@willowbrook.il.us

**SPEER FINANCIAL INC.**

**FINANCIAL PLANNING AND MUNICIPAL SECURITY SALE SERVICES**

Speer Financial will provide the following services and any others necessary to complete the security sale:

**A. Financial Planning Services**

**(1) Orientation**

We will review your current financial position, statutory authority and financing capabilities, including whether a refunding or defeasance of any outstanding debt is appropriate.

**(2) Coordination**

We will coordinate all financial planning and issuance details with staff, bond counsel, printers, rating agencies and other involved parties.

**(3) Availability**

Members of our staff will be available to consult with the elected and key appointed officials and staff regarding all phases of the development and implementation of a financing plan. We will respond to any inquiries from the general public relating to the proposed sale.

**(4) Planning**

We will develop a debt financing plan that includes:

**a) Maturity Schedules**

We will prepare alternative maturity schedules. The schedules could "wrap" around existing debt to provide stable tax rates, level debt service payments, or meet other policy or cash flow requirements.

**(b) Market Receptivity**

We will evaluate potential market receptivity for each debt issuance and recommend the most suitable sale option.

**(c) Tax Law**

We will evaluate the ramifications of Federal tax law on the financial plan to maximize any cost savings available to the issuer.

**(d) Security Registrar and Paying Agent**

We will compare security registrar and paying agent fees and make recommendations for the selection of a Registrar and Paying Agent who most capably and economically meets a client's need.

**(e) Credit Rating and/or Insurance**

We will evaluate the costs and benefits of obtaining a credit rating and/or insurance. We will review the merits of credit enhancement and should the cost effectiveness be warranted, recommend the rating and/or insurance firm (or firms) to which application should be made.

**(f) Competitive and Negotiated Sale of Debt Securities**

We will analyze and make a recommendation on which method of sale is appropriate.

## **SPEER FINANCIAL INC.**

### **FINANCIAL PLANNING AND MUNICIPAL SECURITY SALE SERVICES**

(Page 2 of 3)

The decision to sell securities competitively or by negotiation is largely subjective and must be made on a case-by-case basis. The circumstances which indicate a negotiated sale include:

- (1) Either unusually large or very small debt issue amount;
- (2) Complex or non-traditional financing structure;
- (3) Issuer's first time into the public debt marketplace;
- (4) Issuer has a low or uncertain credit rating;
- (5) Volatile market conditions.

The circumstances which indicate a competitive sale include:

- (1) Attractive debt amount of \$500,000 and up;
- (2) Traditional financing structure such as a general obligation;
- (3) Good reputation in the debt marketplace;
- (4) Stable credit rating;
- (5) Stable market conditions.

#### **(g) Tentative Financing Timeline**

We will prepare a tentative financing timeline to guide officials regarding issuance topics and timing.

## **B. Bond Sale Services**

To facilitate sale of a client's debt issue(s), our services include:

### **(1) Legal Proceedings**

When the recommended plan of financing has been approved by the client, we will specify to the issuer's attorney and bond counsel the financial provisions to be included in the legal proceedings authorizing the debt issuance.

### **(2) Credit Rating and/or Insurance**

When a credit rating and/or insurance is found to be cost effective, we will submit the necessary data and arrange for presentation of the material to the selected rating and/or insurance company(ies).

### **(3) Official Statement, Notice of Sale and Bid Forms**

#### **(a) Preparation of Documents**

We will compile a Preliminary Official Statement, Notice of Sale and a Bid Form for each competitive sale. The Official Statement will describe the securities and contain detailed information about the issuer to permit prospective purchasers to make intelligent judgments.

#### **(b) Notice of Sale Publication**

We will notify the market of the sale without cost to the issuer and prepare a summary Notice of Sale for publication in The Bond Buyer (a trade journal published in New York City) if such a paid advertisement is warranted and so authorized.

**SPEER FINANCIAL INC.**

**FINANCIAL PLANNING AND MUNICIPAL SECURITY SALE SERVICES**

(Page 3 of 3)

**(c) Encouragement to Bidders**

Upon authorization from the issuer, we will circulate the Preliminary Official Statement to our list of interested parties, including investment institutions, banks and underwriters, to induce the best possible bid for the securities. We will also make personal contacts to induce formation of bidding groups. In this manner, we generate as many bids as possible. A supply of Preliminary Official Statements and Official Bid Forms for each sale are furnished to the issuer for hand distribution to local banks and elected officials.

**(d) Bid Opening, Analysis and Recommendations**

We will conduct each sale, examine the bids submitted for completeness and compliance with the bid requirements and evaluate the bid(s) for accuracy. We recommend which bid, if any, should be accepted.

**(4) Preparation, Registration and Delivery of Securities**

We will conduct all steps necessary to complete the financing, including monitoring the preparation, registration and delivery of the securities being issued.

**(5) Debt Service Schedule**

We will provide the issuer with a final debt service schedule and other materials pertinent to the security sale.

**(6) Sale Proceeds Investment Schedule**

Upon request, we will estimate a realistic time schedule for the expenditure of security proceeds to enable unexpended amounts to be invested and thereby help offset interest expense.

**C. Negotiated Sale**

In the event of a negotiated sale, Speer Financial will also help the issuer select an underwriter or syndicate and will lead negotiations for the interest rates, terms and conditions of the debt issue.

## COMPETITIVE AND NEGOTIATED SALES OF DEBT SECURITIES

A number of factors are examined to determine which method of sale is best for each issue of each client. **The Government Finance Officers Association (GFOA) recommends that the competitive method of sale be chosen when conditions favoring this method of sale are present.** An examination of the benefits of each method of sale and the general circumstances favoring each method is presented below. While no hard and fast rules exist, these represent some good rules of thumb.

### I. Sales Methodology Options

#### A. Competitive Sale

##### 1. Advantages:

- **Transparency** Provides the best public perception of openness in the conduct of public business. Evidence in the form of written competitive bids provides a high level of comfort to the issuer, its constituents and the media that report on its conduct.
- **Commonplace** Historically has been the most frequently used and familiar method of sale, particularly for general obligation debt.
- **Market Competition** Market competition among potential buyers tends to benefit the issuer with lower net interest rates during stable market conditions.
- **Cost Known** All direct costs are established in advance.

##### 2. Circumstances indicating a competitive sale include:

- **Sufficient Par** Attractive debt amount of \$500,000 and up.
- **Common Security** A traditional (uncomplicated) financing structure such as a general obligation bond or a revenue bond with a historically performing revenue stream.
- **Good Name** The issuer has a good reputation and name recognition in the municipal direct and secondary market.
- **Good Credit** The issue is has an investment grade credit rating and/or credit enhancement.
- **Stable Market** Relatively stable conditions and strong market demand exists in the municipal securities market.

#### B. Negotiated Sale

##### 1. Advantages:

- **Explanation Required** Can be used to explain more complex or non-traditional financings to potential investors, thereby potentially reducing or removing market uncertainty.
- **Pre-Sale Comfort** Allows a longer pre-sale market assessment by an underwriter, which reduces the perceived marketing risk and can result in lower interest rates based on known (versus perceived) resale ability.

## **SPEER FINANCIAL INC.**

### **COMPETITIVE AND NEGOTIATED OF DEBT SECURITIES SALES**

(Page 2 of 4)

- **At-Will Service** Speer Financial's assistance to the issuer in setting rates, terms, and conditions of the bond issue results in increased responsiveness from underwriters. Until an actual agreement to sell is reached, underwriters typically serve at the pleasure of the issuer and may be removed or replaced for poor performance.
- **Target Specific** Specific (refunding minimum savings) targets may be established and the bonds only sold when the target is reached or exceeded.

#### **2. Circumstances favoring a negotiated sale include:**

- **Size Extremes** Either an unusually large or a very small debt amount;
- **Complexity** A complex or non-traditional financing structure;
- **Unfamiliar Name** The issuer is a new or infrequent participant in the market place;
- **Poor Credit** The issuer has a low or questionable credit rating, or the issue is secured by an indeterminate credit; and
- **Volatile Market** Volatile conditions exist in the municipal securities market and weak market demand exists in the municipal market.

## **II. Common Misconceptions**

### **A. All Underwriters are the Same**

They are not. Each underwriter has a market niche, often either geographically or in terms of certain types of security or credit strength. Some have strong bank resale networks and specialize in bank-qualified issues. Some have strong retail networks with individual investors, while some have strong institutional networks and specialize in general market issues. Some underwriters have clients who are risk averse and want low/no risk (insured) issues while other underwriters may have more aggressive clients who are willing to absorb more risk with unrated /uninsured issues while seeking more yield.

The issuer whose sale circumstances favor a negotiated sale will want to undertake an underwriter selection process by soliciting underwriters to respond to a Request for Qualifications (RFQ) to select the underwriter best positioned to excel in the sale of their securities. This underwriter selection process is best accomplished through the services of an independent financial advisor who is familiar with the strengths (and weaknesses) of each firm and can thoroughly evaluate the RFQ responses.

## **COMPETITIVE AND NEGOTIATED SALES OF DEBT SECURITIES**

(Page 3 of 4)

### **B. Flexibility in Selecting a Date of Sale**

Both competitive and negotiated sales allow for sale date flexibility. Designation of one official to approve a sale (within set guidelines) on a day-to-day basis is possible for either method of sale by pre-approval by the elected Board within defined parameters.

In either method of sale, the issuer selects a tentative sale date, normally on a regularly scheduled meeting date. Largely the length of the planning and transaction process, the timing of the need for funds, and the meeting schedule of the elected officials determine the date.

Should the market become unsettled or volatile, either type of sale can be postponed until a more favorable market exists. Rescheduling can be accomplished when more stable market conditions appear and a window is perceived to be open to re-enter the bond market and when the elected officials are regularly scheduled to meet, or can meet on short notice.

### **C. Selective Comparable Sales Results**

Underwriters provide pricing information on "comparable" sales to assure an issuer that by selling securities to their firm, the issuer will receive a fair, if not a more than fair, interest rate, and that an independent financial advisor is an unneeded added cost.

What sometimes occurs with an underwriter when an independent financial advisor is not present is a selective presentation of other sales results that make the current sale appear to be fair-to-outstanding, whether they are comparable or not. Longer maturities compared to shorter ones, lower or unrated bonds compared to higher rated or insured bonds, sales by different types of issuers (ex. Authorities vs. Cities or state income taxed issuers versus non-state income taxed issuers), sales held in different weeks when rates were higher, and general obligation bonds compared to revenue bonds may be presented to mislead an issuer who is not familiar with the nuances of bond pricing.

A truly comparable sale is difficult to find. Such a sale would be a mirror image of the issuer's credit strength, years to maturity, size of issue, name recognition, geographic location, type of security and date of sale. While well over \$379 Billion in tax-exempt securities were sold last year, the frequency of these mirror image sales is very rare.

Because Speer Financial, Inc. is in the bond market about four times each week, we can assure you that you will receive a "fair" interest rate in a negotiated sale. No one can assure you that you received the "best" interest rate, because there are very few truly comparable prices for your issue. Rather, you need to rely on the experience and professionalism of your independent advisor to ensure that the underwriter's comparable sales match an independent assessment of recent comparable sales.

**SPEER FINANCIAL INC.**

## **COMPETITIVE AND NEGOTIATED SALES OF DEBT SECURITIES**

(Page 4 of 4)

### **III. Role of an Independent Financial Advisor**

The role of the financial advisor includes recommending and justifying the selection of a method of sale that is in the best interest of the issuer. Issuers should ask the firm proposing to serve as their financial advisor whether it benefits financially in the purchase and resale of the securities to be issued. If so, the underwriter/advisor has two clients:

- (1) The issuer (who wants low interest rates); and
- (2) The investors (who want high interest rates).

Impartial advice assures an issuer that decisions made are in their best interests. Perceived conflicts of interest are sometimes as damaging to the image of public bodies as actual conflicts of interest. Speer Financial, Inc. is an employee-owned firm and has no potential conflict of interest. We do not purchase or trade municipal securities. We have believed since our founding that the best protection for an issuer is achieved by hiring an independent financial advisor who has no potential conflict of interest.

5/04

*New Issue*

Date of Sale: December 4, 2006  
Series 2006C: Between 9:30 and 9:45 A.M., C.S.T.  
Series 2007: Between 10:00 and 10:15 A.M., C.S.T.  
(Open Auction Internet Sales)

Underlying Ratings:  
Standard & Poor's ... AA  
Fitch Ratings ... AA+  
(Outstanding-Reviews Requested)

Appendix D2

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



**VILLAGE OF ADDISON**  
**DuPage County, Illinois**  
**\$6,900,000 General Obligation Bonds, Series 2006C**  
**\$6,100,000 General Obligation Bonds, Series 2007**

Dated December 15, 2006

Bank Qualified

Book-Entry

Due Serially As Detailed Herein

The \$6,900,000 General Obligation Bonds, Series 2006C (the "2006C Bonds") and the \$6,100,000 General Obligation Bonds, Series 2007 (the "2007 Bonds"), (collectively, the "Bonds") are being issued by the Village of Addison, DuPage County, Illinois (the "Village"). Interest is payable semiannually on June 15 and December 15 of each year, commencing June 15, 2007. The Bonds will be issued using a book-entry system. The Depository Trust Company ("DTC"), New York, New York, will act as securities depository for the Bonds. The ownership of one fully registered Bond for each maturity will be registered in the name of Cede & Co., as nominee for DTC and no physical delivery of Bonds will be made to purchasers. The Bonds will mature on December 15 in the years and amounts detailed herein

**OPTIONAL REDEMPTION**

The Bonds due December 15, 2012-2015, inclusive, are non-callable. The Bonds due December 15, 2016 - 2026, inclusive, are callable in whole or in part on any date on or after December 15, 2015, at a price of par and accrued interest. If less than all the Bonds are called, they shall be redeemed in such principal amounts and from such maturities as determined by the Village and within any maturity by lot. See "OPTIONAL REDEMPTION" herein.

**PURPOSE, LEGALITY AND SECURITY**

The Bond proceeds will be used to fund construction and equipping of a new Village library, and to pay the costs of issuing the Bonds. See "THE PROJECT" herein.

In the opinion of Chapman and Cutler LLP, Chicago, Illinois, Bond Counsel, the Bonds will constitute valid and legally binding obligations of the Village payable both as to principal and interest from ad valorem taxes levied against all taxable property therein without limitation as to rate or amount, except that the rights of the owners of the Bonds and the enforceability of the Bonds may be limited by bankruptcy, insolvency, moratorium, reorganization and other similar laws affecting creditors' rights and by equitable principles, whether considered at law or in equity, including the exercise of judicial discretion.

The Village intends to designate the Bonds as "qualified tax-exempt obligations" pursuant to the small issuer exception provided by Section 265(b)(3) of the Internal Revenue Code of 1986, as amended.

This Official Statement is dated November 20, 2006, and has been prepared under the authority of the Village. An electronic copy of this Official Statement is available from the [www.speerfinancial.com](http://www.speerfinancial.com) web site under "Debt Auction Center/Competitive Sales Calendar". Additional copies may be obtained from Ms. Roseanne Benson, Finance Director, Village of Addison, One Friendship Plaza, Addison, Illinois 60101, or from the Independent Public Finance Consultants to the Village:

Established 1954

*Speer Financial, Inc.*

**INDEPENDENT PUBLIC FINANCE CONSULTANTS**  
ONE NORTH LASALLE STREET, SUITE 4100 • CHICAGO, ILLINOIS 60602  
Telephone: (312) 346-3700; Facsimile: (312) 346-8833  
[www.speerfinancial.com](http://www.speerfinancial.com)



SPEER FINANCIAL, INC.

Investment Rating:  
 Standard & Poor's ... AAA  
 Fitch IBCA, Inc. ... AAA  
 (MBIA Insured)

Underlying Investment Ratings:  
 Standard & Poor's ... AA  
 Fitch IBCA, Inc. ... AA+

**\$6,900,000**  
**VILLAGE OF ADDISON**  
 DuPage County, Illinois  
**General Obligation Bonds, Series 2006C**

Date of Sale: December 4, 2006  
 Average Life: 14.149 Years  
 Bond Buyer Index: 4.04  
 (Based on TIC)

<u>Bidders*</u>	<u>Price</u>	<u>Maturities</u>	<u>Rates</u>	<u>True Interest**</u>
Harris N.A., Chicago, IL	99.495%	2012-2021	3.850%	3.9420%
FTN Financial Capital Markets		2022-2023	3.900%	\$3,839,140
Isaak Bond Investments, Inc.		2024-2026	3.950%	
Northern Trust Securities, Inc.				
The Bankers Bank				
Bernardi Securities, Inc.				
UMB Bank, N.A.				
Wells Fargo Brokerage Services LLC				
Stifel Nicolaus, Minneapolis, MN	99.815%	2012-2022	3.875%	3.9485%
		2023-2026	4.000%	\$3,853,673
Griffin Kubik Stephens & Thompson, Inc., Chicago, IL	99.748%	2012-2022	3.875%	3.9548%
		2023-2026	4.000%	\$3,858,250
First Trust Portfolios L.P., Lisle, IL	100.111%	2012-2026	4.000%	3.9894%
				\$3,897,315
Sterne, Agee & Leach, Inc., Nashville, TN	100.057%	2012-2026	4.000%	3.9946%
				\$3,901,082
Ross, Sinclaire & Associates, Nashville, TN	99.811%	2012-2026	4.000%	4.0180%
				\$3,918,033

\*Syndicate information is provided by the underwriter. The information contained in this report is the most current available. The true interest rate reflects the time value of money where dollars spent in early years have a greater weight than dollars spent in a later years.

\*\*The true interest rate reflects the time value of money where dollars spent in early years have a greater weight than dollars spent in later years.



Auction Date Mon., Dec 4, 2006 Type AON Start 10:30:00 am End 10:46:17 am Last Update 10:46:28 am EST Status Over  
 Auction Closed At 10:46:17 am

\$6,900,000\*  
 Village of Addison, DuPage County, Illinois  
 General Obligation Bonds, Series 2006C

	Bidder	Firm	TIC	Time	Gross Interest	+ Discount/ (Premium)	Total Interest	Bid No.	Cumulative Improvement
1st	HARR-CN‡	Harris N.A.	3.9420%	10:44:17 am	\$3,804,320.00	34,820.00	\$3,839,140.00	2	0.0081%
2nd	LEGG-MM‡	Stifel Nicolaus	3.9485%	10:45:49 am	\$3,840,875.00	12,797.80	\$3,853,672.80	6	0.0158%
3rd	GRIF-RB‡	Griffin, Kubik, Stephens & Thompson, Inc	3.9548%	10:42:55 am	\$3,840,875.00	17,375.20	\$3,858,250.20	4	0.0131%
4th	NIKE-FR‡	First Trust Portfolios/Nike Securities	3.9894%	10:41:50 am	\$3,905,000.00	(7,685.00)	\$3,897,315.00	1	-
5th	STER-BG‡	Sterne, Agee & Leach, Inc.	3.9946%	10:43:47 am	\$3,905,000.00	(3,917.95)	\$3,901,082.05	1	-
6th	ROSS-PH‡	Ross, Sinclair & Associates	4.0180%	10:44:51 am	\$3,905,000.00	13,032.70	\$3,918,032.70	1	-

\*Preliminary, subject to change  
 ‡ Bidder specified Insurance, see individual bidder page for details.

Click below to see other bidder results

**AON bids:**

**GRIF-RB, HARR-CN, LEGG-MM, NIKE-FR, PIPE-JC, ROSS-PH, STER-BG, Best Bid, Cover Bid**

Go to: [Terms](#), [Notice of Sale](#), [POS](#), [Rules](#), [Selections](#), [Results](#)  
 Exit to: [SpeerAuction Home Page](#)

For information about this bond sale, call Speer Financial, Inc. at (312) 346-3700.  
 Please direct questions and comments regarding bidding procedures to the [Auction Administrator](#) or call (412) 391-5555.



SPEER FINANCIAL, INC.

Investment Rating:  
 Standard & Poor's ... AAA  
 Fitch IBCA, Inc. ... AAA  
 (MBIA Insured)

Underlying Investment Ratings:  
 Standard & Poor's ... AA  
 Fitch IBCA, Inc. ... AA+

**\$6,100,000**  
**VILLAGE OF ADDISON**  
 DuPage County, Illinois  
**General Obligation Bonds, Series 2007**

Date of Sale: December 4, 2006  
 Average Life: 14.156 Years  
 Bond Buyer Index: 4.04  
 (Based on TIC)

<u>Bidders*</u>	<u>Price</u>	<u>Maturities</u>	<u>Rates</u>	<u>True Interest**</u>
Harris N.A., Chicago, IL	99.534%	2012-2021	3.875%	3.9500%
FTN Financial Capital Markets		2022-2023	3.900%	\$3,402,777
Isaak Bond Investments, Inc.		2024-2026	3.950%	
Northern Trust Securities, Inc.				
The Bankers Bank				
Bernardi Securities, Inc.				
UMB Bank, N.A.				
Wells Fargo Brokerage Services LLC				
Griffin Kubik Stephens & Thompson, Inc., Chicago, IL	99.725%	2012-2022 2023-2026	3.875% 4.000%	3.9569% \$3,413,994
First Trust Portfolios L.P., Lisle, IL	99.968%	2012-2026	4.000%	4.0030% \$3,455,939
Sterne, Agee & Leach, Inc., Nashville, TN	99.866%	2012-2026	4.000%	4.0127% \$3,462,132
Ross, Sinclair & Associates, Nashville, TN	99.509%	2012-2014 2015-2026	3.750% 4.000%	4.0280% \$3,470,023

\*Syndicate information is provided by the underwriter. The information contained in this report is the most current available. The true interest rate reflects the time value of money where dollars spent in early years have a greater weight than dollars spent in a later years.

\*\*The true interest rate reflects the time value of money where dollars spent in early years have a greater weight than dollars spent in later years.



**Auction Date** Mon., Dec 4, 2006    **Type** AON    **Start** 11:00:00 am    **End** 11:15:32 am    **Last Update** 11:15:43 am EST    **Status** Over  
 Auction Closed At 11:15:32 am

\$6,100,000\*  
 Village of Addison, DuPage County, Illinois  
 General Obligation Bonds, Series 2007

	Bidder	Firm	TIC	Time	Gross Interest	+ Discount/ (Premium)	Total Interest	Bid No.	Cumulative Improvement
1st	HARR-CN†	Harris N.A.	3.9500%	11:13:32 am	\$3,374,341.25	28,436.00	\$3,402,777.25	1	-
2nd	GRIF-RB†	Griffin, Kubik, Stephens & Thompson, Inc	3.9569%	11:14:54 am	\$3,397,218.75	16,775.50	\$3,413,994.25	1	-
3rd	NIKE-FR†	First Trust Portfolios/Nike Securities	4.0030%	11:08:28 am	\$3,454,000.00	1,939.20	\$3,455,939.20	1	-
4th	STER-BG†	Sterne, Agee & Leach, Inc.	4.0127%	11:09:31 am	\$3,454,000.00	8,132.07	\$3,462,132.07	1	-
5th	ROSS-PH†	Ross, Sinclaire & Associates	4.0280%	11:11:25 am	\$3,440,075.00	29,947.60	\$3,470,022.60	1	-

\*Preliminary, subject to change  
 † Bidder specified Insurance, see individual bidder page for details.

Click below to see other bidder results

**AON bids:**

**GRIF-RB, HARR-CN, NIKE-FR, ROSS-PH, STER-BG, Best Bid, Cover Bid**

Go to: [Terms](#), [Notice of Sale](#), [POS](#), [Rules](#), [Selections](#), [Results](#)  
 Exit to: [SpeerAuction Home Page](#)

For information about this bond sale, call Speer Financial, Inc. at (312) 346-3700.  
 Please direct questions and comments regarding bidding procedures to the Auction Administrator or call (412) 391-5555.



## SPEER FINANCIAL INC.

**CREDIT RATING AND/OR INSURING DEBT****Rating Experience**

The Speer Financial, Inc. relationship with the three primary New York based rating agencies (Moody's, Standard & Poor's and Fitch) extends beyond four decades for the longer established firms. We are in regular contact with them and know their requirements, preferences, and idiosyncrasies. In the last two calendar years, 22.73% (65 of 286) of Speer Financial's client sales were rated (and uninsured).

We lay no claim to obtaining a higher rating than a client deserves; our clients receive the highest rating to which they are entitled. Presentations to one or more agencies, whether in person or in writing, will be candid. The information provided will be as complete as possible and any additional details requested will be provided promptly. We have the experience to guide you in making the strongest possible presentation, which in turn results in the best interest rate your credit standing can justify.

**Bond Rating Cost Benefit Analysis**

When the cost of a credit rating is offset or exceeded by interest savings, then Speer Financial, Inc. will recommend that the security be rated. Should a personal presentation be advantageous to the issuer, travel to New York is sometimes necessary. We also find it advantageous to bring analysts to a client to help tell a story. This usually occurs when the rating agencies face borderline decisions in upgrading or downgrading the security as compared to prior debt issues, or with infrequent issuers where familiarity is lacking.

**Rating Criteria**

There are many criteria that the rating agencies examine when considering a credit rating. The attached **Appendix B2**, entitled Credit Rating Criteria, is intended to assist in understanding categories and criteria. Rating agencies obtain information from annual financial statements, audits, census, local planning reports, state labor department statistics, and other sources. Rating agencies are paying increasing attention to management as a factor in the rating process. The intangibility of management makes this more difficult to quantify.

**Bond Insurance Option**

Speer Financial, Inc. will also analyze the cost benefit of municipal bond insurance. Securities that are insured may receive a Moody's Aaa; or a Standard & Poor's AAA; or a Fitch AAA rating and typically sell with interest rates similar to uninsured A1 rated bonds. Thus, a "Aaa/AAA" underlying credit would sell better than a "Aaa/AAA" insured credit.

The added cost of insurance must be offset by a lower interest rate for the one time insurance premium to be cost effective. Over 50% of the municipal market is now insured, due to aggressive pricing and broader acceptance of securities beyond general obligation bonds by insurers. Should insurance or other credit enhancement be advantageous, Speer Financial, Inc. will recommend one of several actions:

- (1) to obtain a commitment from one or more companies for insurance and design the sale for insurance purchase at the option (and cost) of the potential bidders; or
- (2) to obtain the insurance at the cost of the issuer; or
- (3) to require the security purchaser to pay for the insurance, in which case the cost will be reflected in the price paid for the securities.

Insurance may not be cost effective for issuers with stable credit ratings greater than "A1," or for very small or short term debt issues. The break-point at which bond insurance makes sense changes daily with the municipal market, and is best determined close to the sale date. In the last two calendar years 27.27% (78 of 286) of our sales were insured.

SPEER FINANCIAL INC.

CREDIT RATING CRITERIA  
 MULTIPLE YEAR TRENDS AND SINGLE YEAR GEOGRAPHIC ANALYSIS

MANAGEMENT	FINANCES	PLANNING	DEBT LEVELS	SOCIO-ECONOMIC
Board-Staff Relations	Fund Balance/Discretionary Reserves	Budgeting-Operations & Capital	Direct (Issuer) Debt Levels and Retirement Rapidity	Employment by Industry & occupation
Union Contracts/Outlook For Salary Increases/Labor Peace	Cash Flow/Liquidity	Capital Needs	Indirect (Overlapping) Debt Levels	Largest Employers - Issuer and Area Unemployment
Vision/Strategic Planning & Risk Taking	Revenue Mix/Balance/Growth of Base	Economic Development/Redevelopment	Future Needs	Population Trends
Planning/Preparation	Balance Sheet	Financial Goals	Issuance Authority/Availability	Largest Taxpayers/Industry Concentration
Creativity/Innovation	Revenues and Expenditures - Extraordinary items?	Growth Management	Debt Structure/Asset Life	Per Capita & Household Income
Responsiveness	Tax Extensions & Collections		Pension & Retirement Obligations/Funding	Home Values, Affordability, Ownership, Distribution
Consistency	Equalized Assessed Valuation (residential, commercial, industrial mix)		Availability of Internal Funding for Capital Purposes	Effective Buying Income - Personal Income
Operational Efficiency	Tax Rates (Individual Funds & Overall)		Off Balance Sheet Obligations	Private Investment Trends
Leadership Stability - Administrative & Elected	Ability to Compress Spending Growth		Source/Strength of Debt Repayment Revenues	
	Revenue/Rate Raising Flexibility			

# SPEER FINANCIAL, INC.

## GENERAL OBLIGATION BOND RATINGS OF A SAMPLING OF CLIENTS

Shown below are the investment ratings of a sampling of clients

Client Name	Type of Government	State	Moody's Rating	Standard & Poor's/ Fitch Rating
Highland Park	City	Illinois	Aaa	
Hinsdale	Village	Illinois		AAA/AAA
Lake County	County	Illinois	Aaa	AAA
Lake County Forest Preserve District	Forest Preserve District	Illinois	Aaa	AAA
Winnetka	Village	Illinois	Aaa	
(New Trier)THSD No. 203	High School District	Illinois	Aaa	
(Arlington Heights) THSD No. 214	High School District	Illinois	Aa1	
Vernon Hills	Village	Illinois	Aa1	AA
Addison	Village	Illinois		AA+/AA
Arlington Heights	Village	Illinois	Aa2	
Aurora	Village	Illinois		AA
Buffalo Grove	Village	Illinois	Aa2	AA
Burr Ridge	Village	Illinois	Aa2	
Central Lake County Joint Action Water Agency	Water Agency	Illinois	Aa2	
Des Moines Water Works	Municipal Utility	Iowa	Aa2	AA+
Des Plaines Park District	Park District	Illinois	Aa2	
Elgin	City	Illinois	Aa2	AA
(Elgin) CCD No. 509	Community College	Illinois	Aa2	
Elmhurst	City	Illinois	Aa2	
Gurnee	Village	Illinois	Aa2	AA+
Mt Prospect Park District	Park District	Illinois		AA
Roselle	Village	Illinois		AA
Will County	County	Illinois	Aa2	AA/AA
Bloomington	Village	Illinois	Aa3	
Crystal Lake Park District	Park District	Illinois		AA-
Batavia	City	Illinois	Aa3	
Downers Grove Park District	Park District	Illinois	Aa3	
Geneva Park District	Park District	Illinois		AA-
Glendale Heights	Village	Illinois	Aa3	
Hanover Park	Village	Illinois	Aa3	AA-
Holland Board of Public Works	Municipal Electric Utility	Michigan	Aa3	AA-
Joliet	City	Illinois	Aa3	AA-
Kane County Forest Preserve District	Forest Preserve District	Illinois	Aa3	AA
LaGrange	Village	Illinois	Aa3	
Lombard	Village	Illinois		AA-
Lake in the Hills	Village	Illinois	Aa3	AA-
Lansing Board of Water & Light	Municipal Utility	Michigan	Aa3	AA
Lockport	City	Illinois		AA-
Morton Grove	Park District	Illinois	Aa3	
Oak Park	Village	Illinois	Aa3	AA
Oak Park Park District	Park District	Illinois	Aa3	AA
Orland Park	Village	Illinois	Aa3	AA

# SPEER FINANCIAL, INC.

## GENERAL OBLIGATION BOND RATINGS OF A SAMPLING OF CLIENTS

Shown below are the investment ratings of a sampling of clients

Client Name	Type of Government	State	Moody's Rating	Standard & Poor's/ Fitch Rating
St. Charles Park District	Park District	Illinois		AA-
(Waubonsee) CCD No. 516	Community College	Illinois		AA-
Western Springs	Village	Illinois	Aa3	
Western Dubuque Community School District	School District	Iowa		AA-
Wheeling	Village	Illinois		AA/AA+
Woodridge	Village	Illinois	Aa3	AA+
Bloomington Park District	Park District	Illinois		A+
Carpentersville	City	Illinois	A1	
Clinton	City	Iowa	A1	
Decatur	City	Illinois	A1	
Elkhart Community School District	School District	Indiana	A1	
Fox Valley Park District	Park District	Illinois	A1	
Knox County	County	Illinois	A1	
Matteson	Village	Illinois	A1	
Northwest Water Commission	Water Agency	Illinois	A1	
Peoria	City	Illinois	A1	AA
Riverside	Village	Illinois	A1	
Waukegan	City	Illinois	A1	
Waukegan Park District	Park District	Illinois	A1	
West Des Moines Water Works	Municipal Utility	Iowa	A1	
Winnebago County	County	Illinois	A1	
Berkeley	Village	Illinois		A
Charleston	City	Illinois		A
Chillicothe CUSD No 321	School District	Illinois		A
East Moline	City	Illinois	A2	
Huntley Area Public Library District	Library	Illinois	A2	
Palos Hills	City	Illinois		A
Peru	City	Illinois	A2	
River Trails Park District	Park District	Illinois		A
Romeoville	City	Illinois	A2	
Tinley Park Park District	Park District	Illinois	A2	
Villa Park	Village	Illinois	A2	
Waterloo	City	Iowa	A2	
Bensenville	Village	Illinois	A3	
Montgomery	Village	Illinois	A3	
Ottumwa	City	Iowa	A3	
Yorkville	City	Illinois		A-/A

last update: August 2, 2005

file name:WP60/Proposal/Appendix/GO Ratings-sampling of clients

**IV. PROPOSAL/CONTRACT FORM**

**\*\*\*THIS PROPOSAL, WHEN ACCEPTED AND SIGNED BY AN AUTHORIZED SIGNATORY OF THE VILLAGE OF DOWNERS GROVE, SHALL BECOME A CONTRACT BINDING UPON BOTH PARTIES.**

**Entire Block Must Be Completed When A Submitted Bid Is To Be Considered For Award**

**PROPOSER:**

Speer Financial, Inc.  
 Company Name

1 North LaSalle Street Suite 4100  
 Street Address of Company

Chicago, IL 60602  
 City, State, Zip

312-346-3700  
 Business Phone

312 346-8833  
 Fax

Date: \_\_\_\_\_

kmccanna@speerfinancial.com  
 Email Address

KEVIN MCCANNA  
 Contact Name (Print)

312-346-3700  
 24-Hour Telephone

Kevin W. McCanna  
 Signature of Officer, Partner or  
 Sole Proprietor

Kevin W. McCanna  
 Print Name & Title President

ATTEST: If a Corporation

Daniel D. Forbes  
 Signature of Corporation Secretary

**VILLAGE OF DOWNERS GROVE:**

\_\_\_\_\_  
 Authorized Signature

\_\_\_\_\_  
 Title

\_\_\_\_\_  
 Date

ATTEST:

\_\_\_\_\_  
 Signature of Village Clerk

\_\_\_\_\_  
 Date


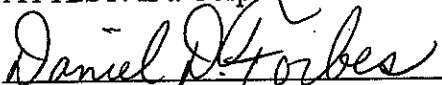
In compliance with the specifications, the above-signed offers and agrees, if this Proposal is accepted within 90 calendar days from the date of opening, to furnish any or all of the services upon which prices are quoted, at the price set opposite each item, delivered at the designated point within the time specified above.

**IV. PROPOSAL/CONTRACT FORM**

**\*\*\*THIS PROPOSAL, WHEN ACCEPTED AND SIGNED BY AN AUTHORIZED SIGNATORY OF THE VILLAGE OF DOWNERS GROVE, SHALL BECOME A CONTRACT BINDING UPON BOTH PARTIES.**

**Entire Block Must Be Completed When A Submitted Bid Is To Be Considered For Award**

**PROPOSER:**

Speer Financial, Inc. _____ Company Name	Date: _____
1 North LaSalle Street Suite 4100 _____ Street Address of Company	kmccanna@speerfinancial.com _____ Email Address
Chicago, IL 60602 _____ City, State, Zip	Kevin McCanna _____ Contact Name (Print)
312-346-3700 _____ Business Phone	312-346-3700 _____ 24-Hour Telephone
312 346-8833 _____ Fax	 _____ Signature of Officer, Partner or Sole Proprietor
ATTEST: If a Corporation  _____ Signature of Corporation Secretary	Kevin W. McCanna _____ Print Name & Title      President

**VILLAGE OF DOWNERS GROVE:**

_____ Authorized Signature	ATTEST:
_____ Title	_____ Signature of Village Clerk
_____ Date	_____ Date

In compliance with the specifications, the above-signed offers and agrees, if this Proposal is accepted within 90 calendar days from the date of opening, to furnish any or all of the services upon which prices are quoted, at the price set opposite each item, delivered at the designated point within the time specified above.



# VENDOR W-9 REQUEST FORM

The law requires that we maintain accurate taxpayer identification numbers for all individuals and partnerships to whom we make payments, because we are required to report to the I.R.S all payments of \$600 or more annually. We also follow the I.R.S. recommendation that this information be maintained for all payees including corporations.

Please complete the following substitute W-9 letter to assist us in meeting our I.R.S. reporting requirements. The information below will be used to determine whether we are required to send you a Form 1099. Please respond as soon as possible, as failure to do so will delay our payments.

**BUSINESS (PLEASE PRINT OR TYPE):**

NAME: Speer Financial, Inc.

ADDRESS: 1 North LaSalle Street Suite 4100

CITY: Chicago

STATE: Illinois ZIP: 60602

PHONE: 312-346-3700

FAX: 312-346-8833

TAX ID #(TIN): 36-2515109

(If you are supplying a social security number, please give your full name)

**REMIT TO ADDRESS (IF DIFFERENT FROM ABOVE):**

NAME: \_\_\_\_\_

ADDRESS: \_\_\_\_\_

CITY: \_\_\_\_\_

STATE: \_\_\_\_\_ ZIP: \_\_\_\_\_

**TYPE OF ENTITY (CIRCLE ONE):**

- Individual
- LLP (Limited Liability Partnership)
- Partnership
- Other (Please describe) \_\_\_\_\_
- Sole Proprietor
- LLC (Limited Liability Corporation)
- Charitable/Nonprofit
- Government Agency
- Medical
- Incorporated**

SIGNATURE: K.W. McCann

DATE: \_\_\_\_\_

Village of Downers Grove

**PROPOSER'S CERTIFICATION** (page 1 of 3)

With regard to Financial Consulting RFP, proposer Speer Financial, Inc hereby certifies  
(Name of Project) (Name of Proposer)  
the following:

1. Proposer is not barred from bidding this contract as a result of violations of Section 720 ILCS 5/33E-3 (Bid Rigging) or 720 ILCS 5/33E-4 (Bid-Rotating);
2. Proposer certifies that it has a written sexual harassment policy in place and is in full compliance with 775 ILCS §12-105(A)(4);
3. Proposer certifies that not less than the prevailing rate of wages as determined by the Village of Downers Grove, DuPage County or the Illinois Department of Labor shall be paid to all laborers, workers and mechanics performing work for the Village of Downers Grove. All bonds shall include a provision as will guarantee the faithful performance of such prevailing wage clause. Proposer agrees to comply with the Illinois Prevailing Wage Act, 820 ILCS 130/1 *et seq.*, for all work completed. Proposer agrees to pay the prevailing wage and require that all of its subcontractors pay prevailing wage to any laborers, workers or mechanics who perform work pursuant to this contract or related subcontract. Proposer and each subcontractor shall keep or cause to be kept an accurate record of names, occupations and actual wages paid to each laborer, workman and mechanic employed by the Proposer in connection with the contract. This record shall be sent to the Village on a monthly basis along with the invoice and shall be open to inspection at all reasonable hours by any representative of the Village or the Illinois Department of Labor and must be preserved for four (4) years following completion of the contract. Proposer certifies that proposer and any subcontractors working on the project are aware that filing false payroll records is a class B misdemeanor and that the monetary penalties for violations are to be paid pursuant to law by the proposer, contractor and subcontractor. The Village shall not be liable for any underpayments. If applicable: Since this is a contract for a fixed public works project, as defined in 820 ILCS 130/2, Contractor agrees to post at the job site in an easily accessible place, the prevailing wages for each craft or type of worker or mechanic needed to execute the contract or work to be performed.
4. Proposer certifies that it is in full compliance with the Federal Highway Administrative Rules on Controlled Substances and Alcohol Use and Testing, 49 C. F.R. Parts 40 and 382 and that all employee drivers are currently participating in a drug and alcohol testing program pursuant to the Rules.
5. Proposer further certifies that it is not delinquent in the payment of any tax administered by the Department of Revenue, or that Proposer is contesting its liability for the tax delinquency or the amount of a tax delinquency in accordance with the procedures established by the appropriate Revenue Act. Proposer further certifies that if it owes any tax payment(s) to the Department of Revenue, Proposer has entered into an agreement with the Department of

**PROPOSER'S CERTIFICATION (page 2 of 3)**

Revenue for the payment of all such taxes that are due, and Proposer is in compliance with the agreement.

BY: Kevin W. McCanna  
Proposer's Authorized Agent

36 - 2515109

FEDERAL TAXPAYER IDENTIFICATION NUMBER



or \_\_\_\_\_  
Social Security Number

Subscribed and sworn to before me  
this 25<sup>th</sup> day of Jan, 2007.

Veronica Davenport  
Notary Public)

(Fill Out Applicable Paragraph Below)

**(a) Corporation**

The Proposer is a corporation organized and existing under the laws of the State of Illinois, which operates under the Legal name of Speck Financial Inc., and the full names of its Officers are as follows:

President: Kevin W. McCanna

Secretary: Daniel D. Forbes

Treasurer: Daniel D. Forbes

and it does have a corporate seal. (In the event that this bid is executed by other than the President, attach hereto a certified copy of that section of Corporate By-Laws or other authorization by the Corporation which permits the person to execute the offer for the corporation.)

**(b) Partnership**

Signatures and Addresses of All Members of Partnership:

\_\_\_\_\_  
N/A  
\_\_\_\_\_  
\_\_\_\_\_

**PROPOSER'S CERTIFICATION** (page 3 of 3)

The partnership does business under the legal name of: Not Applicable  
which name is registered with the office of \_\_\_\_\_ in the state of \_\_\_\_\_

**(c) Sole Proprietor**

The Supplier is a Sole Proprietor whose full name is: Not Applicable  
and if operating under a trade name, said trade name is: \_\_\_\_\_  
which name is registered with the office of \_\_\_\_\_ in the state of \_\_\_\_\_

5. Are you willing to comply with the Village's preceding insurance requirements within 13 days of the award of the contract?

Insurer's Name Pedersen Nowie Clabby & McCausland  
Agent \_\_\_\_\_  
Street Address P.O. BOX 2597  
City, State, Zip Code Waterloo Iowa 50704  
Telephone Number 1-800-373-2821

**I/We affirm that the above certifications are true and accurate and that I/we have read and understand them.**

Print Name of Company: Speer Financial, Inc.

Print Name and Title of Authorizing Signature: Kevin W. McCanna, President

Signature: Kevin W. McCanna

Date: \_\_\_\_\_

## Apprenticeship and Training Certification

(Does not apply to federal aid projects. Applicable only to maintenance and construction projects that use Motor Fuel Tax funds or state grant monies)

Name of Proposer: Speck Financial Inc.

In accordance with the provisions of Section 30-22 (6) of the Illinois Procurement Code, the proposer certifies that it is a participant, either as an individual or as part of a group program, in the approved apprenticeship and training programs applicable to each type of work or craft that the proposer will perform with its own forces. The proposer further certifies for work that will be performed by subcontract that each of its subcontractors submitted for approval either (a) is, at the time of such bid, participating in an approved, applicable apprenticeship and training program; or (b) will, prior to commencement of performance of work pursuant to this contract, begin participation in an approved apprenticeship and training program applicable to the work of the subcontract. The Illinois Department of Labor, at any time before or after award, may require the production of a copy of each applicable Certificate of Registration issued by the United States Department of Labor evidencing such participation by the contractor and any or all of its subcontractors. Applicable apprenticeship and training programs are those that have been approved and registered with the United States Department of Labor. The proposer shall list in the space below, the official name of the program sponsor holding the Certificate of Registration for all of the types of work or crafts in which the proposer is a participant and that will be performed with the proposer's forces. Types of work or craft work that will be subcontracted shall be included and listed as subcontract work. The list shall also indicate any type of work or craft job category that does not have an applicable apprenticeship or training program. **The proposer is responsible for making a complete report and shall make certain that each type of work or craft job category that will be utilized on the project is accounted for and listed. Return this with the bid.**

Not Applicable.

Village of Downers Grove

The requirements of this certification and disclosure are a material part of the contract, and the contractor shall require this certification provision to be included in all approved subcontracts. In order to fulfill this requirement, it shall not be necessary that an applicable program sponsor be currently taking or that it will take applications for apprenticeship, training or employment during the performance of the work of this contract.

Print Name and Title of Authorizing Signature: Kevin W. McCann

Signature: Kevin W. McCann

Date: \_\_\_\_\_

3:\\filer\aperez\My Documents\templates\RFPs\RFPSpecs2006-2.doc