

**VILLAGE OF TOLONO,  
COUNTY OF CHAMPAIGN,  
STATE OF ILLINOIS**

**ORDINANCE NO. 2020-O-19**

**AN ORDINANCE APPROVING A LETTER OF ENGAGEMENT  
FOR ENGAGING A REGISTERED MUNICIPAL ADVISOR**

**by and between**

**THE VILLAGE OF TOLONO, ILLINOIS**

**and**

**THE ECONOMIC DEVELOPMENT GROUP, LTD.**

**ADOPTED BY THE PRESIDENT AND VILLAGE BOARD OF THE  
VILLAGE OF TOLONO, CHAMPAIGN COUNTY, ILLINOIS  
ON THE 1<sup>ST</sup> DAY OF SEPTEMBER, 2020.**

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FOR ENGAGING A REGISTERED MUNICIPAL ADVISOR BY AND  
BETWEEN THE VILLAGE OF TOLONO, ILLINOIS AND  
THE ECONOMIC DEVELOPMENT GROUP, LTD.

BE IT ORDAINED BY THE PRESIDENT AND VILLAGE BOARD OF THE  
VILLAGE OF TOLONO, CHAMPAIGN COUNTY, ILLINOIS, THAT:

1. The U.S. Securities and Exchange Commission's (SEC) final municipal advisor (MA) registration and recordkeeping rules became effective on July 1, 2014. Firms that are engaged in, or plan to be engaged in, municipal advisory activities must be registered with both the SEC and the Municipal Securities Rulemaking Board (MSRB). Therefore, a firm must register as an MA if it provides "advice" to a municipality.

"Advice" is defined under the MA rules promulgated by the SEC to include, without limitation, a recommendation that is particularized to the specific needs, objectives, or circumstances of a municipal entity or obligated person with respect to municipal financing products or the issuance of municipal securities, including with respect to the structure, timing, terms, and other similar matters concerning such financial products or issues, based on all the facts and circumstances; and

2. The Village of Tolono desires to engage a *Registered Municipal Advisor* for the issuance of the proposed *2020 General Obligation Refinancing Bonds*; and
3. The Economic Development Group, Ltd. (EDG) located at 1701 Clearwater Avenue, Bloomington, Illinois is registered as a Municipal Advisor with both the SEC and the MSRB; and
4. The Village President and Village Board of Trustees of the Village of Tolono have evaluated and recommended that the Village engage The Economic Development Group, Ltd. as a *Registered Municipal Advisor* for the purpose of providing the Village with facts, figures and advice on the possible structure, timing, terms, and other matters concerning the potential issuance of the proposed *2020 General Obligation Refinancing Bonds*; and
5. The Village President is hereby authorized and directed to enter into and execute on behalf of the Village said Letter of Engagement attached hereto as ***Exhibit A***, and the Village Clerk of the Village of Tolono is hereby authorized and directed to attest such execution; and
6. The Engagement Letter attached hereto as ***Exhibit A*** shall be effective on the date set forth and executed by the President in said Engagement Letter; and

7. This Ordinance shall be in full force and effect from and after its passage and approval as required by law.

**PASSED, APPROVED AND ADOPTED** by the Corporate Authorities of the Village of Tolono, Illinois, on the 1<sup>st</sup> day of September, A.D., 2020, and deposited and filed in the Office of the City Clerk of said City on that date.

PRESIDENT & TRUSTEES	AYE VOTE	NAY VOTE	ABSTAIN/ABSENT
Vicki Buffo	✓		
Ryan Perry			✓
Jared Robbins	✓		
<del>██████████</del>			
Jared Ping	✓		
Terrence Stuber	✓		
Robert Murphy, President	✓		
TOTAL VOTES:	5		1

APPROVED:   
Village President, Robert Murphy

Date: 9/1/2020

ATTEST:   
Village Clerk, Brandy Dalton

Date: 9/1/2020

Exhibit (A) attached: Engagement Letter of The Economic Development Group, Ltd.



THE ECONOMIC DEVELOPMENT GROUP, LTD.

September 1, 2020

Village of Tolono  
Village President and Village Trustees  
% Mr. Rob Murphy, Village President  
507 West Strong  
P.O. Box 667  
Tolono, IL 61880

**Re: Tolono TIF District - 2020 General Obligation Refinancing Bonds  
Proposed Engagement Agreement Letter**

Dear President Murphy and Village Trustees:

The Village of Tolono designated The Economic Development Group, Ltd. (EDG) as an Independent Registered Municipal Advisor (IRMA) by Ordinance No. 2016-13 on July 19, 2016. As a result of recent financial analyses and discussions undertaken by EDG and other Village officials, it is our understanding that the Village Board now intends to proceed with refinancing the Village's *2012 General Obligation Bonds*, which Bonds are being paid from the Tolono TIF District Fund.

To date, EDG's IRMA activities have been limited to: discussions with the Village regarding the refinancing proposals, alternatives for refinancing and advice regarding general bond repayment schedules that would rely on available tax increment financing funds. At the Village's request, EDG has recently been in communication with the Underwriter to explore general loan terms and rates of interest that may be applicable to this type of debt obligation. EDG has also assisted the Village by obtaining bond counsel advice concerning the potential tax-exempt structure of such refinancing Bonds. The Village will need to engage Bond Counsel for the purpose of reviewing the tax-exempt status of the final terms of the *2020 General Obligation Refinancing Bonds* and providing the Village with a *Bond Counsel Attorney's Opinion Letter*, upon which the Underwriter may rely. *Ice Miller LLP* has also submitted a Letter of Engagement for the Village's consideration to act as Bond Counsel.

Activities that the Economic Development Group, Ltd., shall undertake on behalf of the Village as its *Registered Municipal Advisor* for the *2020 General Obligation Refinancing Bonds* include the following:

- Act in a fiduciary capacity for the Village;
- Assist in developing the plan of finance and related transaction timetable;
- Identify and analyze the final financing solution for funding the Village's refinancing;
- Advise on the method of the Village's placement of the Bonds as necessary to complete the desired financing;
- Coordinate internal/external accountants, feasibility consultants and escrow agents;
- Assist with the selection of underwriter, as well as underwriter compensation issues, syndicate structure and placement allocations;
- Provide analysis and verification of required cash flow calculations;
- Plan and coordinate with the Village, Bond Counsel and Underwriter for the Bond closing(s).

EDG, in acting as your MA, will rely on data from outside sources. EDG will act and provide advice to the best of its ability and knowledge, however, no warranty or guarantee is provided and by entering into this Engagement, the Village hereby releases EDG, its owners, officers, and employees from any liability in connection with advice or information provided pursuant to this Engagement. The Village hereby acknowledges that EDG is not engaged by the Village for the purpose of providing continuing disclosure services, if required, and EDG is not responsible for the Village's prior compliance with continuing disclosure obligations as specified in Rule 15c2-12 under the Securities Exchange Act of 1934.

EDG hereby requests that the Village Board of Trustees approve this Engagement Agreement Letter to further authorize EDG to provide the Village with specific municipal advice for the issuance of said *2020 General Obligation Refinancing Bonds*. EDG will also assist the Village with arranging for the engagement of other professionals, if any, and as may be necessary to accomplish the issuance of the Bonds. **The total professional fee for EDG, including all of its work relating to this project to date, shall not exceed Five Thousand and 00/100 Dollars (\$5,000.00), plus reimbursable costs for mileage at the current IRS maximum rate and incidental costs for postage, printing and photocopying of required documents and transmittals.** EDG acknowledges that the professional fee and reimbursable costs shall be paid by the Village from the proceeds of the *2020 General Obligation Refinancing Bonds*, and that payment is contingent upon the issuance of the Bonds.

We request that the Village Board approve this Letter of Engagement and authorize the Village President to execute the same in order for EDG to proceed as the Village's *Registered Municipal Advisor* for the above referenced transaction.

Respectfully Submitted,

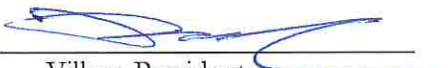


Gwen R. Crawford, Vice President, The Economic Development Group, Ltd.

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Accepted by and on behalf of the Village of Tolono, this 1<sup>st</sup> day of September, 2020.

**Village of Tolono**

By:   
Village President

ATTEST:   
Village Clerk