

## RESOLUTION 18-20

### A RESOLUTION ADOPTING A DISCLOSURE COMPLIANCE POLICY OF THE MORTON GROVE–NILES WATER COMMISSION

**WHEREAS**, the Board of Commissioners (the “Board”) of the Morton Grove–Niles Water Commission, Cook County, Illinois (the “Commission”), has determined that it is necessary and in the best interest of the Commission to ensure compliance with its responsibilities under federal securities laws, including its continuing disclosure undertakings (the “Undertakings”) under Rule 15c2-12 of the Securities Exchange Act of 1934, as amended (the “Rule”), and the statements of the Securities and Exchange Commission (the “SEC”) in enforcement actions; and

**WHEREAS**, it is necessary and in the best interest of the Commission that the Commission adopt appropriate policies and procedures (the “Disclosure Policies and Procedures”) and training to enable the Commission to create accurate disclosures with respect to its (i) preliminary official statements, final official statements and any supplements or amendments thereto, disseminated by the Commission pursuant to the issuance by the Commission of any bonds, notes, certificates or other obligations, (ii) Financial Information, as required by and defined in the Undertakings to be filed with the Municipal Securities Rulemaking Board’s Electronic Municipal Market Access (“EMMA”) system, and (iii) notices of Material Events or Reportable Events, each as defined in the Undertakings, and any other required or voluntary disclosures to EMMA:

**NOW, THEREFORE, BE IT AND IT IS HEREBY RESOLVED BY THE BOARD OF COMMISSIONERS OF THE MORTON GROVE–NILES WATER COMMISSION, COOK COUNTY, ILLINOIS, AS FOLLOWS:**

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

**Section 2.** The Board and the Commission hereby adopt the Disclosure Policies and Procedures attached as **Exhibit “A”** hereto and made a part hereof and, in doing so, amend any similar disclosure policies and procedures heretofore adopted.

**Section 3.** If any section, paragraph, clause or provision of this Resolution shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such section, paragraph, clause or provision shall not affect any of the remaining provisions of this Resolution.

**Section 4.** All resolutions or parts thereof in conflict herewith be and the same are hereby repealed and this Resolution shall be in full force and effect forthwith upon its adoption.

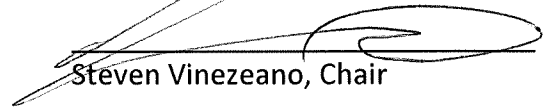
**ADOPTED** this 25th day of January 2018, pursuant to a roll call vote as follows:

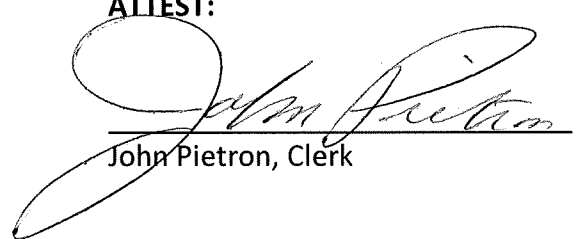
**AYES:** John Pietron and Steven Vinezeano

**NAYS:** None

**ABSENT:** None (Cook County Appointee not appointed yet)

**PASSED** by the Board of Commissioners of the Morton Grove-Niles Water Commission, Cook County, Illinois on a roll call vote at a Regular Meeting thereof held on the 25th day of January 2018, and approved by the Chair, and attested by the Clerk on the same day.

  
Steven Vinezeano, Chair

**ATTEST:**  
  
John Pietron, Clerk

**EXHIBIT A**

**MORTON GROVE–NILES WATER COMMISSION,  
COOK COUNTY, ILLINOIS  
(THE “COMMISSION”)  
POLICIES AND PROCEDURES FOR PREPARING AND UPDATING DISCLOSURES**

Pursuant to the Commission’s responsibilities under the securities laws, including its continuing disclosure undertakings (the “*Undertakings*”) under Rule 15c2-12 of the Securities Exchange Act of 1934, as amended, and the Securities and Exchange Commission’s statements in enforcement actions, it is necessary and in the best interest of the Commission that the Commission’s (i) preliminary and final official statements or offering circulars and any supplements or amendments thereto (collectively, the “*Official Statements*”), disseminated by the Commission in connection with any bonds, notes, certificates or other obligations, (ii) Annual Financial Information or Financial Information, as required by and defined in the Undertakings (the “*Annual Financial Information*”) to be filed with the Municipal Securities Rulemaking Board’s (“*MSRB*”) Electronic Municipal Market Access (“*EMMA*”) system, and (iii) notices of Material Events or Reportable Events, each as defined in the Undertakings, and any other required or voluntary disclosures to EMMA (each, an “*EMMA Notice*”) comply in all material respects with the federal securities laws. Further, it is necessary and in the best interest of the Commission that the Commission adopt policies and procedures to enable the Commission to create accurate disclosures with respect to its (i) Official Statements, (ii) Annual Financial Information, and (iii) EMMA Notices. Official Statements, Annual Financial Information and EMMA Notices are collectively referred to herein as the “*Disclosures*.”

In response to these interests, the Commission hereby adopts the following policies and procedures (the “*Disclosure Policy*”):

(a) *Disclosure Officer.* The Superintendent of the Commission (the "*Disclosure Officer*") is hereby designated as the officer responsible for the procedures related to Disclosures as hereinafter set forth (collectively, the "*Disclosure Procedures*").

(b) *Disclosure Procedures: Official Statements.* Whenever an Official Statement will be disseminated in connection with the issuance of obligations by the Commission, the Disclosure Officer will oversee the process of preparing the Official Statement pursuant to the following procedures:

1. The Commission shall select (a) the working group for the transaction, which group may include outside professionals such as disclosure counsel, a municipal advisor and an underwriter (the "*Working Group*") and (b) the member of the Working Group responsible for preparing the first draft of the Official Statement.

2. The Disclosure Officer shall review and make comments on the first draft of the Official Statement. Such review shall be done in order to determine that the Official Statement does not include any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements made in the Official Statement not misleading. Particular attention shall be paid to the accuracy of all descriptions, significant information and financial data regarding the Commission. Examples include confirming that information relating to the Commission, including but not limited to demographic changes, the addition or loss of major employers, the addition or loss of major taxpayers or any other material information within the knowledge of the Disclosure Officer, is included and properly disclosed. The Disclosure Officer shall also be responsible for ensuring that the financial data presented with regard to the Commission is accurate and corresponds with the financial information in the Commission's possession, including but not limited to information regarding bonded indebtedness, notes, certificates, outstanding leases, tax rates or any other financial information of the Commission presented in the Official Statement.

3. After completion of the review set forth in 2. above, the Disclosure Officer shall (a) discuss the first draft of the Official Statement with the Commissioners of the Working Group and such staff and officials of the Commission as the Disclosure Officer deems necessary and appropriate and (b) provide comments, as appropriate, to the Commissioners of the Working Group. The Disclosure Officer shall also consider comments from Commissioners of the Working Group and whether any additional changes to the Official Statement are necessary or desirable to make the document compliant with the requirements set forth in 2. above.

4. The Disclosure Officer shall continue to review subsequent drafts of the Official Statement in the manner set forth in 2. and 3. above.

5. If, in the Disclosure Officer's reasonable judgment, the Official Statement does not include any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements made in the Official Statement not misleading, the Official Statement may, in the reasonable discretion of the Disclosure Officer, be released for dissemination to the public; *provided, however*, that the use of the Official Statement must be ratified, approved and authorized by the Board of Commissioners of the Commission (the "Board").

(c) *Disclosure Procedures: Annual Financial Information.* The Disclosure Officer will oversee the process of preparing the Annual Financial Information pursuant to these procedures:

1. By June 15 of each year (the same being at least 30 days prior to the last date on which the Annual Financial Information is required to be disseminated pursuant to the related Undertaking), the Disclosure Officer shall begin to prepare (or hire an agent to prepare) the Annual Financial Information. The Disclosure Officer shall also review the audited or unaudited financial statements, as applicable, to be filed as part of the Annual Financial Information (the "*Financial Statements*"). In addition to the required updating of the Annual Financial Information, the Disclosure Officer should consider whether additional information needs to be added to the Annual Financial Information in order to make the Annual Financial Information, including the Financial Statements, taken as a whole, correct and complete in all material respects. For example, if disclosure of events that occurred subsequent to the date of the Financial Statements would be necessary in order to clarify, enhance or correct information presented in the Financial Statements, in order to make the Annual Financial Information, taken as a whole, correct and complete in all material respects, disclosure of such subsequent events should be made.

2. If, in the Disclosure Officer's reasonable judgment, the Annual Financial Information, including the Financial Statements, is correct and complete in all material respects, the Disclosure Officer shall file the Annual Financial Information with EMMA (or confirm that such filing is completed by any agent hired by the Commission for such purpose) within the timeframe allowed for such filing.

(d) *Disclosure Procedures: EMMA Notices.* Whenever the Commission determines to file an EMMA Notice, or whenever the Commission decides to make a voluntary filing to EMMA, the Disclosure Officer will oversee the process of preparing the EMMA Notice pursuant to these procedures:

1. The Disclosure Officer shall prepare (or hire an agent to prepare) the EMMA Notice. The EMMA Notice shall be prepared in the form required by the MSRB.

2. In the case of a disclosure required by an Undertaking, the Disclosure Officer shall determine whether any changes to the EMMA Notice are necessary to make the document compliant with the Undertaking.

3. If, in the Disclosure Officer's reasonable judgment, the EMMA Notice is correct and complete and, in the case of a disclosure required by an Undertaking, complies with the Undertaking, the Disclosure Officer shall file the EMMA Notice with EMMA (or confirm that such filing is completed by any agent hired by the Commission for such purpose) within the timeframe allowed for such filing.

(e) *Additional Responsibilities of the Disclosure Officer.* The Disclosure Officer, in addition to the specific responsibilities outlined above, shall have general oversight of the entire disclosure process, which shall include:

1. Scheduling email reminders with EMMA to help ensure timely filing of the Commission's Annual Financial Information;

2. Maintaining appropriate records of compliance with this Disclosure Policy (including proofs of EMMA filings) and decisions made with respect to issues that have been raised;

3. Evaluating the effectiveness of the procedures contained in this Disclosure Policy; and

4. Making recommendations to the Board as to whether revisions or modifications to this Disclosure Policy are appropriate.

(f) *General Principles.*

1. All participants in the disclosure process should be encouraged to raise potential disclosure items at all times in the process.

2. The process of revising and updating the Disclosures should not be viewed as a mechanical insertion of current numbers. While it is not anticipated that there will be major changes in the form and content of the Disclosures at the time of each update, the Disclosure Officer should consider whether such changes are necessary or desirable in order to make sure the Disclosure does not make any untrue statement of a material fact or omit to state a material fact necessary or desirable, in order to make the statements made, in light of the circumstances in which they were made, not misleading at the time of each update.

3. Whenever the Commission releases information, whether in written or spoken form, that may reasonably be expected to reach investors, it is said to be "speaking to the market." When speaking to the market, Commission

officials must be sure that the released information does not make any untrue statement of a material fact or omit to state a material fact necessary or desirable, in order to make the statements made, in light of the circumstances in which they were made, not misleading.

4. While care should be taken not to shortcut or eliminate any steps outlined in this Disclosure Policy on an ad hoc basis, the review and maintenance of the Disclosures is a fluid process and recommendations for improvement of these Disclosure Procedures should be solicited and regularly considered.

5. The Disclosure Officer is authorized to request and pay for attendance at relevant conferences or presentations or annual training sessions conducted by outside counsel, consultants or experts in order to ensure a sufficient level of knowledge for the effective administration of this Disclosure Policy.

STATE OF ILLINOIS    )  
  ) SS  
COUNTY OF COOK    )

**CLERK’S CERTIFICATE**

I, John Pietron, Clerk of the Morton Grove-Niles Water Commission, Cook County, State of Illinois, certify that the attached and foregoing is a true and correct copy of that certain Resolution now on file in my office, entitled:

**RESOLUTION 18-20  
A RESOLUTION ADOPTING A DISCLOSURE COMPLIANCE POLICY OF  
THE MORTON GROVE–NILES WATER COMMISSION**

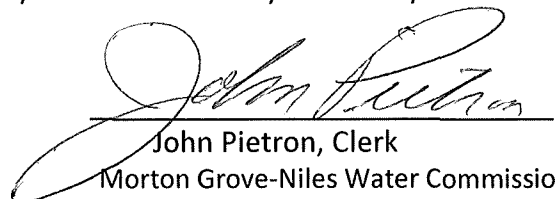
which Resolution was passed by the Board of Commissioners of the Morton Grove-Niles Water Commission at a Regular Meeting held on the 25th day of January, 2018, at which meeting a quorum was present.

I further certify that the vote on the question of the passage of said Resolution by the Board of Commissioners of the Morton Grove-Niles Water Commission was taken by Ayes and Nays and recorded in the minutes of the Board of Commissioners of the Morton Grove-Niles Water Commission, and that the result of said vote was as follows, to-wit:

- AYES:**           John Pietron and Steven Vinezeano
- NAYS:**           None
- ABSENT:**       None (Cook County Appointee not appointed yet)

I do further certify that the original Resolution, of which the foregoing is a true copy, is entrusted to my care for safekeeping, and that I am the lawful keeper of the same.

**IN WITNESS WHEREOF**, I have hereunto set my hand this 25th day of January 2018.

  
John Pietron, Clerk  
Morton Grove-Niles Water Commission