

ORDINANCE NO. 19-20

ORDINANCE AUTHORIZING THE ISSUANCE OF GENERAL OBLIGATION REFUNDING BONDS (ALTERNATE REVENUE SOURCE), SERIES 2019A AND SERIES 2019B, OF THE COUNTY OF KENDALL, ILLINOIS

BE IT ORDAINED BY THE COUNTY BOARD OF THE COUNTY OF KENDALL, ILLINOIS, AS FOLLOWS:

**Section 1. Authority and Purposes.** This ordinance is adopted pursuant to the Counties Code, 55 Illinois Compiled Statutes 5, and the Local Government Debt Reform Act, 30 Illinois Compiled Statutes 350, for the purposes of (A) refunding a portion of the outstanding General Obligation Refunding Bonds (Alternate Revenue Source) Series 2010 (the "2010 Bonds") of The County of Kendall, Illinois (the "County") and (B) a portion of the outstanding General Obligation Refunding Bonds, Alternate Revenue Source Series 2011 (the "2011 Bonds") of the County.

**Section 2. Findings and Determinations.** It is found and determined that:

(A) On September 28, 2010, the County issued the 2010 Bonds as "alternate bonds" under the provisions of Section 15 of the Local Government Debt Reform Act for the purpose of refunding a portion of the General Obligation Bonds (Alternate Revenue Source), Series 2002A (the "2002A Bonds") of the County. The 2002A Bonds were issued for the purpose of financing the expansion of the County jail, including furnishings, equipment, site improvements and the renovation of existing facilities.

(B) The County hereby determines to refund the \$3,340,000 outstanding principal amount of the 2010 Bonds maturing in the years 2020, 2021 and 2022 (the "2010 Refunded Bonds") and elects to redeem the 2010 Refunded Bonds on December 1, 2019

(the "Redemption Date") at the redemption price for each 2010 Refunded Bond to be redeemed equal to 100% of the principal amount thereof.

(C) The County will refund the 2010 Refunded Bonds by the issuance of the General Obligation Refunding Bonds (Alternate Revenue Source), Series 2019A, of the County (the "2019A Bonds") which are authorized by Section 3 of this ordinance. The 2010 Bonds shall be issued as "alternate bonds" pursuant to the provisions of Section 15 of the Local Government Debt Reform Act.

(D) The County intends to deposit in the 2019 Escrow Fund to be established pursuant to the 2019 Escrow Deposit Agreement described in Section 20 of this ordinance, proceeds of the 2019A Bonds, which together with any contribution of funds of the County deposited in the 2019 Escrow Fund, will be sufficient to pay (i) the redemption price on the 2010 Refunded Bonds on the Redemption Date and (ii) the interest to be due on each 2010 Refunded Bond on the Redemption Date.

(E) It is determined that (i) the term of the 2019A Bonds shall not be longer than the term of the 2010 Refunded Bonds; and (ii) the debt service payable in any year on the 2019A Bonds (net of capitalized interest) shall not exceed the debt service payable in such year on the 2010 Refunded Bonds.

(F) The 2019A Bonds shall be payable from the additional sales tax receipts derived by the County from the sales tax for public safety purposes imposed at the rate of 1/2 of 1% pursuant to the Special County Occupation Tax for Public Safety Law, 55 Illinois Compiled Statutes 5/5-1006.5, and by virtue of a public question authorizing the imposition of the public safety tax, which was approved by the electors of the County at the consolidated election held on April 3, 2001 (the "Public Safety Tax Revenues").

The Public Safety Tax Revenues constitute a "Revenue Source" within the meaning of Section 15 of the Local Government Debt Reform Act.

(G) Other than the 2019A Bonds and the 2010 Bonds, no other outstanding bonds, notes or obligations of the County are secured by a pledge of the Public Safety Tax Revenues.

(H) On December 8, 2011, the County issued the 2011 Bonds as "alternate bonds" under the provisions of Section 15 of the Local Government Debt Reform Act for the purpose of refunding the General Obligation Bonds, Alternate Revenue Source Series 2002B, of the County (the "2002B Bonds"). The 2002B Bonds were issued for financing the construction of a new County office building including furnishings and equipment to be located at the Kendall County Government Campus in the City of Yorkville, Illinois.

(I) The County hereby determines to refund the \$3,020,000 outstanding principal amount of the 2011 Bonds maturing in the years 2020 to 2032, both inclusive (the "2011 Refunded Bonds" and together with the 2010 Refunded Bonds, the "Refunded Bonds"), and elects to redeem the 2011 Refunded Bonds on the Redemption Date at the redemption price for each 2011 Refunded Bond to be redeemed equal to 100% of the principal amount thereof.

(J) The County will refund the 2011 Refunded Bonds by the issuance of the General Obligation Refunding Bonds (Alternate Revenue Source), Series 2019B, of the County (the "2019B Bonds") which are authorized by Section 4 of this ordinance. The 2019B Bonds shall be issued as "alternate bonds" pursuant to the provisions of Section 15 of the Local Government Debt Reform Act.

(K) The County intends to deposit in the 2019 Escrow Fund under the 2019 Escrow Deposit Agreement, proceeds of the 2019B Bonds, which together with any contribution of funds of the County deposited in the 2019 Escrow Fund, will be sufficient to pay (i) the redemption price on the 2011 Refunded Bonds on the Redemption Date and (ii) the interest to be due on each 2011 Refunded Bond on the Redemption Date.

(L) It is determined that (i) the term of 2019B Bonds shall not be longer than the term of the 2011 Refunded Bonds; and (ii) the debt service payable in any year on the 2019B Bonds shall not exceed the debt service payable in such year on the 2011 Refunded Bonds.

(M) The 2019B Bonds shall be payable from (i) the sales tax receipts derived by the County from taxes (the "General Sales Taxes") imposed under the Use Tax Act, 35 Illinois Compiled Statutes 105, the Service Use Tax, 35 Illinois Compiled Statutes 110, the Service Occupation Tax Act, 35 Illinois Compiled Statutes 115, and the retailer's Occupation Tax Act, 35 Illinois Compiled Statutes 120, including the 1% share of sales tax imposed in unincorporated areas of the County and the 1/4 of 1% supplemental sales tax imposed throughout the County and (ii) the state income tax receipts deposited in the Local Government Distributive Fund of the State of Illinois that are allocated and paid to the County pursuant to the State Revenue Sharing Act (collectively, the "General Tax Revenues"). The General Tax Revenues constitute a "Revenue Source" within the meaning of Section 15 of the Local Government Debt Reform Act.

(N) Other than the 2011 Bonds, the General Obligation Refunding Bonds (Alternate Revenue Source), Series 2016 and the General Obligation Refunding Bonds (Alternate Revenue Source), Series 2017, of the County (collectively, the "Parity Bonds")



and the 2019B Bonds, no other outstanding bonds, notes or obligations of the County are secured by a pledge of the General Tax Revenues.

**Section 3. Authorization and Terms of 2019A Bonds.** The sum of \$3,385,790.12 is appropriated to meet the estimated cost of refunding the 2010 Refunded Bonds, including the costs of issuance of the 2019A Bonds. The 2019A Bonds are authorized to be issued and sold in the aggregate principal amount of \$3,210,000 pursuant to applicable provisions of the Local Government Debt Reform Act for the purpose of financing said appropriation. The 2019A Bonds shall be designated "General Obligation Refunding Bonds (Alternate Revenue Source), Series 2019A."

The 2019A Bonds shall mature (without option of prior redemption) on December 1 in each year shown in the following table in the respective principal amount set forth opposite each such year and the 2019A Bonds maturing in each such year shall bear interest at the respective rate set opposite such year:

<u>Year</u>	<u>Principal Amount</u>	<u>Interest Rate</u>
2020	\$ 1,135,000	4.00%
2021	\$ 1,210,000	4.00%
2022	\$ 865,000	4.00%

Each 2019A Bond shall bear interest from its date, computed on the basis of a 360 day year consisting of twelve 30 day months and payable in lawful money of the United States of America on December 1, 2019 and semiannually thereafter on each June 1 and December 1 at the rates per annum herein determined.

**Section 4. Authorization and Terms of 2019B Bonds.** The sum of \$3,064,222.87 is appropriated to meet the estimated cost of refunding the 2011 Refunded Bonds, including the costs of issuance of the 2019B Bonds. The 2019B Bonds are authorized to be issued and sold in the aggregate principal amount of \$2,800,000

pursuant to applicable provisions of the Local Government Debt Reform Act for the purpose of financing said appropriation. The 2019B Bonds shall be designated “General Obligation Refunding Bonds (Alternate Revenue Source), Series 2019B”.

The 2019B Bonds shall mature on December 1 in each year shown in the following table in the respective principal amount set forth opposite each such year and the 2019B Bonds maturing in each such year shall bear interest at the respective rate per annum set forth opposite such year:

<u>Year</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Year</u>	<u>Principal Amount</u>	<u>Interest Rate</u>
2020	\$170,000	4.00%	2026	\$200,000	4.00%
2021	\$180,000	4.00%	2027	\$220,000	4.00%
2022	\$190,000	4.00%	2028	\$230,000	4.00%
2023	\$170,000	4.00%	2029	\$240,000	4.00%
2024	\$190,000	4.00%	2030	\$260,000	4.00%
2025	\$190,000	4.00%	2032	\$560,000	2.35%

Each 2019B Bond shall bear interest from its date, computed on the basis of a 360 day year consisting of twelve 30 day months and payable in lawful money of the United States of America on December 1, 2019 and semiannually thereafter on each June 1 and December 1 at the rates per annum herein determined.

The 2019B Bonds maturing on or after December 1, 2028 shall be subject to redemption prior to maturity at the option of the County and upon notice as herein provided, in such principal amounts and from such maturities as the County shall determine and by lot within a single maturity, on December 1, 2027 and on any date thereafter, at a redemption price equal to the principal amount thereof to be redeemed.

The 2019B Bonds maturing on December 1, 2032, shall be subject to mandatory redemption, in part and by lot, on December 1, 2031 in the principal amount of \$275,000

constituting a sinking fund installment for the retirement of the 2019B Bonds maturing on December 1, 2032.

The final principal amount of the 2019B Bonds maturing on December 1, 2032, is \$285,000.

All 2019B Bonds subject to mandatory sinking fund redemption shall be redeemed at a redemption price equal to the principal amount thereof to be redeemed. The bond registrar is hereby authorized and directed to mail notice of the mandatory sinking fund redemption of the 2019B Bonds in the manner herein provided.

Whenever 2019B Bonds subject to mandatory sinking fund redemption are redeemed at the option of the County, the principal amount thereof so redeemed shall be credited against the unsatisfied balance of future sinking fund installments or final principal amount established with respect to such 2019B Bonds, in such amounts and against such installments or final principal amount as shall be determined by the County in the proceedings authorizing such optional redemption or, in the absence of such determination, shall be credited pro-rata against the unsatisfied balance of the applicable sinking fund installments and final principal amount.

On or prior to the 60<sup>th</sup> day preceding any sinking fund installment date, the County may purchase 2019B Bonds, which are subject to mandatory redemption on such sinking fund installment date, at such prices as the County shall determine. Any 2019B Bond so purchased shall be cancelled and the principal amount thereof so purchased shall be credited against the unsatisfied balance of the next ensuing sinking fund installment of the 2019B Bonds of the same maturity as the 2019B Bond so purchased.

In the event of the redemption of less than all the 2019B Bonds of like maturity, the aggregate principal amount thereof to be redeemed shall be \$5,000 or an integral multiple thereof and the bond registrar shall assign to each 2019B Bond of such maturity a distinctive number for each \$5,000 principal amount of such 2019B Bond and shall select by lot from the numbers so assigned as many numbers as, at \$5,000 for each number, shall equal the principal amount of such 2019B Bonds to be redeemed. The 2019B Bonds to be redeemed shall be the 2019B Bonds to which were assigned numbers so selected; provided that only so much of the principal amount of each 2019B Bond shall be redeemed as shall equal \$5,000 for each number assigned to it and so selected.

Notice of the redemption of 2019B Bonds shall be mailed not less than 30 days nor more than 60 days prior to the date fixed for such redemption to the registered owners of 2019B Bonds to be redeemed at their last addresses appearing on said registration books. The 2019B Bonds or portions thereof specified in said notice shall become due and payable at the applicable redemption price on the redemption date therein designated, and if, on the redemption date, moneys for payment of the redemption price of all the 2019B Bonds or portions thereof to be redeemed, together with interest to the redemption date, shall be available for such payment on said date, and if notice of redemption shall have been mailed as aforesaid (and notwithstanding any defect therein or the lack of actual receipt thereof by any registered owner) then from and after the redemption date interest on such 2019B Bonds or portions thereof shall cease to accrue and become payable. If there shall be drawn for redemption less than all of a 2019B Bond, the County shall execute and the bond registrar shall authenticate and deliver, upon the surrender of such 2019B Bond, without charge to the owner thereof, in exchange

for the unredeemed balance of the 2019B Bond so surrendered, 2019B Bonds of like maturity and interest rate and of the denomination of \$5,000 or any integral multiple thereof.

The bond registrar shall not be required to transfer or exchange any 2019B Bond after notice of the redemption of all or a portion thereof has been mailed. The bond registrar shall not be required to transfer or exchange any 2019B Bond during a period of 15 days next preceding the mailing of a notice of redemption that could designate for redemption all or a portion of such 2019B Bond.

**Section 5. General Terms of Bonds.** The 2019 Bonds shall be issuable in the denominations of \$5,000 or any integral multiple thereof and may bear such identifying numbers or letters as shall be useful to facilitate the registration, transfer and exchange of 2019 Bonds. Unless otherwise determined in the order to authenticate and deliver 2019 Bonds, each 2019 Bond delivered upon the original issuance of the 2019 Bonds shall be dated as of its date of delivery. Each 2019 Bond thereafter issued upon any transfer, exchange or replacement of 2019 Bonds shall be dated so that no gain or loss of interest shall result from such transfer, exchange or replacement.

The principal of the 2019 Bonds shall be payable in lawful money of the United States of America upon presentation and surrender thereof at the corporate trust office of Amalgamated Bank of Chicago, in the City of Chicago, Illinois, which is hereby appointed as bond registrar and paying agent for the 2019 Bonds. Interest on the 2019 Bonds shall be payable on each interest payment date to the registered owners of record thereof appearing on the registration books maintained by the County for such purpose at the corporate trust office of the bond registrar, as of the close of business on the 15<sup>th</sup> day of

the calendar month next preceding the applicable interest payment date. Interest on the 2019 Bonds shall be paid by check or draft mailed to such registered owners at their addresses appearing on the registration books or by wire transfer pursuant to an agreement by and between the County and the registered owner.

**Section 6. Approval of Financing Documents.** The form of Preliminary Official Statement of the County with respect to the 2019 Bonds, in substantially the form on file in the office of the County Clerk, with such changes, omissions, insertions and revisions as the Chairman shall deem advisable, the distribution thereof to prospective purchasers and the use thereof in connection with the offering of the 2019 Bonds is authorized and approved. The Official Statement with respect to the 2019 Bonds is “deemed final” as of its date for purposes of Securities and Exchange Commission Rule 15c2-12 promulgated under the Securities Exchange Act of 1934. The Chairman and the County Administrator are each authorized to permit the distribution of the Official Statement with such changes, omissions, insertions and revisions as he shall deem advisable.

The form of the Bond Purchase Agreement by and between the County and the Bernardi Securities, Inc., the underwriter of the 2019 Bonds (the “Underwriter”), in substantially the form on file in the office of the County Clerk, with such changes, omissions, insertions and revisions as the Chairman shall deem advisable, is authorized and approved. The County Chairman and the County Administrator are each authorized to execute and deliver the final form of the Bond Purchase Agreement.

**Section 7. Sale and Delivery of 2019 Bonds.** The 2019A Bonds are sold to the Underwriter at a price of \$3,385,790.12 and accrued interest from their date to the date of delivery and payment therefor. The 2019B Bonds are sold to the Underwriter at a price

of \$3,064,222.87 and accrued interest from their date to the date of delivery and payment therefor.

The Chairman, the County Administrator, the County Clerk and other officials of the County are authorized and directed to do and perform, or cause to be done or performed for or on behalf of the County each and every thing necessary for the issuance of the 2019 Bonds, including the proper execution and delivery of the 2019 Bonds, the Bond Purchase Agreement and the Official Statement.

**Section 8. Execution and Authentication.** Each 2019 Bond shall be executed in the name of the County by the manual or authorized facsimile signature of the Chairman and the corporate seal of the County, or a facsimile thereof, shall be thereunto affixed or otherwise reproduced thereon and attested by the manual or authorized facsimile signature of its County Clerk.

In case any officer whose signature, or a facsimile of whose signature, shall appear on any 2019 Bond shall cease to hold such office before the issuance of the 2019 Bond, such 2019 Bond shall nevertheless be valid and sufficient for all purposes, the same as if the person whose signature, or a facsimile thereof, appears on such 2019 Bond had not ceased to hold such office. Any 2019 Bond may be signed, sealed or attested on behalf of the County by any person who, on the date of such act, shall hold the proper office, notwithstanding that at the date of such 2019 Bond such person may not have held such office. No recourse shall be had for the payment of any 2019 Bonds against any officer who executes the 2019 Bonds.

Each 2019 Bond shall bear thereon a certificate of authentication executed manually by the bond registrar. No 2019 Bond shall be entitled to any right or benefit

under this ordinance or shall be valid or obligatory for any purpose until such certificate of authentication shall have been duly executed by the bond registrar.

**Section 9. Transfer, Exchange and Registry.** The 2019 Bonds shall be negotiable, subject to the provisions for registration of transfer contained herein. Each 2019 Bond shall be transferable only upon the registration books maintained by the County for that purpose at the principal corporate trust office of the bond registrar, by the registered owner thereof in person or by his attorney duly authorized in writing, upon surrender thereof together with a written instrument of transfer satisfactory to the bond registrar and duly executed by the registered owner or his duly authorized attorney. Upon the surrender for transfer of any such 2019 Bond, the County shall execute and the bond registrar shall authenticate and deliver a new 2019 Bond or Bonds registered in the name of the transferee, of the same aggregate principal amount, series, maturity and interest rate as the surrendered 2019 Bond. 2019 Bonds, upon surrender thereof at the principal corporate trust office of the bond registrar, with a written instrument satisfactory to the bond registrar, duly executed by the registered owner or his attorney duly authorized in writing, may be exchanged for an equal aggregate principal amount of 2019 Bonds of the same series, maturity and interest rate and of the denomination of \$5,000 or any integral multiple thereof.

For every such exchange or registration of transfer of 2019 Bonds, the County or the bond registrar may make a charge sufficient for the reimbursement of any tax, fee or other governmental charge required to be paid with respect to such exchange or transfer, which sum or sums shall be paid by the person requesting such exchange or transfer as a condition precedent to the exercise of the privilege of making such exchange or transfer.



No other charge shall be made for the privilege of making such transfer or exchange. The provisions of the Illinois Bond Replacement Act shall govern the replacement of lost, destroyed or defaced 2019 Bonds.

The County and the bond registrar may deem and treat the person in whose name any 2019 Bond shall be registered upon the registration books as the absolute owner of such 2019 Bond, whether such 2019 Bond shall be overdue or not, for the purpose of receiving payment of, or on account of, the principal of or interest thereon and for all other purposes whatsoever, and all such payments so made to any such registered owner or upon his order shall be valid and effectual to satisfy and discharge the liability upon such 2019 Bond to the extent of the sum or sums so paid, and neither the County nor the bond registrar shall be affected by any notice to the contrary.

**Section 10. General Obligations.** The full faith and credit of the County are hereby irrevocably pledged to the punctual payment of the principal of and interest on the 2019 Bonds. The 2019 Bonds shall be direct and general obligations of the County, and the County shall be obligated to levy ad valorem taxes upon all the taxable property in the County for the payment of the 2019 Bonds and the interest thereon, without limitation as to rate or amount.

**Section 11. Imposition of the Public Safety Tax.** The County covenants that it will continue to impose a retailers' occupation tax for public safety purposes at the rate of  $\frac{1}{2}$  of 1% upon all persons engaged in the business of selling tangible personal property at retail in the County on gross receipts from the sales made in the course of their business. This tax is imposed pursuant to, and to the extent permitted by, the Special County Occupation Tax For Public Safety Law and by virtue of a public question approved

by the electors of the County at the consolidated election held on April 3, 2001. The County also covenants that it will continue to impose a service occupation tax for public safety purposes pursuant to, and to the extent permitted by, the Special County Occupation Tax For Public Safety Law at the rate of ½ of 1% upon all persons engaged, in the County, in the business of making sales of service, who, as an incident to making those sales of service, transfer tangible personal property within the County as an incident to a sale of service.

**Section 12. Pledge of Public Safety Tax Revenues.** The Public Safety Tax Revenues are hereby pledged to the payment of the 2019A Bonds on a parity with the prior pledge of the Public Safety Tax Revenues as security for the payment of the 2010 Bonds. The County Board, on behalf of the County, to the extent it is empowered to do so, covenants to provide for, collect and apply the Public Safety Tax Revenues to the payment of the 2019A Bonds and the outstanding 2010 Bonds and the provision of not less than an additional .25 times the annual debt service on the 2019A Bonds and the outstanding 2010 Bonds.

The pledge of the Public Safety Tax Revenues herein provided for the payment of the 2019A Bonds may be made junior and subordinate to any pledge of the Public Safety Tax Revenues hereafter made for the benefit and security of the owners of bonds of the County payable from, or issued with respect to, such Public Safety Tax Revenues. The County may issue additional bonds payable from, and secured by a lien on, the Public Safety Tax Revenues, on a parity with the 2019A Bonds.

The County shall apply the Public Safety Tax Revenues in an amount that shall be sufficient to provide for the timely payment of the principal of and interest on the 2019A Bonds as the same shall become due and payable.

**Section 13. Form of 2019A Bonds.** The 2019A Bonds shall be issued as fully registered bonds and shall be in substantially the following form, the blanks to be appropriately completed when the 2019A Bonds are printed:

No. \_\_\_\_\_

United States of America  
State of Illinois  
THE COUNTY OF KENDALL  
GENERAL OBLIGATION REFUNDING BOND  
(ALTERNATE REVENUE SOURCE), SERIES 2019A

<u>INTEREST RATE</u>	<u>MATURITY DATE</u>	<u>DATED DATE</u>	<u>CUSIP</u>
. %	December 1, 20__	_____, 2019	_____

REGISTERED OWNER: Cede & Co.

PRINCIPAL AMOUNT:

THE COUNTY OF KENDALL, a political subdivision of the State of Illinois, acknowledges itself indebted and for value received hereby promises to pay to the registered owner of this bond, or registered assigns, the principal amount specified above on the maturity date specified above, and to pay interest on such principal amount from the date hereof at the interest rate per annum specified above, computed on the basis of a 360 day year consisting of twelve 30 day months and payable in lawful money of the United States of America on December 1, 2019 and semiannually thereafter on June 1 and December 1 in each year until the principal amount shall have been paid, to the registered owner of record hereof as of the 15<sup>th</sup> day of the calendar month next preceding such interest payment date, by wire transfer pursuant to an agreement by and between the County and the registered owner, or otherwise by check or draft mailed to the registered owner at the address of such owner appearing on the registration books maintained by the County for such purpose at the principal corporate trust office of Amalgamated Bank of Chicago, in the City of Chicago, Illinois, as bond registrar or its successor (the "Bond Registrar"). This bond, as to principal when due, will be payable in lawful money of the United States of America upon presentation and surrender of this

bond at the principal corporate trust office of the Bond Registrar. The full faith and credit of the County are irrevocably pledged for the punctual payment of the principal of and interest on this bond according to its terms.

This bond is one of a series of bonds issued in the aggregate original principal amount of \$3,210,000, which are authorized and issued under and pursuant to the Local Government Debt Reform Act and under and in accordance with an ordinance adopted by the County Board of the County on August 6, 2019 and entitled: "Ordinance Authorizing the Issuance of General Obligation Refunding Bonds (Alternate Revenue Source), Series 2019A and Series 2019B, of The County of Kendall, Illinois" (the "Bond Ordinance").

This bond is an "alternate bond" issued pursuant to Section 15 of the Local Government Debt Reform Act and is also secured by a pledge of the additional sales tax receipts derived by the County from the sales tax for public safety purposes imposed pursuant to the Special County Occupation Tax For Public Safety Law, to the extent, and in the manner, provided in the Local Government Debt Reform Act and the Bond Ordinance.

This bond is transferable only upon such registration books by the registered owner hereof in person, or by his attorney duly authorized in writing, upon surrender hereof at the principal corporate trust office of the Bond Registrar together with a written instrument of transfer satisfactory to the Bond Registrar duly executed by the registered owner or by his duly authorized attorney, and thereupon a new registered bond or bonds, in the authorized denominations of \$5,000 or any integral multiple thereof and of the same aggregate principal amount, maturity and interest rate as this bond shall be issued to the

transferee in exchange therefor. In like manner, this bond may be exchanged for an equal aggregate principal amount of bonds of the same maturity and interest rate and of any of such authorized denominations. The County or the Bond Registrar may make a charge sufficient for the reimbursement of any tax, fee or other governmental charge required to be paid with respect to the transfer or exchange of this bond. No other charge shall be made for the privilege of making such transfer or exchange. The County and the Bond Registrar may treat and consider the person in whose name this bond is registered as the absolute owner hereof for the purpose of receiving payment of, or on account of, the principal and interest due hereon and for all other purposes whatsoever.

This bond shall not be valid or become obligatory for any purpose until the certificate of authentication hereon shall have been duly executed by the Bond Registrar.

It is hereby certified, recited and declared that this bond is issued in part pursuant to the Local Government Debt Reform Act, that all acts, conditions and things required to be done, exist and be performed precedent to and in the issuance of this bond in order to make it a legal, valid and binding obligation of the County have been done, exist and have been performed in regular and due time, form and manner as required by law, and that the series of bonds of which this bond is one, together with all other indebtedness of the County, is within every debt or other limit prescribed by law.

IN WITNESS WHEREOF, The County of Kendall has caused this bond to be executed in its name and on its behalf by the manual or facsimile signature of the Chairman of its County Board, and its corporate seal, or a facsimile thereof, to be hereunto affixed or otherwise reproduced hereon and attested by the manual or facsimile signature of its County Clerk.

Dated: August 6, 2019

THE COUNTY OF KENDALL

  
Chairman, County Board

Attest:

  
County Clerk

**CERTIFICATE OF AUTHENTICATION**

This bond is one of the General Obligation Refunding Bonds (Alternate Revenue Source), Series 2019A, described in the within mentioned Ordinance.

AMALGAMATED BANK OF CHICAGO,  
as Bond Registrar

By \_\_\_\_\_  
Authorized Signer



## ASSIGNMENT

For value received the undersigned sells, assigns and transfers unto \_\_\_\_\_

\_\_\_\_\_

the within bond and hereby irrevocably constitutes and appoints \_\_\_\_\_

\_\_\_\_\_

attorney to transfer the said bond on the books kept for registration thereof, with full power of substitution in the premises.

Dated \_\_\_\_\_

Signature Guarantee:

\_\_\_\_\_

\_\_\_\_\_



**Section 14. Levy and Extension of Taxes For Series 2019A Bonds.** (A) For the purpose of providing the money required to pay the interest on the 2019A Bonds when and as the same falls due and to pay and discharge the principal thereof as the same shall mature, there is hereby levied upon all the taxable property in the County, in each year while any of the 2019A Bonds shall be outstanding, a direct annual tax sufficient for that purpose in addition to all other taxes, as follows:

<u>Tax Levy Year</u>	<u>A Tax Sufficient to Produce</u>
2019	\$ 1,263,400
2020	\$ 1,293,000
2021	\$ 899,600

(B) Interest or principal coming due at any time when there shall be insufficient funds on hand to pay the same shall be paid promptly when due from current funds on hand in advance of the collection of the taxes herein levied; and when said taxes shall have been collected, reimbursement shall be made to the said funds in the amounts thus advanced. Interest on the 2019A Bonds due on December 1, 2019 shall be paid from the moneys held in the 2019A Debt Service Fund established by Section 22 of this ordinance.

(C) After the sale of the 2019A Bonds, a copy of this ordinance shall be filed with and certified by the County Clerk, which certificate shall recite that this ordinance has been duly adopted, and the County Clerk is hereby directed to ascertain the rate per cent required to produce the aggregate tax hereinbefore provided to be levied in the years 2019, 2020 and 2021, and to extend the same for collection on the tax books in connection with other taxes levied in said years, in and by the County for general corporate purposes of the County, and in said years such annual tax shall be levied and collected in like manner as taxes for general corporate purposes for said years are levied

and collected and, when collected, the moneys received by the County from such taxes (the "2019A Tax Receipts") shall be used for the purpose of paying the principal of and interest on the 2019A Bonds as the same become due and payable.

(D) After the issuance of the 2019A Bonds, the County shall not abate the debt service taxes levied pursuant to this Section or take any action to restrict the extension and collection of those taxes except that the County may abate any such debt service taxes for any tax levy year to the extent that, at the time of such abatement, moneys then held in the 2019A Debt Service Fund, together with the amount to be extended for collection taking into account the proposed abatement, will be sufficient to provide for the punctual payment of the principal of and interest on the 2019A Bonds otherwise payable from the debt service taxes levied for such tax levy year.

(E) The County covenants and agrees with the registered and beneficial owners of the 2019A Bonds that the County will take no action, or fail to take any action, which in any way would adversely affect the ability of the County to impose, collect and receive the receipts constituting the Public Safety Tax Revenues or, except for the abatement of tax levies as permitted by this Section, to levy and collect the annual taxes levied pursuant to this Section (the "2019A Pledged Taxes").

**Section 15. Imposition of the General Sales Taxes.** The County covenants that it will continue to impose each of the General Sales Taxes at a rate not less than the lesser of (i) the maximum rate permitted by law or (ii) the rate currently imposed.

**Section 16. Pledge of General Tax Revenues.** The General Tax Revenues are hereby pledged to the payment of the 2019B Bonds on a parity with the prior pledge of the General Tax Revenues as security for the payment of the Parity Bonds. The County

Board, on behalf of the County, to the extent it is empowered to do so, covenants to provide for, collect and apply the General Tax Revenues to the payment of the 2019B Bonds and the outstanding Parity Bonds and the provision of not less than an additional .25 times the annual debt service on the 2019B Bonds and the outstanding Parity Bonds.

The pledge of the General Tax Revenues herein provided for the payment of the 2019B Bonds may be made junior and subordinate to any pledge of the General Tax Revenues hereafter made for the benefit and security of the owners of bonds of the County payable from, or issued with respect to, such General Tax Revenues. The County may issue additional bonds payable from, and secured by a lien on, the General Tax Revenues, on a parity with the 2019B Bonds.

The County shall apply the General Tax Revenues in an amount that shall be sufficient to provide for the timely payment of the principal of and interest on the 2019B Bonds as the same shall become due and payable.

**Section 17. Form of 2019B Bonds.** The 2019B Bonds shall be issued as fully registered bonds and shall be in substantially the following form, the blanks to be appropriately completed when the 2019B Bonds are printed:

No. \_\_\_\_\_

United States of America  
State of Illinois  
THE COUNTY OF KENDALL  
GENERAL OBLIGATION REFUNDING BOND,  
(ALTERNATE REVENUE SOURCE), SERIES 2019B

<u>INTEREST RATE</u>	<u>MATURITY DATE</u>	<u>DATED DATE</u>	<u>CUSIP</u>
. %	December 1, 20__	_____, 2019	_____
REGISTERED OWNER:	Cede & Co.		

PRINCIPAL AMOUNT:

THE COUNTY OF KENDALL, a political subdivision of the State of Illinois, acknowledges itself indebted and for value received hereby promises to pay to the registered owner of this bond, or registered assigns, the principal amount specified above on the maturity date specified above, and to pay interest on such principal amount from the date hereof at the interest rate per annum specified above, computed on the basis of a 360 day year consisting of twelve 30 day months and payable in lawful money of the United States of America on December 1, 2019 and semiannually thereafter on June 1 and December 1 in each year until the principal amount shall have been paid, to the registered owner of record hereof as of the 15<sup>th</sup> day of the calendar month next preceding such interest payment date, by wire transfer pursuant to an agreement by and between the County and the registered owner, or otherwise by check or draft mailed to the registered owner at the address of such owner appearing on the registration books maintained by the County for such purpose at the principal corporate trust office of Amalgamated Bank of Chicago, in the City of Chicago, Illinois, as bond registrar or its successor (the "Bond Registrar"). This bond, as to principal when due, will be payable in lawful money of the United States of America upon presentation and surrender of this

bond at the principal corporate trust office of the Bond Registrar. The full faith and credit of the County are irrevocably pledged for the punctual payment of the principal of and interest on this bond according to its terms.

This bond is one of a series of bonds issued in the aggregate principal amount of \$2,800,000, which are authorized and issued under and pursuant to the Local Government Debt Reform Act and under and in accordance with an ordinance adopted by the County Board of the County on August 6, 2019 and entitled: "Ordinance Authorizing the Issuance of General Obligation Refunding Bonds (Alternate Revenue Source), Series 2019A and Series 2019B, of The County of Kendall, Illinois" (the "Bond Ordinance").

This bond is an "alternate bond" issued pursuant to Section 15 of the Local Government Debt Reform Act and is also secured by a pledge of (i) the sales tax receipts derived by the County from taxes imposed under the Use Tax Act, 35 Illinois Compiled Statutes 105, the Service Use Tax Act, 35 Illinois Compiled Statutes 110, the Service Occupation Tax Act, 35 Illinois Compiled Statutes 115, and the Retailer's Occupation Tax Act, 35 Illinois Compiled Statutes 120, including the 1% share of sales tax imposed in unincorporated areas of the County and the 1/4 of 1% supplemental sales tax imposed throughout the County and (ii) the state income tax receipts deposited in the Local Government Distributive Fund of the State of Illinois that are allocated and paid to the County pursuant to the State Revenue Sharing Act, in each case, to the extent, and in the manner, provided in the Local Government Debt Reform Act and the Bond Ordinance.

The bonds of such series maturing on or after December 1, 2028 are subject to redemption prior to maturity at the option of the County and upon notice as herein

provided, in such principal amounts and from such maturities as the County shall determine and by lot within a single maturity, on December 1, 2027 and on any date thereafter, at a redemption price equal to the principal amount thereof to be redeemed.

The bonds of such series maturing in the year 2032 are subject to mandatory redemption, in part and by lot, on December 1, 2031, and in the principal amount of \$275,000 by the application of a sinking fund installment, at a redemption price equal to the principal amount thereof to be redeemed.

Notice of the redemption of bonds will be mailed not less than 30 days nor more than 60 days prior to the date fixed for such redemption to the registered owners of bonds to be redeemed at their last addresses appearing on such registration books. The bonds or portions thereof specified in said notice shall become due and payable at the applicable redemption price on the redemption date therein designated, and if, on the redemption date, moneys for payment of the redemption price of all the bonds or portions thereof to be redeemed, together with interest to the redemption date, shall be available for such payment on said date, and if notice of redemption shall have been mailed as aforesaid (and notwithstanding any defect therein or the lack of actual receipt thereof by any registered owner) then from and after the redemption date interest on such bonds or portions thereof shall cease to accrue and become payable.

This bond is transferable only upon such registration books by the registered owner hereof in person, or by his attorney duly authorized in writing, upon surrender hereof at the principal corporate trust office of the Bond Registrar together with a written instrument of transfer satisfactory to the Bond Registrar duly executed by the registered owner or by his duly authorized attorney, and thereupon a new registered bond or bonds,

in the authorized denominations of \$5,000 or any integral multiple thereof and of the same aggregate principal amount, maturity and interest rate as this bond shall be issued to the transferee in exchange therefor. In like manner, this bond may be exchanged for an equal aggregate principal amount of bonds of the same maturity and interest rate and of any of such authorized denominations. The County or the Bond Registrar may make a charge sufficient for the reimbursement of any tax, fee or other governmental charge required to be paid with respect to the transfer or exchange of this bond. No other charge shall be made for the privilege of making such transfer or exchange. The County and the Bond Registrar may treat and consider the person in whose name this bond is registered as the absolute owner hereof for the purpose of receiving payment of, or on account of, the principal and interest due hereon and for all other purposes whatsoever.

This bond shall not be valid or become obligatory for any purpose until the certificate of authentication hereon shall have been duly executed by the Bond Registrar.

It is hereby certified, recited and declared that this bond is issued in part pursuant to the Local Government Debt Reform Act, that all acts, conditions and things required to be done, exist and be performed precedent to and in the issuance of this bond in order to make it a legal, valid and binding obligation of the County have been done, exist and have been performed in regular and due time, form and manner as required by law, and that the series of bonds of which this bond is one, together with all other indebtedness of the County, is within every debt or other limit prescribed by law.

IN WITNESS WHEREOF, The County of Kendall has caused this bond to be executed in its name and on its behalf by the manual or facsimile signature of the Chairman of its County Board, and its corporate seal, or a facsimile thereof, to be

hereunto affixed or otherwise reproduced hereon and attested by the manual or facsimile signature of its County Clerk.

Dated: \_\_\_\_\_, 2019

THE COUNTY OF KENDALL

\_\_\_\_\_  
Chairman, County Board

Attest:

**CERTIFICATE OF AUTHENTICATION**

This bond is one of the General Obligation Refunding Bonds, (Alternate Revenue Source), Series 2019B, described in the within mentioned Ordinance.

**AMALGAMATED BANK OF CHICAGO,**  
as Bond Registrar

\_\_\_\_\_  
County Clerk

By \_\_\_\_\_  
Authorized Signer



## ASSIGNMENT

For value received the undersigned sells, assigns and transfers unto \_\_\_\_\_

\_\_\_\_\_

the within bond and hereby irrevocably constitutes and appoints \_\_\_\_\_

\_\_\_\_\_

attorney to transfer the said bond on the books kept for registration thereof, with full power of substitution in the premises.

Dated \_\_\_\_\_

Signature Guarantee:

\_\_\_\_\_

**Section 18. Levy and Extension of Taxes For 2019B Bonds.** (A) For the purpose of providing the money required to pay the interest on the 2019B Bonds when and as the same falls due and to pay and discharge the principal thereof as the same shall mature (including any mandatory sinking fund installments), there is hereby levied upon all the taxable property in the County, in each year while any of the 2019B Bonds shall be outstanding, a direct annual tax sufficient for that purpose in addition to all other taxes, as follows:

<u>Tax Levy Year</u>	<u>A Tax Sufficient to Produce</u>
2019	\$ 272,760.00
2020	\$ 275,960.00
2021	\$ 278,760.00
2022	\$ 251,160.00
2023	\$ 264,360.00
2024	\$ 256,760.00
2025	\$ 259,160.00
2026	\$ 271,160.00
2027	\$ 272,360.00
2028	\$ 273,160.00
2029	\$ 283,560.00
2030	\$ 288,160.00
2031	\$ 291,697.50

(B) Interest or principal coming due at any time when there shall be insufficient funds on hand to pay the same shall be paid promptly when due from current funds on hand in advance of the collection of the taxes herein levied; and when said taxes shall have been collected, reimbursement shall be made to the said funds in the amounts thus advanced. Interest on the 2019B Bonds due December 1, 2019 shall be paid from moneys held in the 2019B Debt Service Fund established by Section 23 of this ordinance.

(C) After the sale of the 2019B Bonds, a copy of this ordinance shall be filed with and certified by the County Clerk, which certificate shall recite that this ordinance has been duly adopted, and the County Clerk is hereby directed to ascertain the rate per cent

required to produce the aggregate tax hereinbefore provided to be levied in the years 2019 to 2031, inclusive, and to extend the same for collection on the tax books in connection with other taxes levied in said years, in and by the County for general corporate purposes of the County, and in said years such annual tax shall be levied and collected in like manner as taxes for general corporate purposes for said years are levied and collected and, when collected, the moneys received by the County from such taxes (the "2019B Tax Receipts") shall be used for the purpose of paying the principal of and interest on the 2019B Bonds as the same become due and payable.

(D) After the issuance of the 2019B Bonds, the County shall not abate the debt service taxes levied pursuant to this Section or take any action to restrict the extension and collection of those taxes except that the County may abate any such debt service taxes for any tax levy year to the extent that, at the time of such abatement, moneys then held in the 2019B Debt Service Fund established by this ordinance, or otherwise held in trust for the payment of debt service on the 2019B Bonds, together with the amount to be extended for collection taking into account the proposed abatement, will be sufficient to provide for the punctual payment of the principal of and interest on the 2019B Bonds otherwise payable from the debt service taxes levied for such tax levy year.

(E) The County covenants and agrees with the registered and beneficial owners of the 2019B Bonds that the County will take no action, or fail to take any action, which in any way would adversely affect the ability of the County to impose the General Sales Taxes and collect and receive the receipts constituting the General Tax Revenues or, except for the abatement of tax levies as permitted by this Section, to levy and collect the annual taxes levied pursuant to this Section (the "2019B Pledged Taxes").

**Section 19. Taxes Levied For Refunded Bonds.** The County Treasurer shall file with the County Clerk certificates listing the taxes theretofore levied for the 2019 tax levy year and subsequent tax levy years for the payment of the principal of and interest on the 2010 Refunded Bonds and the 2011 Refunded Bonds and said certificates shall direct the abatement of such taxes.

**Section 20. Escrow Deposit Agreement.** The form of 2019 Escrow Deposit Agreement, by and between the County and Amalgamated Bank of Chicago, as escrow agent (the "Escrow Agent"), on file in the office of the County Clerk and presented at this meeting, is hereby approved. The proper officers of the County are authorized and directed to execute and deliver the 2019 Escrow Deposit Agreement on behalf of the County.

**Section 21. Application of Proceeds.** (A) The proceeds of sale of the 2019A Bonds (exclusive of accrued interest) shall be applied as follows:

1. To the 2019 Escrow Fund maintained under the 2019 Escrow Deposit Agreement the amount that, together with any contribution of funds of the County, will be sufficient to pay the redemption price of each 2010 Refunded Bond on December 1, 2019 and the interest to become due on each 2010 Refunded Bond on December 1, 2019.

2. To the Expense Fund established by this ordinance, the amount of such proceeds of sale remaining after making the foregoing payment.

(B) The proceeds of sale of the 2019B Bonds (exclusive of accrued interest) shall be applied as follows:

1. To the 2019 Escrow Fund maintained under the 2019 Escrow Deposit Agreement the amount that, together with any contribution of funds of the County, will be sufficient to pay the redemption price of each 2011 Refunded Bond on December 1, 2019 and the interest to become due on each 2011 Refunded Bond on or prior to December 1, 2019.

2. To the Expense Fund established by this ordinance, the amount of such proceeds of sale remaining after making the foregoing payment.

**Section 22. 2019A Debt Service Fund.** The 2019A Pledged Taxes are appropriated and set aside for the purpose of paying principal of and interest on the 2019A Bonds when and as the same come due. The 2019A Pledged Taxes and all other monies to be used for the payment of principal and interest on the 2019A Bonds, including the Public Safety Tax Revenues, if and when received, shall be deposited in the "2019A Debt Service Fund", which is hereby established as a special fund of the County and shall be administered as a bona fide debt service fund under the Internal Revenue Code of 1986. On the date of issuance of the 2019A Bonds, the County shall deposit into the 2019A Debt Service Fund an amount sufficient to pay the interest on the 2019A Bonds due on December 1, 2019.

On or before December 30<sup>th</sup> of each year, the County shall deposit into the 2019A Debt Service Fund, from the Public Safety Tax Revenues, the amount required so that the sum held in the 2019A Debt Service Fund after such deposit shall be sufficient to provide for the punctual payment of the principal of and interest on the 2019A Bonds that will become due and payable on and prior to the 1<sup>st</sup> day of December next ensuing.

The moneys deposited or to be deposited into the 2019A Debt Service Fund, including the Public Safety Tax Revenues and the 2019A Tax Receipts, are pledged as security for the payment of the principal of and interest on the 2019A Bonds to the extent and in the manner provided in this ordinance. The pledge is made pursuant to Section 13 of the Local Government Debt Reform Act and shall be valid and binding from the date of issuance of the 2019A Bonds. All such Public Safety Tax Revenues, to the extent and in the manner provided in this ordinance, all such 2019A Tax Receipts and the moneys held in the 2019A Debt Service Fund shall immediately be subject to the lien of such pledge without any physical delivery or further act and the lien of such pledge shall be valid and binding as against all parties having claims of any kind in tort, contract or otherwise against the County irrespective of whether such parties have notice thereof.

**Section 23. 2019B Debt Service Fund.** The 2019B Pledged Taxes are appropriated and set aside for the purpose of paying principal of and interest on the 2019B Bonds when and as the same come due. The 2019B Pledged Taxes and all other monies to be used for the payment of principal of and interest on the 2019B Bonds, including the General Tax Revenues, if and when received, shall be deposited in the “2019B Debt Service Fund”, which is hereby established as a special fund of the County and shall be administered as a bona fide debt service fund under the Internal Revenue Code of 1986. On the date of issuance of the 2019B Bonds, the County shall deposit into the 2019B Debt Service Fund an amount sufficient to pay the interest on the 2019B Bonds due on December 1, 2019.

On or before December 30<sup>th</sup> of each year, the County shall deposit into the 2019B Debt Service Fund, from the General Tax Revenues, the amount required so that the sum

held in the 2019B Debt Service Fund after such deposit shall be sufficient to provide for the punctual payment of the principal of and interest on the 2019B Bonds that will become due and payable on and prior to the 1<sup>st</sup> day of December next ensuing.

The moneys deposited or to be deposited into the 2019B Debt Service Fund, including the General Tax Revenues and the 2019B Tax Receipts, are pledged as security for the payment of the principal of and interest on the 2019B Bonds to the extent and in the manner provided in this ordinance. The pledge is made pursuant to Section 13 of the Local Government Debt Reform Act and shall be valid and binding from the date of issuance of the 2019B Bonds. All such General Tax Revenues, to the extent and in the manner provided in this ordinance, all such 2019B Tax Receipts and the moneys held in the 2019B Debt Service Fund shall immediately be subject to the lien of such pledge without any physical delivery or further act and the lien of such pledge shall be valid and binding as against all parties having claims of any kind in tort, contract or otherwise against the County irrespective of whether such parties have notice thereof.

**Section 24. Expense Fund.** The “2019 Expense Fund” is hereby established as a special fund of the County. Moneys in the 2019 Expense Fund shall be used for the payment of the costs of issuance of the 2019 Bonds and costs of refunding the Refunded Bonds, but may be reappropriated and used for other purposes if such reappropriation is permitted under Illinois law and will not adversely affect the exclusion from gross income for federal income tax purposes of interest on the 2019 Bonds.

**Section 25. Investment Regulations.** No investment shall be made of any moneys in the 2019A Debt Service Fund, the 2019B Debt Service Fund, the 2019 Escrow Fund or the 2019 Expense Fund except in accordance with the tax covenants set forth in

Section 26 of this ordinance. All income derived from such investments in respect of moneys or securities in any Fund shall be credited in each case to the Fund in which such moneys or securities are held.

Any moneys in any Fund that are subject to investment yield restrictions may be invested in United States Treasury Securities, State and Local Government Series, pursuant to the regulations of the United States Treasury Department, Bureau of Public Debt, or in any tax-exempt bond that is not an "investment property" within the meaning of Section 148(b)(2) of the Internal Revenue Code of 1986. The County Treasurer and agents designated by him are hereby authorized to submit, on behalf of the County, subscriptions for such United States Treasury Securities and to request redemption of such United States Treasury Securities.

**Section 26. Tax Covenants.** The County shall not take, or omit to take, any action lawful and within its power to take, which action or omission would cause interest on any 2019 Bond to become subject to federal income taxes in addition to federal income taxes to which interest on such 2019 Bond is subject on the date of original issuance thereof.

The County shall not permit any of the proceeds of the 2019 Bonds, or any facilities financed with such proceeds, to be used in any manner that would cause any 2019 Bond to constitute a "private activity bond" within the meaning of Section 141 of the Internal Revenue Code of 1986.

The County shall not permit any of the proceeds of the 2019 Bonds or other moneys to be invested in any manner that would cause any 2019 Bond to constitute an "arbitrage bond" within the meaning of Section 148 of the Internal Revenue Code of 1986



or a “hedge bond” within the meaning of Section 149(g) of the Internal Revenue Code of 1986.

The County shall comply with the provisions of Section 148(f) of the Internal Revenue Code of 1986 relating to the rebate of certain investment earnings at periodic intervals to the United States of America.

**Section 27. Bank Qualified Designation.** The County hereby designates the 2019 Bonds as “qualified tax-exempt obligations” as defined in Section 265(b)(3)(B) of the Internal Revenue Code of 1986, to the extent any principal amount of the 2019 Bonds is not “deemed designated” under Section 265(b)(3)(D)(ii) of the Code. The County represents that the reasonably anticipated amount of tax-exempt obligations that are required to be taken into account for the purpose of Section 265(b)(3)(C) of the Code and will be issued by or on behalf of the County and all subordinate entities of the County during 2019 does not exceed \$10,000,000. The County covenants that it will not designate and issue more than \$10,000,000 aggregate principal amount of tax-exempt obligations in the year in which the 2019 Bonds are issued. For purposes of the two preceding sentences, the term “tax-exempt obligations” includes “qualified 501(c)(3) bonds” (as defined in Section 145 of the Internal Revenue Code of 1986) but does not include “private activity bonds” (as defined in Section 141 of the Internal Revenue Code of 1986).

**Section 28. Continuing Disclosure.** For the benefit of the beneficial owners of the 2019 Bonds, the County covenants and agrees to provide to the Municipal Securities Rulemaking Board (the “MSRB”) for disclosure on the Electronic Municipal Market Access (“EMMA”) system, in an electronic format as prescribed by the MSRB, (i) an annual report

containing certain financial information and operating data relating to the County and (ii) timely notices of the occurrence of certain enumerated events. All documents provided to the MSRB shall be accompanied by identifying information as prescribed by the MSRB.

The annual report shall be provided to the MSRB for disclosure on EMMA within 210 days after the close of the County's fiscal year. The information to be contained in the annual report shall consist of the annual audited financial statement of the County and such additional information as noted in the Official Statement under the caption "Continuing Disclosure." Each annual audited financial statement will conform to generally accepted accounting principles applicable to governmental units and will be prepared in accordance with standards of the Governmental Accounting Standards Board. If the audited financial statement is not available, then an unaudited financial statement shall be included in the annual report and the audited financial statement shall be provided promptly after it becomes available.

The County, in a timely manner not in excess of ten business days after the occurrence of the event, shall provide notice to the MSRB for disclosure on EMMA of any failure of the County to provide any such annual report within the 210 day period and of the occurrence of any of the following events with respect to the 2019 Bonds: (1) principal and interest payment delinquencies; (2) non-payment related defaults, if material; (3) unscheduled draws on debt service reserves reflecting financial difficulties; (4) unscheduled draws on credit enhancements reflecting financial difficulties; (5) substitution of credit or liquidity providers, or their failure to perform; (6) adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final

determinations of taxability, Notices of Proposed Issues (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax-exempt status of the bonds, or other events affecting the tax-exempt status of the 2019 Bonds; (7) modifications to rights of bondholders, if material; (8) bond calls, if material, and tender offers; (9) defeasances; (10) release, substitution or sale of property securing repayment of the 2019 Bonds, if material; (11) rating changes; (12) bankruptcy, insolvency, receivership or similar event of the County; (13) the consummation of a merger, consolidation, or acquisition involving the County or the sale of all or substantially all of the assets of the County, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material; (14) appointment of a successor or additional trustee or the change of name of a trustee, if material; (15) incurrence of a financial obligation of the County, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the County, any of which affect bondholders, if material; and (16) default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation of the County, any of which reflect financial difficulties. For the purposes of the event identified in clause (12), the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for the County in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets of business of the County, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in

possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan or reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the County. As used in clauses (15) and (16), the term financial obligation means a (i) debt obligation; (ii) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (iii) guarantee of (i) or (ii). The term financial obligation shall not include municipal securities as to which a final official statement has been provided to the MSRB consistent with Securities and Exchange Commission Rule 15c2-12 promulgated under the Securities Exchange Act of 1934 (the "Rule").

It is found and determined the County has agreed to the undertakings contained in this Section in order to assist participating underwriters of the bonds and brokers, dealers and municipal securities dealers in complying with paragraph (b)(5) of the Rule. The chief financial officer of the County is authorized and directed to do and perform, or cause to be done or performed, for or on behalf of the County, each and every thing necessary to accomplish the undertakings of the County contained in this Section for so long as paragraph (b)(5) of the Rule is applicable to the 2019 Bonds and the County remains an "obligated person" under the Rule with respect to the 2019 Bonds.

The undertakings contained in this Section may be amended by the County upon a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature or status of the obligated person, or type of business conducted, provided that (a) the undertaking, as amended, would have complied with the requirements of paragraph (b)(5) of the Rule at the time of the primary offering, after

taking into account any amendments or interpretations of the Rule, as well as any change in circumstances and (b) in the opinion of nationally recognized bond counsel selected by the County, the amendment does not materially impair the interests of the beneficial owners of the 2019 Bonds.

**Section 29. Bond Registrar.** The County covenants that it shall at all times retain a bond registrar with respect to the 2019 Bonds, that it will maintain at the designated office of such bond registrar a place where 2019 Bonds may be presented for payment and registration of transfer or exchange and that it shall require that the bond registrar maintain proper registration books and perform the other duties and obligations imposed upon the bond registrar by this ordinance in a manner consistent with the standards, customs and practices of the municipal securities business.

The bond registrar shall signify its acceptance of the duties and obligations imposed upon it by this ordinance by executing the certificate of authentication on any 2019 Bond, and by such execution the bond registrar shall be deemed to have certified to the County that it has all requisite power to accept, and has accepted such duties and obligations not only with respect to the 2019 Bond so authenticated but with respect to all the 2019 Bonds. The bond registrar is the agent of the County and shall not be liable in connection with the performance of its duties except for its own negligence or default. The bond registrar shall, however, be responsible for any representation in its certificate of authentication on the 2019 Bonds.

The County may remove the bond registrar at any time. In case at any time the bond registrar shall resign or shall be removed or shall become incapable of acting, or shall be adjudged a bankrupt or insolvent, or if a receiver, liquidator or conservator of the

bond registrar, or of its property, shall be appointed, or if any public officer shall take charge or control of the bond registrar or of its property or affairs, the County covenants and agrees that it will thereupon appoint a successor bond registrar. The County shall mail notice of any such appointment made by it to each registered owner of 2019 Bonds within twenty days after such appointment.

**Section 30. Book-Entry System.** In order to provide for the initial issuance of the 2019 Bonds in a form that provides for a system of book-entry only transfers, the ownership of one fully registered 2019 Bond for each maturity of each series, in the aggregate principal amount, of such maturity, shall be registered in the name of Cede & Co., as a nominee of The Depository Trust Company, as securities depository for the 2019 Bonds. The County Administrator is authorized to execute and deliver on behalf of the County such letters to, or agreements with, the securities depository as shall be necessary to effectuate such book-entry system.

In case at any time the securities depository shall resign or shall become incapable of acting, then the County shall appoint a successor securities depository to provide a system of book-entry only transfers for the 2019 Bonds, by written notice to the predecessor securities depository directing it to notify its participants (those persons for whom the securities depository holds securities) of the appointment of a successor securities depository.

If the system of book-entry only transfers for the 2019 Bonds is discontinued, then the County shall issue and the bond registrar shall authenticate, register and deliver to the beneficial owners of the 2019 Bonds, bond certificates in replacement of such

beneficial owners' beneficial interests in the 2019 Bonds, all as shown in the records maintained by the securities depository.

**Section 31. Defeasance and Payment of 2019 Bonds.** (A) If the County shall pay or cause to be paid to the registered owners of the 2019A Bonds, the principal and interest due or to become due thereon, at the times and in the manner stipulated therein and in this ordinance, then the pledge of the Public Safety Tax Revenues, 2019A Tax Receipts, securities and funds hereby pledged and the covenants, agreements and other obligations of the County to the registered owners and the beneficial owners of the 2019A Bonds shall be discharged and satisfied.

(B) Any 2019A Bonds, whether at or prior to the maturity date of such 2019A Bonds, shall be deemed to have been paid within the meaning of this Section if there shall have been deposited in trust with a bank, trust company or national banking association acting as fiduciary for such purpose either (i) moneys in an amount which shall be sufficient, or (ii) "Federal Obligations" as defined in paragraph (E) of this Section, the principal of and the interest on which when due will provide moneys which, together with any moneys on deposit with such fiduciary at the same time for such purpose, shall be sufficient, to pay when due the principal of and interest due and to become due on said 2019A Bonds on and prior to the applicable maturity date thereof.

(C) If the County shall pay or cause to be paid to the registered owners of the 2019B Bonds, the principal and interest due or to become due thereon, at the times and in the manner stipulated therein and in this ordinance, then the pledge of the General Tax Revenues, moneys, securities and funds hereby pledged and the covenants, agreements

and other obligations of the County to the registered owners and the beneficial owners of the 2019B Bonds shall be discharged and satisfied.

(D) Any 2019B Bonds, whether at or prior to the maturity or the redemption date of such 2019B Bonds, shall be deemed to have been paid within the meaning of this Section if (1) in case any such 2019B Bonds are to be redeemed prior to the maturity thereof, there shall have been taken all action necessary to call such 2019B Bonds for redemption and notice of such redemption shall have been duly given or provision shall have been made for the giving of such notice, and (2) there shall have been deposited in trust with a bank, trust company or national banking association acting as fiduciary for such purpose either (i) moneys in an amount which shall be sufficient, or (ii) "Federal Obligations" as defined in paragraph (E) of this Section, the principal of and the interest on which when due will provide moneys which, together with any moneys on deposit with such fiduciary at the same time for such purpose, shall be sufficient, to pay when due the principal of and interest due and to become due on said 2019B Bonds on and prior to the applicable redemption date or maturity date thereof.

(E) As used in this Section, the term "Federal Obligations" means (i) non-callable, direct obligations of the United States of America, (ii) non-callable and non-prepayable, direct obligations of any agency of the United States of America, which are unconditionally guaranteed by the United States of America as to full and timely payment of principal and interest, (iii) non-callable, non-prepayable coupons or interest installments from the securities described in clause (i) or clause (ii) of this paragraph, which are stripped pursuant to programs of the Department of the Treasury of the United



States of America, or (iv) coupons or interest installments stripped from bonds of the Resolution Funding Corporation.

**Section 32. Ordinance to Constitute a Contract.** The provisions of this ordinance shall constitute a contract between the County and the registered owners of the 2019 Bonds. Any pledge made in this ordinance and the provisions, covenants and agreements herein set forth to be performed by or on behalf of the County shall be for the equal benefit, protection and security of the owners of any and all of the 2019 Bonds of like series. All of the 2019 Bonds of like series, regardless of the time or times of their issuance, shall be of equal rank without preference, priority or distinction of any of such 2019 Bonds over any other thereof except as expressly provided in or pursuant to this ordinance.

This ordinance shall constitute full authority for the issuance of the 2019 Bonds and to the extent that the provisions of this ordinance conflict with the provisions of any other ordinance or resolution of the County, the provisions of this ordinance. If any section, paragraph or provision of this ordinance shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such section, paragraph or provision shall not affect any of the remaining provisions of this ordinance.

In this ordinance, reference to an officer of the County includes any person holding that office on an interim basis and any person delegated the authority to act on behalf of such officer.

**Section 33. Publication.** The County Clerk is hereby authorized and directed to publish this ordinance in pamphlet form and to file copies thereof for public inspection in her office.

**Section 34. Effective Date.** This ordinance shall become effective upon its passage and publication in pamphlet form.

Passed and adopted this 6<sup>th</sup> day of August, 2019, by roll call vote as follows:

Ayes: 8

Nays: 0

Present: 1

Published in pamphlet form: August 7, 2019

(SEAL)

Attest:

  
County Clerk



## CERTIFICATE

I, Debbie Gillette, County Clerk of The County of Kendall, Illinois, hereby certify that the foregoing ordinance entitled: "Ordinance Authorizing the Issuance of General Obligation Refunding Bonds (Alternate Revenue Source), Series 2019A and Series 2019B, of The County of Kendall, Illinois," is a true copy of an original ordinance that was duly adopted by the recorded affirmative votes of a majority of the members of the County Board at a meeting thereof that was duly called and held at 6:00 p.m. on August 6, 2019, at the County Board Room, in the County Office Building, 111 West Fox Street, in Yorkville, Illinois, and at which a quorum was present and acting throughout, and that said copy has been compared by me with the original ordinance recorded in the records of the County and that it is a correct transcript thereof and of the whole of said ordinance, and that said ordinance has not been altered, amended, repealed or revoked, but is in full force and effect.

I further certify that the agenda for said meeting included the ordinance as a matter to be considered at the meeting and that said agenda was posted at least 48 hours in advance of the holding of the meeting in the manner required by the Open Meetings Act, 5 Illinois Compiled Statutes 120, and was continuously available for public review during the 48 hour period preceding the meeting.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the County, this 6 day of August, 2019.

(SEAL)



  
County Clerk

## CERTIFICATION OF MINUTES AND AGENDA

I, Debbie Gillette, County Clerk of The County of Kendall, Illinois, hereby certify that annexed hereto is a copy of the minutes of a meeting of the County Board of The County of Kendall, Illinois, duly called and held on August 6, 2019, and at which a quorum was present and acting throughout.

I further certify that I have compared said copy with the original minutes of said meeting as recorded in the minute book of said County Board and that said copy is a true and correct copy of the whole of said original minutes.

I further certify that also annexed hereto is a copy of the agenda for said meeting.

IN WITNESS WHEREOF, I have hereunto set my hand and have caused the seal of said County to be affixed, this 6 day of August, 2019.

(SEAL)



Debbie Gillette  
County Clerk

**FILING CERTIFICATE**

STATE OF ILLINOIS       )  
                                      ) SS  
COUNTY OF KENDALL    )

I, Debbie Gillette, County Clerk of Kendall County, Illinois, do hereby certify that  
on or prior to the 6 day of August, 2019, there was filed in my office Ordinance No. 19-  
20 of The County of Kendall, Illinois entitled:

ORDINANCE AUTHORIZING THE ISSUANCE OF GENERAL OBLIGATION  
REFUNDING BONDS (ALTERNATE REVENUE SOURCE), SERIES  
2019A AND SERIES 2019B, OF THE COUNTY OF KENDALL, ILLINOIS

, which ordinance levies taxes in the County for the purpose of paying principal of and interest  
on the General Obligation Refunding Bonds (Alternate Revenue Source), Series 2019A and the  
General Obligation Refunding Bonds (Alternate Revenue Source), Series 2019B, of the County,  
described in said ordinance.

WITNESS my official signature and the seal of Kendall County, this 6  
day of August, 2019.

  
County Clerk of Kendall County, Illinois

(SEAL)

