

## ORDINANCE 2017-23

AN ORDINANCE authorizing and providing for the issuance of not to exceed \$1,550,000 General Obligation Refunding Bonds (Alternate Revenue Source), Series 2017A, of the City of Streator, LaSalle and Livingston Counties, Illinois, for the purpose of refunding certain outstanding alternate bonds of said City, providing for the pledge of certain sales taxes to the payment of the principal and interest on said bonds and the levy and collection of a direct annual tax sufficient to pay the principal and interest on said bonds if said pledged revenues are insufficient to make such payment, and authorizing the sale of said bonds to Robert W. Baird & Co. Incorporated.

WHEREAS, the City of Streator, LaSalle and Livingston Counties, Illinois (the “City”), is a duly organized and existing municipality incorporated and existing under the provisions of the laws of the State of Illinois, and is now operating under the provisions of the Illinois Municipal Code, as amended; and

WHEREAS, the City has heretofore issued and there are now outstanding General Obligation Bonds (Alternate Revenue Source), Series 2006, of the City (the “*Prior Bonds*”); and

WHEREAS, the City Council of the City (the “*Council*”) has heretofore determined and does hereby determine that it is necessary, desirable and in the best interest of the residents of the City to borrow an amount not to exceed \$1,550,000 to refund all or a portion of the outstanding Prior Bonds (said portion of the Prior Bonds to be refunded being referred to herein as the “*Refunded Bonds*”) in order to realize certain interest cost savings (the “*Refunding*”); and

WHEREAS, the Refunded Bonds shall be fully described in the hereinafter defined Bond Notification or hereinafter defined Escrow Agreement and are presently outstanding and unpaid and are binding and subsisting legal obligations of the City; and

WHEREAS, in accordance with the terms of the Prior Bonds, certain of the Refunded Bonds may be called for redemption in advance of their maturity, and it is necessary and desirable to

make such call for the redemption of such Refunded Bonds at their earliest possible call date, and provide for the giving of proper notice to the registered owners of such Refunded Bonds; and

WHEREAS, Section 15 of the Local Government Debt Reform Act of the State of Illinois, as amended (the "*Debt Reform Act*") provides that alternate bonds may be issued to refund other alternate bonds without meeting any of the requirements set forth in Section 15 of the Debt Reform Act, except that the term of the refunding bonds shall not be longer than the term of the bonds being refunded and that the debt service payable in any year on the refunding bonds shall not exceed the debt service payable in such year on the bonds being refunded; and

WHEREAS, the Council does hereby determine that the term of the proposed bonds to refund the Refunded Bonds is not longer than the term of the Refunded Bonds and that the debt service payable in any year on the proposed bonds does not exceed the debt service payable in such year on the Refunded Bonds; and

WHEREAS, the alternate bonds to be issued hereunder will be payable ratably from collections distributed to the City from those taxes imposed by the State of Illinois pursuant to the Use Tax Act, the Service Use Tax Act, the Service Occupation Tax Act and the Retailer's Occupation Tax Act, each as supplemented and amended from time to time, or substitute taxes therefor as provided in the future, and other lawfully available funds of the City (the "*Pledged Revenues*") and, to the extent the Pledged Revenues are insufficient to pay said alternate bonds, will be payable from ad valorem property taxes levied upon all taxable property in the City without limitation as to rate or amount (the "*Pledged Taxes*"); and

WHEREAS, after the Refunding, the City will have no bonds, other than any Prior Bonds not being refunded hereunder and the City's outstanding General Obligation Bonds (Alternate Revenue Source), Series 2015 (collectively, the "*Prior Alternate Bonds*") and the alternate bonds to be issued hereunder, that are payable from the Pledged Revenues; and

WHEREAS, the Property Tax Extension Limitation Law of the State of Illinois, as amended (the "*Limitation Law*"), imposes certain limitations on the "aggregate extension" of certain property taxes levied by the City, but provides that the definition of "aggregate extension" contained in Section 18-185 of the Limitation Law does not include "extensions made for payments of principal and interest on bonds issued under Section 15 of the Local Government Debt Reform Act"; and

WHEREAS, the Council does hereby find and determine that the bonds proposed to be issued hereunder are being issued pursuant to Section 15 of the Debt Reform Act; and

WHEREAS, the County Clerks of The Counties of LaSalle and Livingston, Illinois (the "*County Clerks*"), are therefore authorized to extend and collect said direct annual ad valorem tax so levied for the payment of said bonds, as alternate bonds, without limitation as to rate or amount:

NOW, THEREFORE, Be It Ordained by the City Council of the City of Streator, LaSalle and Livingston Counties, Illinois, as follows:

*Section 1. Incorporation of Preambles.* The Council hereby finds that the recitals contained in the preambles to this Ordinance are true and correct and does incorporate them into this Ordinance by this reference, and such finding shall be incontestable under the Debt Reform Act as therein provided.

*Section 2. Determination to Issue Bonds.* It is necessary and in the best interest of the City for the City to undertake the Refunding and to issue bonds for said purpose.

*Section 3. Authorization.* It is hereby found and determined that the Council has been authorized by law to borrow an amount not to exceed \$1,550,000 upon the credit of the City and as evidence of such indebtedness to issue the bonds of the City to said amount, the proceeds of said bonds to be used for the Refunding, and that it is necessary to borrow not to exceed \$1,550,000 of said authorized the sum and issue bonds in evidence thereof for the Refunding.

*Section 4. Bond Details.* There be borrowed by for and on behalf of the City an amount not to exceed \$1,550,000 for the purpose aforesaid, and that bonds of the City, if issued, shall be issued to said amount and shall be designated “General Obligation Refunding Bonds (Alternate Revenue Source), Series 2017A,” or with such other series designation as may be appropriate (the “Bonds”). The Bonds shall be dated such date (not later than May 2, 2018) as set forth in the Bond Notification, and shall also bear the date of authentication, shall be in fully registered form, shall be in denominations of \$5,000 each or authorized integral multiples thereof (but no single Bond shall represent installments of principal maturing on more than one date), and shall be numbered 1 and upward. The Bonds shall become due and payable serially or be subject to mandatory redemption (subject to prior redemption as hereinafter described) on May 1 of each of the years (not later than 2027), in the amounts (not exceeding \$195,000 per year) and bearing interest at the rates (not exceeding 5.00% per annum) as set forth in the Bond Notification. The Bonds shall bear interest from their date or from the most recent interest payment date to which interest has been paid or duly provided for, until the principal amount of the Bonds is paid, such interest (computed upon the basis of a 360-day year of twelve 30-day months) being payable semi-annually commencing with the first interest payment date as set forth in the Bond Notification, and on May 1 and November 1 of each year thereafter to maturity.

Interest on each Bond shall be paid by check or draft of UMB Bank, National Association, Kansas City, Missouri, as bond registrar and paying agent (the “*Bond Registrar*”), payable upon presentation in lawful money of the United States of America, to the person in whose name such Bond is registered at the close of business on the 15th day of the month next preceding the interest payment date. The principal of the Bonds shall be payable in lawful money of the United States of America at the principal corporate trust office of the Bond Registrar.

*Section 5. Redemption. (a) Optional Redemption.* All or a portion of the Bonds due on and after the date, if any, specified in the Bond Notification shall be subject to redemption prior to maturity at the option of the City from any available funds, as a whole or in part, and if in part in integral multiples of \$5,000 in any order of their maturity as determined by the City (less than all of the Bonds of a single maturity to be selected by the Bond Registrar), on the date specified in the Bond Notification and on any date thereafter, at the redemption price of par plus accrued interest to the redemption date.

(b) *Mandatory Redemption.* The Bonds maturing on the date or dates, if any, indicated in the Bond Notification are subject to mandatory redemption, in integral multiples of \$5,000 selected by lot by the Bond Registrar, at a redemption price of par plus accrued interest to the redemption date, on May 1 of the years, if any, and in the principal amounts, if any, as indicated in the Bond Notification.

The principal amounts of Bonds to be mandatorily redeemed in each year may be reduced through the earlier optional redemption thereof, with any partial optional redemptions of such Bonds credited against future mandatory redemption requirements in such order of the mandatory redemption dates as the City may determine. In addition, on or prior to the 60th day preceding any mandatory redemption date, the Bond Registrar may, and if directed by the City shall, purchase Bonds required to be retired on such mandatory redemption date. Any such Bonds so purchased shall be cancelled and the principal amount thereof shall be credited against the mandatory redemption required on such next mandatory redemption date.

(c) *General.* The Bonds shall be redeemed only in the principal amount of \$5,000 and integral multiples thereof. The City shall, at least forty-five (45) days prior to any optional redemption date (unless a shorter time period shall be satisfactory to the Bond Registrar) notify the Bond Registrar of such redemption date and of the principal amount and maturity or maturities

of Bonds to be redeemed. For purposes of any redemption of less than all of the outstanding Bonds of a single maturity, the particular Bonds or portions of Bonds to be redeemed shall be selected by lot by the Bond Registrar from the Bonds of such maturity by such method of lottery as the Bond Registrar shall deem fair and appropriate; *provided* that such lottery shall provide for the selection for redemption of Bonds or portions thereof so that any \$5,000 Bond or \$5,000 portion of a Bond shall be as likely to be called for redemption as any other such \$5,000 Bond or \$5,000 portion. The Bond Registrar shall make such selection upon the earlier of the irrevocable deposit of funds with an escrow agent sufficient to pay the redemption price of the Bonds to be redeemed or the time of the giving of official notice of redemption.

The Bond Registrar shall promptly notify the City in writing of the Bonds or portions of Bonds selected for redemption and, in the case of any Bond selected for partial redemption, the principal amount thereof to be redeemed.

*Section 6. Redemption Procedure.* Unless waived by any holder of Bonds to be redeemed, notice of the call for any such redemption shall be given by the Bond Registrar on behalf of the City by mailing the redemption notice by first class mail at least thirty (30) days and not more than sixty (60) days prior to the date fixed for redemption to the registered owner of the Bond or Bonds to be redeemed at the address shown on the books of the City kept by the Bond Registrar to evidence the registration and transfer of the Bonds (the "*Bond Register*") or at such other address as is furnished in writing by such registered owner to the Bond Registrar.

All notices of redemption shall state:

- (1) the redemption date,
- (2) the redemption price,
- (3) if less than all outstanding Bonds are to be redeemed, the identification (and, in the case of partial redemption, the respective principal amounts) of the Bonds to be redeemed,

(4) that on the redemption date the redemption price will become due and payable upon each such Bond or portion thereof called for redemption, and that interest thereon shall cease to accrue from and after said date,

(5) the place where such Bonds are to be surrendered for payment of the redemption price, which place of payment shall be the principal corporate trust office of the Bond Registrar, and

(6) such other information then required by custom, practice or industry standard.

Unless moneys sufficient to pay the redemption price of the Bonds to be redeemed at the option of the City shall have been received by the Bond Registrar prior to the giving of such notice of redemption, such notice may, at the option of the City, state that said redemption shall be conditional upon the receipt of such moneys by the Bond Registrar on or prior to the date fixed for redemption. If such moneys are not received, such notice shall be of no force and effect, the City shall not redeem such Bonds, and the Bond Registrar shall give notice, in the same manner in which the notice of redemption shall have been given, that such moneys were not so received and that such Bonds will not be redeemed. Otherwise, prior to any redemption date, the City shall deposit with the Bond Registrar an amount of money sufficient to pay the redemption price of all the Bonds or portions of Bonds which are to be redeemed on that date.

Subject to the provisions for a conditional redemption described above, notice of redemption having been given as aforesaid, the Bonds or portions of Bonds so to be redeemed shall, on the redemption date, become due and payable at the redemption price therein specified, and from and after such date (unless the City shall default in the payment of the redemption price) such Bonds or portions of Bonds shall cease to bear interest. Upon surrender of such Bonds for redemption in accordance with said notice, such Bonds shall be paid by the Bond Registrar at the redemption price. Installments of interest due on or prior to the redemption date shall be payable as herein provided for payment of interest. Upon surrender for any partial redemption of any

Bond, there shall be prepared for the registered holder a new Bond or Bonds of the same maturity in the amount of the unpaid principal.

If any Bond or portion of Bond called for redemption shall not be so paid upon surrender thereof for redemption, the principal shall, until paid, bear interest from the redemption date at the rate borne by the Bond or portion of Bond so called for redemption. All Bonds which have been redeemed shall be cancelled and destroyed by the Bond Registrar and shall not be reissued.

*Section 7. Execution; Authentication.* The Bonds shall be executed on behalf of the City with the manual or facsimile signature of the Mayor of the City (the “*Mayor*”) and attested with the manual or facsimile signature of the City Clerk of the City (the “*City Clerk*”), as they may determine, and shall have impressed or imprinted thereon the corporate seal or facsimile thereof of the City. In case any officer whose signature shall appear on any Bond shall cease to be such officer before the delivery of such Bond, such signature shall nevertheless be valid and sufficient for all purposes, the same as if such officer had remained in office until delivery.

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



*Section 8. Registration of Bonds; Persons Treated as Owners; Global Book-Entry System.* (a) *General.* The City shall cause the Bond Register for the registration and for the transfer of the Bonds as provided in this Ordinance to be kept at the principal corporate trust office of the Bond Registrar, which is hereby constituted and appointed the registrar of the City for this issue. The City is authorized to prepare, and the Bond Registrar shall keep custody of, multiple Bond blanks executed by the City for use in the transfer and exchange of Bonds.

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

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

The person in whose name any Bond shall be registered shall be deemed and regarded as the absolute owner thereof for all purposes, and payment of the principal of or interest on any Bond shall be made only to or upon the order of the registered owner thereof or his or her legal representative. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid.

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

(b) *Global Book-Entry System.* The Bonds shall be initially issued in the form of a separate single fully registered Bond for each of the maturities of the Bonds determined as described in Section 4 hereof. Upon initial issuance, the ownership of each such Bond shall be registered in the Bond Register in the name of Cede & Co., or any successor thereto ("*Cede*"), as nominee of The Depository Trust Company, New York, New York, and its successors and assigns ("*DTC*"). All of the outstanding Bonds shall be registered in the Bond Register in the name of Cede, as nominee of DTC, except as hereinafter provided. The Mayor, City Clerk and Treasurer of the City (the "*Treasurer*") and the Bond Registrar are each authorized to execute and deliver, on behalf of the City, such letters to or agreements with DTC as shall be necessary to effectuate such book-entry system (any such letter or agreement being referred to herein as the "*Representation Letter*"), which Representation Letter may provide for the payment of principal of or interest on the Bonds by wire transfer.

With respect to Bonds registered in the Bond Register in the name of Cede, as nominee of DTC, the City and the Bond Registrar shall have no responsibility or obligation to any broker-

dealer, bank or other financial institution for which DTC holds Bonds from time to time as securities depository (each such broker-dealer, bank or other financial institution being referred to herein as a “*DTC Participant*”) or to any person on behalf of whom such a DTC Participant holds an interest in the Bonds. Without limiting the immediately preceding sentence, the City and the Bond Registrar shall have no responsibility or obligation with respect to (i) the accuracy of the records of DTC, Cede or any DTC Participant with respect to any ownership interest in the Bonds, (ii) the delivery to any DTC Participant or any other person, other than a registered owner of a Bond as shown in the Bond Register, of any notice with respect to the Bonds, including any notice of redemption, or (iii) the payment to any DTC Participant or any other person, other than a registered owner of a Bond as shown in the Bond Register, of any amount with respect to the principal of or interest on the Bonds. The City and the Bond Registrar may treat and consider the person in whose name each Bond is registered in the Bond Register as the holder and absolute owner of such Bond for the purpose of payment of principal and interest with respect to such Bond, for the purpose of giving notices of redemption and other matters with respect to such Bond, for the purpose of registering transfers with respect to such Bond, and for all other purposes whatsoever. The Bond Registrar shall pay all principal of and interest on the Bonds only to or upon the order of the respective registered owners of the Bonds, as shown in the Bond Register, or their respective attorneys duly authorized in writing, and all such payments shall be valid and effective to fully satisfy and discharge the City’s obligations with respect to payment of the principal of and interest on the Bonds to the extent of the sum or sums so paid. No person other than a registered owner of a Bond as shown in the Bond Register, shall receive a Bond evidencing the obligation of the City to make payments of principal and interest with respect to any Bond. Upon delivery by DTC to the Bond Registrar of written notice to the effect that DTC has determined to substitute a new nominee in place of Cede, and subject to the provisions in Section 4

hereof with respect to the payment of interest to the registered owners of Bonds at the close of business on the 15th day of the month next preceding any interest payment date, the name "Cede" in this Ordinance shall refer to such new nominee of DTC.

In the event that (i) the City determines that DTC is incapable of discharging its responsibilities described herein and in the Representation Letter, (ii) the agreement among the City, the Bond Registrar and DTC evidenced by the Representation Letter shall be terminated for any reason or (iii) the City determines that it is in the best interests of the beneficial owners of the Bonds that they be able to obtain certificated Bonds, the City shall notify DTC and DTC Participants of the availability through DTC of certificated Bonds and the Bonds shall no longer be restricted to being registered in the Bond Register in the name of Cede, as nominee of DTC. At that time, the City may determine that the Bonds shall be registered in the name of and deposited with such other depository operating a universal book-entry system, as may be acceptable to the City, or such depository's agent or designee, and if the City does not select such alternate universal book-entry system, then the Bonds may be registered in whatever name or names registered owners of Bonds transferring or exchanging Bonds shall designate, in accordance with the provisions of Section 8(a) hereof.

Notwithstanding any other provisions of this Ordinance to the contrary, so long as any Bond is registered in the name of Cede, as nominee of DTC, all payments with respect to principal of and interest on such Bond and all notices with respect to such Bond shall be made and given, respectively, in the name provided in the Representation Letter.

*Section 9. Form of Bond.* The Bonds shall be in substantially the following form; *provided, however,* that if the text of the Bond is to be printed in its entirety on the front side of the Bond, then paragraph [2] and the legend, “See Reverse Side for Additional Provisions”, shall be omitted and paragraph [6] and the paragraphs thereafter as may be appropriate shall be inserted immediately after paragraph [1]:

[Form of Bond - Front Side]

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

REGISTERED  
\$ \_\_\_\_\_

**UNITED STATES OF AMERICA**

**STATE OF ILLINOIS**

**COUNTIES OF LASALLE AND LIVINGSTON**

**CITY OF STREATOR**

**GENERAL OBLIGATION REFUNDING BOND  
(ALTERNATE REVENUE SOURCE), SERIES 2017A**

See Reverse Side for  
Additional Provisions

Interest \_\_\_\_\_ Maturity \_\_\_\_\_ Dated \_\_\_\_\_  
Rate: \_\_\_\_\_% Date: May 1, 20\_\_ Date: \_\_\_\_\_, 20\_\_ CUSIP: **863268** \_\_\_\_\_

Registered Owner:

Principal Amount:

[1] KNOW ALL PERSONS BY THESE PRESENTS that the City of Streator, LaSalle and Livingston Counties, Illinois, a municipality and unit of local government and political subdivision of the State of Illinois (the "*City*"), hereby acknowledges itself to owe and for value received promises to pay to the Registered Owner identified above, or registered assigns as hereinafter provided, on the Maturity Date identified above, the Principal Amount identified above and to pay interest (computed on the basis of a 360-day year of twelve 30-day months) on such Principal Amount from the later of the Dated Date of this Bond identified above or from the most recent interest payment date to which interest has been paid or duly provided for at the Interest Rate per annum identified above, such interest to be payable semiannually on May 1 and November 1 of each year, commencing on \_\_\_\_\_ 1, 20\_\_, until the Principal Amount is paid or duly provided for. The Principal Amount of this Bond is payable in lawful money of the United States of America upon presentation at the principal corporate trust office of UMB Bank,

National Association, Kansas City, Missouri, as paying agent and bond registrar (the "*Bond Registrar*"). Payment of interest shall be made to the Registered Owner hereof, as shown on the registration books of the City maintained by Bond Registrar at the close of business on the 15th day of the month next preceding the interest payment date and shall be paid by check or draft of the Bond Registrar, payable upon presentation in lawful money of the United States of America, mailed to the address of such Registered Owner as it appears on such registration books or at such other address furnished in writing by such Registered Owner to the Bond Registrar.

[2] Reference is hereby made to the further provisions of this Bond set forth on the reverse hereof, and such further provisions shall for all purposes have the same effect as if set forth at this place.

[3] It is hereby certified and recited that all acts, conditions and things required to be done precedent to and in the issuance of this Bond have been done and have happened and have been performed in regular and due form of law; that the indebtedness of the City, including the issue of Bonds of which this is one, does not exceed any limitation imposed by law; that provision has been made for the collection of the Pledged Revenues, the levy and collection of the Pledged Taxes, and the segregation of all Pledged Moneys to pay the interest hereon as it falls due and also to pay and discharge the principal hereof at maturity; and that the City hereby covenants and agrees that it will properly account for said Pledged Moneys and will comply with all the covenants of and maintain the funds and accounts as provided by the Ordinance. For the prompt payment of this Bond, both principal and interest at maturity, the full faith, credit and resources of the City are hereby irrevocably pledged.

[4] This Bond shall not be valid or become obligatory for any purpose until the certificate of authentication hereon shall have been signed by the Bond Registrar.

[5] IN WITNESS WHEREOF, the City of Streator, LaSalle and Livingston Counties, Illinois, by its City Council, has caused this Bond to be executed with the manual or duly authorized facsimile signature of its Mayor and attested by the manual or duly authorized facsimile signature of its City Clerk and its corporate seal or a facsimile thereof to be impressed or reproduced hereon, all as appearing hereon and as of the Dated Date identified above.

SPECIMEN

Mayor

Attest:

SPECIMEN

City Clerk

[SEAL]

Date of Authentication: \_\_\_\_\_, 20\_\_

CERTIFICATE  
OF  
AUTHENTICATION

Bond Registrar and Paying Agent:  
UMB Bank, National Association,  
Kansas City, Missouri

This Bond is one of the Bonds described in the within mentioned Ordinance and is one of the General Obligation Refunding Bonds (Alternate Revenue Source), Series 2017A, of the City of Streator, LaSalle and Livingston Counties, Illinois.

UMB BANK, NATIONAL ASSOCIATION,  
as Bond Registrar

By \_\_\_\_\_  
SPECIMEN  
Authorized Officer



[Form of Bond - Reverse Side]

**CITY OF STREATOR, LASALLE AND LIVINGSTON COUNTIES, ILLINOIS**

**GENERAL OBLIGATION REFUNDING BOND  
(ALTERNATE REVENUE SOURCE), SERIES 2017A**

[6] This Bond is one of a series of bonds issued by the City for the purpose of refunding certain of the City's outstanding alternate bonds, pursuant to and in all respects in full compliance with the Local Government Debt Reform Act of the State of Illinois, as amended (the "*Debt Reform Act*") and the Illinois Municipal Code, as amended. The Bonds are issued pursuant to a bond ordinance adopted by the City Council of the City on the 2nd day of November, 2017 (the "*Ordinance*"), to which reference is hereby expressly made for further definitions and terms and to all the provisions of which the Registered Owner by the acceptance of this Bond assents.

[7] The Bonds are payable from (a) together with the City's outstanding [General Obligation Bonds (Alternate Revenue Source), Series 2006, and ]General Obligation Bonds (Alternate Revenue Source), Series 2015 ([collectively,] the "*Prior Alternate Bonds*"), all collections distributed to the City from those taxes imposed by the State of Illinois pursuant to the Use Tax Act, the Service Use Tax Act, the Service Occupation Tax Act and the Retailer's Occupation Tax Act, each as supplemented and amended from time to time, or substitute taxes therefor as provided in the future (the "*Pledged Revenues*") and (b) ad valorem taxes levied against all of the taxable property in the City without limitation as to rate or amount, pledged hereunder by the City as security for the Bonds (the "*Pledged Taxes*" and, together with the Pledged Revenues, the "*Pledged Moneys*").

[8] Under the Debt Reform Act and the Ordinance, available Pledged Revenues shall be deposited into and segregated in the Pledged Revenues Account of the Bond Fund, and the Pledged Taxes shall be deposited into and segregated in the Pledged Taxes Account of the Bond Fund. Moneys so deposited shall be used and are pledged for paying the principal of and interest on the Bonds and for any further purposes in the priority of lien and as provided by the terms of the Ordinance.

[9] The City reserves the right to issue Additional Bonds (as defined in the Ordinance) from time to time payable from the Pledged Revenues, and any such Additional Bonds shall share ratably and equally in the Pledged Revenues with the Bonds and the Prior Alternate Bonds; *provided, however*, that no Additional Bonds shall be issued except in accordance with the provisions of the Debt Reform Act as the Debt Reform Act is written as this time.

[10] The Bonds are subject to optional [and mandatory] redemption as set forth in the Ordinance. Notice of any such redemption shall be given by the Bond Registrar on behalf of the City as set forth in the Ordinance.

[11] This Bond may be transferred or exchanged, but only in the manner, subject to the limitations, and upon payment of the charges as set forth in the Ordinance.

[12] The City and the Bond Registrar may deem and treat the Registered Owner hereof as the absolute owner hereof for the purpose of receiving payment of or on account of principal hereof and interest due hereon and for all other purposes, and neither the City nor the Bond Registrar shall be affected by any notice to the contrary.

**ASSIGNMENT**

FOR VALUE RECEIVED the undersigned sells, assigns and transfers unto

[Identifying Numbers]

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(Name and Address of Assignee)

the within Bond and does hereby irrevocably constitute and appoint \_\_\_\_\_

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

Dated: \_\_\_\_\_

Signature guaranteed: \_\_\_\_\_

NOTICE: The signature to this transfer and assignment must correspond with the name of the Registered Owner as it appears upon the face of the within Bond in every particular, without alteration or enlargement or any change whatever.

*Section 10. Treatment of Bonds as Debt.* The Bonds shall be payable from the Pledged Revenues and the Pledged Taxes (together, the "*Pledged Moneys*") and shall not constitute an indebtedness of the City within the meaning of any constitutional or statutory limitation, unless the Pledged Taxes shall have been extended pursuant to the general obligation, full faith and credit promise supporting the Bonds, as set forth herein, in which case the amount of the Bonds then outstanding shall be included in the computation of indebtedness of the City for purposes of all statutory provisions or limitations until such time as an audit of the City shall show that the Bonds have been paid from the Pledged Revenues for a complete fiscal year, in accordance with the Debt Reform Act.

*Section 11. Bond Fund.* There is hereby created a special fund of the City, which fund shall be held separate and apart from all other funds and accounts of the City and shall be known as the “2017A Alternate Bond Fund” (the “Bond Fund”). The purpose of the Bond Fund is to provide a fund to receive and disburse the Pledged Moneys for any of the Bonds. All payments with respect to the Bonds shall be made directly from the Bond Fund. There are hereby created two accounts of the Bond Fund, designated the Pledged Revenues Account and the Pledged Taxes Account. All Pledged Revenues to be applied to the payment of the Bonds shall be deposited to the credit of the Pledged Revenues Account and all Pledged Taxes shall be deposited to the credit of the Pledged Taxes Account. The Bond Fund and its respective accounts constitute a trust fund established for the purpose of carrying out the covenants, terms and conditions imposed upon the City by this Ordinance.

Any Pledged Taxes received by the City shall promptly be deposited into the Pledged Taxes Account of the Bond Fund. Pledged Taxes on deposit to the credit of the Pledged Taxes Account shall be fully spent to pay the principal of and interest on the Bonds for which such taxes were levied and collected prior to use of any moneys on deposit in the Pledged Revenues Account of the Bond Fund.

There shall be credited to the Pledged Revenues Account of the Bond Fund and held, in cash and investments, on or before the first day of each month by the financial officer of the City, without any further official action or direction, the Pledged Revenues. Each monthly deposit shall be a fractional amount of the interest becoming due on the next succeeding interest payment date on all Bonds and also a fractional amount of the principal becoming due on the next succeeding maturity date of all of the Bonds until there shall have been accumulated and held, in cash and investments, in the Pledged Revenues Account on or before the month preceding such maturity date of interest or maturity date of principal, an amount sufficient to pay such principal or interest, or both.

In computing the fractional amount to be set aside each month in the Pledged Revenues Account, the fraction shall be so computed that a sufficient amount will be set aside in said Account and will be available for the prompt payment of such principal of and interest on all Bonds and shall be not less than one-sixth of the interest becoming due on the next succeeding interest payment date and not less than one-twelfth of the principal becoming due on the next succeeding principal payment date on all Bonds outstanding until there is sufficient money in said Account to pay such principal or interest, or both.

Credits to the Pledged Revenues Account need not be made at such time as there shall be a sufficient sum, held in cash and investments, in said Account to meet principal and interest requirements in said Account on the next two (2) succeeding debt service payment dates on the Bonds outstanding.

*Section 12. Pledged Taxes; Tax Levy.* For the purpose of providing necessary funds to pay the principal of and interest on the Bonds, and as provided in Section 15 of the Debt Reform Act, there is hereby levied upon all of the taxable property within the City, in the years for which any of the Bonds are outstanding, a direct annual tax in amounts sufficient for that purpose, and there be and there hereby is levied upon all of the taxable property in the City the following direct annual taxes, the Pledged Taxes:

FOR THE YEAR	A TAX SUFFICIENT TO PRODUCE THE SUM OF:	
2018	\$197,837.50	for principal and interest
2019	\$197,837.50	for principal and interest
2020	\$197,837.50	for principal and interest
2021	\$197,837.50	for principal and interest
2022	\$197,837.50	for principal and interest
2023	\$197,837.50	for principal and interest
2024	\$197,837.50	for principal and interest
2025	\$197,837.50	for principal and interest

Interest or principal coming due at any time when there are insufficient funds on hand from the Pledged Moneys to pay the same shall be paid promptly when due from current funds

on hand in advance of the collection of the Pledged Moneys herein pledged and levied; and when the Pledged Moneys shall have been collected, reimbursement shall be made to said funds in the amount so advanced. Payments of principal and interest on the Bonds through and including May 1, 2019 shall be paid from Pledged Revenues and no taxes shall be levied to pay same.

Subject to the provisions of Section 14 hereof, the City covenants and agrees with the purchasers and the owners of the Bonds that so long as any of the Bonds remain outstanding, the City will take no action or fail to take any action which in any way would adversely affect the ability of the City to collect the Pledged Revenues or to levy and collect the Pledged Taxes. The City and its officers will comply with all present and future applicable laws in order to assure that the Pledged Revenues will be available and that the Pledged Taxes will be levied, extended and collected as provided herein and deposited in the Bond Fund.

To the extent that the taxes levied above exceed the amount necessary to pay debt service on the Bonds as set forth in the Bond Notification, the Mayor, City Clerk and Treasurer are hereby authorized to direct the abatement of such taxes to the extent of the excess of such levy in each year over the amount necessary to pay debt service on the Bonds in the following bond year. Proper notice of such abatement shall be filed with the County Clerks in a timely manner to effect such abatement.

*Section 13. Filing of Ordinance and Certificate of Reduction of Taxes.* After this Ordinance becomes effective, a copy hereof, certified by the City Clerk, shall be filed with the County Clerks. The County Clerks shall in and for each of the years required ascertain the rate percent required to produce the aggregate Pledged Taxes hereinbefore levied in each of said years; and the County Clerks shall extend the same for collection on the tax books in connection with other taxes levied in said years in and by the City for general corporate purposes of the City; and in said years the Pledged Taxes shall be levied and collected by and for and on behalf of the

City in like manner as taxes for general corporate purposes of the City for said years are levied and collected, and in addition to and in excess of all other taxes. The Pledged Taxes are hereby irrevocably pledged to and shall be used only for the purpose of paying principal of and interest on the Bonds.

The Mayor, City Clerk and Treasurer or his and her designee shall prepare and file with the County Clerks a Certificate of Reduction of Taxes Heretofore Levied for the Payment of Bonds showing the Refunded Bonds and directing the abatement of the taxes heretofore levied to pay the Refunded Bonds.

*Section 14. Abatement of Pledged Taxes.* As provided in the Debt Reform Act, whenever the Pledged Revenues shall have been determined by the Council in any calendar year to provide an amount not less than 1.25 times debt service of all Outstanding Bonds (as hereinafter defined) in the next succeeding bond year (November 1 and May 1 of the following year), and the Pledged Revenues have been deposited into the Bond Fund in an amount sufficient to pay 1.00 times debt service of the Outstanding Bonds in the next succeeding bond year, the Treasurer shall, prior to the time the Pledged Taxes levied for such calendar year are extended, direct the abatement of the Pledged Taxes, and proper notification of such abatement shall be filed with the County Clerks in a timely manner to effect such abatement.

*Section 15. Pledged Revenues; General Covenants.* The City covenants and agrees with the holders of the Bonds that, so long as any Bonds remain Outstanding:

A. The Pledged Revenues are hereby pledged to the payment of the Bonds; and the Council covenants and agrees to provide for, collect and apply the Pledged Revenues to the payment of all of such Bonds as are from time to time Outstanding and the provision of not less than an additional 0.25 times debt service thereon, all in accordance with Section 15 of the Debt Reform Act.

B. The City will punctually pay or cause to be paid from the Bond Fund the principal of and interest on the Bonds in strict conformity with the terms of the Bonds and this Ordinance, and it will faithfully observe and perform all of the conditions, covenants and requirements thereof.

C. The City will pay and discharge, or cause to be paid and discharged, from the Bond Fund any and all lawful claims which, if unpaid, might become a lien or charge upon the Pledged Revenues, or any part thereof, or upon any such funds in the hands of the Bond Registrar, or which might impair the security of the Bonds. Nothing herein contained shall require the City to make any such payment so long as the City in good faith shall contest the validity of said claims.

D. The City will keep, or cause to be kept, proper books of record and accounts, separate from all other records and accounts of the City, in which complete and correct entries shall be made of all transactions relating to the project financed with proceeds of the Prior Bonds, the Pledged Revenues and the Bond Fund. Such books of record and accounts shall at all times during business hours be subject to the inspection of the holders of not less than ten per cent (10%) of the principal amount of the Outstanding Bonds or their representatives authorized in writing.

E. The City will preserve and protect the security of the Bonds and the rights of the registered owners of the Bonds, and will warrant and defend their rights against all claims and demands of all persons. From and after the sale and delivery of any of the Bonds by the City, the Bonds shall be incontestable by the City.

F. The City will adopt, make, execute and deliver any and all such further ordinances, resolutions, instruments and assurances as may be reasonably necessary or proper to carry out the intention of, or to facilitate the performance of, this Ordinance,



and for the better assuring and confirming unto the holders of the Bonds of the rights and benefits provided in this Ordinance.

G. As long as there are any Outstanding Bonds, the City will continue to deposit the Pledged Revenues and, if necessary, the Pledged Taxes to the appropriate accounts of the Bond Fund. The City covenants and agrees with the purchasers of the Bonds and with the registered owners thereof that so long as there are any Bonds Outstanding, the City will take no action or fail to take any action which in any way would adversely affect the ability of the City to collect the Pledged Revenues. The City and its officers will comply with all present and future applicable laws in order to assure that the Pledged Revenues and the Pledged Taxes may be collected as provided herein and deposited into the Bond Fund.

H. Once issued, the Bonds shall be and forever remain until paid or defeased the general obligation of the City, for the payment of which its full faith and credit are pledged, and shall be payable, in addition to the Pledged Revenues, from the levy of the Pledged Taxes as provided in the Debt Reform Act.

*Section 16. Additional Bonds.* The City reserves the right to issue Additional Bonds as hereinafter defined from time to time payable from the Pledged Revenues, and any such Additional Bonds shall share ratably and equally in the Pledged Revenues with the Bonds and the Prior Alternate Bonds; *provided, however*, that no Additional Bonds shall be issued except in accordance with the provisions of the Debt Reform Act as the Debt Reform Act is written at this time. “*Additional Bonds*” means any alternate bonds issued in the future in accordance with the provisions of the Debt Reform Act on a parity with and sharing ratably and equally in the Pledged Revenues with the Bonds and the Prior Alternate Bonds.

*Section 17. Defeasance.* Bonds which are no longer Outstanding Bonds shall cease to have any lien on or right to receive or be paid from the Pledged Revenues, and shall no longer have the benefits of any covenant for the registered owners of Outstanding Bonds (as hereinafter defined) as such relates to the lien on and security for the Bonds in the Pledged Revenues. “*Outstanding*” when used with reference to the Bonds, the Prior Alternate Bonds and Additional Bonds means such of those bonds which are outstanding and unpaid; *provided, however*, such term shall not include any of the Bonds, Prior Alternate Bonds or Additional Bonds (i) which have matured and for which moneys are on deposit with proper paying agents or are otherwise sufficiently available to pay all principal thereof and interest thereon or (ii) the provision for payment of which has been made by the City by the deposit in an irrevocable trust or escrow of funds or direct, full faith and credit obligations of the United States of America, the principal of and interest on which will be sufficient to pay at maturity or as called for redemption all the principal of and interest on such Bonds, Prior Alternate Bonds or Additional Bonds.

*Section 18. Sale of Bonds.* The Mayor, the City Manager and the Chief Financial Officer of the City (the “*Designated Representatives*”) are hereby authorized to proceed not later than April 15, 2018, without any further authorization or direction from the Council, to sell the Bonds upon the terms as prescribed in this Ordinance. The Bonds hereby authorized shall be executed as in this Ordinance provided as soon after the delivery of the Bond Notification as may be, and thereupon be deposited with the Treasurer, and, after authentication thereof by the Bond Registrar, be by the Treasurer delivered to Robert W. Baird & Co. Incorporated, Naperville, Illinois, the purchaser thereof (the “*Purchaser*”), upon receipt of the purchase price therefor, the same being not less than 96% of the principal amount of the Bonds plus accrued interest, if any, to date of delivery, it being hereby found and determined that the sale of the Bonds to the Purchaser is in the best interests of the City and that no person holding any office of the City,

either by election or appointment, is in any manner financially interested directly in his or her own name or indirectly in the name of any other person, association, trust or corporation, in the sale of the Bonds to the Purchaser.

Prior to the sale of the Bonds, any of the Designated Representatives is hereby authorized to approve and execute a commitment for the purchase of a Municipal Bond Insurance Policy (as hereinafter defined), to further secure the Bonds, as long as the present value of the fee to be paid for the Municipal Bond Insurance Policy (using as a discount rate the expected yield on the Bonds treating the fee paid as interest on the Bonds) is less than the present value of the interest reasonably expected to be saved on the Bonds over the term of the Bonds as a result of the Municipal Bond Insurance Policy.

Upon the sale of the Bonds, the Designated Representatives shall prepare a Notification of Sale of the Bonds, which shall include the pertinent details of sale as provided herein (the "*Bond Notification*"). In the Bond Notification, the Designated Representatives shall find and determine that the Bonds have been sold at such price and bear interest at such rates that either the true interest cost (yield) or the net interest rate received upon the sale of the Bonds does not exceed the maximum rate otherwise authorized by applicable law. The Bond Notification shall be entered into the records of the City and made available to the Council at the next regular meeting thereof; but such action shall be for information purposes only, and the Council shall have no right or authority at such time to approve or reject such sale as evidenced in the Bond Notification.

Upon the sale of the Bonds, as evidenced by the execution and delivery of the Bond Notification by the Designated Representatives, the Mayor, City Clerk and Treasurer and any other officers of the City, as shall be appropriate, shall be and are hereby authorized and directed to approve or execute, or both, such documents of sale of the Bonds as may be necessary,

including, without limitation, the contract for the sale of the Bonds between the City and the Purchaser (the "*Purchase Contract*"). Prior to the execution and delivery of the Purchase Contract, the Designated Representatives shall find and determine that no person holding any office of the City, either by election or appointment, is in any manner financially interested directly in his own name or indirectly in the name of any other person, association, trust or corporation, in the Purchase Contract.

The use by the Purchaser of any Preliminary Official Statement and any final Official Statement relating to the Bonds (the "*Official Statement*") is hereby ratified, approved and authorized; the execution and delivery of the Official Statement is hereby authorized; and the officers of the City are hereby authorized to take any action as may be required on the part of the City to consummate the transactions contemplated by the Purchase Contract, this Ordinance, said Preliminary Official Statement, the Official Statement and the Bonds.

*Section 19. Use of Proceeds.* The proceeds derived from the sale of the Bonds shall be used as follows:

(a) Accrued interest, if any, received on the delivery of the Bonds shall be deposited to the credit of the Bond Fund and applied to pay first interest due on the Bonds.

(b) Simultaneously with the delivery of the Bonds, the principal proceeds of the Bonds, together with any premium received from the sale and delivery of the Bonds and such additional amounts as may be necessary from the general funds of the City, are hereby appropriated to pay the costs of issuance of the Bonds and for the purpose of refunding the Refunded Bonds, and that portion thereof not needed to pay such costs of issuance is hereby ordered deposited either (a) with Bond Trust Services Corporation, Roseville, Minnesota, as paying agent for the Prior Bonds, or (b) in escrow pursuant to an Escrow Letter Agreement to be entered into between the City and UMB Bank, National Association, Kansas City, Missouri (the "*Escrow Agent*"), in substantially the form attached hereto as *Exhibit A* (the "*Escrow Agreement*") and made a part hereof by this reference, or with such changes therein as shall be approved by the officers of the City executing the Escrow Agreement, such execution to constitute evidence of the approval of such changes, for the purpose of paying the principal of and interest on the Refunded Bonds upon redemption thereof. The Council approves the form, terms and provisions of the Escrow Agreement and directs the Mayor and the City Clerk to execute, attest, seal

and deliver the Escrow Agreement in the name and on behalf of the City. Amounts in the escrow may be used to purchase Government Securities (as defined in the Escrow Agreement) to provide for the principal and interest payable on the Refunded Bonds upon redemption thereof. The Escrow Agent and the Purchaser are each hereby authorized to act as agent for the City in the purchase of the Government Securities.

(c) At the time of the issuance of the Bonds, the costs of issuance of the Bonds may be paid by the Purchaser on behalf of the City from the proceeds of the Bonds.

*Section 20. Non-Arbitrage and Tax-Exemption.* The City hereby covenants that it will not take any action, omit to take any action or permit the taking or omission of any action within its control (including, without limitation, making or permitting any use of the proceeds of the Bonds) if taking, permitting or omitting to take such action would cause any of the Bonds to be an arbitrage bond or a private activity bond within the meaning of the Internal Revenue Code of 1986, as amended (the “Code”) or would otherwise cause the interest on the Bonds to be included in the gross income of the recipients thereof for federal income tax purposes. The City acknowledges that, in the event of an examination by the Internal Revenue Service (the “IRS”) of the exemption from federal income taxation for interest paid on the Bonds, under present rules, the City may be treated as a “taxpayer” in such examination and agrees that it will respond in a commercially reasonable manner to any inquiries from the IRS in connection with such an examination.

The City also agrees and covenants with the purchasers and holders of the Bonds from time to time outstanding that, to the extent possible under Illinois law, it will comply with whatever federal tax law is adopted in the future which applies to the Bonds and affects the tax-exempt status of the Bonds.

The Council hereby authorizes the officials of the City responsible for issuing the Bonds, the same being the Mayor, City Clerk and Treasurer, to make such further covenants and certifications as may be necessary to assure that the use thereof will not cause the Bonds to be arbitrage bonds and to assure that the interest on the Bonds will be exempt from federal income

taxation. In connection therewith, the City and the Council further agree: (a) through their officers, to make such further specific covenants, representations as shall be truthful, and assurances as may be necessary or advisable; (b) to consult with counsel approving the Bonds and to comply with such advice as may be given; (c) to pay to the United States, as necessary, such sums of money representing required rebates of excess arbitrage profits relating to the Bonds; (d) to file such forms, statements, and supporting documents as may be required and in a timely manner; and (e) if deemed necessary or advisable by their officers, to employ and pay fiscal agents, financial advisors, attorneys, and other persons to assist the City in such compliance.

*Section 21. Designation of Issue.* The City hereby designates each of the Bonds as a “qualified tax-exempt obligation” for the purposes and within the meaning of Section 265(b)(3) of the Code.

*Section 22. This Ordinance a Contract.* The provisions of this Ordinance shall constitute a contract between the City and the registered owners of the Bonds, in accordance with the terms hereof; and no changes, additions or alterations of any kind shall be made hereto.

*Section 23. Continuing Disclosure Undertaking.* The Mayor is hereby authorized, empowered and directed to execute and deliver a Continuing Disclosure Undertaking under Section (b)(5) of Rule 15c2-12 adopted by the Securities and Exchange Commission pursuant to the Securities Exchange Act of 1934, as amended (the “*Continuing Disclosure Undertaking*”). When the Continuing Disclosure Undertaking is executed and delivered on behalf of the City as herein provided, the Continuing Disclosure Undertaking will be binding on the City and the officers, employees and agents of the City, and the officers, employees and agents of the City are hereby authorized, empowered and directed to do all such acts and things and to execute all such documents as may be necessary to carry out and comply with the provisions of the Continuing

Disclosure Undertaking as executed. Notwithstanding any other provision of this Ordinance, the sole remedies for failure to comply with the Continuing Disclosure Undertaking shall be the ability of the beneficial owner of any Bond to seek mandamus or specific performance by court order, to cause the City to comply with its obligations under the Continuing Disclosure Undertaking.

*Section 24. Duties of Bond Registrar.* If requested by the Bond Registrar, the Mayor and City Clerk are authorized to execute the Bond Registrar's standard form of agreement between the City and the Bond Registrar with respect to the obligations and duties of the Bond Registrar hereunder which may include the following:

- (a) to act as bond registrar, authenticating agent, paying agent and transfer agent as provided herein;
- (b) to maintain a list of Bondholders as set forth herein and to furnish such list to the City upon request, but otherwise to keep such list confidential;
- (c) to give notice of redemption of Bonds as provided herein;
- (d) to cancel and/or destroy Bonds which have been paid at maturity or upon earlier redemption or submitted for exchange or transfer;
- (e) to furnish the City at least annually a certificate with respect to Bonds cancelled and/or destroyed; and
- (f) to furnish the City at least annually an audit confirmation of Bonds paid, Bonds outstanding and payments made with respect to interest on the Bonds.

*Section 25. Municipal Bond Insurance.* In the event the payment of principal and interest on the Bonds is insured pursuant to a municipal bond insurance policy (the "*Municipal Bond Insurance Policy*") issued by a bond insurer (the "*Bond Insurer*"), and as long as such Municipal Bond Insurance Policy shall be in full force and effect, the City and the Bond Registrar agree to comply with such usual and reasonable provisions regarding presentment and payment of the Bonds, subrogation of the rights of the Bondholders to the Bond Insurer upon

payment of the Bonds by the Bond Insurer, amendment hereof, or other terms, as approved by the Council on advice of counsel, their approval to constitute full and complete acceptance by the City of such terms and provisions under authority of this Section.

*Section 26. Call of the Refunded Bonds.* In accordance with the redemption provisions of the ordinance authorizing the issuance of the Prior Bonds, the City does hereby make provision for the payment of and does hereby call (subject only to the delivery of the Bonds) the Refunded Bonds for redemption on such date that shall be the earliest possible and practicable redemption date as determined by the Designated Representatives in the Bond Notification.

*Section 27. Record-Keeping Policy and Post-Issuance Compliance Matters.* On November 10, 2015, the Council adopted a record-keeping policy (the “*Policy*”) in order to maintain sufficient records to demonstrate compliance with its covenants and expectations to ensure the appropriate federal tax status for the debt obligations of the City, the interest on which is excludable from “gross income” for federal income tax purposes or which enable the City or the holder to receive federal tax benefits, including, but not limited to, qualified tax credit bonds and other specified tax credit bonds. The Council and the City hereby reaffirm the Policy.

*Section 28. Severability.* If any section, paragraph, clause or provision of this Ordinance shall be held invalid, the invalidity of such section, paragraph, clause or provision shall not affect any of the other provisions of this Ordinance.



*Section 29. Repealer and Effective Date.* The ordinance adopted by the Council on the 29th day of November, 2016, authorizing the issuance of not to exceed \$1,700,000 General Obligation Refunding Bonds (Alternate Revenue Source), Series 2016A, is hereby repealed in its entirety. All other ordinances, resolutions and orders, or parts thereof, in conflict herewith, are to the extent of such conflict hereby repealed and this Ordinance shall be in full force and effect immediately and forthwith upon its passage and approval.

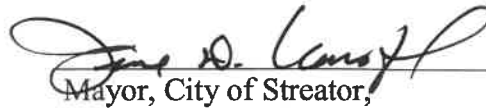
ADOPTED by the City Council on November 2, 2017.

AYES: **Bedei, Brozak, Crouch, Scarbeary and Mayor Lansford**

NAYS: \_\_\_\_\_

ABSENT: \_\_\_\_\_

APPROVED on November 2, 2017.



Mayor, City of Streator,  
LaSalle and Livingston Counties, Illinois

Attest:



City Clerk, City of Streator,  
LaSalle and Livingston Counties, Illinois

[SEAL]

EXTRACT OF MINUTES of a special public meeting of the City Council of the City of Streator, LaSalle and Livingston Counties, Illinois, held at City Hall location, 204 South Barrington Street, Streator, Illinois, at 8:00 A.M., on the 2nd day of November, 2017.

The Mayor called the meeting to order and directed the City Clerk to call the roll.

Upon the roll being called, Jimmie Lansford, the Mayor, and the following City Council Members were physically present at said location: Tara Bedel, Ed Brozak, Brian Crouch, Joe Scarbeary and Mayor Jimmie D. Lansford

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The following City Council Members were allowed by a majority of the members of the City Council in accordance with and to the extent allowed by rules adopted by the City Council to attend the meeting by video or audio conference: None

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No City Council Member was not permitted to attend the meeting by video or audio conference.

The following City Council Members were absent and did not participate in the meeting in any matter or to any extent whatsoever: None

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The Mayor announced that the next item for consideration was the issuance of not to exceed \$1,550,000 alternate bonds (being general obligation bonds for which real property taxes, unlimited as to rate or amount, may be levied, but which are expected to be paid from certain sales taxes collected by the City) to be issued by the City for the purpose of refunding certain of the City's outstanding alternate bonds and that the City Council would consider the adoption of an ordinance providing for the issue of said bonds and the levy of a direct annual tax sufficient to pay the principal and interest thereon. The Mayor then explained that the ordinance sets forth the

parameters for the issuance of said bonds and sale thereof by designated officials of the City to Robert W. Baird & Co. Incorporated, Naperville, Illinois, and summarized the pertinent terms of said parameters, including the specific parameters governing the manner of sale, length of maturity, rates of interest, purchase price and tax levy for said bonds.

Whereupon the City Clerk presented, Patricia L. Henderson explained, and there was read by title an ordinance as follows, a copy of which was provided to each City Council Member prior to said meeting and to everyone in attendance at said meeting who requested a copy:

STATE OF ILLINOIS        )  
                                      ) SS  
COUNTY OF LASALLE     )

**CERTIFICATION OF MINUTES AND ORDINANCE**

I, the undersigned, do hereby certify that I am the duly qualified and acting City Clerk of the City of Streator, LaSalle and Livingston Counties, Illinois (the "*City*"), and as such official I am the keeper of the official journal of proceedings, books, records, minutes and files of the City and of the City Council thereof (the "*Council*").

I do further certify that the foregoing is a full, true and complete transcript of that portion of the minutes of the meeting of the Council held on the 2nd day of November, 2017, insofar as the same relates to the adoption of an Ordinance No. 2017-entitled:

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AN ORDINANCE authorizing and providing for the issuance of not to exceed \$1,550,000 General Obligation Refunding Bonds (Alternate Revenue Source), Series 2017A, of the City of Streator, LaSalle and Livingston Counties, Illinois, for the purpose of refunding certain outstanding alternate bonds of said City, providing for the pledge of certain sales taxes to the payment of the principal and interest on said bonds and the levy and collection of a direct annual tax sufficient to pay the principal and interest on said bonds if said pledged revenues are insufficient to make such payment, and authorizing the sale of said bonds to Robert W. Baird & Co. Incorporated.

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

I do further certify that the deliberations of the Council on the adoption of said ordinance were conducted openly, that the vote on the adoption of said ordinance was taken openly, that said meeting was called and held at a specified time and place convenient to the public, that notice of said meeting was duly given to all of the news media requesting such notice, that an agenda for said meeting was posted at the location where said meeting was held and at the principal office of the Council **by 5:00 P.M. on Monday, October 30, 2017**, that at least one copy of said agenda was continuously available for public review during said period preceding said meeting, that a true, correct and complete copy of said agenda as so posted is attached hereto as *Exhibit A*, that said meeting was called and held in strict compliance with the provisions of the Open Meetings Act of the State of Illinois, as amended, and with the provisions of the Illinois Municipal Code, as amended, and that the Council has complied with all of the provisions of said Act and said Code and with all of the procedural rules of the Council.

IN WITNESS WHEREOF, I hereunto affix my official signature and the seal of the City, this  
2nd day of November, 2017.

  
\_\_\_\_\_  
City Clerk

(SEAL)