

ORDINANCE NO. 17-02-001

ORDINANCE AUTHORIZING THE ISSUANCE OF NOT TO EXCEED \$22,000,000 GENERAL OBLIGATION REFUNDING BONDS, SERIES 2017, OF THE KENDALL COUNTY FOREST PRESERVE DISTRICT

BE IT ORDAINED BY THE BOARD OF COMMISSIONERS OF THE KENDALL COUNTY FOREST PRESERVE DISTRICT, AS FOLLOWS:

**Section 1. Authority, Findings and Purposes.** This ordinance is adopted pursuant to the Downstate Forest Preserve District Act, 70 Illinois Compiled Statutes 805, the Forest Preserve District Refunding Bond Act, 70 Illinois Compiled Statutes 820 and the Local Government Debt Reform Act, 30 Illinois Compiled Statutes 350.

The following public question (the "Bond Proposition") was submitted to and approved by the voters of the Kendall County Forest Preserve District (the "District") at the consolidated election held on April 17, 2007:

"Shall the Kendall County Forest Preserve District, Illinois borrow money and issue general obligation bonds in an amount not to exceed \$45,000,000 to acquire lands by purchase and not by condemnation and improve lands to enable the District to preserve and manage water resources, protect land along the Fox River; establish natural corridors along rivers and streams, improve forests, watershed lands, and other natural areas, preserve and restore wildlife habitats, enhance flood control, construct and enhance trails, fishing access, bird watching and other recreational areas, and provide education programs, all in accordance with the purposes authorized by the Downstate Forest Preserve Act of the State of Illinois as amended, and with all expenditures subject to an annual audit?"

On May 15, 2007, the Board of Commissioners of the District adopted an ordinance entitled: "An Ordinance Providing For the Issue of Not to Exceed \$45,000,000 General Obligation Bonds of the Kendall County Forest Preserve District,

Kendall County, Illinois, and For the Levy of a Direct Annual Tax Sufficient to Pay the Principal and Interest on Said Bonds” (the “2007 Bond Ordinance”) which authorized the issuance of the bonds authorized to be issued pursuant to the Bond Proposition.

On July 10, 2007, the District issued \$45,000,000 principal amount of General Obligation Bonds, Series 2007, of the District (the “Series 2007 Bonds”) being the general obligation bonds of the District authorized by the Bond Proposition and the 2007 Bond Ordinance.

The outstanding Series 2007 Bonds maturing in the years 2019 to 2024, both inclusive (the “Callable Bonds”) are subject to redemption prior to maturity at the option of the District on January 1, 2018 (the “Redemption Date”) at a redemption price equal to the principal amount thereof to be redeemed.

This ordinance is adopted for the purpose of authorizing the issuance of General Obligation Refunding Bonds, Series 2017, of the District (the “2017 Bonds”) for the purpose of refunding all or a portion of the Callable Bonds.

In order to accommodate current market practices and to provide the opportunity to sell the 2017 Bonds under the most favorable terms, the Board of Commissioners hereby delegates to the President of the Board of Commissioners (the “President”) the authority to sell the 2017 Bonds pursuant to a negotiated sale and to determine certain details of the 2017 Bonds. RBC Capital Markets, Inc., as the Senior Manager and Bernardi Securities, Inc., as the Co-Manager, are appointed as the underwriters of the 2017 Bonds (herein collectively called, the “Underwriters”). All determinations delegated to the President pursuant to this ordinance shall be made by the President by

the execution of a written bond order (the "Bond Order"). The delegated authority granted to the President pursuant to this Section shall expire on November 30, 2017.

The District may determine to refund all or a portion of the Callable Bonds. The particular Callable Bonds to be refunded (the "Prior Bonds"), shall be specified in the Bond Order to be executed by the President. The District hereby determines to refund the Prior Bonds and hereby elects to redeem the Prior Bonds on the Redemption Date. The refunding of the Prior Bonds is subject to the condition that the present value debt service savings derived by the District from the refunding of the Prior Bonds must be not less than 3% of the principal amount of the Prior Bonds to be refunded. The President and the other officers and officials of the District are authorized and directed to do, or cause to be done, all things necessary to accomplish the refunding and redemption of the Prior Bonds.

No 2017 Bonds shall be sold pursuant to this ordinance unless the sum of the taxes levied pursuant to Section 9 of this ordinance, the taxes levied for the 2016 tax levy year with respect to the Prior Bonds and to be available for payment of the principal and interest due on or prior to January 1, 2018 on the 2017 Bonds and the moneys to be deposited into the 2017 Debt Service Fund (established by this ordinance) concurrently with the issuance of the 2017 Bonds is sufficient to provide for the punctual payment of the principal of and interest on the 2017 Bonds.

**Section 2. Authorization and Terms of Bonds.** The sum of \$22,000,000 is appropriated to meet part of the estimated cost of refunding the Prior Bonds. Said appropriation includes amounts to pay costs of issuance of the 2017 Bonds.

Pursuant to the Forest Preserve District Refunding Bond Act and applicable provisions of the Downstate Forest Preserve District Act and the Local Government Debt Reform Act and for the purpose of financing said appropriation, unlimited tax general obligation bonds of the District (the "2017 Bonds") are authorized to be issued and sold in an aggregate principal amount of not to exceed \$22,000,000. The 2017 Bonds shall be issued in such principal amount as shall be determined in the Bond Order and shall be designated "General Obligation Refunding Bonds, Series 2017."

2017 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 2017 Bonds. Each 2017 Bond delivered upon the original issuance of the 2017 Bonds shall be dated as of date specified in the Bond Order. Each 2017 Bond thereafter issued upon any transfer or exchange of 2017 Bonds shall be dated so that no gain or loss of interest shall result from such transfer or exchange. The 2017 Bonds shall mature on January 1 in such years and in such principal amounts as shall be determined in the Bond Order, provided that no 2017 Bond shall mature later than January 1, 2024.

Each 2017 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 July 1, 2017 (or such other initial interest payment date as determined in the Bond Order) and semiannually thereafter on each January 1 and July 1, at a rate per annum not exceeding 5.50% per annum.

The principal of the 2017 Bonds shall be payable in lawful money of the United States of America upon presentation and surrender thereof at the principal 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 2017 Bonds. Interest on the 2017 Bonds shall be payable on each interest payment date to the registered owners of record thereof appearing on the registration books maintained by the District for such purpose at the 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 2017 Bonds shall be paid by wire transfer pursuant to an agreement by and between the District and the registered owner, or otherwise by check or draft mailed to such registered owners at their addresses appearing on the registration books.

As determined in the Bond Order, the 2017 Bonds may be made subject to redemption prior to maturity at the option of the District and upon notice as herein provided, on such dates, in such principal amounts and from such maturities as the District shall determine, and by lot within a single maturity, at a redemption price equal to the principal amount thereof to be redeemed plus a premium (if any) not to exceed two percent of such principal amount.

As determined in the Bond Order, the 2017 Bonds may be issued as term bonds subject to mandatory redemption by the application of sinking fund installments at a redemption price equal to the principal amount thereof to be redeemed, and upon notice as hereinafter provided. The bond registrar is hereby authorized and directed to mail notice of the mandatory sinking fund redemption of 2017 Bonds in the manner provided in this Section. Whenever 2017 Bonds subject to mandatory sinking fund redemption are redeemed at the option of the District, the principal amount thereof so redeemed shall be credited against the unsatisfied balance of future sinking fund installments or

final maturity amount established with respect to such 2017 Bonds, in such amounts and against such installments or final maturity amount as shall be determined by the District in the proceedings authorizing such optional redemption or, in the absence of such determination, shall be credited against the unsatisfied balance of the applicable sinking fund installments next ensuing, and with respect to which notice of redemption has not yet been given.

On or prior to the 60<sup>th</sup> day preceding any sinking fund installment date, the District may purchase 2017 Bonds subject to mandatory redemption on such sinking fund installment date, at such prices as the District shall determine. Any 2017 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 established with respect to such 2017 Bond.

In the event of the redemption of less than all the 2017 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 2017 Bond of such maturity a distinctive number for each \$5,000 principal amount of such 2017 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 2017 Bonds to be redeemed. The 2017 Bonds to be redeemed shall be the 2017 Bonds to which were assigned numbers so selected; provided that only so much of the principal amount of each 2017 Bond shall be redeemed as shall equal \$5,000 for each number assigned to it and so selected.

Notice of the redemption of 2017 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 2017 Bonds to be redeemed at their last addresses appearing on said registration books. The 2017 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 2017 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 2017 Bonds or portions thereof shall cease to accrue and become payable. If there shall be drawn for redemption less than all of a 2017 Bond, the District shall execute and the bond registrar shall authenticate and deliver, upon the surrender of such 2017 Bond, without charge to the owner thereof, for the unredeemed balance of the 2017 Bond so surrendered, 2017 Bonds of like maturity and of the denomination of \$5,000 or any integral multiple thereof.

The bond registrar shall not be required to transfer or exchange any 2017 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 2017 Bond during a period of 15 days next preceding the mailing of a notice of redemption which could designate for redemption all or a portion of such 2017 Bond.

**Section 3. Approval of Documents.** The form of 2017 Escrow Deposit Agreement by and between the District and Amalgamated Bank of Chicago, on file in the office of the Secretary of the Board of Commissioners (the "Secretary"), is hereby

approved. In connection with the refunding of the Prior Bonds, the President is authorized and directed to execute and deliver a 2017 Escrow Deposit Agreement in substantially the form of the 2017 Escrow Deposit Agreement on file in the office of the Secretary, with such changes and completions as may be approved by the President, subject to the limitations of this ordinance. The execution and delivery of the 2017 Escrow Deposit Agreement shall constitute conclusive evidence of the approval of such changes and completions.

The form of Official Statement of the District with respect to the 2017 Bonds, in substantially the form on file in the office of the Secretary, with such changes, omissions, insertions and revisions as the President shall deem advisable, the distribution thereof to prospective purchasers and the use thereof by the purchaser in connection with the offering of the 2017 Bonds is authorized and approved. The President may take such actions as may be required so that the Official Statement will be "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 President is authorized to permit the distribution of the final Official Statement with such changes, omissions, insertions and revisions as she shall deem advisable.

Each of the documents approved by this Section may be executed in one or more counterparts. The corporate seal of the District, or a facsimile thereof may, if required, be affixed or otherwise reproduced upon each document and attested by the manual or authorized facsimile signature of the Secretary.

**Section 4. Sale and Delivery of Bonds.** The purchase price of the 2017 Bonds shall be not less than 98% of the principal amount of the 2017 Bonds to be



issued. Subject to the limitations contained in this ordinance, authority is hereby delegated to the President to award and sell the 2017 Bonds to the Underwriters as a public offering for distribution to investors.

The sale and award of the 2017 Bonds to the Underwriters shall be evidenced by the Bond Order, which shall be signed by the President. An executed counterpart of the Bond Order shall be filed in the office of the Secretary and entered in the records of the District.

The President, the Secretary and other officials of the District are authorized and directed to do and perform, or cause to be done or performed for or on behalf of the District each and every thing necessary for the issuance of the 2017 Bonds, including the proper execution and delivery of the 2017 Bonds and the Official Statement.

**Section 5. Execution and Authentication.** Each 2017 Bond shall be executed in the name of the District by the manual or authorized facsimile signature of its President and the corporate seal of the District, or a facsimile thereof, shall be thereunto affixed or otherwise reproduced thereon and attested by the manual or authorized facsimile signature of its Secretary.

In case any officer whose signature, or a facsimile of whose signature, shall appear on any 2017 Bond shall cease to hold such office before the issuance of the 2017 Bond, such 2017 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 2017 Bond had not ceased to hold such office. Any 2017 Bond may be signed, sealed or attested on behalf of the District by any person who, on the date of such act, shall hold the proper office, notwithstanding that at the date of such 2017 Bond such person

may not have held such office. No recourse shall be had for the payment of any 2017 Bonds against any officer who executes the 2017 Bonds.

Each 2017 Bond shall bear thereon a certificate of authentication executed manually by the bond registrar. No 2017 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 6. Transfer, Exchange and Registry.** The 2017 Bonds shall be negotiable, subject to the provisions for registration of transfer contained herein. Each 2017 Bond shall be transferable only upon the registration books maintained by the District 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 2017 Bond, the District shall execute and deliver a new 2017 Bond or Bonds registered in the name of the transferee, of the same aggregate principal amount, maturity and interest rate as the surrendered 2017 Bond. 2017 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 2017 Bonds of the same maturity and interest rate and of the denominations of \$5,000 or any integral multiple thereof.

For every such exchange or registration of transfer of 2017 Bonds, the District 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 2017 Bonds.

The District and the bond registrar may deem and treat the person in whose name any 2017 Bond shall be registered upon the registration books as the absolute owner of such 2017 Bond, whether such 2017 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 2017 Bond to the extent of the sum or sums so paid, and neither the District nor the bond registrar shall not be affected by any notice to the contrary.

**Section 7. General Obligations.** The full faith and credit of the District are hereby irrevocably pledged to the punctual payment of the principal of and interest on the 2017 Bonds. The 2017 Bonds shall be direct and general obligations of the District, and the District shall be obligated to levy ad valorem taxes upon all the taxable property in the District for the payment of the 2017 Bonds and the interest thereon, without limitation as to rate or amount.

**Section 8. Form of Bonds.** The 2017 Bonds shall be issued as fully registered bonds and shall be in substantially the following form, the blanks to be appropriately completed when the 2017 Bonds are printed:

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

United States of America  
State of Illinois  
County of Kendall  
KENDALL COUNTY FOREST PRESERVE DISTRICT  
GENERAL OBLIGATION REFUNDING BOND,  
SERIES 2017

<u>INTEREST RATE</u>	<u>MATURITY DATE</u>	<u>DATED</u>	<u>CUSIP</u>
_____ %	January 1, _____	_____, 2017	

REGISTERED OWNER: Cede & Co.

PRINCIPAL AMOUNT:

KENDALL COUNTY FOREST PRESERVE DISTRICT, a special district of the State of Illinois duly organized and existing under the Downstate Forest Preserve District Act, 70 Illinois Compiled Statutes 805, 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 July 1, 2017 and semiannually thereafter on January 1 and July 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 District 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 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 District 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 \$\_\_\_\_\_, which are authorized and issued under and pursuant to the Downstate Forest Preserve District Act, the Forest Preserve District Refunding Bond Act, 70 Illinois Compiled Statutes 820, and the Local Government Debt Reform Act, 30 Illinois Compiled Statutes 350, and by virtue of an ordinance adopted by the Board of Commissioners of the District on February 7, 2017 and entitled: "Ordinance Authorizing the Issuance of Not to Exceed \$22,000,000 General Obligation Refunding Bonds, Series 2017, of the Kendall County Forest Preserve District."

The bonds of such series maturing on or after January 1, 20\_\_ are subject to redemption prior to maturity at the option of the District and upon notice as herein provided, in such principal amounts and from such maturities as the District shall determine and by lot within a single maturity, on January 1, 20\_\_ 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 years 20\_\_\_, 20\_\_ and 20\_\_ (the "Term Bonds") are subject to mandatory redemption, in part and by lot, on January 1 of the years and in the respective principal amounts set forth in the following tables, by the application of sinking fund installments, at a redemption price equal to the principal amount thereof to be redeemed:

20__ Term Bonds		20__ Term Bonds		20__ Term Bonds	
Year	Principal Amount	Year	Principal Amount	Year	Principal Amount
20__	\$ ,000	20__	\$ ,000	20__	\$ ,000
20__	,000	20__	,000	20__	,000
20__	,000	20__	,000	20__	,000

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 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 District 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 District 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.

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 District 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 District, is within every debt or other limit prescribed by law.

IN WITNESS WHEREOF, Kendall County Forest Preserve District has caused this bond to be executed in its name and on its behalf by the manual or facsimile signature of the President of its Board of Commissioners, 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 the Secretary of its Board of Commissioners.

Dated: \_\_\_\_\_, 2017

KENDALL COUNTY FOREST  
PRESERVE DISTRICT

\_\_\_\_\_  
President

Attest:

\_\_\_\_\_  
Secretary

#### CERTIFICATE OF AUTHENTICATION

This bond is one of the General Obligation Refunding Bonds, Series 2017, 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 9. Levy and Extension of Taxes.** (A) For the purpose of providing the money required to pay the interest on the 2017 Bonds when and as the same falls due and to pay and discharge the principal thereof as the same shall become due at maturity or upon mandatory redemption, there is hereby levied upon all the taxable property in the District, in each year while any of the 2017 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>
2017	\$3,531,000
2018	3,656,000
2019	3,768,000
2020	4,118,000
2021	4,443,000
2022	4,688,000

(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.

(C) After the sale of the 2017 Bonds and the execution of the Bond Order, an executed copy of the Bond Order and a copy of this ordinance certified by the Secretary, which certificate shall recite that this ordinance has been duly adopted, shall be filed with the County Clerk of Kendall County, Illinois, who is hereby directed to ascertain the rate per cent required to produce the aggregate tax hereinbefore provided to be levied in the years 2017 to 2022, inclusive, and, subject to adjustment as provided in paragraph (D) of this Section, to extend the same for collection on the tax books in connection with other taxes levied in said years, in and by the District for general

corporate purposes of the District, 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, such taxes shall be used for the purpose of paying the principal of and interest on the 2017 Bonds as the same become due and payable.

(D) In the event that 2017 Bonds are to be issued in principal amounts and bearing interest such that for any tax levy year an amount less than that set forth in paragraph (A) of this Section is required to be produced to pay when due the principal of and interest on the 2017 Bonds, then the District Director is authorized and directed to file with the County Clerk of Kendall County, Illinois, on or prior to the delivery of the 2017 Bonds, a direction for abatement of taxes specifying the exact amount of taxes to be levied to produce the required amounts for each of the various tax levy years.

(E) After the issuance of the 2017 Bonds, the District 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 District 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 2017 Debt Service Fund established by this ordinance, or otherwise held in trust for the payment of debt service on the 2017 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 2017 Bonds otherwise payable from the debt service taxes levied for such tax levy year.

(F) After the issuance of the 2017 Bonds, the District Director shall file with the County Clerk of Kendall County, a certificate listing the Prior Bonds and the taxes

therefore levied for the payment of the principal of and interest on the Prior Bonds payable after January 1, 2018, and said certificate shall direct the abatement of such taxes. The tax receipts derived from taxes levied for the 2016 tax levy year for payment of the interest on the Prior Bonds and no longer required for such purpose by virtue of the refunding of the Prior Bonds shall be deposited into the 2017 Debt Service Fund established by this ordinance.

**Section 10. Application of Proceeds.** The proceeds of sale of the 2017 Bonds shall be applied as follows:

1. To the Escrow Fund maintained under the 2017 Escrow Deposit Agreement, the amount, together with other moneys (if any) of the District deposited therein, necessary to provide for the redemption of each Prior Bond on its redemption date and to provide for interest to become due and payable on each Prior Bond to its redemption date.

2. To the 2017 Expense Fund established by this ordinance, the amount of such proceeds of sale remaining after making the foregoing deposit.

**Section 11. Debt Service Fund.** Moneys derived from taxes herein levied are appropriated and set aside for the purpose of paying principal of and interest on the 2017 Bonds when and as the same come due. All of such moneys, and all other moneys to be used for the payment of the principal of and interest on the 2017 Bonds, shall be deposited in the "Refunding Bond and Interest Sinking Fund Account of 2017" (the "2017 Debt Service Fund"), which is hereby established pursuant to Section 6 of the Forest Preserve District Refunding Bond Act as a special fund of the District and

shall be administered as a bona fide debt service fund under the Internal Revenue Code of 1986.

The moneys deposited or to be deposited into the 2017 Debt Service Fund, including the tax receipts derived from the taxes levied pursuant to this ordinance, are pledged as security for the payment of the principal of and interest on the 2017 Bonds. 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 2017 Bonds. All such tax receipts and the moneys held in the 2017 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 District irrespective of whether such parties have notice thereof.

**Section 12. Expense Fund.** The “2017 Expense Fund”, which is hereby established as a special fund of the District. Moneys in the 2017 Expense Fund shall be used for the payment of costs of issuance of the 2017 Bonds, but may hereafter 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 2017 Bonds.

**Section 13. Investment Regulations.** No investment shall be made of any moneys in the Escrow Fund, the 2017 Debt Service Fund or the 2017 Expense Fund except in accordance with the tax covenants set forth in Section 14 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 District Director and agents designated by him are hereby authorized to submit, on behalf of the District, subscriptions for such United States Treasury Securities and to request redemption of such United States Treasury Securities.

**Section 14. Tax Covenants.** The District 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 2017 Bonds to become subject to federal income taxes in addition to federal income taxes to which interest on such 2017 Bonds is subject on the date of original issuance thereof.

The District shall not permit any of the proceeds of the 2017 Bonds, or any facilities financed with such proceeds, to be used in any manner that would cause any 2017 Bond to constitute a "private activity bond" within the meaning of Section 141 of the Internal Revenue Code of 1986.

The District shall not permit any of the proceeds of the 2017 Bonds or other moneys to be invested in any manner that would cause any 2017 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 District 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 15. Continuing Disclosure.** For the benefit of the beneficial owners of the 2017 Bonds, the District 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 District 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 District’s fiscal year. The information to be contained in the annual report shall consist of the annual audited financial statement of the District 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 District, 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 District 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 2017 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 Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax-exempt status of the 2017 Bonds, or other events affecting the tax-exempt status of the 2017 Bonds; (7) modifications to rights of bondholders, if material; (8) bond calls, if material; (9) defeasances; (10) release, substitution or sale of property securing repayment of the 2017 Bonds, if material; (11) rating changes; (12) tender offers; (13) bankruptcy, insolvency, receivership or similar event of the District; (14) the consummation of a merger, consolidation, or acquisition involving the District or the sale of all or substantially all of the assets of the District, 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; and (15) appointment of a successor or additional trustee or the change of name of a trustee, if material. For the purposes of the event identified in clause (13), the event is considered to occur when any of the following occur: the



appointment of a receiver, fiscal agent or similar officer for the District 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 or business of the District, 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 District.

It is found and determined that the District has agreed to the undertakings contained in this Section in order to assist participating underwriters of the 2017 Bonds and brokers, dealers and municipal securities dealers in complying with Securities and Exchange Commission Rule 15c2-12(b)(5) promulgated under the Securities Exchange Act of 1934. The chief financial officer of the District is authorized and directed to do and perform, or cause to be done or performed, for or on behalf of the District, each and every thing necessary to accomplish the undertakings of the District contained in this Section for so long as Rule 15c2-12(b)(5) is applicable to the 2017 Bonds and the District remains an “obligated person” under the Rule with respect to the 2017 Bonds.

The undertakings contained in this Section may be amended by the District 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 Rule 15c2-12(b)(5) 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 District, the amendment does not materially impair the interests of the beneficial owners of the 2017 Bonds.

**Section 16. Bond Registrar.** The District covenants that it shall at all times retain a bond registrar with respect to the 2017 Bonds, that it will maintain at the designated office of such bond registrar a place where 2017 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 2017 Bond, and by such execution the bond registrar shall be deemed to have certified to the District that it has all requisite power to accept, and has accepted such duties and obligations not only with respect to the 2017 Bond so authenticated but with respect to all the 2017 Bonds. The bond registrar is the agent of the District 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 2017 Bonds.

The District 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 District covenants and agrees that it will thereupon appoint a successor bond registrar. The District shall mail notice of any such appointment made by it to each registered owner of 2017 Bonds within twenty days after such appointment.

**Section 17. Book-Entry System.** In order to provide for the initial issuance of the 2017 Bonds in a form that provides for a system of book-entry only transfers, the ownership of one fully registered 2017 Bond for each maturity, 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 2017 Bonds. The District Director is authorized to execute and deliver on behalf of the District 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 District shall appoint a successor securities depository to provide a system of book-entry only transfers for the 2017 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 transfer for the 2017 Bonds is discontinued, then the District shall issue and the bond registrar shall authenticate, register and deliver to the beneficial owners of the 2017 Bonds, bond certificates in replacement of such

beneficial owners' beneficial interests in the 2017 Bonds, all as shown in the records maintained by the securities depository.

**Section 18. Defeasance and Payment of Bonds.** (A) If the District shall pay or cause to be paid to the registered owners of the 2017 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 taxes, securities and funds hereby pledged and the covenants, agreements and other obligations of the District to the registered owners and the beneficial owners of the 2017 Bonds shall be discharged and satisfied.

(B) Any 2017 Bonds or interest installments appertaining thereto, whether at or prior to the maturity or the redemption date of such 2017 Bonds, shall be deemed to have been paid within the meaning of paragraph (A) of this Section if (1) in case any such 2017 Bonds are to be redeemed prior to the maturity thereof, there shall have been taken all action necessary to call such 2017 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 (C) 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 such 2017 Bonds on and prior to the applicable redemption date or maturity date thereof.

(C) 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 19. Ordinance to Constitute a Contract.** The provisions of this ordinance shall constitute a contract between the District and the registered owners of the 2017 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 District shall be for the equal benefit, protection and security of the owners of any and all of the 2017 Bonds. All of the 2017 Bonds, regardless of the time or times of their issuance, shall be of equal rank without preference, priority or distinction of any of the 2017 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 2017 Bonds and to the extent that the provisions of this ordinance conflict with the provisions of any other ordinance or resolution of the District, the provisions of this ordinance shall control. 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.

**Section 20. Publication.** The Secretary is hereby authorized and directed to publish this ordinance, within 10 days after its passage, in pamphlet form and to file copies thereof for public inspection in her office.

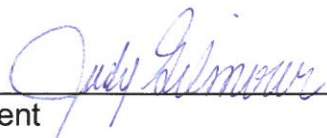
**Section 21. Effective Date.** This ordinance shall become effective upon its passage and approval.

Adopted this 7<sup>th</sup> day of February, 2017, by roll call vote as follows:

Ayes: Lynn Cullick, Robert Davidson, Elizabeth Flowers, Anthony Giles, Judy Gilmour, Audra Hendrix, Matt Kellogg, Matt Prochaska, and John Purcell

Nays: None.

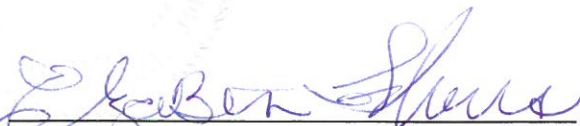
Approved: February 7, 2017

  
\_\_\_\_\_  
President

Published in pamphlet form: February 8, 2017

(SEAL)

Attest:

  
\_\_\_\_\_  
Secretary

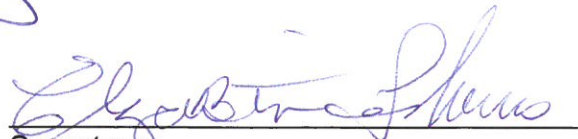
**CERTIFICATE**

I, Elizabeth Flowers, Secretary of the Board of Commissioners of the Kendall County Forest Preserve District, hereby certify that the foregoing ordinance entitled: "Ordinance Authorizing the Issuance of Not to Exceed \$22,000,000 General Obligation Refunding Bonds, Series 2017, of the Kendall County Forest Preserve District," 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 Board of Commissioners of the District at a meeting thereof that was duly called and held at 9:00 a.m. on February 7, 2017, at the County Board Room, 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 signed by the President of the Board of Commissioners of the District on February 7, 2017, and thereafter published in pamphlet form on February 8, 2017, and recorded in the records of the District 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 District, this 8<sup>TH</sup> day of February, 2017.

(SEAL)

  
Secretary