

# REQUEST FOR BOARD ACTION

AGENDA ITEM: 3.4



## Finance Department

**SUBJECT:** Ordinance #2020-O-19: Authorizing the issuance of not to exceed \$31,000,000 General Obligation Bonds, Series 2020A and not to exceed \$18,750,000 General Obligation Refunding Bonds, Series 2020B

**MEETING DATE:** Introduction – June 9, 2020  
Adoption – June 23, 2020

**FROM:** [Melinda Molloy](#), Finance Director

**BUDGET IMPACT:** See Budget Impact Section

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### **Recommended Motions**

Move to introduce and subsequently adopt Ordinance No. 2020-O-19 authorizing the issuance of not to exceed \$31,000,000 General Obligation Bonds, Series 2020A and not to exceed \$18,750,000 General Obligation Bonds, Series 2020B.

### **Background**

Proceeds of the Bonds will be used to pay for stormwater system improvements (the “Neighborhood Storage Project”), Water System improvements (the “Water Project”) and to refund the outstanding General Obligation Bonds, Series 2010.

The portion of the 2020A Bonds’ net proceeds allocated to the Neighborhood Storage Project is approximately \$26.5 million. Following a comprehensive study in 2019, the Village Board elected to proceed with the Neighborhood Storage Project which will provide flood relief to Village residents. The Neighborhood Storage Project consists of the construction and installation of three underground detention structures and associated relief sewers, acquisition of real property easements and rights of way, and payments under Intergovernmental Agreements with the Wilmette Park District and Community Unit School District No. 39. The estimated cost of the total project is \$68 million. This issuance will fund Phase 1A, the construction of Village wide storm sewers and a component of Phase 1, the construction of stormwater detention at Community Playfield. Future debt will be issued for the remainder of Phase 1; Phase 2, the construction of stormwater detention at Hibbard Park; and Phase 3, the construction of stormwater detention at Thornwood Park. In order to fund the debt service for the Neighborhood Storage Project, the Village instituted a new stormwater utility fee (the “Stormwater Fee”). The Stormwater Fee is based upon a property’s impervious surface area as well as a fixed fee.

The portion of the 2020A Bonds' net proceeds allocated to the Water Project is approximately \$4.5 million. The Water Project includes the replacement of water distribution mains and related work, including costs of engineering and other preliminary expenditures, at the following locations: Locust Road from Wilmette Avenue to Lake Avenue, Central Avenue from 12th Street to Sheridan Road, Lake Avenue from Skokie Boulevard to Hubbard Road. The intent is to use revenues from the Water System to repay the debt service associated with these projects.

Proceeds from the 2020B Bonds, \$18.75 million, will be used to refund the outstanding General Obligation Bonds, Series 2010. As a matter of course, Staff reviews outstanding bond issuances for refunding opportunities that would result in debt service savings. The outstanding General Obligation Bonds, Series 2010 are currently callable December 1 of this year.

### **Discussion and Budget Impact**

As in previous years, the Village uses a parameters ordinance that provides a not-to-exceed limit for the bonds. The Village plans to receive \$31,000,000 in project funds for the 2020A issue and \$18,750,000 in project funds for the 2020B issue. By approving this ordinance, the Village Board will authorize the Finance Director to sell bonds from the date of the ordinance's adoption through December 31, 2020. The 2020A bonds will be competitively sold and the bidding process will be facilitated by the Village's Financial Advisor. The Financial Advisor will review the bids, verify all information and provide a recommendation on the awarding of the bonds. The final amount of bonds issued may vary based on the actual bid responses. In order to sell the 2020B bonds under the most favorable terms, they may be sold either at public competitive sale to the successful bidder or in a private placement to the successful purchaser, which shall be (i) a bank or financial institution authorized to do business in the State of Illinois, (ii) a governmental unit as defined in the Local Government Debt Reform Act, or (iii) an "accredited investor" as defined in Rule 501 of Regulation D as promulgated under the Securities Act of 1933. The following provisions are contained in the Ordinance:

- \$49,750,000 in bonds for capital improvements and refunding of prior bonds
  - Capital improvement projects totaling \$31 million discussed above
  - Refunding of the outstanding 2010 bonds
  - Cost of Issuance expenses
- Term of the bonds shall be no greater than 30 years
- Bonds shall not bear an interest rate greater than 5.0% per annum and the true interest cost shall not exceed 5.0%
- The present value debt service savings resulting from the refunding of prior bonds shall not be less than 3.0% of the principal amount of the prior bonds
- The sale of the bonds must be executed by the Village President
- A tax levy will be placed on file with the Cook County Clerk for the repayment of the bonds

After each bond issuance, the Village is required, among other things, to place on file with the County Clerk the corresponding debt service schedule which shows the principal and interest payments due to the bondholder each year. The County Clerk then uses that schedule to establish annual tax levy extensions which will generate property tax collections sufficient to

satisfy the annual debt due to the bondholder. When the Village issues general obligation debt that it intends to repay from sources other than property taxes, as is the case with these bonds, annual abatements must be adopted and filed with the County Clerk such that the property tax is extended correctly, that is reduced. Additionally, when the Village refinances a bond issue, a refunding abatement certificate is filed with the County Clerk to permanently abate the future levies that are affected by the refinancing.

The Village is working toward receiving a rating on the bonds from Moody's by the week of June 15<sup>th</sup> and plans to price bonds after approval of this Ordinance with a closing date of July 9<sup>th</sup>. The Bond Counsel and Disclosure Counsel for the issuance(s) is Katten Muchin Rosenman LLP, the Financial Advisor is PMA Securities, LLC., and the bond registrar and paying agent is Zions Bancorporation.

### **Update**

Subsequent to introducing the Ordinance on June 9, 2020, the Opens Meetings Act (OMA) was officially amended. The new OMA language allows for remote meetings when a disaster declaration is in effect. Additionally, as the structure of the 2020A bonds debt issuance was further refined, the Financial Advisor recommended the use of capitalized interest in the year 2022 to smooth a small spike in the Water Fund debt service. The proposed Ordinance was amended to reflect the OMA change as well as to allow for capitalized interest for a portion of the interest on the 2020A bonds in the year 2022 which are shown in redline ordinance.

### **Documents Attached**

1. Ordinance No. 2020-O-19 redline version
2. Ordinance No. 2020-O-19 clean version

Redline Version

ORDINANCE NO. 2020-O-19

ORDINANCE AUTHORIZING THE ISSUANCE OF NOT TO EXCEED \$31,000,000 GENERAL OBLIGATION BONDS, SERIES 2020A AND NOT TO EXCEED \$18,750,000 GENERAL OBLIGATION REFUNDING BONDS, SERIES 2020B, OF THE VILLAGE OF WILMETTE, ILLINOIS

BE IT ORDAINED BY THE PRESIDENT AND BOARD OF TRUSTEES OF THE VILLAGE OF WILMETTE, ILLINOIS, AS FOLLOWS:

**Section 1. Authority and Purposes.** This ordinance is adopted pursuant to Section 6 of Article VII of the Illinois Constitution of 1970 and authorizes the issuance of (A) not to exceed \$31,000,000 principal amount of General Obligation Bonds, Series 2020A (the “2020A Bonds”), of the Village of Wilmette, Illinois (the “Village”) for the purpose of financing the capital improvements described in Section 2 of this ordinance (the “Capital Improvements”) and (B) not to exceed \$18,750,000 principal amount of General Obligation Refunding Bonds, Series 2020B (the “2020B Bonds” and together with the 2020A Bonds, the “2020 Bonds”) of the Village for the purpose of refunding all or a portion of the outstanding General Obligation Bonds, Series 2010, of the Village (the “2010 Bonds”).

The undertaking of the Capital Improvements and the refunding of the 2010 Bonds are hereby found and determined to be public purposes authorized to be made and undertaken by the Village.

**Section 2. Approval of Capital Improvements.** The following Capital Improvements are authorized to be financed in part by the issuance of the 2020A Bonds: (A) the improvement of the water system of the Village by the replacement of water distribution mains and related work at the following locations: (i) Locust Road from Wilmette Avenue to Lake Avenue; (ii) Central Avenue, from 12<sup>th</sup> Street to Sheridan Road; and (iii) Lake Avenue, from Skokie Boulevard to Hubbard Road, including costs of engineering and other preliminary expenditures at an aggregate estimated cost of \$4,500,000 and (B) the improvement of the storm sewer system of the Village by undertaking the Neighborhood Storage Project to improve the effectiveness of the existing storm sewer system west of Ridge Road by the construction and installation of three underground detention structures and associated relief sewers, including acquisition of real property easements and rights of way, payments under Intergovernmental Agreements with the Wilmette Park District and Community Unit School District No. 39, engineering and other preliminary costs, at an aggregate estimated cost of \$68,000,000, of which \$26,500,000 is to be financed by the issuance of the 2020A Bonds.

**Section 3. Approval of Refunding Plan.** The refunding of the 2020 Bonds is hereby approved. The President and Board of Trustees hereby delegates to the Director of Finance of the Village (the "Finance Director") the authority to determine the particular maturities and principal amounts of the 2010 Bonds to be refunded. The

2010 Bonds to be refunded (the "Prior Bonds") shall be redeemed at a redemption price of par on December 1, 2020 or as soon thereafter as practicable.

The Village President, the Village Manager, the Finance Director and the other officers and officials of the Village are authorized and directed to do, or cause to be done, all things necessary to accomplish the refunding and redemption of the Prior Bonds.

**Section 4. Delegated Sale.** In order to accommodate current market practices and the provisions of federal income tax law and to provide the opportunity to sell the 2020 Bonds under the most favorable terms, the President and Board of Trustees hereby delegates to the Finance Director the authority to determine certain details of the 2020 Bonds and to sell each series of the 2020 Bonds (a) at public competitive sale to the successful bidder or (b) in a private placement to the successful purchaser, which shall be (i) a bank or financial institution authorized to do business in the State of Illinois, (ii) a governmental unit as defined in the Local Government Debt Reform Act, or (iii) an "accredited investor" as defined in Rule 501 of Regulation D as promulgated under the Securities Act of 1933. All determinations delegated to the Finance Director pursuant to this ordinance shall be made by the Finance Director by the execution of a written bond order for each series of the 2020 Bonds (the "Series Bond Order"). The delegated authority granted to the Finance Director pursuant to this Section shall expire on December 31, 2020. If at any time the Finance Director is not able to exercise the authority delegated to her by this ordinance, then such delegated authority may be exercised by the Village Manager.

**Section 5. Authorization and Terms of 2020A Bonds.** The sum of \$31,000,000 (and any original issue bond sale premium) is appropriated to meet part of the estimated cost of the Capital Improvements and to capitalized a portion of the interest on the 2020A Bonds that will become due and payable in the year 2022 (the “Capitalized Interest Deposit”). Said estimated costs are inclusive of the cost of issuance of the 2020A Bonds. Pursuant to the home rule powers of the Village to incur debt payable from ad valorem property tax receipts and for the purpose of financing said appropriation, unlimited tax general obligation bonds of the Village (the “2020A Bonds”) are authorized to be issued and sold in an aggregate principal amount of not to exceed \$31,000,000. The 2020A Bonds may be sold in one or more series. Each such series shall be designated as “General Obligation Bonds, Series 2020A” and may have such additional designation as shall distinguish each series of the 2020A Bonds.

The 2020A 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 2020A Bonds. Each 2020A Bond delivered upon the original issuance of the 2020A Bonds shall be dated as of date specified in the Series Bond Order for the 2020A Bonds (the “2020A Series Bond Order”). Each 2020A Bond thereafter issued upon any transfer, exchange or replacement of 2020A Bonds shall be dated so that no gain or loss of interest shall result from such transfer, exchange or replacement.

The 2020A Bonds shall mature, and 2020A Bonds of certain maturities may be subject to mandatory sinking fund redemption, on December 1 in such years and in

such principal amounts as shall be specified in the 2020A Series Bond Order, provided that no 2020A Bond shall mature later than December 1, 2050.

Each 2020A 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 an initial interest payment date of December 1, 2020 or June 1, 2021 (as determined in the Series Bond Order) and semiannually thereafter on each June 1 and December 1 at the rates per annum as shall be specified in the 2020A Series Bond Order, provided that (i) no 2020A Bond shall bear interest at a rate exceeding 5.00% per annum and (ii) the true interest cost of the 2020A Bonds shall not exceed 5.00%.

No 2020A Bonds shall be sold pursuant to this ordinance unless the sum of (i) the taxes levied pursuant to paragraph (A) of Section 15 of this ordinance, ~~and~~ (ii) [the Capitalized Interest Deposit to be deposited into the Capitalized Interest Account and](#) (iii) moneys to be deposited into the 2020A Debt Service Fund concurrently with the issuance of the 2020A Bonds, is sufficient to provide for the punctual payment of the principal of and interest on the 2020A Bonds.

**Section 6. Authorization and Terms of 2020B Bonds.** The sum of \$18,750,000 (and any original issue bond sale premium) is appropriated to meet part of the estimated cost of refunding the Prior Bonds, including the cost of issuance of the 2020B Bonds. Pursuant to the home rule powers of the Village to incur debt payable from ad valorem property tax receipts and for the purpose of financing said appropriation, unlimited tax general obligation bonds of the Village (the “2020B Bonds”) are authorized to be issued and sold in an aggregate principal amount of not to exceed



\$18,750,000. The 2020B Bonds may be sold in one or more series. Each such series shall be designated as “General Obligation Refunding Bonds, Series 2020B” and may have such additional designation as shall distinguish each series of the 2020B Bonds.

The 2020B 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 2020B Bonds. Each 2020B Bond delivered upon the original issuance of the 2020B Bonds shall be dated as of date specified in the Series Bond Order for the 2020B Bonds (the “2020B Series Bond Order”). Each 2020B Bond thereafter issued upon any transfer, exchange or replacement of 2020B Bonds shall be dated so that no gain or loss of interest shall result from such transfer, exchange or replacement.

The 2020B Bonds shall mature, and 2020B Bonds of certain maturities may be subject to mandatory sinking fund redemption, on December 1 in such years and in such principal amounts as shall be specified in the Bond Order, provided that no 2020B Bond shall mature later than December 1, 2026.

Each 2020B 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 an initial interest payment date of December 1, 2020 or June 1, 2021 (as determined in the Series Bond Order) and semiannually thereafter on each June 1 and December 1 at the rates per annum as shall be specified in the 2020B Series Bond Order, provided that (i) no 2020B Bond shall bear interest at a rate exceeding 5.00% per annum and (ii) the true interest cost of the 2020B Bonds shall not exceed 5.00%.

No 2020B Bonds shall be sold pursuant to this ordinance unless the sum of (i) the taxes levied pursuant to paragraph (B) of Section 15 of this ordinance, (ii) the tax receipts from the 2019 tax levy with respect to the Prior Bonds to be deposited into the 2020B Debt Service Fund (established by this ordinance) and (iii) the other moneys to be deposited into the 2020B Debt Service Fund concurrently with the issuance of the 2020B Bonds, is sufficient to provide for the punctual payment of the principal of and interest on the 2020B Bonds.

**Section 7. Payment Provisions.** The principal of the 2020 Bonds shall be payable in lawful money of the United States of America upon presentation and surrender thereof at the corporate trust office of such bank, trust company or national banking association appointed by the Finance Director in the Series Bond Order, as bond registrar and paying agent for the 2020 Bonds. Interest on the 2020 Bonds shall be payable on each interest payment date to the registered owners of record thereof appearing on the registration books maintained by the Village for such purpose at the corporate trust office of the bond registrar, as of the close of business on the 15<sup>th</sup> day of the calendar month next preceding the applicable interest payment date. Interest on the 2020 Bonds shall be paid by check or draft mailed to such registered owners at their addresses appearing on the registration books or by wire transfer pursuant to an agreement by and between the Village and the registered owner.

**Section 8. Redemption Provisions.** Bonds of each series of the 2020 Bonds may be subject to redemption prior to maturity at the option of the Village, as determined by the Finance Director in the Series Bond Order, and upon notice as herein provided, in such principal amounts and from such maturities as the Finance

Director shall determine in such Series Bond Order and by lot within a single maturity, at such redemption prices (not exceeding 102% of par) and for such periods of redemption as shall be determined in such Series Bond Order.

Pursuant to the applicable Series Bond Order, the Village may designate one or more maturities of each series of the 2020 Bonds as term bonds subject to mandatory redemption by the application of annual sinking fund installments. All 2020 Bonds subject to mandatory sinking fund redemption shall be redeemed at a redemption price equal to the principal amount thereof to be redeemed. The bond registrar is hereby authorized and directed to mail notice of the mandatory sinking fund redemption of the 2020 Bonds in the manner herein provided.

All 2020 Bonds subject to mandatory sinking fund redemption shall be redeemed at a redemption price equal to the principal amount thereof to be redeemed. The bond registrar is hereby authorized and directed to mail notice of the mandatory sinking fund redemption of the 2020 Bonds in the manner herein provided.

Whenever 2020 Bonds subject to mandatory sinking fund redemption are redeemed at the option of the Village, the principal amount thereof so redeemed shall be credited against the unsatisfied balance of future sinking fund installments or final principal amount established with respect to such 2020 Bonds, in such amounts and against such installments or final principal amount as shall be determined by the Village in the proceedings authorizing such optional redemption or, in the absence of such determination, shall be credited pro-rata against the unsatisfied balance of the applicable sinking fund installments and final principal amount.

On or prior to the 60<sup>th</sup> day preceding any sinking fund installment date, the Village may purchase 2020 Bonds, which are subject to mandatory redemption on such sinking fund installment date, at such prices as the Village shall determine. Any 2020 Bond so purchased shall be cancelled and the principal amount thereof so purchased shall be credited against the unsatisfied balance of the next ensuing sinking fund installment of the 2020 Bonds of the same series and maturity as the 2020 Bond so purchased.

In the event of the redemption of less than all the 2020 Bonds of like series and 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 2020 Bond of such series and maturity a distinctive number for each \$5,000 principal amount of such 2020 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 2020 Bonds to be redeemed. The 2020 Bonds to be redeemed shall be the 2020 Bonds to which were assigned numbers so selected; provided that only so much of the principal amount of each 2020 Bond shall be redeemed as shall equal \$5,000 for each number assigned to it and so selected.

Notice of the redemption of 2020 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 2020 Bonds to be redeemed at their last addresses appearing on said registration books. The 2020 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 2020 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 2020 Bonds or portions thereof shall cease to accrue and become payable. If there shall be drawn for redemption less than all of a 2020 Bond, the Village shall execute and the bond registrar shall authenticate and deliver, upon the surrender of such 2020 Bond, without charge to the owner thereof, in exchange for the unredeemed balance of the 2020 Bond so surrendered, 2020 Bonds of like series, maturity and interest rate and of the denomination of \$5,000 or any integral multiple thereof.

The bond registrar shall not be required to transfer or exchange any 2020 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 2020 Bond during a period of 15 days next preceding the mailing of a notice of redemption that could designate for redemption all or a portion of such 2020 Bond.

**Section 9. Approval of Official Statement.** Each Official Statement prepared with respect to the 2020 Bonds is approved and “deemed final” as of its date for purposes of Securities and Exchange Commission Rule 15c2-12 promulgated under the Securities Exchange Act of 1934.

**Section 10. Sale and Delivery of Bonds.** (A) Subject to the limitations contained in this ordinance, authority is delegated to the Finance Director to sell the

2020A Bonds and, pursuant to the 2020A Series Bond Order, to award the 2020A Bonds to the successful bidder or purchaser.

(B) Subject to the limitations contained in this ordinance, authority is delegated to the Finance Director to sell the 2020B Bonds and, pursuant to the 2020B Series Bond Order, to award the 2020B Bonds to the successful bidder or purchaser provided that the present value debt service savings resulting from the refunding of the Prior Bonds shall not be less than 3.00% of the principal amount of the Prior Bonds.

(C) No series of 2020 Bonds shall be sold at a purchase price lower than 97% of the principal amount of such series.

(D) The sale and award of each series of the 2020 Bonds shall be evidenced by a Series Bond Order, which shall be signed by the Finance Director. An executed counterpart of each Series Bond Order shall be filed in the office of the Village Clerk and entered in the records of the Village.

(E) The Village President, the Village Manager, the Finance Director, the Village Clerk and other officials of the Village are authorized and directed to do and perform, or cause to be done or performed for or on behalf of the Village each and every thing necessary for the issuance of the 2020 Bonds, including the proper execution and delivery of the 2020 Bonds and the applicable Official Statements.

**Section 11. Execution and Authentication.** Each 2020 Bond shall be executed in the name of the Village by the manual or authorized facsimile signature of its Village President and the corporate seal of the Village, or a facsimile thereof, shall be thereunto affixed or otherwise reproduced thereon and attested by the manual or authorized facsimile signature of its Village Clerk or Deputy Village Clerk.

In case any officer whose signature, or a facsimile of whose signature, shall appear on any 2020 Bond shall cease to hold such office before the issuance of the 2020 Bond, such 2020 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 2020 Bond had not ceased to hold such office. Any 2020 Bond may be signed, sealed or attested on behalf of the Village by any person who, on the date of such act, shall hold the proper office, notwithstanding that at the date of such 2020 Bond such person may not have held such office. No recourse shall be had for the payment of any 2020 Bonds against any officer who executes the 2020 Bonds.

Each 2020 Bond shall bear thereon a certificate of authentication executed manually by the bond registrar. No 2020 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 12. Transfer, Exchange and Registry.** The 2020 Bonds shall be negotiable, subject to the provisions for registration of transfer contained herein. Each 2020 Bond shall be transferable only upon the registration books maintained by the Village for that purpose at the 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 2020 Bond, the Village shall execute and the bond registrar shall authenticate and deliver a new 2020 Bond or 2020 Bonds registered in the name of the transferee, of the same aggregate principal amount,

series, maturity and interest rate as the surrendered 2020 Bond. 2020 Bonds, upon surrender thereof at the 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 2020 Bonds of the same series, 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 2020 Bonds, the Village 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 2020 Bonds.

The Village and the bond registrar may deem and treat the person in whose name any 2020 Bond shall be registered upon the registration books as the absolute owner of such 2020 Bond, whether such 2020 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 2020 Bond to the extent of the sum or sums so paid, and neither the Village nor the bond registrar shall be affected by any notice to the contrary.



**Section 13. General Obligations.** The full faith and credit of the Village are hereby irrevocably pledged to the punctual payment of the principal of and interest on the 2020 Bonds. The 2020 Bonds shall be direct and general obligations of the Village, and the Village shall be obligated to levy ad valorem taxes upon all the taxable property in the Village for the payment of the 2020 Bonds and the interest thereon, without limitation as to rate or amount.

**Section 14. Form of Bonds.** The 2020 Bonds shall be issued as fully registered 2020 Bonds and shall be in substantially the following form, the blanks to be appropriately completed when the 2020 Bonds are printed:

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

United States of America

State of Illinois

County of Cook

VILLAGE OF WILMETTE  
 GENERAL OBLIGATION [REFUNDING] BOND,  
 SERIES 2020[A] [B]

<u>INTEREST RATE</u>	<u>MATURITY DATE</u>	<u>DATED DATE</u>	<u>CUSIP</u>
. %	December 1, 20__	_____, 2020	_____

REGISTERED OWNER: Cede & Co.

PRINCIPAL AMOUNT:

The VILLAGE OF WILMETTE, a municipal corporation and a home rule unit of the State of Illinois situate in the County of Cook, acknowledges itself indebted and for value received hereby promises to pay to the registered owner of this bond, or registered assigns, the principal amount specified above on the maturity date specified

above, and to pay interest on such principal amount from the date hereof at the interest rate per annum specified above, computed on the basis of a 360 day year consisting of twelve 30 day months and payable in lawful money of the United States of America on [December 1, 2020] [June 1, 2021] and semiannually thereafter on June 1 and December 1 in each year until the principal amount shall have been paid, to the registered owner of record hereof as of the 15<sup>th</sup> day of the calendar month next preceding such interest payment date, by wire transfer pursuant to an agreement by and between the Village and the registered owner, or otherwise by check or draft mailed to the registered owner at the address of such owner appearing on the registration books maintained by the Village for such purpose at the corporate trust office of \_\_\_\_\_, in the City of \_\_\_\_\_, \_\_\_\_\_, 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 corporate trust office of the Bond Registrar. The full faith and credit of the Village 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 \$\_\_\_\_\_,000, which are authorized and issued under and pursuant to Section 6 of Article VII of the Illinois Constitution of 1970 and under and in accordance with an ordinance adopted by the President and Board of Trustees of the Village on June 23, 2020 and entitled: "Ordinance Authorizing the Issuance of Not to Exceed \$31,000,000 General Obligation Bonds, Series 2020A and Not to Exceed \$18,750,000 General Obligation Refunding Bonds, Series 2020B, of the Village of Wilmette, Illinois."

[The bonds of such series maturing on or after December 1, 20\_\_ are subject to redemption prior to maturity at the option of the Village and upon notice as herein provided, in such principal amounts and from such maturities as the Village shall determine and by lot within a single maturity, on \_\_\_\_\_, 20\_\_ and on any date thereafter, at a redemption price equal to the principal amount thereof to be redeemed plus, if such bond is to be redeemed during any period (both dates inclusive) shown in the following table, the applicable redemption premium, expressed as a percentage of such principal amount, set forth opposite such period:

Redemption Period      Redemption Premium]

[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 December 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 corporate trust office of the Bond Registrar together with a written instrument of transfer satisfactory to the Bond Registrar duly executed by the registered owner or by his duly authorized attorney, and thereupon a new registered bond or bonds, in the authorized denominations of \$5,000 or any integral multiple thereof and of the same aggregate principal amount, maturity and interest rate as this bond shall be issued to the transferee in exchange therefor. In like manner, this bond may be exchanged for an equal aggregate principal amount of bonds of the same maturity and interest rate and of any of such authorized denominations. The Village 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 Village and the Bond Registrar may treat and consider the person in whose name this bond is registered as the absolute owner hereof for the purpose of

receiving payment of, or on account of, the principal and interest due hereon and for all other purposes whatsoever.

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

It is hereby certified, recited and declared that 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 Village 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 Village, is within every debt or other limit prescribed by law.

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

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

VILLAGE OF WILMETTE

\_\_\_\_\_  
Village President

Attest:

CERTIFICATE OF AUTHENTICATION

\_\_\_\_\_  
[Deputy] Village Clerk

This bond is one of the General Obligation [Refunding] Bonds, Series 2020[A] [B], described in the within mentioned Ordinance.

\_\_\_\_\_,  
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 substitut

Dated \_\_\_\_\_

Signature Guarantee:

\_\_\_\_\_

**Section 15. Levy and Extension of Taxes.** (A) For the purpose of providing the money required to pay the interest on the 2020A Bonds when and as the same falls due and to pay and discharge the principal thereof (including any mandatory sinking fund installments) as the same shall mature, there is hereby levied upon all the taxable property in the Village, in each year while any of the 2020A Bonds shall be outstanding, a direct annual tax sufficient for that purpose in addition to all other taxes in the amount of \$2,250,000 in each of the tax levy years 2020 to 2049, both inclusive.

(B) For the purpose of providing the money required to pay the interest on the 2020B Bonds when and as the same falls due and to pay and discharge the principal thereof (including any mandatory sinking fund installments) as the same shall mature, there is hereby levied upon all the taxable property in the Village, in each year while any of the 2020B Bonds shall be outstanding, a direct annual tax sufficient for that purpose in addition to all other taxes in the amount of \$4,750,000 in each of the tax levy years 2020 to 2025, both inclusive.

(C) 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.

(D) After the sale of the 2020A Bonds and the execution of the 2020A Series Bond Order, an executed copy of the 2020A Series Bond Order and a copy of this ordinance, certified by the Village Clerk or Deputy Village Clerk, which certificate shall recite that this ordinance has been duly adopted, shall be filed with the County Clerk of



Cook County, Illinois (the "County Clerk") who is hereby directed to ascertain the rate per cent required to produce the aggregate tax hereinbefore provided to be levied in the years 2020 to 2049, inclusive, and subject to adjustment as provided in paragraph (E) 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 Village for general corporate purposes of the Village, 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 2020A Bonds as the same become due and payable.

(E) In the event that 2020A 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 2020A Bonds, then the Finance Director is authorized and directed to file with the County Clerk, on or prior to the date of delivery of the 2020A 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.

(F) After the sale of the 2020B Bonds and the execution of the 2020B Series Bond Order, an executed copy of the 2020B Series Bond Order shall be filed with the County Clerk who is hereby directed to ascertain the rate per cent required to produce the aggregate tax hereinbefore provided to be levied in the years 2020 to 2025, inclusive, and subject to adjustment as provided in paragraph (G) 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 Village for general corporate purposes of the Village, 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 2020B Bonds as the same become due and payable.

(G) In the event that 2020B 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 (B) of this Section is required to be produced to pay when due the principal of and interest on the 2020B Bonds, then the Finance Director is authorized and directed to file with the County Clerk, on or prior to the date of delivery of the 2020B 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.

(H) After the issuance of the 2020B Bonds, the Finance Director shall file with the County Clerk, a certificate listing the Prior Bonds and the taxes theretofore levied for the payment of the principal of and interest on the Prior Bonds due after December 1, 2020, and said certificate shall direct the abatement of such taxes.

**Section 16. Application of Proceeds.** (A) The proceeds of sale of the 2020A Bonds constituting the Capitalized Interest Deposit shall be deposited into the Capitalized Interest Account of the 2020A Debt Service Fund established by this ordinance and the remaining proceeds of sale of the 2020A Bonds shall be deposited into the 2020A Capital Improvement Fund established by this ordinance.

(B) The proceeds of sale of the 2020B Bonds shall be deposited as follows:

1. To the 2020 Redemption Fund established by this ordinance, the amount, together with other moneys (if any) of the Village 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 on and prior to its redemption date.

2. To the 2020B Expense Fund established by this ordinance, the amount of such proceeds of sale remaining after making the foregoing deposit.

**Section 17. Debt Service Funds.** Moneys derived from taxes levied pursuant to paragraph (A) of Section 15 of this ordinance are appropriated and set aside for the purpose of paying principal of and interest on the 2020A Bonds when and as the same come due. All of such moneys, and all other moneys (exclusive of the Capitalized Interest Deposit) to be used for the payment of the principal of and interest on the 2020A Bonds, shall be deposited in the “2020A Debt Service Fund”, which is hereby established as a special fund of the Village and shall be administered as a bona fide debt service fund under the Internal Revenue Code of 1986. All accrued interest received upon the issuance of the 2020A Bonds shall be deposited in the 2020A Debt Service Fund. The Capitalized Interest Deposit shall be deposited into the “Capitalized Interest Account,” which is hereby established as a special account of the Village. Moneys in the Capitalized Interest Account shall be applied to pay interest on the 2020A Bonds as provided in the Series Bond Order for the 2020A Bonds.

Moneys derived from taxes levied pursuant to paragraph (B) of Section 15 of this ordinance are appropriated and set aside for the purpose of paying principal of and interest on the 2020B 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 2020B Bonds, shall be deposited in the “2020B Debt Service Fund”, which is hereby

established as a special fund of the Village and shall be administered as a bona fide debt service fund under the Internal Revenue Code of 1986. All accrued interest received upon the issuance of the 2020B Bonds shall be deposited in the 2020B Debt Service Fund.

The tax receipts derived from the taxes levied pursuant to paragraph (A) of Section 15 of this ordinance and the moneys deposited or to be deposited into the 2020A Debt Service Fund [and the Capitalized Interest Account](#), are pledged as security for the payment of the principal of and interest on the 2020A Bonds. The tax receipts derived from the taxes levied pursuant to paragraph (B) of Section 15 of this ordinance and the moneys deposited or to be deposited into the 2020B Debt Service Fund are pledged as security for the payment of the principal of and interest on the 2020B Bonds. These pledges are 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 applicable series of the 2020 Bonds. All such tax receipts and the moneys held in the 2020A Debt Service Fund, [the Capitalized Interest Account](#) and the 2020B Debt Service Fund shall immediately be subject to the lien of the applicable 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 Village irrespective of whether such parties have notice thereof.

**Section 18. Capital Improvement Fund.** The “2020A Capital Improvement Fund”, is hereby established as a special fund of the Village. Moneys in the 2020A Capital Improvement Fund shall be used for the payment of costs of the Capital Improvements and for the payment of costs of issuance of the 2020A 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 2020A Bonds.

**Section 19. Redemption Fund.** The “2020 Redemption Fund” is hereby established as a special fund of the Village. The moneys in the 2020 Redemption Fund shall be used for the payment of the redemption price of the Prior Bonds on the redemption date of the Prior Bonds and the payment of the interest to become due and payable on the Prior Bonds on and on prior to their redemption date. The Finance Director may appoint a bank, trust company or national banking association to act as the escrow agent for the 2020 Redemption Fund.

**Section 20. Expense Fund.** The “2020B Expense Fund”, is hereby established as a special fund of the Village. Moneys in the 2020B Expense Fund shall be used for the payment of costs of issuance of the 2020B 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 2020B Bonds.

**Section 21. Investment Regulations.** No investment shall be made of any moneys in the 2020A Debt Service Fund, [the Capitalized Interest Account](#), the 2020B Debt Service Fund, the 2020A Capital Improvement Fund, the 2020 Redemption Fund or the 2020B Expense Fund except in accordance with the tax covenants set forth in Section 22 of this ordinance. All income derived from such investments in respect of moneys or securities in any Fund or Account shall be credited in each case to the Fund or Account in which such moneys or securities are held.

Any moneys in any Fund or Account 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 the Fiscal Service, 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 Finance Director and agents designated by her are hereby authorized to submit, on behalf of the Village, subscriptions for such United States Treasury Securities and to request redemption of such United States Treasury Securities.

**Section 22. Tax Covenants.** The Village 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 2020 Bond to become subject to federal income taxes in addition to federal income taxes to which interest on such 2020 Bond is subject on the date of original issuance thereof.

The Village shall not permit any of the proceeds of the 2020 Bonds, or any facilities financed with such proceeds, to be used in any manner that would cause any 2020 Bond to constitute a “private activity bond” within the meaning of Section 141 of the Internal Revenue Code of 1986.

The Village shall not permit any of the proceeds of the 2020 Bonds or other moneys to be invested in any manner that would cause any 2020 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 Village 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 23. Continuing Disclosure.** For the benefit of the beneficial owners of the 2020 Bonds, the Village 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 Village 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 Village’s fiscal year. The information to be contained in the annual report shall consist of the annual audited financial statement of the Village 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 Village, 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 Village 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 2020 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 2020 Bonds, or other events affecting the tax-exempt status of the 2020 Bonds; (7) modifications to rights of bondholders, if material; (8) bond calls, if material, and tender offers; (9) defeasances; (10) release, substitution or sale of property securing repayment of the 2020 Bonds, if material; (11) rating changes; (12) bankruptcy, insolvency, receivership or similar event of the Village; (13) the consummation of a merger, consolidation, or acquisition involving the Village or the sale of all or substantially all of the assets of the Village, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material; (14) appointment of a successor or additional trustee or the change of name of a trustee, if material; (15) incurrence of a financial obligation of the Village, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the Village, any of which affect bondholders, if material; and (16) default, event of acceleration, termination event,



modification of terms, or other similar events under the terms of a financial obligation of the Village any of which reflect financial difficulties. For the purposes of the event identified in clause (12), the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for the Village 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 Village, 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 Village. As used in clauses (15) and (16), the term financial obligation means a (i) debt obligation; (ii) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (iii) guarantee of (i) or (ii). The term financial obligation shall not include municipal securities as to which a final official statement has been provided to the MSRB consistent with Securities and Exchange Commission Rule 15c2-12 promulgated under the Securities Exchange Act of 1934 (the "Rule").

It is found and determined that the Village has agreed to the undertakings contained in this Section in order to assist participating underwriters of the 2020 Bonds and brokers, dealers and municipal securities dealers in complying with paragraph (b)(5) of the Rule. The chief financial officer of the Village is authorized and directed to do and perform, or cause to be done or performed, for or on behalf of the Village, each

and every thing necessary to accomplish the undertakings of the Village contained in this Section with respect to each series of the 2020 Bonds for so long as paragraph (b)(5) of the Rule is applicable to such series of the 2020 Bonds and the Village remains an “obligated person” under the Rule with respect to such series of the 2020 Bonds.

The undertakings contained in this Section may be amended by the Village upon a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature or status of the obligated person, or type of business conducted, provided that (a) the undertaking, as amended, would have complied with the requirements of paragraph (b)(5) of the Rule at the time of the primary offering, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances and (b) in the opinion of nationally recognized bond counsel selected by the Village, the amendment does not materially impair the interests of the beneficial owners of the 2020 Bonds.

**Section 24. Bond Registrar.** The Village covenants that it shall at all times retain a bond registrar with respect to the 2020 Bonds, that it will maintain at the designated office of such bond registrar a place where 2020 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

2020 Bond, and by such execution the bond registrar shall be deemed to have certified to the Village that it has all requisite power to accept, and has accepted such duties and obligations not only with respect to the 2020 Bond so authenticated but with respect to all the 2020 Bonds. The bond registrar is the agent of the Village 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 2020 Bonds.

The Village 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 Village covenants and agrees that it will thereupon appoint a successor bond registrar. The Village shall mail notice of any such appointment made by it to each registered owner of 2020 Bonds within twenty days after such appointment.

**Section 25. Book-Entry System.** In order to provide for the initial issuance of each series of the 2020 Bonds in a form that provides for a system of book-entry only transfers, the ownership of one fully registered 2020 Bond for each maturity of each series, in the aggregate principal amount of such maturity, shall be registered in the name of Cede & Co., as a nominee of The Depository Trust Company, as securities depository for the 2020 Bonds. The Finance Director is authorized to execute and deliver on behalf of the Village 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 Village shall appoint a successor securities depository to provide a system of book-entry only transfers for the 2020 Bonds, by written notice to the predecessor securities depository directing it to notify its participants (those persons for whom the securities depository holds securities) of the appointment of a successor securities depository.

If the system of book-entry only transfers for the 2020 Bonds is discontinued, then the Village shall issue and the bond registrar shall authenticate, register and deliver to the beneficial owners of the 2020 Bonds, bond certificates in replacement of such beneficial owners' beneficial interests in the 2020 Bonds, all as shown in the records maintained by the securities depository.

**Section 26. Defeasance and Payment of Bonds.** (A) If the Village shall pay or cause to be paid to the registered owners of a series of the 2020 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 Village to the registered owners and the beneficial owners of such series of the 2020 Bonds shall be discharged and satisfied.

(B) Any 2020 Bonds or interest installments appertaining thereto, whether at or prior to the maturity or the redemption date of such 2020 Bonds, shall be deemed to have been paid within the meaning of paragraph (A) of this Section if (1) in case any such 2020 Bonds are to be redeemed prior to the maturity thereof, there shall have been taken all action necessary to call such 2020 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 said 2020 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 27. Ordinance to Constitute a Contract.** The provisions of this ordinance shall constitute a contract between the Village and the registered owners of the 2020 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 Village shall be for the equal benefit, protection and security of the owners of any and all of the 2020

Bonds of like series. All of the 2020 Bonds of like series, regardless of the time or times of their issuance, shall be of equal rank without preference, priority or distinction of any of the 2020 Bonds of such series 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 2020 Bonds and to the extent that the provisions of this ordinance conflict with the provisions of any other ordinance or resolution of the Village, 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.

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

**Section 28. Publication.** The Village Clerk is hereby authorized and directed to publish this ordinance in pamphlet form and to file copies thereof for public inspection in his office.

**Section 29. Effective Date.** This ordinance shall become effective upon its passage, approval and publication in pamphlet form.

Passed and adopted this 23<sup>rd</sup> day of June, 2020, by roll call vote as follows:

List Names

Ayes:

Nays:

Approved: June 23, 2020

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Village President

Published in pamphlet form: June 24, 2020

(SEAL)

Attest:

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Village Clerk

## CERTIFICATE

I, Karen Norwood, Deputy Village Clerk of the Village of Wilmette, Illinois, hereby certify that the foregoing ordinance entitled: “Ordinance Authorizing the Issuance of Not to Exceed \$31,000,000 General Obligation Bonds, Series 2020A and Not to Exceed \$18,750,000 General Obligation Refunding Bonds, Series 2020B, of the Village of Wilmette, Illinois,” is a true copy of an original ordinance that was duly passed and adopted by the recorded affirmative votes of a majority of the members of the President and Board of Trustees of the Village at a meeting thereof that was duly called and held [remotely](#) at 7:30 p.m. on June 23, 2020, by video conference [during a declared disaster, in accordance with the Open Meetings Act, 5 Illinois Compiled Statutes 120,](#) 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 Village President on June 23, 2020, and thereafter published in pamphlet form on June 24, 2020 and recorded in the Ordinance Book of the Village 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 Village, this \_\_\_\_\_ day of \_\_\_\_\_, 2020.

\_\_\_\_\_  
Deputy Village Clerk

(SEAL)

Document comparison by Workshare 9.5 on Wednesday, June 17, 2020 1:02:53 PM

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Document 2 ID	interwovenSite://MULTI/US/144574163/3
Description	#144574163v3<US> - Wilmette 2020 - Authorizing Ordinance
Rendering set	Firm Word - Adds Double Underline, Delete Strikethrough

Legend:	
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Inserted cell	
Deleted cell	
Moved cell	
Split/Merged cell	
Padding cell	

Statistics:	
	Count
Insertions	11
Deletions	2
Moved from	0
Moved to	0
Style change	0
Format changed	0
Total changes	13

ORDINANCE NO. 2020-O-19

ORDINANCE AUTHORIZING THE ISSUANCE OF NOT TO EXCEED \$31,000,000 GENERAL OBLIGATION BONDS, SERIES 2020A AND NOT TO EXCEED \$18,750,000 GENERAL OBLIGATION REFUNDING BONDS, SERIES 2020B, OF THE VILLAGE OF WILMETTE, ILLINOIS

BE IT ORDAINED BY THE PRESIDENT AND BOARD OF TRUSTEES OF THE VILLAGE OF WILMETTE, ILLINOIS, AS FOLLOWS:

**Section 1. Authority and Purposes.** This ordinance is adopted pursuant to Section 6 of Article VII of the Illinois Constitution of 1970 and authorizes the issuance of (A) not to exceed \$31,000,000 principal amount of General Obligation Bonds, Series 2020A (the “2020A Bonds”), of the Village of Wilmette, Illinois (the “Village”) for the purpose of financing the capital improvements described in Section 2 of this ordinance (the “Capital Improvements”) and (B) not to exceed \$18,750,000 principal amount of General Obligation Refunding Bonds, Series 2020B (the “2020B Bonds” and together with the 2020A Bonds, the “2020 Bonds”) of the Village for the purpose of refunding all or a portion of the outstanding General Obligation Bonds, Series 2010, of the Village (the “2010 Bonds”).

The undertaking of the Capital Improvements and the refunding of the 2010 Bonds are hereby found and determined to be public purposes authorized to be made and undertaken by the Village.

**Section 2. Approval of Capital Improvements.** The following Capital Improvements are authorized to be financed in part by the issuance of the 2020A Bonds: (A) the improvement of the water system of the Village by the replacement of water distribution mains and related work at the following locations: (i) Locust Road from Wilmette Avenue to Lake Avenue; (ii) Central Avenue, from 12<sup>th</sup> Street to Sheridan Road; and (iii) Lake Avenue, from Skokie Boulevard to Hubbard Road, including costs of engineering and other preliminary expenditures at an aggregate estimated cost of \$4,500,000 and (B) the improvement of the storm sewer system of the Village by undertaking the Neighborhood Storage Project to improve the effectiveness of the existing storm sewer system west of Ridge Road by the construction and installation of three underground detention structures and associated relief sewers, including acquisition of real property easements and rights of way, payments under Intergovernmental Agreements with the Wilmette Park District and Community Unit School District No. 39, engineering and other preliminary costs, at an aggregate estimated cost of \$68,000,000, of which \$26,500,000 is to be financed by the issuance of the 2020A Bonds.

**Section 3. Approval of Refunding Plan.** The refunding of the 2020 Bonds is hereby approved. The President and Board of Trustees hereby delegates to the Director of Finance of the Village (the "Finance Director") the authority to determine the particular maturities and principal amounts of the 2010 Bonds to be refunded. The 2010

Bonds to be refunded (the "Prior Bonds") shall be redeemed at a redemption price of par on December 1, 2020 or as soon thereafter as practicable.

The Village President, the Village Manager, the Finance Director and the other officers and officials of the Village are authorized and directed to do, or cause to be done, all things necessary to accomplish the refunding and redemption of the Prior Bonds.

**Section 4. Delegated Sale.** In order to accommodate current market practices and the provisions of federal income tax law and to provide the opportunity to sell the 2020 Bonds under the most favorable terms, the President and Board of Trustees hereby delegates to the Finance Director the authority to determine certain details of the 2020 Bonds and to sell each series of the 2020 Bonds (a) at public competitive sale to the successful bidder or (b) in a private placement to the successful purchaser, which shall be (i) a bank or financial institution authorized to do business in the State of Illinois, (ii) a governmental unit as defined in the Local Government Debt Reform Act, or (iii) an "accredited investor" as defined in Rule 501 of Regulation D as promulgated under the Securities Act of 1933. All determinations delegated to the Finance Director pursuant to this ordinance shall be made by the Finance Director by the execution of a written bond order for each series of the 2020 Bonds (the "Series Bond Order"). The delegated authority granted to the Finance Director pursuant to this Section shall expire on December 31, 2020. If at any time the Finance Director is not able to exercise the authority delegated to her by this ordinance, then such delegated authority may be exercised by the Village Manager.

**Section 5. Authorization and Terms of 2020A Bonds.** The sum of \$31,000,000 (and any original issue bond sale premium) is appropriated to meet part of the estimated cost of the Capital Improvements and to capitalized a portion of the interest on the 2020A Bonds that will become due and payable in the year 2022 (the “Capitalized Interest Deposit”). Said estimated costs are inclusive of the cost of issuance of the 2020A Bonds. Pursuant to the home rule powers of the Village to incur debt payable from ad valorem property tax receipts and for the purpose of financing said appropriation, unlimited tax general obligation bonds of the Village (the “2020A Bonds”) are authorized to be issued and sold in an aggregate principal amount of not to exceed \$31,000,000. The 2020A Bonds may be sold in one or more series. Each such series shall be designated as “General Obligation Bonds, Series 2020A” and may have such additional designation as shall distinguish each series of the 2020A Bonds.

The 2020A 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 2020A Bonds. Each 2020A Bond delivered upon the original issuance of the 2020A Bonds shall be dated as of date specified in the Series Bond Order for the 2020A Bonds (the “2020A Series Bond Order”). Each 2020A Bond thereafter issued upon any transfer, exchange or replacement of 2020A Bonds shall be dated so that no gain or loss of interest shall result from such transfer, exchange or replacement.

The 2020A Bonds shall mature, and 2020A Bonds of certain maturities may be subject to mandatory sinking fund redemption, on December 1 in such years and in

such principal amounts as shall be specified in the 2020A Series Bond Order, provided that no 2020A Bond shall mature later than December 1, 2050.

Each 2020A 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 an initial interest payment date of December 1, 2020 or June 1, 2021 (as determined in the Series Bond Order) and semiannually thereafter on each June 1 and December 1 at the rates per annum as shall be specified in the 2020A Series Bond Order, provided that (i) no 2020A Bond shall bear interest at a rate exceeding 5.00% per annum and (ii) the true interest cost of the 2020A Bonds shall not exceed 5.00%.

No 2020A Bonds shall be sold pursuant to this ordinance unless the sum of (i) the taxes levied pursuant to paragraph (A) of Section 15 of this ordinance, (ii) the Capitalized Interest Deposit to be deposited into the Capitalized Interest Account and (iii) moneys to be deposited into the 2020A Debt Service Fund concurrently with the issuance of the 2020A Bonds, is sufficient to provide for the punctual payment of the principal of and interest on the 2020A Bonds.

**Section 6. Authorization and Terms of 2020B Bonds.** The sum of \$18,750,000 (and any original issue bond sale premium) is appropriated to meet part of the estimated cost of refunding the Prior Bonds, including the cost of issuance of the 2020B Bonds. Pursuant to the home rule powers of the Village to incur debt payable from ad valorem property tax receipts and for the purpose of financing said appropriation, unlimited tax general obligation bonds of the Village (the “2020B Bonds”) are authorized to be issued and sold in an aggregate principal amount of not to exceed

\$18,750,000. The 2020B Bonds may be sold in one or more series. Each such series shall be designated as “General Obligation Refunding Bonds, Series 2020B” and may have such additional designation as shall distinguish each series of the 2020B Bonds.

The 2020B 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 2020B Bonds. Each 2020B Bond delivered upon the original issuance of the 2020B Bonds shall be dated as of date specified in the Series Bond Order for the 2020B Bonds (the “2020B Series Bond Order”). Each 2020B Bond thereafter issued upon any transfer, exchange or replacement of 2020B Bonds shall be dated so that no gain or loss of interest shall result from such transfer, exchange or replacement.

The 2020B Bonds shall mature, and 2020B Bonds of certain maturities may be subject to mandatory sinking fund redemption, on December 1 in such years and in such principal amounts as shall be specified in the Bond Order, provided that no 2020B Bond shall mature later than December 1, 2026.

Each 2020B 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 an initial interest payment date of December 1, 2020 or June 1, 2021 (as determined in the Series Bond Order) and semiannually thereafter on each June 1 and December 1 at the rates per annum as shall be specified in the 2020B Series Bond Order, provided that (i) no 2020B Bond shall bear interest at a rate exceeding 5.00% per annum and (ii) the true interest cost of the 2020B Bonds shall not exceed 5.00%.



No 2020B Bonds shall be sold pursuant to this ordinance unless the sum of (i) the taxes levied pursuant to paragraph (B) of Section 15 of this ordinance, (ii) the tax receipts from the 2019 tax levy with respect to the Prior Bonds to be deposited into the 2020B Debt Service Fund (established by this ordinance) and (iii) the other moneys to be deposited into the 2020B Debt Service Fund concurrently with the issuance of the 2020B Bonds, is sufficient to provide for the punctual payment of the principal of and interest on the 2020B Bonds.

**Section 7. Payment Provisions.** The principal of the 2020 Bonds shall be payable in lawful money of the United States of America upon presentation and surrender thereof at the corporate trust office of such bank, trust company or national banking association appointed by the Finance Director in the Series Bond Order, as bond registrar and paying agent for the 2020 Bonds. Interest on the 2020 Bonds shall be payable on each interest payment date to the registered owners of record thereof appearing on the registration books maintained by the Village for such purpose at the corporate trust office of the bond registrar, as of the close of business on the 15<sup>th</sup> day of the calendar month next preceding the applicable interest payment date. Interest on the 2020 Bonds shall be paid by check or draft mailed to such registered owners at their addresses appearing on the registration books or by wire transfer pursuant to an agreement by and between the Village and the registered owner.

**Section 8. Redemption Provisions.** Bonds of each series of the 2020 Bonds may be subject to redemption prior to maturity at the option of the Village, as determined by the Finance Director in the Series Bond Order, and upon notice as herein provided, in such principal amounts and from such maturities as the Finance Director

shall determine in such Series Bond Order and by lot within a single maturity, at such redemption prices (not exceeding 102% of par) and for such periods of redemption as shall be determined in such Series Bond Order.

Pursuant to the applicable Series Bond Order, the Village may designate one or more maturities of each series of the 2020 Bonds as term bonds subject to mandatory redemption by the application of annual sinking fund installments. All 2020 Bonds subject to mandatory sinking fund redemption shall be redeemed at a redemption price equal to the principal amount thereof to be redeemed. The bond registrar is hereby authorized and directed to mail notice of the mandatory sinking fund redemption of the 2020 Bonds in the manner herein provided.

All 2020 Bonds subject to mandatory sinking fund redemption shall be redeemed at a redemption price equal to the principal amount thereof to be redeemed. The bond registrar is hereby authorized and directed to mail notice of the mandatory sinking fund redemption of the 2020 Bonds in the manner herein provided.

Whenever 2020 Bonds subject to mandatory sinking fund redemption are redeemed at the option of the Village, the principal amount thereof so redeemed shall be credited against the unsatisfied balance of future sinking fund installments or final principal amount established with respect to such 2020 Bonds, in such amounts and against such installments or final principal amount as shall be determined by the Village in the proceedings authorizing such optional redemption or, in the absence of such determination, shall be credited pro-rata against the unsatisfied balance of the applicable sinking fund installments and final principal amount.

On or prior to the 60<sup>th</sup> day preceding any sinking fund installment date, the Village may purchase 2020 Bonds, which are subject to mandatory redemption on such sinking fund installment date, at such prices as the Village shall determine. Any 2020 Bond so purchased shall be cancelled and the principal amount thereof so purchased shall be credited against the unsatisfied balance of the next ensuing sinking fund installment of the 2020 Bonds of the same series and maturity as the 2020 Bond so purchased.

In the event of the redemption of less than all the 2020 Bonds of like series and 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 2020 Bond of such series and maturity a distinctive number for each \$5,000 principal amount of such 2020 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 2020 Bonds to be redeemed. The 2020 Bonds to be redeemed shall be the 2020 Bonds to which were assigned numbers so selected; provided that only so much of the principal amount of each 2020 Bond shall be redeemed as shall equal \$5,000 for each number assigned to it and so selected.

Notice of the redemption of 2020 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 2020 Bonds to be redeemed at their last addresses appearing on said registration books. The 2020 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 2020 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 2020 Bonds or portions thereof shall cease to accrue and become payable. If there shall be drawn for redemption less than all of a 2020 Bond, the Village shall execute and the bond registrar shall authenticate and deliver, upon the surrender of such 2020 Bond, without charge to the owner thereof, in exchange for the unredeemed balance of the 2020 Bond so surrendered, 2020 Bonds of like series, maturity and interest rate and of the denomination of \$5,000 or any integral multiple thereof.

The bond registrar shall not be required to transfer or exchange any 2020 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 2020 Bond during a period of 15 days next preceding the mailing of a notice of redemption that could designate for redemption all or a portion of such 2020 Bond.

**Section 9. Approval of Official Statement.** Each Official Statement prepared with respect to the 2020 Bonds is approved and “deemed final” as of its date for purposes of Securities and Exchange Commission Rule 15c2-12 promulgated under the Securities Exchange Act of 1934.

**Section 10. Sale and Delivery of Bonds.** (A) Subject to the limitations contained in this ordinance, authority is delegated to the Finance Director to sell the

2020A Bonds and, pursuant to the 2020A Series Bond Order, to award the 2020A Bonds to the successful bidder or purchaser.

(B) Subject to the limitations contained in this ordinance, authority is delegated to the Finance Director to sell the 2020B Bonds and, pursuant to the 2020B Series Bond Order, to award the 2020B Bonds to the successful bidder or purchaser provided that the present value debt service savings resulting from the refunding of the Prior Bonds shall not be less than 3.00% of the principal amount of the Prior Bonds.

(C) No series of 2020 Bonds shall be sold at a purchase price lower than 97% of the principal amount of such series.

(D) The sale and award of each series of the 2020 Bonds shall be evidenced by a Series Bond Order, which shall be signed by the Finance Director. An executed counterpart of each Series Bond Order shall be filed in the office of the Village Clerk and entered in the records of the Village.

(E) The Village President, the Village Manager, the Finance Director, the Village Clerk and other officials of the Village are authorized and directed to do and perform, or cause to be done or performed for or on behalf of the Village each and every thing necessary for the issuance of the 2020 Bonds, including the proper execution and delivery of the 2020 Bonds and the applicable Official Statements.

**Section 11. Execution and Authentication.** Each 2020 Bond shall be executed in the name of the Village by the manual or authorized facsimile signature of its Village President and the corporate seal of the Village, or a facsimile thereof, shall be thereunto affixed or otherwise reproduced thereon and attested by the manual or authorized facsimile signature of its Village Clerk or Deputy Village Clerk.

In case any officer whose signature, or a facsimile of whose signature, shall appear on any 2020 Bond shall cease to hold such office before the issuance of the 2020 Bond, such 2020 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 2020 Bond had not ceased to hold such office. Any 2020 Bond may be signed, sealed or attested on behalf of the Village by any person who, on the date of such act, shall hold the proper office, notwithstanding that at the date of such 2020 Bond such person may not have held such office. No recourse shall be had for the payment of any 2020 Bonds against any officer who executes the 2020 Bonds.

Each 2020 Bond shall bear thereon a certificate of authentication executed manually by the bond registrar. No 2020 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 12. Transfer, Exchange and Registry.** The 2020 Bonds shall be negotiable, subject to the provisions for registration of transfer contained herein. Each 2020 Bond shall be transferable only upon the registration books maintained by the Village for that purpose at the 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 2020 Bond, the Village shall execute and the bond registrar shall authenticate and deliver a new 2020 Bond or 2020 Bonds registered in the name of the transferee, of the same aggregate principal amount,

series, maturity and interest rate as the surrendered 2020 Bond. 2020 Bonds, upon surrender thereof at the 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 2020 Bonds of the same series, 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 2020 Bonds, the Village 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 2020 Bonds.

The Village and the bond registrar may deem and treat the person in whose name any 2020 Bond shall be registered upon the registration books as the absolute owner of such 2020 Bond, whether such 2020 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 2020 Bond to the extent of the sum or sums so paid, and neither the Village nor the bond registrar shall be affected by any notice to the contrary.

**Section 13. General Obligations.** The full faith and credit of the Village are hereby irrevocably pledged to the punctual payment of the principal of and interest on the 2020 Bonds. The 2020 Bonds shall be direct and general obligations of the Village, and the Village shall be obligated to levy ad valorem taxes upon all the taxable property in the Village for the payment of the 2020 Bonds and the interest thereon, without limitation as to rate or amount.

**Section 14. Form of Bonds.** The 2020 Bonds shall be issued as fully registered 2020 Bonds and shall be in substantially the following form, the blanks to be appropriately completed when the 2020 Bonds are printed:

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

United States of America

State of Illinois

County of Cook

VILLAGE OF WILMETTE  
 GENERAL OBLIGATION [REFUNDING] BOND,  
 SERIES 2020[A] [B]

<u>INTEREST RATE</u>	<u>MATURITY DATE</u>	<u>DATED DATE</u>	<u>CUSIP</u>
. %	December 1, 20__	_____, 2020	_____

REGISTERED OWNER: Cede & Co.

PRINCIPAL AMOUNT:

The VILLAGE OF WILMETTE, a municipal corporation and a home rule unit of the State of Illinois situate in the County of Cook, acknowledges itself indebted and for value received hereby promises to pay to the registered owner of this bond, or registered assigns, the principal amount specified above on the maturity date specified



above, and to pay interest on such principal amount from the date hereof at the interest rate per annum specified above, computed on the basis of a 360 day year consisting of twelve 30 day months and payable in lawful money of the United States of America on [December 1, 2020] [June 1, 2021] and semiannually thereafter on June 1 and December 1 in each year until the principal amount shall have been paid, to the registered owner of record hereof as of the 15<sup>th</sup> day of the calendar month next preceding such interest payment date, by wire transfer pursuant to an agreement by and between the Village and the registered owner, or otherwise by check or draft mailed to the registered owner at the address of such owner appearing on the registration books maintained by the Village for such purpose at the corporate trust office of \_\_\_\_\_, in the City of \_\_\_\_\_, \_\_\_\_\_, 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 corporate trust office of the Bond Registrar. The full faith and credit of the Village 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 \$\_\_\_\_\_,000, which are authorized and issued under and pursuant to Section 6 of Article VII of the Illinois Constitution of 1970 and under and in accordance with an ordinance adopted by the President and Board of Trustees of the Village on June 23, 2020 and entitled: "Ordinance Authorizing the Issuance of Not to Exceed \$31,000,000 General Obligation Bonds, Series 2020A and Not to Exceed \$18,750,000 General Obligation Refunding Bonds, Series 2020B, of the Village of Wilmette, Illinois."

[The bonds of such series maturing on or after December 1, 20\_\_ are subject to redemption prior to maturity at the option of the Village and upon notice as herein provided, in such principal amounts and from such maturities as the Village shall determine and by lot within a single maturity, on \_\_\_\_\_, 20\_\_ and on any date thereafter, at a redemption price equal to the principal amount thereof to be redeemed plus, if such bond is to be redeemed during any period (both dates inclusive) shown in the following table, the applicable redemption premium, expressed as a percentage of such principal amount, set forth opposite such period:

Redemption Period      Redemption Premium]

[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 December 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 corporate trust office of the Bond Registrar together with a written instrument of transfer satisfactory to the Bond Registrar duly executed by the registered owner or by his duly authorized attorney, and thereupon a new registered bond or bonds, in the authorized denominations of \$5,000 or any integral multiple thereof and of the same aggregate principal amount, maturity and interest rate as this bond shall be issued to the transferee in exchange therefor. In like manner, this bond may be exchanged for an equal aggregate principal amount of bonds of the same maturity and interest rate and of any of such authorized denominations. The Village 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 Village and the Bond Registrar may treat and consider the person in whose name this bond is registered as the absolute owner hereof for the purpose of

receiving payment of, or on account of, the principal and interest due hereon and for all other purposes whatsoever.

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

It is hereby certified, recited and declared that 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 Village 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 Village, is within every debt or other limit prescribed by law.

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

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

VILLAGE OF WILMETTE

\_\_\_\_\_  
Village President

Attest:

CERTIFICATE OF AUTHENTICATION

\_\_\_\_\_  
[Deputy] Village Clerk

This bond is one of the General Obligation [Refunding] Bonds, Series 2020[A] [B], described in the within mentioned Ordinance.

\_\_\_\_\_,  
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 15. Levy and Extension of Taxes.** (A) For the purpose of providing the money required to pay the interest on the 2020A Bonds when and as the same falls due and to pay and discharge the principal thereof (including any mandatory sinking fund installments) as the same shall mature, there is hereby levied upon all the taxable property in the Village, in each year while any of the 2020A Bonds shall be outstanding, a direct annual tax sufficient for that purpose in addition to all other taxes in the amount of \$2,250,000 in each of the tax levy years 2020 to 2049, both inclusive.

(B) For the purpose of providing the money required to pay the interest on the 2020B Bonds when and as the same falls due and to pay and discharge the principal thereof (including any mandatory sinking fund installments) as the same shall mature, there is hereby levied upon all the taxable property in the Village, in each year while any of the 2020B Bonds shall be outstanding, a direct annual tax sufficient for that purpose in addition to all other taxes in the amount of \$4,750,000 in each of the tax levy years 2020 to 2025, both inclusive.

(C) 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.

(D) After the sale of the 2020A Bonds and the execution of the 2020A Series Bond Order, an executed copy of the 2020A Series Bond Order and a copy of this ordinance, certified by the Village Clerk or Deputy Village Clerk, which certificate shall recite that this ordinance has been duly adopted, shall be filed with the County Clerk of

Cook County, Illinois (the "County Clerk") who is hereby directed to ascertain the rate per cent required to produce the aggregate tax hereinbefore provided to be levied in the years 2020 to 2049, inclusive, and subject to adjustment as provided in paragraph (E) 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 Village for general corporate purposes of the Village, 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 2020A Bonds as the same become due and payable.

(E) In the event that 2020A 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 2020A Bonds, then the Finance Director is authorized and directed to file with the County Clerk, on or prior to the date of delivery of the 2020A 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.

(F) After the sale of the 2020B Bonds and the execution of the 2020B Series Bond Order, an executed copy of the 2020B Series Bond Order shall be filed with the County Clerk who is hereby directed to ascertain the rate per cent required to produce the aggregate tax hereinbefore provided to be levied in the years 2020 to 2025, inclusive, and subject to adjustment as provided in paragraph (G) 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 Village for general corporate purposes of the Village, 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 2020B Bonds as the same become due and payable.

(G) In the event that 2020B 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 (B) of this Section is required to be produced to pay when due the principal of and interest on the 2020B Bonds, then the Finance Director is authorized and directed to file with the County Clerk, on or prior to the date of delivery of the 2020B 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.

(H) After the issuance of the 2020B Bonds, the Finance Director shall file with the County Clerk, a certificate listing the Prior Bonds and the taxes theretofore levied for the payment of the principal of and interest on the Prior Bonds due after December 1, 2020, and said certificate shall direct the abatement of such taxes.

**Section 16. Application of Proceeds.** (A) The proceeds of sale of the 2020A Bonds constituting the Capitalized Interest Deposit shall be deposited into the Capitalized Interest Account of the 2020A Debt Service Fund established by this ordinance and the remaining proceeds of sale of the 2020A Bonds shall be deposited into the 2020A Capital Improvement Fund established by this ordinance.

(B) The proceeds of sale of the 2020B Bonds shall be deposited as follows:

1. To the 2020 Redemption Fund established by this ordinance, the amount, together with other moneys (if any) of the Village 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 on and prior to its redemption date.

2. To the 2020B Expense Fund established by this ordinance, the amount of such proceeds of sale remaining after making the foregoing deposit.

**Section 17. Debt Service Funds.** Moneys derived from taxes levied pursuant to paragraph (A) of Section 15 of this ordinance are appropriated and set aside for the purpose of paying principal of and interest on the 2020A Bonds when and as the same come due. All of such moneys, and all other moneys (exclusive of the Capitalized Interest Deposit) to be used for the payment of the principal of and interest on the 2020A Bonds, shall be deposited in the “2020A Debt Service Fund”, which is hereby established as a special fund of the Village and shall be administered as a bona fide debt service fund under the Internal Revenue Code of 1986. All accrued interest received upon the issuance of the 2020A Bonds shall be deposited in the 2020A Debt Service Fund. The Capitalized Interest Deposit shall be deposited into the “Capitalized Interest Account,” which is hereby established as a special account of the Village. Moneys in the Capitalized Interest Account shall be applied to pay interest on the 2020A Bonds as provided in the Series Bond Order for the 2020A Bonds.

Moneys derived from taxes levied pursuant to paragraph (B) of Section 15 of this ordinance are appropriated and set aside for the purpose of paying principal of and interest on the 2020B 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 2020B Bonds, shall be deposited in the “2020B Debt Service Fund”, which is hereby

established as a special fund of the Village and shall be administered as a bona fide debt service fund under the Internal Revenue Code of 1986. All accrued interest received upon the issuance of the 2020B Bonds shall be deposited in the 2020B Debt Service Fund.

The tax receipts derived from the taxes levied pursuant to paragraph (A) of Section 15 of this ordinance and the moneys deposited or to be deposited into the 2020A Debt Service Fund and the Capitalized Interest Account, are pledged as security for the payment of the principal of and interest on the 2020A Bonds. The tax receipts derived from the taxes levied pursuant to paragraph (B) of Section 15 of this ordinance and the moneys deposited or to be deposited into the 2020B Debt Service Fund are pledged as security for the payment of the principal of and interest on the 2020B Bonds. These pledges are 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 applicable series of the 2020 Bonds. All such tax receipts and the moneys held in the 2020A Debt Service Fund, the Capitalized Interest Account and the 2020B Debt Service Fund shall immediately be subject to the lien of the applicable 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 Village irrespective of whether such parties have notice thereof.

**Section 18. Capital Improvement Fund.** The “2020A Capital Improvement Fund”, is hereby established as a special fund of the Village. Moneys in the 2020A Capital Improvement Fund shall be used for the payment of costs of the Capital Improvements and for the payment of costs of issuance of the 2020A 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 2020A Bonds.

**Section 19. Redemption Fund.** The “2020 Redemption Fund” is hereby established as a special fund of the Village. The moneys in the 2020 Redemption Fund shall be used for the payment of the redemption price of the Prior Bonds on the redemption date of the Prior Bonds and the payment of the interest to become due and payable on the Prior Bonds on and on prior to their redemption date. The Finance Director may appoint a bank, trust company or national banking association to act as the escrow agent for the 2020 Redemption Fund.

**Section 20. Expense Fund.** The “2020B Expense Fund”, is hereby established as a special fund of the Village. Moneys in the 2020B Expense Fund shall be used for the payment of costs of issuance of the 2020B 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 2020B Bonds.

**Section 21. Investment Regulations.** No investment shall be made of any moneys in the 2020A Debt Service Fund, the Capitalized Interest Account, the 2020B Debt Service Fund, the 2020A Capital Improvement Fund, the 2020 Redemption Fund or the 2020B Expense Fund except in accordance with the tax covenants set forth in Section 22 of this ordinance. All income derived from such investments in respect of moneys or securities in any Fund or Account shall be credited in each case to the Fund or Account in which such moneys or securities are held.

Any moneys in any Fund or Account 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 the Fiscal Service, 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 Finance Director and agents designated by her are hereby authorized to submit, on behalf of the Village, subscriptions for such United States Treasury Securities and to request redemption of such United States Treasury Securities.

**Section 22. Tax Covenants.** The Village 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 2020 Bond to become subject to federal income taxes in addition to federal income taxes to which interest on such 2020 Bond is subject on the date of original issuance thereof.

The Village shall not permit any of the proceeds of the 2020 Bonds, or any facilities financed with such proceeds, to be used in any manner that would cause any 2020 Bond to constitute a “private activity bond” within the meaning of Section 141 of the Internal Revenue Code of 1986.

The Village shall not permit any of the proceeds of the 2020 Bonds or other moneys to be invested in any manner that would cause any 2020 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 Village 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 23. Continuing Disclosure.** For the benefit of the beneficial owners of the 2020 Bonds, the Village 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 Village 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 Village’s fiscal year. The information to be contained in the annual report shall consist of the annual audited financial statement of the Village 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 Village, 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 Village 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 2020 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 2020 Bonds, or other events affecting the tax-exempt status of the 2020 Bonds; (7) modifications to rights of bondholders, if material; (8) bond calls, if material, and tender offers; (9) defeasances; (10) release, substitution or sale of property securing repayment of the 2020 Bonds, if material; (11) rating changes; (12) bankruptcy, insolvency, receivership or similar event of the Village; (13) the consummation of a merger, consolidation, or acquisition involving the Village or the sale of all or substantially all of the assets of the Village, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material; (14) appointment of a successor or additional trustee or the change of name of a trustee, if material; (15) incurrence of a financial obligation of the Village, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the Village, any of which affect bondholders, if material; and (16) default, event of acceleration, termination event, modification of

terms, or other similar events under the terms of a financial obligation of the Village any of which reflect financial difficulties. For the purposes of the event identified in clause (12), the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for the Village 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 Village, 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 Village. As used in clauses (15) and (16), the term financial obligation means a (i) debt obligation; (ii) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (iii) guarantee of (i) or (ii). The term financial obligation shall not include municipal securities as to which a final official statement has been provided to the MSRB consistent with Securities and Exchange Commission Rule 15c2-12 promulgated under the Securities Exchange Act of 1934 (the "Rule").

It is found and determined that the Village has agreed to the undertakings contained in this Section in order to assist participating underwriters of the 2020 Bonds and brokers, dealers and municipal securities dealers in complying with paragraph (b)(5) of the Rule. The chief financial officer of the Village is authorized and directed to do and perform, or cause to be done or performed, for or on behalf of the



Village, each and every thing necessary to accomplish the undertakings of the Village contained in this Section with respect to each series of the 2020 Bonds for so long as paragraph (b)(5) of the Rule is applicable to such series of the 2020 Bonds and the Village remains an “obligated person” under the Rule with respect to such series of the 2020 Bonds.

The undertakings contained in this Section may be amended by the Village upon a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature or status of the obligated person, or type of business conducted, provided that (a) the undertaking, as amended, would have complied with the requirements of paragraph (b)(5) of the Rule at the time of the primary offering, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances and (b) in the opinion of nationally recognized bond counsel selected by the Village, the amendment does not materially impair the interests of the beneficial owners of the 2020 Bonds.

**Section 24. Bond Registrar.** The Village covenants that it shall at all times retain a bond registrar with respect to the 2020 Bonds, that it will maintain at the designated office of such bond registrar a place where 2020 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

2020 Bond, and by such execution the bond registrar shall be deemed to have certified to the Village that it has all requisite power to accept, and has accepted such duties and obligations not only with respect to the 2020 Bond so authenticated but with respect to all the 2020 Bonds. The bond registrar is the agent of the Village 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 2020 Bonds.

The Village 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 Village covenants and agrees that it will thereupon appoint a successor bond registrar. The Village shall mail notice of any such appointment made by it to each registered owner of 2020 Bonds within twenty days after such appointment.

**Section 25. Book-Entry System.** In order to provide for the initial issuance of each series of the 2020 Bonds in a form that provides for a system of book-entry only transfers, the ownership of one fully registered 2020 Bond for each maturity of each series, in the aggregate principal amount of such maturity, shall be registered in the name of Cede & Co., as a nominee of The Depository Trust Company, as securities depository for the 2020 Bonds. The Finance Director is authorized to execute and deliver on behalf of the Village 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 Village shall appoint a successor securities depository to provide a system of book-entry only transfers for the 2020 Bonds, by written notice to the predecessor securities depository directing it to notify its participants (those persons for whom the securities depository holds securities) of the appointment of a successor securities depository.

If the system of book-entry only transfers for the 2020 Bonds is discontinued, then the Village shall issue and the bond registrar shall authenticate, register and deliver to the beneficial owners of the 2020 Bonds, bond certificates in replacement of such beneficial owners' beneficial interests in the 2020 Bonds, all as shown in the records maintained by the securities depository.

**Section 26. Defeasance and Payment of Bonds.** (A) If the Village shall pay or cause to be paid to the registered owners of a series of the 2020 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 Village to the registered owners and the beneficial owners of such series of the 2020 Bonds shall be discharged and satisfied.

(B) Any 2020 Bonds or interest installments appertaining thereto, whether at or prior to the maturity or the redemption date of such 2020 Bonds, shall be deemed to have been paid within the meaning of paragraph (A) of this Section if (1) in case any such 2020 Bonds are to be redeemed prior to the maturity thereof, there shall have been taken all action necessary to call such 2020 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 said 2020 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 27. Ordinance to Constitute a Contract.** The provisions of this ordinance shall constitute a contract between the Village and the registered owners of the 2020 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 Village shall be for the equal benefit, protection and security of the owners of any and all of the 2020 Bonds

of like series. All of the 2020 Bonds of like series, regardless of the time or times of their issuance, shall be of equal rank without preference, priority or distinction of any of the 2020 Bonds of such series 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 2020 Bonds and to the extent that the provisions of this ordinance conflict with the provisions of any other ordinance or resolution of the Village, 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.

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

**Section 28. Publication.** The Village Clerk is hereby authorized and directed to publish this ordinance in pamphlet form and to file copies thereof for public inspection in his office.

**Section 29. Effective Date.** This ordinance shall become effective upon its passage, approval and publication in pamphlet form.

Passed and adopted this 23<sup>rd</sup> day of June, 2020, by roll call vote as follows:

Ayes:

List Names

Nays:

Approved: June 23, 2020

\_\_\_\_\_  
Village President

Published in pamphlet form: June 24, 2020

(SEAL)

Attest:

\_\_\_\_\_  
Village Clerk

## **CERTIFICATE**

I, Karen Norwood, Deputy Village Clerk of the Village of Wilmette, Illinois, hereby certify that the foregoing ordinance entitled: "Ordinance Authorizing the Issuance of Not to Exceed \$31,000,000 General Obligation Bonds, Series 2020A and Not to Exceed \$18,750,000 General Obligation Refunding Bonds, Series 2020B, of the Village of Wilmette, Illinois," is a true copy of an original ordinance that was duly passed and adopted by the recorded affirmative votes of a majority of the members of the President and Board of Trustees of the Village at a meeting thereof that was duly called and held remotely at 7:30 p.m. on June 23, 2020, by video conference during a declared disaster, in accordance with the Open Meetings Act, 5 Illinois Compiled Statutes 120, 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 Village President on June 23, 2020, and thereafter published in pamphlet form on June 24, 2020 and recorded in the Ordinance Book of the Village 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 Village, this \_\_\_\_\_ day of \_\_\_\_\_, 2020.

\_\_\_\_\_  
Deputy Village Clerk

(SEAL)