

**ORDINANCE NO. 136**

AN ORDINANCE providing for the issue of \$699,000 General Obligation Bonds (Alternate Revenue Source), Series 2018, of the Boone County Conservation District, Boone County, Illinois, for the purpose of repairing, replacing and renovating trail bridges and pathways and for the payment of the expenses incident thereto, providing for the pledge of certain revenues to the payment of principal and interest on said bonds, providing for the levy of a direct annual tax sufficient to pay the principal and interest on said bonds if the pledged revenues are insufficient to make such payment, and authorizing the sale of said bonds to Sterling National Bank.

\* \* \*

WHEREAS, the Boone County Conservation District, Boone County, Illinois (the "*District*"), is a duly organized and existing Conservation District created under the provisions of the laws of the State of Illinois, and is now operating under the provisions of the Conservation District Act of the State of Illinois, and all laws amendatory thereof and supplementary thereto (the "*Act*"), including the Local Government Debt Reform Act of the State of Illinois, as amended (the "*Debt Reform Act*"); and

WHEREAS, the Board of Trustees (the "*Board*") of the District, has determined that it is advisable, necessary and in the best interests of the District to finance the repairing, replacing and renovating of trail bridges and pathways and to pay the expenses incident thereto (the "*Project*"), all in accordance with the preliminary plans and estimate of costs heretofore approved by the Board and now on file in the office of the Secretary of the Board; and

WHEREAS, the estimated cost of the Project, including legal, financial, bond discount, capitalized interest, printing and publication costs and other expenses, is not less than \$699,000, and it is in the best interests of the District that funds be borrowed to pay such costs; and

WHEREAS, for the purpose of providing funds to pay the cost of the Project and in accordance with the provisions of the Debt Reform Act, the Board, on the 17th day of July, 2018, adopted an ordinance (the "*Authorizing Ordinance*") authorizing the issuance of alternate bonds,

being general obligation bonds payable from the District's property taxes levied and collected for general purposes (the "*Pledged Revenues*") and the Pledged Taxes (as hereinafter defined), as provided by the Debt Reform Act, to the amount of \$1,275,000 (the "*Alternate Bonds*"); and

WHEREAS, on the 20th day of July, 2018, the Authorizing Ordinance, together with a notice in the statutory form (the "*Notice*"), was published in the *Boone County Journal*, the same being a newspaper of general circulation in the District, and an affidavit evidencing the publication of the Authorizing Ordinance and the Notice has heretofore been presented to the Board and made a part of the permanent records of the Board; and

WHEREAS, more than thirty (30) days have expired since the date of publication of the Authorizing Ordinance and Notice, and no petition with the requisite number of valid signatures thereon has been filed with the Secretary of the Board requesting that the question of the issuance of the Alternate Bonds be submitted to referendum; and

WHEREAS, the Project constitutes a lawful corporate purpose within the meaning of the Debt Reform Act; and

WHEREAS, the Pledged Revenues have not been pledged or hypothecated in whole or in part for any purpose or in any manner, other than for the payment of principal of or interest on the Alternate Bonds pursuant to or in accordance with the Authorizing Ordinance or this Ordinance; and

WHEREAS, the Board hereby determines that the Pledged Revenues will provide in each year an amount not less than 1.25 times debt service of the Alternate Bonds proposed to be issued; and

WHEREAS, such determination is supported by the most recent audit of the District (the "*Audit*"), which Audit has been presented to the Board and is now on file with the Secretary of the Board; and

WHEREAS, the Board is now authorized to issue Alternate Bonds to the amount of \$1,275,000 in accordance with the provisions of the Debt Reform Act, and the Board hereby determines that it is necessary and desirable that there be issued at this time \$699,000 of the bonds so authorized; and

WHEREAS, pursuant to and in accordance with the provisions of the Bond Issue Notification Act of the State of Illinois, as amended, the President of the Board, on the 1st day of August, 2018, executed an Order calling a public hearing (the "*Hearing*") for the 21st day of August, 2018, concerning the intent of the Board to sell the Alternate Bonds; and

WHEREAS, notice of the Hearing was given by (i) publication at least once not less than seven (7) nor more than thirty (30) days before the date of the Hearing in the *Boone County Journal*, and (ii) posting at least 96 hours before the Hearing a copy of said notice at the principal office of the Board, which notice was continuously available for public review during the entire 96-hour period preceding the Hearing; and

WHEREAS, the Hearing was held on the 21st day of August, 2018, and at the Hearing, the Board explained the reasons for the proposed bond issue and permitted persons desiring to be heard an opportunity to present written or oral testimony within reasonable time limits; and

WHEREAS, the Hearing was finally adjourned on the 21st day of August, 2018; and

WHEREAS, the Board is now authorized to issue the Alternate Bonds to the amount of \$1,275,000 in accordance with the provisions of the Debt Reform Act, and the Board hereby determines that it is necessary and desirable that there be issued \$699,000 of the Alternate Bonds to provide for the payment of the costs of the Project; and

WHEREAS, the Property Tax Extension Limitation Law of the State of Illinois, as amended (the "*PTELL*"), imposes certain limitations on the "aggregate extension" of certain property taxes levied by the District, but provides that the definition of "aggregate extension" contained in the

PTELL does not include extensions made for any taxing district subject to the PTELL to pay interest or principal on bonds issued under Section 15 of the Debt Reform Act; and

WHEREAS, the County Clerk of The County of Boone, Illinois (the "*County Clerk*") is therefore authorized to extend and collect the Pledged Taxes:

NOW, THEREFORE, Be It And It Is Hereby Ordained by the Board of Trustees of Boone County Conservation District, Boone County, Illinois, as follows:

*Section 1. Incorporation of Preambles; Acceptance of Audit.* The Board hereby finds that all of the recitals contained in the preambles to this Ordinance are full, true and correct and does incorporate them into this Ordinance by this reference. The Audit is hereby accepted and approved by the Board.

*Section 2. Authorization.* It is hereby found and determined that the Board has been authorized by law to borrow the sum of \$699,000 upon the credit of the District and as evidence of such indebtedness to issue the Alternate Bonds, being general obligation bonds payable from the Pledged Revenues and the Pledged Taxes as provided by the Debt Reform Act, to said amount, the proceeds of the Alternate Bonds to be used for the purpose of paying the cost of the Project, and it is necessary and for the best interests of the District that there be issued at this time \$699,000 of the bonds so authorized.

*Section 3. Bond Details.* There be borrowed on the credit of and for and on behalf of the District the sum of \$699,000 for the purpose aforesaid; and that bonds of the District (the "*Bonds*") shall be issued in said amount and shall be designated "General Obligation Bond (Alternate Revenue Source), Series 2018." The Bond shall be dated December 5, 2018, and shall also bear the date of authentication, shall be in fully registered form, shall be in denominations of \$100,000 each and authorized integral multiples of \$1,000 in excess thereof (provided that if less than \$100,000 principal amount of Bonds is outstanding at any time, such outstanding principal

amount shall be an authorized denomination for purposes of this Ordinance), shall be numbered 1 and upward, and the Bonds shall become due and payable serially (subject to prior redemption as set forth herein) on October 1, 2031, and bear interest at the rate of 3.65% per annum.

The Bond shall bear interest from its date or from the most recent interest payment date to which interest has been paid or duly provided for, until the principal amount of the Bond is paid, such interest (computed upon the basis of a 360-day year of twelve 30-day months) being payable on April 1 and October 1 of each year, commencing on October 1, 2019. Interest on each Bond shall be paid by check or draft of Sterling National Bank, New York, New York (the "*Bond Registrar*"), payable upon presentation in lawful money of the United States of America, to the person in whose name such Bond is registered at the close of business on the 15th day of the month next preceding the interest payment date. The principal of the Bonds shall be payable in lawful money of the United States of America at the principal office of the Bond Registrar.

The Bonds shall be signed by the manual or duly authorized facsimile signatures of the President and Secretary of the Board, and shall be countersigned by the manual or duly authorized facsimile signature of the Treasurer of the Board, as they shall determine, and the seal of the District shall be affixed thereto or printed thereon, and in case any officer whose signature shall appear on any Bond shall cease to be such officer before the delivery of such Bond, such signature shall nevertheless be valid and sufficient for all purposes, the same as if such officer had remained in office until delivery.

All Bonds shall have thereon a certificate of authentication substantially in the form hereinafter set forth duly executed by the Bond Registrar as authenticating agent of the District and showing the date of authentication. No Bond shall be valid or obligatory for any purpose or be entitled to any security or benefit under this Ordinance unless and until such certificate of authentication shall have been duly executed by the Bond Registrar by manual signature, and such

certificate of authentication upon any such Bond shall be conclusive evidence that such Bond has been authenticated and delivered under this Ordinance. The certificate of authentication on any Bond shall be deemed to have been executed by the Bond Registrar if signed by an authorized officer of the Bond Registrar, but it shall not be necessary that the same officer sign the certificate of authentication on all of the Bonds issued hereunder.

*Section 4. Registration of Bonds; Persons Treated as Owners.* The District shall cause books (the “*Bond Register*”) for the registration and for the transfer of the Bonds as provided in this Ordinance to be kept at the principal office of the Bond Registrar, which is hereby constituted and appointed the registrar of the District. The District is authorized to prepare, and the Bond Registrar shall keep custody of, multiple Bond blanks executed by the District for use in the transfer and exchange of Bonds.

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

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

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

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

*Section 5. Redemption.* (a) *Optional Redemption.* The Bonds shall be subject to redemption prior to maturity at the option of the District as a whole on October 1, 2023, and on any date thereafter, at the redemption price of par plus accrued interest to the redemption date.

(b) *Mandatory Redemption.* The Bonds are subject to mandatory redemption, in integral multiples of \$1,000 selected by lot by the Bond Registrar, at a redemption price of par plus accrued interest to the redemption date, on October 1 of the years and in the principal amounts as follows:

YEAR	PRINCIPAL AMOUNT
2019	36,000
2020	45,000
2021	47,000
2022	49,000
2023	50,000
2024	52,000
2025	54,000
2026	56,000
2027	58,000
2028	60,000
2029	63,000
2030	65,000
2031	64,000 (stated maturity)

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

(c) *General.* The Bonds shall be redeemed only in the principal amount of \$1,000 and integral multiples thereof. The District shall, at least forty-five (45) days prior to any optional redemption date (unless a shorter time period shall be satisfactory to the Bond Registrar) notify the Bond Registrar of such redemption date and of the principal amount and maturity or maturities of Bonds to be redeemed. For purposes of any redemption of less than all of the outstanding Bonds of a single maturity, the particular Bonds or portions of Bonds to be redeemed shall be selected by lot by the Bond Registrar from the Bonds of such maturity by such method of lottery as the Bond Registrar shall deem fair and appropriate; *provided* that such lottery shall provide for the selection



for redemption of Bonds or portions thereof so that any \$1,000 Bond or \$1,000 portion of a Bond shall be as likely to be called for redemption as any other such \$1,000 Bond or \$1,000 portion. The Bond Registrar shall make such selection upon the earlier of the irrevocable deposit of funds with an escrow agent sufficient to pay the redemption price of the Bonds to be redeemed or the time of the giving of official notice of redemption.

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

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

All notices of redemption shall state:

- (1) the redemption date,
- (2) the redemption price,
- (3) if less than all outstanding Bonds are to be redeemed, the identification (and, in the case of partial redemption, the respective principal amounts) of the Bonds to be redeemed,
- (4) that on the redemption date the redemption price will become due and payable upon each such Bond or portion thereof called for redemption, and that interest thereon shall cease to accrue from and after said date,
- (5) the place where such Bonds are to be surrendered for payment of the redemption price, which place of payment shall be the principal corporate trust office of the Bond Registrar, and
- (6) such other information then required by custom, practice or industry standard.

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

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

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

*Section 7. Form of Bond.* The Bonds shall be in substantially the following form; *provided, however,* that if the text of any Bond is to be printed in its entirety on the front side of the Bond, then paragraph [2] and the legend, “See Reverse Side for Additional Provisions”, shall be omitted and paragraphs [6] through [13] shall be inserted immediately after paragraph [1]:

(Form of Bond – Front Side)

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

REGISTERED  
\$699,000

UNITED STATES OF AMERICA

STATE OF ILLINOIS

COUNTY OF BOONE

BOONE COUNTY CONSERVATION DISTRICT

GENERAL OBLIGATION BOND (ALTERNATE REVENUE SOURCE), SERIES 2018

See Reverse Side for  
Additional Provisions

Interest  
Rate: 3.65%

Maturity  
Date: October 1, 2031

Dated  
Date: December 5, 2018

Registered Owner:

Principal Amount:

[1] KNOW ALL PERSONS BY THESE PRESENTS, that the Boone County Conservation District, Boone County, Illinois, hereby acknowledges itself to owe and for value received promises to pay to the Registered Owner identified above, or registered assigns as hereinafter provided, on the Maturity Date identified above, the Principal Amount identified above and to pay interest (computed on the basis of a 360-day year of twelve 30-day months) on such Principal Amount from the date of this Bond or from the most recent interest payment date to which interest has been paid at the Interest Rate per annum set forth above on April 1 and October 1 of each year, commencing October 1, 2019, until said Principal Amount is paid. The principal of this Bond is payable in lawful money of the United States of America upon presentation and surrender hereof at the principal office of Sterling National Bank, New York, New York, as bond registrar and paying agent (the "*Bond Registrar*"). Payment of the installments of interest shall be made to the Registered Owner hereof as shown on the registration books of the District maintained by the Bond Registrar at the close of business on the 15th day of the month next preceding each interest

payment date and shall be paid by check or draft of the Bond Registrar, payable upon presentation in lawful money of the United States of America, mailed to the address of such Registered Owner as it appears on such registration books or at such other address furnished in writing by such Registered Owner to the Bond Registrar. For the prompt payment of this Bond, both principal and interest at maturity, the full faith, credit and resources of the District are hereby irrevocably pledged.

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

[3] It is hereby certified and recited that all conditions, acts and things required by law to exist or to be done precedent to and in the issuance of this Bond did exist, have happened, been done and performed in regular and due form and time as required by law; that the indebtedness of the District, including the issue of bonds of which this is one, does not exceed any limitation imposed by law; and that provision has been made for the collection of the Pledged Revenues and the Pledged Taxes to pay the interest hereon as it falls due and also to pay and discharge the principal hereof at maturity.

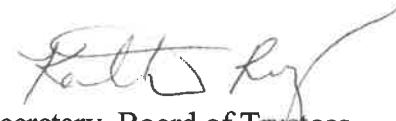
[4] This Bond shall not be valid or become obligatory for any purpose until the certificate of authentication hereon shall have been signed by the Bond Registrar.

[5] IN WITNESS WHEREOF, the Boone County Conservation District, Boone County Illinois, by its Board of Trustees, has caused this Bond to be signed by the manual or duly authorized facsimile signatures of the President and Secretary of said Board of Trustees, and to be countersigned by the manual or duly authorized facsimile signature of the Treasurer thereof, and has caused the seal of the District to be affixed hereto or printed hereon, all as of the Dated Date identified above.



President, Board of Trustees

(SEAL)



Secretary, Board of Trustees

Countersigned:  
Treasurer, Board of Trustees

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

CERTIFICATE  
OF  
AUTHENTICATION

Bond Registrar and Paying Agent:  
Sterling National Bank,  
New York, New York

This Bond is one of the Bonds described in the within mentioned ordinance and is one of the General Obligation Bonds (Alternate Revenue Source), Series 2018, of the Boone County Conservation District, Boone County, Illinois.

STERLING NATIONAL BANK,  
as Bond Registrar

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