

MINUTES of a regular public meeting of the Council of the City of Rochelle, Ogle and Lee Counties, Illinois, held in the Council Chambers at City Hall in said City, located at 420 North 6th Street, Rochelle, Illinois, at 6:30 p.m., on the 24<sup>th</sup> day of April, 2023.

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The meeting was called to order by the Mayor, and upon the roll being called, John Bearrows, the Mayor, and the following Council Members were physically present at said location: \_\_\_\_\_

The following Council Members were allowed by a majority of the Council Members in accordance with and to the extent allowed by rules adopted by the Council to attend the meeting by video or audio conference: \_\_\_\_\_

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

The following Council Members were absent and did not participate in the meeting in any manner or to any extent whatsoever: \_\_\_\_\_

The Mayor announced that the next item for consideration would be the proposed issuance of its general obligation alternate bonds for the purpose of paying the costs of providing certain improvements to the electric system of the City, providing for collection segregation and application of electric system revenues to the payment of the bonds and providing for the levy of a direct annual tax sufficient to pay the bonds if such revenues are insufficient for such payment, and that the Council would consider the adoption of an ordinance providing for the issue of the bonds, the pledge of certain revenues to the payment of principal and interest on such bonds and

the levy of a direct annual tax to pay such principal and interest if the pledged revenues are insufficient to make such payment.

The Mayor then explained that the ordinance sets forth the parameters for the issuance of said bonds and sale thereof by designated officials of the City.

Whereupon Council Member \_\_\_\_\_ presented the following ordinance, copies of which were made available to all in attendance at said meeting who requested a copy:

**ORDINANCE NO. \_\_\_\_\_**

AN ORDINANCE authorizing and providing for the issuance of not to exceed \$5,200,000 General Obligation Bonds (Electric System Alternate Revenue Source) of the City of Rochelle, Ogle and Lee Counties, Illinois, for the purpose of paying the costs of improving the electric system of said City, prescribing the details of said bonds and providing for collection, segregation and application of electric system revenues to the payment of said bonds and the levy of taxes sufficient to pay said bonds if such revenues are insufficient for such payment and providing for the sale of said bonds to the purchaser thereof.

\* \* \*

WHEREAS, the City of Rochelle, Ogle and Lee Counties, Illinois (the “*City*”), is a duly organized and existing municipality incorporated and existing under the provisions of the laws of the State of Illinois, is now operating under the provisions of the Illinois Municipal Code, as amended (the “*Municipal Code*”), and for many years has owned and operated a municipally-owned electric system (the “*System*” as more completely defined and described herein) as set forth in Divisions 117 and 119 of Article 11 of the Municipal Code; and

WHEREAS, the Council of the City (the “*Council*”) have determined that it is advisable, necessary and in the best interests of the public health, safety and welfare of the City to construct certain improvements to the System (the “*Project*”), all in accordance with the estimate of costs therefor on file in the office of the City Clerk of the City (the “*City Clerk*”); and

WHEREAS, the estimated costs of the Project, including legal, financial, bond discount, printing and publication costs and other expenses is not less than \$5,200,000, and there are insufficient funds on hand and lawfully available to pay such costs; and

WHEREAS, pursuant to and in accordance with the provisions of the Municipal Code, the City is authorized to issue its electric revenue bonds for the purpose of providing funds to pay the costs of the Project; and

WHEREAS, as provided in Section 15 of the Local Government Debt Reform Act of the State of Illinois, as supplemented and amended (the “*Debt Reform Act*”), whenever revenue bonds have been authorized to be issued pursuant to the Municipal Code, the City may issue its general obligation bonds in lieu of such revenue bonds as authorized, and such general obligation bonds may be referred to as “*alternate bonds*”; and

WHEREAS, for the purpose of providing funds to pay the costs of the Project and in accordance with the provisions of the Debt Reform Act, the Council, on the 13<sup>th</sup> day of March, 2023, adopted an ordinance (the “*Authorizing Ordinance*”), authorizing the issuance of electric revenue bonds, being bonds payable from the revenues derived from the operation of the System authorized pursuant to Divisions 117 and 119 of Article 11 of the Municipal Code (the “*Revenue Bonds*”), in the aggregate principal amount of \$5,200,000 or in lieu thereof, authorizing the issuance of General Obligation Bonds (Electric System Alternate Revenue Source) (the “*Alternate Revenue Bonds*”), as provided in the Debt Reform Act, in an aggregate principal amount of \$5,200,000, for the purpose of paying the costs of the Project; and

WHEREAS, on the 19<sup>th</sup> day of March, 2023, the Authorizing Ordinance, together with a separate notice in statutory form, was published in the *Rochelle News Leader*, the same being a newspaper of general circulation in the City, and an affidavit evidencing the publication of the Authorizing Ordinance and said notice of intent have heretofore been presented to the Council and made a part of the permanent records of the Council; and

WHEREAS, more than thirty (30) days have expired since the date of publication of the Authorizing Ordinance and said notice, and no petition with the requisite number of valid

signatures thereon has been filed with the City Clerk requesting that the question of the issuance of the Alternate Revenue 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 Council hereby determines that (i) the City is authorized to issue the Revenue Bonds to the amount of \$5,200,000, or, in lieu thereof, the Alternate Bonds to the amount of \$5,200,000 in accordance with the provisions of the Debt Reform Act and the Municipal Code, (ii) none of the Revenue Bonds or the Alternate Revenue Bonds have heretofore been issued and (iii) it is necessary and advisable that there be issued at this time not to exceed \$5,200,000 of the Alternate Revenue Bonds so authorized to pay costs of the Project (the “*Bonds*”); and

WHEREAS, the Bonds will be payable from the Pledged Revenues and the Pledged Taxes (each as hereinafter defined); and

WHEREAS, the City has previously issued and has outstanding alternate bonds payable from the Pledged Revenues, the same being its General Obligation Bonds (Electric System Alternate Revenue Source), Series 2021 (the “*Series 2021 Bonds*”), and General Obligation Bonds (Electric System Alternate Revenue Source), Series 2022 (the “*Series 2022 Bonds*” and, together with the Series 2021 Bonds, the “*Prior Alternate Bonds*”); and

WHEREAS, the ordinances authorizing the Prior Alternate Bonds (the “*Prior Alternate Bond Ordinances*”) permit the issuance of additional bonds payable from the Pledged Revenues on a parity with the Prior Alternate Bonds in accordance with Debt Reform Act; and

WHEREAS, the Council has heretofore and it is hereby determined that the Revenues will be sufficient to provide or pay in each year to final maturity of the Bonds all of the following (1) Operation and Maintenance Costs (as hereinafter defined), but not including depreciation,

(2) debt service on any outstanding revenue bonds payable from the Revenues (as hereinafter defined), (3) all amounts required to meet any fund or account requirements with respect to any outstanding revenue bonds, (4) other contractual or tort liability obligations, if any, payable from the Revenues, and (5) in each year, an amount not less than 1.25 times debt service of the Prior Alternate Bonds and the Bonds; and

WHEREAS, the determination of the sufficiency (the “*Determination of Sufficiency*”) of the Pledged Revenues, as required by the Debt Reform Act, is supported by the most recent audit of the City (the “*Audit*”), which Audit is for a fiscal year ending not earlier than 18 months previous to the time of issuance of the Bonds; and

WHEREAS, pursuant to and in accordance with the provisions of the Bond Issue Notification Act of the State of Illinois, as amended, the Mayor, on the 1<sup>st</sup> day of March, 2023, executed an Order calling a public hearing (the “*Hearing*”) for the 13<sup>th</sup> day of March, 2023, concerning the intent of the Council to sell the Bonds; and

WHEREAS, notice of the Hearing was given (i) by publication at least once not less than seven (7) nor more than thirty (30) days before the date of the Hearing in the *Rochelle News Leader*, and (ii) by posting at least 72 hours before the Hearing a copy of said notice at the principal office of the Council; and

WHEREAS, the Hearing was held on the 13<sup>th</sup> day of March, 2023, and at the Hearing, the Council 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 13<sup>th</sup> day of March, 2023:

NOW THEREFORE, Be It Ordained by the Council of the City of Rochelle, Ogle and Lee Counties, Illinois, as follows:

*Section 1. Definitions.* The words and terms used in this Ordinance shall have the meanings set forth and defined for them herein unless the context or use clearly indicates another or different meaning is intended, including the words and terms as follows:

A. The following terms are defined in the preambles:

Alternate Revenue Bonds  
Audit  
Authorizing Ordinance  
Bonds  
City  
City Clerk  
Council  
Debt Reform Act  
Determination of Sufficiency  
Hearing  
Municipal Code  
Prior Alternate Bond Ordinances  
Prior Alternate Bonds  
Project  
Revenue Bonds  
Series 2021 Bonds  
Series 2022 Bonds  
System

B. The following terms are defined as set forth:

*“Accounts”* means, collectively, the accounts within the Electric Fund, namely, the Operation and Maintenance Account, any account created pursuant to a Future Bond Ordinance, the Depreciation Account and the Surplus Account.

*“Additional Bonds”* means any Alternate Bonds or other obligations of the City issued in the future on a parity with and sharing ratably and equally in the Pledged Revenues with the Bonds and the Prior Alternate Bonds.

*“Alternate Bonds”* means any Outstanding bonds issued as alternate bonds under and pursuant to the provisions of the Debt Reform Act and payable from the Pledged Revenues, and includes, expressly, the Bonds and the Prior Alternate Bonds.

*“Bond and Interest Subaccount”* means the Bond and Interest Account of the Electric Fund described in Section 13 of this Ordinance.

*“Bond Fund”* means the 2023 Alternate Bond Fund established hereunder and further described in Section 16 of this Ordinance.

*“Code”* means the Internal Revenue Code of 1986, as amended.

*“County Clerks”* means collectively, the County Clerk of The County of Ogle, Illinois and the County Clerk of The County of Lee, Illinois.

*“Depreciation Account”* means the Depreciation Account of the Electric Fund described in Section 13 of this Ordinance.

*“Designated Representatives”* means the Mayor, the City Clerk, the City Finance Director/Treasurer, and the City Manager.

*“Electric Fund”* or *“Fund”* means the Electric Fund of the City, the existence of which is continued in Section 12 of this Ordinance.

*“Expense Fund”* means the fund established hereunder and further described in Section 21 of this Ordinance.

*“Fiscal Year”* means that twelve-calendar month period beginning on January 1 of the calendar year and ending on December 31 of said calendar year.

*“Future Bond Ordinances”* means the ordinances of the City authorizing the issuance of bonds or other obligations payable from the Revenues, but not including this Ordinance or any other ordinance authorizing the issuance of Additional Bonds.

*“Mayor”* means the Mayor of the City.

*“Operation and Maintenance Account”* means the Operation and Maintenance Account of the Electric Fund described in Section 13 of this Ordinance.



*“Operation and Maintenance Costs”* means all costs of operating, maintaining and routine repair of the System, including wages, salaries, costs of materials and supplies, power, fuel, insurance, taxes, including rebate of excess arbitrage profits to the U.S. government, and purchase of electric power for distribution (including all payments by the City pursuant to long term contracts for such services), electrical transmission expenses, leasehold and other rental fees, and expenses incurred from obligations of any intergovernmental power agency; but excluding debt service, depreciation, capital improvements or replacements (including meter replacements) or engineering expenses in anticipation thereof or in connection therewith, or any reserve requirements; and otherwise determined in accordance with generally accepted accounting principles for municipal enterprise funds.

*“Outstanding”* when used with reference to the Prior Alternate Bonds, Bonds and Additional Bonds means any of those bonds which are outstanding and unpaid; *provided, however,* such term shall not include any one or more of such Prior Alternate Bonds, Bonds or Additional Bonds (i) which have matured and for which moneys are on deposit with proper paying agents or are otherwise properly available, sufficient to pay all principal or redemption price thereof, or (ii) the provision for payment of which has been made by the City by the deposit in an irrevocable trust or escrow of funds or direct, full faith and credit obligations of the United States of America, the principal of and interest on which will be sufficient to pay at maturity or as called for redemption all the principal or redemption price of and interest on the Prior Alternate Bonds, Bonds or Additional Bonds.

*“Pledged Moneys”* means the Pledged Revenues and the Pledged Taxes, collectively.

*“Pledged Revenues”* means moneys to the credit of the Bond and Interest Subaccount within the Surplus Account of the Electric Fund, said Surplus Account consisting of the funds remaining in the Electric Fund after the required monthly deposits and credits have been made to

the Operation and Maintenance Account, the Depreciation Account and any other accounts as may be created in the future, of said Electric Fund.

*“Pledged Taxes”* means the ad valorem taxes levied against all of the taxable property in the City without limitation as to rate or amount, pledged hereunder by the City as security for the Bonds, as set forth in Section 15 of this Ordinance.

*“Project Fund”* means the Electric Project Fund established hereunder and further described in Section 21 of this Ordinance.

*“Purchaser”* means Robert W. Baird & Co., Incorporated, Naperville, Illinois.

*“Revenues”* means all income from whatever source derived from the System, including (i) investment income; (ii) connection, permit and inspection fees and the like; (iii) penalties and delinquency charges; (iv) capital development, reimbursement, or recovery charges and the like; and (v) annexation or pre-annexation charges insofar as designated by the Council as paid for System connection or service; but excluding expressly (a) non-recurring income from the sale of property of the System; (b) governmental or other grants; (c) advances or grants made from the City; and as otherwise determined in accordance with generally accepted accounting principles for municipal enterprise funds.

*“Surplus Account”* means the Surplus Account of the Electric Fund described in Section 13 of this Ordinance.

*“System”* means all of the properties and facilities of the electric system of the City as now existing, and as it may hereafter be improved or extended, whether lying within or without the boundaries of the City, as now existing or as may hereafter be acquired, improved or extended while any Prior Alternate Bonds, Bonds or Additional Bonds remain outstanding, including all improvements, additions and extensions thereto or replacements thereof hereafter constructed, installed or acquired by purchase, contract or otherwise, all contracts, rights,

agreements, leases and franchises of every nature owned by the City and used or useful or held for use in the operation of the System or any part or portion thereof, including the construction, additions and improvements constituting a part of the Project.

*“Tax-exempt”* means, with respect to any series of the Bonds, the status of interest paid and received thereon as excludable from the gross income of the owners thereof under the Code for federal income tax purposes except to the extent that such interest is taken into account in computing an adjustment used in determining the alternative minimum tax for certain corporations.

*“Treasurer”* means the City Treasurer of the City.

*Section 2. Incorporation of Preambles.* The Council hereby finds that the recitals contained in the preambles to this Ordinance are true, correct and complete and does hereby incorporate them into this Ordinance by this reference.

*Section 3. Determination to Issue Bonds; Determination of Sufficiency.* It is necessary and in the best interests of the City for the City to undertake the Project for the public health, safety and welfare of the City, all as described above, and that the System continue to be operated as a electric system, all in accordance with the provisions of the Municipal Code and the Debt Reform Act.

*Section 4. Determination of Useful Life; Acceptance of Audit.* The Council does hereby determine that the period of usefulness of the System is not less than 25 years from the date hereof. The Determination of Sufficiency and the Audit are hereby approved by the Council.

*Section 5. Bond Details.* For the purpose of providing for the Project, the Bonds may be issued and sold in one or more series in an aggregate principal amount for all series of not to exceed \$5,200,000; and shall be designated “General Obligation Bonds (Electric System

Alternate Revenue Source), Series 2023” with such additional series designations and descriptions as may be necessary to describe a series of Bonds, as set forth in the Bond Notification (as hereinafter defined), and the status of interest paid and received thereon being Tax-exempt. The Bonds shall be dated the date of the issuance thereof and shall also bear the date of authentication, shall be in fully registered form, shall be in denominations of \$5,000 each and authorized integral multiples thereof (but no single Bond shall represent installments of principal maturing on more than one date) or such other denominations as set forth in the Bond Notification, and shall be numbered 1 and upward.

The Bonds shall become due and payable serially or be subject to mandatory redemption (subject to prior redemption as hereinafter described) on May 1 of each of the years (not later than 2043), bearing interest at the rates per annum (not exceeding 6.00% per annum) and in the amounts (not exceeding \$575,000 per year) all as set forth in the Bond Notification.

The Bonds shall bear interest from their date or from the most recent interest payment date to which interest has been paid or duly provided for, until the principal amount of the Bonds is paid, such interest (computed upon the basis of a 360-day year of twelve 30-day months) being payable semi-annually commencing with the first interest payment date as set forth in the Bond Notification, and on May 1 and November 1 of each year thereafter to maturity.

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

The Bonds shall be signed by the manual or duly authorized facsimile signature of the Mayor, and shall be attested by the manual or duly authorized facsimile signature of the City Clerk, as they may determine, and shall have impressed or imprinted thereon the corporate seal or facsimile thereof of the City. In case any officer whose signature shall appear on any Bond shall cease to be such officer before the delivery of such Bond, such signature shall nevertheless be valid and sufficient for all purposes, the same as if such officer had remained in office until delivery.

All Bonds shall have thereon a certificate of authentication substantially in the form hereinafter set forth duly executed by the Bond Registrar, as authenticating agent of the City for the Bonds 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 6. Registration of Bonds; Persons Treated as Owners. (a) General.* The City 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 corporate trust office of the Bond Registrar, which is hereby constituted and appointed the registrar of the City. The City is authorized to prepare, and the Bond Registrar shall keep custody of, multiple Bond blanks executed by the City for use in the transfer and exchange of Bonds.

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

The Bond Registrar shall not be required to transfer or exchange any Bond during the period 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 City or the Bond Registrar may require payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in connection with any transfer or exchange of Bonds except in the case of the issuance of a Bond or Bonds for the unredeemed portion of a Bond surrendered for redemption.

(b) *Global Book-Entry System.* The Bonds shall be initially issued in the form of a separate single fully registered Bond for each of the maturities of the Bonds determined as described in Section 5 hereof. Upon initial issuance, the ownership of each such Bond shall be registered in the Bond Register in the name of Cede & Co., or any successor thereto ("*Cede*"), as nominee of The Depository Trust Company, New York, New York, and its successors and assigns ("*DTC*"). All of the outstanding Bonds shall be registered in the Bond Register in the name of Cede, as nominee of DTC, except as hereinafter provided. The Mayor, City Clerk and Treasurer of the City and the Bond Registrar are each authorized to execute and deliver, on behalf of the City, such letters to or agreements with DTC as shall be necessary to effectuate such book-entry system (any such letter or agreement being referred to herein as the "*Representation Letter*"), which Representation Letter may provide for the payment of principal of or interest on the Bonds by wire transfer.

With respect to Bonds registered in the Bond Register in the name of Cede, as nominee of DTC, the City and the Bond Registrar shall have no responsibility or obligation to any broker-dealer, bank or other financial institution for which DTC holds Bonds from time to time as securities depository (each such broker-dealer, bank or other financial institution being referred to herein as a "*DTC Participant*") or to any person on behalf of whom such a DTC Participant holds an interest in the Bonds. Without limiting the immediately preceding sentence, the City and the Bond Registrar shall have no responsibility or obligation with respect to (i) the

accuracy of the records of DTC, Cede or any DTC Participant with respect to any ownership interest in the Bonds, (ii) the delivery to any DTC Participant or any other person, other than a registered owner of a Bond as shown in the Bond Register, of any notice with respect to the Bonds, including any notice of redemption, or (iii) the payment to any DTC Participant or any other person, other than a registered owner of a Bond as shown in the Bond Register, of any amount with respect to the principal of or interest on the Bonds. The City and the Bond Registrar may treat and consider the person in whose name each Bond is registered in the Bond Register as the holder and absolute owner of such Bond for the purpose of payment of principal and interest with respect to such Bond, for the purpose of giving notices of redemption and other matters with respect to such Bond, for the purpose of registering transfers with respect to such Bond, and for all other purposes whatsoever. The Bond Registrar shall pay all principal of and interest on the Bonds only to or upon the order of the respective registered owners of the Bonds, as shown in the Bond Register, or their respective attorneys duly authorized in writing, and all such payments shall be valid and effective to fully satisfy and discharge the City's obligations with respect to payment of the principal of and interest on the Bonds to the extent of the sum or sums so paid. No person other than a registered owner of a Bond as shown in the Bond Register, shall receive a Bond evidencing the obligation of the City to make payments of principal and interest with respect to any Bond. Upon delivery by DTC to the Bond Registrar of written notice to the effect that DTC has determined to substitute a new nominee in place of Cede, and subject to the provisions in Section 6 hereof with respect to the payment of interest to the registered owners of Bonds at the close of business on the 15th day of the month next preceding the applicable interest payment date, the name "Cede" in this Ordinance shall refer to such new nominee of DTC.

In the event that (i) the City determines that DTC is incapable of discharging its responsibilities described herein and in the Representation Letter, (ii) the agreement among the



City, the Bond Registrar and DTC evidenced by the Representation Letter shall be terminated for any reason or (iii) the City determines that it is in the best interests of the beneficial owners of the Bonds that they be able to obtain certificated Bonds, the City shall notify DTC and DTC Participants of the availability through DTC of certificated Bonds and the Bonds shall no longer be restricted to being registered in the Bond Register in the name of Cede, as nominee of DTC. At that time, the City may determine that the Bonds shall be registered in the name of and deposited with such other depository operating a universal book-entry system, as may be acceptable to the City, or such depository's agent or designee, and if the City does not select such alternate universal book-entry system, then the Bonds may be registered in whatever name or names registered owners of Bonds transferring or exchanging Bonds shall designate, in accordance with the provisions of Section 6(a) hereof.

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

*Section 7. Redemption.* (a) *Optional Redemption.* All or a portion of the Bonds, if any, due on and after the date, if any, specified in the Bond Notification, shall be subject to redemption prior to maturity at the option of the City from any available funds, as a whole or in part, and if in part in integral multiples of \$5,000 in any order of their maturity as determined by the City (less than all of the Bonds of a single maturity to be selected by the Bond Registrar), on the date specified in the Bond Notification, if any, and on any date thereafter, at the redemption price of par plus accrued interest to the date fixed for redemption.

(b) *Mandatory Redemption.* The Bonds maturing on the date or dates, if any, indicated in the Bond Notification shall be subject to mandatory redemption, in integral multiples of

\$5,000 selected by lot by the Bond Registrar, at a redemption price of par plus accrued interest to the redemption date, on the dates of the years, if any, and in the principal amounts, if any, as indicated in the Bond Notification.

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

(c) *General.* The Bonds shall be redeemed only in the principal amount of \$5,000 and integral multiples thereof. The City shall, at least forty-five (45) days prior to any optional redemption date (unless a shorter time period shall be satisfactory to the Bond Registrar) notify the Bond Registrar of such redemption date and of the principal amount and maturity or maturities of Bonds to be redeemed. For purposes of any redemption of less than all of the outstanding Bonds of a single maturity, the particular Bonds or portions of Bonds to be redeemed shall be selected by lot by the Bond Registrar from the Bonds of such maturity by such method of lottery as the Bond Registrar shall deem fair and appropriate; *provided* that such lottery shall provide for the selection for redemption of Bonds or portions thereof so that any \$5,000 Bond or \$5,000 portion of a Bond shall be as likely to be called for redemption as any other such \$5,000 Bond or \$5,000 portion. The Bond Registrar shall make such selection upon the earlier of the irrevocable deposit of funds with an escrow agent sufficient to pay the redemption price of the Bonds to be redeemed or the time of the giving of official notice of redemption.

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

*Section 8. Redemption Procedure.* Unless waived by any holder of Bonds to be redeemed, notice of the call for any such redemption shall be given by the Bond Registrar on behalf of the City by mailing the redemption notice by first class mail at least thirty (30) days and not more than sixty (60) days prior to the date fixed for redemption to the registered owner of the Bond or Bonds to be redeemed at the address shown on the 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 shall have been received by the Bond Registrar prior to the giving of such notice of redemption, such notice may, at the option of the City, state that said redemption shall be conditional upon the receipt of such moneys by the Bond Registrar on or prior to the date fixed for redemption. If

such moneys are not received, such notice shall be of no force and effect, the City shall not redeem such Bonds, and the Bond Registrar shall give notice, in the same manner in which the notice of redemption shall have been given, that such moneys were not so received and that such Bonds will not be redeemed. Otherwise, prior to any redemption date, the City shall deposit with the Bond Registrar an amount of money sufficient to pay the redemption price of all the Bonds or portions of Bonds which are to be redeemed on that date.

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

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

*Section 9. Form of Bond.* The Bonds shall be in substantially the following form; provided, however, that if the text of the Bond is to be printed in its entirety on the front side of the Bond, then paragraph [2] and the legend, “See Reverse Side for Additional Provisions”, shall be omitted and paragraphs [6] through [16] shall be inserted immediately after paragraph [1]:

[Form of Bond - Front Side]

REGISTERED  
NO. \_\_\_\_\_

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

**UNITED STATES OF AMERICA  
STATE OF ILLINOIS  
COUNTIES OF OGLE AND LEE  
CITY OF ROCHELLE  
GENERAL OBLIGATION BOND (ELECTRIC SYSTEM ALTERNATE REVENUE SOURCE)  
SERIES 2023**

See Reverse Side for  
Additional Provisions

Interest \_\_\_\_\_ Maturity \_\_\_\_\_ Dated \_\_\_\_\_ CUSIP:  
Rate: \_\_\_\_\_% Date: May 1, 20\_\_ Date: \_\_\_\_\_, 2023 771231\_\_

Registered Owner: CEDE & CO.

Principal Amount: \_\_\_\_\_ DOLLARS

[1] KNOW ALL PERSONS BY THESE PRESENTS that the City of Rochelle, Ogle and Lee Counties, Illinois, a municipality and political subdivision of the State of Illinois (the “City”), hereby acknowledges itself to owe and for value received promises to pay to the Registered Owner identified above, or registered assigns as hereinafter provided, on the Maturity Date identified above, the Principal Amount identified above, and to pay interest (computed on the basis of a 360-day year of twelve 30-day months) on such Principal Amount from the later of the Dated Date of this Bond identified above or from the most recent interest payment date to which interest has been paid, at the Interest Rate per annum identified above, such interest to be payable on [May 1, 2024], and semiannually thereafter on May 1 and November 1 of each year until the Principal Amount is paid. The Principal Amount of this Bond is payable in lawful money of the United States of America upon presentation at the principal corporate trust office of UMB Bank, National Association, Kansas City, Missouri, as bond registrar and paying agent (the “*Bond Registrar*”). Payment of interest shall be made to the Registered Owner hereof as shown on the

registration books of the City maintained by 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.

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

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

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

[5] IN WITNESS WHEREOF, said City of Rochelle, Ogle and Lee Counties, Illinois, by its Council, has caused this Bond to be signed by the manual or duly authorized facsimile signature of the Mayor of the City, and to be attested by the manual or duly authorized facsimile

signature of the City Clerk of the City and its corporate seal or a facsimile thereof to be imprinted or reproduced hereon, all as of the Dated Date identified above.

[SEAL]

\_\_\_\_\_  
Mayor, City of Rochelle,  
Ogle and Lee Counties, Illinois

ATTEST:

\_\_\_\_\_  
City Clerk, City of Rochelle,  
Ogle and Lee Counties, Illinois

Date of Authentication: \_\_\_\_\_, 2023

CERTIFICATE  
OF  
AUTHENTICATION

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

This Bond is one of the Bonds described in the within mentioned ordinance and is one of the General Obligation Bonds (Electric System Alternate Revenue Source), Series 2023, of the City of Rochelle, Ogle and Lee Counties, Illinois.

UMB BANK, National Association,  
as Bond Registrar

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

[Form of Bond - Reverse Side]

**CITY OF ROCHELLE, OGLE AND LEE COUNTIES, ILLINOIS**  
**GENERAL OBLIGATION BOND**  
**(ELECTRIC SYSTEM ALTERNATE REVENUE SOURCE)**  
**SERIES 2023**

[6] This Bond and the bonds of the series of which it forms a part ("*Bond*" and "*Bonds*" respectively) are of an authorized issue of \$\_\_\_\_\_ of like dated date and tenor except as to maturity and rate of interest. The Bonds are issued pursuant to the Local Government Debt Reform Act of the State of Illinois (the "*Debt Reform Act*") and Divisions 117 and 119 of Article 11 of the Illinois Municipal Code (the "*Municipal Code*"), each as supplemented and amended, for the purpose of paying the costs of improving the electric system of the City (the "*System*"). The Bonds are issued pursuant to an original authorizing ordinance passed by the Council of the City (the "*Council*") on the 13<sup>th</sup> day of March, 2023, and by a bond ordinance passed by the Council on the 24<sup>th</sup> day of April, 2023, as supplemented by a notification of sale (together, the "*Bond Ordinance*"), to which reference is hereby expressly made for further definitions and terms and to all the provisions of which the Registered Owner by the acceptance of this Bond assents.

[7] Under the Municipal Code and the Bond Ordinance, the Revenues, as defined, from the operation of the System shall be deposited into the Electric Fund of the City which shall be used only and has been pledged for paying Operation and Maintenance Costs, paying the principal of and interest on all bonds of the City that are payable by their terms from the revenues of the System, providing an adequate depreciation fund, and in making all payments required to maintain the accounts established under the Bond Ordinance. The City may issue future electric revenue bonds, which bonds may have a prior lien on the Revenues, or additional alternate bonds



or other obligations on a parity with the Prior Bonds (as hereinafter defined) and the Bonds, in each case pursuant to the terms of the Bond Ordinance.

[8] The Bonds are payable (a) together with the City's General Obligation Bonds (Electric System Alternate Revenue Source), Series 2021, and General Obligation Bonds (Electric System Alternate Revenue Source), Series 2022 (together, the "*Prior Bonds*"), from moneys to the credit of the Bond and Interest Subaccount within the Surplus Account of the Electric Fund (the "*Pledged Revenues*"), said Surplus Account consisting of the funds remaining in the Electric Fund after the required monthly deposits and credits have been made under the Bond Ordinance or future revenue bond ordinances to the various prior lien accounts of the Electric Fund and (b) from ad valorem taxes levied against all of the taxable property in the City without limitation as to rate or amount (the "*Pledged Taxes*") (the Pledged Revenues and the Pledged Taxes being collectively called the "*Pledged Moneys*"), all in accordance with the provisions of the Debt Reform Act and the Municipal Code.

[9] Under the Debt Reform Act and the Bond Ordinance, the Pledged Revenues shall be deposited into and segregated in the Bond and Interest Subaccount of the Surplus Account, and the Pledged Taxes shall be deposited into and segregated in the 2023 Alternate Bond Fund, each as created by the Bond Ordinance. Moneys on deposit in said Subaccount and said Fund shall be used first and are pledged for paying the principal of and interest on the Bonds and then for any further purposes as provided by the terms of the Bond Ordinance.

[10] This Bond does not constitute an indebtedness of the City within the meaning of any constitutional or statutory provision or limitation, unless the Pledged Taxes shall have been extended pursuant to the general obligation, full faith and credit promise supporting the Bonds, in which case the amount of the Bonds then outstanding shall be included in the computation of indebtedness of the City for purposes of all statutory provisions or limitations until such time as

an audit of the City shows that the Bonds have been paid from the Pledged Revenues for a complete Fiscal Year.

[11] The outstanding Bonds and Prior Bonds are co-equal as to the lien on the Pledged Revenues for their payment and share ratably, without any preference, priority, or distinction, the one over the other, as to the source of or method of payment from the Pledged Revenues.

[12] The Bonds due on and after May 1, 20\_\_, shall be subject to redemption prior to maturity at the option of the City as a whole, or in part in integral multiples of \$5,000 in any order of their maturity as determined by the City (less than all the Bonds of a single maturity to be selected by lot by the Bond Registrar), on May 1, 20\_\_, and on any date thereafter, at the redemption price of par plus accrued interest to the redemption date.

[13] Notice of any such redemption shall be sent by first class mail not less than thirty (30) days nor more than sixty (60) days prior to the date fixed for redemption to the registered owner of each Bond to be redeemed at the address shown on the registration books of the City maintained by the Bond Registrar or at such other address as is furnished in writing by such registered owner to the Bond Registrar. When so called for redemption, this Bond will cease to bear interest on the specified redemption date, provided funds for redemption are on deposit at the place of payment at that time, and shall not be deemed to be outstanding.

[14] This Bond is transferable by the Registered Owner hereof in person or by its attorney duly authorized in writing at the principal corporate trust office of the Bond Registrar in Kansas City, Missouri, but only in the manner, subject to the limitations and upon payment of the charges provided in the Ordinance, and upon surrender and cancellation of this Bond. Upon such transfer a new Bond or Bonds of authorized denominations of the same maturity and for the same aggregate principal amount will be issued to the transferee in exchange therefor.

[15] The Bonds are issued in fully registered form in the denomination of \$5,000 each or authorized integral multiples thereof. This Bond may be exchanged at the principal corporate trust office of the Bond Registrar for a like aggregate principal amount of Bonds of the same maturity of other authorized denominations, upon the terms set forth in the Ordinance. 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.

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

**(ASSIGNMENT)**

FOR VALUE RECEIVED, the undersigned sells, assigns and transfers unto \_\_\_\_\_

\_\_\_\_\_  
(Name and Address of Assignee)

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

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

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

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

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

*Section 10. Sale of Bonds.* Any two of the Designated Representatives, one of whom shall be an elected official, are hereby authorized to proceed not later than the reorganizational meeting of the Council following the April 4, 2023, consolidated election (if changes in Council membership occur) or the 24th day of October, 2023 (if no changes in Council membership occur), without any further authorization or direction from the Council, to sell the Bonds upon the terms as prescribed in this Ordinance. The Bonds hereby authorized shall be executed as in this Ordinance provided as soon after the delivery of the Bond Notification as may be, and thereupon be deposited with the Treasurer. After authentication of the Bonds by the Bond Registrar, the Treasurer shall deliver the Bonds to the Purchaser upon receipt of the purchase price therefor, the same being not less than 96.0% of the principal amount of the Bonds on a series-by-series basis (exclusive of original issue discount or original issue premium), plus accrued interest, if any, to date of delivery, it being hereby found and determined that the sale of the Bonds to the Purchaser is in the best interests of the City. The Designated Representatives shall find and determine in the Bond Notification that no person holding any office of the City, either by election or appointment, is in any manner financially interested directly in his or her own name or indirectly in the name of any other person, association, trust or corporation, in the sale of the Bonds to the Purchaser.

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

reasonably expected to be saved on the Bonds over the term of the Bonds as a result of the Municipal Bond Insurance Policy.

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

Upon the sale of a series of Bonds, as evidenced by the execution and delivery of the Bond Notification, the Designated Representatives and any other officers of the City, as shall be appropriate, shall be and are hereby authorized and directed to approve or execute, or both, such documents of sale of the Bonds as may be necessary, including, without limitation, any contracts for the sale of the Bonds between the City and the Purchaser (the "*Purchase Contract*").

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

*Section 11. Treatment of Bonds As Debt.* The Bonds shall be payable from the Pledged Moneys and do not and shall not constitute an indebtedness of the City within the meaning of any constitutional or statutory limitation, unless the Pledged Taxes shall be extended pursuant to the general obligation, full faith and credit promise supporting the Bonds, as set forth in Section 15 hereof, in which case the amount of the Bonds then Outstanding shall be included in the computation of indebtedness of the City for purposes of all statutory provisions or limitations until such time as an audit of the City shall show that the Bonds have been paid from the Pledged Revenues for a complete Fiscal Year, in accordance with the Debt Reform Act.

*Section 12. Continuation of Electric Fund; Purpose of Fund.* Upon the issuance of the Bonds, the System shall continue to be operated on a Fiscal Year basis. All of the Revenues shall be set aside as collected and be deposited into that certain separate fund and in an account in a bank designated by the Council, which fund has heretofore been created and is hereby continued and is designated as the "Electric Fund" of the City, which shall constitute a trust fund for the sole purpose of carrying out the covenants, terms, and conditions of this Ordinance and any Future Bond Ordinance, and shall be used only in paying Operation and Maintenance Costs, providing an adequate depreciation fund, paying the principal of and interest on all bonds and other obligations of the City which by their terms are payable from the Revenues, and providing for the establishment of and expenditure from the respective accounts as described in this Ordinance.

*Section 13. Flow of Funds.* Notwithstanding any provisions of the Prior Alternate Bond Ordinances to the contrary, there shall be continued or created separate accounts in the Electric Fund to be known as the "*Operation and Maintenance Account*," such other accounts as may be established, at the discretion of the City, under any Future Bond Ordinances, the "*Depreciation Account*," and the "*Surplus Account*," to which there shall be credited on or before the first day

of each month by the financial officer of the City, without any further official action or direction, in the order in which said accounts are hereinafter mentioned, all moneys held in the Fund, in accordance with the following provisions:

(a) *Operation and Maintenance Account*: There shall be credited to or retained in the Operation and Maintenance Account an amount sufficient, when added to the amount then on deposit in the Operation and Maintenance Account, to establish or maintain a balance to an amount not less than the amount considered necessary to pay Operation and Maintenance Costs for the then current month.

(b) *Accounts Created Pursuant to Future Bond Ordinances*: Future Bond Ordinances may create additional accounts in the Fund for the payment and security of electric revenue bonds that hereafter may be issued by the City. Amounts in the Fund shall be credited to and transferred from said accounts in accordance with the terms of the Future Bond Ordinances.

(c) *Depreciation Account*: Beginning the month after the delivery of the Bonds, there shall be credited to the Depreciation Account and held, in cash and investments, such sum as the City, in its sole discretion, may deem reasonable in order to provide an adequate depreciation fund for the System. In Future Bond Ordinances, the City may covenant to make specific monthly deposits to said Depreciation Account and to accumulate funds therein.

Amounts to the credit of said Depreciation Account shall be used for (i) the payment of the cost of extraordinary maintenance, necessary repairs and replacements, or contingencies, the payment for which no other funds are available, in order that the System may at all times be able to render efficient service, (ii) for the purpose of acquiring or constructing improvements and extensions to the System, and (iii) the payment of principal of or interest and applicable premium on any Outstanding Bonds at any time when there are no other funds available for that purpose in order to prevent a default. Future Bond Ordinances may provide for additional deposits to said Depreciation Account and additional uses and transfers of the funds on deposit in said Depreciation Account.

(d) *Surplus Account*: All moneys remaining in the Fund, after crediting the required amounts to the respective accounts hereinabove provided for, and after making up any deficiency in said accounts, shall be credited to the Surplus Account. Funds in the Surplus Account shall first be used to make up any subsequent deficiencies in any of said accounts and then shall be deposited to a separate and segregated account hereby created and designated the "Bond and Interest Subaccount of the Surplus Account" (the "*Bond and Interest Subaccount*"), as follows:

A. There shall be paid into the Bond and Interest Subaccount in each month after the required payments have been made into the Accounts above described, a fractional amount of the interest becoming due on the next succeeding interest payment date on all Outstanding Bonds, Prior Alternate Bonds and Additional Bonds and a fractional amount of the principal becoming due on the next succeeding principal maturity date of all Outstanding Bonds, Prior Alternate Bonds and Additional Bonds until there shall have been accumulated in the Bond and Interest Subaccount on or before the month preceding such maturity date of interest or principal, an amount sufficient to pay such principal or interest, or both, of all Outstanding Bonds, Prior Alternate Bonds and Additional Bonds.

B. In computing the fractional amount to be set aside each month in the Bond and Interest Subaccount, the fraction shall be so computed that sufficient funds will be set aside in the Bond and Interest Subaccount and will be available for the prompt payment of such principal of and interest on all Outstanding Bonds, Prior Alternate Bonds and Additional Bonds as the same will become due and shall be not less than one-fifth of the interest becoming due on the next succeeding interest payment date and not less than one-tenth of the principal becoming due on the next succeeding principal payment date on all Outstanding Bonds, Prior Alternate Bonds and Additional Bonds until there is sufficient money in the Bond and Interest Subaccount to pay such principal or interest or both.

C. Credits to the Bond and Interest Subaccount may be suspended in any Fiscal Year at such time as there shall be a sufficient sum, held in cash and investments, in the Bond and Interest Subaccount to meet principal and interest requirements in said Bond and Interest Subaccount for the balance of such Fiscal Year, but such credits shall be resumed at the beginning of the next Fiscal Year.

D. All moneys in said Bond and Interest Subaccount shall be used only for the purpose of paying interest on and principal of the Outstanding Bonds, Prior Alternate Bonds and Additional Bonds.

E. Any funds remaining in the Surplus Account after making the aforesaid deposits to the credit of the Bond and Interest Subaccount, at the discretion of the Council, shall be used, first, to make up any subsequent deficiencies in any of the accounts hereinabove named; and then, for the remainder of all surplus Revenues, at the discretion of the Council, for one or more of the following purposes without any priority among them, provided, however, that the Council may provide for further priority among all or any of such purposes in the future by adoption of an ordinance of the City so specifying such priority:

1. For the purpose of constructing or acquiring repairs, replacements, improvements or extensions to the System; or



2. For making transfers to the Fund generally to be applied and treated as Revenues when transferred; or
3. For the purpose of calling and redeeming Outstanding Bonds, Prior Alternate Bonds or Additional Bonds payable from the System which are callable at the time; or
4. For the purpose of purchasing Outstanding Bonds, Prior Alternate Bonds or Additional Bonds payable from the System; or
5. For the purpose of paying principal of and interest on any subordinate bonds or obligations issued for the purpose of acquiring or constructing repairs, replacements, improvements or extensions to the System; or
6. For any purpose enumerated in any Future Bond Ordinance; or
7. For transfer to the corporate fund of the City as an intended payment in lieu of taxes, to the extent permitted by law, to be used for any lawful corporate purpose; or
8. For any other lawful System purpose.

Money to the credit of the Fund or the Project Fund may be invested pursuant to any authorization granted to municipal corporations by Illinois statute or court decision.

*Section 14. Account Excesses.* Any amounts to the credit of the Accounts in excess of the then current requirements therefor may be transferred at any time by the Council to such other Account or Accounts of the Fund as it may in its sole discretion designate.

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

FOR THE YEAR

A TAX SUFFICIENT TO PRODUCE THE SUM OF:

2023

\$600,000

for principal and interest up to and

		including May 1, 2025
2024	\$600,000	for principal and interest
2025	\$600,000	for principal and interest
2026	\$600,000	for principal and interest
2027	\$600,000	for principal and interest
2028	\$600,000	for principal and interest
2029	\$600,000	for principal and interest
2030	\$600,000	for principal and interest
2031	\$600,000	for principal and interest
2032	\$600,000	for principal and interest
2033	\$600,000	for principal and interest
2034	\$600,000	for principal and interest
2035	\$600,000	for principal and interest
2036	\$600,000	for principal and interest
2037	\$600,000	for principal and interest
2038	\$600,000	for principal and interest
2039	\$600,000	for principal and interest
2040	\$600,000	for principal and interest
2041	\$600,000	for principal and interest

Following any extension of Pledged Taxes, interest or principal coming due at any time when there are insufficient funds on hand from the Pledged Taxes to pay the same shall be paid promptly when due from current funds on hand in advance of the collection of the Pledged Taxes herein levied; and when the Pledged Taxes shall have been collected, reimbursement shall be made to said funds in the amount so advanced.

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

*Section 16. Alternate Bond Fund.* There is hereby created the Bond Fund, the same being a special fund of the City, which fund shall be held separate and apart from all other funds and accounts of the City and shall be known as the “2023 Alternate Bond Fund.” The purpose of

the Bond Fund is to provide a fund to receive and disburse the Pledged Taxes for the payment of the Bonds. All payments made with respect to the Bonds from the Pledged Revenues shall be made directly from the Bond and Interest Subaccount. The Bond Fund and its respective accounts constitute a trust fund established for the purpose of carrying out the covenants, terms and conditions imposed upon the City by this Ordinance.

Any Pledged Taxes received by the City shall promptly be deposited into the Bond Fund.

It is hereby expressly provided that in the event there shall be moneys both to the credit of the Bond and Interest Subaccount and the Bond Fund, the Bond Fund shall be fully depleted before moneys to the credit of the Bond and Interest Subaccount shall be used to pay principal of and interest on the Bonds.

*Section 17. Filing with County Clerks.* After this Ordinance becomes effective, a copy hereof, certified by the City Clerks, shall be filed with the County Clerks. The County Clerks shall in and for each of the years required ascertain the rate percent required to produce the aggregate Pledged Taxes hereinbefore provided to be levied in each of said years; and the County Clerks shall extend the same for collection on the tax books in connection with other taxes levied in said years in and by the City for general corporate purposes of the City; and the County Clerks, or other appropriate officer or designee, shall remit the Pledged Taxes for deposit to the credit of the Bond Fund, and in said years the Pledged Taxes shall be levied and collected by and for and on behalf of the City in like manner as taxes for general municipal purposes of the City for said years are levied and collected, and in addition to and in excess of all other taxes. The Pledged Taxes are hereby irrevocably pledged to and shall be used only for the purpose of paying principal of and interest on the Bonds.

*Section 18. Abatement of Pledged Taxes.* Whenever the Pledged Revenues or other lawfully available funds are available and on deposit in the Bond and Interest Subaccount to pay

all or a portion of the principal of or interest on the Bonds when due, the Council shall direct the abatement of the Pledged Taxes by such available amount, and proper notification of such abatement shall be filed with the County Clerks in a timely manner to effect such abatement.

*Section 19. Pledged Revenues; General Covenants.* The City covenants and agrees with the registered owners of the Bonds that, so long as any Bonds remain Outstanding:

A. The City hereby pledges the Pledged Revenues to the payment of the Bonds, and the Council covenants and agrees to provide for, collect and apply the Pledged Revenues to the payment of the Prior Alternate Bonds and the Bonds and the provision of not less than an additional .25 times debt service, all in accordance with Section 15 of the Debt Reform Act. The determination of the sufficiency of the Pledged Revenues pursuant to this subsection (A) shall be supported by reference to the annual audit of the City and acceptance of said audit by the Council shall be conclusive evidence that the conditions of Section 15 of the Debt Reform Act have been met.

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

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

D. The City will keep, or cause to be kept, proper books of record and accounts, separate from all other records and accounts of the City, in which complete and correct entries shall be made of all transactions relating to the Project, the Pledged Moneys, the Bond and Interest Subaccount and the Bond Fund. Such books of record and accounts shall at all times during business hours be subject to the inspection of the registered owners of not less than ten percent (10%) of the principal amount of the Outstanding Bonds or their representatives authorized in writing.

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

F. The City will adopt, make, execute and deliver any and all such further ordinances, resolutions, instruments and assurances as may be reasonably necessary or proper to carry out the intention of, or to facilitate the performance of, this Ordinance, and for the better assuring and confirming unto the registered owners of the Bonds of the rights and benefits provided in this Ordinance.

G. As long as any Bonds are Outstanding, the City will continue to deposit the Pledged Revenues to the Bond and Interest Subaccount and, if applicable, the Pledged Taxes to the Bond Fund. The City covenants and agrees with the purchasers of the Bonds and with the registered owners thereof that so long as any Bonds remain Outstanding, the City will take no action or fail to take any action which in any way would adversely affect the ability of the City to collect the Pledged Taxes, except as described in Section 18 hereof, and to collect and to segregate the Pledged Moneys. The City and its officers will comply with all present and future applicable laws in order to assure that the Pledged Taxes can be extended and that the Pledged Revenues and the Pledged Taxes may be collected and deposited to the Bond and Interest Subaccount and the Bond Fund, respectively, as provided herein.

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

I. The City will maintain the System in good repair and working order, will operate the same efficiently and faithfully, will promptly proceed with the Project, and will punctually perform all duties with respect thereto required by the Constitution and laws of the State of Illinois and the United States of America.

J. The City will establish and maintain at all times reasonable fees, charges, and rates for the use and service of the System and will provide for the collection thereof and the segregation and application of the Revenues in the manner provided by this Ordinance, sufficient at all times to pay Operation and Maintenance Costs, to provide an adequate depreciation fund, to pay the principal of and interest on all bonds of the City which by their terms are payable from the revenues of the System, and to provide for the creation and maintenance and funding of the respective accounts as provided in Section 13 of this Ordinance; it is hereby expressly provided that the pledge and establishment of rates or charges for use of the System shall constitute a continuing obligation of the City with respect to such establishment and a continuing appropriation of the amounts received.

K. There shall be charged against all users of the System, including the City, such rates and amounts for electric services as shall be adequate to meet the requirements of this Section. Charges for services rendered to the City shall be made against the City, and payment for the same shall be made monthly from the corporate funds into the Fund as revenues derived from the operation of the System; *provided, however*, that the City need not charge itself for such services if the City shall have met the requirements of this

Ordinance, the Municipal Code and any applicable law and that the City can provide a credit for future electric service charges for certain users of the System pursuant to the Shop Local RMU Credit Program if the City shall have met the requirements of this Ordinance, the Municipal Code and any applicable law.

L. Within six months following the close of each Fiscal Year, the City will cause the books and accounts of the System to be audited by independent certified public accountants in accordance with appropriate audit standards. Said audit will be available for inspection by the registered owners of any of the Bonds.

*Section 20. Future Revenue Bonds, Additional Bonds and Subordinate Bonds.* The City reserves the right to issue without limit bonds payable solely and only from the Revenues, which bonds may have a lien on the Revenues prior to the lien on the Revenues that secures the Outstanding Bonds, *provided* that upon the issuance of such bonds, the City shall be able to demonstrate in the same manner as provided by the Debt Reform Act, as the Debt Reform Act is written at this time, that at such time all Outstanding Bonds could then be issued as if not then having previously been issued; that is, that the requirements of the Debt Reform Act for the issuance of alternate bonds payable from the Revenues shall have been met on such date for all Outstanding Bonds.

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

The City also reserves the right to issue revenue bonds from time to time payable from the Revenues that are subordinate to the Bonds, the Prior Alternate Bonds and any Additional Bonds and are payable from the money remaining in the Surplus Account created hereunder after making required deposits into the Bond and Interest Subaccount.

*Section 21. Use of Proceeds.* The proceeds derived from the sale of the Bonds shall be used as follows:

A. Accrued interest, if any, shall be credited to the Bond and Interest Subaccount and applied to pay first interest due on the Bonds.

B. The amount necessary of the proceeds of the Bonds shall be deposited into a separate fund, hereby created, designated the “Expense Fund,” to be used to pay expenses of issuance of Bonds. Disbursements from such fund shall be made from time to time upon the direction of the Treasurer. Any excess in said fund shall be deposited into the Bond and Interest Subaccount after six months from the date of issuance of the Bonds. At the time of the issuance of the Bonds, the costs of issuance of the Bonds may be paid by the Purchaser on behalf of the City from the proceeds of the Bonds.

C. The balance of the principal proceeds derived from the sale of the Bonds shall be deposited in a separate fund hereby created and designated as the “Electric Project Fund” (the “*Project Fund*”); and disbursements shall be made from the Project Fund only for the purposes for which the Bonds are being issued and for which the principal proceeds are hereby appropriated.

Within sixty (60) days after full depletion of the Project Fund or payment of all costs of the Project, as herein referred to, and as heretofore approved by the Council, the Treasurer shall certify to the Council the fact of such depletion or the engineer in responsible charge of the Project shall certify to the Council the fact that the work has been completed according to approved plans and specifications, as applicable, and upon approval of such certification by the Council, funds (if any) remaining in the Project Fund shall be transmitted to the Treasurer, and said Treasurer shall direct the credit said funds to the Bond Fund, and the Project Fund shall be closed.

*Section 22. General Tax Covenants.* The City hereby covenants that it will not take any action, omit to take any action or permit the taking or omission of any action within its control (including, without limitation, making or permitting any use of the proceeds of the Tax-exempt Bonds) if taking, permitting, or omitting to take such action would cause any of the Tax-exempt Bonds to be an arbitrage bond or a private activity bond within the meaning of the Code, would

otherwise cause the interest on the Tax-exempt Bonds to be includable in the gross income of the recipients thereof for federal income tax purposes. The City acknowledges that, in the event of an examination by the Internal Revenue Service of the exemption from Federal income taxation for interest paid on the Tax-exempt Bonds under present rules, the City may be treated as a “taxpayer” in such examination and agrees that it will respond in a commercially reasonable manner to any inquiries from the Internal Revenue Service in connection with such an examination. In furtherance of the foregoing provisions, but without limiting their generality, the City agrees: (a) through its officers, to make such further specific covenants, representations as shall be truthful, and assurances as may be necessary or advisable; (b) to comply with all representations, covenants, and assurances contained in certificates or agreements as may be prepared by Bond Counsel; (c) to consult with such Bond Counsel and to comply with such advice as may be given; (d) to file such forms, statements, and supporting documents as may be required and in a timely manner; and (e) if deemed necessary or advisable by its officers, to employ and pay fiscal agents, financial advisors, attorneys, and other persons to assist the City in such compliance.

*Section 23. Registered Form.* The City recognizes that Section 149 of the Code requires Tax-Exempt bonds to be issued and to remain in fully registered form in order to be and remain exempt from federal income taxation. In this connection, the City agrees that it will not take any action to permit the Tax-exempt Bonds to be issued in, or converted into, bearer or coupon form.



*Section 24. Certain Specific Tax Covenants.* A. None of the Tax-exempt Bonds shall be a “private activity bond” as defined in Section 141(a) of the Code; and the City certifies, represents, and covenants as follows:

(1) Not more than 5% of the net proceeds and investment earnings of the Tax-exempt Bonds is to be used, directly or indirectly, in any activity carried on by any person other than a state or local governmental unit.

(2) Not more than 5% of the amounts necessary to pay the principal of and interest on the Tax-exempt Bonds will be derived, directly or indirectly, from payments with respect to any private business use by any person other than a state or local governmental unit.

(3) None of the proceeds of the Tax-exempt Bonds is to be used, directly or indirectly, to make or finance loans to persons other than a state or local governmental unit.

(4) No user of the infrastructure of the City to be improved as part of the Project other than the City or another governmental unit, will use the same on any basis other than the same basis as the general public; and no person, other than the City or another governmental unit, will be a user of such infrastructure as a result of (i) ownership or (ii) actual or beneficial use pursuant to a lease, a management or incentive payment contract other than as expressly permitted by the Code, or (iii) any other arrangement.

B. The Tax-exempt Bonds shall not be “arbitrage bonds” under Section 148 of the Code; and the City certifies, represents, and covenants as follows:

(1) With respect to the Project, the City has heretofore incurred or within six months after delivery of the Tax-exempt Bonds expects to incur substantial binding obligations to be paid for with money received from the sale of the Tax-exempt Bonds,

said binding obligations comprising binding contracts for the Project in not less than the amount of 5% of the proceeds of the Tax-exempt Bonds allocable to the Project.

(2) More than 85% of the proceeds of the Tax-exempt Bonds allocable to the Project will be expended on or before three years for the purpose of paying the costs of the Project.

(3) All of the principal proceeds of the Tax-exempt Bonds allocable to the Project and investment earnings thereon will be used, needed, and expended for the purpose of paying the costs of the Project including expenses incidental thereto.

(4) Work on the Project is expected to proceed with due diligence to completion.

(5) Except for the Bond Fund, the City has not created or established and will not create or establish any sinking fund, reserve fund or any other similar fund to provide for the payment of the Tax-exempt Bonds. The Bond Fund has been established and will be funded in a manner primarily to achieve a proper matching of revenues and debt service and will be depleted at least annually to an amount not in excess of 1/12<sup>th</sup> the particular annual debt service on the Tax-exempt Bonds. Other than any capitalized interest, money deposited into the Bond Fund will be spent within a 13-month period beginning on the date of deposit, and investment earnings in the Bond Fund will be spent or withdrawn from the Bond Fund within a one-year period beginning on the date of receipt.

(6) Amounts of money related to the Tax-exempt Bonds required to be invested at a yield not materially higher than the yield on the Tax-exempt Bonds, as determined pursuant to such tax certifications or agreements as the City officers may make in

connection with the issuance of the Tax-exempt Bonds, shall be so invested; and appropriate City officers are hereby authorized to make such investments.

(7) Unless an applicable exception to Section 148(f) of the Code, relating to the rebate of “excess arbitrage profits” to the United States Treasury (the “*Rebate Requirement*”) is available to the City, the City will meet the Rebate Requirement.

(8) Relating to such applicable exceptions, any City officer charged with issuing the Tax-exempt Bonds is hereby authorized to make such elections under the Code as such officer shall deem reasonable and in the best interests of the City. If such election may result in a “penalty in lieu of rebate” as provided in the Code, and such penalty is incurred (the “*Penalty*”), then the City shall pay such Penalty.

C. The City reserves the right to use or invest moneys in connection with the Tax-exempt Bonds in any manner or to make changes in the Project lists or to use the City infrastructure acquired, constructed, or improved as part of the Project in any manner, notwithstanding the representations and covenants in this Ordinance, *provided* it shall first have received an opinion from an attorney or a firm of attorneys of nationally recognized standing in matters pertaining to Tax-Exempt bonds to the effect that use or investment of such moneys or the changes in or use of such infrastructure as contemplated will not result in loss or impairment of Tax-Exempt status for the Tax-exempt Bonds.

D. If so provided in the Bond Notification, each Tax-exempt Bond may be designated as a “qualified tax-exempt obligation” for the purposes and within the meaning of Section 265(b)(3) of the Code. In connection therewith, the City shall affirm in the Tax Exemption Certificate and Agreement to be executed in connection with the issuance of the Tax-exempt Bonds that: (i) none of such Tax-exempt Bonds will be at any time a “private activity bond” (as defined in Section 141 of the Code); (ii) in the calendar year of the issuance of such

series of Tax-exempt Bonds, the City has not issued any Tax-exempt obligations of any kind nor have any other Tax-exempt obligations of any kind been issued on behalf of the City, except as set forth therein; (iii) during the calendar year of the issuance of such series of Tax-exempt Bonds, the City will not issue or cause to have issued on behalf of the City more than \$10,000,000 of Tax-exempt obligations, including the Tax-exempt Bonds; (iv) not more than \$10,000,000 of obligations of any kind (including the Tax-exempt Bonds) issued by or on behalf of the City during the calendar year of the issuance of such series of Tax-exempt Bonds will be designated for purposes of Section 265(b)(3) of the Code; and (v) the City is not subject to control by any entity, and there are no entities subject to control by the City.

*Section 25. Reimbursement.* With respect to expenditures for the Project paid within the 60-day period ending on this date and with respect to which no declaration of intent was previously made, the City hereby declares its intent to reimburse such expenditures and hereby allocates proceeds of the Tax-exempt Bonds in the amount indicated in the Tax Exemption Certificate and Agreement to be delivered in connection with the issuance of the Tax-exempt Bonds to reimburse said expenditures.

*Section 26. List of Bondholders.* The Bond Registrar shall maintain a list of the names and addresses of the holders of all Bonds and upon any transfer shall add the name and address of the new Bondholder and eliminate the name and address of the transferor Bondholder.

*Section 27. Duties of Bond Registrar.* If requested by the Bond Registrar, the Mayor and City Clerk are authorized to execute the Bond Registrar's standard form of agreement between the City and the Bond Registrar with respect to the obligations and duties of the Bond Registrar hereunder which may include the following:

(a) to act as bond registrar, authenticating agent, paying agent and transfer agent as provided herein;

(b) to maintain a list of Bondholders as set forth herein and to furnish such list to the City upon request, but otherwise to keep such list confidential;

- (c) to give notice of redemption of Bonds as provided herein;
- (d) to cancel and/or destroy Bonds which have been paid at maturity or upon earlier redemption or submitted for exchange or transfer;
- (e) to furnish the City at least annually a certificate with respect to Bonds cancelled and/or destroyed; and
- (f) to furnish the City at least annually an audit confirmation of Bonds paid, Bonds outstanding and payments made with respect to interest on the Bonds.

*Section 28. Continuing Disclosure Undertaking.* The Mayor or the Treasurer is hereby authorized, empowered and directed to execute and deliver a Continuing Disclosure Undertaking (the “*Continuing Disclosure Undertaking*”) in connection with the issuance of the Bonds, with such provisions therein as he or she shall approve, his or her execution thereof to constitute conclusive evidence of his or her approval of such provisions. When the Continuing Disclosure Undertaking is executed and delivered on behalf of the City as herein provided, the Continuing Disclosure Undertaking will be binding on the City and the officers, employees and agents of the City, and the officers, employees and agents of the City are hereby authorized, empowered and directed to do all such acts and things and to execute all such documents as may be necessary to carry out and comply with the provisions of the Continuing Disclosure Undertaking as executed. Notwithstanding any other provision of this Ordinance, the sole remedies for failure to comply with the Continuing Disclosure Undertaking shall be the ability of the beneficial owner of any Bond to seek mandamus or specific performance by court order, to cause the City to comply with its obligations under the Continuing Disclosure Undertaking.

*Section 29. Municipal Bond Insurance.* In the event the payment of principal and interest on the Bonds is insured pursuant to a municipal bond insurance policy (the “*Municipal Bond Insurance Policy*”) issued by a bond insurer (the “*Bond Insurer*”), and as long as such Municipal Bond Insurance Policy shall be in full force and effect, the City and the Bond Registrar agree to comply with such usual and reasonable provisions regarding presentment and

payment of the Bonds, subrogation of the rights of the Bondholders to the Bond Insurer upon payment of the Bonds by the Bond Insurer, amendment hereof, or other terms, as approved by the Mayor of the City on advice of counsel, his or her approval to constitute full and complete acceptance by the City of such terms and provisions under authority of this Section.

*Section 30. Record-Keeping Policy and Post-Issuance Compliance Matters.* On August 25, 2014, the Council adopted a record-keeping policy (the “Policy”) in order to maintain sufficient records to demonstrate compliance with its covenants and expectations to ensure the appropriate federal tax status for the debt obligations of the City, the interest of which is excludable from “gross income” for federal income tax purposes or which enable the City or the holder to receive federal tax benefits, including, but not limited to, qualified tax credit bonds and other specified tax credit bonds. The Council and the City hereby reaffirm the Policy.

*Section 31. Defeasance.* Bonds which are no longer Outstanding shall cease to have any lien on or right to receive or be paid from Pledged Revenues and shall no longer have the benefits of any covenant for the registered owners of Outstanding Bonds as set forth herein as such relates to lien and security of the Bonds in the Pledged Revenues.

*Section 32. This Ordinance a Contract.* The provisions of this Ordinance shall constitute a contract between the City and the owners of the Outstanding Bonds and no changes, additions or alterations of any kind shall be made hereto, except as herein provided, so long as there are any Outstanding Bonds.

*Section 33. Severability.* If any section, paragraph, clause or provision of this Ordinance shall be held invalid, the invalidity of such section, paragraph, clause or provision shall not affect any of the other provisions of this Ordinance.

*Section 34. Repealer.* All other ordinances, resolutions or orders, or parts thereof, in conflict with the provisions of this ordinance are to the extent of such conflict hereby repealed.

*Section 35. Effective Date.* This Ordinance shall be effective immediately.

ADOPTED by the Council on April 24, 2023.

AYES: \_\_\_\_\_

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

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

APPROVED on April 24, 2023.

\_\_\_\_\_  
Mayor,  
City of Rochelle,  
Ogle and Lee Counties, Illinois

RECORDED in the City Records on April 24, 2023.

Attest:

\_\_\_\_\_  
City Clerk,  
City of Rochelle,  
Ogle and Lee Counties, Illinois

Council Member \_\_\_\_\_ moved and Council Member \_\_\_\_\_ seconded the motion that said ordinance as presented and read by title be adopted.

After a full and complete discussion thereof, including a public recital of the nature of the matter being considered and other information that informed the public of the business being conducted, the Mayor directed that the roll be called for a vote upon the motion to adopt the ordinance as read.

Upon the roll being called, the following Council Members voted AYE: \_\_\_\_\_  
\_\_\_\_\_

NAY: \_\_\_\_\_

Whereupon the Mayor declared the motion carried and the ordinance adopted, and henceforth did approve and sign the same in open meeting and did direct the City Clerk to record the same in full in the records of the Council of the City of Rochelle, Ogle and Lee Counties, Illinois, which was done.

Other business not pertinent to the adoption of said ordinance was duly transacted at said meeting.

Upon motion duly made and seconded, the meeting was adjourned.

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



STATE OF ILLINOIS     )  
                                      ) SS  
COUNTY OF OGLE        )

**CERTIFICATION OF ORDINANCE AND MINUTES**

I, the undersigned, do hereby certify that I am the duly qualified and acting City Clerk of the City of Rochelle, Ogle and Lee Counties, Illinois (the “*City*”), and as such officer I am the keeper of the books, records, files, and journal of proceedings of the City and of the Council thereof (the “*Council*”).

I do further certify that the foregoing constitutes a full, true and complete transcript of the minutes of the meeting of the Council held on the 24<sup>th</sup> day of April, 2023, insofar as same relates to the adoption of Ordinance No. \_\_\_\_\_ entitled:

AN ORDINANCE authorizing and providing for the issuance of not to exceed \$5,200,000 General Obligation Bonds (Electric System Alternate Revenue Source) of the City of Rochelle, Ogle and Lee Counties, Illinois, for the purpose of paying the costs of improving the electric system of said City, prescribing the details of said bonds and providing for collection, segregation and application of electric system revenues to the payment of said bonds and the levy of taxes sufficient to pay said bonds if such revenues are insufficient for such payment and providing for the sale of said bonds to the purchaser thereof.

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

I do further certify that the deliberations of the Council on the adoption of said resolution were conducted openly, that the vote on the adoption of said resolution was taken openly, that said meeting was called and held at a specified time and place convenient to the public, that notice of said meeting was duly given to all of the news media requesting such notice, that an agenda for said meeting was posted at the location where said meeting was held and at the principal office of the Council at least 72 hours in advance of the holding of said meeting, that at least one copy of said agenda was continuously available for public review during the entire 72-hour period preceding said meeting, that a true, correct and complete copy of said agenda as so posted is attached hereto as *Exhibit A*, that said meeting was called and held in strict accordance with the provisions of the Illinois Municipal Code, as amended, and the Open Meetings Act of the State of Illinois, as amended, and that the Council has complied with all of the applicable provisions of said Code and said Act and its procedural rules in the adoption of said ordinance.

IN WITNESS WHEREOF, I hereunto affix my official signature and the seal of the City, this  
24<sup>th</sup> day of April, 2023.

(SEAL)

---

City Clerk, City of Rochelle,  
Ogle and Lee Counties, Illinois

STATE OF ILLINOIS                    )  
  ) SS  
COUNTY OF OGLE        )

**FILING CERTIFICATE**

I, the undersigned, do hereby certify that I am the duly qualified and acting County Clerk of The County of Ogle, Illinois, (the “*County*”), and as such officer I do hereby certify that on the \_\_\_\_ day of \_\_\_\_\_, 2023, there was filed in my office a duly certified copy of an ordinance numbered \_\_\_\_\_ and entitled:

AN ORDINANCE authorizing and providing for the issuance of not to exceed \$5,200,000 General Obligation Bonds (Electric System Alternate Revenue Source) of the City of Rochelle, Ogle and Lee Counties, Illinois, for the purpose of paying the costs of improving the electric system of said City, prescribing the details of said bonds and providing for collection, segregation and application of electric system revenues to the payment of said bonds and the levy of taxes sufficient to pay said bonds if such revenues are insufficient for such payment and providing for the sale of said bonds to the purchaser thereof.

passed by the Council of the City of Rochelle, Ogle and Lee Counties, Illinois, on the 24<sup>th</sup> day of April, 2023, and approved by the Mayor of said City; and that the same has been deposited in the official files and records of my office.

IN WITNESS WHEREOF I hereunto affix my official signature and the seal of the County this \_\_\_\_ day of \_\_\_\_\_, 2023.

---

County Clerk of The County of Ogle,  
Illinois

[SEAL]

STATE OF ILLINOIS                    )  
  ) SS  
COUNTY OF LEE                     )

**FILING CERTIFICATE**

I, the undersigned, do hereby certify that I am the duly qualified and acting County Clerk of The County of Lee, Illinois, (the “*County*”), and as such officer I do hereby certify that on the \_\_\_\_ day of \_\_\_\_\_, 2023, there was filed in my office a duly certified copy of an ordinance numbered \_\_\_\_\_ and entitled:

AN ORDINANCE authorizing and providing for the issuance of not to exceed \$5,200,000 General Obligation Bonds (Electric System Alternate Revenue Source) of the City of Rochelle, Ogle and Lee Counties, Illinois, for the purpose of paying the costs of improving the electric system of said City, prescribing the details of said bonds and providing for collection, segregation and application of electric system revenues to the payment of said bonds and the levy of taxes sufficient to pay said bonds if such revenues are insufficient for such payment and providing for the sale of said bonds to the purchaser thereof.

passed by the Council of the City of Rochelle, Ogle and Lee Counties, Illinois, on the 24<sup>th</sup> day of April, 2023, and approved by the Mayor of said City; and that the same has been deposited in the official files and records of my office.

IN WITNESS WHEREOF I hereunto affix my official signature and the seal of the County this \_\_\_\_ day of \_\_\_\_\_, 2023.

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County Clerk of The County of Lee,  
Illinois

[SEAL]