
VILLAGE OF GILBERTS

KANE COUNTY

STATE OF ILLINOIS

ORDINANCE NUMBER 15-2023

**AN ORDINANCE PROVIDING FOR ISSUANCE OF NOT TO EXCEED
\$8,000,000 VILLAGE OF GILBERTS, KANE COUNTY,
ILLINOIS SPECIAL SERVICE AREA NUMBER FIFTEEN
SPECIAL TAX REFUNDING BONDS, SERIES 2023,
AND PROVIDING FOR THE LEVY OF A DIRECT
ANNUAL TAX ON TAXABLE PROPERTY IN SUCH
SPECIAL SERVICE AREA FOR THE PAYMENT OF
PRINCIPAL OF AND INTEREST ON SUCH BONDS**

ADOPTED BY THE

PRESIDENT AND BOARD OF TRUSTEES

OF THE

VILLAGE OF GILBERTS

KANE COUNTY

STATE OF ILLINOIS

The 17th of October, 2023

Published in pamphlet form by authority of the President and Board of Trustees of the Village of
Gilberts, Kane County, Illinois this 17th day October, 2023.

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

Section 1. Findings and Declarations. It is found and declared by the President and Board of Trustees of the Village of Gilberts, Kane County, Illinois (the "Village") as follows:

a. The Village has previously established Special Service Area Number Fifteen, as described more fully in Exhibit A attached to this Ordinance and incorporated herein (the "Special Service Area"), pursuant to Ordinance Number 05-35 adopted on October 4, 2005 (the "Establishing Ordinance"), the provisions of the Special Service Area Tax Law, 35 ILCS 200/27-5 et seq., as amended (the "Special Service Area Act") and the provisions of Section 7 of Article VII of the 1970 Constitution of the State of Illinois (the "Constitution"), and has otherwise complied with all other conditions precedent required by the Special Service Area Act.

b. It was deemed necessary and in the best interests of the Village to provide special services benefiting the Special Service Area consisting of the acquisition, construction and installation of public improvements including, but not limited to, surveying, engineering, soil testing and appurtenant work, mass grading and demolition, stormwater management facilities, storm drainage systems and storm sewers, site clearing and tree removal, public water facilities, sanitary sewer facilities, erosion control measures, roads, streets, curbs, gutters, street lighting, traffic controls, sidewalks, and related street improvements, and equipment and materials necessary for the maintenance thereof, landscaping, wetland mitigation, public park improvements and tree installation, costs for land and easement acquisitions relating to any of the foregoing improvements, required tap on and related fees for water or sanitary sewer services, and other eligible costs to serve the Special Service Area (the "Special Services").

c. The Village has previously issued \$11,720,000 in aggregate principal amount of its Special Service Area Number Fifteen Special Tax Refunding Bonds, Series 2014 (the "Prior Bonds"), of which \$8,485,000 in principal amount remains outstanding, to refinance bonds issued to pay and provide funds for a portion of the costs of the Special Services.

d. In order to achieve debt service savings, it is in the best interests of the Village to current refund all or a portion of the Prior Bonds.

e. The Village does not have sufficient funds on hand or available from other sources with which to pay the costs associated with the current refunding the Prior Bonds.

f. It is necessary and in the best interests of the Village to issue an aggregate principal amount not to exceed \$8,000,000 of its Special Service Area Number Fifteen Special Tax Refunding Bonds, Series 2023, or such other name as designated in the bond order (the "Bonds"), as provided in this Ordinance, to pay or provide funds to current refund all or a portion of the Prior Bonds.

g. The Village expects that aggregate payments of principal of and interest on the Bonds will be less then aggregate payments of principal of and interest on the outstanding Prior Bonds.

h. After adoption of Ordinance Number 05-28 on August 2, 2005, which proposed the consideration of establishing the Special Service Area and the issuance of the Prior Bonds in an aggregate principal amount not to exceed \$12,500,000 (the "Proposing Ordinance"), due publication of notice as required by the Special Service Area Act including, without limitation, notice of the issuance of the Prior Bonds in an aggregate principal amount not to exceed \$12,500,000, a public hearing to consider the establishment of the Special Service Area, the issuance of the Prior Bonds for the purpose of paying the costs of the Special Services and the manner in which the Prior Bonds were proposed to be retired and the proposed tax levy, was held on September 6, 2005 at 7:30 p.m., no objection petition was filed with respect to the establishment of the Special Service Area or the issuance of the Prior Bonds within the period of time allowed pursuant to the Special Service Area Act, and waivers of the right to file any such objection petition were executed by all electors and all owners of property within the Special Service Area at the time of the issuance of the Prior Bonds.

Section 2. Issuance of Bonds.

a. The Village shall borrow the sum of not to exceed \$8,000,000 by issuing the Bonds as provided in this Ordinance. The Bonds which shall be designated "Village of Gilberts, Kane County, Illinois Special Service Area Number Fifteen Special Tax Refunding Bonds, Series 2023," or such other name as designated in the bond order, shall be issued for the purpose of current refunding all or a portion of the Prior Bonds. The Prior Bonds were issued for the purpose of advance refunding the Village's Special Service Area Bonds Number Fifteen Special Tax Refunding Bonds, Series 2005 (the "2005 Bonds") which were issued to provide funds needed for the costs of the Special Services. The Bonds shall be issued pursuant to the powers of the Village pursuant to Section 7 of Article VII of the Constitution; the Special Service Area Act; and the Local Government Debt Reform Act, 30 ILCS 350/1 et seq. (the "Debt Act").

b. The Village President is hereby authorized and directed to establish the final terms of the Bonds as set forth in the Village's Bond Order to be executed by the

Village President (the "Bond Order"), but only within the parameters or on such terms as set forth in Section 4 of this Ordinance and in furtherance of such duty is hereby authorized and directed to execute the Bond Order on behalf of the Village. The Bonds shall be issued in such principal amounts, shall mature on such dates and bear interest at such rates and be subject to redemption as set forth in the Bond Order.

Section 3. Approval of Documents. There have been submitted to the President and Board of Trustees forms of the following documents relating to the issuance of the Bonds:

a. a form of Trust Indenture (the "Indenture") between the Village and Amalgamated Bank of Chicago, as trustee (the "Trustee"), to be dated on or prior to the date of issuance of the Bonds, which form of Indenture is attached as Exhibit B to this Ordinance;

b. a form of Bond Purchase Agreement (the "Bond Purchase Agreement") between the Village and Bernardi Securities, Inc., as Underwriter (the "Underwriter"), to be dated as of the date the offer of the Underwriter to purchase the Bonds is accepted by the Village, which form of Bond Purchase Agreement is attached as Exhibit C to this Ordinance and is incorporated herein;

c. a form of Preliminary Official Statement (the "Preliminary Official Statement") to be used by the Underwriter in its initial offering of the Bonds, which form of Preliminary Official Statement is attached as Exhibit D to this Ordinance;

d. a form of escrow agreement (the "Escrow Agreement") to be entered into between the Village and Amalgamated Bank of Chicago, as Escrow Agent for the Prior Bonds providing for the defeasance of all or a portion of the Prior Bonds, which agreement is attached as Exhibit E to this Ordinance; and

e. a form of continuing disclosure undertaking to be entered into by the Village (the "CDU") to effect compliance with Rule 15c2-12 adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, which agreement is attached as Exhibit F to this Ordinance.

Such documents are approved as to form and substance and the Village President and the Village Clerk of the Village are authorized and directed to execute and deliver and/or authorize the use of such documents on behalf of the Village in substantially the forms submitted with such additions, deletions and completions of the same as the Village President and the Village Clerk deem appropriate; and when each such document is executed, attested, sealed and delivered on behalf of the Village, as provided herein, each such document will be binding on the Village; from and after the execution and delivery of each such document, the officers, employees and agents of the Village are hereby authorized, empowered and directed to do all such acts and things and to execute all such additional documents as may be necessary to carry out, comply with and perform the provisions of each such document as executed; and each such document shall constitute, and hereby is made, a part of this Ordinance, and a copy of each such document shall be placed in the official records of the Village, and shall be available for public inspection at the office of the Village Clerk. Either the Village President or Village Clerk is authorized and

directed, subject to the terms of the Bond Purchase Agreement as executed, to execute a final Official Statement in substantially the form of the Preliminary Official Statement with such changes, additions or deletions as they deem appropriate to reflect the final terms of the Bonds, the Indenture and other matters. The Village hereby ratifies, confirms and approves the use and distribution by the Underwriter of the Preliminary Official Statement prior to the availability of the final Official Statement. The Village President and the Village Clerk are authorized to obtain a Bond Insurance Policy insuring the payment of principal of and interest on the Bonds when due (the "Policy") from a bond insurer (a "Bond Insurer") if the Village President determines such Policy to be beneficial in connection with the sale of the Bonds. The Village President and Village Clerk are hereby authorized on behalf of the Village, to make such customary covenants and agreements with the Bond Insurer as are not inconsistent with the terms of this Ordinance and as may be required by the Bond Insurer to issue its Policy.

Section 4. Bond Terms; Bond Order. The Bonds shall be issued as provided in the Indenture and shall be issued in the aggregate principal amount not to exceed \$8,000,000, shall be dated, shall mature, shall bear interest at the rates (not to exceed six percent (6.00%) per annum), and shall be subject to redemption at the times and prices, all as set forth in the Bond Order and the Indenture, and shall be sold to the Underwriter at an aggregate purchase price of not less than 97.0% of the principal amount of the Bonds as set forth in the Bond Order and the Bond Purchase Agreement. The maximum principal amount per maturity shall not exceed \$1,050,000. The Bond Order shall specify the total principal amount of the Bonds and the principal amount of the Bonds for each maturity, the date of the Bonds, the interest rate on the Bonds, the redemption provisions of the Bonds, the purchase price of the Bonds, the principal amount and maturities of the Prior Bonds to be refunded, redeemed and/or paid at maturity, the identity of any Bond Insurer, if any, and the final form of any commitment to provide the bond insurance Policy and may include such other terms as are deemed necessary to provide for the sale of the Bonds which are not inconsistent with this Ordinance. In the event the Bonds are sold in a principal amount of \$10,000,000 or less, the Bond Order may provide that the Bonds be designated by the Village as a "qualified tax-exempt obligation" for purposes and within the meaning of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended (the "Code"), if the Village President deems such designation to be beneficial to the sale of the Bonds. The execution and delivery of the Indenture and the Bond Order by the Village President and the Village Clerk shall evidence their approval of the terms of the Bonds.

Section 5. Execution and Delivery of Bonds. The Village President and the Village Clerk are authorized and directed to execute and deliver the Bonds and, together with other Authorized Officers (as defined in the Indenture), to take all necessary action with respect to the issuance, sale and delivery of the Bonds, all in accordance with the terms and procedures specified in this Ordinance and the Indenture. The Bonds shall be delivered to the Trustee who is directed to authenticate the Bonds and deliver the Bonds to the Underwriter upon receipt of the purchase price for the Bonds.

The Bonds shall be in substantially the form set forth in the Indenture. Each Bond shall be executed by the manual or facsimile signature of the Village President and the manual or facsimile signature of the Village Clerk and shall have the corporate seal of the Village affixed to it (or a facsimile of that seal printed on it). The Village President and the Village Clerk (if they have not already done so) are authorized and directed to file with the Illinois Secretary of State

their manual signatures certified by them pursuant to the Uniform Facsimile Signatures of Public Officials Act, as amended, which shall authorize the use of their facsimile signatures to execute the Bonds. Each Bond so executed shall be as effective as if manually executed. In case any officer of the Village whose signature or a facsimile of whose signature shall appear on the Bonds shall cease to be such officer before authentication and delivery of any of the Bonds, that signature or facsimile signature shall nevertheless be valid and sufficient for all purposes, the same as if the officer had remained in office until delivery.

No Bond shall be valid for any purpose unless and until a certificate of authentication on that Bond substantially in the form set forth in the bond form in the Indenture shall have been duly executed by the Trustee. Execution of that certificate upon any Bond shall be conclusive evidence that the Bond has been authenticated and delivered under this Ordinance.

Section 6. Bonds are Limited Obligations; Levy of Special Taxes; Pledge. The Bonds shall constitute limited obligations of the Village, payable from the Special Taxes (as defined below) to be levied on all taxable real property within the Special Service Area as provided below. The Bonds shall not constitute the general obligations of the Village and neither the full faith and credit nor the unlimited taxing power of the Village shall be pledged as security for payment of the Bonds.

There are hereby levied Special Taxes upon all taxable real property within the Special Service Area in accordance with the Special Tax Report (as defined below) sufficient to pay and discharge the principal of and interest on the Bonds at maturity or mandatory sinking fund redemption dates and to pay interest on the Bonds for each year at the interest rates set forth in Section 2.4 of the Indenture and to pay for the Administrative Expenses (as defined in the Indenture) of the Village and Kane County, if any, for each year and to fund and replenish the Reserve Fund created and established pursuant to the Indenture to an amount equal to the Reserve Requirement (as defined in the Indenture) and to fund and replenish the Special Reserve Fund created and established pursuant to the Indenture to an amount equal to the Special Reserve Fund Requirement including specifically the following amounts for the following years (the "Special Taxes"):

<u>Year of Levy</u>	<u>An Amount Sufficient to Produce the Sum of:</u>
2023	\$1,042,130
2024	1,060,127
2025	1,078,819
2026	1,097,511
2027	1,116,898
2028	1,136,528
2029	1,156,158
2030	1,176,483
2031	1,197,051
2032	1,218,071
2033	1,239,334

Pursuant to the Special Tax Roll established by the Special Tax Roll and Report dated September 27, 2005 prepared for the Special Service Area, as amended by an Addendum to the Special Tax Roll and Report adopted by the Village Board on August 14, 2012 as Ordinance No. 22-2012 (the "Special Tax Report"), the Special Taxes shall be divided among all taxable real property within the Special Service Area in accordance with the terms of the Establishing Ordinance and the Special Tax Report. It shall be the duty of the Village and the Village hereby covenants, annually on or before the last Tuesday of December for each of the years 2023 through 2033 to calculate or cause the Consultant appointed pursuant to the Indenture to calculate the projected Special Tax Requirement (as defined in the Indenture); to adopt an ordinance approving the amount of the Special Tax Requirement; and shall by ordinance direct the County Clerk of Kane County to extend the Special Taxes for collection on the tax books against all of the taxable real property within the Special Service Area in accordance with the Special Tax Report and in connection with other taxes levied in each of such years for general Village purposes. The Special Taxes shall be computed, extended and collected in accordance with the Special Tax Report and the Special Tax Roll, and divided among the taxable real property within the Special Service Area in accordance with the terms of the Establishing Ordinance and the Special Tax Report. The Special Taxes levied by this Ordinance shall be abated each year to the extent the taxes levied pursuant to this Ordinance exceed the Special Tax Requirement as calculated by the Village pursuant to the Establishing Ordinance and the Special Tax Report. On or before the last Tuesday of January for each of the years 2024 through 2034 the Village shall notify the Trustee and the Bond Insurer, if any, of the amount of the Special Tax Requirement and the amount of the Special Taxes to be abated. The Village shall take all actions which shall be necessary to provide for the levy, extension, collection and application of the taxes levied by this Ordinance, including enforcement, of such taxes by institution of foreclosure procedures as provided by law.

The Special Taxes levied as provided above shall be deposited in the Bond and Interest Fund created pursuant to the Indenture and are appropriated to and are irrevocably pledged to and shall be used only for the purposes set forth in the Indenture.

The Bond Order may provide for the abatement of a portion of the taxes levied pursuant to this Section 6 to the extent the Bond Order provides for a portion of the Prior Bonds to remain outstanding in an amount necessary to pay the debt service due and administrative expenses owed on the Prior Bonds to remain outstanding.

Section 7. Special Covenants. The Village covenants with the holders of the Bonds from time to time outstanding and the Bond Insurer, if any, that it (i) will take all actions which are necessary to be taken (and avoid any actions which it is necessary to avoid being taken) so that interest on the Bonds and the Prior Bonds will not be or become included in gross income for federal income tax purposes under existing law, including without limitation the Code; (ii) will take all actions reasonably within its power to take which are necessary to be taken (and avoid taking any actions which are reasonably within its power to avoid taking and which are necessary to avoid) so that the interest on the Bonds and the Prior Bonds will not be or become included in gross income for federal income tax purposes under the federal income tax laws as in effect from time to time; and (iii) will take no action or permit any action in the investment of the proceeds of the Bonds or the Prior Bonds, amounts held under the Indenture or any other funds of the Village which would result in making interest on the Bonds or the Prior Bonds subject to

federal income taxes by reason of causing the Bonds or the Prior Bonds to be “arbitrage bonds” within the meaning of Section 148 of the Code, or direct or permit any action inconsistent with the regulations under the Code as promulgated and as amended from time to time and as applicable to the Bonds or the Prior Bonds. The Village President, Village Clerk, Village Treasurer and other Authorized Officers of the Village are authorized and directed to take all such actions as are necessary in order to carry out the issuance and delivery of the Bonds including, without limitation, to make any representations and certifications they deem proper pertaining to the use of the proceeds of the Bonds and other moneys held under the Indenture in order to establish that the Bonds and the Prior Bonds shall not constitute arbitrage bonds as so defined.

The Village further covenants with the holders of the Bonds from time to time outstanding and the Bond Insurer, if any, that:

a. it will take all actions, if any, which shall be necessary in order further to provide for the levy, extension, collection and application of the Special Taxes imposed by or pursuant to this Ordinance or the Establishing Ordinance, including enforcement of the Special Taxes by institution of foreclosure procedures as provided by law;

b. it will not take any action which would reduce the size of the Special Service Area or adversely affect the levy, extension, collection and application of the Special Taxes, except to abate the Special Taxes to the extent permitted by the Special Tax Report and as provided in this Ordinance and to release parcels subject to the Special Taxes to the extent a prepayment of the Special Taxes for such parcel has been prepaid; and

c. it will comply with all present and future laws concerning the levy, extension and collection of the Special Taxes; in each case so that the Village shall be able to pay the principal of and interest on the Bonds as they come due and replenish the Special Reserve Fund to the Special Reserve Fund Requirement and the Reserve Fund to the Reserve Requirement and it will take all actions necessary to assure the timely collection of the Special Taxes, including without limitation, the enforcement of any delinquent Special Taxes by the commencement and maintenance of an action to foreclose the lien of any delinquent Special Taxes within twelve months of the date of failure to pay the Special Taxes from the date they are due, and in the manner provided by law.

Promptly following the date of issuance of the Bonds, the Village shall file an abatement ordinance abating the Special Taxes levied for the Prior Bonds to be refunded pursuant to the bond ordinance for the Prior Bonds (the “Prior Bond Ordinance”) for levy years 2023 through 2033 or such other dates as are specified in the Bond Order.

Section 8. Additional Authority. The Village President, the Village Clerk, the Village Treasurer and the other officers of the Village are authorized to execute and deliver on behalf of the Village such other documents, agreements and certificates and to do such other things consistent with the terms of this Ordinance as such officers and employees shall deem necessary or appropriate in order to effectuate the intent and purposes of this Ordinance, including without limitation to make any representations and certifications they deem proper

pertaining to the use of the proceeds of the Bonds in order to establish that the Bonds and the Prior Bonds shall not constitute arbitrage bonds as defined in Section 7 above.

Section 9. Transfer of Funds; Defeasance of Prior Bonds. Amounts on deposit in the funds and accounts created for the Prior Bonds may be transferred to the Escrow Account created pursuant to the Escrow Agreement and applied to refund the Prior Bonds or with respect to the Bond and Interest Fund or Reserve Fund, may be transferred to the Bond and Interest Fund or the Reserve Fund created for the Bonds to the extent not needed to fund the Escrow Account or to pay the Prior Bonds which remain outstanding all as provided in the Bond Order.

The Prior Bonds to be refunded as specified in the Bond Order shall be called for redemption on or after March 1, 2024 at a price equal to 100% of the principal amount thereof, plus accrued interest to the redemption date. Such redemption shall be conducted in accordance with the provisions of the Trust Indenture of the Village pursuant to which the Prior Bonds were authorized (the "Prior Indenture") and the Escrow Agreement.

The appropriate officers of the Village and the Escrow Agent are hereby authorized and directed to invest funds on deposit in the Escrow Account as defined in the Escrow Agreement including bonds, notes, certificates of indebtedness, treasury bills, or other securities of the United States of America or which are guaranteed by the full faith and credit of the United States of America as to principal and interest, including, without limitation United States Treasury Securities - State and Local Government Series. The Village President or Village Treasurer is hereby authorized to execute the Escrow Agreement with Amalgamated Bank of Chicago, as Escrow Agent for the Prior Bonds to provide for the defeasance and redemption of all or a portion of the Prior Bonds.

Section 10. Filing of Ordinance. The Village Clerk is directed to file a certified copy of this Ordinance, and an accurate map of the Special Service Area, with the County Clerk of Kane County.


Section 11. Severability. If any section, paragraph, clause or provision of this Ordinance (including any section, paragraph, clause or provision of any exhibit to this Ordinance) shall be held invalid, the invalidity of such section, paragraph, clause or provision shall not affect any of the other sections, paragraphs, clauses or provisions of this Ordinance (or of any of the exhibits to this Ordinance).

Section 12. Repealer; Effect of Ordinance. All ordinances, resolutions and orders or parts of ordinances, resolutions and orders in conflict with this Ordinance are repealed to the extent of such conflict. The Village Clerk shall cause this Ordinance to be published in pamphlet form. This Ordinance shall be effective upon its passage and publication as provided by law.

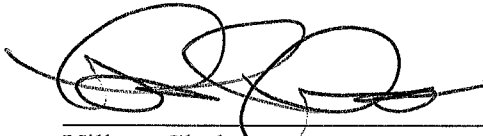
PASSED BY THE PRESIDENT AND BOARD OF TRUSTEES OF THE VILLAGE OF GILBERTS, KANE COUNTY, ILLINOIS this 5 day of September, 2023.

VOTING AYE: 5 Trustees Chapman, Yanni, Allen, Coats + Redfield
VOTING NAY: Ø
ABSENT: Trustee Macino
ABSTAINED: Ø
NOT VOTING: Ø

APPROVED:


Village President

ATTEST:


Village Clerk