

MINUTES of a regular public meeting of the Board of Education of Community Unit School District Number 228, Henry and Whiteside Counties, Illinois, held at the District Office Meeting Room, 648 North Chicago Street, Geneseo, Illinois, in said School District at 5:00 o'clock P.M., on the 14th day of May, 2020.

* * *

The meeting was called to order by the President, and upon the roll being called, the following members were physically present at said location: _____

The following members attended the meeting by video or audio conference: _____

The following members were absent and did not participate in the meeting in any manner or to any extent whatsoever: _____

The following officials of the District were physically present at said location and ensured the availability of electronic meeting access by video and/or conference to any members of the public attending the meeting in person at said location and requesting such access:

The President announced that a proposal had been received from Commerce Bank, Peoria, Illinois, for the purchase of \$900,000 Debt Certificates, Series 2020, to be issued by the District pursuant to Section 17(b) of the Local Government Debt Reform Act, and that the Board of Education would consider the adoption of a resolution providing for an Installment Purchase

Agreement in order to improve the sites of, build and equip additions to and alter, repair and equip school buildings and facilities of the District, authorizing the issuance of said Certificates evidencing the rights to payment under said Agreement and providing for the sale of said Certificates. The President also summarized the pertinent terms of said proposal and said Certificates, including the length of maturity, rates of interest and purchase price for said Certificates.

Whereupon Member _____ presented and the Secretary read by title a resolution as follows, a copy of which was provided to each member of the Board of Education prior to said meeting and to everyone in attendance at said meeting who requested a copy:

RESOLUTION authorizing and providing for an Installment Purchase Agreement for the purpose of paying the cost of purchasing real or personal property, or both, in and for Community Unit School District Number 228, Henry and Whiteside Counties, Illinois, and for the issue of \$900,000 Debt Certificates, Series 2020, of said School District, for the purpose of improving the sites of, building and equipping additions to and altering, repairing and equipping school buildings and facilities of said School District, and authorizing the sale of said Certificates to Commerce Bank.

* * *

WHEREAS, Community Unit School District Number 228, Henry and Whiteside Counties, Illinois (the "*District*"), is a school district of the State of Illinois operating under and pursuant to the School Code of the State of Illinois, as amended (the "*School Code*"), the Local Government Debt Reform Act of the State of Illinois, as amended (the "*Debt Reform Act*"), and in particular, the provisions of Section 17(b) of the Debt Reform Act (the "*Installment Purchase Provisions*"); and

WHEREAS, the Board of Education of the District (the "*Board*") has considered the needs of the District and, in so doing, the Board has deemed and does now deem it advisable, necessary, and for the best interests of the District to improve the sites of, build and equip additions to and alter, repair and equip school buildings and facilities of the District, including, in connection with said work, acquisition of all land or rights in land, mechanical, electrical, and other services necessary, useful, or advisable thereto (the "*Project*"), all as shown on preliminary plans and cost estimates on file with and approved by the Board; and

WHEREAS, the Board has determined the total cost of the Project and expenses incidental thereto, including financial, legal, architectural, and engineering services related to such work and to the Agreement hereinafter provided for in this Resolution to be not less than \$900,000, plus estimated investment earnings which may be received on said sum prior to disbursement; and

WHEREAS, sufficient funds of the District are not available to pay the costs of the Project, and it will, therefore, be necessary to borrow money in the amount of \$900,000 for the purpose of paying such costs; and

WHEREAS, pursuant to the Installment Purchase Provisions, the District has the power to purchase real or personal property through agreements that provide that the consideration for the purchase may be paid through installments made at stated intervals for a period of no more than 20 years, to sell, convey and reacquire either real or personal property upon any terms and conditions and in any manner as the Board shall determine, if the District will lease, acquire by purchase agreement, or otherwise reacquire the property as authorized by applicable law and to issue certificates evidencing indebtedness incurred under such agreements; and

WHEREAS, the Board finds that it is desirable and in the best interests of the District to avail of the provisions of the Installment Purchase Provisions to authorize an Installment Purchase Agreement (the "*Agreement*"); name as counter-party to the Agreement the School Treasurer who receives the taxes of the District (the "*Treasurer*"), as nominee-seller; authorize the President and Secretary of the Board to execute and attest, respectively, the Agreement on behalf of the District and to file same with said Secretary in his or her capacity as keeper of the records and files of the District; and issue certificates evidencing the indebtedness incurred under the Agreement in the amount of \$900,000:

NOW, THEREFORE, Be It and It Is Hereby Resolved by the Board of Education of Community Unit School District Number 228, Henry and Whiteside Counties, Illinois, as follows:

Section 1. Incorporation of Preambles. The Board hereby finds that all of the recitals contained in the preambles to this Resolution are full, true and correct and does incorporate them into this Resolution by this reference.

Section 2. Authorization. It is necessary and advisable for the residents of the District to pay the costs of the Project and to borrow money and, in evidence thereof and for the purpose of financing same, enter into the Agreement and, further, to provide for the issuance and delivery of certificates evidencing the indebtedness incurred under the Agreement.

Section 3. Agreement is a General Obligation; Annual Budget. The District hereby represents, warrants, and agrees that the obligation to make the payments due under the Agreement shall be a general obligation of the District payable from any funds of the District lawfully available for such purpose. The District represents and warrants that the total amount due under the Agreement, together with all other indebtedness of the District, is within all statutory and constitutional debt limitations. The District agrees to budget funds of the District annually and in a timely manner so as to provide for the making of all payments when due under the terms of the Agreement.

Section 4. Execution and Filing of the Agreement. From and after the effective date of this Resolution, the President and Secretary of the Board be and they are hereby authorized and directed to execute and attest, respectively, the Agreement, in substantially the form set forth in Section 5 of this Resolution, and to do all things necessary and essential to effectuate the provisions of the Agreement, including the execution of any documents and certificates incidental thereto or necessary to carry out the provisions thereof. Further, as nominee-seller, the Treasurer is hereby authorized and directed to execute the Agreement. Upon full execution, the original of the Agreement shall be filed with the Secretary of the Board and retained in the District records and shall constitute authority for the issuance of the Certificates hereinafter authorized.

Section 5. Form of the Agreement. The Agreement shall be in substantially the form as follows:

INSTALLMENT PURCHASE AGREEMENT for purchase of real or personal property, or both, in and for Community Unit School District Number 228, Henry and Whiteside Counties, Illinois.

* * *

THIS INSTALLMENT PURCHASE AGREEMENT (this "*Agreement*") dated as of June 3, 2020, by and between the School Treasurer who receives the taxes of the District (as hereinafter defined), as Nominee-Seller (the "*Seller*"), and Community Unit School District Number 228, Henry and Whiteside Counties, Illinois, a school district of the State of Illinois (the "*District*");

WITNESSETH

A. The Board of Education of the District (the "*Board*") has determined improve the sites of, build and equip additions to and alter, repair and equip school buildings and facilities of the District (the "*Project*"), all as previously approved by the Board and on file with the Secretary of the Board (the "*Secretary*").

B. Pursuant to the provisions of the School Code of the State of Illinois, the Local Government Debt Reform Act of the State of Illinois (the "*Debt Reform Act*"), and, in particular, the provisions of Section 17(b) of the Debt Reform Act (the "*Installment Purchase Provisions*"), in each case, as supplemented and amended (collectively "*Applicable Law*"), the District has the power to purchase real or personal property through agreements that provide that the consideration for the purchase may be paid through installments made at stated intervals for a period of no more than 20 years, to sell, convey and reacquire either real or personal property upon any terms and conditions and in any manner as the Board shall determine, if the District will lease, acquire by purchase agreement, or otherwise reacquire the property as authorized by applicable law and to issue certificates evidencing indebtedness incurred under such agreements.

C. On the 14th day of May, 2020, the Board, pursuant to Applicable Law and the need to provide for the Project, adopted a resolution (the "*Resolution*") authorizing the borrowing of

money for the Project, the execution and delivery of this Agreement to finance same, and the issuance of certificates evidencing the indebtedness so incurred.

D. The Resolution is

- (a) incorporated herein by reference; and
- (b) made a part hereof as if set out at this place in full;

and each of the terms as defined in the Resolution is also incorporated by reference for use in this Agreement.

E. The Seller, as nominee as expressly permitted by the Installment Purchase Provisions, has agreed to make, construct, and acquire the Project on the terms as hereinafter provided.

NOW, THEREFORE, in consideration of the mutual covenants and agreements hereinafter contained and other valuable consideration, it is mutually agreed between the Seller and the District as follows:

1. MAKE AND ACQUIRE PROJECT

The Seller agrees to make, construct, and acquire the Project upon real estate owned or to be owned by or upon which valid easements have been obtained in favor of the District.

2. CONVEYANCE

The District conveys to the Seller any portion of the Project heretofore acquired by the District and to be paid from proceeds of the Certificates (as defined in the Resolution). The Seller agrees to convey each part of the Project to the District and to perform all necessary work and convey all necessary equipment; and the District agrees to purchase the Project from the Seller and pay for the Project the purchase price of not to exceed \$900,000, plus the amount of investment earnings which are earned on the amount deposited with the Treasurer from the sale of the Certificates and in no event shall the total aggregate principal purchase price to be paid pursuant

to this Agreement exceed the sum of \$900,000, plus the amount of investment earnings which are earned on the amount deposited with the Treasurer from the sale of the Certificates.

3. PAYMENTS

The payment of the entire sum of \$900,000 of said purchase price shall:

- (a) be payable in installments due on the dates and in the amounts;
- (b) bear interest at the rates percent per annum which interest shall also be payable on the dates and in the amounts;
- (c) be payable at the place or places of payment, in the medium of payment, and upon such other terms;

all as provided for payment of the Certificates in the Resolution.

4. ASSIGNMENT

Rights to payment of the Seller as provided in this Agreement are assigned as a matter of law under the Installment Purchase Provisions to the owners of the Certificates. This Agreement and any right, title, or interest herein, shall not be further assignable. The Certificates, evidencing the indebtedness incurred hereby, are assignable (registrable) as provided in the Resolution.

5. TAX COVENANTS

The covenants relating to the tax-exempt status of the Certificates, as set forth in the Resolution, insofar as may be applicable, apply to the work to be performed and the payments made under this Agreement.

6. TITLE

(a) *Vesting of Title.* Title in and to any part of the Project, upon delivery or as made, during all stages of the making or acquisition thereof, shall and does vest immediately in the District.

(b) *Damage, Destruction, and Condemnation.* If, during the term of this Agreement, (i) all or any part of the Project shall be destroyed, in whole or in part, or damaged by fire or other casualty or event; or (ii) title to, or the temporary or permanent use of, all or any part of the Project shall be taken under the exercise of the power of eminent domain by any governmental body or by any person, firm, or corporation acting under governmental authority; or (iii) a material defect in construction of all or any part of the Project shall become apparent; or (iv) title to or the use of all or any part of the Project shall be lost by reason of a defect in title; then the District shall continue to make payments as promised herein and in the Certificates and to take such action as it shall deem necessary or appropriate to repair and replace the Project.

7. LAWFUL CORPORATE OBLIGATION

The District hereby represents, warrants, and agrees that the obligation to make the payments due hereunder shall be a lawful direct general obligation of the District payable from the general funds of the District and such other sources of payment as are otherwise lawfully available. The District represents and warrants that the total amount due the Seller hereunder, together with all other indebtedness of the District, is within all statutory and constitutional debt limitations. The District agrees to budget funds of the District annually and in a timely manner so as to provide for the making of all payments when due under the terms of this Agreement.

8. GENERAL COVENANT AND RECITAL

It is hereby certified and recited by the Seller and the District, respectively, that as to each, respectively, for itself, all conditions, acts, and things required by law to exist or to be done precedent to and in the execution of this Agreement did exist, have happened, been done and performed in regular and due form and time as required by law.

9. NO SEPARATE TAX

THE SELLER AND THE DISTRICT RECOGNIZE THAT THERE IS NO STATUTORY AUTHORITY FOR THE LEVY OF A SEPARATE TAX IN ADDITION TO OTHER TAXES OF THE DISTRICT OR THE

**LEVY OF A SPECIAL TAX UNLIMITED AS TO RATE OR AMOUNT TO PAY ANY OF THE AMOUNTS DUE
HEREUNDER.**

10. DEFAULT

In the event of a default in payment hereunder by the District, the Seller or any Certificateholder may pursue any available remedy by suit at law or equity to enforce the payment of all amounts due or to become due under this Agreement, including, without limitation, an action for specific performance.

IN WITNESS WHEREOF, the Seller has caused this Installment Purchase Agreement to be executed, and his or her signature to be attested by the Secretary of the Board, and the District has caused this Installment Purchase Agreement to be executed by the President of its Board, and also attested by the Secretary of its Board, all as of the day and year first above written.

SELLER: Signature: _____ SPECIMEN _____

Tracy Colter
as Nominee-Seller and the School Treasurer

ATTEST:

SPECIMEN
Secretary, Board of Education

COMMUNITY UNIT SCHOOL DISTRICT
NUMBER 228, HENRY AND WHITESIDE
COUNTIES, ILLINOIS

SPECIMEN
President, Board of Education

ATTEST:

SPECIMEN
Secretary, Board of Education