

MINUTES of the regular public meeting of the Board of Park Commissioners of the Frankfort Square Park District, Will and Cook Counties, Illinois, held in Room 204 of the Park District Administration Building, 7540 West Braemar Lane, Frankfort, Illinois, in said Park District at 7:00 o'clock P.M., on the 15th day of September, 2022.

* * *

The President called the meeting to order and directed the Secretary to call the roll.

Upon the roll being called, Ken Blackburn, the President, and the following Park Commissioners were physically present at said location: _____

The following Park Commissioners were allowed by a majority of the members of the Board of Park Commissioners in accordance with and to the extent allowed by rules adopted by the Board of Park Commissioners to attend the meeting by video or audio conference: _____

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

The President announced that a proposal had been received from Old Plank Trail Community Bank, N.A., Mokena, Illinois, for the purchase of a \$95,000 General Obligation Promissory Note, Series 2022 (the "Note"), of the District, for the purpose of purchasing a front-end loader tractor, and that the Board of Park Commissioners would consider the adoption of an ordinance providing for the issue and sale of the Note. The President also summarized the pertinent terms of said proposal and said note, including the length of maturity, rate of interest and purchase price for the Note.

WHEREUPON, _____ presented, and the Secretary made available to the Park Commissioners and interested members of the public, complete copies of an ordinance entitled:

AN ORDINANCE providing for the issuance of a \$95,000 General Obligation Promissory Note, Series 2022, of the Frankfort Square Park District, Will and Cook Counties, Illinois, for the purpose of purchasing a front-end loader tractor, providing for the payment of the expenses incident thereto, providing for the security for and payment of said note, and authorizing the sale of said note to Old Plank Trail Community Bank, N.A.

(the “*Note Ordinance*”).

Park Commissioner _____ moved and Park Commissioner _____ seconded the motion that said ordinance as presented and read by title by the Secretary be adopted.

After a full discussion thereof, the President directed that the roll be called for a vote upon the motion to adopt the Note Ordinance as presented.

Upon the roll being called, the following Park Commissioners voted AYE: _____

and the following Park Commissioners voted NAY: _____

Whereupon the President declared the motion carried and the Note Ordinance adopted and directed the Secretary to record the same in full in the records of the Board of Park Commissioners of the Frankfort Square Park District, Will and Cook Counties, Illinois, which was done.

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

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

Secretary, Board of Park Commissioners

ORDINANCE NO. 22-09-345

AN ORDINANCE providing for the issuance of a \$95,000 General Obligation Promissory Note, Series 2022, of the Frankfort Square Park District, Will and Cook Counties, Illinois, for the purpose of purchasing a front end loader, providing for the payment of the expenses incident thereto, providing for the security for and payment of said note, and authorizing the sale of said note to Old Plank Trail Community Bank, N.A.

PREAMBLES

A. The Frankfort Square Park District, Will and Cook Counties, Illinois (the “*District*”), pursuant to Section 6-7 of the Park District Code of the State of Illinois, as amended (the “*Code*”), may borrow money for any corporate purpose from any bank or other financial institution provided such money shall be repaid within two years from the time the money is borrowed.

B. The Board of Park Commissioners of the District (the “*Board*”) has considered the needs of the District and has determined and does hereby determine that it is advisable, necessary, and in the best interests of the District to purchase a front-end loader (the “*Tractor Purchase*”).

C. The estimated cost to the Village of the Tractor Purchase to be payable out of the original proceeds of the Note as provided in this Ordinance is the aggregate sum of not less than \$95,000.

D. While there are sufficient reserve funds on deposit, there are insufficient funds on hand and available to pay the costs of the Tractor Purchase, and it is necessary for that purpose that a sum to pay such costs be borrowed at this time; and, in evidence of such indebtedness, a general obligation promissory note of the Village be issued in the principal amount of \$1,000,000 and that such indebtedness be incurred and the Note be issued as described and defined below.

NOW THEREFORE Be It Ordained by the Board of Park Commissioners of the Frankfort Square Park District, Will and Cook Counties, Illinois, as follows:

Section 1. Definitions. Words and terms used in this Ordinance shall have the meanings given them, unless the context or use clearly indicates another or different meaning is intended. Words and terms defined in the singular may be used in the plural and vice-versa. Reference to any gender shall be deemed to include the other and also inanimate persons such as corporations, where applicable.

A. The following words and terms are as defined in the preambles.

Board

Code

District

Tractor Purchase

B. The following words and terms are defined as set forth.

“Bank” means the purchaser of the Note, namely, Old Plank Trail Community Bank, N.A., Mokena, Illinois

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

“Note” means the \$95,000 General Obligation Promissory Note, Series 2022, of the District, authorized to be issued by this Ordinance.

“Note Register” means the books of the District kept by the Note Registrar to evidence the registration and transfer of the Note.

“Note Registrar” means the Treasurer of the Board.

“Tax-Exempt” means, with respect to the Note, the status of interest paid and received thereon as not includable in the gross income of the owners thereof under the Internal Revenue Code for federal income tax purposes.

C. Definitions also appear in the above preambles or in specific sections, as appearing below.

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

Section 3. Determination To Issue Note. It is necessary and in the best interests of the District to provide for the Tractor Purchase, to pay all related costs and expenses incidental thereto, and to borrow money and issue the Note for such purpose. It is hereby found and determined that such borrowing of money is for a proper public purpose and is in the public interest, and is authorized by Section 6-7 of the Code.

Section 4. Note Details. There shall be issued and sold the Note in the principal amount of \$95,000. The Note shall be designated “*General Obligation Promissory Note, Series 2022,*” be dated September 27, 2022 (the “*Dated Date*”), and shall also bear the date of authentication thereof. The Note shall be in fully registered form and shall become due and payable (without option of prepayment) on September 27, 2024, and shall be payable according to the amortization schedule attached hereto as *Exhibit A* (the “*Amortization Schedule*”).

The outstanding principal amount of the Note shall bear interest from time to time from the later of its Dated Date as herein provided or from the most recent interest payment date to which interest has been paid or duly provided for, until the full principal amount of such Note is paid or duly provided for, such interest being payable according to the Amortization Schedule, at the rate of 3.15% per annum.

The installments of principal of and interest on the Note are payable in lawful money of the United States of America at the office of the Note Registrar; *provided* that payment of interest on the Note shall be made to the owner thereof by check or draft mailed by the Note Registrar to such owner at the address of such owner as it appears on the Note Register or at such other address as is furnished to the Note Registrar in writing by such owner. At the option of the owner of the

Note, the installments of principal of and interest on the Note may be transferred by electronic transfer of immediately available funds to such owner pursuant to a written agreement between the owner and the Note Registrar.

Section 5. Execution; Authentication. The Note shall be executed on behalf of the District by the President of the Board and attested by the Secretary of the Board and shall have impressed or imprinted thereon the corporate seal or facsimile thereof of the District. In case any such officer whose signature shall appear on the Note shall cease to be such officer before the delivery of the Note, such signature shall nevertheless be valid and sufficient for all purposes, the same as if such officer had remained in office until delivery. The Note shall have thereon a certificate of authentication, substantially in the form hereinafter set forth, duly executed by the Note Registrar as authenticating agent of the District and showing the date of authentication. The Note shall not 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 Note Registrar by manual signature, and such certificate of authentication upon the Note shall be conclusive evidence that the Note has been authenticated and delivered under this Ordinance.

Section 6. No Optional Redemption or Prepayment. The Note is not subject to redemption and prepayment prior to maturity.

Section 7. Registration of the Note; Person Treated as Owner. The District shall cause a book (the “*Note Register*”) for the registration and for the transfer of the Note as provided in this Ordinance to be kept at the designated office of the Note Registrar, which shall be the registrar of the District for the Note. The Note may be transferred as a whole but not in part and only in the manner, subject to the limitations, and upon payment of the charges as set forth in this Ordinance. Upon surrender for transfer of the Note at the designated office of the Note Registrar, duly endorsed by or accompanied by a written instrument or instruments of transfer in form satisfactory

to the Note Registrar and duly executed by the registered owner or an attorney for such owner duly authorized in writing, the District shall execute and the Note Registrar shall authenticate, date, and deliver in the name of the transferee, a new fully registered Note. The execution by the District of any fully registered Note shall constitute full and due authorization of such Note, and the Note Registrar shall thereby be authorized to authenticate, date, and deliver such Note. The person in whose name the Note 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 the Note 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 the Note to the extent of the sum or sums so paid. No service charge shall be made to any registered owner of the Note for any transfer of the Note, but the District or the Note Registrar may require payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in connection with any such transfer.

Section 8. Form of Note. The Note shall be in substantially the form set forth as *Exhibit B*, attached hereto and made a part hereof.

Section 9. Security; Payment. The obligation to make the payments due under the Note 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. 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.

Section 10. Sale of the Note. The Note hereby authorized shall be sold and executed as in this Ordinance provided as soon after passage hereof as may be, and thereupon be deposited with the Treasurer of the Board, and be by said official delivered to the Bank, upon payment of

the purchase price agreed upon, the same being the par amount of the Note. The offer for the sale of the Note to the Bank is hereby ratified, approved and confirmed (the "*Purchase Contract*"), it being hereby found and determined that the Note has been sold at such price and bears interest at such rate that neither the true interest cost (yield) nor the net interest rate received upon such sale exceed the maximum rate otherwise authorized by Illinois law and that the Purchase Contract is in the best interests of the District and that no person holding any office of the District, 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 Purchase Contract.

Section 11. Creation of Funds and Appropriations. Funds are established and Note proceeds and other funds of the District are hereby appropriated as follows:

A. Any amounts designated from time to time to pay the Note are hereby ordered to be deposited into the "General Obligation Promissory Note, Series 2022, Debt Service Fund" (the "*Debt Service Fund*"), hereby created, which shall be the fund for the payment of principal of and interest on the Note.

B. The principal proceeds of the Note shall be deposited into the General Obligation Promissory Note, Series 2022, Tractor Purchase Fund (the "*Tractor Purchase Fund*"), hereby created. Moneys in such fund shall be withdrawn from time to time as needed for the payment of costs of the Tractor Purchase and paying the fees and expenses incidental thereto.

C. The costs of issuance of the Note shall be paid from other lawfully available funds of the District.

Section 12. General Tax Covenants. The District 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 Note) if taking, permitting, or omitting to take such action would cause the Note to be an “arbitrage bond” or a “private activity bond” within the meaning of the Internal Revenue Code or would otherwise cause the interest on the Note to be included in the gross income of the recipients thereof for federal income tax purposes. The District 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 Note, under present rules, the District is treated as the “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.

The District also agrees and covenants with the purchasers and holders of the Note from time to time outstanding that, to the extent possible under Illinois law, it will comply with whatever federal tax law is adopted in the future which applies to the Note and affects the tax-exempt status of the Note.

The Board hereby authorizes the officials of the District responsible for issuing the Note, the same being the President, Secretary and Treasurer of the Board, to make such further covenants and certifications regarding the specific use of the proceeds of the Note as approved by the Board and as may be necessary to assure that the use thereof will not cause the Note to be an arbitrage bonds and to assure that the interest on the Note will be exempt from federal income taxation. In connection therewith, the District and the Board further agree: (a) through their officers, to make such further specific covenants, representations as shall be truthful, and assurances as may be necessary or advisable; (b) to consult with counsel approving the Note and to comply with such advice as may be given; (c) to pay to the United States, as necessary, such sums of money representing required rebates of excess arbitrage profits relating to the Note; (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 their officers, to employ and pay fiscal agents, financial advisors, attorneys, and other persons to assist the District in such compliance.

Section 13. Designation of Issue. The District hereby designates the Note as a “qualified tax-exempt obligation” for the purposes and within the meaning of Section 265(b)(3) of the Internal Revenue Code.

Section 14. Pertaining to the Note Registrar. If requested by the Note Registrar, either the President or Treasurer of the Board is authorized to execute the Note Registrar’s standard form of agreement with respect to the obligations and duties of such parties hereunder. Subject to modification by the express terms of any such agreement, the Note Registrar agrees as follows:

- A. to act as registrar, authenticating agent, paying agent, and transfer agent as provided herein;
- B. to maintain a list of the Note owners as set forth herein and to furnish such list to the District upon request, but otherwise to keep such list confidential to the fullest extent permitted by law;
- C. to give notice of prepayment of the Note as provided herein;
- D. to cancel and/or destroy any Note which has been prepaid, paid at maturity or submitted for transfer; and
- E. to furnish the District at least annually an audit confirmation of amounts paid, amounts outstanding, and payments made with respect to the Note.

The Secretary of the District is hereby directed to file a copy of this Ordinance with the Note Registrar.

Section 15. Record-Keeping Policy and Post-Issuance Compliance Matters. On March 17, 2011, the Board 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 District, the interest on which is excludable from “gross income” for federal income tax purposes (such as the Note) or which enable the District or the holder to receive federal tax benefits, including, but not limited to, qualified tax credit bonds and other specified tax credit bonds. The Board and the District hereby reaffirm the Policy.

Section 16. Severability. If any section, paragraph, clause or provision of this Ordinance shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such section, paragraph or provision shall not affect any of the remaining provisions of this Ordinance.

Section 17. Superseder and Effective Date. All ordinances, resolutions, and orders, or parts thereof, in conflict herewith, are to the extent of such conflict hereby superseded; and this Ordinance shall be in full force and effect immediately upon its adoption.

Adopted September 15, 2022.

President, Board of Park Commissioners

Attest:

Secretary, Board of Park Commissioners

EXHIBIT A

AMORTIZATION SCHEDULE

**Frankfort Square Park District
Promissory Note Amortization Schedule**

Amount: \$ 95,000.00
 Rate: 3.15%
 Term (months): 24
 Monthly Payments: \$ 4,089.52
 Closing Date: 9/27/2022

Date	Beginning Balance	Principal	Interest	Debt Service	Ending Balance
10/27/2022	\$ 95,000.00	\$ 3,840.15	\$ 249.38	\$ 4,089.52	\$ 91,159.85
11/27/2022	\$ 91,159.85	\$ 3,850.23	\$ 239.29	\$ 4,089.52	\$ 87,309.63
12/27/2022	\$ 87,309.63	\$ 3,860.33	\$ 229.19	\$ 4,089.52	\$ 83,449.29
1/27/2023	\$ 83,449.29	\$ 3,870.47	\$ 219.05	\$ 4,089.52	\$ 79,578.83
2/27/2023	\$ 79,578.83	\$ 3,880.63	\$ 208.89	\$ 4,089.52	\$ 75,698.20
3/27/2023	\$ 75,698.20	\$ 3,890.81	\$ 198.71	\$ 4,089.52	\$ 71,807.39
4/27/2023	\$ 71,807.39	\$ 3,901.03	\$ 188.49	\$ 4,089.52	\$ 67,906.36
5/27/2023	\$ 67,906.36	\$ 3,911.27	\$ 178.25	\$ 4,089.52	\$ 63,995.09
6/27/2023	\$ 63,995.09	\$ 3,921.53	\$ 167.99	\$ 4,089.52	\$ 60,073.56
7/27/2023	\$ 60,073.56	\$ 3,931.83	\$ 157.69	\$ 4,089.52	\$ 56,141.73
8/27/2023	\$ 56,141.73	\$ 3,942.15	\$ 147.37	\$ 4,089.52	\$ 52,199.58
9/27/2023	\$ 52,199.58	\$ 3,952.50	\$ 137.02	\$ 4,089.52	\$ 48,247.08
10/27/2023	\$ 48,247.08	\$ 3,962.87	\$ 126.65	\$ 4,089.52	\$ 44,284.21
11/27/2023	\$ 44,284.21	\$ 3,973.28	\$ 116.25	\$ 4,089.52	\$ 40,310.94
12/27/2023	\$ 40,310.94	\$ 3,983.71	\$ 105.82	\$ 4,089.52	\$ 36,327.23
1/27/2024	\$ 36,327.23	\$ 3,994.16	\$ 95.36	\$ 4,089.52	\$ 32,333.07
2/27/2024	\$ 32,333.07	\$ 4,004.65	\$ 84.87	\$ 4,089.52	\$ 28,328.42
3/27/2024	\$ 28,328.42	\$ 4,015.16	\$ 74.36	\$ 4,089.52	\$ 24,313.26
4/27/2024	\$ 24,313.26	\$ 4,025.70	\$ 63.82	\$ 4,089.52	\$ 20,287.56
5/27/2024	\$ 20,287.56	\$ 4,036.27	\$ 53.25	\$ 4,089.52	\$ 16,251.30
6/27/2024	\$ 16,251.30	\$ 4,046.86	\$ 42.66	\$ 4,089.52	\$ 12,204.43
7/27/2024	\$ 12,204.43	\$ 4,057.48	\$ 32.04	\$ 4,089.52	\$ 8,146.95
8/27/2024	\$ 8,146.95	\$ 4,068.14	\$ 21.39	\$ 4,089.52	\$ 4,078.81
9/27/2024	\$ 4,078.81	\$ 4,078.81	\$ 10.71	\$ 4,089.52	\$ (0.00)
		\$ 95,000.00	\$ 3,148.51	\$ 98,148.51	

EXHIBIT B

FORM OF NOTE

UNITED STATES OF AMERICA
STATE OF ILLINOIS
THE COUNTIES OF WILL AND COOK
FRANKFORT SQUARE PARK DISTRICT
GENERAL OBLIGATION PROMISSORY NOTE, SERIES 2022

Interest Rate: 3.15%

Maturity Date: September 27, 2024

Dated Date: September 27, 2022

Registered Owner: OLD PLANK TRAIL COMMUNITY BANK, N.A.

Principal Amount: NINETY-FIVE THOUSAND DOLLARS

KNOW ALL PERSONS BY THESE PRESENTS that the Frankfort Square Park District, Will and Cook Counties, Illinois, a park district and political subdivision of the State of Illinois (the "*District*"), hereby acknowledges itself to owe and for value received promises to pay to the Registered Owner identified above, or registered assigns as hereinafter provided, the Principal Amount identified above, on the Maturity Date identified above, payable according to the amortization schedule attached to the Ordinance (as hereinafter defined) as Exhibit A (the "*Amortization Schedule*"), and to pay interest (computed on the basis of a 360-day year of twelve 30-day months) on the outstanding Principal Amount of this Note from the later of the Dated Date of this Note identified above or from the most recent interest payment date to which interest has been paid or duly provided for, at the Interest Rate per annum identified above, according to the Amortization Schedule, until the entire principal amount is paid or provided for.

The installments of principal of and interest on the Note are payable in lawful money of the United States of America at the office of the hereinafter set forth Note Registrar; *provided* that payment of interest on the Note shall be made to the owner thereof by check or draft mailed by the Note Registrar to such owner at the address of such owner as it appears on the note register of the District or at such other address as is furnished to the Note Registrar in writing by such owner. At the option of the owner of the Note, the installments of principal of and interest on the Note may be transferred by electronic transfer of immediately available funds to such owner pursuant to a written agreement between the owner and the Note Registrar.

This Note has been issued to provide for the Tractor Purchase, as defined in the ordinance authorizing the Note (the "*Ordinance*"), and for the payment of expenses incidental thereto, all as described and defined in the Ordinance, pursuant to and in all respects in compliance with the applicable provisions of the Park District Code of the State of Illinois, as supplemented and amended, and with the Ordinance, which Ordinance has been duly adopted by the Board of Park Commissioners of the District on the 15th day of September, 2022.

This Note is subject to provisions relating to registration and transfer; and such other terms and provisions relating to security and payment as are set forth in the Ordinance, to which reference is hereby expressly made, and to all the terms of which the Registered Owner hereof is hereby notified and shall be subject.

This Note is not subject to prepayment prior to maturity.

The District and the Note 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 District nor the Note Registrar shall be affected by any notice to the contrary.

It is hereby certified and recited that all conditions, acts, and things required by the Constitution and Laws of the State of Illinois to exist or to be done precedent to and in the issuance of this Note, have existed and have been properly done, happened, and been performed in regular and due form and time as required by law; that the indebtedness of the District, represented by the Note, and including all other indebtedness of the District, howsoever evidenced or incurred, does not exceed any constitutional or statutory or other lawful limitation; and that provision has been made for the security and payment for the Note.

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

IN WITNESS WHEREOF the Frankfort Square Park District, Will and Cook Counties, Illinois, by its Board of Park Commissioners, has caused this Note to be executed by its President and attested by its Secretary and its corporate seal or a facsimile thereof to be impressed or reproduced hereon, all as appearing hereon and as of the Dated Date identified above.

Attest:

President, Board of Park Commissioners, Frankfort Square Park District, Will and Cook Counties, Illinois

Secretary, Board of Park Commissioners, Frankfort Square Park District, Will and Cook Counties, Illinois

[SEAL]

Date of Authentication: September 27, 2022

CERTIFICATE
OF
AUTHENTICATION

Note Registrar and Paying Agent:
Treasurer, Frankfort Square Park District,
Will and Cook Counties, Illinois

This Note is described in the within-mentioned Ordinance and is the General Obligation Promissory Note, Series 2022, of the Frankfort Square Park District, Will and Cook Counties, Illinois.

Treasurer, Board of Park Commissioners, Frankfort Square Park District, Will and Cook Counties, Illinois, as Note Registrar

ASSIGNMENT

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

[Here insert identifying number such as
TID, SSN, or other]

(Name and Address of Assignee)

the within Note and does hereby irrevocably constitute and appoint

as attorney to transfer the said Note 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 Note in every particular, without alteration or enlargement or any change whatever.