

VILLAGE OF LOMBARD
REQUEST FOR BOARD OF TRUSTEES ACTION
For Inclusion on Board Agenda

 X Resolution or Ordinance (Blue) X *Waiver of First Requested*
 Recommendations of Boards, Commissions & Committees (Green)
 Other Business (Pink)

TO: PRESIDENT AND BOARD OF TRUSTEES

FROM: Scott Niehaus, Village Manager

DATE: December 22, 2023 (COW)(B of T) January 4, 2024

TITLE: AN ORDINANCE terminating the direction of certain sales tax revenues of the Village of Lombard, DuPage County, Illinois, to an escrow agent in connection with the Village's General Obligation Bonds (Alternate Revenue Source), Series 2018.

SUBMITTED BY: Timothy Sexton, Director of Finance

BACKGROUND/POLICY IMPLICATIONS:

The final payment of principal of and interest on the 2018 Bonds was paid on January 1, 2024, and, as such, the Bonds are no longer outstanding.

The attached ordinance has been prepared by our bond counsel, Kent Floros of the firm of Chapman and Cutler LLP, in the form necessary to terminate the Village's Direction given on September 20, 2018 to the Department of Revenue of the State of Illinois. The Direction was to segregate the a portion of the Village's Sales Tax revenue and deposit directly with the Escrow Agent until the Bonds are no longer outstanding.

Staff recommends Village Board approval of this Ordinance authorizing the Village Manager and the Finance Director to take any additional actions, including execution of any necessary documents, which may be necessary to terminate the Direction.

Review (as necessary):

Village Attorney X _____ Date _____
Finance Director X _____ Date _____
Village Manager X _____ Date _____

NOTE: All materials must be submitted to and approved by the Village Manager's Office by 12:00 noon, Wednesday, prior to the Agenda Distribution.

MINUTES of a regular public meeting of the President and Board of Trustees of the Village of Lombard, DuPage County, Illinois, held in the Village Hall Board Room, 255 East Wilson Avenue, Lombard, Illinois, in said Village, at 7:00 o'clock P.M., on the 4th day of January, 2024.

* * *

Upon the roll being called, Keith T. Giagnorio, the President, and the following Trustees were physically present at said location: _____
_____ .

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

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

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

The President announced that the next item of business before the President and Board of Trustees was the consideration of an ordinance terminating the Direction Regarding Direct Deposit of Certain Sales Tax Revenues with Amalgamated Bank of Chicago, as Escrow Agent, executed by the Village in connection with the issuance of the Village's Obligation Bonds (Alternate Revenue Source), Series 2018.

Whereupon Trustee _____ presented and the Village Clerk read by title an ordinance as follows, a copy of which was provided to each Trustee prior to said meeting and to everyone in attendance at said meeting who requested a copy:

ORDINANCE NO. _____

AN ORDINANCE terminating the direction of certain sales tax revenues of the Village of Lombard, DuPage County, Illinois, to an escrow agent in connection with the Village's General Obligation Bonds (Alternate Revenue Source), Series 2018.

* * *

WHEREAS, the Village of Lombard, DuPage County, Illinois (the "*Village*"), 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

WHEREAS, the President and Board of Trustees (the "*Board*") of the Village, by an ordinance adopted on the 20th day of September, 2018 (the "*Bond Ordinance*"), did provide for the issue of \$3,900,000 General Obligation Bonds (Alternate Revenue Source), Series 2018, dated October 11, 2018 (the "*Bonds*"); and

WHEREAS, in connection with the issuance of the Bonds and for the purpose of enhancing the marketability of the Bonds, the Village entered into the Pledged Moneys Escrow Agreement between the Village and Amalgamated Bank of Chicago, Chicago, Illinois, as escrow agent (the "*Escrow Agent*"), dated as of October 11, 2018 (the "*Escrow Agreement*"), which provided for the deposit of the Pledged Revenues (as defined in the Bond Ordinance) into an account held by the Escrow Agent under the Escrow Agreement (the "*Escrow Account*") for the purpose of further securing the repayment of the Bonds; and

WHEREAS, on the 20th day of September, 2018, the Village executed that certain Direction Regarding the Direct Deposit of Certain Sales Tax Revenues with Amalgamated Bank of Chicago, as Escrow Agent (the "*Direction*"), to the Department of Revenue of the State of Illinois (the "*Department*"), pursuant to which the Village directed the Department to segregate and deposit directly with the Escrow Agent for deposit into the Escrow Account all of the

Village's Sales Tax Revenues (as defined in the Direction) until the Bonds are no longer outstanding; and

WHEREAS, the Direction was filed with the Department on the 3rd day of October, 2018, and is now in full force and effect; and

WHEREAS, the final payment of principal of and interest on the Bonds was paid on January 1, 2024, and, as such, the Bonds are no longer outstanding; and

WHEREAS, the Escrow Agreement, by its terms, terminates upon the payment in full of the Bonds and the transfer of any balance held in the Escrow Agreement to the Village; and

WHEREAS, the Board has determined and does hereby determine that all of the requirements for the termination of the Escrow Agreement and the Direction have been met; and

WHEREAS, it is necessary and in the best interests of the Village that the Direction be terminated and Sales Tax Revenues due to the Village in the future be paid directly to the Village treasury:

NOW, THEREFORE, Be It and It Is Hereby Ordained by the President and Board of Trustees of the Village of Lombard, DuPage County, Illinois, as follows:

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

Section 2. Authorization to Terminate Direction. The Board hereby determines that the Direction shall be terminated. The Village Manager and the Finance Director of the Village are each authorized to take any additional actions, including execution of any necessary documents, which may be necessary to terminate the Direction.

Section 3. Filing of Ordinance. Forthwith upon the adoption of this Ordinance, a certified copy of this Ordinance shall be filed with the Department for the purpose of demonstrating the action taken by the Board to authorize the termination of the Direction.

Section 4. Effective Date. This Ordinance shall be in full force and effect forthwith upon its adoption.

Adopted January 4, 2024.

President, Village of Lombard,
DuPage County, Illinois

Attest:

Village Clerk, Village of Lombard,
DuPage County, Illinois

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

After a full discussion thereof, the President directed that the roll be called for a vote upon the motion to adopt said ordinance.

Upon the roll being called, the following Trustees voted AYE: _____

_____ .

The following Trustees voted NAY: _____ .

Whereupon the President declared the motion carried and said ordinance adopted, approved and signed the same in open meeting and directed the Village Clerk to record the same in the records of the President and Board of Trustees of the Village of Lombard, DuPage County, Illinois, which was done.

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

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

Village Clerk

STATE OF ILLINOIS)
) SS
COUNTY OF DUPAGE)

CERTIFICATION OF ORDINANCE AND MINUTES

I, the undersigned, do hereby certify that I am the duly qualified and acting Village Clerk of the Village of Lombard, DuPage County, Illinois (the “*Village*”), and as such official I am the keeper of the records and files of the Village and the President and Board of Trustees of the Village (the “*Board*”).

I do further certify that the foregoing constitutes a full, true and complete transcript of the minutes of the meeting of the Board held on the 4th day of January, 2024, insofar as the same relates to the adoption of an ordinance entitled:

AN ORDINANCE terminating the direction of certain sales tax revenues of the Village of Lombard, DuPage County, Illinois, to an escrow agent in connection with the Village’s General Obligation Bonds (Alternate Revenue Source), Series 2018.

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 Board on the adoption of said ordinance were taken openly, that the vote on the adoption of said ordinance was taken openly, that said meeting was 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 Board at least 48 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 48-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, the Open Meetings Act of the State of Illinois, as amended, and the Local Government Debt Reform Act of the State of Illinois, as amended, and that the Board has complied with all of the applicable provisions of said Code and said Acts and its procedural rules in the adoption of said ordinance.

IN WITNESS WHEREOF, I hereunto affix my official signature and seal of said Village, this 4th day of January, 2024.

Village Clerk

(SEAL)