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**DATE:** Monday, March 17, 2025  
**TIME:** 7:00 PM  
**PLACE:** 400 South Vine Street, Urbana, IL 61801

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## AGENDA

- A. Call to Order and Roll Call
- B. Approval of Minutes of Previous Meeting
  - 1. 02-10-2025 City Council Minutes
- C. Additions to the Agenda
- D. Presentation and Public Input
  - 1. Beyond Plastics – UIUC Environmental Leadership Students
- E. Council Input and Communications
- F. Reports of Standing Committees
- G. Committee of the Whole (*Council Member Christopher Evans, Ward 2*)
  - 1. Consent Agenda
  - 2. Regular Agenda
    - a. **Ordinance No. 2025-03-007:** An Ordinance Amending the Annual Budget Ordinance (Budget Amendment #6 – Omnibus) – HRF
    - b. **Ordinance No. 2025-03-008:** An Ordinance Providing for the Issuance of Not to Exceed \$9,000,000 General Obligation Bonds, Series 2025 – HRF
- H. Reports of Special Committees
- I. Reports of Officers
- J. Adjournment

## **PUBLIC INPUT**

The City of Urbana welcomes Public Input during open meetings of the City Council, the City Council's Committee of the Whole, City Boards and Commissions, and other City-sponsored meetings. Our goal is to foster respect for the meeting process, and respect for all people participating as members of the public body, city staff, and the general public. The City is required to conduct all business during public meetings. The presiding officer is responsible for conducting those meetings in an orderly and efficient manner. Public Input will be taken in the following ways:

### **Email Input**

Public comments must be received prior to the closing of the meeting record (at the time of adjournment unless otherwise noted) at the following: [citycouncil@urbanaillinois.us](mailto:citycouncil@urbanaillinois.us). The subject line of the email must include the words "PUBLIC INPUT" and the meeting date. Your email will be sent to all City Council members, the Mayor, City Administrator, and City Clerk. Emailed public comments labeled as such will be incorporated into the public meeting record, with personal identifying information redacted. Copies of emails will be posted after the meeting minutes have been approved.

### **Written Input**

Any member of the public may submit their comments addressed to the members of the public body in writing. If a person wishes their written comments to be included in the record of Public Input for the meeting, the writing should so state. Written comments must be received prior to the closing of the meeting record (at the time of adjournment unless otherwise noted).

### **Verbal Input**

Protocol for Public Input is one of respect for the process of addressing the business of the City. Obscene or profane language, or other conduct that threatens to impede the orderly progress of the business conducted at the meeting is unacceptable.

Public comment shall be limited to no more than five (5) minutes per person. The Public Input portion of the meeting shall total no more than two (2) hours, unless otherwise shortened or extended by majority vote of the public body members present. The presiding officer or the city clerk or their designee, shall monitor each speaker's use of time and shall notify the speaker when the allotted time has expired. A person may participate and provide Public Input once during a meeting and may not cede time to another person, or split their time if Public Input is held at two (2) or more different times during a meeting. The presiding officer may give priority to those persons who indicate they wish to speak on an agenda item upon which a vote will be taken.

The presiding officer or public body members shall not enter into a dialogue with citizens. Questions from the public body members shall be for clarification purposes only. Public Input shall not be used as a time for problem solving or reacting to comments made but, rather, for hearing citizens for informational purposes only.

In order to maintain the efficient and orderly conduct and progress of the public meeting, the presiding officer of the meeting shall have the authority to raise a point of order and provide a verbal warning to a

speaker who engages in the conduct or behavior proscribed under “Verbal Input”. Any member of the public body participating in the meeting may also raise a point of order with the presiding officer and request that they provide a verbal warning to a speaker. If the speaker refuses to cease such conduct or behavior after being warned by the presiding officer, the presiding officer shall have the authority to mute the speaker’s microphone and/or video presence at the meeting. The presiding officer will inform the speaker that they may send the remainder of their remarks via e-mail to the public body for inclusion in the meeting record.

**Accommodation**

If an accommodation is needed to participate in a City meeting, please contact the City Clerk’s Office at least 48 hours in advance so that special arrangements can be made using one of the following methods:

- Phone: 217.384.2366
- Email: [CityClerk@urbanillinois.us](mailto:CityClerk@urbanillinois.us)



## MEMORANDUM TO THE MAYOR AND CITY COUNCIL

**Meeting:** March 3, 2025, Committee of the Whole  
**Subject:** An Ordinance Revising the Annual Budget Ordinance (Budget Amendment #6 – Omnibus)

### Summary

#### *Action Requested*

Forward the budget amendment authorizing these adjustments for approval at the March 10, 2025, City Council meeting. This budget amendment requires six affirmative votes, including the Mayor, in order to pass.

#### *Brief Background*

This ordinance seeks Council approval to amend the FY2025 Annual Budget. The proposed adjustments include small scheduled equipment rebudgets, budget transfers, and capital improvement expenditures.

### Relationship to City Services and Priorities

#### *Impact on Core Services*

The requested items are intended to enable City staff to better serve Urbana residents.

#### *Strategic Goals & Plans*

The proposed changes align with the Mayor and Council 2024-2025 Goals, specifically **Strategic Area #1: Public Safety & Well-Being** and **Strategic Area #3: Infrastructure**.

#### *Previous Council Actions*

The City Council approved [FY2025 Annual Budget](#) on June 24, 2024: Budget Amendment #1 on September 30, 2024: Budget Amendment #2 on November 25, 2024: Budget Amendment #4 on December 9, 2024; and Budget Amendment #5 on February 3, 2025.

### Discussion

#### *Additional Background Information*

Professional Services – Legal Division: The Legal Division has been utilizing outside counsel to support the City Attorney due to staffing shortages. With the Assistant City Attorney position vacant, a budget transfer of \$77,000 from salaries is necessary to maintain this support through the end of the fiscal year.

Rebudgets: Certain equipment line items (54111) are budgeted at a consistent annual amount and routinely rebudgeted to reflect the uneven timing of purchases. This includes multiple equipment line items across various departments, totaling \$109,024.

Fire Overtime Funding: The Fire Department is experiencing an unusually high number of absences due to employees on duty injury and military leave, which significantly limits staffing flexibility. As a result, overtime costs have increased beyond the current budget. To ensure adequate coverage and maintain operational efficiency, an additional \$330,000 in overtime funding is needed.

Capital Improvement & Replacement Fund (200): Staff initially budgeted \$15,000 for bond counsel and other professional services for the Fire Station Bonds. The actual total is now \$30,000—\$15,000 more than planned. This total includes \$20,000 for Bond Counsel, \$5,000 for a placement agent, and another \$5,000 for other fees. A budget amendment is needed to cover this shortfall.

Local Motor Fuel Tax Fund (202): During the construction of the Philo-Colorado Resurfacing Project (40133), an unexpected expense for pavement fabric came up. This cost was necessary to complete the paving work as planned before the winter shutdown, but it was not eligible for State MFT funds. To cover this expense, a budget transfer is needed to utilize surplus funds from the Bituminous Surface Treatment LMFT account (40114). Maintaining a clear separation between LMFT and State MFT funds is essential for proper documentation and compliance with IDOT requirements.

Vehicle & Equipment Replacement Fund (300): The purchase of a chipper truck (PW29) was included in the FY2024 budget but was not completed. As a result, those funds will be rebudgeted to FY2025. Additionally, to address increased costs, \$20,000 will be transferred from the Urban Forestry budget in the General Fund.

Central TIF Fund (344):

- Boneyard Creek Crossing: A budget adjustment is needed to fund landscape maintenance and path cleaning at Boneyard Creek Crossing. The existing maintenance contract expired at the end of 2024, requiring a second contract. However, the original budget in the Capital Improvement Plan (CIP) did not account for this additional contract. To address this, additional funding from the fund balance is required.
- Boneyard Creek Lighting: The lowest bid for these improvements came in at \$181,000, exceeding the original budget. To accommodate the bid and include approximately a 10% construction contingency, staff propose increasing the project budget from \$150,000 to \$200,000, reflecting a \$50,000 increase.

Information Technology Fund (610): The current IT ticket system is outdated and no longer receiving vendor upgrades as the company moves users to a cloud-based model. Meanwhile, annual maintenance costs are increasing. IT staff have found a suitable replacement that meets the City's preference for an on-site software purchase instead of a cloud subscription. While the new system's

annual maintenance costs are slightly lower, the one-time purchase cost is about \$7,800. To cover this cost, a budget transfer of \$7,800 from vacancy savings in the unfilled Computer Systems Technician position is needed.

*Operations Impact*

Amending the budget will enable staff to initiate new capital projects, continue existing projects, and purchase necessary equipment.

*Fiscal and Budget Impact*

The estimated ending fund balance in the General Operating Fund, not including amounts reserved for future expenditures, would be \$14,331,288, which is 31.95% of recurring expenditures. This does not include \$5,016,294 reserved for planned transfers for capital improvements in future years, and funding for the second and third years of the Community Engagement Team pilot program. None of the new General Fund expenditures are recurring, so there is no impact on funds available for new, recurring expenses. This does include adjusting the FY24 ending cash balance, based on year-end results.

*Community Impact*

Starting and maintaining capital projects will improve roads and public spaces for Urbana residents.

*Recommendation*

Forward the ordinance authorizing these amendments to the FY2025 budget with a recommendation for approval at the March 10, 2025 City Council meeting.

*Next Steps*

If the proposed adjustments mentioned above are approved, the revisions detailed in the exhibit will be incorporated into the FY2025 Annual Budget.

**Attachment**

An Ordinance Revising the Annual Budget Ordinance (Budget Amendment #6 – Omnibus)

Originated: Don Ho, Senior Financial Analyst / Budget Coordinator

Reviewed: Elizabeth Hannan, HR & Finance Director / CFO

Approved: Carol Mitten, City Administrator

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

**AN ORDINANCE REVISING THE ANNUAL BUDGET ORDINANCE**

**(Budget Amendment #6 – Omnibus)**

**WHEREAS**, the City of Urbana (“City”) is a home rule unit of local government pursuant to Article VII, Section 6, of the Illinois Constitution of 1970, and may exercise any power and perform any function pertaining to its governmental business and affairs, and the passage of this Ordinance constitutes an exercise of the City’s home rule powers and functions as granted by the Illinois Constitution of 1970; and

**WHEREAS**, the corporate authorities of the City heretofore did approve the annual budget ordinance of and for the City of Urbana for the fiscal year beginning July 1, 2024 and ending June 30, 2025; and

**WHEREAS**, the said corporate authorities find that revising the annual budget ordinance by deleting, adding to, changing, or creating sub-classes within object classes and object classes themselves is in the best interests of the residents of the City and is desirable for the welfare of the City’s government and affairs; and

**WHEREAS**, funds are available to effectuate the purpose of such revision; and

**WHEREAS**, the Budget Director may not make such revision under the authority so delegated to the Budget Director pursuant to 65 ILCS 5/8-2-9.6 or Urbana City Code Section 2-133.

**NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL AND THE MAYOR, BEING THE CORPORATE AUTHORITIES OF THE CITY OF URBANA, ILLINOIS**, as follows:

**Section 1.**

The annual budget ordinance shall be and the same is hereby revised as set forth in the exhibit appended hereto and made a part hereof as if fully set forth herein.

**Section 2.**

This Ordinance shall be in full force and effect from and after its passage and publication in accordance with Section 1-2-4 of the Illinois Municipal Code (65 ILCS 5/1-2-4).

This Ordinance is hereby passed by the affirmative vote, the “ayes” and “nays” being called, of two-thirds of the corporate authorities then holding office (6 of 8 votes) of the City of Urbana, Illinois, at a duly noticed and convened meeting of the said corporate authorities.

**PASSED BY THE CORPORATE AUTHORITIES** this \_\_ Day of \_\_\_\_\_, 20\_\_.

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

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

ABSTENTIONS: \_\_\_\_\_

\_\_\_\_\_  
Darcy E. Sandefur, City Clerk

**APPROVED BY THE MAYOR** this \_\_ Day of \_\_\_\_\_, 20\_\_.

\_\_\_\_\_  
Diane Wolfe Marlin, Mayor

Budget Amendment 2024/25 - 06 - Exhibit A

General Ledger Code	Project String	Description	Current Budget	Revised Budget	Difference	Reason
<b>GENERAL OPERATING FUND (100)</b>						
<u>Expenditures</u>						
10010103-50110		LEGAL: SALARY - REGULAR EMPLOYEES	373,766	296,766	(77,000)	BUDGET TRANSFER FOR OUTSIDE COUNSEL
10010103-52101		LEGAL: LEGAL SERVICES	87,209	164,209	77,000	BUDGET TRANSFER FOR OUTSIDE COUNSEL
10015150-51411		HUMAN RESOURCES & FINANCE ADM: SMALL SCHEDULED EQUIPMENT	1,674	6,335	4,661	REBUDGET - SMALL SCHEDULED EQUIPMENT
10030300-51411		FIRE OPERATIONS: SMALL SCHEDULED EQUIPMENT	8,992	23,163	14,170	REBUDGET - SMALL SCHEDULED EQUIPMENT
10040400-51411		PUBLIC WORKS ADMINISTRATION: SMALL SCHEDULED EQUIPMENT	500	2,345	1,845	REBUDGET - SMALL SCHEDULED EQUIPMENT
10040402-51411		LANDSCAPE MANAGEMENT: SMALL SCHEDULED EQUIPMENT	7,066	25,952	18,886	REBUDGET - SMALL SCHEDULED EQUIPMENT
10040420-51411		TOOL ROOM: SMALL SCHEDULED EQUIPMENT	13,368	82,830	69,462	REBUDGET - SMALL SCHEDULED EQUIPMENT
10030300-50131		FIRE OPERATIONS: REGULAR OVERTIME	343,504	673,504	330,000	ADDITIONAL OVERTIME FUNDING - FIRE
10040401-51410		URBAN FORESTRY: SMALL TOOLS & EQUIPMENT	37,323	17,323	(20,000)	PW CHIPPER TRUCK ADDITIONAL COSTS
10040401-59300		URBAN FORESTRY: TFR TO VERF FUND	64,062	84,062	20,000	PW CHIPPER TRUCK ADDITIONAL COSTS
<b>Total Expenditures</b>			<b>57,411,201</b>	<b>57,850,225</b>	<b>439,024</b>	
<b>Ending Fund Balance (estimated)</b>			<b>16,892,838</b>	<b>16,562,838</b>	<b>(330,000)</b>	
<b>CAPITAL IMPROVEMENT &amp; REPLACEMENT FUND (200)</b>						
<u>Expenditures</u>						
20040470-52199-40805	40805-SERVICES	CITY FACILITY IMPROVEMENT: OTHER PROFESSIONAL SERVICES	7,500	15,000	7,500	2025 BONDS - FIRE STATIONS
20040470-52199-40806	40806-SERVICES	CITY FACILITY IMPROVEMENT: OTHER PROFESSIONAL SERVICES	7,500	15,000	7,500	2025 BONDS - FIRE STATIONS
<b>Total Expenditures</b>			<b>22,930,958</b>	<b>22,945,958</b>	<b>15,000</b>	
<b>Ending Fund Balance (estimated)</b>			<b>566,502</b>	<b>551,502</b>	<b>(15,000)</b>	
<b>LOCAL MOTOR FUEL TAX FUND (202)</b>						
<u>Expenditures</u>						
20240470-53301-40114		LMFT CAPITAL PROJECTS: HIGHWAY AND STREETS	320,000	248,000	(72,000)	PHILO ROAD RESURFACING
20240470-53301-40133		LMFT CAPITAL PROJECTS: PHILO ROAD RESURFACING	-	72,000	72,000	PHILO ROAD RESURFACING
<b>Total Expenditures</b>			<b>1,526,699</b>	<b>1,526,699</b>	<b>-</b>	
<b>Ending Fund Balance (estimated)</b>			<b>2,420,771</b>	<b>2,420,771</b>	<b>-</b>	
<b>VEHICLE &amp; EQUIPM REPLCMNT FUND (300)</b>						
<u>Revenues</u>						
300-49100		VEHICLE & EQUIPM REPLCMNT FUND: TFR FROM GENERAL FUND	4,055,687	4,075,687	20,000	PW CHIPPER TRUCK ADDITIONAL COSTS
<b>Total Revenues</b>			<b>4,547,046</b>	<b>4,567,046</b>	<b>20,000</b>	
<u>Expenditures</u>						
30060600-53420	VERF-PW-065	VERF: VEHICLES	1,333,379	1,578,379	245,000	PW CHIPPER TRUCK & ADDITIONAL COSTS
<b>Total Expenditures</b>			<b>3,226,920</b>	<b>3,471,920</b>	<b>245,000</b>	
<b>Ending Fund Balance (estimated)</b>			<b>7,253,504</b>	<b>7,253,504</b>	<b>-</b>	
<b>CENTRAL TIF FUND (344)</b>						
<u>Expenditures</u>						
34450501-52906-40405	40405-CONST	BONEYARD CREEK PARK MAINTENANCE: LANDSCAPING SERVICES	40,000	65,000	25,000	BONEYARD CREEK PARK MAINTENANCE
34450501-53304-40169	40619-CONST-TIFC	BONEYARD CREEK LIGHTING: SANITARY SEWER	150,000	200,000	50,000	BONEYARD CREEK LIGHTING
<b>Total Expenditures</b>			<b>3,428,568</b>	<b>3,453,568</b>	<b>25,000</b>	
<b>Ending Fund Balance (estimated)</b>			<b>462,287</b>	<b>437,287</b>	<b>(25,000)</b>	
<b>INFORMATION TECHNOLOGY FUND (610)</b>						
<u>Expenditures</u>						
61010106-50110		IT: SALARY - REGULAR EMPLOYEES	532,080	522,632	(9,448)	NEW IT TICKET SYSTEM
61010106-51900		IT: OTHER SUPPLIES	11,816	19,607	7,791	NEW IT TICKET SYSTEM
61010106-52205		IT: H/W & S/W MAINTENANCE	329,986	331,643	1,657	NEW IT TICKET SYSTEM
<b>Total Expenditures</b>			<b>1,431,988</b>	<b>1,431,988</b>	<b>-</b>	
<b>Ending Fund Balance (estimated)</b>			<b>294,334</b>	<b>294,334</b>	<b>-</b>	



## MEMORANDUM TO THE MAYOR AND CITY COUNCIL

**Meeting:** March 3, 2025 Committee of the Whole  
**Subject:** An Ordinance Providing for the Issuance of Not to Exceed \$9,000,000 General Obligation Bonds, Series 2025

### Summary

#### *Action Requested*

Forward the Ordinance providing for issuance of general obligation bonds for fire station construction for approval at the March 10, 2025 City Council meeting.

#### *Brief Background*

This Ordinance seeks City Council approval to issue bonds for fire station construction. The \$9,000,000 amount is consistent with the approved Annual Budget and Capital Improvement Plan.

### Relationship to City Services and Priorities

#### *Impact on Core Services*

The new fire stations will enable staff to better serve Urbana residents.

#### *Strategic Goals & Plans*

This action is consistent with the City Council strategic goal to [Enhance and Expand Public Safety Resources](#).

#### *Previous Council Actions*

The City Council has discussed fire station construction at various points throughout planning, design, and construction. On September 11, 2023, the City Council approved [Resolution No. 2023-09-080R](#) establishing their intent to reimburse expenditures for fire station construction with bond proceeds.

### Discussion

#### *Additional Background Information*

Staff has been working with Chapman as bond counsel and Baird as placement agent for this bond issue. Bond counsel provides specialized legal services in relation to bond issuance, including providing a legal opinion on the tax-exempt status of the bonds. The placement agent markets the City's bonds to financial institutions that may purchase the bonds as an investment.

City staff invited financial institutions to participate in the City’s EEO certification process, which is a prerequisite to bid on the City’s bonds. These institutions were identified based on previous contacts with City staff and Baird’s expertise in the market for this type of debt. In addition to three likely bidders who are already certified, more than 20 other institutions were provided information on the certification process. Because of the lead time required for certification, which is approximately one month, it would not be possible for bidders to certify after successfully bidding on the bonds. While this process may limit competition, it ensures compliance with the City’s requirements.

Institutions that successfully complete the certification process will be invited to bid on the City’s bonds. That process requires a quick turnaround to lock in interest rates due to potential changes in the market. This Ordinance gives authority to the Mayor and the Treasurer (Finance Director) to authorize the issuance of the bonds within certain parameters including a term of 10 years and an interest rate of not more than 5.5 percent. It also establishes debt service levies, which will be abated in future years, since the City plans to pay the debt service on these bonds from the Capital Replacement and Improvement Fund.

*Fiscal and Budget Impact*

Adjustments to future budgets, including creation of a Debt Service Fund, will be made with the FY2026 proposed budget, based upon the final debt service schedule. Costs of issuance will be approximately \$30,000 in fees for bond counsel and placement agent, as well as additional fees that may be required by the successful bidder. These costs are budgeted in the Capital Replacement and Improvement Fund and included in a budget amendment on this agenda.

*Community Impact*

The new fire stations are intended to allow staff to better serve the community.

*Recommendation*

Forward the Ordinance providing for issuance of general obligation bonds for fire station construction for approval at the March 10, 2025 City Council meeting.

*Next Steps*

The following is the anticipated schedule for the remainder of the process.

March 18	Human Rights Commission meets and certifies financial institutions
March 24	Baird distributes preliminary term sheet to certified institutions
March 31	Baird holds due diligence sessions with investors and City, if needed
April 9	Best and final offers submitted; Award bonds and execute final term sheet
April 14	City Council notified of outcome
April 29	Bond closing

**Attachments**

1. An Ordinance Providing for the Issuance of Not to Exceed \$9,000,000 General Obligation Bonds, Series 2025, of the City of Urbana, Champaign County, Illinois, for the Purpose of Financing Various Capital Improvements, Providing for the Levy and Collection of a Direct Annual Tax Sufficient to Pay the Principal and Interest on Said Bonds, and Authorizing the Sale of Said Bonds to the Purchaser Thereof.
2. Preliminary Term Sheet.

Originated by: Elizabeth Hannan, HR & Finance Director / CFO

Reviewed: Matt Roeschley, City Attorney

Approved: Carol Mitten, City Administrator

## ORDINANCE NO. \_\_\_\_\_

**AN ORDINANCE PROVIDING FOR THE ISSUANCE OF NOT TO EXCEED \$9,000,000 GENERAL OBLIGATION BONDS, SERIES 2025, OF THE CITY OF URBANA, CHAMPAIGN COUNTY, ILLINOIS, FOR THE PURPOSE OF FINANCING VARIOUS CAPITAL IMPROVEMENTS, PROVIDING FOR THE LEVY AND COLLECTION OF A DIRECT ANNUAL TAX SUFFICIENT TO PAY THE PRINCIPAL AND INTEREST ON SAID BONDS, AND AUTHORIZING THE SALE OF SAID BONDS TO THE PURCHASER THEREOF.**

**WHEREAS**, by virtue of its population and pursuant to the provisions of Section 6 of Article VII of the Constitution of the State of Illinois (the "*Constitution*"), the City of Urbana, Champaign County, Illinois (the "*City*"), is a home rule unit and may exercise any power or perform any function pertaining to its government and affairs including, but not limited to, the power to tax and to incur debt; and

**WHEREAS**, pursuant to the provisions of said Section 6, the City has the power to incur debt payable from ad valorem property tax receipts or from any other lawful source and maturing within 40 years from the time it is incurred without prior referendum approval; and

**WHEREAS**, the Council of the City (the "*Council*") has considered the needs of the City and has determined and does hereby determine that it is necessary, desirable, and in the best interests of the City to borrow at this time the sum of not to exceed \$9,000,000 for the purpose of financing expenditures for acquisition, construction, improvement, renovation, and equipping of two new City fire stations and ancillary costs related thereto (collectively, the "*Project*"); and

**WHEREAS**, it is in the best interests of the City to issue bonds of the City in the aggregate principal amount of not to exceed \$9,000,000 to evidence said borrowing and for the purpose of paying costs of the Project:

**NOW, THEREFORE, BE IT ORDAINED** by the Council of the City of Urbana, Champaign County, Illinois, in the exercise of its home rule powers, as follows:

Section 1. Incorporation of Preambles; Determination to Issue Bonds. The Council hereby finds that all the recitals contained in the preambles to this Ordinance are true, correct, and complete and does incorporate them into this Ordinance by this reference. It is necessary and in the best interests of the City to finance the Project, to pay all related costs and expenses incidental thereto, and to borrow money and issue bonds for such purpose. It is hereby found and determined that such borrowing of money is necessary for the welfare of the government and affairs of the City, is for a proper public purpose or purposes and is in the public interest, and is authorized pursuant to

the applicable provisions of the Illinois Municipal Code, as amended (the “*Municipal Code*”), as further supplemented and, where necessary, superseded, by the powers of the City as a home rule unit under the provisions of Section 6 of Article VII of the Constitution, and as further supplemented by the Local Government Debt Reform Act, as amended (the “*Reform Act*”) (collectively, the Municipal Code, constitutional home rule powers, and Reform Act being the “*Act*”).

Section 2. Authorization. It is hereby found and determined that the Council has been authorized by law to borrow an amount not to exceed \$9,000,000 upon the credit of the City and as evidence of such indebtedness to issue bonds of the City to said amount, the proceeds of said bonds to be used for the Project, and that it is necessary and for the best interests of the City that there be issued not to exceed \$9,000,000 of the bonds so authorized, and the findings and determinations in this Section, together with those set forth in the preambles to this Ordinance, shall be deemed conclusive.

Section 3. Bond Details. There be borrowed by for and on behalf of the City an amount not to exceed \$9,000,000 for the purpose aforesaid, and that bonds of the City shall be issued to said amount and shall be designated “General Obligation Bonds, Series 2025” (the “*Bonds*”), with any further series designation as shall be set forth in the Bond Notification (as hereinafter defined). The Bonds shall be dated such date (as set forth in the Bond Notification), and shall also bear the date of authentication, shall be in fully registered form, shall be in minimum denominations of \$100,000 each and integral multiples of \$5,000 in excess thereof unless otherwise set forth in the Bond Notification (but no single Bond shall represent installments of principal maturing on more than one date), 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 February 1 (unless otherwise set forth in the Bond Notification) of each of the years (not later than 2035), in the amounts (not exceeding \$1,200,000 per year) and bearing interest at the rates (not exceeding 5.50% per annum) 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 such 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 February 1<sup>st</sup> and August 1<sup>st</sup> of each year thereafter to maturity.

Interest on each Bond shall be paid by check or draft of the bond registrar and paying agent (which shall be the Purchaser (as hereinafter defined), a bank or trust company authorized to do business in the State of Illinois or the Treasurer of the City (the “*Treasurer*”) as set forth in the Bond Notification, the “*Bond Registrar*”), payable upon presentation thereof 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 15<sup>th</sup> 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 upon presentation thereof at the designated office of the Bond Registrar.

Section 4. Execution; Authentication. The Bonds shall be executed on behalf of the City by the manual or facsimile signature of its Mayor (the “*Mayor*”) and attested by the manual or facsimile signature of its City Clerk (the “*City Clerk*”), as they shall determine, and shall have impressed or imprinted thereon the corporate seal or facsimile thereof of the City. In case any such 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 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 it 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 5. 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 designated 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 designated 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 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 15<sup>th</sup> 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 3 hereof. If so requested by the Purchaser, 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. Any officer of the City who is a

signatory on the Bonds, along with the Treasurer, is 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 3 hereof with respect to the payment of interest to the registered owners of Bonds at the close of business on the 15<sup>th</sup> 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 5(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 6. Redemption. (a) *Optional Redemption.* All or a portion of the Bonds 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, 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 February 1 of the years, if any, and in the principal amounts, if any, as indicated in said 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, 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 7. 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 designated 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 at the option of the City 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, and notwithstanding the failure to receive such notice, 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 8. 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 paragraph [6] and the paragraphs thereafter as shall be appropriate shall be inserted immediately after paragraph [1]:

[FORM OF BOND - FRONT SIDE]

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

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

**UNITED STATES OF AMERICA  
STATE OF ILLINOIS  
COUNTY OF CHAMPAIGN  
CITY OF URBANA**

**GENERAL OBLIGATION BOND, SERIES 2025**

See Reverse Side for  
Additional Provisions.

Interest                      Maturity                      Dated  
Rate: \_\_\_\_\_%      Date: February 1, 20\_\_\_\_      Date: \_\_\_\_\_, 2025      CUSIP: \_\_\_\_\_

Registered Owner:

Principal Amount:

[1]      KNOW ALL PERSONS BY THESE PRESENTS that the City of Urbana, Champaign County, Illinois, a municipality, home rule unit, 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 (subject to the right of prior redemption as hereinafter stated), 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 or duly provided for, at the Interest Rate per annum identified above, such interest to be payable on February 1<sup>st</sup> and August 1<sup>st</sup> of each year, commencing August 1, 2025, until said Principal Amount is paid or duly provided for. The principal of this Bond is payable in lawful money of the United States of America upon presentation hereof at the designated office of \_\_\_\_\_, 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 15<sup>th</sup> day of the month next preceding the interest payment date. Interest 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. 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.

[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 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 Bond, including the hereinafter defined Act, 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 City, represented by the Bonds, and including all other indebtedness of the City, howsoever evidenced or incurred, does not exceed any constitutional or statutory or other lawful limitation; and that provision has been made for the collection of a direct annual tax, in addition to all other taxes, on all of the taxable property in the City sufficient to pay the interest hereon as the same falls due and also to pay and discharge the principal hereof at maturity.

[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, the City of Urbana, Champaign County, Illinois, by its Council, has caused this Bond to be executed by the manual or duly authorized facsimile signature of its Mayor and attested by the manual or duly authorized facsimile signature of its City Clerk 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.

SPECIMEN

\_\_\_\_\_  
Mayor, City of Urbana  
Champaign County, Illinois

ATTEST:

SPECIMEN

\_\_\_\_\_  
City Clerk, City of Urbana  
Champaign County, Illinois

[SEAL]

Date of Authentication: \_\_\_\_\_, 2025

CERTIFICATE  
OF  
AUTHENTICATION

Bond Registrar and Paying Agent:  
\_\_\_\_\_,  
\_\_\_\_\_, Illinois

This Bond is one of the Bonds described in the within mentioned ordinance and is one of the General Obligation Bonds, Series 2025 of the City of Urbana, Champaign County, Illinois.

\_\_\_\_\_,  
as Bond Registrar

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

[FORM OF BOND - REVERSE SIDE]

**CITY OF URBANA**

**CHAMPAIGN COUNTY, ILLINOIS**

**GENERAL OBLIGATION BOND, SERIES 2025**

[6] This Bond is one of a series of bonds (the “*Bonds*”) issued by the City for the purpose of financing expenditures for acquisition, construction, improvement, renovation, and equipping of two new City fire stations and ancillary costs related thereto, and paying expenses incidental thereto, all as described in the ordinance of the City, adopted by the Council of the City on the 10<sup>th</sup> day of March, 2025, authorizing the Bonds, as supplemented by a notification of sale (the “*Ordinance*”), pursuant to and in all respects in compliance with the applicable provisions of the Illinois Municipal Code, as amended (the “*Municipal Code*”); as further supplemented and, where necessary, superseded, by the powers of the City as a home rule unit under the provisions of Section 6 of Article VII of the Illinois Constitution of 1970; and as further supplemented by the Local Government Debt Reform Act of the State of Illinois, as amended (the “*Reform Act*”) (collectively, the Municipal Code, constitutional home rule powers and Reform Act being the “*Act*”), and with the Ordinance, which has been duly approved by the Mayor, and published, in all respects as by law required.

[7] Bonds of the issue of which this Bond is one maturing on and after February 1, 20\_\_, are 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 February 1, 20\_\_, and on any date thereafter, at the redemption price of par plus accrued interest to the redemption date.

[8] [Mandatory Redemption provisions, as applicable, will be inserted here.]

[9] 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.

[10] This Bond is transferable by the Registered Owner hereof in person or by his or her attorney duly authorized in writing at the designated office of the Bond Registrar in \_\_\_\_\_, Illinois, 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.

[11] The Bonds are issued in fully registered form in minimum denominations of \$100,000 each and integral multiples of \$5,000 in excess thereof. This Bond may be exchanged at the designated 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 15<sup>th</sup> 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.

[12] 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, assign, and transfers unto \_\_\_\_\_

Here insert Social Security Number, Employer Identification Number or other Identifying Number

\_\_\_\_\_

(Name and Address of Assignee)  
the within Bond and does hereby irrevocably constitute and appoint \_\_\_\_\_

\_\_\_\_\_ as 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 transfer and 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 9. Sale of Bonds. The Mayor and the Treasurer (the “*Designated Representatives*”) are hereby authorized to proceed not later than September 10, 2025, 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, and, after authentication thereof by the Bond Registrar, be by the Treasurer delivered to the purchaser thereof (the “*Purchaser*”), upon receipt of the purchase price therefor, the same being not less than 98.00% of the principal amount of the Bonds (exclusive of original issue premium or original issue discount), plus accrued interest to the date of delivery, if any.

The Purchaser of the Bonds shall be: (a) pursuant to a competitive sale conducted by Robert W. Baird & Co., Naperville, Illinois (“*Placement Agent*”), the best bidder for the respective Bonds; (b) in a negotiated underwriting, a bank or financial institution listed in the Dealers & Underwriters or Municipal Derivatives sections of the most recent edition of The Bond Buyer’s Municipal Marketplace; or (c) in a private placement, (i) a bank or financial institution authorized to do business in the State of Illinois, (ii) a governmental unit as defined in the Debt Reform Act or (iii) an “accredited investor” as defined in Rule 501 of Regulation D as promulgated under the Securities Act of 1933, as amended; provided, however, that a Purchaser as set forth in either (b) or (c) shall be selected only upon the recommendation of the Placement Agent that the sale of the respective Bonds on a negotiated or private placement basis to such Purchaser is in the best interest of the City because of (i) the pricing of such Bonds by such Purchaser, (ii) then current market conditions or (iii) the timing of the sale of such Bonds; and further provided, that a Purchaser as set forth in (c) may be selected through the utilization of a placement agent selected by the Designated Representatives after consultation with the Placement Agent if the use of such placement agent is determined by the Designated Representatives to be in the best interest of the City.

Prior to the sale of the Bonds, the Designated Representatives are each 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 the Bonds, the Designated Representatives shall prepare a Notification of Sale of the 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 such 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 the Bonds, as evidenced by the execution and delivery of a Bond Notification by the Designated Representatives, the Mayor, City Clerk and Treasurer 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, the contract for the sale of the Bonds between the City and the Purchaser (which may be evidenced by an executed bid form) (the “*Purchase Contract*”). Prior to the execution and delivery of the Purchase Contract, the Designated Representatives shall find and determine that to the best of the knowledge and belief of the Council, after due inquiry, no person holding any office of the City, either by election or appointment, is in any manner financially interested, either directly in his or her own name or indirectly in the name of any other person, association, trust or corporation, in the Purchase Contract.

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

Section 10. Tax Levy; Abatement. For the purpose of providing funds required to pay the interest on the Bonds promptly when and as the same falls due, and to pay and discharge the principal thereof at maturity, 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 sufficient for that purpose; and there is hereby levied on all of the taxable property in the City, in addition to all other taxes, the following direct annual tax (the “*Pledged Taxes*”), to wit:

FOR THE YEAR                      A TAX SUFFICIENT TO PRODUCE THE SUM OF:

2025	\$1,250,000.00	for interest and principal
2026	\$1,250,000.00	for interest and principal
2027	\$1,250,000.00	for interest and principal
2028	\$1,250,000.00	for interest and principal
2029	\$1,250,000.00	for interest and principal
2030	\$1,250,000.00	for interest and principal
2031	\$1,250,000.00	for interest and principal
2032	\$1,250,000.00	for interest and principal
2033	\$1,250,000.00	for interest and principal

The Pledged Taxes and other moneys (excepting proceeds of the Bonds) on deposit (collectively, the “Bond Moneys”) in the Bond Fund (as hereinafter defined) shall be applied to pay principal of and interest on the Bonds as follows:

Bond Moneys shall be applied to the payment of interest when due and principal or redemption price when due at maturity.

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; and when the Pledged Taxes shall have been collected, reimbursement shall be made to said funds in the amount so advanced. The City covenants and agrees with the purchasers and registered owners of the Bonds that so long as any of the 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 levy and collect the foregoing tax levy. The City and its officers will comply with all present and future applicable laws in order to assure that the Pledged Taxes may be levied, extended and collected as provided herein and deposited into the Bond Fund.

Whenever other funds from any other lawful source are made available for the purpose of paying any principal of or interest on the Bonds so as to enable the abatement of the Pledged Taxes, the Council shall, by proper proceedings, direct the deposit of such funds into the Bond Fund and further shall direct the abatement of the taxes by the amount so deposited. A certified copy or other notification of any such proceedings abating taxes may then be filed with the County Clerk of the County of Champaign, Illinois (the “County Clerk”), in a timely manner to effect such abatement.

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, City Clerk and 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 Clerk in a timely manner to effect such abatement.

Section 11. Filing with County Clerk. Forthwith upon the passage of this Ordinance, the City Clerk is hereby directed to file a certified copy of this Ordinance with the County Clerk; and the County Clerk shall in and for each of the years 2025 to 2033, inclusive, ascertain the rate necessary to produce the tax herein levied; and the County Clerk 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, subject to abatement as stated hereinabove, in said years such annual tax shall be levied and collected by and for and on behalf of the City in like manner as taxes for general corporate purposes for said years are levied and collected, and in addition to and in excess of all other taxes, and when collected, the taxes hereby levied shall be placed to the credit of a special fund to be designated “Bond and Interest Fund Account of 2025” (the “*Bond Fund*”), which taxes are hereby irrevocably pledged to and shall be used only for the purpose of paying the principal of and interest on the Bonds.

Section 12. Use of Bond Proceeds. The principal proceeds of the Bonds are hereby appropriated to pay the costs of issuance of the Bonds and for the purpose of paying the cost of the Project, and that portion thereof not needed to pay such costs of issuance is hereby ordered deposited into the Capital Improvement Account of the City (the “*Project Fund*”). Alternatively, the Treasurer may allocate such proceeds to one or more related project funds of the City already in existence; *provided, however*, that this shall not relieve the Treasurer of the duty to account for the proceeds as herein provided. (Any such one or more funds shall also be referred to hereinafter, collectively, as the “*Project Fund*”). At the time of the issuance of the Bonds, the costs of issuance of the Bonds may be paid by the Purchaser or the Bond Registrar on behalf of the City from the proceeds of the Bonds.

Section 13. Non-Arbitrage and Tax-Exemption. 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 Bonds) if taking, permitting or omitting to take such action would cause any of the Bonds to be an arbitrage bond or a private activity bond within the meaning of the Internal Revenue Code of 1986, as amended (the “*Code*”), or would otherwise cause the interest on the Bonds to be included 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 (the “IRS”) of the exemption from federal income taxation for interest paid on the 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 IRS in connection with such an examination.

The City also agrees and covenants with the purchasers and holders of the Bonds 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 Bonds and affects the tax-exempt status of the Bonds.

The Council hereby authorizes the officials of the City responsible for issuing the Bonds, the same being the Mayor, City Clerk and Treasurer, to make such further covenants and certifications regarding the specific use of the proceeds of the Bonds as approved by the Council and as may be necessary to assure that the use thereof will not cause the Bonds to be arbitrage bonds and to assure that the interest on the Bonds will be exempt from federal income taxation. In connection therewith, the City and the Council 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 Bonds 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 Bonds; (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 City in such compliance.

Section 14. 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 Bonds in the amount indicated in the Tax Exemption Certificate and Agreement to be delivered in connection with the issuance of the Bonds to reimburse said expenditures.

Section 15. Designation of Issue. The City may designate the Bonds in the Bond Notification as “qualified tax-exempt obligations” for the purposes and within the meaning of Section 265(b)(3) of the Code.

Section 16. 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 17. Defeasance. Any Bond or Bonds which (a) are paid and cancelled, (b) which have matured and for which sufficient sums have been deposited with the Bond Registrar to pay all principal and interest due thereon, or (c) for which sufficient U.S. funds and direct U.S. Treasury obligations have been deposited with the Bond Registrar or similar institution to pay, taking into account investment earnings on such obligations, all principal of and interest on such Bond or Bonds when due at maturity or as called for redemption, pursuant to an irrevocable escrow or trust agreement, shall cease to have any lien on or right to receive or be paid from the Bond Moneys or Pledged Taxes 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 outstanding Bonds. All covenants relative to the tax-exempt status of the Bonds; and payment, registration, transfer, and exchange; are expressly continued for all Bonds whether outstanding Bonds or not.

Section 18. 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 the Bonds as provided herein;
- (d) to cancel and/or destroy Bonds which have been paid at maturity 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 19. Continuing Disclosure Undertaking. If applicable, the Mayor or 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 20. Municipal Bond Insurance. In the event the payment of principal and interest on any series of 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 said Bonds, subrogation of the rights of said Bondholders to the Bond Insurer upon payment of said Bonds by the Bond Insurer, amendment hereof, or other terms, as approved by a Designated Representative 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 21. Record-Keeping Policy and Post-Issuance Compliance Matters. The Council has previously adopted a record-keeping policy (the “*Policy*”) to maintain sufficient records to demonstrate compliance with its covenants and expectations to ensure the appropriate federal tax status for the Bonds and other debt obligations of the City, the interest on 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 (including the Bonds). The Council and the City hereby reaffirm the Policy.

Section 22. Publication of Ordinance. A full, true, and complete copy of this Ordinance shall be published within ten days after passage in pamphlet form by authority of the Council.

Section 23. This Ordinance a Contract. The provisions of this Ordinance shall constitute a contract between the City and the registered owners of the Bonds, and no changes, additions or alterations of any kind shall be made hereto, except as herein provided.

Section 24. 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 25. 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 passage, approval, and publication.

**PASSED BY THE CITY COUNCIL** this 10th day of March, 2025.

AYES:

NAYS:

ABSTENTIONS:

\_\_\_\_\_  
Darcy E. Sandefur, City Clerk

**APPROVED BY THE MAYOR** this this 10th day of March, 2025.

\_\_\_\_\_  
Diane Wolfe Marlin, Mayor

Recorded in the City Records on March \_\_\_\_, 2025.

STATE OF ILLINOIS            )  
  ) SS  
COUNTY OF CHAMPAIGN    )

**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 Urbana, Champaign County, Illinois (the “City”), and as such official I am the keeper of the records and files of the Council of the City (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 10th day of March, 2025, insofar as same relates to the adoption of Ordinance No. \_\_\_\_ titled:

AN ORDINANCE providing for the issuance of not to exceed \$9,000,000 General Obligation Bonds, Series 2025, of the City of Urbana, Champaign County, Illinois, for the purpose of financing various capital improvements, providing for the levy and collection of a direct annual tax sufficient to pay the principal and interest on said bonds, and authorizing 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 ordinance were conducted 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 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 said agenda contained a separate specific item concerning the proposed adoption of said ordinance, a true, correct and complete copy of the agenda as so posted being attached hereto as *Exhibit A*, that said meeting was called and held in strict compliance with the provisions the Open Meetings Act of the State of Illinois, as amended, and with the provisions of the Illinois Municipal Code, as amended, and that the Council has complied with all of the applicable provisions of said Act and said Code 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 10<sup>th</sup> day of March, 2025.

---

City Clerk

[SEAL]

STATE OF ILLINOIS            )  
  ) SS  
COUNTY OF CHAMPAIGN    )

**FILING CERTIFICATE**

I, the undersigned, do hereby certify that I am the duly qualified and acting County Clerk of The County of Champaign, Illinois, and as such official I do further certify that on the \_\_\_\_ day of March, 2025, there was filed in my office a duly certified copy of Ordinance No. \_\_\_\_ titled:

AN ORDINANCE providing for the issuance of not to exceed \$9,000,000 General Obligation Bonds, Series 2025, of the City of Urbana, Champaign County, Illinois, for the purpose of financing various capital improvements, providing for the levy and collection of a direct annual tax sufficient to pay the principal and interest on said bonds, and authorizing the sale of said bonds to the purchaser thereof.

duly adopted by the Council of the City of Urbana, Champaign County, Illinois, on the 10<sup>th</sup> day of March, 2025, and approved by the Mayor, and that the same has been deposited in (and all as appearing from) the official files and records of my office.

IN WITNESS WHEREOF, I hereunto affix my official signature and the seal of said County, this \_\_\_\_ day of March, 2025.

\_\_\_\_\_  
County Clerk of The County of Champaign,  
Illinois

[SEAL]

STATE OF ILLINOIS            )  
  ) SS  
COUNTY OF CHAMPAIGN    )

**CERTIFICATE OF PUBLICATION IN PAMPHLET FORM**

I, the undersigned, do hereby certify that I am the duly qualified and acting City Clerk of the City of Urbana, Champaign County, Illinois (the “City”), and as such official I am the keeper of the official journal of proceedings, books, records, minutes and files of the City and of the Council (the “Council”) of the City.

I do further certify that on the 10<sup>th</sup> day of March, 2025 there was published in pamphlet form, by authority of the Council, a true, correct, and complete copy of Ordinance No. \_\_\_\_ of the City titled:

AN ORDINANCE providing for the issuance of not to exceed \$9,000,000 General Obligation Bonds, Series 2025, of the City of Urbana, Champaign County, Illinois, for the purpose of financing various capital improvements, providing for the levy and collection of a direct annual tax sufficient to pay the principal and interest on said bonds, and authorizing the sale of said bonds to the purchaser thereof.

and providing for the issuance of said bonds, and that the ordinance as so published was on that date readily available for public inspection and distribution, in sufficient number so as to meet the needs of the general public, at my office as City Clerk located in the City.

IN WITNESS WHEREOF, I have affixed hereto my official signature and the seal of the City this 10<sup>th</sup> day of March, 2025.

\_\_\_\_\_

City Clerk

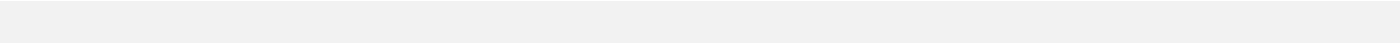
[SEAL]

No Official Statement will be prepared for the Bonds. By the Purchaser’s acceptance of the Bonds, the Purchaser shall be deemed to have had access to such financial and other information concerning the City and the Bonds as the Purchaser deemed necessary to make an independent decision to purchase the Bonds, including the opportunity, at a reasonable time prior to the purchase of the Bonds, to ask questions and receive answers concerning the City and the terms and conditions of the Bonds.

**Preliminary Term Sheet**

City of Urbana,  
Champaign County, Illinois (the “City”)

\$9,000,000\* General Obligation Bonds, Series 2025 (the “Bonds”)



**Bid Due Date/Time:** April 9, 2025 @ 11:00 AM Central. Rates must not be subject to change through the closing of April 29, 2025.

**Award Date:** April 9, 2025 (anticipated)

**Dated/Delivery Date:** April 29, 2025 (anticipated)

<b>Amortization:</b>	February 1	Amount*
	2026	\$ 820,000
	2027	760,000
	2028	790,000
	2029	825,000
	2030	865,000
	2031	905,000
	2032	945,000
	2033	985,000
	2034	1,030,000
	2035	1,075,000

**Average Life\*:** 5.564 years

**Purchaser:** To Be Determined

**Purchase Price:** At Par

**Interest Due:** Interest shall be payable commencing on August 1, 2025 and semi-annually thereafter on February 1 and August 1 of each year. Interest on the Bonds will be computed on the basis of a 360-day year of twelve 30-day months.

**Denomination:** The Bonds will be issued in minimum denominations of \$100,000 and integral multiples of \$5,000 thereof.

**Optional Redemption Provision:** Please provide your proposed interest rates for each of the following optional redemption provisions:  
1. The Bonds maturing on and after February 1, 2033 shall be subject to redemption prior to maturity at the option of the City from any available funds on February 1, 2032 or on any date thereafter at par plus accrued interest.  
2. The Bonds are not subject to redemption prior to maturity.

If you would like to propose an alternative optional redemption provision, please so state in your offer along with any change in interest rate(s). The City will evaluate the cost/benefit of each offer and its corresponding optional redemption provision before making a selection.

**Mandatory Redemption:** All or a portion of the Bonds may be subject to mandatory redemption on February 1 of the years, if any, and in the principal amounts, if any, as shown above.

**Purpose:** Proceeds from the sale of the Bonds will be used for the purpose of (i) financing expenditures for acquisition, construction, improvement, renovation, and equipping of two new City fire stations and ancillary costs related thereto, and (ii) paying costs related to the issuance of the Bonds.

\*Preliminary, subject to change.

- Authorization:** The Bonds are being issued pursuant to the powers of the City as a home rule unit of government under Section 6 of Article VII of the Constitution of the State of Illinois, the Illinois Municipal Code and the Local Government Debt Reform Act of the State of Illinois, each as supplemented and amended, and a bond ordinance adopted by the City Council of the City on March 10, 2025, as supplemented by a notification of sale.
- Security:** In the opinion of Bond Counsel, Chapman and Cutler LLP, Chicago, Illinois, the Bonds are valid and legally binding upon the City and are payable from any funds of the City legally available for such purpose, and all taxable property in the City is subject to the levy of taxes to pay the same without limitation as to rate or amount, except that the rights of the owners of the Bonds and the enforceability of the Bonds may be limited by bankruptcy, insolvency, moratorium, reorganization and other similar laws affecting creditors' rights and by equitable principles, whether considered at law or in equity, including the exercise of judicial discretion.
- The City will pay debt service on the Bonds through February 1, 2026 from lawfully available funds.
- Tax Exemption:** Subject to compliance by the City with certain covenants, in the opinion of Bond Counsel, under present law, interest on the Bonds is excludable from gross income of the owners thereof for federal income tax purposes and is not includible as an item of tax preference in computing the alternative minimum tax for individuals under the Internal Revenue Code of 1986, as amended (the "Code"). Interest on the Bonds may affect the corporate alternative minimum tax for certain corporations. Interest on the Bonds is not exempt from present State of Illinois income taxes.
- Legal Opinion:** Bond Counsel will provide an opinion as to the validity of, and federal tax exemption of the interest on, the Bonds. See "Exhibit B—Form of Bond Counsel Opinion."
- Bank-Qualified:** The Bonds are "qualified tax-exempt obligations" under Section 265(b)(3) of the Code.
- Credit Rating:** No rating will be applied for in connection with the Bonds.
- No Secondary Market:** The Bonds must be purchased with the intent to hold to maturity as no secondary market is expected.
- Rule 15c2-12 promulgated under the Securities Exchange Act of 1934, as amended (the "Rule"), exempts from certain requirements of the Rule offerings of municipal securities (such as the Bonds) that are (i) in authorized denominations of \$100,000 or more and (ii) are sold to no more than thirty-five persons each of whom has such knowledge and experience in financial and business matters that it is capable of evaluating the merits and risks of the prospective investment and is not purchasing for more than one account or with a view to distributing the Bonds. Because the offering of the Bonds is exempt under the Rule, the City is not required to enter into a continuing disclosure undertaking with respect to the Bonds and is also not required to deliver an official statement to a purchaser nor to provide statements concerning noncompliance, in all material respects, with the City's prior continuing disclosure undertakings. Finally, the Purchaser should note that the disclosure contained herein is limited in scope and does not include information customarily contained in official statements subject to the Rule.
- Record Date:** The fifteenth day of the calendar month next preceding the interest payment date.
- Registered or Book-Entry:** The Bonds will be registered in the name of the Purchaser unless otherwise requested by the Purchaser.
- Bond Counsel:** Chapman and Cutler LLP, Chicago, Illinois.
- Placement Agent:** Robert W. Baird & Co. Incorporated, Naperville, Illinois.
- Bond Registrar/Paying Agent:** Please state your willingness to serve as bond registrar and paying agent on the Bonds at no additional cost to the City.
- Representations of the Purchaser:** The Purchaser will be required to execute an investor letter in substantially the form attached hereto as Exhibit C in which they will be expected to certify to the City that it (i) is acquiring the Bonds for its own account solely for investment purposes and not with a view to any distribution of any Bond or any interest therein or portion thereof or with any present intention of distributing or selling any Bond or any interest therein or portion thereof and (ii) has knowledge and experience in financial and business matters, including the acquisition and holding of tax-exempt obligations, that it is capable of evaluating the merits and risks of purchasing the Bonds and is able to bear such risks.

**Acknowledgment that the Purchaser is not a Fiduciary, etc.:**

The City acknowledges and agrees that the: (i) Purchaser has financial and other interests that differ from those of the City, (ii) Purchaser is not acting as a municipal advisor, financial advisor or fiduciary to the City and has not assumed any advisory or fiduciary responsibility to the City with respect to the transaction contemplated hereby and the discussions, undertakings and proceedings leading thereto (irrespective of whether the Purchaser has provided other services or is currently providing other services to the City on other matters), and (iii) City has consulted its own legal, accounting, tax, financial and other advisors, as applicable, to the extent it has deemed appropriate in connection with the transaction contemplated herein.

**Expenses:**

The City will pay for all necessary expenses in connection with the issuance of the Bonds, including legal and placement agent fees. **If there will be a Purchaser’s Counsel fee, please state the amount in your offer.** This will be considered when evaluating the bids received.

**Additional Provisions:**

Please note any proposed additional provisions.

**Financial Characteristics of the City:**

See “Exhibit A—Information on the City of Urbana” for information on the City’s overlapping taxing entities, outstanding debt, overlapping debt, selected financial information, largest taxpayers, equalized assessed valuation, and tax rates by purpose.

**City Financial Information:**

Historical Audited Financial Statements for the City can be found here on the City’s website: <https://www.urbanail.gov/hr-and-finance-department/page/annual-comprehensive-financial-report>

**Attachments:**

- Exhibit A – Information on the City of Urbana
- Exhibit B – Form of Bond Counsel Opinion
- Exhibit C – Form of Investor Letter
- Exhibit D – Annual Comprehensive Financial Report for Fiscal Year June 30, 2024

## Exhibit A

### Information on the City of Urbana

#### Summary of Outstanding Debt

The City will have the following outstanding general obligation debt after the issuance of the Bonds.

#### Amortization of Outstanding General Obligation Debt <sup>(1)</sup>

Bond Year February 1	The Bonds*	Cumulative Retirement*	
		Amount*	Percent*
2026	\$820,000	\$820,000	9.1%
2027	760,000	760,000	17.6%
2028	790,000	790,000	26.3%
2029	825,000	825,000	35.5%
2030	865,000	865,000	45.1%
2031	905,000	905,000	55.2%
2032	945,000	945,000	65.7%
2033	985,000	985,000	76.6%
2034	1,030,000	1,030,000	88.1%
2035	1,075,000	1,075,000	100.0%
<b>Total</b>	<b>\$9,000,000</b>	<b>\$9,000,000</b>	

<sup>(1)</sup> As of the dated date of the Bonds.

\* Preliminary, subject to change.

Source: The City.

#### Legal Debt Margin

The City is a home rule municipality under Article VII, Section 6(k) of the 1970 Illinois Constitution and has no general obligation debt limitation.

#### Overlapping Debt

(As of June 30, 2024)

Taxing Body	Outstanding Bonds	Applicable to City	
		Percent	Amount
Champaign County	\$43,555,000	14.018%	\$ 6,105,540
Forest Preserve District	-	13.898%	-
School District	26,695,000	86.046%	22,969,980
Parkland College	35,015,349	10.216%	3,577,168
Urbana Park District	13,801,525	99.464%	13,727,549
Champaign-Urbana Health District	-	24.726%	-
Champaign-Urbana Mass Transit District	185,604	22.023%	40,876
<b>Total Overlapping Bonded Debt</b>	<b>\$119,252,478</b>		<b>\$46,421,112</b>

Source: City's Annual Comprehensive Financial Report for the fiscal year ended June 30, 2024.

**EAV by Use**

The following table sets forth the City's EAV by class of property for the last five levy years.

**Equalized Assessed Valuation by Class of Property<sup>(1)</sup>**

Classification	2019	2020	2021	2022	2023
Residential.....	\$339,451,579	\$340,021,344	\$359,714,649	\$394,979,368	\$435,798,762
Farm.....	532,281	710,151	882,971	949,435	953,822
Commercial.....	246,840,401	253,079,340	251,687,884	283,763,751	300,078,053
Industrial.....	9,947,060	11,363,990	11,861,384	13,533,406	14,591,774
Railroad.....	183,458	190,995	214,325	246,294	255,199
Total.....	<u>\$596,954,779</u>	<u>\$605,365,820</u>	<u>\$624,361,213</u>	<u>\$693,472,254</u>	<u>\$751,677,610</u>
Percent Change +(-)	2.31% <sup>(2)</sup>	1.41%	3.14%	11.07%	8.39%

<sup>(1)</sup> Excludes TIF increment.

<sup>(2)</sup> Based on the City's 2018 EAV of \$583,475,063.

Source: Champaign County Clerk's Office.

**Breakdown of City's Tax Rates**

The following table shows the tax rates levied by the City per \$100 of Equalized Assessed Valuation on property located in the City for the past five levy years.

**City Tax Rates by Purpose Per \$100 of Equalized Assessed Valuation**

	2019	2020	2021	2022	2023
General	\$0.2885	\$0.2301	\$0.1696	\$0.2990	\$0.2876
Bonds	0.0005	0.0000	0.0000	0.0000	0.0000
Fire Pension	0.1941	0.2130	0.2179	0.1360	0.1760
Police Pension	0.2833	0.3261	0.3691	0.3497	0.3403
Library	<u>0.5835</u>	<u>0.5807</u>	<u>0.5933</u>	<u>0.5652</u>	<u>0.5460</u>
Total City Tax Rate	<u>\$1.3499</u>	<u>\$1.3499</u>	<u>\$1.3499</u>	<u>\$1.3499</u>	<u>\$1.3499</u>

Source: Champaign County Clerk's Office.

**Representative Tax Rates**

A representative property owner living in the City had combined tax rates per \$100 of Equalized Assessed Valuation for the past five tax levy years as set forth below.

**Representative Tax Rates per \$100 Equalized Assessed Valuation**

	Levy Years				
	2019	2020	2021	2022	2023
City of Urbana.....	\$ 1.3499	\$ 1.3499	\$ 1.3499	\$ 1.3499	\$ 1.3499
School District.....	5.7188	5.8771	5.9026	5.9204	5.7959
Champaign County.....	0.8189	0.8327	0.8342	0.8355	0.8189
Park District.....	1.2407	1.2705	1.2784	1.2877	1.2630
Parkland College.....	0.5355	0.5405	0.5378	0.5353	0.5284
Mass Transit.....	0.3343	0.3428	0.3466	0.3504	0.3450
Cunningham Town.....	0.2056	0.3015	0.3043	0.3037	0.2995
Public Health.....	0.1533	0.1327	0.1338	0.1340	0.1317
Forest Preserve.....	<u>0.0930</u>	<u>0.1089</u>	<u>0.1073</u>	<u>0.1071</u>	<u>0.1047</u>
Total Rate.....	<u>\$10.4495</u>	<u>\$10.7566</u>	<u>\$10.7949</u>	<u>\$10.8240</u>	<u>\$10.6370</u>

Source: City's Annual Comprehensive Financial Report for the fiscal year ended June 30, 2024.

**Tax Extensions and Collections**

The following table sets forth the City's tax levy and collections for the last five fiscal years and collections to date for the most recent fiscal year.

**Tax Levy and Collections**

Levy Year	Fiscal Year	Taxes Extended	Taxes Collected to Date	Percent Collected
2018	2020	\$7,876,330	\$7,646,282	97.1%
2019	2021	8,058,293	7,991,850	99.2%
2020	2022	8,171,833	8,073,628	98.8%
2021	2023	8,428,251	8,348,114	99.0%
2022	2024	9,361,181	9,273,849	99.1%
2023	2025 <sup>(1)</sup>	10,146,896	10,032,134	98.9%

<sup>(1)</sup> Collections are through February 17, 2025.  
Source: The City.

**Top Taxpayers**

The top ten taxpayers of the City and 2023 EAV are as follows:

**Principal Taxpayers**

Taxpayer	2023 EAV	Percent of City's Total EAV
Urbana Illinois Propco LLC	\$20,253,060	2.60%
Clark-Lindsey Holdings, LLC	10,622,150	1.37%
Bainbridge CC Urbana APTS	10,263,320	1.32%
Retreat at Urbana LLC	9,469,310	1.22%
Deancurt Urbana LLC	8,997,810	1.16%
MIMG XLV Town & Country	7,491,910	0.96%
Urbana Parc II LLC	7,432,960	0.96%
Green Street Realty	6,375,000	0.82%
Supervalu INC	5,874,660	0.76%
Amber Apartments LLC	<u>4,734,680</u>	<u>0.61%</u>
Total	\$91,514,860	11.76%

<sup>(1)</sup> Based on the City's 2023 EAV of \$777,945,044, which includes TIF EAV of \$26,267,434.  
Source: Champaign County Clerk's Office.

**Exhibit B**

**Form of Bond Counsel Opinion**

**Exhibit C**

**Form of Investor Letter**

**Exhibit D**

**Annual Comprehensive Financial Report for Fiscal Year June 30, 2024**