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SANGAMON COUNTY AUDITOR

THE COUNTY OF SANGAMON, ILLINOIS

SANGAMON COUNTY

RESOLUTION No. 10-1

RESOLUTION OF THE COUNTY OF SANGAMON, ILLINOIS PROVIDING FOR (I) THE SALE AND ISSUANCE OF NOT TO EXCEED \$8,500,000 TAXABLE LIMITED TAX GENERAL OBLIGATION BONDS, SERIES 2013 OF THE COUNTY OF SANGAMON, ILLINOIS, AND FOR THE LEVY OF A DIRECT ANNUAL TAX SUFFICIENT TO PAY THE PRINCIPAL AND INTEREST ON SAID BONDS AND (II) THE REPEAL OF PRIOR RESOLUTIONS RELATED TO THE SERIES 2013 BONDS (AS HEREINAFTER DEFINED).

ADOPTED BY

THE COUNTY BOARD

OF

THE COUNTY OF SANGAMON, ILLINOIS

THIS SEPTEMBER 3, 2013

FILED

AUG 28 2013

Joe Aiello
Sangamon County Clerk

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RESOLUTION NO. 10-1

RESOLUTION OF THE COUNTY OF SANGAMON, ILLINOIS PROVIDING FOR (I) THE SALE AND ISSUANCE OF NOT TO EXCEED \$8,500,000 TAXABLE LIMITED TAX GENERAL OBLIGATION BONDS, SERIES 2013 OF THE COUNTY OF SANGAMON, ILLINOIS, AND FOR THE LEVY OF A DIRECT ANNUAL TAX SUFFICIENT TO PAY THE PRINCIPAL AND INTEREST ON SAID BONDS AND (II) THE REPEAL OF PRIOR RESOLUTIONS RELATED TO THE SERIES 2013 BONDS (AS HEREINAFTER DEFINED).

BE IT ORDAINED BY THE COUNTY BOARD OF THE COUNTY OF SANGAMON, ILLINOIS, AS FOLLOWS:

Section 1. Findings and Determinations. It is found and declared by the County Board (the “**County Board**”) of The County of Sangamon, Illinois (the “**County**”), as follows:

(a) The County is a duly organized and existing county created under the laws of the State of Illinois, and is now operating under and pursuant to the provisions of the Counties Code of the State of Illinois, 55 ILCS 5/1-1001 *et seq.*, as amended (the “**Counties Code**”), and is a “governmental unit” within the meaning of the Local Government Debt Reform Act of the State of Illinois, 30 ILCS 350/1 *et seq.*, as amended, (the “**Debt Reform Act**”).

(b) The County Board has determined that it is advisable, necessary and in the best interests of the County to fund a self-insurance reserve fund with respect to any tort liabilities that the County may incur and to pay bond discount, if any, interest, bond reserve requirements, if any, legal and other financing and related administrative fees and costs (the “**Self-Insurance Reserve**”). The County is authorized by various provisions of the Counties Code to fund the Self-Insurance Reserve, and the Self-Insurance Reserve will further enable the County to perform duties imposed upon it by law.

(c) The County Board has determined that there are not sufficient funds on hand and legally available to pay the costs of the Self-Insurance Reserve and that the moneys necessary to pay the costs of the Self-Insurance Reserve shall be raised from an issuance of obligations of the County.

(d) Section 9-105 of the Local Governmental and Governmental Employees Tort Immunity Act, 745 ILCS 10/9-105 (the “**Tort Immunity Act**”), provides that the County may issue general obligation or revenue bonds, without referendum, for the purpose of creating a reserve for any cost, liability or loss against which the County is permitted to protect itself or self-insure in accordance with the provisions of Section 9-103 of the Tort Immunity Act.

(e) Section 9-103 of the Tort Immunity Act permits the extension of a levy (either directly or for the payment of debt service on bonds) for purposes of a self-insurance reserve so long as the effect of the levy is not to increase such self-insurance reserve beyond 125% of the actuary’s or insurance underwriter’s estimated ultimate losses at the 95% confidence level. The County has received the report of John Pierce, Consulting Actuary,

providing that the applicable limit for a self-insurance reserve for the County is not less than \$11,093,000.

(f) Section 15.01 of the Debt Reform Act provides in part that counties are authorized to issue such bonds as limited bonds payable from the "debt service extension base," as defined in the Property Tax Extension Limitation Law, 35 ILCS 200/18-185, and as such it is not necessary to submit the proposition of the issuance of the Series 2013 Bonds, as defined in Section 3 of this Resolution, to the voters of the County for approval.

(g) It is necessary and in the best interest of the County to borrow the sum not exceeding \$8,500,000 in order to finance the costs of the Self-Insurance Reserve. Accordingly, the County shall issue the Series 2013 Bonds as "limited bonds" as defined in Section 3 of the Debt Reform Act in the aggregate principal amount to be identified by the Chairman in the Determination, which principal amount shall not exceed \$8,500,000.

(h) The tax levy for debt service on the Series 2013 Bonds provided for in this Resolution for each levy year will not upon extension thereof exceed the debt service extension base.

(i) Pursuant to and in accordance with the provisions of the Bond Issue Notification Act of the State of Illinois, as amended, 30 ILCS 352/1 *et seq.*, the Chairman of the County Board as presiding officer called a public hearing (the "**Hearing**") for the 10th day of July 2013, concerning the intent of the County Board to sell the Series 2013 Bonds.

(j) Notice of the Hearing was given by (i) publication at least once not less than seven (7) or more than thirty (30) days before the date of the Hearing in the State Journal Register, the same being a newspaper of general circulation in the County, and (ii) posting at least 48 hours before the Hearing a copy of said notice at the principal office of the County.

(k) The Hearing was held on July 10, 2013 following the publication and posting of notice, at which the County Board explained the reasons for the proposed issuance of the Series 2013 Bonds and permitted persons desiring to be heard an opportunity to present written or oral testimony within reasonable time limits.

(l) The only long-term bonded indebtedness that the County has issued (prior to the issuance of the Series 2013 Bonds) and that is now outstanding consists of the following:

- (i) Debt Certificates, Series 2010 in the original aggregate principal amount of \$12,970,000, of which \$12,440,000 remains outstanding.

The amount of all outstanding existing long-term bonded indebtedness of the County as described above (prior to the issuance of the Series 2013 Bonds), including all bonds, leases, installment contracts, judgments and other indebtedness, is not more than \$13,496,910.

Section 1 of the Local Government Debt Limitation Act of the State of Illinois (50 ILCS 450/1 *et seq.*, as amended, the "**Local Government Debt Limitation Act**"), provides

generally that, no county having a population less than 500,000 may incur any indebtedness which, when added to all existing indebtedness of the county, exceeds in aggregate amount an amount equal to 2.875% of the assessed valuation of all taxable property located within the county, as ascertained by the most recent assessment for state and county purposes as equalized by the Department of Revenue.

The County has a population of 197,465, as determined by the 2010 U.S. Census.

The aggregate assessed valuation of all taxable property in the County as assessed by the County and equalized by the Department of Revenue for the year 2005, being the most recent assessment now available, is \$3,762,855,328.

Consequently, the debt limitation applicable to the County under the Local Government Debt Limitation Act equals \$108,182,091 (\$3,762,855,328 times 2.875%).

The Series 2013 Bonds will not, when added to all existing indebtedness of the County, cause the aggregate indebtedness of the County to exceed the debt limitation set forth above.

Section 2. Definitions; Rules of Interpretation

(a) In addition to terms defined elsewhere in this Resolution, the following capitalized terms shall have the following meanings when used in this Resolution, unless the context or use indicates otherwise:

“**Authenticating Agent**” means the Authenticating Agent appointed in Section 8, acting in the capacity of Authenticating Agent under this Resolution, and any successor to it appointed pursuant to Section 19.

“**Bond Holder**” or “**Bondholder**” means the registered owner of a Series 2013 Bond as shown on the Bond Register.

“**Bond Register**” means the bond registration books of the County maintained by the Bond Registrar pursuant to Section 10.

“**Bond Registrar**” means the Bond Registrar appointed in Section 8, or any successors to it appointed in accordance with Section 19.

“**Chairman**” means the Chairman of the County Board.

“**Continuing Disclosure Undertaking**” has the meaning given that term in Section 22.

“**Counties Code**” has the meaning given that term in Section 1(a).

“**County**” means The County of Sangamon, Illinois.

“**County Administrator**” means the County Administrator of the County.

“**County Board**” means the County Board of the County, the governing body of the County.

“**County Clerk**” means the County Clerk of the County.

“**County Treasurer**” means the County Treasurer of the County.

“**Debt Reform Act**” has the meaning given that term in Section 1(a).

“**Determination**” has the meaning given that term in Section 5.

“**Initial Purchaser**” means the initial purchaser of the Series 2013 Bonds pursuant to the Purchase Contract.

“**Letter of Representations**” has the meaning given that term in Section 11.

“**Official Statement**” means the securities disclosure document with respect to the Series 2013 Bonds in the form attached to this Resolution as *Exhibit B*.

“**Paying Agent**” means the Paying Agent appointed in Section 8, or any successors to it appointed in accordance with Section 19.

“**Pledged Taxes**” means the meaning given that term in Section 14.

“**Purchase Contract**” means the purchase contract with respect to the Series 2013 Bonds between the County and the Initial Purchaser.

“**Resolution**” means this Resolution No. ____ - ____ adopted by the County Board on September 3, 2013.

“**Series 2013 Bond Fund**” means the fund of that name created in Section 15.

“**Series 2013 Bonds**” has the meaning given that term in Section 3.

“**Vice Chairman**” means the Vice Chairman of the County Board.

(b) The words “hereof,” “herein,” “hereunder” and other words of similar import refer to this Resolution as a whole.

(c) The headings of this Resolution are for convenience of reference only and shall not define or limit the provisions of this Resolution.

(d) Unless otherwise specified, reference to Sections and other subdivisions of this Resolution are to the designated Sections and other subdivisions of this Resolution as amended from time to time.

(e) References to the masculine shall include the feminine and neuter genders and vice versa and references to the singular shall include the plural and vice versa, unless the context or use indicates otherwise.

Section 3. Authorization of the Series 2013 Bonds. The aggregate sum not to exceed \$8,500,000 shall be borrowed by the County to finance the costs of the Self-Insurance Reserve. As evidence of such indebtedness, the County shall issue, sell and deliver its Taxable Limited Tax General Obligation Bonds, Series 2013, in the aggregate principal amount not to exceed \$8,500,000 (the "**Series 2013 Bonds**"). The County may incur the indebtedness represented by the Series 2013 Bonds without referendum as authorized by Section 15.01 of the Debt Reform Act.

Section 4. General Terms of the Series 2013 Bonds. The Series 2013 Bonds shall be initially dated as provided in the Determination. The Series 2013 Bonds shall bear interest from their date of delivery and issuance, and shall be issuable only as registered certificates without coupons in the denominations set forth in the Determination. Other than as provided in Section 5 hereof, the Series 2013 Bonds shall bear interest and be subject to payment, redemption and tender, as provided in the Determination. The principal of or redemption price due on the Series 2013 Bonds shall be payable in lawful money of the United States of America upon presentation thereof at the office maintained for such purpose of the Paying Agent as currently maintained, as may be relocated from time to time, or at a successor Paying Agency and locality.

Section 5. Bond Determination Delegation.

(a) Subject to the limitations contained in this Resolution, there is delegated to any two of the Chairman (or, in the absence of the Chairman, the Vice-Chairman), the County Treasurer or the County Administrator, the power, and such persons are authorized, to execute and deliver a written determination (the "**Determination**") establishing and approving the terms and conditions of the Series 2013 Bonds, the Official Statement and the Purchase Contract, in addition to those terms set forth above. The Determination shall establish:

(1) the principal amount of and the denominations of, the Series 2013 Bonds;

(2) whether the Series 2013 Bonds will be issued in one or multiple series;

(3) the maturity date of, the amortization schedule (if any) for, and the form of the Series 2013 Bonds;

(4) the interest rate on the Series 2013 Bonds, or the method of determining the interest rate on the Series 2013 Bonds;

(5) the tender dates of, and tender terms for, (if any) the Series 2013 Bonds;

(6) the manner in which the Series 2013 Bonds are to be sold and provisions for their sale consistent with this Resolution;

(7) the final forms of the Official Statement and the Purchase Contract;

(8) whether bond insurance will be purchased to insure payment of principal and/or interest on the Series 2013 Bonds;

(9) the requirements for defeasance of the Series 2013 Bonds;

(10) whether the Series 2013 Bonds will be subject to, and if so the requirements for, redemption prior to maturity;

(11) such other matters, actions, agreements or documents as are provided in the Official Statement, the Purchase Contract, the Series 2013 Bonds and this Resolution; and

(12) such other matters, actions, agreements or documents not inconsistent with the purposes of this Resolution as the persons executing the Determination shall see fit in order to accomplish the issuance, sale and delivery of the Series 2013 Bonds, including, without limitation, modifying and supplementing terms or conditions as specified in this Resolution in ways not materially affecting the terms of the financing authorized by this Resolution.

(b) The power delegated to the persons named above to execute and deliver the Determination pursuant to this subsection shall expire on February 28, 2014.

(c) In addition to the other limitations contained in this Resolution, the Determination shall not authorize:

(1) a principal amount of the Series 2013 Bonds in excess of \$8,500,000;

(2) a final maturity for the Series 2013 Bonds later than December 15, 2025 years following the dated date of the Series 2013 Bonds;

(3) a sale price of the Series 2013 Bonds less than 98% of their principal amount;

(4) an interest rate for the Series 2013 Bonds of less than 3% through December 15, 2018 and with an interest rate reset on that date not in excess of the maximum interest rate allowable by law; or

(5) a fee payable at closing to or a purchase price discount for the benefit of the Initial Purchaser of the Series 2013 Bonds for underwriting the Series 2013 Bonds in excess of 2.5% of the principal amount of the Series 2013 Bonds.

Section 6. Sale and Delivery of the Series 2013 Bonds.

(a) Subject to the limitations contained in this Resolution, the provisions of Section 5 of this Resolution and the Determination, the sale of the Series 2013 Bonds to the Initial Purchaser pursuant to the Purchase Contract is authorized and approved and the officer or officers of the County designated in such Purchase Contract are authorized and directed to execute such Purchase Contract on behalf of the County. The Chairman, the Vice-Chairman, the County Administrator, the County Clerk, the County Treasurer and the County State's Attorney, or any of them, are authorized to take all action necessary or appropriate to carry out the issuance, sale and delivery of the Series 2013 Bonds as provided in the Purchase Contract, this Resolution and the Determination.

(b) The distribution and use of the Official Statement in substantially the form attached hereto as *Exhibit B* (and a preliminary version thereof, if deemed necessary or appropriate to market the Series 2013 Bonds) with respect to the Series 2013 Bonds is authorized and approved. The Official Statement as executed and delivered may contain such changes as shall be approved by the Chairman, the Vice-Chairman, the County Treasurer and the County Administrator or any of them, and the final form shall be appended to the Determination. Such officer or officers of the County as are indicated are hereby authorized to execute and deliver the Official Statement on behalf of the County.

(c) The Chairman, the Vice-Chairman, the County Treasurer and the County Administrator, or any of them, are authorized and directed to cause the Series 2013 Bonds to be registered in the name of the Initial Purchaser or placed in book-entry form with The Depository Trust Company.

Section 7. Execution and Authentication of Series 2013 Bonds

(a) Execution. Each Series 2013 Bond shall be executed by the manual or facsimile signature of the Chairman and the manual or facsimile signature of the County Clerk and shall have the corporate seal of the County affixed to or impressed on it (or a facsimile of that seal printed on it). The Chairman and the County Clerk (if they have not already done so) are authorized to file with the Illinois Secretary of State their manual signatures certified by them pursuant to the Uniform Facsimile Signatures of Public Officials Act, as amended, which shall authorize the use of their facsimile signatures to execute the Series 2013 Bonds. Each Series 2013 Bond so executed shall be as effective as if manually executed. In case any officer of the County whose signature or a facsimile of whose signature appears on the Series 2013 Bonds shall cease to be such officer before authentication and delivery of any of the Series 2013 Bonds, that signature or facsimile signature shall nevertheless be valid and sufficient for all purposes, the same as if the officer had remained in office until authentication and delivery.

(b) Authentication. No Series 2013 Bond shall be valid for any purpose unless and until a certificate of authentication on that Series 2013 Bond substantially in the form set forth in the bond form attached as *Exhibit A* and incorporated in Section 13 of this Resolution shall have been duly executed by an authorized officer of the Authenticating Agent appointed below. That certificate upon any Series 2013 Bond shall be conclusive evidence that

the Series 2013 Bond has been authenticated and delivered under this Resolution. It shall not be necessary that the same officer sign the certificate of authentication on all of the Series 2013 Bonds.

Section 8. Appointment of Bond Registrar, Paying Agent and Authenticating Agent. Marine Bank of Springfield, Illinois, is appointed as Bond Registrar, Paying Agent and Authenticating Agent under this Resolution.

Section 9. Payment of Principal and Interest. The Series 2013 Bonds shall be payable in lawful money of the United States of America at the principal office of the Paying Agent. The principal of each Series 2013 Bond shall be payable at maturity upon presentment of the Series 2013 Bond at the principal office of the Paying Agent. Interest on each Series 2013 Bond shall be payable on each interest payment date by check or draft of the Paying Agent mailed to the person in whose name that Series 2013 Bond is registered on the books of the Bond Registrar at the close of business on the 15th day preceding that interest payment date.

Section 10. Registration, Transfer and Exchange of Series 2013 Bonds. The Series 2013 Bonds shall be negotiable, subject to the following provisions for registration and registration of transfer. The County shall maintain or cause to be maintained books for the registration of the Series 2013 Bonds at the principal office of the Bond Registrar. Each Series 2013 Bond shall be registered on those books. Transfer of each Series 2013 Bond shall be registered on those books only upon surrender of that Series 2013 Bond to the Bond Registrar by the registered owner or his or her attorney duly authorized in writing together with a written instrument of transfer satisfactory to the Bond Registrar duly executed by the registered owner or his or her duly authorized attorney. Upon surrender of a Series 2013 Bond for registration of transfer, the County shall execute and the Authenticating Agent shall authenticate and deliver, in the name of the transferee, one or more new Series 2013 Bonds of the same aggregate principal amount and of the same maturity as the Series 2013 Bonds surrendered.

Series 2013 Bonds may be exchanged, at the option of the registered owner, for an equal aggregate principal amount of Series 2013 Bonds of any other authorized denominations upon surrender of those Series 2013 Bonds at the principal corporate trust office of the Bond Registrar together with a written instrument of transfer satisfactory to the Bond Registrar duly executed by the registered owner or his or her duly authorized attorney.

In all cases in which the privilege of exchanging or transferring Series 2013 Bonds is exercised, the County shall execute, the Authenticating Agent shall authenticate, and the Bond Registrar shall deliver, Series 2013 Bonds in accordance with the provisions of this Resolution. All Series 2013 Bonds surrendered in any exchange or transfer shall be canceled immediately by the Bond Registrar. The County is authorized to prepare, and if the County does so, the Bond Registrar (or such other agent as the County Board may from time to time designate) shall maintain custody of, multiple blank Series 2013 Bonds executed on behalf of the County as provided in Section 7 for use in connection with the transfer and exchange of Series 2013 Bonds.

For every exchange or registration of transfer of Series 2013 Bonds, the County or the Bond Registrar may make a charge sufficient to reimburse it for any tax, fee or other governmental charge, other than one imposed by the County, required to be paid with respect to that exchange or transfer, and payment of that charge by the person requesting exchange or registration of transfer shall be a condition precedent to that exchange or registration of transfer. No other charge may be made by the County or the Bond Registrar as a condition precedent to exchange or registration of transfer of any Series 2013 Bond.

The Bond Registrar shall not be required to exchange or register the transfer of any Series 2013 Bond during the period from the close of business on the 1st day of the month in which an interest payment date on the Series 2013 Bonds is scheduled to the opening of business on such interest payment date.

Section 11. Book - Entry Only System for the Series 2013 Bonds

(a) General. The Series 2013 Bonds shall be initially issued in the form of a separate single fully registered 2013 Bond for each of the maturities. Upon initial issuance, the ownership of each such Series 2013 Bond shall be registered in the Bond Register in the name of the Initial Purchaser or Cede & Co., as nominee of The Depository Trust Corporation (“DTC”).

(b) Limitations on Obligations. With respect to Series 2013 Bonds registered in the Bond Register in the name of Cede & Co., as nominee of DTC, the County, the Paying Agent and the Bond Registrar shall have no responsibility or obligation to any participating member of DTC (“DTC Participant”) or to any person on behalf of whom such a DTC Participant holds an interest in the Series 2013 Bonds. Without limiting the immediately preceding sentence, the County, the Paying Agent and the Bond Registrar shall have no responsibility or obligation with respect to (i) the accuracy of the records of DTC, Cede & Co. or any DTC Participant with respect to any ownership interest in the Series 2013 Bonds, (ii) the delivery to any DTC Participant or any other person, other than a Series 2013 Bond holder, as shown in the Bond Register, of any notice with respect to the Series 2013 Bonds, including any notice of redemption, or (iii) the payment to any DTC Participant or any other person, other than a Series 2013 Bond holder, as shown in the Bond Register, of any amount with respect to principal of, premium, if any, or interest on the Series 2013 Bonds.

(c) Persons Treated as Owners under Book-Entry Only System. Notwithstanding any other provision of this Resolution to the contrary, the County, the Bond Registrar and each Paying Agent, if any, shall be entitled to treat and consider the person in whose name such Series 2013 Bond is registered in the Bond Register as the absolute owner of such Series 2013 Bond for the purpose of payment of principal, premium, if any, and interest on such Series 2013 Bond, for the purpose of giving notices of redemption and other matters with respect to such Series 2013 Bond, for the purpose of registering transfers with respect to such Series 2013 Bond, and for all other purposes whatsoever. The Bond Registrar and each Paying Agent, if any, shall pay all principal of, premium, if any, and interest on the Series 2013 Bonds only to or upon the order of the respective Series 2013 Bond holders, as shown in the Bond Register as provided in this Resolution, or their respective attorneys duly authorized in writing, and all such payments shall be valid and effective to satisfy and discharge the County’s

obligations fully with respect to payment of principal of, premium, if any, and interest on the Series 2013 Bonds to the extent of the sum or sums so paid. No person other than a Series 2013 Bond holder, as shown in the Bond Register, shall receive a Series 2013 Bond evidencing the obligation of the County to make payments of principal, premium, if any, and interest pursuant to this Resolution.

(d) Substitution of DTC Nominee. 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 & Co., and subject to the provisions in this Resolution, with respect to interest checks or drafts being mailed to the registered owner as of the close of business on the Record Date, the words "Cede & Co." in this Resolution shall refer to such new nominee of DTC; and upon receipt of such a notice the Bond Registrar shall promptly deliver a copy of the same to each Paying Agent, if any.

(e) Successor Securities Depository; Transfers Outside Book-Entry Only System. If the bonds are registered in book-entry form and the County or the Bond Registrar determines that DTC is incapable of discharging its responsibilities described in this Resolution and in the Letter of Representations applicable to the Series 2013 Bonds (the "**Letter of Representations**") or that it is in the best interest of the beneficial owners of the Series 2013 Bonds that they be able to obtain certificated Series 2013 Bonds, the County or the Bond Registrar shall (i) appoint a successor securities depository, qualified to act as such under Section 17(a) of the Securities Act of 1934, as amended, notify DTC and DTC Participants of the appointment of such successor securities depository and transfer one or more separate Series 2013 Bond certificates to such successor securities depository, or (ii) notify DTC and DTC Participants of the availability through DTC of Series 2013 Bond certificates and transfer one or more separate Series 2013 Bond certificates to DTC Participants having Series 2013 Bonds credited to their DTC accounts. In such event, the Series 2013 Bonds shall no longer be restricted to being registered in the Bond Register in the name of Cede & Co., as nominee of DTC, but may be registered in the name of the successor securities depository, or its nominee, or in whatever name or names Series 2013 Bond holders transferring or exchanging Series 2013 Bonds shall designate, in accordance with the provisions of this Resolution.

(f) Payments and Notices to DTC Nominee. Notwithstanding any other provision of this Resolution to the contrary, so long as any of the Series 2013 Bonds is registered in the name of Cede & Co., as nominee of DTC, all payments with respect to principal of, premium, if any, and interest on such Series 2013 Bond and all notices with respect to such Series 2013 Bond shall be made and given, respectively, in the manner provided in the Letter of Representations. The Bond Registrar shall request in each notice sent to Cede & Co. pursuant to the terms of this Resolution that Cede & Co. forward or cause to be forwarded such notice to the DTC Participants, but neither the Bond Registrar nor the County shall be liable if the Bond Registrar fails to make such request or if Cede & Co. fails to honor such request.

(g) Letter of Representations. The Chairman or, in his absence, the Vice-Chairman, the County Clerk, the County Treasurer or the County Administrator are each authorized to execute and deliver the Letter of Representations to DTC and the Paying Agent

substantially in the form of DTC's standard form of "Letter of Representations for Book-Entry-Only Municipal Bonds."

Section 12. Persons Treated as Owners of Series 2013 Bonds. The County, the Paying Agent and the Bond Registrar may treat the registered owner of any Series 2013 Bond as its absolute owner, whether or not that Series 2013 Bond is overdue, for the purpose of receiving payment of the principal of or interest on that Series 2013 Bond and for all other purposes, and neither the County, the Bond Registrar nor the Paying Agent shall be affected by any notice to the contrary. Payment of the principal of and interest on each Series 2013 Bond shall be made only to its registered owner, and all such payments shall be valid and effective to satisfy the obligation of the County on that Series 2013 Bond to the extent of the amount paid.

Section 13. Form of the Series 2013 Bonds. The Series 2013 Bonds shall be in substantially the form set forth in *Exhibit A* to this Resolution, which Exhibit is incorporated by reference into this Section 13 and shall for all purposes be a part of this Resolution.

Section 14. Tax Levy. In order to provide for the collection of a direct annual tax (the "Pledged Taxes") to pay the interest on the Series 2013 Bonds as it falls due, and also to pay and discharge the principal of the Series 2013 Bonds at maturity, there be and there is hereby levied upon all the taxable property within the County a direct annual tax sufficient for that purpose in addition to all other taxes. The specific amounts and years of such levy shall be set forth in the Determination. Principal or interest on the Series 2013 Bonds falling due at any time when there are insufficient funds on hand to pay the same shall be paid promptly when due from the general funds of the County. Those general funds shall be reimbursed from the amounts derived from the Pledged Taxes when those amounts shall be on hand and not needed for paying other payments of interest and principal then coming due on the Series 2013 Bonds.

Section 15. Series 2013 Bond Fund.

(a) There is created a special fund of the County, which fund shall be held separate and apart from all other funds and accounts of the County and shall be known as the "Limited Tax General Obligation Bonds, Series 2013 Debt Service Fund" (the "Series 2013 Bond Fund"). The Series 2013 Bond Fund shall be a trust fund established for the purpose of carrying out the covenants, terms and conditions imposed upon the County by this Resolution.

(b) The Pledged Taxes shall be immediately deposited as received to the credit of the Series 2013 Bond Fund. Such amounts, together with all interest and other investment earnings on those amounts, are appropriated and set aside for the purposes of paying the maturing principal of and interest on the Series 2013 Bonds when due. Investment earnings on moneys on deposit in the Series 2013 Bond Fund shall be retained in the Series 2013 Bond Fund and used to pay the maturing principal of and interest on the Series 2013 Bonds on the next interest payment date after their receipt.

(c) Moneys on deposit in the Series 2013 Bond Fund may be invested from time to time pursuant to any authorization granted to counties by Illinois statute or court decision. Any such investments may be sold from time to time by the County as moneys are needed for the purposes for which the Series 2013 Bond Fund has been created. In addition, the

County Treasurer shall sell such investments when necessary to remedy any deficiency in the Series 2013 Bond Fund.

Section 16. Filing of Resolution; Duties of County Clerk. A certified copy of the Resolution and the Determination shall be filed with the County Clerk prior to September 1, 2013. It shall be the duty of the County Clerk annually for each of the years 2012 to 2025, inclusive, to ascertain the rate necessary to produce the tax levied in this Resolution and the Determination and to extend that tax for collection over the tax books against all of the taxable property situated within the County, without limitation as to rate, in connection with other taxes levied in each of said years for general County purposes. Such taxes shall be computed, extended and collected in the same manner as is now or may subsequently be provided for the computation, extension and collection of taxes for general purposes of the County. The taxes levied and extended pursuant to this Resolution shall be in addition to all other taxes levied by the County.

Section 17. Application of Series 2013 Bond Proceeds; Project Fund. The proceeds derived from the sale of the Series 2013 Bonds shall be applied as follows:

- (a) Proceeds of sale of the Series 2013 Bonds, in the amount necessary, may be applied directly to pay expenses of issuance of the Series 2013 Bonds at the time the Series 2013 Bonds are issued.
- (b) The remaining proceeds of sale of the Series 2013 Bonds shall be deposited for purposes of the Self-Insurance Reserve in an account designated for such purpose by the County.

Within sixty (60) days after depletion of the Project Fund or payment of all costs of the Project, as herein referred to, the County Treasurer shall certify to the County Board the fact of such depletion or the County officer in responsible charge of the Project shall certify to the County Board the fact that the work has been completed according to approved plans and specifications, as applicable, and upon approval of such certification by the County Board, funds (if any) remaining in the Project Fund shall be credited by the County Treasurer to the Series 2013 Bond Fund, and the Project Fund shall be closed.

All amounts received upon the sale of the Series 2103 Bonds, together with all interest and other investment earnings on those amounts, are appropriated and set aside for the purposes for which the Series 2013 Bonds are being issued as set forth in this Resolution.

Section 18. This Resolution a Contract. Upon issuance of the Series 2013 Bonds, the provisions of this Resolution shall constitute a contract between the County and the registered owners of the Series 2013 Bonds, and no changes, additions or alterations of any kind shall be made to this Resolution, except as provided in this Resolution.

Section 19. Bond Registrar, Paying Agent and Authenticating Agent Covenants. If requested by the Bond Registrar, the Chairman and County Clerk are authorized to execute the Bond Registrar's standard form of agreement(s) between the County and the Bond Registrar with respect to the obligations and duties of the Bond Registrar, Paying Agent and Authenticating

Agent under this Resolution. Subject to modification by the express terms of any such agreement, such duties shall include the following:

- (i) to act as Bond Registrar, Paying Agent, Authenticating Agent and/or Transfer Agent as provided in this Resolution;
- (ii) to maintain a list of Series 2013 Bond holders as set forth in this Resolution and to furnish such list to the County upon request, but otherwise to keep such list confidential to the extent permitted by law;
- (iii) to cancel and/or destroy Series 2013 Bonds which have been paid at maturity or upon earlier redemption or submitted for exchange or transfer;
- (iv) to furnish the County at least annually a certificate with respect to Series 2013 Bonds cancelled and/or destroyed; and
- (v) to furnish the County at least annually an audit confirmation of Series 2013 Bonds paid, Series 2013 Bonds outstanding and payments made with respect to interest on the Series 2013 Bonds.

The County Clerk of the County is directed to file a certified copy of this Resolution with the Bond Registrar.

The County covenants with respect to the Bond Registrar, and the Bond Registrar further covenants and agrees, as follows:

- (i) The County shall at all times retain a Bond Registrar with respect to the Series 2013 Bonds; it will maintain at the designated office(s) of such Bond Registrar a place or places where Series 2013 Bonds may be presented for payment, registration, transfer or exchange; and it will require that the Bond Registrar properly maintain the Bond Register and perform the other duties and obligations imposed upon it by this Resolution in a manner consistent with the standards, customs and practices of the municipal securities industry.
- (ii) The Bond Registrar shall signify its acceptance of the duties and obligations imposed upon it by this Resolution by executing the certificate of authentication on any Series 2013 Bond, and by such execution the Bond Registrar shall be deemed to have certified to the County that it has all requisite power to accept and has accepted such duties and obligations not only with respect to the Series 2013 Bonds so authenticated but with respect to all the Series 2013 Bonds. The Bond Registrar shall be the agent of the County and shall not be liable in connection with the performance of its duties except for its own negligence or willful wrongdoing. The Bond Registrar shall, however, be responsible for any representation in its certificate of authentication on Series 2013 Bonds.

- (iii) The County may remove the Bond Registrar at any time. If at any time the Bond Registrar shall resign, shall be removed, shall become incapable of acting, or shall be adjudicated a bankrupt or insolvent, or if a receiver, liquidator, or conservator of the Bond Registrar or of its property shall be appointed, or if any public officer shall take charge or control of the Bond Registrar or of its property or affairs, the County covenants and agrees that it will promptly appoint a successor Bond Registrar. The County shall give notice by certified mail of any such appointment made by it to each registered owner of any Series 2013 Bond within twenty (20) days after such appointment. Any successor Bond Registrar appointed under the provisions of this Section shall be a bank, trust company, or national banking association maintaining its principal corporate trust office in Illinois, having trust powers and having capital and surplus and undivided profits in excess of \$25,000,000.

Section 20. General Covenants. The County covenants with the holders of the Series 2013 Bonds from time to time outstanding that, so long as any Series 2013 Bonds remain outstanding:

- (i) it will punctually pay or cause to be paid from the Series 2013 Bond Fund the principal of, interest on and premium, if any, to become due in respect to the Series 2013 Bonds in strict conformity with the terms of the Series 2013 Bonds and this Resolution, and it will faithfully observe and perform all of the conditions, covenants and requirements of the Series 2013 Bonds and this Resolution;
- (ii) it will pay and discharge, or cause to be paid and discharged, from the Series 2013 Bond Fund any and all lawful claims which, if unpaid, might become a lien or charge upon the Series 2013 Bond Fund, or upon any funds in the hands of the Paying Agent, or which might impair the security of the Series 2013 Bonds. This covenant does not require the County to make any such payment so long as the County in good faith shall contest the validity of said claims;
- (iii) it will keep, or cause to be kept, proper books of record and accounts, separate from all other records and accounts of the County, in which complete and correct entries shall be made of all transactions relating to the Project and to the Series 2013 Bond Fund, and such books of record and accounts shall be at all times during normal business hours subject to the inspection of the holders of not less than ten percent (10.0%) of the aggregate principal amount of the outstanding Series 2013 Bonds or their representatives duly authorized by them in writing;
- (iv) it will preserve and protect the security of the Series 2013 Bonds and the rights of the registered owners of the Series 2013 Bonds, and will warrant and defend their rights against all claims and demands of all persons.

From and after the sale and delivery of any of the Series 2013 Bonds by the County, the Series 2013 Bonds shall be incontestable by the County; and

- (v) it will adopt, make, execute and deliver any and all such further ordinances, resolutions, instruments and assurances as may be reasonably necessary or proper to carry out the intention of, or to facilitate the performance of, this Resolution, and for the better assuring and confirming unto the registered owners of the Series 2013 Bonds of the rights and benefits provided in this Resolution.

Section 21. Aggregate Tax Levy Covenant. The County certifies and covenants that as of the date of this Resolution, the aggregate tax levy for each levy year to pay debt service on "limited bonds" (as defined in Section 3 of the Debt Reform Act) of the County including the Series 2013 Bonds does not exceed the "debt service extension base," as defined in Section 18-185 of the Property Tax Extension Limitation Law. The County further covenants that it will not issue limited bonds or other bonds the debt service on which would so reduce that amount available such that the aggregate tax levy extension for any levy year to pay debt service on limited bonds, including the Series 2013 Bonds, would exceed the debt service extension base.

Section 22. Continuing Disclosure.

- (a) So long as any Series 2013 Bonds are outstanding, and to the extent required by law, the County will provide continuing disclosure of information concerning its financial condition to Bondholders, either directly or through a designated repository or by similar means.

- (b) The Chairman and the County Clerk are each authorized, empowered and directed to execute and deliver a Continuing Disclosure Undertaking (the "**Continuing Disclosure Undertaking**") in substantially the same form as used in connection with prior County bond issues, or with such changes as the officer executing the Continuing Disclosure Undertaking on behalf of the County shall approve, his or her execution to constitute conclusive evidence of his or her approval of such changes.

- (c) When the Continuing Disclosure Undertaking is executed and delivered on behalf of the County, the Continuing Disclosure Undertaking will be binding on the County and the officers, employees and agents of the County. The officers, employees and agents of the County are 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.

- (d) Notwithstanding any other provision of this Resolution, the sole remedies for failure to comply with the Continuing Disclosure Undertaking shall be the ability of the beneficial owner of any Series 2013 Bond to seek mandamus or specific performance by court order to cause the County to comply with its obligations under the Continuing Disclosure Undertaking.

Section 23. Additional Authority. The Chairman, the County Treasurer, the County Clerk, the County Administrator and the other officers and employees of the County are authorized to execute and deliver on behalf of the County such other documents, agreements and certificates and to do such other things consistent with the terms of this Resolution as such officers and employees shall deem necessary or appropriate in order to effectuate the intents and purposes of this Resolution, including without limitation to make any representations and certifications they deem proper pertaining to the Official Statement.

Section 24. Conflicting Resolutions, Etc. All ordinances, resolutions and orders or parts of ordinances, resolutions and orders in conflict with this Resolution are repealed to the extent of such conflict. Resolution 4-1 adopted by the County Board on August 6, 2013 is hereby repealed and rescinded in its entirety.

Section 25. Severability. If any section, paragraph, clause or provision of this Resolution shall be held invalid, the invalidity of such section, paragraph, clause or provision shall not affect any of the other provisions of this Resolution.

Section 26. Effective Date. This Resolution shall be in full force and effect immediately upon its adoption. This Resolution shall be published in pamphlet form as soon as possible after its adoption.

PASSED by the County Board of The County of Sangamon, Illinois this September 3, 2013.

Voting Aye: _____

Voting Nay: _____

Absent: _____

APPROVED AND SIGNED by the Chairman of the County Board this September ____, 2013.

Chairman of the County Board

[SEAL]

ATTEST:

County Clerk

Finance Committee

Andy Glenn

Dody Bunker

Sam Montalbano

John Fugate

Sarah Musgrave

Joe Ruiz

Sharon

John Scott

Sue Davoko

EXHIBIT A

[Form of Series 2013 Bonds]

[Unless this certificate is presented by an authorized representative of The Depository Trust Company, a New York corporation (“DTC”), to the County or its agent for registration of transfer, exchange, or payment, and any certificate issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.]

UNITED STATES OF AMERICA

STATE OF ILLINOIS

THE COUNTY OF SANGAMON

TAXABLE LIMITED TAX GENERAL OBLIGATION BOND,
SERIES 2013

BOND NO. R- _____

PRINCIPAL AMOUNT: \$ _____

DATE OF BOND: [_____, 2013]

INTEREST RATE: _____%

[CUSIP NUMBER: _____]

DATE OF MATURITY: DECEMBER 15, 20__

REGISTERED OWNER: [CEDE & CO.]

The County of Sangamon, Illinois (the “County”), for value received, promises to pay to the Registered Owner specified above or that person’s registered assigns, upon presentation and surrender of this Bond at the principal corporate trust office of Marine Bank (the “Paying Agent”), the Principal Amount of this Bond specified above on the Date of Maturity specified above and to pay to the Registered Owner of this Bond interest on that sum at the Interest Rate per year specified above from the Date of Bond specified above to the date of payment of this Bond, payable semi-annually on June 15th and December 15th of each year, with the first interest payment date being June 15, 2014. Interest shall be computed on the basis of a 360-day year of twelve 30-day months. Interest on this Bond shall be payable on each interest payment date by check or draft of the Paying Agent mailed to the person in whose name this Bond is registered at the close of business on the 15th day preceding that interest payment date. The principal of and interest on this Bond are payable in lawful money of the United States of America. No interest shall accrue on this Bond after its Date of Maturity unless this Bond shall have been presented for payment at maturity and shall not then have been paid.

This Bond is one of an authorized issue of Bonds in the aggregate principal amount of \$8,500,000, the proceeds of which are to be used to fund a self-insurance reserve fund with respect to any tort liabilities that the County may incur, bond discount, if any, interest, bond reserve requirements, if any, legal and other financing and related administrative fees and costs, as described in the Resolution of the County adopted on September 3, 2013 authorizing the issuance and sale of this Bond and the issue of Bonds of which it is a part (the "**Resolution**"). This Bond was issued in accordance with the Illinois Constitution, the Local Government Debt Reform Act, the Illinois Counties Code, and pursuant to the Resolution. This Bond and the issue of which it is a part (together, the "**Bonds**") have been issued by the County upon full payment for them as provided in the Resolution.

The Bonds are limited bonds pursuant to Sections 3 and 15.01 of the Local Government Debt Reform Act (30 ILCS 350/3). Taxes have been levied in an amount sufficient to make prompt payment of both principal of and interest on the Bonds. The County has covenanted that as of the date of the Resolution, the aggregate tax levy for such year to pay debt service on limited bonds will not exceed the amount authorized to be levied pursuant to the Property Tax Extension Limitation Law (35 ILCS 200/18-185 *et seq.* (the "**Act**"), said amount being referred to in Section 18-185 of the Act as "debt service extension base." The County has covenanted that it has not issue limited bonds or other bonds the debt service on which would so reduce that amount available that the aggregate tax levy extension for any levy year to pay debt service on limited bonds, including the Bonds, would exceed the debt service extension base.

The issuance of the Bond does not cause the indebtedness of the County to exceed any limitation under the laws of the State of Illinois.

The Bonds are not subject to redemption prior to their maturity.

This Bond is negotiable, subject to the following provisions for registration and registration of transfer. Marine Bank maintains books for the registration and registration of transfer of Bonds at its principal office in Chicago, Illinois, as Bond Registrar and Authenticating Agent appointed in the Resolution (the "**Bond Registrar**"). This Bond is registered on those books, and transfer of this Bond may be registered on those books only upon surrender of this Bond to the Bond Registrar by the registered owner or his or her attorney duly authorized in writing together with a written instrument of transfer satisfactory to the Bond Registrar duly executed by the registered owner or his or her duly authorized attorney. Upon surrender of this Bond for registration of transfer, a new Bond or Bonds in the same aggregate principal amount will be issued to the transferee as provided in the Resolution.

The Bonds are issued in fully registered form in the denominations of \$5,000 each or authorized integral multiples thereof. This Bond may be exchanged, at the option of the registered owner, for an equal aggregate principal amount of Bonds of any other authorized denominations upon surrender of this Bond at the principal office of the Bond Registrar together with a written instrument of transfer satisfactory to the Bond Registrar duly executed by the registered owner or his or her duly authorized attorney.

For every exchange or registration of transfer of this Bond, the County or the Bond Registrar may make a charge sufficient to reimburse it for any tax, fee or other

governmental charge, other than one imposed by the County, required to be paid with respect to that exchange or transfer, and payment of that charge by the person requesting exchange or registration of transfer shall be a condition precedent to that exchange or registration of transfer. No other charge may be made by the County or the Bond Registrar as a condition precedent to exchange or registration of transfer of this Bond.

The Bond Registrar will not be required to exchange or register the transfer of this Bond during the period from the close of business on the 1st day of the month in which an interest payment date on the Bonds is scheduled to the opening of business on such interest payment date.

The County, the Paying Agent and the Bond Registrar may treat the registered owner of this Bond as its absolute owner, whether or not this Bond is overdue, for the purpose of receiving payment of the principal of or interest on this Bond and for all other purposes, and neither the County, the Bond Registrar nor the Paying Agent shall be affected by any notice to the contrary. Payment of the principal of and interest on this Bond shall be made only to its registered owner, and all such payments shall be valid and effective to satisfy the obligation of the County on this Bond to the extent of the amount paid.

All conditions which by law must have existed or must have been fulfilled in the issuance of this Bond existed and were fulfilled in compliance with law. The issuance of the Bonds by the County will not cause the County to exceed or violate any applicable limitation or condition respecting the issuance of Bonds imposed by the laws of Illinois or by any ordinance or resolution of the County. The Bonds are issued for purposes for which the County is authorized by law to issue its debt obligations.

This Bond shall not be valid for any purpose unless and until the certificate of authentication on this Bond shall have been duly executed by the Authenticating Agent.

IN WITNESS WHEREOF, The County of Sangamon, Illinois, by its County Board, has caused this Bond to be executed by the manual or facsimile signature of its Chairman of the County Board and the manual or facsimile signature of its County Clerk and has caused its corporate seal to be affixed to or impressed on this Bond (or a facsimile of its seal to be printed on this Bond), all as of the Date of Bond specified above.

THE COUNTY OF SANGAMON, ILLINOIS

By: _____
Chairman of the County Board

[SEAL]
ATTEST:

County Clerk

[Form of Certificate of Authentication]

This Bond is one of the Bonds described in the Resolution authorizing the issuance of \$8,500,000 Limited Tax General Obligation Bonds, Series 2013, of The County of Sangamon, Illinois.

MARINE BANK,
as Authenticating Agent

By: _____
Authorized Officer

[FORM OF ASSIGNMENT]

The following abbreviations, when used in the inscription on this Certificate, shall be construed as though they were written out in full according to applicable laws or regulations:

UNIF GIFT MIN ACT -

Custodian
(Cust) (Minor)
under Uniform Gifts to
Minors Act
(State)

TEN COM — as tenants in common
TEN ENT — as tenants by the entireties
JT TEN — as joint tenants with right
of survivorship and not as
tenants in common

Additional abbreviations may also be used though not in the above list.

ASSIGNMENT

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

(Name, Address and Tax Identification Number of Assignee)

the within Bond and does irrevocably constitute and appoint _____
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 assignment must correspond with the name of the registered
owner as it appears upon the face of the within Certificate in every particular,
without alteration or enlargement or any change whatever.

NOTICE: The signature(s) should be guaranteed by an eligible guarantor institution (banks,
stockbrokers, savings and loan associations and credit unions with membership in
approved Signature Guarantee Medallion Program).

10-25

EXHIBIT B

Form of Official Statement

[See Attached.]