

**Resolution of the County Board
of
Kankakee County, Illinois**

RE: AUTHORIZING THE COUNTY BOARD CHAIRMAN AND THE COUNTY CLERK TO SIGN AN AGREEMENT WITH PEOPLES BANK AND HOMESTAR BANK FOR A COMBINED 5 MILLION DOLLAR TAX EXEMPT CORPORATE AND TORT TAX ANTICIPATION WARRANTS

WHEREAS, Kankakee County Government strives to keep a balanced budget and there are many variables that can adversely affect the budget for the County; and,

WHEREAS, Kankakee County has reached out to several banks for a combined total of 5 million dollars in tax anticipation warrants; and,

WHEREAS, Peoples Bank responded with awarding \$3 million dollars in tax anticipation warrants to Kankakee County by offering a fixed percentage rate of 2.5% tax exempt bonds with 45% of total principal due by July 7, 2015 and the remainder 55% of total principal plus all accrued interest due by September 30, 2015; and,

WHEREAS, HomeStar Bank also responded and awarded the County \$2 million dollars in tax anticipation warrants and offered a fixed percentage rate of 2.5% tax exempt bonds with 45% of total principal due by July 7, 2015 and the remainder 55% of total principal plus all accrued interest due by September 30, 2015; and,

WHEREAS, the Corporate Levy is pledged to Peoples Bank and the Tort Liability Levy is pledged to HomeStar Bank and the County will pay all legal expenses in connection with TAW documentation and neither bank is charging a fee; and,

WHEREAS, after discussion, review and consideration the Finance Committee at its November 20, 2014 meeting recommends accepting the terms offered by Peoples Bank for bank qualified 2015 "Corporate Purpose Warrants" at 2.5% interest beginning December 2014 and ending September 30, 2015.

WHEREAS, after review, discussion and consideration, the Finance Committee at its November 20, 2014 meeting recommends accepting the terms offered by HomeStar Bank for bank qualified 2014 "Tax Exempt Tort Liability Levy Warrants" at 2.5% interest beginning December 2014 and ending September 30, 2015 for a combined five (5) million dollars in tax exempt tax anticipation warrants.

WHEREAS, The Warrants shall each be designated "Tax Exempt Corporate Purpose Warrant 2014," and "Tax Exempt Tort Purpose Tax Anticipation Warrant 2014, with each levied in 2014 payable in 2015; and,

WHEREAS, the "Warrants" shall be dated the date of their delivery and shall bear the date of authentication and be in fully registered form and shall be of the denomination of \$5,000 each; and,

WHEREAS, the County of Kankakee is subject to the provisions of the Property Tax Extension Limitation Law of the State of Illinois, 35 ILCS 200/18-185 et. seq. and the assessment information as computed for the year 2014 is within the statutory limitation.

NOW, THEREFORE, BE IT RESOLVED by the Kankakee County Board, that Peoples Bank, is awarded the contract for issuance of Tax Exempt General Purpose Corporate Tax Anticipation Warrants in the amount of three (\$3,000,000) million dollars, and HomeStar Bank is awarded the contract for issuance of Tax Exempt Tort Anticipation Warrants in the amount of two (\$2,000,000) million dollars. The County Board Chairman, and County Clerk of Kankakee County, IL are hereby authorized to sign an agreement for a combined amount of Five Million, (\$5,000,000) dollars in tax anticipation warrant(s) and said agreement shall be in full force and effect immediately upon its passage and shall terminate September 30, 2015.

PASSED and adopted this 9th day of December, 2014.



Michael Bossert, County Board Chairman

ATTEST:



Bruce Clark, County Clerk

ORDINANCE authorizing the issuance of the not to exceed \$5,000,000 Corporate Purpose and Tort Purpose Tax Anticipation Warrants 2014 in anticipation of the collection of taxes levied for the year 2014 and payable in the year 2015, by the County Board of Kankakee County, Illinois, for corporate and tort purposes.

* * *

WHEREAS, there is no money in the treasury of Kankakee County, Illinois (the "*County*"), to defray the necessary expenses of the County; and

WHEREAS, the County Board (the "*Board*") of the County deems it advisable, necessary and for the best interests of the County that funds be provided to meet the necessary expenses of the County and for that purpose, warrants be issued and drawn against and in anticipation of the collection of the taxes heretofore levied for each of corporate and tort purposes by the County for the year 2014; and

WHEREAS, the Counties Code and the Local Government Debt Reform Act of Illinois, as amended, authorizes the Board to issue such warrants up to the extent of 85% of the total amount of the taxes so levied for each purpose, less actual collections thereof:

NOW, THEREFORE, Be It and It Is Hereby Resolved by the County Board of Kankakee County, Illinois, as follows:

Definitions. For all purposes of this Ordinance, except as otherwise expressly provided or unless the context otherwise requires, the terms defined in this Section shall have the meanings set forth below, and shall include the plural as well as the singular.

"*Act*" shall mean the Counties Code of the State of Illinois, as amended, and the Local Government Debt Reform Act of the State of Illinois, as amended.

"*Board*" shall mean the County Board of the County.

"*County*" shall mean Kankakee County, Illinois.

"*Ordinance*" shall mean this Ordinance as adopted by the Board.

"*Treasurer*" shall mean the Treasurer who receives the taxes of the County.

"*Warrant Register*" shall mean the books of the County kept by the Warrant Registrar to evidence the registration and transfer of the Warrants.

"*Warrant Registrar*" shall mean the Treasurer or a duly designated successor thereto.

"*Warrants*" shall mean the tax anticipation warrants of the County authorized to be issued under this Ordinance.

Authorization. Tax anticipation warrants of the County are hereby authorized to be issued, sold and delivered, pursuant to the provisions of the Act, to defray the necessary expenses of the County incurred for corporate purposes and tort purposes and drawn against and in anticipation of the collection of the taxes levied for the year 2014 and payable in the year 2015 for such purposes. The Warrants shall each be designated "Corporate Purpose Anticipation Warrant 2014," and "Tort Purpose Tax Anticipation Warrant 2014" (collectively, the "Warrants"), shall be dated the date of their delivery and shall also bear the date of authentication. The Warrants shall be in fully registered form and shall be of the denomination of \$5,000 each or authorized integral multiples thereof and shall be issued in a maximum aggregate amount of \$5,000,000. The Warrants shall bear interest at the rate not to exceed 2.50% per annum.

The Warrants shall be in substantially the forms presented to the Board and available at this meeting.

Interest; Payment Provisions. Each Warrant shall bear interest, payable only out of the taxes against which such Warrant is drawn, at the rate aforesaid (computed upon the basis of a 360-day year of twelve 30-day months) from the date thereof until paid. The principal of and interest on the Warrants shall be payable upon presentation in lawful money of the United States of America at the principal corporate trust office of the Warrant Registrar in Kankakee, Illinois. The principal of the Warrants issued for each of the purposes set forth above are payable as set forth in the table below and solely from the tax against which they are issued and shall be received by any collector of taxes in payment of the tax against which they are issued:

Principal Maturity Schedule

	<u>Due July 7, 2015</u>	<u>Due September 30, 2015</u>
Corporate Purpose	\$1,350,000	\$1,650,000
Tort Purpose	\$900,000	\$1,100,000

Security. The principal and interest on the Warrants shall be payable from the collection of the taxes levied for corporate and tort purposes for the year 2014 and payable in the year 2015. Such taxes so levied are hereby assigned and pledged to the payment of the applicable Warrants so issued in anticipation of such taxes; and such taxes, when collected, shall be set apart and held for the payment of the corresponding Warrants.

Execution. The Warrants shall be executed on behalf of the County by the Chairman and County Clerk of the Board and shall be registered, numbered, and countersigned by the Treasurer. In case any officer whose signature shall appear on any Warrant shall cease to be such officer before the delivery of such Warrant, such signature shall nevertheless be valid and sufficient for all purposes, the same as if such officer had remained in office until delivery.

All Warrants shall have thereon a certificate of authentication duly executed by the Warrant Registrar as authenticating agent of the County and showing the date of authentication. No Warrant 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 Warrant Registrar by manual signature, and such certificate of authentication

upon any such Warrant shall be conclusive evidence that such Warrant has been authenticated and delivered under this Ordinance. The certificate of authentication on any Warrant shall be deemed to have been executed by the Warrant Registrar if signed by an authorized officer of the Warrant Registrar, but it shall not be necessary that the same officer sign the certificate of authentication on all of the Warrants issued hereunder.

Registration of Warrants; Persons Treated as Owners. The County shall cause the Warrant Register to be kept at the principal office of the Warrant Registrar. The County is authorized to prepare, and the County or the Warrant Registrar shall keep custody of, multiple Warrant blanks for use in the transfer and exchange of Warrants.

Upon surrender for transfer or exchange of any Warrant at the principal office of the Warrant Registrar duly endorsed by, or accompanied by a written instrument or instruments of transfer or exchange in form satisfactory to the Warrant Registrar and duly executed by, the registered owner or an attorney for such owner duly authorized in writing, the County shall execute, date and deliver in the name of the transferee or transferees or, in the case of an exchange, the named registered owner, a new fully registered Warrant or Warrants of the same tenor, bearing the same rate of interest, of authorized denominations, in the same aggregate principal amount, and having assigned to such warrant or warrants the same order of issuance numbers (the "R-1," and so on, numbers), one for each \$5,000 portion, assigned as requested by the registered owner or, if no request is made, by the Warrant Registrar, and subject only that Warrants of the denomination greater than \$5,000 must bear consecutive order of issuance numbers. A new registration number shall be assigned to each such Warrant.

The execution by the County of any fully registered Warrant shall constitute full and due authorization of such Warrant; and the Warrant Registrar shall thereby be authorized to date and deliver such Warrant; provided, however, the principal amount of outstanding Warrants delivered by the Warrant Registrar shall not exceed the then authorized and sold principal amount of Warrants less Warrants previously paid.

The person in whose name any Warrant 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 Warrant shall be made only to or upon the order of the registered owner thereof or a legal representative of such owner. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Warrant to the extent of the sum or sums so paid.

No service charge shall be made for any transfer or exchange of Warrants, but the County or the Warrant 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 Warrants except in the case of the issuance of a Warrant or Warrants for the unredeemed portion of a Warrant surrendered for redemption.

The Warrant Registrar shall not be required to transfer or exchange any Warrant during the period beginning at the close of business at least 15 days prior to maturity and ending on the maturity date of the Warrant.

Sale of Warrants. The Warrants shall be executed by the officials of the County, as hereinabove provided, as soon as may be after this Ordinance becomes effective, and shall be deposited with the Treasurer and, after due authentication by the Warrant Registrar, shall be delivered by said Treasurer to the purchasers thereof, namely, Peoples Bank of Kankakee County, an Illinois banking corporation, upon receipt of the purchase price for the Corporate Purpose Tax Anticipation Warrant 2014 and HomeStar Bank & Financial Services, an Illinois banking corporation, upon receipt of the purchase price for the Tort Purpose Tax Anticipation Warrant, 2014, being the par value thereof. The contracts for the sale of the Warrants (the "*Purchase Contracts*") is hereby determined to be in the best interests of the County and no person holding any office of the County, either by election or appointment, is in any manner financially interested directly in his own name or indirectly in the name of any other person, association, trust, or corporation, in the Purchase Contracts.

Use of Proceeds; Property Tax Extension Limitation Law. The proceeds of the Warrants shall be used to provide funds for the payment of necessary expenses incurred for corporate purposes and tort purposes, and it is hereby certified that the Warrants constitute the only series of warrants or notes issued to provide funds for the payment of necessary expenses for such purposes for the year 2014 by the County pursuant to the provisions of the Act.

The County acknowledges that it is subject to the requirements of the Property Tax Extension Limitation Law of the State of Illinois, as amended (the "*Tax Limitation Law*"). If the County Clerk of the County of Kankakee, Illinois, is required to reduce the County's aggregate extension (as defined in the Tax Limitation Law) for the year 2014 in accordance with the Tax Limitation Law, the County agrees that, in accordance with the Tax Limitation Law, it will direct said County Clerk to not reduce the 2014 extension for the Corporate funds below the amount necessary to pay the principal of and interest on the Warrants.

Covenant. The County covenants that the amount of the Warrants plus available amounts in the County's working cash fund will not exceed the maximum cumulative cash flow deficit in each of the corporate and tort funds for the term during which the Warrants will be outstanding plus an average maintained reserve.

Further Acts. All acts and doings of the officials of the County which are in conformity with the purposes and intent of this Ordinance are hereby in all respects ratified, approved, and confirmed.

Severability. The provisions of this Ordinance are hereby declared to be severable; and if any section, phrase, or provision shall for any reason be declared to be invalid, such declaration shall not affect the validity of the remainder of the sections, phrases, or provisions.

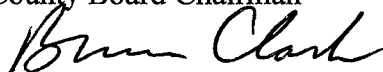
Repealer. All ordinances, orders, or parts thereof in conflict with the provisions of this Ordinance are, to the extent of such conflict, hereby repealed.

Effective Date. This Ordinance shall be in full force and effect immediately upon its passage.

Adopted December 9, 2014.



County Board Chairman



County Clerk

Member Mr. Vickery moved the adoption of the Ordinance as read, and Member Mr. Washington, Jr. seconded the motion. After a full and complete discussion thereof, the Chairman directed the County Clerk to call the roll for a vote upon the motion to adopt the Ordinance as read.

Upon the roll being called the following members voted AYE: Mr. Tripp, Mr. Washington, Jr., Mr. LaGessee, Mr. James, Mr. Vickery, Mr. Hess, Mr. Bossert, Mr. Enz, Mr. Whitis, Mr. Tholen, Mrs. Polk, Mr. McConnell, Mr. Mulcahy, Mr. Snipes, Mr. Byrne, Mr. Sirois, Mr. Liehr, Mr. Hildebrand, Mr. Reid, Mrs. Webber, Mr. Einfeldt, Mrs. Peters, Mrs. Evans, Mr. Payton

The following members voted NAY: None

The following members were absent: Mr. Olthoff, Mr. Skutt, Mr. Wheeler

The following members voted Present: Mr. Stauffenberg

The Chairman declared the motion carried and the Ordinance as hereinbefore set out adopted, approved the same in open meeting, and directed the County Clerk to record the same in full in the records of the County Board of Kankakee County, Illinois, which was done.

Other business not pertinent to said Ordinance was transacted at the meeting.

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



County Clerk