

REVISED
FINANCE COMMITTEE
AGENDA

Called by: Jaime Salgado, Chairman
Members: Joe Hoffman, Burt Gerl,
Dave Fiduccia, Steve Schultz,
Keith McDonald, John Butitta

DATE: THURSDAY, JULY 23, 2020
TIME: 5:30 PM
LOCATION: COUNTY BOARD ROOM, 8TH FLOOR
400 WEST STATE STREET
ROCKFORD, IL 61101
OR ZOOM – (WINNEBAGO COUNTY
YOUTUBE LIVE)

AGENDA:

- A. Call to Order
- B. Roll Call
- C. Public Comment – This is the time we invite the public to address the Finance Committee with issues and concerns. We ask you to limit your comments to three minutes. Personal attacks or inappropriate language of any sort will not be tolerated. We will allow a maximum of five speakers on a first come basis with sign up at the meeting. Speakers may not address zoning matters which are pending before the ZBA, the Zoning Committee or the County Board. Personnel matters or pending or threatened litigation may not be addressed in open session. An individual may speak a maximum of three times per calendar year on the same topic. This prohibition shall include the repetition of the same topic in a statement on what is purported to be a different topic. After acknowledgement by the chair, please stand and state your name. Thank you.
- D. Consideration of an Ordinance Providing for the Issue of a \$400,000 Debt Certificate to Acquire Certain Technology Equipment in and for the County and Authorizing the Sale of the Debt Certificate to Stillman Bank
- E. Resolution Authorizing the Winnebago County Administrator to Negotiate with AFSCME for Hazard Pay
- F. Other Matters
- G. Adjournment

Respectfully submitted,
FINANCE COMMITTEE

AGREE

DISAGREE

Jaime Salgado, Chairman

Jaime Salgado, Chairman

Dave Fiduccia

Dave Fiduccia

Burt Gerl

Burt Gerl

Joe Hoffman

Joe Hoffman

Keith McDonald

Keith McDonald

Steve Schultz

Steve Schultz

John Butitta

John Butitta

The above and foregoing Ordinance was adopted by the County Board of the County of Winnebago, Illinois this ____ day of _____, 2020.

Frank Haney, Chairman of the
County Board of the
County of Winnebago, Illinois

ATTESTED BY:

Lori Gummow, Clerk of the
County Board of the
County of Winnebago, Illinois

ORDINANCE NO. _____

AN ORDINANCE of The County of Winnebago, Illinois, authorizing and providing for an Installment Purchase Agreement for the purpose of paying the cost of purchasing real or personal property, or both, in and for said County, authorizing and providing for the issue of a \$400,000 Debt Certificate, Series 2020, of said County, evidencing the rights to payment under said Agreement, providing for the security for and means of payment under said Agreement of said Certificate, and authorizing the sale of said Certificate to Stillman Bank, Rockford, Illinois.

WHEREAS, The County of Winnebago, Illinois (the "*County*"), is a county and unit of local government of the State of Illinois (the "*State*") operating, *inter alia*, under and pursuant to the Counties Code of the State (the "*Counties Code*"), the Local Government Debt Reform Act of the State (the "*Debt Reform Act*"), and in particular, the provisions of Section 17 of the Debt Reform Act (the "*Installment Purchase Provisions of the Debt Reform Act*") and all other Omnibus Bond Acts of the State, in each case, as supplemented and amended (collectively, "*Applicable Law*"); and

WHEREAS, the County Board of the County (the "*County Board*") has considered the needs of the County and, in so doing, the County Board has deemed and does now deem it advisable, necessary and for the best interests of the County in order to promote and protect the public health, welfare, safety and convenience of the residents of the County to acquire certain technology equipment in and for the County (the "*Equipment*"), all as shown on preliminary plans and cost estimates as on file with and approved by the County Board; and

WHEREAS, the County Board has determined the total cost of the Equipment and expenses incidental thereto, including financial and legal services related to the Agreement hereinafter provided for in this Ordinance to be not less than \$400,000; and

WHEREAS, the County Board has further determined sufficient funds of the County are not available to acquire the Equipment and it is, therefore, necessary that the County borrow money in the amount of \$400,000 for the purpose of paying such costs; and

WHEREAS, pursuant to the Installment Purchase Provisions of the Debt Reform Act, the County has the powers to purchase real or personal property through agreements that provide that the consideration for the purchase may be paid through installments made at stated intervals for a period of no more than 20 years, to sell, convey and reacquire either real or personal property upon any terms and conditions and in any manner as the County Board shall determine, if the County will lease, acquire by purchase agreement, or otherwise reacquire the property as authorized by applicable law and to issue certificates evidencing indebtedness incurred under such agreements; and

WHEREAS, the County Board finds that it is desirable and in the best interests of the County to avail of the provisions of the Installment Purchase Provisions of the Debt Reform Act; to authorize an Installment Purchase Agreement (the "*Agreement*") more particularly as described and provided below in the text of this Ordinance; name as counter-party to the Agreement the County Treasurer of the County (the "*Treasurer*"), as nominee-seller; authorize the Chairman of the County Board (the "*Chairman*") and the County Clerk (the "*County Clerk*") to execute and attest, respectively, the Agreement on behalf of the County and to file same with the Clerk in his or her capacity as keeper of the records and files of the County; and issue a certificate evidencing the indebtedness incurred under the Agreement in the amount of \$400,000, in form and having such details as set forth below in the text of this Ordinance (the "*Certificate*" as more fully described herein):

NOW THEREFORE Be It Ordained by the County Board of The County of Winnebago, Illinois, as follows:

Section 1. Definitions. Words and terms used in this Ordinance shall have the meanings given them unless the context or use clearly indicates another or different meaning is intended.

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

Agreement
Applicable Law
Chairman
Counties Code
County
County Board
County Clerk
Debt Reform Act
Equipment
Installment Purchase Provisions of the Debt Reform Act
State
Treasurer

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

"Acquisition Fund" means the Acquisition Fund established and defined in Section 13 of this Ordinance.

"Certificate Fund" means the fund established and defined in Section 13 of this Ordinance.

"Certificate Register" means the books of the County kept by the Certificate Registrar to evidence the registration and transfer of the Certificate.

"Certificate Registrar" means Stillman Bank, Rockford, Illinois.

"Purchase Price" means the price to be paid by the Purchaser for the purchase of the Certificate, the same being \$400,000.00.

"Purchaser" means the purchaser of the Certificate, namely, Stillman Bank, Rockford, Illinois.

"Record Date" means the 15th day preceding any regular or other interest payment date on the Certificate.

C. Definitions also appear in the preambles hereto or in specific sections, as appear below. The headings in this Ordinance are for the convenience of the reader and are not a part of this Ordinance.

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

Section 3. Authorization. It is necessary and advisable for the public health, safety, welfare and convenience of residents of the County to pay the costs of acquisition of the Equipment, and to borrow money and, in evidence thereof and for the purpose of financing the same, enter into the Agreement and, further, provide for the issuance and delivery of the Certificate evidencing the indebtedness incurred under the Agreement.

Section 4. Agreement is a General Obligation; Annual Appropriation. The County hereby represents, warrants, and agrees that the obligation to make the payments due under the Agreement shall be a lawful direct general obligation of the County payable from the corporate funds of the County and such other sources of payment as are otherwise lawfully available. The County represents and warrants that the total amount due the Seller under the Agreement, together with all other indebtedness of the County, is within all statutory and constitutional debt limitations. The County agrees to appropriate funds of the County annually and in a timely manner so as to provide for the making of all payments when due under the terms of the Agreement.

Section 5. Execution and Filing of the Agreement. From and after the effective date of this Ordinance, the Chairman and County Clerk be and they are hereby authorized and directed to execute and attest, respectively, the Agreement, in substantially the form thereof set forth below in the text of this Ordinance, and to do all things necessary and essential to effectuate the provisions of the Agreement, including the execution of any documents and certificates incidental thereto or necessary to carry out the provisions thereof. Further, as nominee-seller, the Treasurer is hereby authorized and directed to execute the Agreement. Upon full execution, the

original of the Agreement shall be filed with the County Clerk and retained in the County records and constitute authority for issuance of the Certificate. Subject to such discretion of the officers signatory to the document as described in the foregoing text, the Installment Purchase Agreement shall be in substantially the form as follows:

INSTALLMENT PURCHASE AGREEMENT for purchase of real or personal property, or both, in and for The County of Winnebago, Illinois.

THIS INSTALLMENT PURCHASE AGREEMENT (this "*Agreement*") made as of the 3rd day of August, 2020, by and between the Treasurer of the hereinafter-defined County, as Nominee-Seller (the "*Seller*"), and The County of Winnebago, Illinois, a county and unit of local government of the State of Illinois (the "*County*");

WITNESSETH

A. The County Board of the County (the "*County Board*") has determined it is advisable, necessary and for the best interests of the County in order to promote and protect the public health, welfare, safety and convenience of the residents of the County to acquire certain technology equipment in and for the County (the "*Equipment*"), all as previously approved by the County Board and on file with the County Clerk of the County (the "*County Clerk*").

B. Pursuant to the provisions of the Counties Code of the State of Illinois (the "*Counties Code*"); the Local Government Debt Reform Act of the State of Illinois (the "*Debt Reform Act*"), and, in particular, the provisions of Section 17 of the Debt Reform Act (the "*Installment Purchase Provisions of the Debt Reform Act*"); and all other Omnibus Bond Acts of the State of Illinois; in each case, as supplemented and amended (collectively "*Applicable Law*"); the County has the power to purchase real or personal property through agreements that provide that the consideration for the purchase may be paid through installments made at stated intervals for a period of no more than 20 years and has the power to issue certificates evidencing indebtedness incurred under such agreements.

C. On the 23rd day of July, 2020, the County Board, pursuant to Applicable Law and the need to acquire the Equipment, adopted an ordinance (the "*Ordinance*"), authorizing the borrowing of money for the Equipment, the execution and delivery of this Agreement to finance

same, and the issuance of a certificate (the "*Certificate*"), evidencing the indebtedness so incurred.

D. The Ordinance is

- (a) incorporated herein by reference; and
- (b) made a part hereof as if set out at this place in full;

and each of the terms as defined in the Ordinance is also incorporated by reference for use in this Agreement.

E. The Seller, as nominee as expressly permitted by the Installment Purchase Provisions of the Debt Reform Act, has agreed to acquire the Equipment on the terms as hereinafter provided.

NOW THEREFORE in consideration of the mutual covenants and agreements hereinafter contained and other valuable consideration, it is mutually agreed between the Seller and the County as follows:

1. ACQUIRE EQUIPMENT

The Seller agrees to make acquire the Equipment.

2. CONVEYANCE

The Seller agrees to convey the Equipment to the County and to perform all necessary work and convey all necessary equipment; and the County agrees to purchase the Equipment from the Seller and pay for the Equipment the purchase price of \$400,000, plus the amount of investment earnings which are earned on the amount deposited with the Treasurer from the sale of the Certificate and in no event shall the total aggregate principal purchase price to be paid pursuant to this Agreement exceed the sum of \$400,000, plus the amount of investment earnings which are earned on the amount deposited with the Treasurer from the sale of the Certificate.

3. PAYMENTS

The payment of the entire sum of \$400,000 of said purchase price shall:

- (a) be payable in installments due on the dates and in the amounts;
- (b) bear interest at the rates percent per annum which interest shall also be payable on the dates and in the amounts;
- (c) be payable at the place or places of payment, in the medium of payment, and upon such other terms, including prepayment (redemption);

all as provided for payment of the Certificate in the Ordinance.

4. ASSIGNMENT

Rights to payment of the Seller as provided in this Agreement are assigned as a matter of law, under the Installment Purchase Provisions of the Debt Reform Act, to the owners of the Certificate. This Agreement and any right, title, or interest herein, shall not be further assignable. The Certificate, evidencing the indebtedness incurred hereby, are assignable (registrable) as provided in the Ordinance.

5. TAX COVENANTS

The covenants relating to the tax-exempt status of the Certificate, as set forth in the Ordinance, insofar as may be applicable, apply to the work to be performed and the payments made under this Agreement.

6. TITLE.

(a) *Vesting of Title.* Title in and to any part of the Equipment, upon delivery or as made, during all stages of the making or acquisition thereof, shall and does vest immediately in the County.

(b) *Damage, Destruction, and Condemnation.* If, during the term of this Agreement, (i) all or any part of the Equipment shall be destroyed, in whole or in part, or damaged by fire or other casualty or event; or (ii) title to, or the temporary or permanent use of, all or any part of the

Equipment shall be taken under the exercise of the power of eminent domain by any governmental body or by any person, firm, or corporation acting under governmental authority; or (iii) a material defect in construction of all or any part of the Equipment shall become apparent; or (iv) title to or the use of all or any part of the Equipment shall be lost by reason of a defect in title; then the County shall continue to make payments as promised herein and in the Certificate and to take such action as it shall deem necessary or appropriate to repair and replace the Equipment.

7. LAWFUL CORPORATE OBLIGATION

The County hereby represents, warrants, and agrees that the obligation to make the payments due hereunder shall be a lawful direct general obligation of the County payable from the corporate funds of the County and such other sources of payment as are otherwise lawfully available. The County represents and warrants that the total amount due the Seller hereunder, together with all other indebtedness of the County, is within all statutory and constitutional debt limitations. The County agrees to appropriate funds of the County annually and in a timely manner so as to provide for the making of all payments when due under the terms of this Agreement.

8. GENERAL COVENANT AND RECITAL

It is hereby certified and recited by the Seller and the County, respectively, that as to each, respectively, for itself, all conditions, acts, and things required by law to exist or to be done precedent to and in the execution of this Agreement did exist, have happened, been done and performed in regular and due form and time as required by law.

9. NO SEPARATE TAX

THE SELLER AND THE COUNTY RECOGNIZE THAT THERE IS NO STATUTORY AUTHORITY FOR THE LEVY OF A SEPARATE TAX IN ADDITION TO OTHER TAXES OF THE

COUNTY OR THE LEVY OF A SPECIAL TAX UNLIMITED AS TO RATE OR AMOUNT TO PAY ANY OF THE AMOUNTS DUE HEREUNDER.

10. DEFAULT

In the event of a default in payment hereunder by the County, the Seller or any Certificateholder may pursue any available remedy by suit at law or equity to enforce the payment of all amounts due or to become due under this Agreement, including, without limitation, an action for specific performance.

IN WITNESS WHEREOF the Seller has caused this Installment Purchase Agreement to be executed and attested, and his or her signature to be attested by the County Clerk, and the County has caused this Installment Purchase Agreement to be executed by its Chairman, and also attested by the County Clerk, and the official seal of the County to be hereunto affixed, all as of the day and year first above written.

SELLER: Signature: _____

[Here type name]: Susan Goral
as Nominee-Seller and the County Treasurer

ATTEST:

County Clerk

[SEAL]

THE COUNTY OF WINNEBAGO, ILLINOIS

Chairman of the County Board

ATTEST:

County Clerk

[SEAL]

STATE OF ILLINOIS)
) SS
COUNTY OF WINNEBAGO)

CERTIFICATE OF INSTALLMENT PURCHASE AGREEMENT FILING

I, the undersigned, do hereby certify that I am the duly qualified and acting County Clerk of The County of Winnebago, Illinois (the "*County*"), and as such officer I do hereby certify that on the 3rd day of August, 2020, there was filed in my office a properly certified copy of that certain document, executed by the Chairman of the County Board, attested by me in my capacity as County Clerk, and further executed, as Nominee-Seller, by the County Treasurer of the County, also attested by me, dated the 3rd day of August, 2020, and entitled "INSTALLMENT PURCHASE AGREEMENT for purchase of real or personal property, or both, in and for The County of Winnebago, Illinois"; and supporting the issuance of the Debt Certificate, Series 2020, of the County; that attached hereto is a true and complete copy of said Agreement as so filed; and that the same has been deposited in the official files and records of my office.

IN WITNESS WHEREOF I have hereunto affixed my official signature and the seal of The County of Winnebago, Illinois, this 3rd day of August, 2020.

County Clerk

[SEAL]

Section 6. Certificate Details. For the purpose of providing for the acquisition of the Equipment, there shall be issued and sold the Certificate in the principal amount of \$400,000. The Certificate shall be designated "Debt Certificate, Series 2020". The Certificate shall be dated August 3, 2020, and shall also bear the date of authentication and shall be in fully registered form. The Certificate shall become finally due and payable (subject to prior redemption as hereinafter described) on August 3, 2025, shall bear interest at the rate per annum of 1.0% (computed on the basis of a 360-day year of twelve 30-day months) and shall be payable (i) in 59 monthly installments of \$6,837.50 each for both principal and interest, beginning on September 3, 2020, and on the 3rd day of each month thereafter, to and including July 3, 2025, and (ii) by a final installment for all remaining principal and interest due on the Certificate on August 3, 2025, all in accordance with the Amortization Schedule attached hereto as *Exhibit B*.

The payments of interest and principal on the Certificate prior to final payment shall be paid by check or draft of the Certificate Registrar, payable upon presentation thereof in lawful money of the United States of America, to the person in whose name such Certificate is registered, and mailed to the registered owner of the Certificate at the address as shown in the Certificate Register or at such other address furnished in writing by such registered owner not less than five (5) business days prior to each payment date or hand-delivered not later than 10:00 a.m. on the day when due. The final payment due on the Certificate shall be payable in lawful money of the United States of America upon presentation thereof by the Certificateholder at the principal office of the Certificate Registrar.

Section 7. Execution; Authentication. The Certificate shall be executed on behalf of the County by the manual or duly authorized facsimile signature of the Chairman and attested by the manual or duly authorized facsimile signature of the County Clerk, and shall have impressed or imprinted thereon the corporate seal or facsimile thereof of the County. In case any such

officer whose signature shall appear on any Certificate shall cease to be such officer before the delivery of such Certificate, such signature shall nevertheless be valid and sufficient for all purposes, the same as if such officer had remained in office until delivery. The Certificate shall have thereon a certificate of authentication, substantially in the form hereinafter set forth, duly executed by the Certificate Registrar as authenticating agent of the County and showing the date of authentication. No Certificate 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 Certificate Registrar by manual signature, and such certificate of authentication upon any such Certificate shall be conclusive evidence that such Certificate has been authenticated and delivered under this Ordinance.

Section 8. Redemption. The Certificate shall be subject to redemption prior to maturity at the option of the County as a whole or in part, on any date, at the redemption price of par plus accrued interest to the redemption date. Upon any partial redemption of the Certificate, the remaining principal amount of the Certificate then outstanding shall be reamortized so as to provide for level semi-annual payments of principal and interest on the 3rd day of each month until final maturity on August 3, 2025, when all remaining principal and interest on the Certificate shall be due.

The County shall, at least fifteen (15) days prior to any optional redemption date (unless a shorter time period shall be satisfactory to the Certificate Registrar) notify the Certificate Registrar of such redemption date and of the principal amount of the Certificate to be redeemed.

Section 9. Redemption Procedure. Unless waived by any holder of the Certificate, notice of the call for any such redemption shall be given by the Certificate Registrar on behalf of the County by mailing the redemption notice by first class mail at least fifteen (15) days and not

more than sixty (60) days prior to the date fixed for redemption to the registered owner of the Certificate at the address shown on the Certificate Register or at such other address as is furnished in writing by such registered owner to the Certificate Registrar.

All notices of redemption shall state:

- (1) the redemption date,
- (2) the redemption price,
- (3) if less than all of the Certificate is to be redeemed, the principal amount to be redeemed,
- (4) that on the redemption date the redemption price will become due and payable upon the Certificate or portion thereof called for redemption, and that interest thereon shall cease to accrue from and after said date,
- (5) the place where the Certificate is to be surrendered for payment of the redemption price, which place of payment shall be the principal office of the Certificate Registrar, and
- (6) such other information then required by custom, practice or industry standard.

Unless moneys sufficient to pay the redemption price of the Certificate at the option of the County shall have been received by the Certificate Registrar prior to the giving of such notice of redemption, such notice may, at the option of the County, state that said redemption shall be conditional upon the receipt of such moneys by the Certificate 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 County shall not redeem the Certificate, and the Certificate 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 the Certificate will not be redeemed. Otherwise, prior to any redemption date, the County shall deposit with the Certificate Registrar an amount of money

sufficient to pay the redemption price of the Certificate or portion of Certificate to be redeemed on that date.

Subject to the provisions for a conditional redemption described above, notice of redemption having been given as aforesaid, the Certificate or portions of the Certificate 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 County shall default in the payment of the redemption price) the Certificate or portions of the Certificate shall cease to bear interest. Upon surrender of the Certificate for redemption in accordance with said notice, the Certificate shall be paid by the Certificate 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 the Certificate, there shall be prepared for the registered holder a new Certificate in the amount of the unpaid principal.

If the Certificate or portion of the Certificate 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 Certificate so called for redemption. When redeemed, the Certificate shall be cancelled and destroyed by the Certificate Registrar and shall not be reissued.

Section 10. Registration of Certificate; Persons Treated as Owners. The County shall cause books (the "*Certificate Register*") for the registration and for the transfer of the Certificate as provided in this Ordinance to be kept at the principal corporate office maintained for such purpose by the Certificate Registrar, which is hereby constituted and appointed the registrar of the County for the Certificate. The County is authorized to prepare, and the Certificate Registrar or such other agent as the County may designate shall keep custody of, multiple Certificate blanks executed by the County for use in the transfer and exchange of Certificate. The

Certificate may be transferred as a whole but not in part, but only in the manner, subject to the limitations, and upon payment of the charges as set forth in this Ordinance.

Upon surrender for transfer of the Certificate at the principal office of the Certificate Registrar, duly endorsed by, or accompanied by a written instrument or instruments of transfer in form satisfactory to the Certificate Registrar and duly executed by, the registered owner or his attorney duly authorized in writing, the County shall execute and the Certificate Registrar shall authenticate, date and deliver in the name of the transferee a new fully registered Certificate. Any fully registered Certificate may be exchanged at said office of the Certificate Registrar for a like aggregate principal amount of Certificate. The execution by the County of any fully registered Certificate shall constitute full and due authorization of such Certificate and the Certificate Registrar shall thereby be authorized to authenticate, date and deliver such Certificate.

The Certificate Registrar shall not be required to transfer or exchange the Certificate during the period beginning at the close of business on the Record Date and ending at the opening of business on the related interest payment date, nor to transfer or exchange the Certificate after notice calling the Certificate for redemption has been mailed, nor during a period of fifteen (15) days next preceding mailing of a notice of redemption of the Certificate.

The person in whose name the Certificate shall be registered shall be deemed and regarded as the absolute owner thereof for all purposes, and payment of the principal of or interest on the Certificate shall be made only to or upon the order of the registered owner thereof or his legal representative. All such payments shall be valid and effectual to satisfy and discharge the liability upon the Certificate to the extent of the sum or sums so paid.

No service charge shall be made for any transfer or exchange of the Certificate, but the County or the Certificate 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

the Certificate except in the case of the issuance of a Certificate for the unredeemed portion of the Certificate surrendered for redemption.

Section 11. Form of Certificate. The Certificate shall be in substantially the form hereinafter set forth; *provided, however*, that if the text of the Certificate is to be printed in its entirety on the front side of the Certificate, then the second paragraph on the front side and the legend "See Reverse Side for Additional Provisions" shall be omitted and the text of paragraphs set forth for the reverse side shall be inserted immediately after the first paragraph.

[FORM OF CERTIFICATE - FRONT SIDE]

REGISTERED
NO. 1

REGISTERED
\$400,000

UNITED STATES OF AMERICA
STATE OF ILLINOIS
COUNTY OF WINNEBAGO
DEBT CERTIFICATE, SERIES 2020

See Reverse Side for
Additional Provisions.

Registered Owner: STILLMAN BANK

Principal Amount: FOUR HUNDRED THOUSAND DOLLARS

KNOW ALL PERSONS BY THESE PRESENTS that The County of Winnebago, Illinois, a county and political subdivision of the State of Illinois (the "*County*"), hereby acknowledges itself to owe and for value received promises to pay from the source and as hereinafter provided to the Registered Owner identified above, or registered assigns, on the Maturity Date identified above (subject to prior redemption as hereinafter set forth), 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 August 3, 2020, 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 below, until said Principal Amount is paid. This Certificate shall become finally due and payable on August 3, 2025. This Certificate shall bear interest at the rate of 1.0% per annum (computed on the basis of a 360-day year of twelve 30-day months) payable in monthly installments for both principal and interest beginning on September 3, 2020, and on the 3rd day of each month thereafter, to and including July 3, 2025, and (ii) by a final installment for all remaining principal and interest due on the Certificate on August 3, 2025, all in accordance with the Amortization Schedule attached to the Ordinance as *Exhibit B*. Stillman Bank, Rockford, Illinois shall act as paying agent and registrar (the "*Certificate Registrar*"). The payments of interest and principal on this Certificate prior to final payment shall be made to the Registered

Owner hereof as shown on the registration books of the County maintained by the Certificate Registrar and shall be paid by check or draft of the Certificate 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 Certificate Registrar, not less than five (5) business days prior to each payment date or hand-delivered not later than 10:00 a.m. on the day when due. The final payment due on this Certificate shall be payable in lawful money of the United States of America upon presentation thereof by the Certificateholder at the principal office of the Certificate Registrar.

Reference is hereby made to the further provisions of this Certificate 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.

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 Certificate, including Applicable Law as defined herein, have existed and have been properly done, happened, and been performed in regular and due form and time as required by law; that the obligation to make payments due hereon are a lawful direct general obligation of the County payable from the corporate funds of the County and such other sources of payment as are otherwise lawfully available; that the total amount due under the Agreement, represented by the Certificate, together with all other indebtedness of the County, is within all statutory and constitutional debt limitations; and that the County shall appropriate funds annually and in a timely manner so as to provide for the making of all payments hereon when due. THE OWNER OF THIS CERTIFICATE ACKNOWLEDGES THAT THERE IS NO STATUTORY AUTHORITY FOR THE LEVY OF A SEPARATE TAX IN ADDITION TO OTHER TAXES OF THE COUNTY OR THE LEVY OF A SPECIAL TAX UNLIMITED AS TO RATE OR AMOUNT TO PAY ANY OF THE AMOUNTS DUE HEREUNDER.

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

IN WITNESS WHEREOF The County of Winnebago, Illinois, by its County Board, has caused this Certificate to be executed by the manual or duly authorized facsimile signature of the Chairman of its County Board and attested by the manual or duly authorized facsimile signature of the County 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

Chairman of the County Board

ATTEST:

SPECIMEN

County Clerk

[SEAL]

Date of Authentication: _____, 2020

CERTIFICATE
OF
AUTHENTICATION

Certificate Registrar and Paying Agent:
Stillman Bank,
Rockford, Illinois

STILLMAN BANK,
as Certificate Registrar

By _____
Authorized Officer

[FORM OF CERTIFICATE - REVERSE SIDE]

This Certificate is issued by the County for the purpose of acquiring the Equipment, all as described and defined in the ordinance authorizing the Certificate (the "*Ordinance*"), pursuant to and in all respects in compliance with the applicable provisions of the Counties Code of the State of Illinois, as supplemented and amended, and in particular as supplemented by the Local Government Debt Reform Act of the State of Illinois, as amended, and the other Omnibus Bond Acts of the State of Illinois ("*Applicable Law*"), and with the Ordinance, which has been duly passed by the County Board of the County on the 23rd day of July, 2020, and approved by the Chairman, in all respects as by law required. This Certificate has been issued in evidence of the indebtedness incurred pursuant to a certain Installment Purchase Agreement (the "*Agreement*"), dated as of the 3rd day of August, 2020, entered into by and between the County and its County Treasurer, as Seller-Nominee, to which reference is hereby expressly made for further definitions and terms and to all the provisions of which the holder by the acceptance of this Certificate assents.

This Certificate is subject to redemption prior to maturity as set forth in the Ordinance.

This Certificate is subject to provisions relating to registration, transfer, and exchange; notice and procedure for redemption; and such other terms and provisions relating to security and payment as are set forth in the Ordinance; to which reference is hereby expressly made; and to all the terms of which the registered owner hereof is hereby notified and shall be subject.

The County and the Certificate 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 County nor the Certificate Registrar shall be affected by any notice to the contrary.

ASSIGNMENT

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

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

(Name and Address of Assignee)

the within Certificate and does hereby irrevocably constitute and appoint

as attorney to transfer the said Certificate 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.

Section 12. Sale of Certificate. The Certificate hereby authorized shall be executed as in this Ordinance provided as soon after the passage hereof as may be, and thereupon be deposited with the Treasurer, and be by the Treasurer delivered to the Purchaser, upon receipt of the Purchase Price; the contract for the purchase of the Certificate is in all respects ratified, approved and confirmed, it being hereby found and determined that the Certificate has been sold at such price and bears interest at such rate that neither the true interest cost (yield) nor the net interest rate received upon such sale exceed the maximum rate otherwise authorized by Illinois law and that the contract for the purchase of the Certificate is in the best interests of the County and that no person holding any office of the County, either by election or appointment, is in any

manner financially interested directly in his or her own name or indirectly in the name of any other person, association, trust or corporation, in the contract for the purchase of the Certificate.

The officers of the County Board are hereby authorized to take any action as may be required on the part of the County to consummate the transactions contemplated by this Ordinance and the Certificate.

Section 13. Use of Certificate Proceeds. There is hereby established a "Debt Certificate Fund of 2020" (the "*Certificate Fund*"), which shall be the fund for the payment of the principal of and interest on the Certificate. Funds lawfully available for the purpose of paying the principal of and interest on the Certificate shall be deposited into the Certificate Fund and used solely and only for such purpose.

The sale proceeds of the Certificate are hereby appropriated to pay costs of issuance of the Certificate and to acquire the Equipment, and that portion thereof not needed to pay such costs of issuance is hereby ordered deposited into the "Acquisition Fund" (the "*Acquisition Fund*"), hereby created. It is hereby found and determined and hereby declared and set forth that the County Board (a) has not entered into an agreement of any kind with any entity, party or person (including, but not limited to, the Purchaser) to not expend the proceeds of the Certificate deposited into the Acquisition Fund for any period of time and (b) is not required by any contract, decree, instrument, order, regulation or ruling, to not expend the proceeds of the Certificate deposited into the Acquisition Fund for any period of time. Moneys in the Acquisition Fund shall be used to acquire the Equipment in accordance with the following procedures:

1. Contracts ("*Acquisition Contracts*") have been or shall be awarded, from time to time, by the County Board for the acquisition of the Equipment; and the County Board represents and covenants that each Acquisition Contract has been or will be let in

strict accordance with the applicable laws of the State of Illinois, and the rules and procedures of the County for same.

2. Pursuant to this Ordinance or subsequent ordinance or ordinances to be duly adopted, the County Board shall identify all or a designated portion of each Acquisition Contract to the Agreement. The Acquisition Contracts attached hereto as *Exhibit A* are hereby identified to the Agreement. This Ordinance, any such further ordinance and said Acquisition Contracts shall be filed of record with the County Clerk and the County Board. The adoption and filing of any such ordinance or ordinances and the Acquisition Contracts with such officers shall constitute authority for the County Board to make disbursements from the Acquisition Fund to pay amounts due under such Acquisition Contracts from time to time, upon such further ordinances, resolutions, orders, vouchers, warrants, or other proceedings as are required under the applicable laws of the State of Illinois, and the rules and procedures of the County for same. No action need be taken by or with respect to the contractors under the Acquisition Contracts as, pursuant to the Installment Purchase Provisions, the Treasurer acts as Nominee-Seller of the Equipment for all purposes, enabling the issuance of the Certificate.

Alternatively to the creation of the funds described above, the appropriate officers may allocate the funds to be deposited into the Certificate Fund or proceeds of the Certificate to one or more related funds of the County already in existence and in accordance with good accounting practice; *provided, however*, that this shall not relieve such officers of the duty to account and invest such funds and the proceeds of the Certificate, as herein provided, as if the funds described above had in fact been created.

At the time of the issuance of the Certificate, the costs of issuance of the Certificate may be paid by the Purchaser on behalf of the County from the proceeds of the Certificate.

Section 14. Non-Arbitrage and Tax-Exemption. The County 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 Certificate) if taking, permitting or omitting to take such action would the Certificate 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 Certificate to be included in the gross income of the recipients thereof for federal income tax purposes. The County 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 Certificate, under present rules, the County 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 County also agrees and covenants with the purchasers and holders of the Certificate 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 Certificate and affects the tax-exempt status of the Certificate.

The County Board hereby authorizes the officials of the County responsible for issuing the Certificate, the same being the Chairman, County Clerk and Treasurer, to make such further covenants and certifications regarding the specific use of the proceeds of the Certificate as approved by the County Board and as may be necessary to assure that the use thereof will not cause the Certificate to be arbitrage bonds and to assure that the interest on the Certificate will be exempt from federal income taxation. In connection therewith, the County and the County Board further agree: (a) through their officers, to make such further specific covenants, representations as shall be truthful, and assurances as may be necessary or advisable; (b) to consult with counsel

approving the Certificate 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 Certificate; (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 County in such compliance.

Section 15. List of Certificateholders. The Certificate Registrar shall maintain a list of the names and addresses of the holders of the Certificate and upon any transfer shall add the name and address of the new Certificateholder and eliminate the name and address of the transferor Certificateholder.

Section 16. Duties of Certificate Registrar. If requested by the Certificate Registrar, any officer of the County is authorized to execute the Certificate Registrar's standard form of agreement between the County and the Certificate Registrar with respect to the obligations and duties of the Certificate Registrar hereunder which may include the following:

- (a) to act as certificate registrar, authenticating agent, paying agent and transfer agent as provided herein;
- (b) to maintain a list of Certificateholders as set forth herein and to furnish such list to the County upon request, but otherwise to keep such list confidential;
- (c) to give notice of redemption of the Certificate as provided herein;
- (d) to cancel and/or destroy Certificates which have been paid at maturity or upon earlier redemption or submitted for exchange or transfer;
- (e) to furnish the County at least annually a certificate with respect to Certificates cancelled and/or destroyed; and
- (f) to furnish the County at least annually an audit confirmation of payments made with respect to the Certificate.

Section 17. Record-Keeping Policy and Post-Issuance Compliance Matters. On May 14, 2020, the County Board adopted a record-keeping policy (the “*Policy*”) in order to maintain sufficient records to demonstrate compliance with its covenants and expectations to ensure the appropriate federal tax status for the debt obligations of the County, the interest on which is excludable from “gross income” for federal income tax purposes (such as the Certificate) or which enable the County or the holder to receive federal tax benefits, including, but not limited to, qualified tax credit bonds and other specified tax credit bonds. The County Board and the County hereby reaffirm the Policy.

Section 18. Severability. If any section, paragraph, clause or provision of this Ordinance shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such section, paragraph or provision shall not affect any of the remaining provisions of this Ordinance.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

Section 19. Repeal. All ordinances, resolutions or parts thereof in conflict herewith be and the same are hereby repealed, and this Ordinance shall be in full force and effect forthwith upon its adoption.

AYES: _____

NAYS: _____

ABSENT: _____

ADOPTED: July 23, 2020

APPROVED: July 23, 2020

Chairman of the County Board,
The County of Winnebago, Illinois

Recorded In County Records: July 23, 2020.

ATTEST:

County Clerk,
The County of Winnebago, Illinois

EXHIBIT A

ACQUISITION CONTRACTS

EXHIBIT B

AMORTIZATION SCHEDULE

**RESOLUTION
OF THE
COUNTY BOARD OF THE COUNTY OF WINNEBAGO, ILLINOIS**

2020 CR _____

SUBMITTED BY: FINANCE COMMITTEE

SPONSORED BY: JAIME SALGADO

**RESOLUTION AUTHORIZING THE WINNEBAGO COUNTY ADMINISTRATOR
TO NEGOTIATE WITH AFSCME FOR HAZARD PAY**

WHEREAS, a significant global outbreak of Coronavirus Disease 2019 (COVID-19) has been ongoing since early 2020; and

WHEREAS, as of July 17, 2020, Winnebago County, Illinois, reports 3,292 confirmed cases and 99 deaths and the State of Illinois reports 161,575 cases and 7,295 deaths; and

WHEREAS, certain employment positions in Winnebago County have more exposure to COVID-19 due to the nature of the work being performed; and

WHEREAS, individuals in those positions have been performing duties substantially dedicated to mitigating or responding to the COVID-19 public health emergency; and

WHEREAS, the County Board of the County of Winnebago wishes to acknowledge the risk faced by those individuals and provide an incentive for those employees to continue to come to work every day in light of the ongoing COVID-19 pandemic; and

WHEREAS, the County Board desires to have the Winnebago County Administrator negotiate with American Federation of State, County, and Municipal Employees AFL-CIO, Illinois Council 31 for and on behalf of Local 473 (AFSCME) for the provision of hazard pay.

NOW, THEREFORE, BE IT AND IT IS HEREBY RESOLVED, by the County Board of the County of Winnebago, Illinois, that the Winnebago County Administrator is authorized to negotiate COVID Hazard Pay with AFSCME, to be distributed equitably among impacted employees.

BE IT FURTHER RESOLVED that this Resolution shall be in full force and effect immediately upon its adoption.

Respectfully submitted,

**FINANCE
COMMITTEE**

AGREE

JAIME SALGADO, CHAIRMAN

STEVE SCHULTZ

KEITH McDONALD

DAVE FIDUCCIA

JOE HOFFMAN

BURT GERL

JOHN BUTITTA

DISAGREE

JAIME SALGADO, CHAIRMAN

STEVE SCHULTZ

KEITH McDONALD

DAVE FIDUCCIA

JOE HOFFMAN

BURT GERL

JOHN BUTITTA

The above and foregoing Resolution was adopted by the County Board of the County of Winnebago, Illinois, this ____ day of _____, 2020.

Frank Haney
Chairman of the County Board
of the County of Winnebago, Illinois

Attested by:

Lori Gummow
Clerk of the County Board
of the County of Winnebago, Illinois