



SPECIAL MEETING OF THE CHAMPAIGN COUNTY BOARD AGENDA

County of Champaign, Urbana, Illinois
Tuesday, April 9, 2019 – *6:15 p.m. *Please Note Time

Lyle Shields Meeting Room, Brookens Administrative Center,
1776 East Washington Street, Urbana, Illinois

<u>Agenda Item</u>	<u>Page #</u>
I. Call to Order	
II. *Roll Call	
III. Prayer & Pledge of Allegiance	
IV. Read Notice of Meeting	
V. Approval of Agenda/Addenda	
VI. Public Participation	
VII. New Business	
A. *Adoption of Ordinance No. 2019-6 providing for the payment of the outstanding General Obligation Bonds, Series 2011, and General Obligation Bonds, (Alternate Revenue Source) Series 2015, in advance of their respective maturities, authorizing the execution and delivery of an escrow agreement in connection therewith and related matters.	1-29
B. **Adoption of Resolution No. 2019-77 Authorizing Budget Amendment 19-00020 Fund 074 2003 Nursing Home Bond Debt Service / Dept. 010 County Board Increased Appropriations: \$3,002,800 Increased Revenue: \$4,540,000 Reason: Budget Amendment Required for Defeasance of the Series 2011 Nursing Home Bonds. This Amendment Reflects the Amount of the Sale Proceeds Estimated to be Required for Bond Defeasance.	30-31
C. **Adoption of Resolution No. 2019-78 Authorizing Budget Amendment 19-00021 Fund 080 General Corporate / Dept. 013 Debt Service Increased Appropriations: \$1,570,000 Increased Revenue: \$1,849,727 Reason: Budget Amendment Required for Defeasance of the Series 2015 Nursing Home Bonds. This Amendment Reflects the Amount of the Sale Proceeds that are Required to be Used for Redemption.	32-33
VIII. Adjourn	
*Roll Call	
**Roll call and 15 votes	
***Roll call and 17 votes	
****Roll call and 12 votes	
Except as otherwise stated, approval requires the vote of a majority of those County Board members present.	



CHAMPAIGN COUNTY ADMINISTRATIVE SERVICES

1776 East Washington Street, Urbana, Illinois 61802-4581

*ADMINISTRATIVE, BUDGETING, PURCHASING & HUMAN RESOURCE
MANAGEMENT SERVICES*

MEMORANDUM

To: Honorable Members of the Champaign County Board

From: Tami Ogden, Deputy County Administrator of Finance

Date: April 4, 2019

Subject: Nursing Home Bond Defeasance and Redemption

Background

The outstanding bonds issued to finance the Champaign County Nursing Home are tax-exempt. The sale of property financed with tax-exempt bonds to a non-governmental entity requires the County to undertake remedial actions in order to ensure compliance with federal income tax regulations. Proceeds from the sale of the Home must be used to facilitate the remedial actions.

2011 General Obligation Bonds

The 2011 bonds are not callable until July 2021; however, because the bonds are callable within 10 ½ years of issuance, defeasance of nonqualified bonds is an available remedial action that preserves the tax-exempt status of the bonds. Bond defeasance is accomplished through an irrevocable escrow established to redeem the bonds on their earliest call date. The escrow must be sufficient to pay all principal, interest and call premium from the date the escrow is established to the earliest call date.

Bond defeasance renders the outstanding bonds as paid, removes the debt from the County's balance sheet, and eliminates all obligations of the issuer for payment of the bonds. The taxes levied in the bond ordinances are abated with the establishment of the defeasance escrow.

2015 Alternate Revenue Bonds (Payable from One-Cent Sales Tax Revenue)

This issue is a private placement which was callable on December 15, 2018. Because the nonqualified bonds are callable, redemption of the bonds is the remedial action that is required of the County. The County will provide notice to the bond holder that it is calling the bonds, and proceeds from the sale of the home will be used to redeem the nonqualified bonds.

REQUESTED ACTION

The Champaign County Board approves An Ordinance providing for the payment of the outstanding General Obligation Bonds, Series 2011, and General Obligation Bonds (Alternate Revenue Source), Series 2015, in advance of their respective maturities, authorizing the execution and delivery of an escrow agreement in connection therewith and related matters, including necessary budget amendments.

EXTRACT OF MINUTES of a special public meeting of the County Board of The County of Champaign, Illinois, held in the Lyle Shields Meeting Room, Brookens Administration Center, 1776 East Washington Street, Urbana, Illinois, in said County at 6:15 o'clock P.M., on the 9th day of April, 2019.

* * *

The County Executive called the meeting to order and directed the County Clerk to call the roll.

Upon roll call, Darlene Kloeppel, the County Executive, and the following County Board Members answered present at said location: _____

and the following were absent: _____ .

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

The County Executive announced that the County Board would next consider the adoption of an ordinance providing for the payment of the County's outstanding General Obligation Refunding Bonds, Series 2011, and General Obligation Bonds (Alternate Revenue Source), Series 2015, in advance of their respective maturities, authorizing the execution and delivery of an escrow agreement in connection therewith, and certain related matters.

WHEREUPON, the County Executive presented, and the County Clerk made available to the County Board Members and interested members of the public, complete copies of an ordinance entitled:

AN ORDINANCE providing for the payment of the outstanding General Obligation Refunding Bonds, Series 2011, and General Obligation Bonds (Alternate Revenue Source), Series 2015, of The County of Champaign, Illinois, in advance of their respective maturities, authorizing the execution and delivery of an escrow agreement in connection therewith and related matters.

(the "Ordinance").

County Board Member _____ moved and County Board Member _____ seconded the motion that the Ordinance as presented be adopted.

After a full discussion thereof, the County Executive directed that the roll be called for a vote upon the motion to adopt the Ordinance.

Upon the roll being called, the following County Board Members voted AYE: _____

and the following County Board Members voted NAY: _____ .

WHEREUPON, the County Executive declared the motion carried and the Ordinance adopted and directed the County Clerk to record the same in full in the records of the County Board of The County of Champaign, Illinois.

Other business was duly transacted at said meeting.

Upon motion duly made and carried, the meeting adjourned.

County Clerk

ORDINANCE NO. 2019-6

AN ORDINANCE providing for the payment of the outstanding General Obligation Refunding Bonds, Series 2011, and General Obligation Bonds (Alternate Revenue Source), Series 2015, of The County of Champaign, Illinois, in advance of their respective maturities, authorizing the execution and delivery of an escrow agreement in connection therewith and related matters.

* * *

WHEREAS, the County Board (the "*Board*") of The County of Champaign, Illinois (the "*County*"), by Ordinance Number 875 (the "*2011 Bond Ordinance*"), did provide for the issue of \$4,355,000 General Obligation Refunding Bonds, Series 2011 (the "*2011 Bonds*"), and the levy of a direct annual tax sufficient to pay the principal of and interest on the 2011 Bonds; and

WHEREAS, the Board, by Ordinance Number 968 (the "*2015 Bond Ordinance*" and together with the 2011 Ordinance, the "*Bond Ordinances*"), did provide for the issue of \$2,535,000 General Obligation Refunding Bonds (General Sales Tax Alternate Revenue Source), Series 2015 (the "*2015 Bonds*" and together with the 2011 Bonds, the "*Prior Bonds*"), and the levy of a direct annual tax sufficient to pay the principal of and interest on the 2015 Bonds; and

WHEREAS, the Prior Bonds refinanced construction of or improvements to the Champaign County Nursing Home (the "*Nursing Home*"); and

WHEREAS, the County has sold the Nursing Home to a non-governmental entity, and as a result, the provisions of the Internal Revenue Code of 1986, as amended, and the regulations promulgated thereunder, require the County to provide for the payment of the outstanding Prior Bonds as described on *Exhibit A* hereto (the "*Defeased Bonds*") when due and upon redemption prior to maturity (the "*Defeasance*"); and

WHEREAS, the Board has determined that the County has funds on hand and lawfully available from the sale of the Nursing Home in the amount of not to exceed \$6,390,000 (the "*Available Funds*"), sufficient to provide for the Defeasance; and

WHEREAS, the Board hereby finds that it is in the best interests of the County to appropriate the Available Funds and apply the Available Funds to the payment of the Defeased Bonds and authorize the abatement of taxes heretofore levied to pay the principal of and interest on the Defeased Bonds; and

WHEREAS, in order to properly provide for the Defeasance, it will be necessary to irrevocably deposit the Available Funds (i) in escrow with Amalgamated Bank of Chicago, Chicago, Illinois (the "*Escrow Agent*"), to pay the principal of and interest on the Defeased 2011 Bonds when due and upon redemption prior to maturity and (ii) with Busey Bank, as the paying agent for the 2015 Bonds (the "*Paying Agent*") to pay the principal of and accrued interest due on the Defeased 2015 Bonds upon redemption prior to maturity; and

WHEREAS, it is necessary that the Board authorize the form of escrow agreement (the "*Agreement*") with the Escrow Agent and direct the execution of such escrow agreement by officers of the County; and

WHEREAS, in accordance with their terms, certain of the Defeased Bonds may be called for redemption in advance of their respective maturities, and it is necessary and desirable to make such call for the redemption of such Defeased Bonds on their earliest possible call date, and provide for the giving of proper notice to the registered owners of such Defeased Bonds:

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

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

Section 2. Transfer and Deposit of Available Funds. The Available Funds are hereby appropriated for the Defeasance and are hereby ordered deposited (i) with the Paying Agent to provide for the payment of all principal of and interest on the Defeased 2015 Bonds upon

redemption prior to maturity, and (ii) in escrow pursuant to the Agreement to be entered into between the County and the Escrow Agent, to provide for the payment of all principal of and interest on the Defeased 2011 Bonds when due and upon redemption prior to maturity. The County Treasurer of the County is hereby authorized and directed forthwith to transfer the Available Funds in the amount necessary to effectuate the Defeasance to the Paying Agent and the Escrow Agent to be deposited in trust, as provided in this Ordinance. The amount of such Available Funds which are necessary to be deposited with the Paying Agent to for the payment of the Defeased 2015 Bonds shall be conclusively established by certification of the Paying Agent. The amount of such Available Funds which are necessary to be deposited into the Escrow Account shall be conclusively established under the terms of the Agreement, which will be executed by designated officials of the County and such officers are hereby authorized to make such determination.

Section 3. Form and Authorization of Agreement. The Agreement and all the terms thereof, in the form provided hereby, are hereby approved, and the County Executive and County Clerk of the County (the "*County Clerk*") are hereby authorized and directed to execute the Agreement in the name of the County. The Agreement shall be in substantially the form attached hereto as *Exhibit B*. Amounts in the escrow may be used to purchase direct obligations of or obligations guaranteed by the full faith and credit of the United States of America as to principal and interest (the "*Government Securities*") to provide for the payment of the principal of and interest on the Defeased 2011 Bonds when due and upon redemption prior to maturity, as provided in the Agreement. Raymond James & Associates, Inc. and the Escrow Agent be and the same are hereby authorized to act as agent for the County in the purchase of the Government Securities described and set forth in the Agreement. The Deputy Director of Finance of the

County is hereby authorized to award the escrow portfolio, consisting of the Government Securities.

Section 4. Call of the Defeased Bonds. In accordance with the redemption provisions of the Ordinances, the County by the Board does hereby make provision for the payment of and does hereby call the Defeased Bonds for redemption on their earliest possible call date.

Section 5. Abatement of Taxes. The taxes heretofore levied in the Bond Ordinances for the Defeased Bonds for levy years 2018 to 2024, inclusive, are hereby abated in their entirety.

Section 6. Filing of Ordinance. Forthwith upon the adoption of this Ordinance, a certified copy hereof shall be filed with the County Clerk, and it shall be the duty of the County Clerk to abate said taxes for the years 2018 to 2024, inclusive, in accordance with the provisions hereof.

Section 7. 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, clause or provision shall not affect any of the remaining provisions of this Ordinance.

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**EXHIBIT A
DEFEASED BONDS**

(a) \$4,255,000 General Obligation Refunding Bonds, Series 2011, of the County (the "*Defeased 2011 Bonds*"), dated August 8, 2011, due on January 1 of the years and in the amounts and bearing interest as follows:

YEAR OF MATURITY	PRINCIPAL AMOUNT	RATE OF INTEREST
2020	\$1,365,000	4.00%
2021	1,415,000	4.00%
2022	1,475,000	4.00%

(b) \$1,815,000 General Obligation Refunding Bonds (General Sales Tax Alternate Revenue Source), Series 2015, of the County (the "*Defeased 2015 Bonds*"), dated December 2, 2015, due on December 15 of the years and in the amounts and bearing interest as follows:

YEAR OF MATURITY	PRINCIPAL AMOUNT	RATE OF INTEREST
2019	\$245,000	1.42%
2020	250,000	1.63%
2021	255,000	1.89%
2022	260,000	2.08%
2023	265,000	2.27%
2024	270,000	2.44%
2025	270,000	2.55%

EXHIBIT B
FORM OF ESCROW AGREEMENT

STATE OF ILLINOIS)
) SS
COUNTY OF CHAMPAIGN)

CERTIFICATION OF MINUTES AND ORDINANCE

I, the undersigned, do hereby certify that I am the duly qualified and acting County Clerk of The County of Champaign, Illinois (the "*County*"), and as such official I am the keeper of the records and files of the County Board of the County (the "*County Board*").

I do further certify that the foregoing constitutes a full, true and complete transcript of the minutes of the meeting of the County Board held on the 9th day of April, 2019, insofar as same relates to the adoption of Ordinance No. 2019-__ entitled:

AN ORDINANCE providing for the payment of the outstanding General Obligation Refunding Bonds, Series 2011, and General Obligation Bonds (Alternate Revenue Source), Series 2015, of The County of Champaign, Illinois, in advance of their respective maturities, authorizing the execution and delivery of an escrow agreement in connection therewith and related matters.

a true, correct and complete copy of which said ordinance as adopted at said meeting appears in the foregoing transcript of the minutes of said meeting.

I do further certify that the deliberations of the County Board on the adoption of said ordinance were conducted openly, that the vote on the adoption of said ordinance was taken openly, that said meeting was held at a specified time and place convenient to the public, that notice of said meeting was duly given to all of the news media requesting such notice, that an agenda for said meeting was posted at the location where said meeting was held and at the principal office of the County Board at least 96 hours in advance of the holding of said meeting, that at least one copy of said agenda was continuously available for public review during the entire 96-hour period preceding said meeting, that a true, correct and complete copy of said agenda as so posted is attached hereto as *Exhibit A*, that said meeting was called and held in strict compliance with the provisions of the Open Meetings Act of the State of Illinois, as amended, and with the provisions of the Counties Code of the State of Illinois, as amended, and that the County Board has complied with all of the applicable provisions of said Act and said Code and with all of its procedural rules in adoption of said ordinance.

IN WITNESS WHEREOF, I hereunto affix my official signature and the seal of the County,
this 9th day of April, 2019.

County Clerk and ex-officio Clerk of the
County Board of The County of Champaign,
Illinois

[SEAL]

STATE OF ILLINOIS)
) SS
COUNTY OF CHAMPAIGN)

FILING CERTIFICATE

I, the undersigned, do hereby certify that I am the duly qualified and acting County Clerk of The County of Champaign, Illinois (the "*County*"), and as such official I do further certify that on the ____ day of April, 2019, there was filed in my office a duly certified copy of Ordinance No. 2019-__ entitled:

AN ORDINANCE providing for the payment of the outstanding General Obligation Refunding Bonds, Series 2011, and General Obligation Bonds (Alternate Revenue Source), Series 2015, of The County of Champaign, Illinois, in advance of their respective maturities, authorizing the execution and delivery of an escrow agreement in connection therewith and related matters.

(the "*Ordinance*") duly adopted by the County Board of the County on the 9th day of April, 2019, and that the same has been deposited in the official files and records of my office.

I do further certify that certain taxes heretofore levied for the years 2018 to 2024, inclusive, for the payment of the General Obligation Refunding Bonds, Series 2011, and General Obligation Bonds (Alternate Revenue Source), Series 2015, of the County, as described in the Ordinance will be abated as provided in the Ordinance.

IN WITNESS WHEREOF I hereunto affix my official signature and the seal of said County this ____ day of April, 2019.

County Clerk

[SEAL]

ESCROW AGREEMENT

This Escrow Agreement (this "*Agreement*"), dated as of the date witnessed hereinbelow, by and between The County of Champaign, Illinois (the "*County*"), and Amalgamated Bank of Chicago, a banking corporation having trust powers, organized and operating under the laws of the State of Illinois, located in Chicago, Illinois (the "*Escrow Agent*" or "*Amalgamated Bank*"), in consideration of the mutual promises and agreements herein set forth:

WITNESSETH:

ARTICLE I

DEFINITIONS

The following words and terms used in this Agreement shall have the following meanings unless the context or use clearly indicates another or different meaning:

Section 1.01. "*Board*" means the County Board of the County.

Section 1.02. "*Code*" means Section 148 of the Internal Revenue Code of 1986, and all lawful regulations promulgated thereunder.

Section 1.03. "*Defeased Bonds*" means the outstanding bonds of the County as follows:

\$4,255,000 General Obligation Refunding Bonds, Series 2011, dated August 8, 2011, due on January 1 of the years and in the amounts and bearing interest as follows:

YEAR OF MATURITY	PRINCIPAL AMOUNT	RATE OF INTEREST
2020	\$1,365,000	4.00%
2021	1,415,000	4.00%
2022	1,475,000	4.00%

Section 1.04. "*Escrow Account*" means the trust account established under this Agreement by the deposit of the Government Securities and the hereinafter defined Beginning Cash.

Section 1.05. "Government Securities" means the non-callable direct obligations of or non-callable obligations guaranteed by the full faith and credit of the United States of America as to principal and interest deposited hereunder as more particularly described in *Schedule I* to this Agreement and also including any direct obligations purchased pursuant to Section 3.02.

Section 1.06. "Intended Government Securities" means the Government Securities labeled as such on *Schedule I*.

Section 1.07. "Paying Agent" means Amalgamated Bank of Chicago, Chicago, Illinois, as bond registrar and paying agent for the Defeased Bonds.

Section 1.08. "Ordinance" means the ordinance adopted on the 9th day of April, 2019, by the Board entitled:

AN ORDINANCE providing for the payment of the outstanding General Obligation Refunding Bonds, Series 2011, and General Obligation Bonds (Alternate Revenue Source), Series 2015, of The County of Champaign, Illinois, in advance of their respective maturities, authorizing the execution and delivery of an escrow agreement in connection therewith and related matters.

Section 1.09. "Substitute Securities" means the Government Securities identified as such on *Schedule I-A*.

Section 1.10. "Treasurer" means the County Treasurer of the County.

ARTICLE II

CREATION OF ESCROW

Section 2.01. The County by the Ordinance has authorized the provision for payment of the Defeased Bonds by the deposit on demand and to purchase on behalf of the County the Government Securities. Such deposit and securities will provide all moneys necessary to pay the principal of and interest on the Defeased Bonds when due and upon redemption prior to maturity.

Section 2.02. The County deposits \$ _____ from funds on hand and legally available for the purchase of the Government Securities and the funding of a beginning cash escrow deposit on demand in the amount of \$ _____ (the "*Beginning Deposit*"). The Beginning Deposit and the Government Securities are held in an irrevocable trust fund account for the County to the benefit of the holders of the Defeased Bonds to pay the principal of and interest on the Defeased Bonds when due and upon redemption prior to maturity.

Section 2.03. The Escrow Agent and the County have each received the report of Causey Demgen & Moore Inc., Certified Public Accountants, Denver, Colorado, attached hereto as *Schedule II* (the "*Verification Report*"), that the principal of and income and profit to be received from the Government Securities, when paid at maturity, and the cash held in accordance with Section 2.02 hereof, will be sufficient, at all times pending the final payment of the Defeased Bonds, to pay all interest on and all principal of the Defeased Bonds when due and upon redemption prior to maturity as evidenced by the Verification Report.

Section 2.04. The Escrow Agent will purchase the Government Securities described on *Schedule I* hereto on April 30, 2019. If the Escrow Agent is unable to purchase Intended Government Securities on April 30, 2019, because of a failed delivery of all or a portion of the Intended Government Securities by the seller, as indicated on the trade ticket for the Intended Government Securities (the "*Seller*"), then it will on April 30, 2019, purchase the Substitute Government Securities for the same purchase price. If the Escrow Agent purchases Substitute Government Securities on April 30, 2019, then at the request of the seller of those Substitute Government Securities, the Escrow Agent will, but only prior to May 7, 2019, accept delivery of the Intended Government Securities in exchange for the Substitute Government Securities, but only if following such exchange, the Escrow Agent will hold all of the Intended Government Securities, or will hold another portfolio for which a report of the Verification Agent (or another

accounting firm acceptable to the Escrow Agent), establishes that the principal of and income and profit to be received from the Government Securities, when paid at maturity, and the cash held in accordance with Section 2.02 hereof, will be sufficient, at all times pending the final payment of the Refunded Bonds, to pay all interest on and all principal of the Refunded Bonds when due and upon redemption prior to maturity as evidenced by said report.

ARTICLE III

COVENANTS OF ESCROW AGENT

The Escrow Agent covenants and agrees with the County as follows:

Section 3.01. The Escrow Agent will hold the Government Securities and all interest income or profit derived therefrom and all uninvested cash in an irrevocable segregated and separate trust fund account for the sole and exclusive benefit of the holders of the Defeased Bonds until final payment thereof.

Section 3.02. The Beginning Deposit shall not be invested by the Escrow Agent. Otherwise, the Escrow Agent will reinvest all available uninvested balances (except for an amount under \$1,000 or as explicitly provided in this Section) in the Escrow Account on deposit from time to time, whenever said balances exceed \$1,000 unless said balance is needed to pay principal of or interest on the Defeased bonds within 14 days, and acknowledges that the schedule of amounts available for reinvestment appears in the cash flow tables in the Verification Report and in *Schedule III*. Investments so made shall be in direct obligations of the United States of America and shall be scheduled to mature on or prior to the interest payment date on the Defeased Bonds on which such proceeds will be needed to pay the principal of or interest on the Defeased Bonds. Such investments shall, to the extent possible, be in zero-yield obligations issued directly by the Bureau of Fiscal Service of the United States Treasury (currently designated "*U.S. Treasury Securities—State and Local Government Series Certificates of*

Indebtedness, Notes or Bonds") ("*SLGS*"). Such investments shall be made only to the extent permitted by, and shall be made in accordance with, the applicable statutes, rules and regulations governing such investments issued by the Bureau of Fiscal Service. The Escrow Agent and the County expressly recognize that under current regulations all SLGS must be subscribed for not less than 5 days (7 days for amounts of \$10,000,000 or more) nor more than 60 days prior to date of issuance.

Schedule III contains a list of scheduled reinvestments. The Escrow Agent is instructed to subscribe for and take delivery of the Government Securities described in *Schedule III*.

If the Department of the Treasury (or the Bureau of Fiscal Service) of the United States suspends the sale of SLGS causing the Escrow Agent to be unable to purchase SLGS, then the Escrow Agent will take the following actions. On the date it would have purchased SLGS had it been able to do so, the Escrow Agent will purchase direct obligations of the United States (the "*Alternate Investment*") maturing no more than 90 days after the date of purchase and no later than the scheduled maturity date of such SLGS as shown on *Schedule III*. The purchase price of the Alternate Investment shall be as close as possible but not more than to the principal amount of the SLGS that would have been purchased on such date if they had been available for purchase and also not more than the total of all principal and interest to be received on such investment. The maturity date of the Alternate Investment shall be the latest possible date that (i) is not more than 90 days after the purchase date and (ii) is not after the scheduled maturity date for the SLGS that would have been purchased if available as shown on *Schedule III*. The Escrow Agent will purchase each Alternate Investment in the customary manner for such investments (in the secondary market or in a Treasury auction) at a price no higher than the fair market value of the Alternate Investment and will maintain records demonstrating compliance with this requirement. If the Escrow Agent is unable to purchase any investment satisfying all of these requirements,

then the Escrow Agent will leave the balance uninvested and shall notify the County that it has been unable to purchase such an Alternate Investment, providing the reason for such inability to the County. On the maturity of each Alternate Investment, the Escrow Agent shall pay the difference between the total of the receipts (principal and interest) on the Alternate Investment and the purchase price of the Alternate Investment to the County with a notice to the County that such amount may need to be paid to the Internal Revenue Service pursuant to Rev. Proc. 95-47 or successor provisions including any finalized version of Prop. Treas. Reg. Section 1.148-5(c). If the Alternate Investment matures more than 14 days prior to the next succeeding interest payment date on the Defeased Bonds on which such proceeds will be needed to pay principal or interest on the Defeased Bonds, the Escrow Agent shall treat such amounts as an uninvested balance available for reinvestment and shall take all reasonable steps to invest such amounts in SLGS (or additional Alternate Investments as provided in this Section).

The Escrow Agent shall hold balances not so invested in the Escrow Account on demand and in trust for the purposes hereof and shall secure same in accordance with applicable Illinois law for the securing of public funds.

Section 3.03. The Escrow Agent will take no action in the investment or securing of the proceeds of the Government Securities which would cause the Defeased Bonds to be classified as “arbitrage bonds” under the Code, *provided*, it shall be under no duty to affirmatively inquire whether the Government Securities as deposited are properly invested under the Code; and, *provided, further*, it may rely on all specific directions in this Agreement in the investment or reinvestment of balances held hereunder.

Section 3.04. The Escrow Agent will promptly collect the principal, interest or profit from the Government Securities and promptly apply the same as necessary to the payment of principal

and interest on the Defeased Bonds when due and upon redemption prior to maturity as herein provided.

Section 3.05. The Escrow Agent will remit to the Paying Agent, in good funds on or before each principal or interest payment or redemption date on the Defeased Bonds, moneys sufficient to pay such principal, interest and redemption price as will meet the requirements for the retirement of the Defeased Bonds, and such remittances shall fully release and discharge the Escrow Agent from any further duty or obligation thereto under this Agreement.

Section 3.06. The Escrow Agent will make no payment of fees, charges or expenses due or to become due, of the Paying Agent or the bond registrar and paying agent on the Defeased Bonds, and the County either paid such fees, charges and expenses in advance as set forth in Section 3.07 hereof or covenants to pay the same as they become due.

Section 3.07. The charges, fees and expenses of the Escrow Agent (other than any charges, fees and expenses incurred pursuant to Section 3.08 hereof) have been paid in advance, and all charges, fees or expenses of the Escrow Agent in carrying out any of the duties, terms or provisions of this Agreement shall be paid solely therefrom.

Section 3.08. The County has called the Defeased Bonds due on January 1, 2022, for redemption and payment prior to maturity on July 1, 2021. As Paying Agent for the Defeased Bonds, Amalgamated Bank will provide for and give timely notice of the call for redemption of the Defeased Bonds. The form and time of the giving of such notice regarding the Defeased Bonds shall be as specified in the ordinance authorizing the issuance of the Defeased Bonds. The County shall reimburse Amalgamated Bank for any actual out of pocket expenses incurred in the giving of such notice, but the failure of the County to make such payment shall not in any respect whatsoever relieve the Escrow Agent from carrying out any of the duties, terms or provisions of this Agreement.

including all moneys held by it received as interest on or profit from the collection of the Government Securities.

Section 3.12. If at any time it shall appear to the Escrow Agent that the available proceeds of the Government Securities and deposits on demand in the Escrow Account will not be sufficient to make any payment due to the holders of any of the Defeased Bonds, the Escrow Agent shall notify the Treasurer, the County Executive of the County and the Board, not less than five (5) days prior to such date, and the County agrees that it will from any funds legally available for such purpose make up the anticipated deficit so that no default in the making of any such payment will occur.

ARTICLE IV

COVENANTS OF COUNTY

The County covenants and agrees with the Escrow Agent as follows:

Section 4.01. The Escrow Agent shall have no responsibility or liability whatsoever for (a) any of the recitals of the County herein, (b) the performance of or compliance with any covenant, condition, term or provision of the Ordinance, and (c) any undertaking or statement of the County hereunder or under the Ordinance.

Section 4.02. All payments to be made by, and all acts and duties required to be done by, the Escrow Agent under the terms and provisions of this Agreement, shall be made and done by the Escrow Agent without any further direction or authority of the County or the Treasurer.

Section 4.03. The County will take any and all action necessary to ensure that adequate provision is made for the payment of the Defeased Bonds and that the Defeased Bonds are not classified as "arbitrage bonds" under the Code.

ARTICLE V

**AMENDMENTS, REINVESTMENT OF
FUNDS, IRREVOCABILITY OF AGREEMENT**

Section 5.01. Except as provided in Section 5.04 hereof, all of the rights, powers, duties and obligations of the Escrow Agent hereunder shall be irrevocable and shall not be subject to amendment by the Escrow Agent and shall be binding on any successor to the Escrow Agent during the term of this Agreement.

Section 5.02. Except as provided in Section 5.04 hereof, all of the rights, powers, duties and obligations of the County hereunder shall be irrevocable and shall not be subject to amendment by the County and shall be binding on any successor to the officials now comprising the Board during the term of this Agreement.

Section 5.03. Except as provided in Section 5.04 hereof, all of the rights, powers, duties and obligations of the Treasurer hereunder shall be irrevocable and shall not be subject to amendment by the Treasurer and shall be binding on any successor to said official now in office during the term of this Agreement.

Section 5.04. This Section 5.04 shall not apply to *Schedules I, II and III* which may be amended or supplemented in accordance with the foregoing provisions of this Agreement. Otherwise, this Agreement may be amended or supplemented, and the Government Securities or any portion thereof may be sold, redeemed, invested or reinvested, in any manner provided (any such amendment, supplement, or direction to sell, redeem, invest or reinvest to be referred to as a "*Subsequent Action*"), upon submission to the Escrow Agent of each of the following:

- (1) Certified copy of proceedings of the Board authorizing the Subsequent Action and copy of the document effecting the Subsequent Action signed by duly designated officers of the County.
- (2) An opinion of nationally recognized bond counsel or tax counsel nationally recognized as having an expertise in the area of tax-exempt municipal bonds that the

Subsequent Action has been duly authorized by the Board and will not adversely affect the tax-exempt status of the interest on the Defeased Bonds nor violate the covenants of the County not to cause the Defeased Bonds to become "arbitrage bonds" under the Code, and that the Subsequent Action does not materially adversely affect the legal rights of the holders of the Defeased Bonds.

(3) An opinion of a firm of nationally recognized independent certified public accountants that the amounts (which will consist of cash or deposits on demand held in trust or receipts from non-callable direct obligations of or non-callable obligations guaranteed by the full faith and credit of the United States of America, all of which shall be held hereunder) available or to be available for payment of the Defeased Bonds will remain sufficient to pay when due all principal and interest on the Defeased Bonds after the taking of the Subsequent Action.

ARTICLE VI

MERGER, CONSOLIDATION OR RESIGNATION OF ESCROW AGENT

Any banking association or corporation into which the Escrow Agent may be merged, converted or with which the Escrow Agent may be consolidated, or any corporation resulting from any merger, conversion or consolidation to which the Escrow Agent shall be a party, or any banking association or corporation to which all or substantially all of the corporate trust business of the Escrow Agent shall be transferred, shall succeed to all the Escrow Agent's rights, obligations and immunities hereunder without the execution or filing of any paper or any further act on the part of any of the parties hereto, anything herein to the contrary notwithstanding. The Escrow Agent may at any time resign as Escrow Agent under this Agreement by giving 30 days' written notice to the County, and such resignation shall take effect upon the appointment of a successor Escrow Agent by the County. The County may select as successor Escrow Agent any

financial institution with capital, surplus and undivided profits of at least \$75,000,000 and having a corporate trust office within the State of Illinois, and which is authorized to maintain trust accounts for municipal corporations in Illinois under applicable law. Further, if no such successor Escrow Agent has been designated within 60 days after the County's receipt of the written notice of resignation, the resigning Escrow Agent may petition any court of competent jurisdiction for the appointment of a successor Escrow Agent.

ARTICLE VII

NOTICES TO THE COUNTY, THE TREASURER AND THE ESCROW AGENT

Section 7.01. All notices and communications to the County (including to the Board and the Treasurer) shall be addressed in writing to: County Executive, Champaign County, Brookens Administration Center, 1776 East Washington Street, Urbana, Illinois 61802-4581.

Section 7.02. All notices and communications to the Escrow Agent shall be addressed in writing to: Corporate Trust Department, 30 North LaSalle Street, 38th Floor, Chicago, Illinois 60602.

ARTICLE VIII

TERMINATION OF AGREEMENT

That, upon final disbursement of funds sufficient to pay the principal and interest of the Defeased Bonds as hereinabove provided for, the Escrow Agent will transfer any balance remaining in the Escrow Account to the Treasurer with due notice thereof mailed to the Board, and thereupon this Agreement shall terminate.

ARTICLE IX

EXECUTION IN COUNTERPARTS

This Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute one and the same instrument.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, The County of Champaign, Illinois, has caused this Agreement to be signed in its name by its County Executive and to be attested by its County Clerk under its seal hereunto affixed; and Amalgamated Bank of Chicago, Chicago, Illinois, not individually, but in the capacity as hereinabove described, has caused this Agreement to be signed in its corporate name by one of its officers and attested by one of its officers under its corporate seal hereunto affixed, all as of the 30th day of April, 2019.

THE COUNTY OF CHAMPAIGN, ILLINOIS

By _____
Darlene A. Kloeppel, County Executive

Attest:

Aaron Ammons, County Clerk
and ex-officio Clerk of the
Champaign County Board

[SEAL]

AMALGAMATED BANK OF CHICAGO,
Chicago, Illinois

By _____
Its _____

Attest:

Its _____

[BANK SEAL]

This Escrow Agreement received and acknowledged by me this 30th day of April, 2019.

Laurel Lunt Prussing, County Treasurer

SCHEDULE I

INTENDED GOVERNMENT SECURITIES

SCHEDULE II
VERIFICATION REPORT

SCHEDULE III

SCHEDULED REINVESTMENTS

SUBSCRIBE BY	PURCHASE DATE	MATURITY DATE	PAR AMOUNT	TYPE	RATE
				SLGS-Cert	0%

If any date shown above is not a business day, the subscribe by date or purchase date should be adjusted to the next possible business day.

The Escrow Agent may submit a subscription for a scheduled SLGS purchase before the date shown, so long as it is not submitted more than 60 days prior to the purchase date. If subscriptions are not accepted on the date shown, the Escrow Agent should keep trying to submit such a subscription until five days before the scheduled purchase date. If the Escrow Agent is unable to purchase or subscribe for SLGS as shown above, the Escrow Agent should purchase an Alternate Investment as described in Section 3.2.

In completing this form, the subscription date should be approximately one month before the purchase date. Purchase date should be the date cash becomes available.

RESOLUTION NO. 2019-77

BUDGET AMENDMENT

April 2019

FY 2019

WHEREAS, The County Board has approved the following amendment to the FY2019 budget;

NOW, THEREFORE, BE IT RESOLVED That the Champaign County Board approves the following amendment to the FY2019 budget; and

BE IT FURTHER RESOLVED That the County Auditor be authorized and is hereby requested to make the following amendment to the FY2019 budget.

Budget Amendment #19-00020

Fund: 074 2003 Nursing Home Bond Debt Service
Dept. 010 County Board

<u>ACCOUNT DESCRIPTION</u>	<u>AMOUNT</u>
Increased Appropriations:	
581.01 General Obligation Bond Principal	2,890,000
582.02 Interest & Fees-General Obligation Bonds	<u>12,800</u>
Total	3,002,800
Increased Revenue:	
371.81 From Nursing Home Fund 081	<u>4,540,000</u>
Total	4,540,000

REASON: Budget Amendment Required for Defeasance of the Series 2011 Nursing Home Bonds. This Amendment Reflects the Amount of the Sale Proceeds Estimated to be Required for Bond Defeasance.

PRESENTED, ADOPTED, APPROVED by the County Board this 9th day of April A.D. 2019.

Giraldo Rosales, Chair
Champaign County Board

Recorded
& Attest: _____
Aaron Ammons, County Clerk
and ex-officio Clerk of the
Champaign County Board
Date: _____

Approved: _____
Darlene A. Kloepfel, County Executive
Date: _____

FUND 074 2003 NURS HM BOND DBT SRV DEPARTMENT 010 COUNTY BOARD

INCREASED APPROPRIATIONS:

ACCT. NUMBER & TITLE	BEGINNING BUDGET AS OF 12/1	CURRENT BUDGET	BUDGET IF REQUEST IS APPROVED	INCREASE (DECREASE) REQUESTED
074-010-581.01 GEN OBLIG BOND PRINCIPAL	1,365,000	1,365,000	4,255,000	2,890,000
074-010-582.02 INT & FEES-GEN OBLIG BONDS	172,200	172,200	285,000	112,800
TOTALS	1,537,200	1,537,200	4,540,000	3,002,800

INCREASED REVENUE BUDGET:

ACCT. NUMBER & TITLE	BEGINNING BUDGET AS OF 12/1	CURRENT BUDGET	BUDGET IF REQUEST IS APPROVED	INCREASE (DECREASE) REQUESTED
074-010-371.81 FROM NURSING HOME FND 081	0	0	4,540,000	4,540,000
TOTALS	0	0	4,540,000	4,540,000

EXPLANATION: BUDGET AMENDMENT REQUIRED FOR DEFEASANCE OF THE SERIES 2011 NURSING HOME BONDS. THIS AMENDMENT REFLECTS THE AMOUNT OF SALE PROCEEDS ESTIMATED TO BE REQUIRED FOR BOND DEFEASANCE.

DATE SUBMITTED: 4-4-19	AUTHORIZED SIGNATURE <i>Dulene A. Klappert</i>	** PLEASE SIGN IN BLUE INK **
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APPROVED BY BUDGET & FINANCE COMMITTEE: _____ DATE: _____

RESOLUTION NO. 2019-78

BUDGET AMENDMENT

April 2019

FY 2019

WHEREAS, The County Board has approved the following amendment to the FY2019 budget;

NOW, THEREFORE, BE IT RESOLVED That the Champaign County Board approves the following amendment to the FY2019 budget; and

BE IT FURTHER RESOLVED That the County Auditor be authorized and is hereby requested to make the following amendment to the FY2019 budget.

Budget Amendment #19-00021

Fund: 080 General Corporate
Dept. 013 Debt Service

<u>ACCOUNT DESCRIPTION</u>	<u>AMOUNT</u>
Increased Appropriations:	
581.01 General Obligation Bond Principal	<u>1,570,000</u>
	Total 1,570,000
Increased Revenue:	
371.81 From Nursing Home Fund 081	<u>1,849,727</u>
	Total 1,849,727

REASON: Budget Amendment Required for Defeasance of the Series 2015 Nursing Home Bonds. This Amendment Reflects the Amount of the Sale Proceeds that are Required to be Used for Redemption.

PRESENTED, ADOPTED, APPROVED by the County Board this 9th day of April A.D. 2019.

Giraldo Rosales, Chair
Champaign County Board

Recorded
& Attest: _____
Aaron Ammons, County Clerk
and ex-officio Clerk of the
Champaign County Board
Date: _____

Approved: _____
Darlene A. Kloepfel, County Executive
Date: _____

FUND 080 GENERAL CORPORATE

DEPARTMENT 013 DEBT SERVICE

INCREASED APPROPRIATIONS:

ACCT. NUMBER & TITLE	BEGINNING BUDGET AS OF 12/1	CURRENT BUDGET	BUDGET IF REQUEST IS APPROVED	INCREASE (DECREASE) REQUESTED
080-013-581.01 GEN OBLIG BOND PRINCIPAL	245,000	245,000	1,815,000	1,570,000
TOTALS	245,000	245,000	1,815,000	1,570,000

INCREASED REVENUE BUDGET:

ACCT. NUMBER & TITLE	BEGINNING BUDGET AS OF 12/1	CURRENT BUDGET	BUDGET IF REQUEST IS APPROVED	INCREASE (DECREASE) REQUESTED
080-013-371.81 FROM NURSING HOME FND 081	0	0	1,849,727	1,849,727
TOTALS	0	0	1,849,727	1,849,727

EXPLANATION: BUDGET AMENDMENT REQUIRED FOR DEFEASANCE OF THE SERIES 2015 NURSING HOME BONDS. THIS AMENDMENT REFLECTS THE AMOUNT OF SALE PROCEEDS THAT ARE REQUIRED TO BE USED FOR REDEMPTION.

DATE SUBMITTED: 4-2-19	AUTHORIZED SIGNATURE Dulene A Kloeppe	** PLEASE SIGN IN BLUE INK **
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APPROVED BY BUDGET & FINANCE COMMITTEE: _____ DATE: _____
