

**PROPOSED ORDINANCE AMENDMENT  
AMENDMENT TO ITEM #14-5833**

Sponsored by: TONI PRECKWINKLE, President

**BOND ORDINANCE FOR GENERAL OBLIGATION NOTES**

**AN ORDINANCE authorizing the County to borrow a loan in an aggregate principal amount of not to exceed \$40,000,000 to maintain adequate financial reserves per the County's policies and to execute a general obligation note in connection therewith**

**WHEREAS**, Section 6(a) of Article VII of the 1970 Constitution of the State of Illinois provides that "a County which has a Chief Executive Officer elected by the electors of the County ... (is) a Home Rule Unit" and The County of Cook, Illinois (the "County"), has a Chief Executive Officer elected by the electors of the County and is therefore a Home Rule Unit and may, under the power granted by said Section 6(a) of Article VII of the Constitution of 1970, exercise any power and perform any function pertaining to its government and affairs, including, but not limited to, the power to tax and to incur debt; and

**WHEREAS**, the County has determined that a loan made by BMO Harris Bank N.A ("BMO") in an aggregate principal amount of not to exceed \$40,000,000 (the "BMO Loan") to the County will provide a cost efficient means to maintain adequate financial reserves per its financial policies; and

**WHEREAS**, the BMO Loan would be made by BMO to the County pursuant to the terms of the Credit Agreement dated as of November \_\_\_\_, 2014 between the County and BMO, the form of which has been prepared and is present at this meeting and is attached hereto as *Exhibit A* (the "Credit Agreement"); and

**WHEREAS**, the BMO Loan will be made and evidenced by a single promissory note of the County (the "Note"), the form of which is set forth as an exhibit to the Credit Agreement; and

**WHEREAS**, the Note will be a general obligation of the County payable from amounts received from the first installment of the ad valorem taxes levied on taxable real property within the County in 2015 for the County's Corporate Fund and Public Safety Fund (the "Pledged Taxes") and from all legally available funds of the County; and

**WHEREAS**, the full faith and credit of the County are irrevocably pledged for the punctual payment of the principal of and interest on the Note in accordance with its terms; and

**WHEREAS**, the Board has heretofore and hereby expressly determines that it is advisable or necessary to (a) enter into the Credit Agreement and execute any related

documents, including, but not limited to the Note (collectively, the “*BMO Documents*”) in forms approved by the Chief Financial Officer of the County (the “*Chief Financial Officer*”) pursuant to which BMO will provide the BMO Loan to the County.

**NOW THEREFORE BE IT ORDAINED**, by the Board of Commissioners of The County of Cook, Illinois, as follows:

**Sec. 1. Recitals.**

All of the recitals contained in the preambles to this Ordinance are full, true and correct and are incorporated into this Ordinance by this reference.

**Sec. 2. BMO Loan, the Credit Agreement and the BMO Documents.**

The BMO Loan will be in the aggregate principal amount of not to exceed \$40,000,000 and will have the terms as set forth in the Credit Agreement. The final maturity date for the BMO Loan will not be later than June 1, 2016. The BMO Loan may be prepaid without penalty on or after 90 days from the date the Loan is made by BMO to the County. The County may elect that the interest on any portion of the BMO Loan be calculated at the applicable interest rate with reference to the Base Rate or LIBOR Rate (as further described in the Credit Agreement).

The President of the County Board of Commissioners (the “*President*”) and the Chief Financial Officer are hereby authorized, on behalf of the County, to approve the final provisions of the Credit Agreement in substantially the form presented to this meeting and consistent with this Section 2, which may include, but are not limited to provisions on fees, covenants, indemnification of BMO and its related entities and each of their respective directors, officers and employees, events of default, remedies, interest rates on the BMO Loan, repayment terms for the BMO Loan and conditions precedent to the BMO Loan. The Credit Agreement will provide that BMO may charge annual fees up to 2% of the average aggregate principal amount of the Note outstanding in an annual period. The President and Chief Financial Officer are hereby authorized, on behalf of the County, to execute and deliver, and the County Clerk is hereby authorized, on behalf of the County, to attest and impress the official seal of the County upon, the Credit Agreement.

The President, the Chief Financial Officer, the Deputy Chief Financial Officer of the County, the Comptroller of the County and the Deputy Comptroller of the County (each, an “*Authorized Officer*”) are each authorized to execute on behalf of the County any documents relating to the Note, the BMO Loan, the Credit Agreement and the BMO Documents; provided however, that the Credit Agreement must be signed by any two of the Authorized Officers.

**Sec. 3. Note.**

The Note will be a general obligation of the County payable from the Pledged taxes and from all legally available funds of the County. The full faith and credit of the County and the Pledged Taxes are irrevocably pledged for the punctual payment of the principal of and interest on the Note in accordance with its terms.

The President and Chief Financial Officer are hereby authorized, on behalf of the County, to execute and deliver, and the County Clerk is hereby authorized, on behalf of the County, to attest and impress the official seal of the County upon, the Note. The Note will be in substantially the form present at this meeting and as set forth as an exhibit to the Credit Agreement and hereby approved. The President or Chief Financial Officer's execution of the Note will constitute conclusive evidence that the executed Note is in substantially the form present at this meeting.

**Sec. 4. Prior Inconsistent Proceedings.**

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

**Section 5 – Designation of Bond Counsel and Financial Advisor**

“Pugh, Jones & Johnson, P.C.” is hereby designated as Bond Counsel on the aforementioned General Obligation Notes. “Columbia Capital Management LLC” is hereby designated as Financial Advisor on the aforementioned General Obligation Notes.

**Effective date:** This Ordinance shall be in effect immediately upon adoption.