

RESOLUTION AUTHORIZING THE ISSUANCE AND
AWARDING THE SALE OF \$6,485,000
GENERAL OBLIGATION PROMISSORY NOTES; PROVIDING
THE FORM OF THE NOTES; AND LEVYING A TAX
IN CONNECTION THEREWITH

WHEREAS, on January 23, 2020 and January 28, 2021, the County Board of Rock County, Wisconsin (the "County") adopted Initial Resolutions authorizing the issuance of general obligation bonds or notes in an amount not to exceed \$3,230,000 and \$3,255,000 respectively for the purpose of paying the costs of highway construction and improvement projects (the "Project");

WHEREAS, the County deems the Project to be within its powers to undertake and therefore to be a public purpose as defined in Section 67.04(2) of the Wisconsin Statutes;

WHEREAS, the County Board hereby finds and determines that it is necessary, desirable and in the best interests of the County to raise funds for the purpose of paying the costs of the Project;

WHEREAS, counties are authorized by the provisions of Section 67.12(12) of the Wisconsin Statutes to borrow money and to issue general obligation promissory notes for such public purposes;

WHEREAS, the County (in consultation with the County's financial advisor) caused an Official Notice of Sale to be distributed, offering its general obligation promissory notes for public sale on February 25, 2021;

WHEREAS, sealed bid proposals were received as summarized on Exhibit C attached hereto; and

WHEREAS, it has been determined that the bid proposal (the "Proposal") submitted by Huntington Securities, Inc., Chicago, Illinois, fully complies with the bid requirements set forth in the Official Notice of Sale and is deemed to be the most advantageous to the County. A copy of said bid is attached hereto as Exhibit A and incorporated herein by this reference.

NOW, THEREFORE, BE IT RESOLVED by the County Board of the County that:

Section 1. Authorization of the Notes. For the purpose of paying the cost of the Project there shall be borrowed pursuant to Section 67.12(12) of the Wisconsin Statutes, the principal sum of SIX MILLION FOUR HUNDRED EIGHTY-FIVE THOUSAND DOLLARS (\$6,485,000). The bid proposal of Huntington Securities, Inc., Chicago, Illinois, (the "Purchaser") is hereby accepted, said proposal offering to purchase the \$6,485,000 Rock County General Obligation Promissory Notes (the "Notes") for the sum of SIX MILLION SEVEN HUNDRED TWENTY EIGHT THOUSAND THREE HUNDRED FOURTEEN DOLLARS AND THIRTY CENTS (\$6,728,314.30), plus accrued interest to the date of delivery, resulting in a net interest cost of FOUR HUNDRED SIXTY FOUR THOUSAND SEVEN HUNDRED FIFTY-THREE DOLLARS AND SIXTY-TWO CENTS (\$464,753.62) and a true interest rate of 1.309291%.

Section 2. Sale of the Notes. To evidence such indebtedness, the County Board Chairperson and County Clerk are hereby authorized, empowered and directed to make, execute, issue and sell to the Purchaser for and on behalf of and in the name of the County, general obligation promissory notes aggregating the principal amount of SIX MILLION FOUR HUNDRED EIGHTY-FIVE THOUSAND DOLLARS (\$6,485,000).

Section 3. Terms of the Notes. The Notes shall be designated "General Obligation Promissory Notes"; shall be dated March 23, 2021; shall be in the denomination of \$5,000 or any integral multiple thereof; shall bear interest at the rates per annum and mature on September 1 of each year, in the years and principal amounts as set forth in the Pricing Summary attached hereto as Exhibit D and incorporated herein by this reference. Interest is payable semi-annually on March 1 and September 1 of each year commencing March 1, 2022. The schedule of principal and interest payments due on the Notes is set forth on the Debt Service Schedule attached hereto as Exhibit E and incorporated herein by this reference (the "Schedule").

Section 4. Designation of Purchaser as Agent. The County hereby designates the Purchaser as its agent for purposes of distributing the Final Official Statement relating to the Notes to any participating underwriter in compliance with Rule 15c2-12 of the Securities and Exchange Commission.

Section 5. Redemption Provisions. At the option of the County, the Notes maturing on September 1, 2029 and thereafter are subject to redemption prior to maturity on September 1, 2028 or on any date thereafter. Said Notes are redeemable as a whole or in part from maturities selected by the County and within each maturity by lot, at the principal amount thereof, plus accrued interest to the date of redemption.

Section 6. Form of the Notes. The Notes shall be issued in registered form and shall be executed and delivered in substantially the form attached hereto as Exhibit B and incorporated herein by this reference.

Section 7. Direct Annual Irrepealable Tax Levy. For the purpose of paying the principal of and interest on the Notes as the same becomes due, the full faith, credit and resources of the County are hereby irrevocably pledged and a direct annual irrepealable tax is hereby levied upon all taxable property of the County. Said direct annual irrepealable tax shall be levied in the years 2021 through 2029 for payments due in 2022 through 2030 in the amounts as set forth on the Schedule.

The aforesaid direct annual irrepealable tax hereby levied shall be collected in addition to all other taxes and in the same manner and at the same time as other taxes of the County levied in said years are collected. So long as any part of the principal of or interest on the Notes remains unpaid, the tax herein above levied shall be and continues irrepealable except that the amount of tax carried onto the tax roll may be reduced in any year by the amount of any surplus in the Debt Service Fund Account created herein.

Section 8. Debt Service Fund Account. There is hereby established in the County treasury a fund account separate and distinct from every other County fund or account designated "Debt Service Fund Account for \$6,485,000 General Obligation Promissory Notes, dated March 23, 2021." There shall be deposited in said fund account any premium plus accrued interest paid

on the Notes at the time of delivery to the Purchaser, all money raised by taxation pursuant to Section 7 hereof and all other sums as may be necessary to pay interest on the Notes when the same shall become due and to retire the Notes at their respective maturity dates. Said fund account shall be used for the sole purpose of paying the principal of and interest on the Notes and shall be maintained for such purpose until such indebtedness is fully paid or otherwise extinguished.

Section 9. Segregated Borrowed Money Fund. The proceeds of the Notes (the "Note Proceeds") (other than any premium and accrued interest which must be paid at the time of the delivery of the Notes into the Debt Service Fund Account created above) shall be deposited into an account separate and distinct from all other funds and be disbursed solely for the purposes for which borrowed or for the payment for the principal of and the interest on the Notes.

Section 10. Arbitrage Covenant. The County shall not take any action with respect to the Note Proceeds which, if such action had been reasonably expected to have been taken, or had been deliberately and intentionally taken on the date of the delivery of and payment for the Notes (the "Closing"), would cause the Notes to be "arbitrage bonds" within the meaning of Section 148 of the Internal Revenue Code of 1986, as amended (the "Code") and any income tax regulations promulgated thereunder (the "Regulations").

The Note Proceeds may be temporarily invested in legal investments until needed, provided however, that the County hereby covenants and agrees that so long as the Notes remain outstanding, moneys on deposit in any fund or account created or maintained in connection with the Notes, whether such moneys were derived from the Note Proceeds or from any other source, will not be used or invested in a manner which would cause the Notes to be "arbitrage bonds" within the meaning of the Code or Regulations.

The County Clerk, or other officer of the County charged with responsibility for issuing the Notes, shall provide an appropriate certificate of the County, for inclusion in the transcript of proceedings, setting forth the reasonable expectations of the County regarding the amount and use of the Note Proceeds and the facts and estimates on which such expectations are based, all as of the Closing.

Section 11. Additional Tax Covenants; Exemption from Rebate. The County hereby further covenants and agrees that it will take all necessary steps and perform all obligations required by the Code and Regulations (whether prior to or subsequent to the issuance of the Notes) to assure that the Notes are obligations described in Section 103(a) of the Code, the interest on which is excluded from gross income for federal income tax purposes, throughout their term. The County Clerk or other officer of the County charged with the responsibility of issuing the Notes, shall provide an appropriate certificate of the County as of the Closing, for inclusion in the transcript of proceedings, certifying that it can and covenanting that it will comply with the provisions of the Code and Regulations.

Further, it is the intent of the County to take all reasonable and lawful actions to comply with any new tax laws enacted so that the Notes will continue to be obligations described in Section 103(a) of the Code, the interest on which is excluded from gross income for federal income tax purposes.

The County anticipates that the Notes will qualify for the construction expenditure exemption from the rebate requirements of the Code. The County Clerk or other officer of the County charged with the responsibility of issuing the Notes, shall provide an appropriate certificate of the County as of the Closing, for inclusion in the transcript of proceedings, with respect to said exemption from the rebate requirements, and said County Clerk or other officer is hereby authorized to make any election on behalf of the County in order to comply with the rebate requirements of the Code. If, for any reason, the County did not qualify for any exemption from the rebate requirements of the Code, the County covenants that it would take all necessary steps to comply with such requirements.

Section 12. Persons Treated as Owners; Transfer of Notes. The County Clerk shall keep books for the registration and for the transfer of the Notes. The person in whose name any Note shall be registered shall be deemed and regarded as the absolute owner thereof for all purposes and payment of either principal or interest on any Note shall be made only to the registered owner thereof. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Note to the extent of the sum or sums so paid.

Any Note may be transferred by the registered owner thereof by surrender of the Note at the office of the County Clerk, duly endorsed for the transfer or accompanied by an assignment duly executed by the registered owner or his attorney duly authorized in writing. Upon such transfer, the County Clerk shall execute and deliver in the name of the transferee or transferees a new Note or Notes of a like aggregate principal amount, series and maturity and the County Clerk shall record the name of each transferee in the registration book. No registration shall be made to bearer. The County Clerk shall cancel any Note surrendered for transfer.

The County shall cooperate in any such transfer, and the County Board Chairperson and County Clerk are authorized to execute any new Note or Notes necessary to effect any such transfer.

The 15th day of each calendar month next preceding each interest payment date shall be the record date for the Notes. Payment of interest on the Notes on any interest payment date shall be made to the registered owners of the Notes as they appear on the registration book of the County maintained by the County Clerk at the close of business on the corresponding record date.

Section 13. Utilization of The Depository Trust Company Book-Entry-Only- System. In order to make the Notes eligible for the services provided by The Depository Trust Company, New York, New York ("DTC"), the County has heretofore agreed to the applicable provisions set forth in the DTC Blanket Issuer Letter of Representation and the Finance Director has executed such Letter of Representation and delivered it to the DTC on behalf of the County.

Section 14. Official Statement. The County Board hereby approves the Preliminary Official Statement with respect to the Notes and deems the Preliminary Official Statement as "final" as of its date for purposes of SEC Rule 15c2-12 promulgated by the Securities and Exchange Commission pursuant to the Securities and Exchange Act of 1934 (the "Rule"). All actions taken by officers of the County in connection with the preparation of such Preliminary Official Statement and any addenda to it or Final Official Statement are hereby ratified and approved. In connection with Closing, the appropriate County official shall certify the

Preliminary Official Statement and any addenda or Final Official Statement. The appropriate County official shall cause copies of the Preliminary Official Statement and any addenda or Final Official Statement to be distributed to the Purchaser.

Section 15. Execution of the Notes. The Notes shall be issued in typewritten form, one Note for each maturity, executed on behalf of the County by the manual or facsimile signatures of the County Board Chairperson and County Clerk (except that one of the foregoing signatures shall be manual), sealed with its official or corporate seal, if any, and delivered to the Purchaser upon payment to the County of the purchase price thereof, plus accrued interest to the date of delivery. In the event that either of the officers whose signatures appear on the Notes shall cease to be such officers before the delivery of the Notes, such signatures shall, nevertheless, be valid and sufficient for all purposes to the same extent as if they had remained in office until such delivery. The aforesaid officers are hereby authorized to do all acts and execute and deliver all documents as may be necessary and convenient to effectuate the Closing.

Section 16. Payment of the Notes. The principal of and interest on the Notes shall be paid by the County Treasurer or his or her agent in lawful money of the United States.

Section 17. Continuing Disclosure. The County hereby covenants and agrees that it will comply with and carry out all of the provisions of its Continuing Disclosure Certificate, which the County will execute and deliver on the Closing Date. Any Noteholder may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the County to comply with its obligations under this Section.

Section 18. Conflicting Resolutions; Severability; Effective Date. All prior resolutions, rules or other actions of the County or any parts thereof in conflict with the provisions hereof shall be, and the same are, hereby rescinded insofar as the same may so conflict. In the event that any one or more provisions hereof shall for any reason be held to be illegal or invalid, such illegality or invalidity shall not affect any other provisions hereof. The foregoing shall take effect immediately upon adoption and approval in the manner provided by law.

Adopted this 25th day of February, 2021.

Richard Bostwick
County Board Chairperson

ATTEST:

Lisa Tollefson
County Clerk

(SEAL)