

EXHIBIT B

PAYMENT SCHEDULE

RE: Government Obligation Contract dated as of November 26, 2018, between KS StateBank (Obligee) and County of Winnebago, Illinois (Obligor)

Date of First Payment:	At Closing
Original Balance:	\$1,214,195.00
Total Number of Payments:	Four (4)
Number of Payments Per Year:	One (1)

Pmt No.	Due Date	Contract Payment	Applied to Interest	Applied to Principal	*Purchase Option Price
1	At Closing	\$323,829.99	\$0.00	\$323,829.99	\$909,511.74
2	26-Nov-19	\$323,829.99	\$39,977.38	\$283,852.61	\$616,332.30
3	26-Nov-20	\$323,829.99	\$27,232.40	\$296,597.59	\$313,272.71
4	26-Nov-21	\$323,829.99	\$13,915.18	\$309,914.81	\$0.00

County of Winnebago, Illinois

Carla Paschal

Signature

Carla Paschal, County Administrator/CFO

Printed Name and Title

*Assumes all Contract Payments due to date are paid

EXHIBIT A

DESCRIPTION OF EQUIPMENT

RE: Government Obligation Contract dated as of November 26, 2018, between KS StateBank (Obligee) and County of Winnebago, Illinois (Obligor)

Below is a detailed description of all the Items of Equipment including quantity, model number and serial number where applicable:

Three (3) 2019 Kenworth T800 Trucks with RDS Bodies, VIN: 1NKDL70X4KR284759, 1NKDL70X0KR284760, 1NKDL70X2KB284761, Three (3) 2019 Kenworth T800 Trucks with Dump Bodies, VIN: 1NKDL70XXKR284765, 1NKDL70X1KR284766, 1NKDL70X3KR284767

Physical Address of Equipment after Delivery : 400 N. Springfield Ave., Rockford, IL 61101

EXHIBIT C

CERTIFICATE OF ACCEPTANCE

RE: Government Obligation Contract dated as of November 26, 2018, between KS StateBank (Obligee) and County of Winnebago, Illinois (Obligor)

I, the undersigned, hereby certify that I am a duly qualified representative of Obligor and that I have been given the authority by the Governing Body of Obligor to sign this Certificate of Acceptance with respect to the above referenced Contract. I hereby certify that:

1. The Equipment described on Exhibit A has been delivered and installed in accordance with Obligor's specifications.
2. Obligor has conducted such inspection and/or testing of the Equipment as it deems necessary and appropriate and hereby acknowledges that it accepts the Equipment for all purposes.
3. Obligor has appropriated and/or taken other lawful actions necessary to provide moneys sufficient to pay all Contract Payments required to be paid under the Contract during the current Budget Year of Obligor, and such moneys will be applied in payment of all Contract Payments due and payable during such current Budget Year.
4. Obligor has obtained insurance coverage as required under the Contract from an insurer qualified to do business in the State.
5. No event or condition that constitutes or would constitute an Event of Default exists as of the date hereof.
6. The governing body of Obligor has approved the authorization, execution and delivery of this Contract on its behalf by the authorized representative of Obligor who signed the Contract.
7. Please list the Source of Funds (Fund Item in Budget) for the Contract Payments that come due under Exhibit B of this Contract.

Source of Funds : County Highway Fund

By signing below, Obligor hereby authorizes the General Fund of the Obligor as a backup source of funds from which the Contract Payments can be made.

County of Winnebago, Illinois

Carle Paschal

Signature

Carle Paschal, County Administrator/CFO

Printed Name and Title

EXHIBIT D
OBLIGOR RESOLUTION

RE: Government Obligation Contract dated as of November 26, 2018, between KS StateBank (Obligee) and County of Winnebago, Illinois (Obligor)

At a duly called meeting of the Governing Body of the Obligor (as defined in the Contract) held on March 22, 2018 the following resolution was Introduced and adopted:

BE IT RESOLVED by the Governing Body of Obligor as follows:

- 1. **Determination of Need.** The Governing Body of Obligor has determined that a true and very real need exists for the acquisition of the Equipment described on Exhibit A of the Government Obligation Contract dated as of November 26, 2018, between County of Winnebago, Illinois (Obligor) and KS StateBank (Obligee).
- 2. **Approval and Authorization.** The Governing Body of Obligor has determined that the Contract, substantially in the form presented to this meeting, is in the best interests of the Obligor for the acquisition of such Equipment, and the Governing Body hereby approves the entering into of the Contract by the Obligor and hereby designates and authorizes the following person(s) to execute and deliver the Contract on Obligor's behalf with such changes thereto as such person(s) deem(s) appropriate, and any related documents, including any Escrow Agreement, necessary to the consummation of the transaction contemplated by the Contract.

Authorized Individual(s): Frank Haney Chairman of the County Board
(Typed or Printed Name and Title of Individual(s) authorized to execute the Contract)

- 3. **Adoption of Resolution.** The signatures below from the designated individuals from the Governing Body of the Obligor evidence the adoption by the Governing Body of this Resolution.

Signature: 
(Signature of Secretary, Board Chairman or other member of the Governing Body)

Printed Name & Title: Frank Haney Chairman of the County Board
(Printed Name and Title of individual who signed directly above)

Attested By: 
(Signature of one additional person who can witness the passage of this Resolution)

Printed Name & Title: Carla Paschal, County Administrator/CFO
(Printed Name of Individual who signed directly above)

EXHIBIT E

BANK QUALIFIED CERTIFICATE

RE: Government Obligation Contract dated as of November 26, 2018, between KS StateBank (Obligee) and County of Winnebago, Illinois (Obligor)

Whereas, Obligor hereby represents that it is a "Bank Qualified" Issuer for the calendar year in which this Contract is executed by making the following designations with respect to Section 265 of the Internal Revenue Code of 1986, as amended (the "Code"). (A "Bank Qualified Issuer" is an issuer that issues less than ten million (\$10,000,000) dollars of tax-exempt obligations other than "private activity bonds" as defined in Section 141 of the Code, excluding certain "qualified 501(c)(3) bonds" as defined in Section 145 of the Code, during the calendar year).

Now, therefor, Obligor hereby designates this Contract as follows:

1. **Designation as Qualified Tax-Exempt Obligation.** Pursuant to Section 265(b)(3)(B)(i) of the Code, the Obligor hereby specifically designates the Contract as a "qualified tax-exempt obligation" for purposes of Section 265(b)(3) of the Code. In compliance with Section 265(b)(3)(D) of the Code, the Obligor hereby represents that the Obligor will not designate more than \$10,000,000 of obligations issued by the Obligor in the calendar year during which the Contract is executed and delivered as such "qualified tax-exempt obligations".
2. **Issuance Limitation.** In compliance with the requirements of Section 265(b)(3)(C) of the Code, the Obligor hereby represents that the Obligor (including all subordinate entities of the Obligor within the meaning of Section 265(b)(3)(E) of the Code) reasonably anticipates not to issue in the calendar year during which the Contract is executed and delivered, obligations bearing interest exempt from federal income taxation under Section 103 of the Code (other than "private activity bonds" as defined in Section 141 of the Code and excluding certain "qualified 501(c)(3) bonds" as defined in Section 145 of the Code) in an amount greater than \$10,000,000.

County of Winnebago, Illinois

Carla Paschel

Signature

Carla Paschel, County Administrator / CEO

Printed Name and Title

INSURANCE REQUIREMENTS

Pursuant to Article V of the Government Obligation Contract, you have agreed to provide us evidence of insurance covering the Equipment.

A Certificate of Insurance listing the information stated below should be sent to us no later than the date on which the equipment is delivered.

Insured:	Certificate Holder:
County of Winnebago, Illinois	KS StateBank
404 Elm Street	1010 Westloop, P.O. Box 69
Rockford, Illinois 61101	Manhattan, Kansas 66505-0069

1. Equipment Description

- ◆ Three (3) 2019 Kenworth T800 Trucks with RDS Bodies, VIN: 1NKDL70X4KR284759, 1NKDL70X0KR284760, 1NKDL70X2KB284761, Three (3) 2019 Kenworth T800 Trucks with Dump Bodies, VIN: 1NKDL70XXKR284765, 1NKDL70X1KR284766, 1NKDL70X3KR284767
- ◆ Please include all applicable VIN's, serial numbers, etc.

2. Deductible

- ◆ The deductible amounts on the insurance policy should not exceed \$100,000.00.

3. Physical Damage

- ◆ All risk coverage to guarantee proceeds of at least \$1,214,195.00.

4. Liability

- ◆ Minimum Combined Single Limit of \$1,000,000.00 on bodily injury and property damage.

5. Additional Insured and Loss Payee

- ◆ KS StateBank AOIA (and/or Its Assigns) MUST be listed as additional insured and loss payee.

Please forward certificate as soon as possible to: Email: bhinton@ksstate.bank
or
Fax: (785) 587-4016

Please complete the information below and return this form along with the Contract.

County of Winnebago, Illinois

Insurance Company: _____

Agent's Name: _____

Telephone #: _____

Fax #: _____

Address: _____

City, State Zip: _____

Email: _____

PREFERRED

*As an additional payment option for Obligor, we are now providing the option of ACH (Automatic Clearing House). By completing this form, Obligor is authorizing Obligee to withdraw said payment amount on said date.

DEBIT AUTHORIZATION

I hereby authorize KS StateBank Government Finance Department to initiate debit entries, and, if necessary, to reinstate returned entries up to two additional times, to the account indicated below at the financial Institution named below and to debit the same to such account for:

Contract Number 3354577	Payment Amount \$323,829.99	Frequency of Payments Annual
Beginning Month Year	Day of Month 20th	

I acknowledge that the origination of ACH transactions to this account must comply with the provisions of U.S. law.

Financial Institution Name		Branch	
Address	City	State	Zip
Routing Number		Account Number	

Type of Account Checking Savings

This authority is to remain in full force and effect until KS StateBank has received written notification from any authorized signer of the account of its termination in such time and manner as to afford KS StateBank a reasonable opportunity to act on it.

Obligor Name on Contract County of Winnebago, Illinois	
Signature	Printed Name and Title
Tax ID Number 36-6006681	Date

PLEASE ATTACH COPY OF A VOIDED CHECK TO THIS FORM!

USA Patriot Act

USA Patriot Act requires Identity verification for all new accounts. This means that we may require information from you to allow us to make a proper identification.

INVOICE

DATE SENT: 11-26-2018

BILL TO:
COUNTY OF WINNEBAGO, ILLINOIS
ATTN: ACCOUNTS PAYABLE
404 ELM STREET
ROCKFORD, ILLINOIS 61101

REMIT TO:
KS STATEBANK
GOVERNMENT FINANCE DEPARTMENT
PO BOX 69
MANHATTAN, KS 66505-0069
FOR INQUIRIES: (877) 587-4054

ACCOUNT NUMBER	PAYMENT DATE	PAYMENT DUE DATE	TOTAL AMOUNT DUE
3354577	At Closing	At Closing	\$323,829.99

DESCRIPTION	AMOUNT
GOVERNMENT OBLIGATION CONTRACT DATED AS OF NOVEMBER 26, 2018 THREE (3) 2019 KENWORTH T800 TRUCKS WITH RDS BODIES, VIN: 1NKDL70X4KR284759, 1NKDL70X0KR284760, 1NKDL70X2KB284761, THREE (3) 2019 KENWORTH T800 TRUCKS WITH DUMP BODIES, VIN: 1NKDL70XXKR284765, 1NKDL70X1KR284766, 1NKDL70X3KR284767 <i>Additional interest will be assessed on any payment received after the due date.</i>	PAYMENT AMOUNT: \$323,829.99
	\$323,829.99
	TOTAL DUE

8038 REVIEW FORM

The 8038 form attached hereto is an important part of the documentation package and must be properly filled out and submitted to the Department of the Treasury in order for you to receive the lower tax-exempt rate. Unless you instruct us otherwise, we have engaged a Paid Preparer to assist in the filling out of this form. The Paid Preparer has filled out the relevant portions of this form based on the current understanding of what is required by the Department of the Treasury. The responses on this 8038 form are based on the dates and amounts which you have requested (structure of the transaction) and which are on the Payment Schedule.

1. Please review our responses for accuracy. If anything is inaccurate, please contact our office so that we can make proper revisions.
2. If the information provided to you on this form is accurate, please sign where indicated and return with the document package.
3. If there are any changes to the structure of the transaction that occur prior to funding which require a change to the 8038 form, we will make such changes and provide notification to you.
4. We will return to you a copy of the 8038 form that was mailed to the Department of the Treasury.

Important Note:

The IRS is now requesting information regarding tax-exempt issuers' and borrowers' written policies and procedures designed to monitor post-issuance compliance with the federal tax rules applicable to tax-exempt obligations (boxes 43 and 44). Do not check items 43 and 44 on the 8038 form unless you have established written procedures in accordance with the instructions referenced directly below. If you choose to "check" items 43 and/or 44, please be prepared to provide copies of such written procedures to the Paid Preparer or any representatives of the IRS upon request. Written procedures should contain certain key characteristics, including making provisions for:

- Due diligence review at regular intervals;
- Identifying the official or employee responsible for review;
- Training of the responsible official/employee;
- Retention of adequate records to substantiate compliance (e.g., records relating to expenditure of proceeds);
- Procedures reasonably expected to timely identify noncompliance; and
- Procedures ensuring that the issuer will take steps to timely correct noncompliance.

For additional guidance on this 8038 form, you can refer to the Documentation Instructions located on the following government website: <http://www.irs.gov/app/picklist/list/formsInstructions.html>, or contact your local IRS office.

Information Return for Tax-Exempt Governmental Obligations

▶ Under Internal Revenue Code section 149(a)
▶ See separate instructions.

OMB No. 1545-0720

Department of the Treasury
Internal Revenue Service

Caution: If the issue price is under \$100,000, use Form 8038-GC.

Part I Reporting Authority		If Amended Return, check here <input type="checkbox"/>
1 Issuer's name County of Winnebago, Illinois		2 Issuer's employer identification number (EIN) 36-6006681
3a Name of person (other than issuer) with whom the IRS may communicate about this return (see instructions)		3b Telephone number of other person shown on 3a
4 Number and street (or P.O. box if mail is not delivered to street address) 404 Elm Street	Room/suite	5 Report number (For IRS Use Only) 3
6 City, town, or post office, state, and ZIP code Rockford, Illinois 61101		7 Date of Issue 11/26/2018
8 Name of issue Government Obligation Contract		8 CUSIP number None
10a Name and title of officer or other employee of the issuer whom the IRS may call for more information (see instructions) Ms. Carla Paschal, County Administrator		10b Telephone number of officer or other employee shown on 10a (815) 319-4278

Part II Type of Issue (enter the issue price). See the instructions and attach schedule.			
11 Education		11	
12 Health and hospital		12	
13 Transportation		13	
14 Public safety		14	
15 Environment (including sewage bonds)		15	
16 Housing		16	
17 Utilities		17	
18 Other. Describe ▶ Six (6) 2019 Kenworth T800 Trucks		18	1,228,145 88
19 If obligations are TANs or RANs, check only box 19a	<input type="checkbox"/>		
If obligations are BANs, check only box 19b	<input type="checkbox"/>		
20 If obligations are in the form of a lease or installment sale, check box	<input checked="" type="checkbox"/>		

Part III Description of Obligations. Complete for the entire issue for which this form is being filed.					
	(a) Final maturity date	(b) Issue price	(c) Stated redemption price at maturity	(d) Weighted average maturity	(e) Yield
21	11/26/2021	\$ 1,228,145.88	\$ N/A	3.000 years	4.490 %

Part IV Uses of Proceeds of Bond Issue (including underwriters' discount)			
22 Proceeds used for accrued interest		22	
23 Issue price of entire issue (enter amount from line 21, column (b))		23	
24 Proceeds used for bond issuance costs (including underwriters' discount)	24		
25 Proceeds used for credit enhancement	25		
26 Proceeds allocated to reasonably required reserve or replacement fund	26		
27 Proceeds used to refund prior tax-exempt bonds. Complete Part V.	27		
28 Proceeds used to refund prior taxable bonds. Complete Part V.	28		
29 Total (add lines 24 through 28)		29	
30 Nonrefunding proceeds of the issue (subtract line 29 from line 23 and enter amount here)		30	

Part V Description of Refunded Bonds. Complete this part only for refunding bonds.	
31 Enter the remaining weighted average maturity of the tax-exempt bonds to be refunded	_____ years
32 Enter the remaining weighted average maturity of the taxable bonds to be refunded	_____ years
33 Enter the last date on which the refunded tax-exempt bonds will be called (MM/DD/YYYY)	_____
34 Enter the date(s) the refunded bonds were issued (MM/DD/YYYY)	_____

Part VI Miscellaneous

35	Enter the amount of the state volume cap allocated to the issue under section 141(b)(5)		
36a	Enter the amount of gross proceeds invested or to be invested in a guaranteed investment contract (GIC) (see instructions)		
b	Enter the final maturity date of the GIC (MM/DD/YYYY)		
c	Enter the name of the GIC provider		
37	Pooled financings: Enter the amount of the proceeds of this issue that are to be used to make loans to other governmental units		
38a	If this issue is a loan made from the proceeds of another tax-exempt issue, check box <input type="checkbox"/> and enter the following information:		
b	Enter the date of the master pool bond (MM/DD/YYYY)		
c	Enter the EIN of the issuer of the master pool bond		
d	Enter the name of the issuer of the master pool bond		
39	If the issuer has designated the issue under section 265(b)(3)(B)(i)(III) (small issuer exception), check box <input checked="" type="checkbox"/>		
40	If the issuer has elected to pay a penalty in lieu of arbitrage rebate, check box <input type="checkbox"/>		
41a	If the issuer has identified a hedge, check here <input type="checkbox"/> and enter the following information:		
b	Name of hedge provider		
c	Type of hedge		
d	Term of hedge		
42	If the issuer has superintegrated the hedge, check box <input type="checkbox"/>		
43	If the issuer has established written procedures to ensure that all nonqualified bonds of this issue are remediated according to the requirements under the Code and Regulations (see instructions), check box <input type="checkbox"/>		
44	If the issuer has established written procedures to monitor the requirements of section 148, check box <input type="checkbox"/>		
45a	If some portion of the proceeds was used to reimburse expenditures, check here <input type="checkbox"/> and enter the amount of reimbursement.		
b	Enter the date the official intent was adopted (MM/DD/YYYY)		

Signature and Consent	Under penalties of perjury, I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. I further declare that I consent to the IRS's disclosure of the issuer's return information, as necessary to process this return, to the person that I have authorized above.			
	<i>Carla Paschel</i> Signature of issuer's authorized representative	11/28/2018 Date	<i>Carla Paschel County Administrator/FO</i> Type or print name and title	
Paid Preparer Use Only	Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed
	H. Evan Howe	<i>H. Evan Howe</i> <small>Digitally signed by H. Evan Howe Date: 2018.11.26 15:53:36 -0500</small>	11/26/2018	PTIN P01438994
	Firm's Name	Firm's EIN		
	Firm's Address	Phone no.		
	Baystone Financial LLC	48-1223987		
	12980 Metcalf, Suite 310, Overland Park, KS 66213	(800) 752-3562		

STATE OF ILLINOIS,
COUNTY OF WINNEBAGO } ss.

I, MARGIE M. MULLINS, County Clerk in and for said County, in the State aforesaid, do hereby certify that I have compared the foregoing attached copy of:

**RESOLUTION AUTHORIZING EXECUTION OF AN AGREEMENT WITH
KANSAS CITY BANK FOR THE FINANCING OF HIGHWAY
DEPARTMENT VEHICLES**

With the original document which is on file in my office; and found it to be a true, perfect and complete copy of the original document

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed the seal of said County, at my office in the City of Rockford, in said County,

this 23rd DAY OF MARCH, 2018.

Tiana J. McCall, Winnebago County Clerk

BY: [Signature] Deputy County Clerk



RESOLUTION
of the
COUNTY BOARD OF THE COUNTY OF WINNEBAGO, ILLINOIS

2018 CR 035

**RESOLUTION AUTHORIZING EXECUTION OF AN AGREEMENT
WITH KANSAS CITY BANK FOR THE FINANCING OF
HIGHWAY DEPARTMENT VEHICLES**

WHEREAS, the County of Winnebago has authorized the purchase of certain vehicles for the County Highway Department; and

WHEREAS, the County has authorized that a portion of the purchase price for the vehicles be financed through Kansas City Bank.

NOW, THEREFORE, BE IT RESOLVED, by the County Board of the County of Winnebago that the Chairman of the County Board of the County of Winnebago is authorized an agreement with Kansas City Bank for the financing of a portion of the cost of the vehicles to be purchased for the County Highway Department, a copy of which agreement is attached to this Resolution as Exhibit A.


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

BE IT FURTHER RESOLVED, that the Clerk of the County Board is hereby authorized to prepare and deliver certified copies of this Resolution to the County Administrator of the County and the County Engineer.

Respectfully Submitted,
FINANCE COMMITTEE

(AGREE)

(DISAGREE)


TED BIONDO,
FINANCE CHAIRMAN

TED BIONDO,
FINANCE CHAIRMAN


GARY JURY

GARY JURY


JOE HOFFMAN

JOE HOFFMAN


BURT GERL

BURT GERL

DAVE BOOMER

DAVE BOOMER


STEVE SCHULTZ

STEVE SCHULTZ


JAIME SALGADO

JAIME SALGADO


KEITH McDONALD

KEITH McDONALD

The above and foregoing Resolution was adopted by the County Board of the County of

Winnebago, Illinois this 22ND day of MARCH 2018.



FRANK HANEY
CHAIRMAN OF THE COUNTY BOARD
OF THE COUNTY OF WINNEBAGO, ILLINOIS

ATTESTED BY:


TIANA MCCALL
CLERK OF THE COUNTY BOARD
OF THE COUNTY OF WINNEBAGO, ILLINOIS