

**RESOLUTION OF INTENT  
TO ISSUE TAX ANTICIPATION WARRANTS IN FY 2014 OF THE BOARD OF  
MILLBURN COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 24  
COUNTY OF LAKE, STATE OF ILLINOIS**

**WHEREAS**, the Board of Education of the Millburn Community Consolidated School District No. 24, County of Lake, State of Illinois (“the Board of Education”), currently anticipates that in March 2014, there will be no money in the treasury of the Millburn Community Consolidated School District No. 24, County of Lake, State of Illinois (“the School District”) to defray necessary expenses of the School District incurred for educational purposes; and

**WHEREAS**, in order to meet the necessary expenses of the School District, the Board of Education, pursuant to Section 17-16 of the School Code (105 ILCS 5/17-16), may issue tax anticipation warrants drawn against and in anticipation of any taxes levied for the payment of necessary expenses of the School District for educational purposes to the extent of 85% of the total amount of the tax so levied; and

**WHEREAS**, based on current market conditions, one or more banks may be willing to commit to purchasing tax anticipation warrants now at a lower interest rate than would be offered in March 2014 when the warrants are needed, provided the Board of Education declares its present intent to issue the warrants; and

**WHEREAS**, the Board of Education currently estimates that in FY 2014, it will need to issue a total of approximately \$2,000,000 in tax anticipation warrants to defray necessary expenses of the School District incurred for educational purposes; and

**WHEREAS**, the Board of Education currently anticipates issuing less than \$2,000,000 in tax exempt bonds in FY 2014 and anticipates designating the tax anticipation warrants as “qualified tax-exempt obligations” pursuant to Section 265(b) (3) of the Internal Revenue Code; and

**WHEREAS**, the Board of Education finds that it is advisable, necessary, and for the best interests of the School District, in order to secure a lower interest rate on the warrants, for the Board of Education to declare its present intent to authorize the issuance tax anticipation warrants in FY 2014 subject to the facts and assumptions stated herein and subject to all other legal requirements and preconditions for the issuance of the warrants.

**NOW, THEREFORE**, Be It Resolved by the Board of Education of Millburn Community Consolidated School District No.24, County of Lake, State of Illinois, as follows:

Section 1: The Board of Education finds that all of the recitals contained above are true and correct, and that the same are hereby incorporated herein by reference as if fully stated herein.

Section 2: That the Board of Education hereby declares its intent, based on current projections of the financial needs of the School District, to authorize the issuance of approximately \$2,000,000 in tax anticipation warrants in FY 2014, or such lower amount as is necessary to defray necessary expenses of the School District incurred for educational purposes and allowed under (a) the Internal Revenue Code and Treasury Regulations provisions governing tax exempt bonds and (b) Section 17-16 of the School Code, as determined by the School District's counsel at or near the time the tax anticipation warrants are issued.

Section 3: That the above-stated intent of the Board of Education is expressly subject to (a) the existence of a valid and sufficient 2013 property tax levy to be adopted by the School District and filed with the Lake County Clerk in compliance with all requirements under the School Code, Property Tax Code, and other applicable laws; (b) the absence of any conflict(s) of interest with the bank or banks purchasing the warrants; (c) the repayment of all outstanding 2013 tax anticipation warrants prior to the issuance of any FY 2014 warrants; (d) the absence of any other outstanding short term debt against any other future revenue source, such as General State Aid certificates or revenue anticipation notes; (e) a month-by-month cumulative cash flow analysis to be prepared by the School District's Treasurer documenting the need for the full amount of the warrants; (f) the financial stability of the bank or banks purchasing the warrants; and (g) the approving opinion of counsel regarding the warrants' validity.

Section 4: That this resolution shall not be deemed to constitute acceptance of any bank commitment or authorization to issue warrants, and the resolution shall be automatically repealed unless the School District receives a commitment letter from a bank or banks to purchase the FY 2014 tax anticipation warrants within ninety (90) days of the date hereof.

Adopted this 23<sup>rd</sup> day of September 2013.

APPROVED:

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President, Board of Education

ATTEST:

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Secretary, Board of Education