

RESOLUTION NUMBER R-09-2009

RESOLUTION Approving a Tax-Exempt Bond Record-Keeping Policy for the Village of Glencoe, Cook County, Illinois.

* * *

WHEREAS:

A. The Village of Glencoe, Cook County, Illinois (the “*Village*”), has issued bonds or other obligations, the interest on which is not includible in “gross income” for federal income tax purposes (each an “*Obligation*” and collectively, the “*Obligations*”); and

B. Pursuant to the proceedings and agreements under which the Obligations were issued, the Village has covenanted generally to take all action necessary to preserve the tax exemption of the interest paid on the Obligations; and

C. It is necessary and in the best interest of the Village to maintain sufficient records to demonstrate compliance with such covenant and to adopt policies with respect thereto:

NOW, THEREFORE, Be It and It Is Hereby Resolved by the President and Board of Trustees of the Village of Glencoe, Cook County, Illinois, as follows:

Section 1. Incorporation of Preambles. The President and Board of Trustees of the Village (the “*Corporate Authorities*”) hereby find that all of the recitals contained in the preambles to this Resolution are full, true and correct and does incorporate them into this Resolution by this reference.

Section 2. Compliance Officer Is Responsible for Records. The Director of Finance of the Village (known, for purposes of this Resolution only, as the “*Compliance Officer*”) is hereby designated as the keeper of all records of the Village with respect to the Obligations, and such officer shall report to the Corporate Authorities at least annually that he/she has all of the

required records in his/her possession, or is taking appropriate action to obtain or recover such records.

Section 3. Closing Transcripts. For each issue of Obligations, the Compliance Officer shall receive, and shall keep and maintain, a true, correct and complete counterpart of each and every document and agreement delivered in connection with the issuance of the Obligations, including without limitation (a) the proceedings of the Village authorizing the Obligations, (b) any offering document with respect to the offer and sale of the Obligations, (c) any legal opinions with respect to the Obligations delivered by any lawyers, and (d) all written representations of any person delivered in connection with the issuance and initial sale of the Obligations.

Section 4. Arbitrage Rebate Liability. The Compliance Officer shall review the agreements of the Village with respect to the Obligations and shall prepare a report for the Corporate Authorities stating whether or not the Village has any rebate liability to the U.S. Treasury, and setting forth any applicable exemptions that the Obligations may have from rebate liability. Such report shall be updated annually and delivered to the Corporate Authorities.

Section 5. Recommended Records. The Compliance Officer shall review the records related to the Obligations and shall determine what requirements the Village must meet in order to maintain the tax-exemption of interest paid on the Obligations. The Compliance Officer shall then prepare a list of the contracts, requisitions, invoices, receipts and other information that may be needed in order to establish that the interest paid on the Obligations is entitled to be excluded from “gross income” for federal income tax purposes. Notwithstanding any other policy of the Village, such retained records shall be kept for as long as the Obligations relating to such records (and any obligations issued to refund the Obligations) are outstanding, plus three years, and shall at least include:

(a) complete copies of the bond transcripts delivered when any Obligations are initially issued and sold;

(b) copies of account statements showing the disbursements of all bond proceeds for their intended purposes;

(c) copies of account statements showing all investment activity of any and all accounts in which the proceeds of any Obligations have been held;

(d) copies of all bid requests and bid responses used in the acquisition of any special investments used for the proceeds of any tax-exempt bond obligations, including any swaps, swaptions, or other financial derivatives entered into with respect to any tax-exempt bond obligations in order to establish that such instruments were purchased at *fair market value*;

(e) copies of any subscriptions to the U.S. Treasury for the purchase of State and Local Government Series (SLGS) obligations;

(f) any calculations of liability for *arbitrage rebate* that is or may become due with respect to any issue of tax-exempt bond obligations, and any calculations prepared to show that no arbitrage rebate is due, together, if applicable, with account statements or cancelled checks showing the payment of any rebate amounts to the U.S. Treasury together with any applicable IRS Form 8038-T; and

(g) copies of all contracts of the Village, including any leases, with respect to the use of any property owned by the Village and acquired or financed with the proceeds of tax-exempt bond obligations, any part of which property is used by a private person at any time when such bonds are or have been outstanding.

Section 6. IRS Examination. In the event the Internal Revenue Service (“IRS”) commences an examination of any Obligations, the Compliance Officer shall inform the Corporate Authorities of such event, and is authorized to respond to inquiries of the IRS, and to hire outside, independent professional counsel to assist in the response to the examination.

Section 7. Severability. If any section, paragraph or provision of this Resolution shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such section, paragraph or provision shall not affect any of the remaining provisions of this Resolution.

Section 8. Repeal. All resolutions or parts thereof in conflict herewith be and the same are hereby repealed and this Resolution shall be in full force and effect forthwith upon its adoption.

ADOPTED: May 21, 2009

AYES: Cowans, Debb, Keefe, Melamed, Shubart and Solomon (6)

NAYS: None (0)

ABSENT: None (0)

APPROVED: May 21, 2009

/s/ Scott M. Feldman

President, Village of Glencoe
Cook County, Illinois

Recorded in Village Records on May 21, 2009 2009.

ATTEST:

/s/ David A. Clark

Deputy Village Clerk, Village of Glencoe
Cook County, Illinois