

RESOLUTION NO. _____

RESOLUTION authorizing the sale, determining rates of interest and other details and levying taxes in connection with the issuance of Taxable General Obligation Pension Promissory Notes, Series 2012A, of Milwaukee County, Wisconsin, in an aggregate principal amount not to exceed \$145,000,000.

WHEREAS, counties are authorized by the provisions of Section 67.12(12), *Wisconsin Statutes*, as supplemented and amended (the "*Statute*"), to issue promissory notes for any public purpose and to refund any municipal obligations, including interest on them; and

WHEREAS, the term "*public purpose*" is defined in the Statute as "the performance of any power or duty of the issuing municipality"; and

WHEREAS, pursuant to Section 59.85, *Wisconsin Statutes*, as supplemented and amended, counties with a population of 500,000 or more are empowered to fund the unfunded prior service liability of the employment retirement system of the county; and

WHEREAS, Milwaukee County, Wisconsin (the "*County*") is a county with a population of 500,000 or more, and now wishes to fund the unfunded prior service liability of the employment retirement system of the County; and

WHEREAS, the County Board of Supervisors of the County has previously adopted initial resolutions on November 6, 2008, authorizing the issuance of general obligation promissory notes of the County in an aggregate principal amount not to exceed \$400,000,000 for the purpose of funding the unfunded prior service liability of the employee retirement system of the County; and

WHEREAS, pursuant to a resolution duly adopted by the County Board of Supervisors of the County on March 19, 2009 (the "*Note Anticipation Note Resolution*"), in anticipation of the issuance of a portion of said promissory notes, the County has previously issued its Taxable Pension Notes, Series 2009B (the "*Note Anticipation Notes*") on April 2, 2009; and

WHEREAS, in connection with the issuance of the Note Anticipation Notes, the County covenanted to issue its promissory notes herein authorized, pursuant to the Note Anticipation Note Resolution; and

WHEREAS, it is considered necessary and desirable by the County Board of Supervisors of the County that the County borrow an amount not to exceed \$145,000,000 for the purposes aforesaid and that the County issue its Taxable General Obligation Pension Promissory Notes, Series 2012A (the "*Notes*") to evidence the indebtedness thereby incurred; and

WHEREAS, J.P. Morgan Securities Inc., on its own behalf and on behalf of others, has offered to purchase the Notes, and the County Board of Supervisors of the County has determined to accept such offer;

NOW, THEREFORE, Be It Resolved by the County Board of Supervisors of Milwaukee County, Wisconsin, as follows:

Section 1. Definitions. For all purposes of this Resolution, except as otherwise expressly provided or unless the context otherwise requires, the terms defined in this Section 1 shall have the meanings set forth below, and shall include the plural as well as the singular.

“Blended Treasury Yield” shall mean, with respect to each maturity of the Notes to be prepaid, the yield computed for the date that corresponds to the remaining average life of such maturity of the Notes to be prepaid to be calculated (assuming semiannual compounding based on a calendar year of 360 days consisting of twelve (12) thirty-day months, as follows:

(i) the linear interpolation of the actively traded U.S. Treasury security having a maturity that is closest to, but no later than, the date corresponding to the remaining average life of the maturity of the Notes to be prepaid and the yield for the maturity of the actively traded U.S. Treasury security having a maturity that is closest to, but no earlier than, the date corresponding to the remaining average life of the maturity of the Notes to be prepaid, as shown as of 11:00 a.m., New York City time, on the Valuation Date on the display currently designated as “Page PX1” of the Bloomberg Financial Markets Services Screen (or, if not available, any other nationally recognized trading system screen reporting on-line intraday trading in U.S. Treasury securities); or

(ii) if the yield described in clause (i) above cannot be determined, the linear interpolation of the yield for the maturity of the actively traded U.S. Treasury security having a maturity that is closest to, but no later than, the date corresponding to the remaining average life of the maturity of the Notes to be prepaid and the yield of the actively traded U.S. Treasury security having a maturity that is closest to, but no earlier than, the date corresponding to the remaining average maturity of the maturity of the Notes to be prepaid, as shown on the most recent yield data for the applicable U.S. Treasury maturity index from the Federal Reserve Statistical Release H.15 Daily Update (or any comparable or successor publication); or

(iii) if the yields described in clauses (i) and (ii) above cannot be determined, the linear interpolation of the yield for the maturity of the actively traded U.S. Treasury security having a maturity that is closest to, but no later than, the date corresponding to the remaining average life of the maturity of the Notes to be prepaid and the yield for the maturity of the actively traded U.S. Treasury security having a maturity that is closest to, but no earlier than, the date corresponding to the remaining average life of the maturity of the Notes to be prepaid, based upon the average of yield quotations for such securities (using, for each security, the average of the bid and ask prices, after excluding the highest and lowest quotations) as of 3:30 p.m., New York City time, on the Valuation Date

received from no less than five (5) primary dealers in U.S. government securities selected by the County.

"*Code*" shall mean the Internal Revenue Code of 1986, as amended.

"*County*" shall mean Milwaukee County, Wisconsin, and any successor to the duties or functions of the County.

"*Discount Yield*" shall mean, with respect to each maturity of the Notes to be prepaid on a particular date, the Blended Treasury Yield determined with respect to the Notes of such series and maturity, plus 0.____% per annum. The Discount Yield will be calculated assuming semiannual compounding based upon a calendar year of 360 days consisting of twelve thirty-day months.

"*Discounted Value*" shall mean, with respect to each outstanding maturity of the Notes to be prepaid, the sum of the amounts obtained by discounting all remaining scheduled payments of principal and interest (exclusive of interest that has accrued or will accrue to the date fixed for prepayment) on such maturity from the respective dates for such scheduled payments to the applicable date fixed for prepayment, at a yield equal to the applicable Discount Yield.

"*Governing Body*" shall mean the County Board of Supervisors of the County, or such other council, board, commission or body, by whatever name known, which shall succeed to its powers.

"*Note*" or "*Notes*" shall mean one or more of the Taxable General Obligation Pension Promissory Notes, Series 2012A, authorized to be issued by the terms of this Resolution.

"*Note Register*" shall mean the books of the County kept by the Note Registrar to evidence the registration and transfer of the Notes.

"*Pro Rata*" shall mean, with respect to any mandatory sinking fund prepayment in part, the amount that results from applying a fraction, the numerator of which is equal to the amount of the Notes maturing on December 1, 20____, held by a registered owner of such Notes maturing on said date and the denominator of which is equal to the total amount of such Notes maturing on said date then outstanding.

"*Note Registrar*" shall mean the County Treasurer of the County in Milwaukee, Wisconsin, or a successor designated as Note Registrar under this Resolution.

"*Purchase Agreement*" shall have the meaning set forth in Section 9 of this Resolution.

"*Resolution*" shall mean this resolution as adopted by the Governing Body of the County.

"*Statute*" shall mean Chapter 67 of the *Wisconsin Statutes*, as supplemented and amended.

Section 2. Authorization. The issuance of promissory notes in an aggregate principal amount not to exceed \$145,000,000 is hereby authorized for the purpose of providing funds for the public purpose of funding the unfunded prior service liability of the employee retirement system of the County.

The Notes shall be designated "Taxable General Obligation Pension Promissory Notes, Series _____," shall be dated the date of issuance, and shall also bear the date of authentication thereof, shall bear a series designation as determined in the Purchase Agreement (being the year in which the Notes are issued and lettered appropriately), shall be in fully registered form, shall be in denominations of \$5,000 each and integral multiples thereof (but no single Note shall represent installments of principal maturing on more than one date), shall be appropriately lettered and numbered, and shall mature on December 1 of the years (or such other date or dates as shall be set forth in the Purchase Agreement) in the respective principal amounts not later than twenty (20) years after the date of the issuance thereof, and shall bear interest at the rates per annum such that the true interest cost of the Notes does not exceed five and one-half percent (5.50%), and such that the amounts necessary to pay principal of and interest on the Notes in any year does not exceed the tax levy set forth in Section 10 hereof in the immediately preceding year, as shall be determined and approved by the Comptroller of the County upon the recommendation of the Pension Obligation Bond Working Group of the County to the Comptroller of the County to be in the best interests of the County, subject to the terms of this Resolution, and as shall be set forth in the Purchase Agreement, the execution of the Purchase Agreement by the Comptroller of the County to constitute conclusively the approval of such terms by the Comptroller of the County, which delegation is deemed to be proper by the County.

Section 3. Interest; Payment Provisions. The Notes shall bear interest from their date or from the most recent interest payment date to which interest has been paid or duly provided for, at the respective rates set out above, such interest (computed upon the basis of a 360-day year consisting of twelve 30-day months) being payable on the first days of June and December of each year, commencing on June 1, 2013 (or such other date or dates as shall be set forth in the Purchase Agreement). Interest on each Note shall be paid by check or draft of the Note Registrar to the person in whose name such Note is registered at the close of business on the fifteenth day of the calendar month next preceding the applicable interest payment date. The principal of the Notes shall be payable in lawful money of the United States of America only at the principal office of the Note Registrar.

Section 4. Execution; Authentication. The Notes shall be executed on behalf of the County with the manual or facsimile signature of the Chairperson of the County and with the manual or facsimile signature of the County Clerk of the County, and sealed with the official seal of the County or a printed facsimile thereof. In case any officer whose signature shall appear on any Note shall cease to be such officer before the delivery of such Note, such signature shall nevertheless be valid and sufficient for all purposes, the same as if such officer had remained in office until delivery.

All Notes shall have thereon a certificate of authentication substantially in the form hereinafter set forth duly executed by the Note Registrar as authenticating agent of the County and showing the date of authentication. No Note shall be valid or obligatory for any purpose or

be entitled to any security or benefit under this Resolution unless and until such certificate of authentication shall have been duly executed by the Note Registrar by manual signature, and such certificate of authentication upon any such Note shall be conclusive evidence that such Note has been authenticated and delivered under this Resolution. The certificate of authentication on any Note shall be deemed to have been executed by the Note Registrar if signed by an authorized officer of the Note Registrar, but it shall not be necessary that the same officer sign the certificate of authentication on all of the Notes issued under this Resolution.

Section 5. Registration of Notes; Persons Treated as Owners. The County shall cause books (the "Note Register") for the registration and for the transfer of the Notes as provided in this Resolution to be kept at the principal office of the Note Registrar, which is hereby constituted and appointed the registrar of the County.

Upon surrender for transfer of any Note at the principal office of the Note Registrar duly endorsed by, or accompanied by a written instrument or instruments of transfer in form satisfactory to the Note Registrar duly executed by, the registered owner or his attorney duly authorized in writing, the County shall execute and the Note Registrar shall authenticate, date and deliver in the name of the transferee or transferees a new fully registered Note or Notes of the same series, maturity and interest rate of authorized denominations, for a like aggregate principal amount. Any fully registered Note or Notes may be exchanged at said office of the Note Registrar for a like aggregate principal amount of Note or Notes of the same series, maturity and interest rate of other authorized denominations. The execution by the County of any fully registered Note shall constitute full and due authorization of such Note and the Note Registrar shall thereby be authorized to authenticate, date and deliver such Note.

The Note Registrar shall not be required to transfer or exchange any Note during the period of fifteen (15) days next preceding any interest payment date on such Note, nor to transfer or exchange any Note after notice calling such Note for prepayment has been mailed nor during the period of fifteen (15) days next preceding mailing of a notice of prepayment of any 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 the principal of or interest on any Note shall be made only to or upon the order of the registered owner thereof or his legal representative. 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.

No service charge shall be made for any transfer or exchange of Notes, but the County or the Note Registrar may require payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in connection with any transfer or exchange of Notes, except in the case of the issuance of a Note or Notes for the unpaid portion of a Note surrendered for prepayment.

The County and/or the Note Registrar may enter into an agreement with a securities depository registered under Section 17A of the Securities Exchange Act of 1934, as amended (the "Securities Depository"), including without limitation The Depository Trust Company, to establish procedures with respect to Notes owned by such Securities Depository. Such

agreement may impose additional requirements on the Note Registrar with respect to the Notes. If the County or the Note Registrar enters into such an agreement with a Securities Depository, the Securities Depository shall be the record owner of the Notes.

Section 6. Prepayment. As provided in the Purchase Agreement, the Notes may be subject to prepayment at the option of the County as a whole, or in part in such order of maturity as the County may determine (less than all of the Notes of a single maturity to be selected by the Note Registrar as hereinafter provided), on any date on and after December 1, 2022 (or such other date as shall be set forth in the Purchase Agreement), at a prepayment price of 100% of the principal amount thereof being prepaid. Alternatively, as provided in the Purchase Agreement, the Notes may be subject to prepayment at the option of the County as a whole, or in part in such order as the County may determine (less than all of the Notes of a single maturity to be selected by the Note Registrar as hereinafter provided), on any date, at a prepayment price of the greater of (i) 100% of the principal amount thereof being prepaid, or (ii) the Discounted Value, plus in each case accrued interest to the date fixed for prepayment; *provided*, that if Notes subject to mandatory sinking fund prepayment are selected for optional prepayment in part pursuant to this paragraph, the Notes maturing on said mandatory sinking fund prepayment date shall be prepaid Pro Rata, unless otherwise provided in the Purchase Agreement.

The Notes maturing on one or more dates, shall be subject to mandatory sinking fund prepayment in part, on December 1 of the years (or such other date or dates as shall be set forth in the Purchase Agreement) and in the aggregate principal amounts at a prepayment price of 100% of the principal amount thereof being prepaid, as shall be determined and approved by the Comptroller of the County upon the recommendation of the Pension Obligation Bond Working Group of the County to the Comptroller of the County to be in the best interests of the County, subject to the terms of this Resolution, and as shall be set forth in the Purchase Agreement, the execution of the Purchase Agreement by the Chairperson of the County to constitute conclusively the approval of such terms by the Comptroller of the County, which delegation is deemed to be proper by the County; *provided*, that the determination and approval of such mandatory sinking fund schedule shall be established such that the payment of principal of and interest on the Notes in any year does not exceed the tax levy set forth in Section 10 hereof in the immediately preceding year. In the event that Notes that are subject to mandatory sinking fund prepayment on a given date, are called for optional prepayment prior to maturity, the County shall be entitled to a credit against the respective mandatory sinking fund prepayment requirements in such order among the mandatory sinking fund prepayment dates and the maturity date for such date as shall be designated by the County to the Note Registrar.

The Notes shall be prepaid only in the principal amount of \$5,000 each and integral multiples thereof. At least forty-five (45) days prior to the date fixed for any optional prepayment (unless a shorter notice shall be satisfactory to the Note Registrar), the County shall notify the Note Registrar of any such date fixed for optional prepayment and of the principal amount of Notes to be prepaid. For purposes of any prepayment of less than all of the outstanding Notes of a single maturity, the particular Notes or portions of Notes to be prepaid shall be selected by the Note Registrar from the outstanding Notes of the longest maturity then outstanding by such method as the Note Registrar shall deem fair and appropriate, and which

may provide for the selection for prepayment of Notes or portions of Notes in principal amounts of \$5,000 and integral multiples thereof.

The Note Registrar shall promptly notify the County in writing of the Notes or portions of Notes selected for prepayment and, in the case of any Note selected for partial redemption, the principal amount thereof to be prepaid.

Section 7. Prepayment Procedure. Unless waived by any registered owner of Notes (or portions thereof) to be prepaid, notice of the call for any such prepayment shall be given by the Note Registrar on behalf of the County by mailing the prepayment notice by registered or certified mail, postage prepaid, not less than thirty (30) days prior to the date fixed for prepayment to the registered owner of the Note or Notes to be so prepaid at the address shown on the Note Register or at such other address as is furnished in writing by such registered owner to the Note Registrar. Failure to give such notice by mailing to any owner of any Note, or any defect therein, shall not affect the validity of any proceedings for the redemption of any other Notes.

All notices of prepayment shall state:

- (1) the date fixed for prepayment,
- (2) the prepayment price,
- (3) if less than all outstanding Notes are to be prepaid, the identification, including CUSIP numbers (and, in the case of partial prepayment, the respective principal amounts) of the Notes to be prepaid,
- (4) that on the date fixed for prepayment the prepayment price will become due and payable upon each such Note or portion thereof called for prepayment, and that interest thereon shall cease to accrue from and after said date, and
- (5) the place where such Notes are to be surrendered for payment of the prepayment price, which place of payment shall be the principal office of the Note Registrar.

Prior to any date fixed for prepayment, the County shall deposit with the Note Registrar an amount of money sufficient to pay the prepayment price of all the Notes or portions of Notes which are to be prepaid on that date. With respect to an optional prepayment of the Notes, unless moneys sufficient to pay the principal of and interest on the Notes to be prepaid shall have been received by the Note Registrar prior to the giving of such notice of prepayment, such notice may, at the option of the County, state that said prepayment shall be conditional upon the receipt of such moneys by the Note Registrar on or prior to the date fixed for prepayment. If such moneys are not received, such notice shall be of no force and effect, the County shall not prepay the Notes or portion thereof and the Note Registrar shall give notice, in the same manner in which the notice of prepayment was given, that such moneys were not so received and that the Notes or portion thereof will not be prepaid.

Notice of prepayment having been given as aforesaid, the Notes or portions of Notes so to be prepaid shall, on the date fixed for prepayment, become due and payable at the prepayment price therein specified, and from and after such date (unless the County shall default in the payment of the prepayment price) such Notes or portions of Notes shall cease to bear interest. Upon surrender of such Notes for prepayment in accordance with said notice, such Notes shall be paid by the Note Registrar at the prepayment price. Installments of interest due on or prior to the date fixed for prepayment shall be payable as herein provided for the payment of interest. Upon surrender for any partial prepayment of any Note, there shall be prepared for the registered owner a new Note or Notes of the same maturity in the amount of the unpaid principal. All Notes which have been prepaid shall be cancelled and destroyed by the Note Registrar and shall not be reissued.

In addition to the prepayment notice required above, further notice of prepayment (the "*Additional Prepayment Notice*") shall be given by the Note Registrar as set forth below, but no defect in the Additional Prepayment Notice nor any failure to give all or any portion of the Additional Prepayment Notice shall in any manner affect the effectiveness of a call for prepayment if notice thereof is given as prescribed above.

Each Additional Prepayment Notice given hereunder shall contain the information required above, plus (i) the date such notice required above has been or will be mailed; (ii) the date of issuance of the Notes being prepaid, as originally issued; (iii) the maturity date of each Note (or portion thereof) to be prepaid; and (iv) any other descriptive information needed to identify accurately the Notes being prepaid prior to maturity.

Each Additional Prepayment Notice shall be sent at least thirty (30) days before the date fixed for prepayment by legible facsimile transmission, registered or certified mail (postage prepaid) or overnight delivery service to The Depository Trust Company of New York, New York, and to at least two (2) of the national information services that disseminate notices of prepayment of obligations such as the Notes.

Section 8. Form of Notes. The Notes, the certificate of authentication to be endorsed thereon and the form of assignment are all to be in substantially the following forms with necessary and appropriate variations, omissions and insertions as permitted or required by this Resolution:

[Form of Note - Front Side]

UNITED STATES OF AMERICA

STATE OF WISCONSIN

MILWAUKEE COUNTY

TAXABLE GENERAL OBLIGATION PENSION PROMISSORY NOTE, SERIES 2012A

See Reverse Side for
Additional Provisions

No. R-			\$ _____
DATED DATE	MATURITY DATE	RATE OF INTEREST	CUSIP NO.
_____, 20__	_____, 1, ____	_____ %	_____

Registered Owner:

Principal Amount:

KNOW ALL MEN BY THESE PRESENTS: That Milwaukee County in the State of Wisconsin (the "County") hereby acknowledges itself to owe and for value received promises to pay to the Registered Owner hereinabove identified, or registered assigns as hereinafter provided, on the Maturity Date hereinabove identified, the Principal Amount hereinabove identified and to pay interest (computed on the basis of a 360-day year consisting of twelve 30-day months) on said Principal Amount from the Dated Date hereinabove identified or from the most recent interest payment date to which interest has been paid at the Rate of Interest per annum hereinabove identified, payable on the first days of _____ and _____ of each year, commencing on _____ 1, 20__, until said Principal Amount is paid, except as the provisions hereinafter set forth with respect to prepayment may be and become applicable to this Note.

The principal of this Note is payable in lawful money of the United States of America only at the principal office of County Treasurer of the County in Milwaukee, Wisconsin, as note registrar and paying agent, and its successors (the "Note Registrar"). Payment of each installment of interest shall be made to the Registered Owner hereof who shall appear on the registration books of the County maintained by the Note Registrar at the close of business on the fifteenth day of the calendar month next preceding the interest payment date, and shall be paid by check or draft of the Note Registrar mailed to such Registered Owner at his address as it appears

on such registration books or at such other address as may be furnished in writing by such Registered Owner to the Note Registrar.

Reference is hereby made to the further provisions of this Note set forth on the reverse side hereof and such further provisions shall for all purposes have the same effect as if set forth on the front side of this Note.

It is hereby certified, recited and declared that all acts, conditions and things required to be done, exist, happen and be performed precedent to and in the issuance of this Note have been done, have existed, have happened and have been performed in regular form and manner as required by the Constitution and the laws of the State of Wisconsin; that this Note, together with all other indebtedness of the County, does not exceed any limitation prescribed by law; and that the County has levied a direct annual irrevocable tax sufficient to pay the interest hereon when it falls due and also to pay and discharge the principal hereof at maturity.

The full faith, credit and resources of the County are hereby pledged for the payment of the principal of and interest on this Note and the issue of which it is a part as the same respectively become due and for the levy and collection of sufficient taxes for that purpose.

This Note shall not be valid or become obligatory for any purpose until the certificate of authentication hereon shall have been signed by the Note Registrar.

IN WITNESS WHEREOF, Milwaukee County, Wisconsin, by its County Board of Supervisors, has caused this Note to be executed with the duly authorized manual or facsimile signature of its Chairperson and with the duly authorized manual or facsimile signature of its County Clerk, and its official seal or a facsimile thereof to be impressed or reproduced hereon, as of the Dated Date hereinabove identified.

County Clerk

Chairperson

[SEAL]

CERTIFICATE OF AUTHENTICATION

This Note is one of the Notes described in the within mentioned Resolution and is one of the Taxable General Obligation Pension Promissory Notes, Series 2012A, of Milwaukee County, Wisconsin.

Date of Authentication:

By _____
County Treasurer, as Note Registrar

[Form of Note - Reverse Side]

This Note is one of an authorized issue of Taxable General Obligation Pension Promissory Notes, Series 2012A, aggregating the principal amount of \$_____ (the "Notes"), issued for the public purpose consisting of funding the unfunded prior service liability of the retirement system of the County, pursuant to and in all respects in compliance with Chapter 67 of the *Wisconsin Statutes*, as supplemented and amended, and a resolution adopted by the County Board of Supervisors of the County on November 6, 2012 (the "Resolution").

This Note is transferable by the Registered Owner hereof in person or by his attorney duly authorized in writing at the principal office of the Note Registrar, but only in the manner, subject to the limitations and upon payment of the charges provided in the authorizing resolution, and upon surrender and cancellation of this Note. Upon such transfer a new Note or Notes of authorized denominations of the same series, maturity and interest rate and for the same aggregate principal amount will be issued to the transferee in exchange for this Note.

The Notes are issued in fully registered form in denominations of \$5,000 each and integral multiples thereof. This Note may be exchanged at the principal office of the Note Registrar for a like aggregate principal amount of Notes of the same series, maturity and interest rate of other authorized denominations, upon the terms set forth in the authorizing resolution.

The County and the Note Registrar may deem and treat the Registered Owner as the absolute owner hereof for the purpose of receiving payment of or on account of principal hereof and interest due hereon and for all other purposes, and neither the County nor the Note Registrar shall be affected by any notice to the contrary.

Notes of the issue of which this Note is one are subject to prepayment at the option of the County as a whole, or in part in such order as the County may determine in integral multiples of \$5,000 (less than all the Notes of a single maturity to be selected by the Note Registrar in such manner as it shall deem fair and appropriate) on any date on and after _____ 1, 202_, at a prepayment price of 100% of the principal amount thereof being prepaid.

The Notes maturing on _____ 1, 20__, are subject to mandatory sinking fund prepayment prior to maturity, Pro Rata, as provided in the Resolution, on _____ 1 of the years and in the aggregate principal amounts at a prepayment price of 100% of the principal amount thereby being prepaid as follows:

YEAR PRINCIPAL AMOUNT

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Any optional prepayment of such Notes maturing on such date may be applied as a credit to such mandatory sinking fund prepayment requirements in such order as shall be designated by the County, as provided in the Resolution.

Notice of any intended prepayment shall be sent by registered or certified mail, postage prepaid, not less than thirty (30) days prior to the date fixed for prepayment to the registered owner of each Note to be prepaid (in whole or in part) at the address shown on the registration books of the County maintained by the Note Registrar or at such other address as is furnished in writing by such registered owner to the Note Registrar. Such notice of prepayment may be conditional as provided in the authorizing resolution. When so called for prepayment, this Note, or the portion hereof being so called for prepayment, will cease to bear interest on the specified prepayment date, provided funds for prepayment are on deposit at the place of payment on that date, and shall not be deemed to be outstanding.

* * * *

The following abbreviations, when used in the inscription on the face of the within Note, shall be construed as though they were written out in full according to applicable laws or regulations:

TEN COM-	as tenants in common	UNIF TRANS MIN ACT-
TEN ENT-	as tenants by the entirety	UNIF GIFT MIN ACT-
		_____ Custodian _____
JT TEN-	as joint tenants with right of survivorship and not as tenants in common	(Cust) (Minor) under Uniform Gifts to Minors Act _____ (State)

Additional abbreviations may also be used though not listed above.

(ASSIGNMENT)

FOR VALUE RECEIVED, the undersigned hereby sells, assigns and transfers unto

(Name and Address of Assignee)

the within Note and does hereby irrevocably constitute and appoint _____

attorney, to transfer the said Note on the books kept for registration thereof with full power of substitution in the premises.

Dated: _____

NOTICE: The signature to this assignment must correspond with the name of the Registered Owner as it appears upon the face of the within Note in every particular, without alteration or enlargement or any change whatever.

Signature guaranteed:

Signature(s) must be guaranteed by an "eligible guarantor institution" meeting the requirements of the Registrar, which requirements include membership or participation in STAMP or such other "signature guaranty program" as may be determined by the Registrar in addition to or in substitution for STAMP, all in accordance with the Securities Exchange Act of 1934, as amended.

Section 9. Sale of Notes. The sale of the Notes to J.P. Morgan Securities Inc., of Chicago, Illinois, on its own behalf and on behalf of others, at a price of not less than 98% of the principal amount thereof and accrued interest to the date of delivery thereof, is hereby approved, such purchase price to be determined and approved by the Comptroller of the County upon the recommendation of the Pension Obligation Bond Working Group of the County to the Comptroller of the County to be in the best interests of the County, subject to the terms of this Resolution, and as shall be set forth in the Purchase Agreement, the execution of the Purchase Agreement by the Chairperson of the County to constitute conclusively the approval of such purchase price by the Comptroller of the County, which delegation is deemed to be proper by the County. The County shall sell and deliver the Notes to J.P. Morgan Securities, Inc., as representative of the underwriters, under the terms and conditions set forth in the Purchase Agreement presented to this meeting and incorporated herein by this reference (the "*Purchase Agreement*"). The form, terms and provisions of the Bond Purchase Agreement are hereby approved, and the Chairperson and the County Clerk of the County are authorized and directed to execute, attest and deliver the Purchase Agreement. The officers of the County are hereby authorized and directed to do any and all acts necessary to conclude delivery of the Notes to said purchaser, upon receipt of the purchase price.

Section 10. Levy of Taxes. In order to provide for the collection of a direct annual tax sufficient to pay the interest on the Notes and to pay and discharge the principal thereof at maturity, there is hereby levied upon all taxable property in Milwaukee County, Wisconsin, a direct annual tax in an amount sufficient for that purpose, and there is hereby levied upon all of said taxable property in the County the following direct annual tax in each of the years and amounts as follows:

YEAR OF LEVY	AMOUNT FOR INTEREST AND PRINCIPAL
2012	\$ 9,813,000
2013	14,444,150
2014	14,448,775
2015	14,447,500
2016	14,444,500
2017	14,443,675
2018	14,443,650
2019	14,448,050
2020	14,445,225
2021	14,444,075
2022	14,447,950
2023	14,444,925
2024	14,443,625
2025	14,447,125
2026	14,448,225
2027	14,448,225
2028	45,478,500
2029	45,478,350
2030	45,481,050

In each of said years 2012 to 2031, inclusive, the direct annual tax above levied shall be extended upon the tax rolls of the County and collected by the officers of the County in the same manner and at the same time as taxes for general County purposes for such years are extended and collected, and when so collected, the proceeds of said taxes shall be used solely for paying the principal of and interest on the Notes so long as any of the Notes remain outstanding.

Interest on or principal of the Notes falling due at any time when there shall be on hand insufficient funds from the proceeds of the above tax levy for the payment of such interest or principal shall be paid promptly when due from other funds of the County, which funds shall be reimbursed therefor out of the proceeds of the taxes above levied when such taxes shall have been collected.

Section 11. Debt Service Fund. There has been ordered to be established in the County Treasury a fund separate and distinct from all other funds of the County and designated the "Debt Service Fund," which fund shall be used solely for the purpose of paying principal of, premium, if any, and interest on municipal obligations issued pursuant to Chapter 67, *Wisconsin Statutes*, as supplemented and amended. There is hereby created, and there shall be deposited in, an account known as the "Series 2012A Taxable General Obligation Pension Promissory Note Account," to be held as a part of the Debt Service Fund, all money raised by taxation pursuant to Section 9 hereof, and such 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 and mandatory sinking fund prepayment dates.

Section 12. Use of Proceeds; Notes to Remain in Registered Form. The principal proceeds of the Notes shall be deposited in a special fund and used solely for the purposes for which the Notes are hereby authorized.

The County further recognizes that the Notes will be issued, and shall remain in fully registered form. In this connection, the County agrees that it will not take any action to permit the Notes to be issued in, or converted into, bearer or coupon form.

Section 13. Duties of Note Registrar. If requested by the Note Registrar, the Chairperson of the County is authorized to execute and the County Clerk of the County is authorized to attest the Note Registrar's standard form of agreement between the County and the Note Registrar with respect to the obligations and duties of the Note Registrar hereunder which may include the following:

- (a) to act as note registrar, authenticating agent, paying agent and transfer agent as provided herein;
- (b) to give notice of prepayment of Notes as provided herein;
- (c) to cancel and destroy Notes which have been paid at maturity or upon earlier prepayment or submitted for exchange or transfer;

(d) to furnish the County at least annually a certificate of destruction with respect to Notes cancelled and destroyed; and

(e) to furnish the County at least annually an audit confirmation of Notes paid, Notes outstanding and payments made with respect to interest on the Notes.

The County Clerk of the County is hereby directed to file a certified copy of this Resolution with the Note Registrar.

The County covenants that it shall at all times retain a Note Registrar with respect to the Notes, that it will maintain at the designated office of such Note Registrar a place or places where Notes may be presented for payment or registration of transfer or exchange, and that it shall require that the Note Registrar properly maintain the Note Register and perform the other duties and obligations imposed upon it by this Resolution in a manner consistent with the standards, customs and practices of the municipal securities industry.

The Note Registrar shall signify its acceptance of the duties and obligations imposed upon it by this Resolution by executing the certificate of authentication on any Note, and by such execution the Note Registrar shall be deemed to have certified to the County that it has all requisite power to accept and has accepted such duties and obligations. The Note Registrar is the agent of the County, and shall not be liable in connection with the performance of its duties, except for its own negligence or willful wrongdoing. The Note Registrar shall, however, be responsible for any representation in its certificate of authentication on the Notes.

The County may remove the Note Registrar at any time. In case at any time the Note Registrar shall resign, shall be removed, shall become incapable of acting, or shall be adjudged as bankrupt or insolvent, or if a receiver, liquidator or conservator of the Note Registrar, or of the property thereof, shall be appointed, or if any public office shall take charge or control of the Note Registrar, or of the property or affairs thereof, the County covenants and agrees that it will thereupon appoint a successor Note Registrar. The County shall mail notice of any such appointment made by it to each registered owner of any Note within twenty (20) days after such appointment. Any Note Registrar appointed under the provisions of this Section 13 shall be a County officer or a bank, trust company or national banking association.

Section 14. Continuing Disclosure Certificate. The Chairperson and the County Clerk of the County, or either of them, are hereby authorized to execute and deliver on behalf of the County a continuing disclosure certificate with respect to the Notes (the "*Continuing Disclosure Certificate*") in substantially the form as the individuals executing the Continuing Disclosure Certificate on behalf of the County shall approve, his or her execution to constitute conclusive evidence of his or her approval of the form of such Continuing Disclosure Certificate. When the Continuing Disclosure Certificate shall be executed and delivered on behalf of the County as contemplated herein, it shall be binding on the County, and all officers, employees and agents of the County are hereby authorized, empowered and directed to do all such acts and things and to execute all such documents as may be necessary to carry out and comply with the terms and provisions of the Continuing Disclosure Certificate. Copies of the Continuing Disclosure Certificate shall be placed in the official records of the County, and shall be available for public

inspection at the offices of the County. Notwithstanding any other provision of this Resolution to the contrary, the sole remedy for the failure to comply with the Continuing Disclosure Certificate shall be the ability of the beneficial owners of the Notes to seek mandamus or specific performance.

Section 15. Other Documents. The Chairperson, the County Clerk, the County Treasurer and all other officers of the County are hereby authorized to execute all documents and certificates necessary in connection with the authorization and delivery of the Notes, including without limitation an official statement describing the Notes and the County.

Section 16. 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 or such section, paragraph or provision shall not affect any of the remaining provisions of this Resolution.

Section 17. Ordinances, Resolutions Superseded. All ordinances and resolutions in conflict herewith are hereby superseded to the extent of such conflict, and this Resolution shall take effect from and after its passage.

Section 18. Certified Copies of this Resolution. The County Clerk of the County is hereby directed to send certified copies of this Resolution to Co-Bond Counsel for the County, Chapman and Cutler LLP, 111 West Monroe Street, Chicago, Illinois 60603, Attention: Charles L. Jarik, and Emile Banks & Associates, LLC, Suite 290, 1200 North Mayfair Road, Milwaukee, Wisconsin 53226, Attention: Emile Banks, and to the Milwaukee County Department of Administrative Services -- Fiscal Affairs Division, 901 North 9th Street, Room 308, Milwaukee, Wisconsin 53223, Attention: Pamela Bryant.

Attachment 2

INITIAL AUTHORIZING RESOLUTION AND NOTE RESOLUTION

Milwaukee County
 Projection of Milwaukee County General Obligation and Pension
 Debt and Pension Contributions - Scenario A for \$135 Million Refunding
Original Plan from 2009

	Existing Debt W/ Assumption of New Capital	Combined Pension Obligation Bonds - Scenario A	Annual Pension Contributions	Total Debt and Pension Costs
	1	2	3	
2013	\$ 73,350,220	\$ 35,240,180	\$ 30,582,000	\$ 139,172,400
2014	71,925,970	32,219,270	31,920,000	136,065,240
2015	55,925,860	32,241,160	41,041,800	129,208,820
2016	54,940,760	32,294,700	43,852,500	131,087,960
2017	56,567,710	32,344,420	45,372,200	134,284,330
2018	52,469,400	32,379,480	46,954,100	131,802,980
2019	51,522,540	32,413,980	48,572,200	132,508,720
2020	53,861,580	32,587,660	50,203,600	136,652,840
2021	55,380,540	32,582,190	51,892,400	139,855,130
2022	56,697,540	32,576,120	53,640,300	142,913,960
2023	53,640,340	32,565,490	55,449,300	141,655,130
2024	50,816,470	32,556,540	57,321,700	140,694,710
2025	42,909,250	32,544,820	59,259,600	134,113,670
2026	39,953,180	32,486,920	61,265,300	133,705,400
2027	34,837,500	32,432,150	63,341,200	130,610,850
2028	34,695,750	32,364,130	65,489,900	132,549,780
2029	30,765,750	32,941,730	67,713,700	131,421,180
2030	27,094,000	32,941,980	70,015,300	130,051,280
2031	23,429,000	21,644,370	72,397,500	117,470,870
2032	19,761,500	-	74,863,100	94,624,600
Total	\$ 939,944,860	\$ 609,357,290	\$ 1,091,147,700	\$ 2,640,449,850

1 Based upon current debt service and an assumption of capital debt issues at maximum allowed debt issuance level, using County's capital debt restriction

2 Pension Obligation Debt of \$265 Million in 2009 and amortization of \$135 million 2012 Debt Issuance assuming a debt payment based on original assumptions of \$8.9 million per year, with remaining principal in last 3 years - (Scenario A.)

3 Estimated Annual Pension Contributions, before offset for employee contributions. Estimates are based on 2012 Actuarial report, with an assumption of amortization of investment gain/loss over the subsequent budget years.

Milwaukee County
 Projection of Milwaukee County General Obligation and Pension
 Debt and Pension Contributions - Scenario B for \$135 Million Refunding
Level Debt Service

	Existing Debt W/ Assumption of New Capital	Combined Pension Obligation Bonds - Scenario B	Annual Pension Contributions	Total Debt and Pension Costs
	1	2	3	
2013	\$ 73,350,220	\$ 36,273,250	\$ 30,582,000	\$ 140,205,470
2014	71,925,970	35,945,390	31,920,000	139,791,360
2015	55,925,860	35,946,170	41,041,800	132,913,830
2016	54,940,760	35,947,430	43,852,500	134,740,690
2017	56,567,710	35,947,740	45,372,200	137,887,650
2018	52,469,400	35,944,200	46,954,100	135,367,700
2019	51,522,540	35,948,560	48,572,200	136,043,300
2020	53,861,580	35,948,570	50,203,600	140,013,750
2021	55,380,540	35,945,700	51,892,400	143,218,640
2022	56,697,540	35,948,520	53,640,300	146,286,360
2023	53,640,340	35,946,900	55,449,300	145,036,540
2024	50,816,470	35,945,990	57,321,700	144,084,160
2025	42,309,250	35,945,190	59,259,600	137,514,040
2026	39,953,180	35,947,950	61,265,300	137,166,430
2027	34,837,500	35,945,620	63,341,200	134,124,320
2028	34,695,750	23,520,830	65,489,900	123,706,480
2029	30,765,750	-	67,713,700	98,479,450
2030	27,094,000	-	70,015,300	97,109,300
2031	23,429,000	-	72,397,500	95,826,500
2032	19,761,600	-	74,863,100	94,624,600
Total	\$ 939,944,860	\$ 563,048,010	\$ 1,091,147,700	\$ 2,594,140,570

1 Based upon current debt service and an assumption of capital debt issues at maximum allowed debt issuance level, using County's capital debt restriction

2 Pension Obligation Debt of \$265 Million in 2009 and amortization of \$135 million 2012 Debt Issuance assuming a debt payment based on level debt service over a 15 year period at approximately \$12.5 million per year after year 1 (Scenario B).

3 Estimated Annual Pension Contributions, before offset for employee contributions. Estimates are based on 2012 Actuarial report, with an assumption of amortization of investment gain/loss over the subsequent budget years.