

AN ORDINANCE PROVIDING FOR THE ISSUANCE OF WATERWORKS SYSTEM IMPROVEMENT REVENUE BONDS OF THE VILLAGE OF MT. AUBURN, CHRISTIAN COUNTY, ILLINOIS, IN THE AGGREGATE PRINCIPAL AMOUNT OF TWO HUNDRED FIFTY-TWO THOUSAND DOLLARS (\$252,000.00); PRESCRIBING THE FORM AND INCIDENTS OF SAID BONDS; PROVIDING FOR THE COLLECTION OF REVENUES FROM SAID WATERWORKS SYSTEM SUFFICIENT FOR THE PURPOSE OF PAYING THE COST OF OPERATION AND MAINTENANCE THEREOF; PROVIDING AN ADEQUATE DEPRECIATION FUND THEREFOR AND PROVIDING FOR THE PAYMENT OF SAID BONDS, BOTH AS TO PRINCIPAL AND INTEREST; AND FURTHER PROVIDING FOR THE SEGREGATION AND DISTRIBUTION OF SAID REVENUES.

WHEREAS, the Village of Mt. Auburn, Christian County, Illinois, now owns and operates a waterworks system within and for said Village; and

WHEREAS, this President and Board of Trustees of the Village of Mt. Auburn find and declare that it would be advisable and in the best interests of the inhabitants of the Village of Mt. Auburn that said existing waterworks system be improved as follows:

Repair of raw water ground storage tank; Reconstruction of water treatment facility providing an output of 100 gallons per minute of treated water; Installation of draft aeration, Automatic pressure filters, chemical fuel equipment, high service pumps, metering equipment, electrical system, laboratory equipment, and generating equipment. Construction of a concrete masonry building for laboratory and office facilities and demolition of existing frame building; all in accordance with plans and specifications heretofore prepared by Architectural and Engineering Service Corporation, of Decatur, Illinois, Engineers for the project, approved by this President and Board of Trustees, and filed for public inspection in the Office of the Village Clerk on or about July 23, 1980; and

WHEREAS, no bonds or other obligations payable from the revenues of the existing waterworks system of said Village are now outstanding; and

WHEREAS, the cost of improving the existing waterworks system of the Village, together with costs incidental thereto, is estimated to be Two Hundred and Sixty-Two Thousand Dollars (\$262,000.00), of which cost the sum of Ten Thousand Two Hundred Dollars (\$10,200.00) will be obtained from funds of the Village available for the purpose; and

WHEREAS, in order to finance the balance of the cost of making the said improvements to the system, together with the costs incidental thereto, it is necessary to issue Waterworks System Improve-

ment Revenue Bonds of said Village in the aggregate principal amount of Two Hundred Fifty-Two Thousand Dollars (\$252,000.00):

NOW THEREFORE, BE IT ORDAINED BY THE PRESIDENT AND THE BOARD OF TRUSTEES OF THE VILLAGE OF MT. AUBURN, ILLINOIS, AS FOLLOWS:

SECTION 1. That the President and Board of Trustees of the Village of Mt. Auburn, Christian County, Illinois, hereby determine and declare that the waterworks system of the Village shall be improved as described generally in the preamble hereto and that the period of usefulness of the waterworks system of said Village, as so to be improved shall be forty (40) years from the date of the bonds authorized hereby.

SECTION 2. That, for the purpose of financing part of the cost of improving the waterworks system of the Village of Mt. Auburn as more particularly described in the preamble hereto, there are hereby authorized and directed to be issued Waterworks System Improvement Revenue Bonds of the Village of Mt. Auburn, Christian County, Illinois, in the aggregate amount of Two Hundred Fifty-Two Thousand Dollars (\$252,000.00).

SECTION 3. That the bonds to be issued hereunder shall have all the qualities of negotiable instruments under the laws of the State of Illinois; and

Said bonds shall be issued as fully-registered serially-maturing bonds;

Said bonds shall be in the denomination of Two Thousand Dollars (\$2,000.00) each;

Said bonds shall be dated November 1, 1980;

Said bonds shall be numbered from One (1) to One Hundred Twenty-Six(126), both inclusive;

Said bonds shall bear interest from the date of delivery of said bonds to the original purchaser thereof (which date shall be entered on the face of said bonds coincidentally with the delivery thereof) at the rate of five

per centum (5%) per annum, payable semi-annually on May 1 and November 1 in each year, beginning May 1, 1981, until the principal of said bonds, respectively, shall have been fully paid;

Said bonds shall be payable, both as to principal and interest, at the address of the registered holder thereof as recorded in the registration records of the Village; and

Said bonds shall be numbered, and shall mature, in the amounts and at the times as follows:

<u>BOND NUMBERS</u>	<u>AMOUNT</u>	<u>MATURITY</u>
1	\$ 2,000	May 1, 1983
2	2,000	May 1, 1984
3	2,000	May 1, 1985
4	2,000	May 1, 1986
5	2,000	May 1, 1987
6	2,000	May 1, 1988
7	2,000	May 1, 1989
8 and 9	4,000	May 1, 1990
10 and 11	4,000	May 1, 1991
12 and 13	4,000	May 1, 1992
14 and 15	4,000	May 1, 1993
16 and 17	4,000	May 1, 1994
18 and 19	4,000	May 1, 1995
20 and 21	4,000	May 1, 1996
22 and 23	4,000	May 1, 1997
24 and 25	4,000	May 1, 1998
26 and 27	4,000	May 1, 1999
28 to 30, incl.	6,000	May 1, 2000
31 to 33, "	6,000	May 1, 2001
34 to 36, "	6,000	May 1, 2002
37 to 39, "	6,000	May 1, 2003
40 to 42, "	6,000	May 1, 2004
43 to 45, "	6,000	May 1, 2005
46 to 49, "	8,000	May 1, 2006
50 to 53, "	8,000	May 1, 2007
54 to 57, "	8,000	May 1, 2008
58 to 61, "	8,000	May 1, 2009
62 to 65, "	8,000	May 1, 2010
66 to 70, "	10,000	May 1, 2011
71 to 75, "	10,000	May 1, 2012
76 to 80, "	10,000	May 1, 2013
81 to 86, "	12,000	May 1, 2014
87 to 92, "	12,000	May 1, 2015
93 to 98, "	12,000	May 1, 2016
99 to 104, "	12,000	May 1, 2017
105 to 111, "	14,000	May 1, 2018
112 to 118, "	14,000	May 1, 2019
119 to 126, "	16,000	May 1, 2020

The right shall be and is hereby reserved unto said Village of Mt. Auburn to call in, pay, and redeem any or all of the outstanding bonds of this issue at any time, in inverse numerical order at par plus interest accrued to the date of redemption, so long as the United States of America, through any of its departments, divisions, or agencies, is the holder of

all of said outstanding bonds; further, irrespective of the identity of the holder, the right shall be and is hereby reserved unto said Village of Mt. Auburn to call in, pay, and redeem any or all of bonds numbered Eight (8) through One Hundred Twenty-six (126) of this issue, in inverse numerical order, on May 1, 1989, or on any interest payment date thereafter prior to maturity, at par plus interest accrued to the date of redemption. Notice of the call for redemption of any of said bonds shall be given by registered mail, addressed to the registered holder and deposited in the United States mail, postage prepaid, not less than thirty (30) days before the redemption date, and such notice shall be fully sufficient. Interest shall cease on any bond so called for redemption from and after the redemption date thereof, provided that provision shall have been made for the payment of such bond, and the interest due thereon, due on such date.

SECTION 4. Said bonds shall be executed by the manual signature of the President of said Village and attested by the manual signature of the Village Clerk with the seal of said Village impressed thereon.

SECTION 5. That said bonds and the registration certificate to appear on the back of each bond shall be in substantially the following forms, to-wit:

UNITED STATES OF AMERICA
 STATE OF ILLINOIS
 COUNTY OF CHRISTIAN
 VILLAGE OF MT. AUBURN

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WATERWORKS SYSTEM IMPROVEMENT REVENUE BOND

No. _____ \$2,000

The Village of Mt. Auburn, Christian County, Illinois, for value received, hereby promises to pay to the registered holder hereof, solely from the revenues of the waterworks system of said Village of Mt. Auburn, and not otherwise, the sum of

TWO THOUSAND DOLLARS

(\$2,000) on the first day of May _____, with interest thereon from the

date of delivery of this bond to the original purchaser hereof, to-wit: _____, at the rate of five per centum (5%) per annum, payable semi-annually on May 1 and November 1 in each year beginning on May 1, 1981, until the principal of this bond shall have been fully paid.

The right is reserved unto said Village of Mt. Auburn to call in, pay, and redeem any or all of the outstanding bonds of the issue of which this bond is one at any time, in inverse numerical order, at par plus interest accrued to the date of redemption, so long as the United States of America, through any of its departments, divisions, or agencies, is the holder of all of said outstanding bonds. Further, irrespective of the identity of the holder, the right is reserved unto said Village of Mt. Auburn to call in, pay, and redeem any or all of bonds numbered Eight (8) through One Hundred Twenty-six (126), inclusive, of the issue of which this bond is one, in inverse numerical order, on May 1, 1989, or on any interest payment date thereafter prior to maturity at par plus interest accrued to the date of redemption. Notice of the call for redemption of any of said bonds shall be given to the registered holder. Such notice shall be deposited in the registered United States mail, postage prepaid, at least thirty (30) days before redemption date, and such notice shall be fully sufficient. Interest shall cease on any bond so called from and after the date fixed for its payment provided funds are then available for its payment.

Both principal of and interest on this bond shall be payable in lawful money of the United States of America at the address of the registered holder hereof as the same appears on the registration records of the Village. Upon payment of the principal sum of this bond, it shall be surrendered to the Village for cancellation.

This bond is one of an authorized issue of one hundred twenty-six (126) bonds, numbered from One (1) to One Hundred Twenty-six (126), both inclusive, of the denomination of Two Thousand Dollars (\$2,000) each, all of like date, tenor, and effect, except as to date of maturity and provision for redemption prior to maturity, aggregating the sum of Two

Hundred Fifty-two Thousand Dollars (\$252,000), issued by the Village of Mt. Auburn for the purpose of providing part of the funds with which to improve the waterworks system of said Village under authority of Article 11, Division 129, of the Illinois Municipal Code, as amended, and pursuant to an ordinance of said Village duly adopted on the 20th day of October, 1980.

This bond and the issue of which it is one are payable solely from the revenues to be derived from said waterworks system, and not otherwise, and do not constitute an indebtedness of said Village within any constitutional or statutory limit.

Under said Code and the ordinance adopted pursuant thereto, sufficient revenues from the operation of the waterworks system shall be set aside as collected and be deposited in a separate fund designated the "Waterworks System Fund" of said Village, and a sufficient amount thereof shall be used in paying the cost of operation and maintenance of said system, providing an adequate depreciation account and paying the principal of and the interest on all bonds of said Village payable from the revenues of said system.

The Village of Mt. Auburn hereby covenants that it will perform all duties required by law and by the ordinance which authorized the issue of which this bond is one; that it will continuously operate said waterworks system; and that it will fix and maintain rates for the services thereof and will collect and account for revenues therefrom sufficient at all times to pay promptly the cost of maintenance and operation of said system, to provide an adequate depreciation account, and to pay the principal of and the interest on any and all bonds chargeable to the revenues of said system.

It is hereby certified, recited, and represented that all acts, conditions, and things required to exist, to happen, and to be performed, precedent to and in the issuance of this bond and of the issue of which it is one, in order to make the same valid and binding obligations of said Village, do exist, have happened, and have been performed in regular and due time, form, and manner, as required by law. For the performance

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in apt time and manner of every official act necessary for the prompt payment of this bond, both as to principal and interest, the full faith of said Village of Mt. Auburn is hereby irrevocably pledged.

This bond shall be registered both as to principal and interest in the name of the holder upon the registration records of the Treasurer of the Village, such registration to be noted hereon by said Treasurer. After such registration this bond shall be transferable only upon delivery to the Village Treasurer of a written instrument of transfer executed by the registered holder or by his attorney thereunto duly authorized, and such transfer shall be similarly noted hereon and upon the records of the Village kept for that purpose.

IN WITNESS WHEREOF, the Village of Mt. Auburn, Christian County, Illinois, has caused this bond to be executed by the manual signature of its President and attested by the manual signature of its Village Clerk, with the seal of said Village impressed hereon, and this bond to be dated November 1, 1980.

VILLAGE OF MT. AUBURN

By [Signature]
President

Attest:

[Signature]
Village Clerk

(Form of Registration to appear on the back of said bonds.)

RECORD OF REGISTRATION

In accordance with the provisions of this bond, it shall be registered on the registration records of the Village kept for that purpose by the Village Treasurer, such registration to be noted hereon by said Treasurer. Both principal of and interest on this bond shall be payable only to or upon the order of the registered holder or his legal representative thereunto duly authorized.

DATE OF REGISTRATION	NAME AND ADDRESS OF REGISTERED HOLDER	SIGNATURE OF VILLAGE TREASURER
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

SECTION 6. That, from and after the delivery of any bonds issued under the provisions of this ordinance, the waterworks system of the Village of Mt. Auburn shall be operated on the basis of a fiscal year beginning on the first day of May and ending on the last day of April of the ensuing year. Connection fees not heretofore committed for expenditure, and hereafter, all revenues to be derived from the operation of the waterworks system, including all improvements and extensions thereto, shall be deposited as received in a separate fund to be designated as the "WATER FUND" and a sufficient amount thereof shall be used only for and is pledged to the payment of: (1) the cost of maintenance and operation of the system; (2) the principal of and the interest on all revenue bonds which may be payable from the revenues of the system; and (3) the balance of said revenues into accounts more fully described hereafter. Such fund shall be sufficient at all times for the aforesaid purposes, and all sums in the Water Fund shall be held at all times in a bank account or bank accounts separate and distinct from the bank accounts in which other Village funds are held.

SECTION 7. That the sums in the Water Fund shall be set aside for, allocated to, and deposited in the following separate accounts, which are hereby created in said Fund, by the financial officer of the Village, without further direction of or action by the President and Board of Trustees of said Village. Such allocations and deposits shall be made as of the first business day of each and every month as long as any of the bonds authorized hereby remain outstanding and unpaid.

- (a) Into an account designated as the "WATERWORKS SYSTEM OPERATION AND MAINTENANCE ACCOUNT" there shall be deposited a sum sufficient to pay the estimated cost of operating and maintaining the system in good repair and working order during the ensuing month in an efficient and economical manner;

(b) Into an account designated as the "WATERWORKS SYSTEM BOND AND INTEREST ACCOUNT" there shall be deposited as of the first day of each month sums at least equal to one-sixth (1/6) of the amount of interest that will come due on all bonds then outstanding on the then next interest payment date occurring after the date of such deposit plus, beginning May 1, 1982, at least one-twelfth (1/12) of the amount of principal that will come due on said bonds on the then next maturity date occurring after the date of such deposit, which said sums shall be used only for the payment of the principal of or interest on bonds which are payable from the revenues of said system as the same shall come due;

(c) Into an account designated the "WATERWORKS SYSTEM BOND RESERVE ACCOUNT" there shall be deposited as of the first day of each month the sum of Sixty Dollars (\$60) until the sum of Seven Thousand, Five Hundred Dollars (\$7,500) shall have been accumulated in said Account. If said Account should thereafter be reduced or depleted for any cause, including payments therefrom made in accordance with this ordinance, then such monthly deposits of Sixty Dollars (\$60) shall be resumed until such time as the balance in said Account shall have been restored to Seven Thousand, Five Hundred Dollars (\$7,500). Sums in said Account shall be disbursed only for the payment of the bonds herein authorized or the interest thereon and then only when and to the extent that other funds are not available for that purpose. Sums in this Account shall not be used to pay bonds called for payment, prior to maturity, unless all bonds of the issue herein authorized and then outstanding are then to be redeemed.

(d) Into an account designated the "WATERWORKS SYSTEM DEPRECIATION ACCOUNT" there shall be deposited as of the first day of each month the sum of Sixty Dollars (\$60) until the sum of Seven Thousand, Five Hundred Dollars (\$7,500) shall have been accumulated in said Account. If said Account thereafter should be depleted for any cause, including payments therefrom made in accordance with this ordinance, then such monthly deposits of Sixty Dollars (\$60) shall be resumed until said Account shall have been restored to the sum of Seven Thousand, Five Hundred Dollars (\$7,500). Sums in said Account shall be expended for unusual or extraordinary maintenance, repairs, renewals, and replacements of the waterworks system, but such funds shall be transferred to the Waterworks System Bond and Interest Account and used to pay bonds or interest thereon in order to prevent or cure a default.

(e) All sums remaining in the Water Fund after making the credits and deposits required by paragraphs (a), (b), (c), and (d) shall be credited to and held in an account designated the "WATERWORKS SYSTEM SURPLUS ACCOUNT" and shall be used only for the purpose of providing funds to make improvements to the system, (including, but not limited to, paying the principal and interest requirements on additional bonds which by their terms are payable solely from the sums which may be available in this Waterworks System Surplus Account), to retire bonds of

the issue hereby authorized which, according to their terms, may be called in and paid prior to their maturities, and to prevent or cure a default in the payment of the principal of and the interest on any of the bonds hereby authorized as the same shall mature or come due.

SECTION 8. That, if the revenues derived from the operation of the waterworks system should be insufficient at any time to make the payments or deposits required by Section 7 of this ordinance, the deficiency shall be made good by additional payments to be made out of the first available revenues of said system received during any succeeding month or months. Whenever and as long as sums actually on deposit in the Waterworks System Bond and Interest Account and the Waterworks System Bond and Interest Reserve Account shall equal the principal amount of all outstanding bonds payable from the revenues of said waterworks system plus the amount of all interest due thereon until the respective maturity dates of all such bonds, then no further deposits need be made into said Account.

The amounts to be set aside for the payment of the bonds authorized hereby and deposited in the Waterworks System Bond and Interest Account are declared to be as follows:

<u>Year ending</u> <u>April 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
1981	-0-	Interest from delivery to and including May 1, 1981	
1982	-0-	\$ 12,600	\$12,600
1983	\$ 2,000	\$ 12,600	14,600
1984	2,000	12,500	14,500
1985	2,000	12,400	14,400
1986	2,000	12,300	14,300
1987	2,000	12,200	14,200
1988	2,000	12,100	14,100
1989	2,000	12,000	14,000
1990	4,000	11,900	15,900
1991	4,000	11,700	15,700
1992	4,000	11,500	15,500
1993	4,000	11,300	15,300
1994	4,000	11,100	15,100
1995	4,000	10,900	14,900
1996	4,000	10,700	14,700
1997	4,000	10,500	14,500
1998	4,000	10,300	14,300
1999	4,000	10,100	14,100
2000	6,000	9,900	15,900
2001	6,000	9,600	15,600
2002	6,000	9,300	15,300
2003	6,000	9,000	15,000
2004	6,000	8,700	14,700
2005	6,000	8,400	14,400
2006	8,000	8,100	16,100
2007	8,000	7,700	15,700
2008	8,000	7,300	15,300
2009	8,000	6,900	14,900
2010	8,000	6,500	14,500
2011	10,000	6,100	16,100
2012	10,000	5,600	15,600
2013	10,000	5,100	15,100
2014	12,000	4,600	16,600
2015	12,000	4,000	16,000
2016	12,000	3,400	15,400
2017	12,000	2,800	14,800
2018	14,000	2,200	16,200
2019	14,000	1,500	15,500
2020	16,000	800	16,800

SECTION 9. That the Village covenants and agrees with the holders of the bonds herein authorized to be issued that it will perform all duties with respect to the operation and maintenance of said waterworks system including all improvements and extensions thereto, and with respect to the fixing, maintaining, and collecting of the rates, fees, and charges for the services and facilities thereof, with respect to the establishment of the Fund and Accounts herein authorized and created, and with respect to all other matters and things required by law and by this ordinance; and that it will do or cause to be done, in apt time and season, each and every official act necessary for the payment of the principal of and the