
ORDINANCE NUMBER 3

AN ORDINANCE of the Village of Williamsfield, Knox County, Illinois, authorizing and providing for an Installment Purchase Agreement for the purpose of financing improvements to the waterworks system of the Village and authorizing and providing for the issue of \$290,000 General Obligation Debt Certificates (Limited Tax), Series 2005, evidencing the rights to payment under such Agreement, prescribing the details of the Agreement and Certificates, and providing for the security for and means of payment under the Agreement of the Certificates.

Adopted by the Village
Board of Said Village on
the 6th day of June, 2005

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AN ORDINANCE of the Village of Williamsfield, Knox County, Illinois, authorizing and providing for an Installment Purchase Agreement for the purpose of financing improvements to the waterworks system of the Village and authorizing and providing for the issue of \$290,000 General Obligation Debt Certificates (Limited Tax), Series 2005, evidencing the rights to payment under such Agreement, prescribing the details of the Agreement and Certificates, and providing for the security for and means of payment under the Agreement of the Certificates.

WHEREAS, the Village of Williamsfield, Knox County, Illinois (the "*Village*"), is a municipality and unit of local government of the State of Illinois (the "*State*") operating under and pursuant to the Illinois Municipal Code (the "*Municipal Code*"), the Local Government Debt Reform Act of the State of Illinois (the "*Debt Reform Act*"), and in particular, the provisions of Section 17 of the Debt Reform Act (the "*Installment Purchase Provisions of the Debt Reform Act*") and all other Omnibus Bond Acts of the State, in each case, as supplemented and amended (collectively, "*Applicable Law*"); and

WHEREAS, the President and Board of Trustees of the Village (the "*Corporate Authorities*") has considered the needs of the Village and, in so doing, the Corporate Authorities have deemed and do now deem it advisable, necessary, and for the best interests of the Village in order to promote and protect the public health, welfare, safety, and convenience of the residents of the Village to finance capital improvements within the Village, including but not limited to improvements to the waterworks system of the Village and acquisition of all land or rights in land, mechanical, electrical, and other services necessary, useful, or advisable thereto (the "*Project*"), all as shown on preliminary plans and cost estimates on file with and approved by the Corporate Authorities; and

WHEREAS, the Corporate Authorities have determined the total cost of the Project and expenses incidental thereto, including financial, legal, architectural, and engineering services

related to such work and to the Agreement hereinafter provided for in this Ordinance (collectively "*Related Expenses*") to be not less than \$290,000 plus estimated investment earnings which may be received on said sum prior to disbursement; and

WHEREAS, sufficient funds of the Village are not available to pay the costs of the Project and Related Expenses, and it will, therefore, be necessary to borrow money in the amount of \$290,000 for the purpose of paying such costs; and

WHEREAS, pursuant to the Installment Purchase Provisions of the Debt Reform Act, the Village has the power to purchase real or personal property through agreements that provide that the consideration for the purchase may be paid through installments made at stated intervals for a period of no more than 20 years, to sell, convey and reacquire either real or personal property upon any terms and conditions and in any manner as the Corporate Authorities shall determine, if the Village will lease, acquire by purchase agreement, or otherwise reacquire the property as authorized by applicable law and to issue certificates evidencing indebtedness incurred under such agreements; and

WHEREAS, the Corporate Authorities find that it is desirable and in the best interests of the Village to avail of the provisions of the Installment Purchase Provisions of the Debt Reform Act, to authorize an Installment Purchase Agreement (the "*Agreement*") more particularly as described and provided below in the text of this Ordinance; to name as counter-party to the Agreement the Village Treasurer (the "*Treasurer*"), as nominee-seller; to authorize the President of the Village (the "*President*") and the Village Clerk (the "*Clerk*") to execute and attest, respectively, the Agreement on behalf of the Village and to file same with the Clerk in his or her capacity as keeper of the records and files of the Village; and to issue certificates evidencing the indebtedness incurred under the Agreement in the amount of \$290,000, in form and having such details as set forth below in the text of this Ordinance:

NOW THEREFORE Be It Ordained by the President and Board of Trustees of the Village of Williamsfield, Knox County, Illinois, as follows:

Section 1. Definitions. Words and terms used in this Ordinance shall have the meanings given them unless the context or use clearly indicates another or different meaning is intended. Words and terms defined in the singular may be used in the plural and vice-versa. Reference to any gender shall be deemed to include the other and also inanimate persons such as corporations, where applicable.

A. The following words and terms are as defined in the preambles hereto.

Applicable Law

Clerk

Corporate Authorities

Debt Reform Act

Installment Purchase Provisions of the Debt Reform Act

Municipal Code

President

Project

Related Expenses

State

Treasurer

Village

B. The following words and terms are defined as set forth.

“Agreement” means the Installment Purchase Agreement, as referred to in the preambles of this Ordinance, for the purpose of purchasing and financing the Project and Related Expenses.

“Certificates” means the \$290,000 General Obligation Debt Certificates (Limited Tax), Series 2005, authorized to be issued by this Ordinance.

“Certificate Fund” means the fund established and defined in Section 13 of this Ordinance.

“Certificate Moneys” means moneys on deposit in the Certificate Fund.

“Certificate Register” means the books of the Village kept by the Certificate Registrar to evidence the registration and transfer of the Certificates.

“Certificate Registrar” means the Farmer City State Bank, Farmer City, Illinois, in its respective capacities as certificate registrar and paying agent hereunder, or a successor thereto or a successor designated as Certificate Registrar hereunder.

“Code” means the Internal Revenue Code of 1986, as amended.

“County Clerk” means the County Clerk of The County of Knox, Illinois.

“Ordinance” means this Ordinance, numbered as set forth on the title page hereof, and passed by the Corporate Authorities on the 6th day of June, 2005.

“Project Fund” means the Project Fund established and defined in Section 13 of this Ordinance.

“Purchase Price” means the price to be paid by the Purchaser pursuant to the Purchase Contract for the Certificates, to-wit, par.

“Purchaser” means the purchaser of the Certificates, namely, First Midstate Inc., Bloomington, Illinois.

“*Rebate Fund*” means the Rebate Fund authorized to be established and as defined in Section 14 of this Ordinance.

“*Record Date*” means the 15th day of the month preceding any regular or other interest payment date occurring on the first day of any month.

“*Tax-exempt*” means, with respect to the Certificates, the status of interest paid and received thereon as not includible in the gross income of the owners thereof under the Code for federal income tax purposes except to the extent that such interest is taken into account in computing an adjustment used in determining the alternative minimum tax for certain corporations and in computing the “branch profits tax” imposed on certain foreign corporations.

C. Definitions also appear in the preambles hereto or in specific sections, as appear below. The headings in this Ordinance are for the convenience of the reader and are not a part of this Ordinance.

Section 2. Incorporation of Preambles. The Corporate Authorities hereby find that the recitals contained in the preambles to this Ordinance are true, correct, and complete and do incorporate them into this Ordinance by this reference.

Section 3. Determination to Authorize and Enter into Agreement and to Issue Certificates. It is necessary and advisable for the public health, safety, welfare, and convenience of residents of the Village to pay the costs of acquisition and construction of the Project, including all Related Expenses and to borrow money and, in evidence thereof and for the purpose of financing same, enter into the Agreement and, further, to provide for the issuance and delivery of the Certificates evidencing the indebtedness incurred under the Agreement.

Section 4. Agreement is a General Obligation; Annual Appropriation. The Village hereby represents, warrants, and agrees that the obligation to make the payments due under the

Agreement shall be a lawful direct general obligation of the Village payable from the corporate funds of the Village and such other sources of payment as are otherwise lawfully available. The Village represents and warrants that the total amount due the Seller under the Agreement, together with all other indebtedness of the Village, is within all statutory and constitutional debt limitations. The Village agrees to appropriate funds of the Village annually and in a timely manner so as to provide for the making of all payments when due under the terms of the Agreement.

Section 5. Execution and Filing of the Agreement. From and after the effective date of this Ordinance, the President and Clerk be and they are hereby authorized and directed to execute and attest, respectively, the Agreement, in substantially the form thereof set forth below in the text of this Ordinance, and to do all things necessary and essential to effectuate the provisions of the Agreement, including the execution of any documents and certificates incidental thereto or necessary to carry out the provisions thereof. Further, as nominee-seller, the Treasurer is hereby authorized and directed to execute the Agreement. Upon full execution, the original of the Agreement shall be filed with the Clerk and retained in the Village records and constitute authority for issuance of the Certificates. Subject to such discretion of the officers signatory to the document as described in the foregoing text, the Installment Purchase Agreement shall be in substantially the form as follows: