

SOUTH SANGAMON WATER COMMISSION
SANGAMON COUNTY, ILLINOIS

ORDINANCE NUMBER 10-33

AN ORDINANCE APPROVING THE FINAL PRINCIPAL AMOUNT,
RATES OF INTEREST AND OTHER DETAILS OF THE SALE OF THE
GENERAL OBLIGATION BONDS (ALTERNATE REVENUE
SOURCE), SERIES 2010 OF THE SOUTH SANGAMON WATER
COMMISSION

ADOPTED BY THE BOARD OF COMMISSIONERS
SEPTEMBER 21, 2010

Published in pamphlet form by authority of the Board of Commissioners of the South Sangamon Water Commission, Sangamon County, Illinois on September 21, 2010.

ORDINANCE NO. 10-33

An Ordinance approving the final principal amount, rates of interest and other details of the sale of the General Obligation Bonds (Alternate Revenue Source), Series 2010 of the South Sangamon Water Commission

PREAMBLES

WHEREAS, the South Sangamon Water Commission, Sangamon County, Illinois (the "Commission"), has heretofore been duly organized and is now operating as a commission and public corporation under the provisions of the Illinois Municipal Code, 65 ILCS 5/1-1-1 *et seq.* and all laws amendatory thereof and supplementary thereto (the "Act"), and in particular, 65 ILCS 5/11-135-1, *et seq.* thereof; and

WHEREAS, the Board of Commissioners of the Commission (the "Board") heretofore on August 31, 2010 adopted Ordinance No. 10-22 ("Ordinance No. 10-22") pursuant to which the Commission authorized issuance and sale of its General Obligation Bonds (Alternate Revenue Source), Series 2010 in the aggregate principal amount not to exceed of \$30,000,000 (the "Series 2010 Bonds"); and

WHEREAS, the final principal amount and interest rates of the Series 2010 Bonds have been determined in the Series 2010 Bond Order dated September 17, 2010 executed by the Chairman of the Commission, and the Board now desires to adopt this additional ordinance supplementing and amending Ordinance No. 10-22 to expressly determine, approve, confirm and ratify the terms of the Series 2010 Bonds as determined in the Series 2010 Bond Order; and

WHEREAS, Sikich LLP, certified public accountants, submitted their report dated August 31, 2010 which was accepted and approved by the Board (the "Reform Act Report"); and

WHEREAS, Sikich LLP has now updated and finalized the Reform Act Report with their report dated September 17, 2010 containing the final details of the Series 2010 Bonds (the "Final Reform Act Report"); and

WHEREAS, the Final Reform Act Report explains by what means the Revenues will be greater than as shown in the Commission's audit and demonstrating the sufficiency of the Revenues to provide for the Reform Act Costs; and

WHEREAS, the Final Reform Act Report has been presented to the Board and is now on file with the Clerk of the Commission; and

WHEREAS, the Final Reform Act Report shows that after implementation of the Village Charges, the Revenues are sufficient to pay all of the Reform Act Costs in each

year to final maturity of the Series 2010 Bonds, including no less than 1.10 times debt service for the Series 2010 Bonds; and

WHEREAS, the Board accepts the Final Reform Act Report and expressly determines that the Revenues are a governmental revenue source under the Reform Act and will be sufficient to provide or pay in each year to final maturity of the Series 2010 Bonds all of the Reform Act Costs, and such determination is supported by reference to the Final Reform Act Report; and

WHEREAS, the Board finds and determines that the conditions of Section 15 of the Reform Act have been met and that the Series 2010 Bonds may be validly issued; and

WHEREAS, capitalized terms used in this Ordinance shall have the same meanings as those used in Ordinance No. 10-22.

NOW, THEREFORE, BE IT ORDAINED BY THE BOARD OF COMMISSIONERS OF THE SOUTH SANGAMON WATER COMMISSION, SANGAMON COUNTY, ILLINOIS, AS FOLLOWS:

Section 1. Series 2010 Bond Details

(a) The Series 2010B Bonds shall be issued in the aggregate principal amount of \$23,505,000. The Series 2010B Bonds shall be dated the date of delivery, mature on January 1 in the following years, in the respective principal amount set opposite each such year in the following table, and bear interest from their date payable on January 1 and July 1 of each year commencing January 1, 2011, at the respective rate of interest per annum set forth opposite such year:

<u>Year</u>	<u>Principal Amount</u>	<u>Interest Rate</u>
2025	\$475,000	5.400%
2026	\$970,000	5.550%
2027	\$1,035,000	5.650%
2030	\$3,525,000	5.700%
2035	\$7,430,000	5.900%
2041	\$10,070,000	6.125%

(b) The Series 2010B Bonds maturing January 1, 2030 are issued as Term Bonds subject to mandatory redemption prior to maturity at a redemption price equal to the principal amount thereof to be redeemed plus accrued interest on January 1 in the years and amounts as follows:

<u>Year</u>	<u>Amount of Redemption Requirement</u>
2028	\$1,100,000
2029	\$1,180,000
2030*	\$1,245,000

*Maturity

(c) The Series 2010B Bonds maturing January 1, 2035 are issued as Term Bonds subject to mandatory redemption prior to maturity at a redemption price equal to the principal amount thereof to be redeemed plus accrued interest on January 1 in the years and amounts as follows:

<u>Year</u>	<u>Amount of Redemption Requirement</u>
2031	\$1,330,000
2032	\$1,405,000
2033	\$1,490,000
2034	\$1,560,000
2035*	\$1,645,000

*Maturity

(d) The Series 2010B Bonds maturing January 1, 2041 are issued as Term Bonds subject to mandatory redemption prior to maturity at a redemption price equal to the principal amount thereof to be redeemed plus accrued interest on January 1 in the years and amounts as follows:

<u>Year</u>	<u>Amount of Redemption Requirement</u>
2036	\$1,725,000
2037	\$1,815,000
2038	\$1,910,000
2039	\$1,930,000
2040	\$2,020,000
2041*	\$670,000

*Maturity

(e) The Series 2010C Bonds shall be issued in the aggregate principal amount of \$3,090,000. The Series 2010C Bonds shall be dated the date of delivery, mature on January 1 in the following years, in the respective principal amount set opposite each such year in the following table, and bear interest from their date payable on January 1 and July 1 of each year commencing January 1, 2011, at the respective rate of interest per annum set forth opposite such year:

<u>Year</u>	<u>Principal Amount</u>	<u>Interest Rate</u>
2021	\$580,000	3.40%
2022	\$635,000	3.50%
2023	\$705,000	3.60%
2024	\$780,000	3.70%
2025	\$390,000	3.80%

(f) The Series 2010D Bonds shall be issued in the aggregate principal amount of \$1,820,000. The Series 2010D Bonds shall be dated the date of delivery, mature on January 1 in the following years, in the respective principal amount set opposite each such year in the following table, and bear interest from their date payable on January 1 and July

1 of each year commencing January 1, 2011, at the respective rate of interest per annum set forth opposite such year:

<u>Year</u>	<u>Principal Amount</u>	<u>Interest Rate</u>
2015	\$75,000	3.000%
2016	\$185,000	3.375%
2017	\$265,000	3.750%
2018	\$360,000	4.000%
2019	\$425,000	4.250%
2020	\$510,000	4.500%

Section 2. Amendment of Section 17

Section 17 of the Series 2010 Bond Ordinance is hereby amended to read as follows:

Section 17. Levy and Extension of Taxes; Abatement

For the purpose of providing additional funds to pay the principal of and interest on the Series 2010 Bonds, there is hereby levied upon all of the taxable property within the Villages, in the years for which any of the Series 2010 Bonds are outstanding, a direct annual tax for each of the years while the Series 2010 Bonds or any of them are outstanding, in amounts sufficient for that purpose, and there be and there hereby is levied upon all of the taxable property in the Commission direct annual taxes in addition to all other taxes for each of the years 2011 through and including 2039 in the amount for each year as follows (the “Pledged Taxes”).

<u>Year</u>	<u>Amount</u>
2011	\$1,486,469.38
2012	\$1,578,893.76
2013	\$1,653,893.76
2014	\$1,761,643.76
2015	\$1,835,400.00
2016	\$1,920,462.50
2017	\$1,971,062.50
2018	\$2,038,000.00
2019	\$2,085,050.00
2020	\$2,120,330.00
2021	\$2,168,105.00
2022	\$2,217,725.00
2023	\$2,273,865.00
2024	\$2,338,395.00
2025	\$2,349,560.00
2026	\$2,356,082.50
2027	\$2,373,382.50
2028	\$2,371,122.50

<u>Year</u>	<u>Amount</u>
2029	\$2,385,157.50
2030	\$2,381,687.50
2031	\$2,383,792.50
2032	\$2,365,882.50
2033	\$2,358,842.50
2034	\$2,341,787.50
2035	\$2,326,131.26
2036	\$2,309,962.50
2037	\$2,212,975.00
2038	\$2,184,762.50
2039	\$711,037.50

In the event the Series 2010 Bonds are issued in such amount or at such rates that result in annual tax levies less than as set forth in this Section, the reduced tax levies shall be contained in the Series 2010 Bond Order which shall be filed with the County Clerk of the County of Sangamon, Illinois together with a certificate abating the tax levies set forth above.

A copy of this Series 2010 Ordinance certified by the Clerk shall be filed with the County Clerk of the County of Sangamon, Illinois, who is hereby directed to ascertain the rate percent required to produce the aggregate Pledged Taxes hereinabove provided to be levied, and to extend the same for collection on the tax books in connection with other taxes levied in each of such years, in and by the Villages for general corporate purposes of the Villages, and in each of such years such annual tax shall be levied and collected in like manner as taxes for general corporate purposes for each of such years are levied and collected and, when collected, such Pledged Taxes shall be deposited into the Series 2010 Bond and Interest Subaccount and used solely for the purpose of paying the principal of and interest on the Series 2010 Bonds as the same become due and payable.

Interest or principal coming due at any time when there are insufficient funds on hand from the Pledged Taxes to pay the same shall be paid promptly when due from current funds on hand in advance of the collection of the Pledged Taxes herein levied; and when the Pledged Taxes shall have been collected, reimbursement shall be made to said funds in the amount so advanced.

The Commission covenants and agrees with the registered owners of the Series 2010 Bonds that so long as any of the Series 2010 Bonds remain outstanding, unless or to the extent Revenues or other duly appropriated moneys shall be then irrevocably on deposit in the Series 2010 Bond and Interest Subaccount, the Commission will take no action or fail to take any action which in any way would adversely affect the ability of the Commission to collect the Revenues or to levy and collect the Pledged Taxes, and the Commission and its officers will comply with all present and future applicable laws in order to assure that the Net Revenues will be available and that the Pledged Taxes will be

levied, extended and collected as provided herein and deposited in the Series 2010 Bond and Interest Subaccount to pay the principal of and interest on the Series 2010 Bonds.

Subject to the foregoing and to the Applicable Acts, whenever the Commission has on deposit sufficient funds to pay the principal at maturity or mandatory redemption of and interest on the Series 2010 Bonds next coming due without extending the tax levy, the Board or such officers of the Commission acting with proper authority shall direct the abatement of the Pledged Taxes tax levy for the Series 2010 Bonds, and proper notification of such abatement shall be filed with the County Clerk of Sangamon County in a timely manner to effect such abatement.

Section 3. Approval of Feasibility Report

The Board acknowledges receipt of the Final Reform Act Report that demonstrates the sufficiency of the Revenues to meet the Reform Act Costs. The Board accepts and approves the Final Reform Act Report and expressly finds and determines that the Revenues will be sufficient to provide or pay all of the Reform Act Costs in each year to final maturity of the Series 2010 Bonds. The Board further expressly finds and determines that the conditions of Section 15 of the Reform Act have been met and that the Series 2010 Bonds may be validly issued.

Section 4. Use of Proceeds

(a) The Board amends Section 21 of Ordinance No. 10-22 to authorize and direct use of a portion of the proceeds of the Series 2010C Bonds to pay capitalized interest on the Series 2010C Bonds through July 1, 2012.

(b) The Board amends Section 22 of Ordinance No. 10-22 to authorize and direct (i) use of a portion of the proceeds of the Series 2010D Bonds to pay capitalized interest on the Series 2010D Bonds through July 1, 2012, and (ii) application of \$27,677.46 of the proceeds of the Series 2010D Bonds to pay part of the costs of refunding the Series 2010 Debt Certificates.

Section 5. Effective Date

This Ordinance shall be effective immediately.

Section 6. Severability

If any section, paragraph, clause or provision of this Ordinance shall be held invalid, the invalidity of such section, paragraph, clause or provision shall not affect any of the other provisions of this Ordinance.

Section 7. Ratification


The Series 2010 Bond Order and the Series 2010 Bond Purchase Agreement dated September 17, 2010 executed between the Commission and the Purchaser are hereby ratified and approved, and all other provisions of Ordinance No. 10-22 are ratified and approved except as amended herein.

Section 8. Repealer

All ordinances, resolutions or orders, or parts thereof, in conflict with the provisions of this Ordinance are to the extent of such conflict hereby repealed.

PASSED by the Board on September 21, 2010.

APPROVED: September 21, 2010.


Chairman

AYES: McCord, Pfeffer, Hall

NAYS: 0

ABSENT: none

RECORDED IN the Records of the Commission on September 21, 2010.

ATTEST:


Clerk

(SEAL)

CERTIFICATE

I, Laura VanProyen, Clerk of the South Sangamon Water Commission, Sangamon County, Illinois (the "Commission"), hereby certify that the foregoing Ordinance No. 10-33 entitled:

An Ordinance approving the final principal amount, rates of interest and other details of the sale of the General Obligation Bonds (Alternate Revenue Source), Series 2010 of the South Sangamon Water Commission

is a true copy of an original Ordinance which was duly adopted by the recorded affirmative votes of a majority of the members of the Board of Commissioners of the Commission at a meeting thereof which was duly called and held in compliance with the Open Meetings Act on September 21, 2010, and at which a quorum was present and acting throughout, and that said copy has been compared by me with the original Ordinance signed by the Chairman of the Commission and recorded in the records of the Commission and that it is a correct transcript thereof and of the whole of said Ordinance, and that said Ordinance has not been altered, amended, repealed or revoked, but is in full force and effect.

I do further certify that said Ordinance was published in pamphlet form on said date, by authority of the Board of Commissioners, and that said ordinance as so published was on said date readily available for public inspection and distribution, in sufficient number to meet the needs of the general public, at my office as Clerk located in the Commission.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the South Sangamon Water Commission, Sangamon County, Illinois this September 21, 2010.


Clerk

(SEAL)