
ORDINANCE NUMBER 90-8

AN ORDINANCE authorizing and providing for the issuance of \$1,135,000 General Obligation Bonds (Waterworks and Sewerage System Alternate Revenue Source), Series 1990, of the Village of Tolono, Champaign County, Illinois, for the purpose of refunding certain outstanding waterworks and sewerage revenue bonds, defraying the cost of improving the waterworks and sewerage system, prescribing all the details of said Series 1990 bonds and providing for the imposition of taxes to pay the same, and for the collection, segregation and distribution of the waterworks and sewerage system operated by said Village; further authorizing and providing for implementing the plan of refunding for waterworks and sewerage revenue bonds through an escrow agreement.

Adopted by the President and
Board of Trustees on the 25th
day of October, 1990

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This Table of Contents is for convenience only and
is not a part of the ordinance.

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WHEREAS the Village of Tolono, Champaign County, Illinois (the "Village"), is a duly organized and existing municipality created under the provisions of the laws of the State of Illinois, and is now operating under the provisions of the Illinois Municipal Code, as supplemented and amended (the "Municipal Code"); and

WHEREAS the President and Board of Trustees of the Village (the "Board") has heretofore determined and does hereby determine that it is advisable, necessary and in the best interests of the Village, its residents, and the users of its waterworks and sewerage system, in order to promote the public health, welfare, safety and convenience, to undertake the following:

(A) The refunding (the "Refunding") of \$820,000 Waterworks and Sewerage Revenue Refunding Bonds, Series 1987, in the original aggregate principal amount of \$925,000, at an

estimated cost including expenses and contingencies of \$ 889,940, of which \$ 40.00, more or less, may be payable from funds of the Village on hand and lawfully available for the purpose, and a remainder of not in excess of \$1,100,000 must be obtained through the borrowing of money and the issuance of bonds; and

(B) The improvement and extension of the combined waterworks and sewerage system of the Village (the "1990 Waterworks and Sewerage Project"), including the acquisition and construction of those projects enumerated in Ordinance Number 90-1 of the Village, duly adopted by the Board on the 20th day of March, 1990 (the "Revenue Bond Authorizing Ordinance"), pursuant to which the bonds as herein provided for were initially authorized, at an estimated cost including expenses and contingencies of \$443,762, of which \$243,762 may be payable from funds of the Village on hand and lawfully available for the purpose, and a remainder of \$200,000 must be obtained through the borrowing of money and the issuance of bonds; and

WHEREAS the expenses and contingencies related to the Refunding and the 1990 Waterworks and Sewerage Project include legal, financial and accounting and engineering services related to the accomplishment of said purposes and the issuance of bonds therefor; bond discount; capitalized bond interest; bond registrar, paying agent, escrow agent and other related banking fees; printing and publication costs; and other miscellaneous costs; and

WHEREAS pursuant to the provisions of the Local Government Debt Reform of the State of Illinois, as amended (the "Reform Act"), Alternate Bonds as defined in the Reform Act may be issued pursuant to Applicable Law as defined in the Reform Act for all the refunding purpose aforesaid, as follows:

(A) For the refunding, the Village is authorized to issue revenue bonds (without referendum or right of petition by the electors) pursuant to Division 4 of Article 8 and Division 139 of Article 11 of the Municipal Code, and further pursuant to the provisions of the Reform Act and, accordingly, is authorized to issue Alternate Bonds in lieu of said revenue bonds pursuant to the provisions of the Reform Act; and

(B) For the 1990 Waterworks and Sewerage Project, the Village is authorized to issue revenue bonds (subject to right of petition for referendum which has heretofore been provided for) pursuant to Division 139 of Article 11 of the Municipal Code, and further pursuant to the provisions of the Reform Act and, accordingly, is authorized to issue Alternate Bonds in lieu of said revenue bonds pursuant to the provisions of the Reform Act; and

WHEREAS to such end the Board, as hereinabove set forth, did adopt the "Revenue Bond Authorizing Ordinance", authorizing the issuance of Waterworks and Sewerage Revenue Bonds for the 1990 Waterworks and Sewerage Project (the "Project Bonds"), as provided in the Municipal Code and the Reform Act (collectively "Applicable Law"), in an amount not to exceed \$400,000; and

WHEREAS on the 29th day of March, 1990, the Revenue Bond Authorizing Ordinance, together with a separate notice of intent to issue the Project Bonds, was published in the The Tolono County Star, being a newspaper published in and of general circulation in the Village, and an affidavit evidencing the publication of the Revenue Bond Authorizing Ordinance and said separate notice of intent have heretofore been presented to the Board and made a part of the permanent records of the Board; and

WHEREAS more than twenty-one (21) days have expired since the date of publication of the Revenue Bond Authorizing Ordinance and said notice, and no petitions with the requisite number of valid signatures thereon have been filed with the Village Clerk of the Village requesting that the question of the issuance of the Project Bonds be submitted to referendum; and

WHEREAS in accordance with the provisions of Applicable Law, the Board, on the 20th day of March, 1990, further adopted an ordinance, numbered 90-1 (the "Alternate Bond Authorizing Ordinance"), authorizing the issuance of General Obligation Bonds (Waterworks and Sewerage System Alternate Revenue Source), Series 1990 (the "1990 Alternate Bonds"), as provided in the Reform Act in an amount not to exceed \$1,100,000 for the Refunding and the 1990 Waterworks and Sewerage Project; and

WHEREAS on the 29th day of March, 1990, the Alternate Bond Authorizing Ordinance, together with a notice of intent to issue the 1990 Alternate Bonds, was published in The Tolono

County Star, being a newspaper published in and of general circulation in the Village, and an affidavit evidencing the publication of the Alternate Bond Authorizing Ordinance and said notice of intent have heretofore been presented to the Board and made a part of the permanent records of the Board; and

WHEREAS more than twenty-one (21) days have expired since the date of publication of the Alternate Bond Authorizing Ordinance and said notice, and no petitions with the requisite number of valid signatures thereon have been filed with the Village Clerk of the Village requesting that the question of the issuance of the 1990 Alternate Bonds be submitted to referendum; and

WHEREAS the Board is now authorized to issue revenue bonds payable from the revenues of the combined waterworks and sewerage system of the Village for the Refunding and for the 1990 Waterworks and Sewerage Project, or in lieu thereof, is authorized to issue the 1990 Alternate Bonds to the amount of \$1,500,000 in accordance with the provisions of Applicable Law, and the Board hereby determines that it is necessary and desirable that there be issued at this time only so much of the 1990 Alternate Bonds as are necessary for the Refunding and to provide \$200,000 more or less for the 1990 Waterworks and Sewerage Project, deferring to a later date the issuance of any further bonds for the 1990 Waterworks and Sewerage Project, and that the amount of bonds so required to be issued is \$1,135,000; and

WHEREAS the 1990 Alternate Bonds to be issued will be payable from the Revenues and the Pledged Taxes, both as herein-after defined; and

WHEREAS the Board has heretofore and it is herein more explicitly determined that the Revenues will be sufficient to provide or pay in each year to final maturity of the 1990 Alternate Bonds all of the following (1) Operation and Maintenance Costs as hereinafter defined, but not including depreciation, (2) other contractual or tort liability obligations, if any, payable from the Revenues as hereinafter defined, and (3) in each year, an amount not less than 1.25 times debt service of the Alternate Bonds proposed to be issued, there being no alternate bonds previously issued payable from the Pledged Revenues; and

WHEREAS such determination of the sufficiency of the Revenues is supported by reference to the most recent audit of the Village, for the fiscal year ended April 30, 1990; and

WHEREAS such audit has been presented to the Board and is now on file with the Village Clerk of the Village;

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

Section 1. Definitions.

The words and terms used in this Ordinance shall have the meanings set forth and defined for them herein unless the

context or use clearly indicates another or different meaning is intended, including the words and terms as follows:

"Alternate Bonds" means any Outstanding Bonds issued as alternate bonds under and pursuant to the provisions of the Reform Act, and includes, expressly, the Bonds.

"Applicable Law" means the Municipal Code and the Reform Act, collectively.

"Board" means the President and Board of Trustees of the Village.

"Bond" or "Bonds" or "1990 Alternate Bonds" means one or more, as applicable, of the \$1,135,000 General Obligation Bonds (Waterworks and Sewerage System Alternate Revenue Source), Series 1990, authorized to be issued by this Ordinance.

"Bond Fund" means the 1990 Alternate Bond Fund established hereunder and further described by Section 18 of this Ordinance.

"Bond Register" means the books of the Village kept by the Bond Registrar to evidence the registration and transfer of the Bonds.

"Bond Registrar" means the Citizens Bank of Tolono, Tolono, Illinois, a national banking association having trust powers, or a successor bank with trust powers or a trust company, duly authorized to do business as a bond registrar and paying agent as herein required.

"Code" means the Internal Revenue Code of 1986.

"Escrow Agreement" means the escrow agreement in substantially the form attached to this Ordinance and authorized to be executed as provided in Section 24 hereof for the purpose of providing for the refunding of the Prior Bonds.

"Fiscal Year" means that twelve-calendar month period selected by the Board as the Fiscal Year for the Village.

"Fund" means the Waterworks and Sewerage Revenue Fund.

"Junior Bonds" means any Outstanding Bond or Outstanding Bonds payable from the Junior Bond and Interest Account of the Fund.

"Maximum Annual Debt Service," when used with reference to Senior Bonds or Junior Bonds, respectively, means an amount of money equal to the highest future principal and interest requirement of all Outstanding Senior Bonds or Outstanding Junior Bonds, as applicable, required to be deposited into the Senior Bond and Interest Account or the Junior Bond and Interest Account, as applicable, created by this Ordinance, in any Fiscal Year, including and subsequent to the Fiscal Year in which the computation is made. Any Outstanding Bonds required to be redeemed pursuant to mandatory redemption from such Bond and Interest Account shall be treated as falling due on the date required to be redeemed (except in the case of failure to make any such mandatory redemption) and not on the stated maturity date of such Outstanding Bonds.

"Municipal Code" means the Illinois Municipal Code, as supplemented and amended.

"Operation and Maintenance Costs" means all costs of operating, maintaining and routine repair of the System, including wages, salaries, costs of materials and supplies, power, fuel, insurance, taxes, including rebate of excess arbitrage profits to the U.S. government, and purchase of water or sewage treatment services (including all payments by the Village pursuant to long term contracts for such services); but excluding debt service, depreciation, capital improvements or replacements (including meter replacements) or engineering expenses in anticipation thereof or in connection therewith, or any reserve requirements; and otherwise determined in accordance with generally accepted accounting principles for municipal enterprise funds.

"Ordinance" means this ordinance.

"Outstanding Bonds" means Bonds and Parity Bonds which are outstanding and unpaid; provided, however, such term shall not include Bonds or Parity Bonds (i) which have matured and for which moneys are on deposit with proper paying agents or are otherwise sufficiently available to pay all principal thereof and interest thereon or (ii) the provision for payment of which has been made by the Village by the deposit in an irrevocable trust or escrow of funds or direct, full faith and credit obligations of the United States of America, the principal of and interest on

which will be sufficient to pay at maturity or as called for redemption all the principal of, redemption premium, if any, and interest on such Bonds or Parity Bonds.

"Parity Bonds" means bonds or any other obligations to be issued subsequent in time to the Bonds and payable from either the Senior Bond and Interest Account or the Junior Bond, as set forth and provided for in such Parity Bonds.

"Pledged Moneys" means, collectively, Revenues less Operation and Maintenance Costs and Pledged Taxes, as both are defined herein.

"Pledged Taxes" means the ad valorem taxes levied against all of the taxable property in the Village without limitation as to rate or amount, pledged hereunder by the Village as security for all the Bonds.

"Prior Bonds" means the Prior Bonds described and defined as such in the preambles to this Ordinance.

"Project Fund" means the Construction Fund (1990) established hereunder and further described by Section 24 of this Ordinance.

"Reform Act" means the Local Government Debt Reform Act of the State of Illinois, as supplemented and amended.

"Refunding" means the advance refunding or advance defeasance of all the Prior Bonds as provided herein.

"Revenues" means all income from whatever source derived from the System, including (a) investment income; (b)

connection, permit and inspection fees and the like; (c) penalties and delinquency charges; (d) capital development, reimbursement, or recovery charges and the like; and (e) annexation or pre-annexation charges insofar as designated by the Board as paid for system connection or service; but excluding expressly (i) non-recurring income from the sale of property of the System; (ii) governmental or other grants; (iii) advances or grants made from the Village; and as otherwise determined in accordance with generally accepted accounting principles for municipal enterprise funds.

"Senior Bonds" means any Outstanding Bond or Outstanding Bonds payable from the Senior Bond and Interest Account of the Fund.

"System" means the property, real, personal or otherwise, now or in the future at any time owned or under the control of the Village, whenever located, and used by or useful to the Village for waterworks and sewerage purposes.

"Tax-exempt" means, with respect to the Bonds, 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 will be taken into account in computing an adjustment used in determining the alternative minimum tax for certain corporations, in computing the environmental tax imposed on certain corporations and in computing the "branch profits tax" imposed on certain foreign corporations.

"Village" means the Village of Tolono, Champaign County, Illinois.

"Waterworks and Sewerage Revenue Fund" means the Waterworks and Sewerage Revenue Fund (1990) established in Section 12 hereof.

"Waterworks and Sewerage System Revenues" means the Revenues of the Waterworks and Sewerage System.

"1990 Waterworks and Sewerage Project" means such project as described and defined as such in the preambles to this Ordinance.

Section 2. Incorporation of Preambles.

The Board hereby finds that the recitals contained in the preambles to this Ordinance are true and correct and does incorporate them into this Ordinance by this reference.

Section 3. Determination to Issue Bonds.

It is necessary and in the best interests of the Village for the Village to undertake the Refunding and the 1990 Waterworks and Sewerage Project for the public health, safety and welfare, and to issue the Bonds to enable the Village to pay the costs thereof.

Section 4. Determination of Useful Life.

The Board does hereby determine the period of usefulness of the System to be not less than 25 years from the date hereof.

Section 5. Bond Details.

For the purpose of providing for the payment of part of the costs of the Refunding and the 1990 Waterworks and Sewerage Project, there shall be issued and sold the Bonds in the principal amount of \$1,135,000. The Bonds shall each be designated "General Obligation Bond (Waterworks and Sewerage System Alternate Revenue Source), Series 1990," and be dated November 1, 1990, and shall also bear the date of authentication thereof. The Bonds shall be in fully registered form, shall be in denominations of \$5,000 or authorized integral multiples thereof (but no single Bond shall represent principal maturing on more than one date), shall be numbered in such reasonable fashion as may be selected by the Bond Registrar, and shall mature serially on October 1 of the years, in the amounts and bearing interest at the rates percent per annum as follows (subject to the right of prior redemption hereinafter stated):

<u>Year</u>	<u>Amount (\$)</u>	<u>Rate (%)</u>
1991	50,000	6.25
1992	50,000	6.40
1993	55,000	6.50
1994	55,000	6.60
1995	60,000	6.70
1996	65,000	6.80
1997	70,000	6.90
1998	75,000	7.00
1999	75,000	7.10
2000	80,000	7.20
2001	85,000	7.25
2002	95,000	7.30
2003	100,000	7.35
2004	105,000	7.40
2005	115,000	7.45

Each Bond shall bear interest from the later of its Dated Date as hereinabove provided or from the most recent interest payment date to which interest has been paid or duly provided for, until the principal amount of such Bond is paid or duly provided for, such interest (computed upon the basis of a 360-day year of twelve 30-day months) being payable on April 1, 1991, and semiannually thereafter on October 1 and April 1 of each year. Interest on each Bond shall be paid by check or draft of the Bond Registrar, payable upon presentation thereof in lawful money of the United States of America, to the person in whose name such Bond is registered at the close of business on the 15th day of the month next preceding the interest payment date mailed to the address of such registered owner as it appears on such registration books or at such other address furnished in writing by such registered owner to the Bond Registrar. The principal of the Bonds shall be payable in lawful money of the United States of America upon presentation thereof at the principal corporate trust office of the Bond Registrar in the Village of Tolono, Illinois, or at successor Bond Registrar and address.

Section 6. Optional Redemption.

The Bonds due on or after October 1, 2001, are subject to redemption prior to maturity at the option of the Village, from any available funds, in whole or in part on any interest payment date on or after October 1, 2000, and if in part, in inverse order of maturity, and if less than an entire maturity,

in integral multiples of \$5,000, selected by lot by the Bond Registrar as hereinafter provided, at the redemption price of par plus accrued interest to the date fixed for redemption plus a premium (expressed as a percentage of principal amount redeemed) of the amounts and during the periods as follows:

<u>Period (Dates Inclusive)</u>	<u>Amount (%)</u>
October 1, 2000, through April 1, 2001	2.00
October 1, 2001, through April 1, 2002	1.00
October 1, 2002, and thereafter	0.00

Section 7. Redemption Procedure.

For redemptions at the option of the Village, the Village shall, at least 45 days prior to the redemption date (unless a shorter time period shall be satisfactory to the Bond Registrar), notify the Bond Registrar of such redemption date and of the principal amount of Bonds to be redeemed. For purposes of any redemption of less than all of the Bonds of a single maturity, if the Bonds are not held by a single registered owner, the particular Bonds or portions of Bonds to be redeemed shall be selected by lot not more than 60 days prior to the redemption date by the Bond Registrar for the Bonds of such maturity by such method of lottery as the Bond Registrar shall deem fair and appropriate; provided, that such lottery shall provide for the selection for redemption of Bonds or portions thereof so that any \$5,000 Bond or \$5,000 portion of a Bond shall be as likely to be called for redemption as any other such \$5,000 Bond or \$5,000 portion.

The Bond Registrar shall promptly notify the Village in writing of the Bonds or portions of Bonds selected for redemption and, in the case of any Bond selected for partial redemption, the principal amount thereof to be redeemed.

Unless waived by the registered owner of Bonds to be redeemed, official notice of any such redemption shall be given by the Bond Registrar on behalf of the Village by mailing the redemption notice by registered or certified mail not less than 30 days and not more than 60 days prior to the date fixed for redemption to each registered owner of the Bond or Bonds to be redeemed at the address shown on the Bond Register or at such other address as is furnished in writing by such registered owner to the Bond Registrar.

All official notices of redemption shall include the name of the Bonds to be redeemed and include at least the information as follows:

- (1) the redemption date;
- (2) the redemption price;
- (3) if less than all of the Bonds of a single maturity are to be redeemed, the identification (and, in the case of partial redemption of any Bonds, the respective principal amounts) of the Bonds to be redeemed;
- (4) a statement that on the redemption date the redemption price will become due and payable upon each such Bond or portion thereof called for redemption and that interest thereon shall cease to accrue from and after said date; and
- (5) the place where such Bonds are to be surrendered for payment of the redemption price, which place of payment shall be the principal corporate trust office of the Bond Registrar.

Prior to any redemption date, the Village shall have on deposit with the Bond Registrar an amount of money sufficient to pay the redemption price of all the Bonds or portions of Bonds which are to be redeemed on that date.

Official notice of redemption having been given as aforesaid, the Bonds or portions of Bonds so to be redeemed shall, on the redemption date, become due and payable at the redemption price therein specified, and from and after such date (unless the Village shall default in the payment of the redemption price), such Bonds or portions of Bonds shall cease to bear interest. Neither the failure to mail such redemption notice, nor any defect in any notice so mailed, to any particular registered owner, shall affect the sufficiency of such notice with respect to other Bonds. Notice having been properly given, failure of a registered owner to receive such notice shall not be deemed to invalidate, limit or delay the effect of the notice or redemption action described in the notice. Such notice may be waived in writing by the registered owner entitled to receive such notice, either before or after the event, and such waiver shall be the equivalent of such notice. Waivers of notice by registered owners shall be filed with the Bond Registrar, but such filing shall not be a condition precedent to the validity of any action taken in reliance upon such waiver.

Upon surrender of such Bonds for redemption in accordance with said notice, such Bonds shall be paid by the Bond

Registrar at the redemption price. The procedure for payment of interest due on or prior to the redemption date shall be as herein provided for payment of interest otherwise due. Upon surrender for any partial redemption of any Bond, there shall be prepared for the registered owner a new Bond or Bonds of like tenor, of authorized denominations, of the same maturity and bearing the same rate of interest in the amount of the unpaid principal. If any Bond or portion of Bond called for redemption shall not be so paid upon surrender thereof for redemption, the principal shall, until paid or duly provided for, bear interest from the redemption date at the rate borne by the Bond or portion of Bond so called for redemption. All Bonds which have been redeemed shall be cancelled and destroyed by the Bond Registrar and shall not be reissued.

In addition to the foregoing notice, further notice shall be given by the Bond Registrar on behalf of the Village as set out below, but no defect in said further notice nor any failure to give all or any portion of such further notice shall in any manner invalidate, limit or delay the redemption action if notice thereof is given as above prescribed.

Each further notice of redemption given hereunder shall contain the information required above for an official notice of redemption plus (a) the CUSIP numbers of all Bonds being redeemed; (b) the date of issue of the Bonds as originally issued; (c) the rate of interest borne by each Bond being redeemed;

(d) the maturity date of each Bond being redeemed; and (e) any other descriptive information needed to identify accurately the Bonds being redeemed.

Each further notice of redemption shall be sent at least 35 days before the redemption date by registered or certified mail or overnight delivery service to all registered securities depositories then in the business of holding substantial amounts of obligations of types comprising the Bonds (including Depository Trust Company of New York, New York, and Midwest Securities Trust Company of Chicago, Illinois) and to one or more national information services, chosen in the discretion of the Bond Registrar, that disseminate notice of redemption of obligations such as the Bonds.

Each such further notice shall be published one time in The Bond Buyer, New York, New York or, if such publication is impractical or unlikely to reach a substantial number of the registered owners of the Bonds, in some other financial newspaper or journal which regularly carries notices of redemption of other obligations similar to the Bonds, such publication to be made at least 30 days prior to the date fixed for redemption.

Upon the payment of the redemption price of Bonds being redeemed, each check or other transfer of funds issued for such purpose shall bear the CUSIP number identifying, by issue and maturity, the Bonds being redeemed with the proceeds of such check or other transfer.

Section 8. Execution; Authentication.

The Bonds shall be executed on behalf of the Village with the manual or facsimile signature of the Village President and attested with the manual or facsimile signature of the Village Clerk, as they may determine, and shall have impressed or imprinted thereon the corporate seal or facsimile thereof of the Village. In case any officer whose signature shall appear on any Bond shall cease to be such officer before the delivery of such Bond, such signature shall nevertheless be valid and sufficient for all purposes, the same as if such officer had remained in office until delivery.

All Bonds shall have thereon a certificate of authentication substantially in the form hereinafter set forth duly executed by the Bond Registrar as authenticating agent of the Village and showing the date of authentication. No Bond shall be valid or obligatory for any purpose or be entitled to any security or benefit under this Ordinance unless and until such certificate of authentication shall have been duly executed by the Bond Registrar by manual signature, and such certificate of authentication upon any such Bond shall be conclusive evidence that such Bond has been authenticated and delivered under this Ordinance. The certificate of authentication on any Bond shall be deemed to have been executed by it if signed by an authorized officer of the Bond Registrar, but it shall not be necessary that the same officer sign the certificate of authentication on all of the Bonds issued hereunder.

Section 9. Registration of Bonds; Owners.

The Village shall cause books (the Bond Register) for the registration and for the transfer of the Bonds as provided in this Ordinance to be kept at the principal corporate trust office of the Bond Registrar, which is hereby constituted and appointed the registrar of the Village for the Bonds. The Village is authorized to prepare, and the Bond Registrar or such other agent as the Village may designate shall keep custody of, multiple Bond blanks executed by the Village for use in the transfer and exchange of Bonds.

Any Bond may be transferred or exchanged, but only in the manner, subject to the limitations, and upon payment of the charges as set forth in this Ordinance. Upon surrender for transfer or exchange of any Bond at the office of the Bond Registrar, duly endorsed by or accompanied by a written instrument or instruments of transfer or exchange in form satisfactory to the Bond Registrar and duly executed by the registered owner or an attorney for such owner duly authorized in writing, the Village shall execute and the Bond Registrar shall authenticate, date and deliver in the name of the transferee or transferees or, in the case of an exchange, the registered owner, a new fully registered Bond or Bonds of like tenor, of the same maturity, bearing the same interest rate, of authorized denominations, for a like aggregate principal amount.

The Bond Registrar shall not be required to transfer or exchange any Bond during the period from the close of business on the 15th day of the calendar month preceding an interest payment date on the Bonds to the opening of business on such interest payment date or during the period of 15 days preceding the giving of notice of redemption of Bonds or to transfer or exchange any Bond all or a portion of which has been called for redemption.

The execution by the Village of any fully registered Bond shall constitute full and due authorization of such Bond, and the Bond Registrar shall thereby be authorized to authenticate, date and deliver such Bond; provided, however, the principal amount of Bonds of each maturity authenticated by the Bond Registrar shall not at any one time exceed the authorized principal amount of Bonds for such maturity less the amount of such Bonds which have been paid.

The person in whose name any Bond 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 Bond shall be made only to or upon the order of the registered owner thereof or the owner's legal representative. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid.

No service charge shall be made for any transfer or exchange of Bonds, but the Village or the Bond 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 Bonds, except in the case of the issuance of a Bond or Bonds for the unredeemed portion of a Bond surrendered for redemption.

Section 10. Form of Bond.

The Bonds shall be in substantially the form hereinafter set forth; provided, however, that if the text of the Bonds is to be printed in its entirety on the front side of the Bonds, then the second paragraph on the front side and the legend "See Reverse Side for Additional Provisions" shall be omitted and the text of paragraphs set forth for the reverse side shall be inserted immediately after the first paragraph.

[Form of Bond - Front Side]

REGISTERED
NO. _____

REGISTERED
\$ _____

UNITED STATES OF AMERICA

STATE OF ILLINOIS

COUNTY OF CHAMPAIGN

VILLAGE OF TOLONO

GENERAL OBLIGATION BOND
(WATERWORKS AND SEWERAGE SYSTEM
ALTERNATE REVENUE SOURCE)
SERIES 1990

See Reverse Side for
Additional Provisions

Interest	Maturity	Dated	
Rate:	Date:	Date: November 1, 1990	CUSIP _____

Registered Owner:

Principal Amount: _____ Dollars

KNOW ALL PERSONS BY THESE PRESENTS that the Village of Tolono, Champaign County, Illinois, a municipality and unit of local government and political subdivision of the State of Illinois (the "Village"), hereby acknowledges itself to owe and for value received promises to pay to the Registered Owner identified above, or registered assigns as hereinafter provided, on the Maturity Date identified above, the Principal Amount identified above and to pay interest (computed on the basis of a 360-day year of twelve 30-day months) on such Principal Amount from the later of the Dated Date of this Bond identified above or from the most recent interest payment date to which interest has

been paid or duly provided for at the Interest Rate per annum identified above, such interest to be payable on April 1, 1991, and semiannually thereafter on October 1 and April 1 of each year until the Principal Amount is paid or duly provided for, except as the provisions hereinafter set forth with respect to redemption prior to maturity may be and become applicable hereto. The Principal Amount of this Bond is payable in lawful money of the United States of America upon presentation at the principal corporate trust office of Citizens Bank of Tolono, Tolono, Illinois, as paying agent and bond registrar (the "Bond Registrar"). Payment of interest shall be made to the Registered Owner hereof, as shown on the registration books of the Village maintained by Bond Registrar, at the close of business on the 15th day of the month next preceding the interest payment date. Interest shall be paid by check or draft of the Bond Registrar, payable upon presentation in lawful money of the United States of America, mailed to the address of such Registered Owner as it appears on such registration books or at such other address furnished in writing by such Registered Owner to the Bond Registrar.

Reference is hereby made to the further provisions of this Bond set forth on the reverse hereof, and such further provisions shall for all purposes have the same effect as if set forth at this place.

It is hereby certified and recited that all acts, conditions and things required to be done precedent to and in the issuance of this Bond have been done and have happened and have been performed in regular and due form of law; that the indebtedness of the Village, including the issue of Bonds of which this is one, does not exceed any limitation imposed by law; that provision has been made for the collection of the Revenues, the levy and collection of the Pledged Taxes, and the segregation of the Pledged Moneys to pay the interest hereon as it falls due and also to pay and discharge the principal hereof at maturity; and that the Village hereby covenants and agrees that it will properly account for said Pledged Moneys and will comply with all the covenants of and maintain the funds and accounts as provided by the Ordinance. For the prompt payment of this Bond, both principal and interest at maturity, the full faith, credit and resources of the Village are hereby irrevocably pledged.

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

The Village has designated this Bond as a "qualified tax-exempt obligation" pursuant to Section 265(b)(3) of the Internal Revenue Code of 1986.

IN WITNESS WHEREOF the Village of Tolono, Champaign County, Illinois, by its President and Board of Trustees, has caused this Bond to be executed with the manual or duly author-

ized facsimile signature of its President and attested by the manual or duly authorized facsimile signature of its Village Clerk and its corporate seal or a facsimile thereof to be impressed or reproduced hereon, all as appearing hereon and as of the Dated Date identified above.

President, Village of Tolono
Champaign County, Illinois

Attest:

Village Clerk, Village of Tolono
Champaign County, Illinois

(SEAL)

CERTIFICATE OF AUTHENTICATION

Date of Authentication: _____, ____

This Bond is one of the Bonds described in the within-mentioned Ordinance and is one of the General Obligation Bonds (Waterworks and Sewerage System Alternate Revenue Source), Series 1990, of the Village of Tolono, Champaign County, Illinois.

Citizens Bank of Tolono,
as Bond Registrar

[Form of Bond - Reverse Side]

Village of Tolono, Champaign County, Illinois

General Obligation Bond

(Waterworks and Sewerage System

Alternate Revenue Source)

Series 1990

This bond and the bonds of the series of which it forms a part ("Bond" and "Bonds" respectively) are of an authorized issue of One Million One Hundred Thirty-Five Thousand Dollars (\$1,135,000) of like dated date and tenor except as to maturity, rate of interest, privilege of redemption and are issued pursuant to Division 4 of Article 8 and Division 139 of Article 11 of the Illinois Municipal Code and the Local Government Debt Reform Act, all acts of the General Assembly of the State of Illinois, and as supplemented and amended ("Applicable Law"), for the purpose of paying the costs of refunding certain bonds of the Village that are payable from the revenues of the waterworks and sewerage system of the Village defraying the cost of improving the waterworks and sewerage system, as more fully described in the Ordinance as herein below defined. The Bonds are issued pursuant to an authorizing ordinance passed by the Board on the 20th day of March, 1990, and by a more complete bond ordinance passed by the Board on the 25th day of October, 1990 (the "Ordinance"), to which reference is hereby expressly made for further definitions

and terms and to all the provisions of which the Registered Owner by the acceptance of this Bond assents.

The Bonds are payable from the Revenues on deposit in the Waterworks and Sewerage Revenue Fund of the Village and further to the credit of the Junior Bond and Interest Account of such Fund, after the payment of all Operation and Maintenance Costs of the Waterworks and Sewerage System (as defined in the Ordinance), providing for the payment, if any, necessary for the Prior Bonds which were payable from the Revenues of such System, and the making of any required monthly deposits and credits under the Ordinance to the various prior lien accounts of the Waterworks and Sewerage Revenue Fund. The Bonds are payable from ad valorem taxes levied against all of the taxable property in the Village without limitation as to rate or amount (the "Pledged Taxes") (the available Revenues and the Pledged Taxes being collectively called the "Pledged Moneys"), all in accordance with the provisions of the Applicable Law.

This Bond shall not constitute an indebtedness of the Village within the meaning of any constitutional or statutory provision or limitation, unless the Pledged Taxes shall have been extended pursuant to the general obligation, full faith and credit promise supporting the Bonds, in which case the amount of the Bonds then Outstanding shall be included in the computation of indebtedness of the Village for purposes of all statutory provisions or limitations until such time as an audit of the

Village shall show that the Bonds shall have been paid from the Revenues for a complete Fiscal Year.

Under the Applicable Law and the Ordinance, the Revenues from the operation of the System shall be deposited into the Revenue Fund, which shall be used only and has been heretofore pledged for paying Operation and Maintenance Costs of the System, paying the principal of and interest on all bonds of the Village that are payable by their terms from the Revenues of the System, providing an adequate depreciation fund for the System, and in making all payments required to maintain the accounts established under the Ordinance. This Bond is a Junior Bond payable only from the the Junior Bond and Interest Account of the Waterworks and Sewerage Fund. Bonds may be issued in the future to share in the Revenues of the System on a parity as to lien with the Outstanding Junior Bonds (including this issue) or having a senior lien to the lien of the Bonds.

Under the Applicable Law and the Ordinance, available Revenues shall be deposited to the credit of the Junior Bond and Interest Account, in proper amounts, and the Pledged Taxes shall be deposited into and segregated in the separate 1990 Alternate Bond Fund, each as created by the Ordinance. Moneys on deposit in said Account and Fund shall be used and are pledged for paying the principal of and interest on the Bonds and for any further purposes as provided by the terms of the Ordinance.

The Bonds due on or after October 1, 2001, are subject to redemption prior to maturity at the option of the Village, from any available funds, in whole or in part on any interest payment date on or after October 1, 2000, and if in part, in inverse order of maturity, and if less than an entire maturity, in integral multiples of \$5,000; selected by lot by the Bond Registrar as hereinafter provided, at the redemption price of par plus accrued interest to the date fixed for redemption plus a premium (expressed as a percentage of principal amount redeemed) of the amounts and during the periods as follows:

<u>Period (Dates Inclusive)</u>	<u>Amount (%)</u>
October 1, 2000, through April 1, 2001	2.00
October 1, 2001, through April 1, 2002	1.00
October 1, 2002, and thereafter	0.00

Notice of any such redemption shall be given by the Bond Registrar on behalf of the Village as provided in the Ordinance.

This Bond may be transferred or exchanged, but only in the manner, subject to the limitations, and upon payment of the charges as set forth in the Ordinance.

The Village and the Bond Registrar may deem and treat the Registered Owner hereof 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 Village nor the Bond Registrar shall be affected by any notice to the contrary.

ASSIGNMENT

FOR VALUE RECEIVED the undersigned sells, assigns and transfers unto

: _____ : [Identifying Numbers]
: _____ :

(Name and Address of Assignee)

the within Bond and does hereby irrevocably constitute and appoint

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

Dated: _____

Signature guaranteed: _____

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

Section 11. Treatment of Bonds As Debt.

The Bonds shall be payable from the Pledged Moneys and shall not constitute an indebtedness of the Village within the meaning of any constitutional or statutory limitation, unless the

Pledged Taxes shall have been extended pursuant to the general obligation, full faith and credit promise supporting the Bonds, as set forth in Section 17 hereof, in which case the amount of the Bonds then Outstanding shall be included in the computation of indebtedness of the Village for purposes of all statutory provisions or limitations until such time as an audit of the Village shall show that the Bonds have been paid from the Revenues for a complete Fiscal Year, in accordance with the Applicable Law.

Section 12. The Funds.

Upon the issuance of any of the Bonds, the Waterworks and Sewerage System shall be operated on a Fiscal Year basis. All of the Waterworks and Sewerage System Revenues shall be set aside as collected and be deposited into the Waterworks and Sewerage Revenue Fund (1990), hereby created and established. Such Fund shall constitute a trust fund for the sole purpose of carrying out the covenants, terms, and conditions of this Ordinance, and shall be used only in paying Operation and Maintenance Costs, providing an adequate depreciation fund, paying the principal of and interest on all revenue bonds of the Village which by their terms are payable from the Revenues derived from the System, and providing for the establishment of and expenditure from the respective accounts as described in this Ordinance.

Section 13. Flow of Funds.

In the Waterworks and Sewerage Fund, there shall be and there are hereby created separate accounts to be known as the "Operation and Maintenance Account," the "Senior Bond and Interest Account," the "Senior Bond Reserve Account," the "Junior Bond and Interest Account," the "Junior Bond Reserve Account," the "Depreciation, Repair and Replacement, and Improvement Account," and the "Surplus Account," to which there shall be credited on a given day of each month as selected by the Treasurer of the Village, without any further official action or direction, in the order in which said accounts are hereinafter mentioned, all moneys held in each such Fund, in accordance with the following provisions.

A. Operation and Maintenance Account

There shall be credited to the Operation and Maintenance Account an amount sufficient, when added to the amount then on deposit in said Account, to establish a balance to an amount not less than the amount necessary to pay Operation and Maintenance Costs for the System for the then current month and up to the time of the next monthly accounting for moneys and crediting to accounts.

Amounts in said Account shall be used to pay such Operation and Maintenance Costs.

B. Senior Bond and Interest Account

After making any payments required for the Prior Bonds, if any, there next shall be credited to the Senior Bond and Interest Account and held, in cash and investments, a fractional amount of the interest becoming due on the next succeeding interest payment date on all Outstanding Senior Bonds payable from such Account and also a fractional amount of the principal becoming due or subject to mandatory redemption on the next succeeding principal maturity or mandatory redemption date of all of the Outstanding Senior Bonds payable from such Account until there shall have been accumulated and held, in cash and investments, in the Senior Bond and Interest Account in or before the month preceding such maturity date of interest or maturity or mandatory redemption date of principal, an amount sufficient to pay such principal or interest, or both.

All moneys in said Account shall be used only for the purpose of paying interest on and principal of such Outstanding Senior Bonds.

C. Senior Bond Reserve Account

There shall next be credited to the Senior Bond Reserve Account and held, in cash and investments or as otherwise provided, such amount or amounts at such times as may be required in the applicable ordinance or ordinances by which Outstanding Senior Bonds are authorized and issued.

Amounts to the credit of the Senior Bond Reserve Account shall be used to pay principal of or interest on the such Outstanding Senior Bonds of the System at any time when there are insufficient funds available in the Senior Bond and Interest Account to pay the same as may be provided in the applicable ordinances and shall be transferred to said Account for said purpose.

D. Junior Bond and Interest Account

There next shall be credited to the Junior Bond and Interest Account and held, in cash and investments, a fractional amount of the interest becoming due on the next succeeding interest payment date on all Outstanding Junior Bonds payable from such Account and also a fractional amount of the principal becoming due or subject to mandatory redemption on the next succeeding principal maturity or mandatory redemption date of all of the Outstanding Junior Bonds payable from such Account until there shall have been accumulated and held, in cash and investments, in the Junior Bond and Interest Account in or before the month preceding such maturity date of interest or maturity or mandatory redemption date of principal, an amount sufficient to pay such principal or interest, or both.

In computing the fractional amount to be set aside each month in the Junior Bond and Interest Account, the fraction shall be so computed that a sufficient amount will be set aside in said Account and will be available for the prompt payment of such

principal of and interest on all Outstanding Junior Bonds payable from such Account and shall be not less than $1/6$ of the interest becoming due on the next succeeding interest payment date and not less than $1/12$ of the principal becoming due or subject to mandatory redemption on the next succeeding principal payment or mandatory redemption date on all Outstanding Junior Bonds payable from such Account until there is sufficient money in said Account to pay such principal or interest, or both.

All moneys in said Account shall be used only for the purpose of paying interest on and principal of such Outstanding Junior Bonds. Such moneys as are sufficient to make payments of principal of and interest on the Bonds when due, along with any fees then due, shall be transferred to the Bond Registrar not less than five days prior to the pertinent principal or interest payment date.

E. Junior Bond Reserve Account

There shall next be credited to the Junior Bond Reserve Account and held, in cash and investments or as otherwise provided, such amount or amounts at such times as may be required in the applicable ordinance or ordinances by which Outstanding Junior Parity Bonds are authorized and issued.

Amounts to the credit of the Junior Bond Reserve Account shall be used to pay principal of or interest on the such Outstanding Junior Bonds of the System at any time when there are insufficient funds available in the Junior Bond and Interest

Account to pay the same as may be provided in the applicable ordinances and shall be transferred to said Account for said purpose.

F. Depreciation, Repair and Replacement, and Improvement Account

Beginning December 1, 1990, there shall be next credited to the Depreciation, Repair and Replacement, and Improvement Account and held, in cash and investments, an amount each month as shall be determined by the Board as sufficient and proper for the purposes of this Account as hereinbelow set forth.

Amounts to the credit of said Depreciation, Repair and Replacement, and Improvement Account shall be used as follows: (i) for the payment of the cost of extraordinary maintenance, necessary repairs and replacements, or contingencies, or for improvements, repairs or replacements to the System required by any agency of the State of Illinois or the United States Government, the payment for which no other funds are available, in order that the System may at all times be able to render efficient service; (ii) as budgeted from time to time, and provided the Board has determined that the amount otherwise on deposit to the credit of this Account is sufficient at such time for the purposes set forth in clause (i) immediately preceding, for the payment of the costs of constructing and acquiring improvements and extensions to the System; and (iii) for the payment of principal of or interest on any Outstanding Bonds payable from

the Revenues of the System at any time when there are no other funds available for that purpose in order to prevent a default and shall be transferred to the appropriate Bond and Interest Account for such purpose. Whenever an amount is withdrawn from such Account for the purpose stated in clause (iii) of the preceding paragraph, the amount so transferred shall be added to the amount to be next and thereafter credited to this Account until full reimbursement to the Account has been made.

G. Surplus Account

All moneys remaining in the Fund, after crediting the required amounts to the respective accounts hereinabove provided for, and after making up any deficiency in the accounts described in subsections (A) to (F), inclusive, shall be credited each month to the Surplus Account. Funds in the Surplus Account shall be used, first, to make up any subsequent deficiencies in any of the accounts hereinabove named; and then, for the remainder of all surplus Revenues, at the discretion of the Board, for one or more of the following purposes without any priority among them:

1. For the purpose of constructing or acquiring repairs, replacements, improvements or extensions to the System; or
2. For making transfers to the Fund generally to be applied and treated as Revenues when transferred; or
3. For the purpose of calling and redeeming Outstanding Bonds payable from the System which are callable at the time; or
4. For the purpose of purchasing Outstanding Bonds; or

5. For the purpose of paying principal of and interest on any subordinate bonds or obligations issued for the purpose of acquiring or constructing repairs, replacements, improvements or extensions to the System; or
6. For any other lawful corporate purpose.

Section 14. Investments.

Except as otherwise expressly provided, moneys to the credit of the Fund may be invested pursuant to any authorization granted to municipal corporations by Illinois statute or court decision.

Moneys to the credit of either Bond and Interest Account shall be invested from time to time by the Treasurer of the Village in (a) direct full faith and credit obligations of the United States of America, whether bonds, notes, bills or otherwise called (collectively referred to herein as "U.S. Bonds"); (b) certificates of participation in a trust or trust receipts from a trust comprised solely of U.S. Bonds; (c) shares in a money market or mutual fund comprised solely of U.S. Bonds or agreements to repurchase such obligations; (d) obligations unconditionally guaranteed as to both principal and interest by the United States Government; (e) obligations which are tax-exempt under Section 103(a) of the Code but are not private activity bonds under Section 141(a) of the Code, if rated at the time of purchase "AA" or better by a nationally recognized ratings service for municipal bonds; (f) the Public Treasurers' Invest-

ment Pool of the State of Illinois; and (g) certificates of deposit or time deposits of any bank, as defined by the Illinois Banking Act, provided such bank is insured by the Federal Deposit Insurance Corporation or a successor corporation to the Federal Deposit Insurance Corporation, and provided further that the principal of such deposits in excess of the insured amount is secured by a pledge of obligations as described in clauses (a), (b) or (d) above in the full principal amount of such excess. Such investments must also be legal and proper investments for the Village under authorizations then granted to the Village by Illinois law. Such investments may be sold from time to time by the Treasurer of the Village as funds may be needed for the purpose for which said respective Accounts have been created. To the extent moneys in said Accounts as described in this paragraph are held uninvested and on deposit in demand accounts, such amounts shall be added to the amount invested pursuant to clause (g) above, and the sum so derived subject to the limitations as set forth therein.

Investments in the Accounts shall mature or be subject to redemption at the option of the holder thereof prior to the time when needed, and, in any event, within the times as follows:

<u>Account</u>	<u>Time</u>
Operation and Maintenance	45 days
Bond and Interest	1 year
Bond Reserve	5 years
Depreciation, Repair and Replacement, and Improvement	5 years
Surplus	5 years

After making provision for the payment of any amount of excess arbitrage profits, as provided in the Code, attributable to investment earnings or profits to a Rebate Fund created for an issue or issues of Outstanding Bonds, all earnings or profit on any funds so invested in a Bond and Interest Account shall be retained therein. After making provision for the payment of any amount of excess arbitrage profits, as provided in the Code, attributable to investment earnings or profits to a Rebate Fund created for an issue or issues of Outstanding Bonds, all earnings or profit on any funds so invested in a Bond Reserve Account shall be credited upon receipt to the Fund and the same lien Bond and Interest Account. The Village may take credit for such earnings or profits (not transferred to a Rebate Fund) in its final monthly accounting for Bond and Interest Accounts in any Fiscal Year.

All interest or profit earned on any funds so invested in other Accounts shall be retained and credited to the Fund for which invested.

Moneys in any of said accounts shall be invested by the Treasurer, if necessary, in investments restricted as to yield,

which investments may be in United States Treasury Obligations-- State and Local Government Series, if available, and to such end the Treasurer shall refer to any investment restrictions covenanted by the Village or any officer thereof as part of the transcript of proceedings for the issuance of the Bonds, and to appropriate opinions of counsel.

Section 15. Account Excesses.

Any amounts to the credit of the Accounts in excess of the then current requirements therefor may be transferred at any time by the Board to such other Account or Accounts of the Fund as it may in its sole discretion designate.

Section 16. Prior Accounts Transfers.

Upon the refunding of the Prior Bonds, all the moneys remaining in the special accounts of the respective funds and accounts established and maintained by the ordinance authorizing the Prior Bonds (the "Prior Accounts") shall be transferred as follows:

1. From the Prior Operation and Maintenance Fund, the amount on deposit to the Operation and Maintenance Account hereunder.

2. From the remaining Prior Accounts: (a) so much of the remainder as may be necessary from the amount on deposit to the Escrow Account held under the Escrow Agreement for the purpose of refunding the Prior Bonds and (b) of the remainder (i) the sums necessary to make any required beginning credits to the

accounts of the Fund hereinabove created and (ii) the balance to such Account or Fund as the Board may lawfully designate.

Section 17. Pledged Taxes; Tax Levy.

The Bonds are Alternate Bonds. For the purpose of providing funds to pay the principal of and interest on the Bonds, and as provided in Section 15 of the Reform Act, there is hereby levied upon all of the taxable property within the Village, in the years for which any of the Bonds are Outstanding, a direct annual tax for each of the years while the 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 Village the following direct annual taxes (the "Pledged Taxes"):

<u>For the Year</u>	<u>A Tax Sufficient to Produce the sum of:</u>	
1990	\$161,657.49	for principal and interest up to and including April 1, 1992
1991	\$125,195.00	for principal and interest
1992	\$126,807.50	for principal and interest
1993	\$123,205.00	for principal and interest
1994	\$124,380.00	for principal and interest
1995	\$125,160.00	for principal and interest
1996	\$125,535.00	for principal and interest
1997	\$125,495.00	for principal and interest
1998	\$120,207.50	for principal and interest
1999	\$119,665.00	for principal and interest
2000	\$118,703.75	for principal and interest
2001	\$122,155.00	for principal and interest
2002	\$120,012.50	for principal and interest
2003	\$117,452.50	for principal and interest
2004	\$119,283.75	for principal and interest

Following any extension of Pledged Taxes, 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.

Section 18. Filing with County Clerk; Bond Fund.

After this Ordinance becomes effective, a copy hereof, certified by the Village Clerk, shall be filed with the County Clerk of The County of Champaign, Illinois (the "County Clerk"). The County Clerk shall in and for each of the years 1990 to 2003, inclusive, ascertain the rate percent required to produce the aggregate Pledged Taxes hereinbefore provided to be levied in each of said years; and the County Clerk shall extend the same for collection on the tax books in connection with other taxes levied in said years in and by the Village for general corporate purposes of the Village; and the County Clerk, or other appropriate officer or designee, shall remit the Pledged Taxes for deposit to the credit of a special fund to be designated the "1990 Alternate Bond Fund" (the "Bond Fund"), and in said years the Pledged Taxes shall be levied and collected by and for and on behalf of the Village in like manner as taxes for general corporate purposes of the Village for said years are levied and

collected, and in addition to and in excess of all other taxes. The Pledged Taxes are hereby irrevocably pledged to and shall be used only for the purpose of paying principal of and interest on the Bonds. It is hereby expressly provided that in the event there shall be moneys to the credit of the Junior Bond and Interest Account and the Bond Fund, the Bond Fund shall be fully depleted before moneys to the credit of the Junior Bond and Interest Account shall be used to pay principal of and interest on the Bonds.

Section 19. Abatement of Pledged Taxes.

As provided in the Applicable Law, whenever the Revenues shall have been determined by the Board to provide an amount not less than an amount equal to debt service on the Bonds, the Board or such officers of the Village acting with proper authority shall direct the abatement of the Pledged Taxes, and proper notification of such abatement shall be filed with the County Clerk in a timely manner to effect such abatement.

Section 20. General Covenants.

The Village covenants and agrees with the registered owners of the Bonds, so long as any Bonds remain Outstanding, as follows:

A. The Village pledges the Revenues of the System to the payment of the Bonds as hereinabove provided, after provision for payment of Costs of Operation and Maintenance, and required credits to Accounts of the Fund having a lien prior to the lien

of the Bonds, and the Board covenants and agrees to provide for, collect and apply Revenues to the payment of the Bonds and the provision of not less than an additional 0.25 times debt service. The determination of the sufficiency of the Revenues pursuant to this subsection (A) shall be supported by reference to the most recent audit of the Village, and the reference to and acceptance of such audit by the Board shall be conclusive evidence that the conditions of Section 15 of the Reform Act have been met.

B. The Village will punctually pay or cause to be paid from the Junior Bond and Interest Account and from the Bond Fund the principal of and interest on the Bonds in strict conformity with the terms of the Bonds and this Ordinance, and it will faithfully observe and perform all of the conditions, covenants and requirements thereof and hereof.

C. The Village will pay and discharge, or cause to be paid and discharged, from the Junior Bond and Interest Account and the Bond Fund any and all lawful claims which, if unpaid, might become a lien or charge upon the Pledged Moneys, or any part thereof, or upon any funds in the hands of the Bond Registrar, or which might impair the security of the Bonds. Nothing herein contained shall require the Village to make any such payment so long as the Village in good faith shall contest the validity of said claims.

D. The Village will keep, or cause to be kept, proper books of record and accounts, separate from all other records and accounts of the Village, in which complete and correct entries shall be made of all transactions relating to the System, the Pledged Moneys, the Fund and the Bond Fund.

E. The Village will preserve and protect the security of the Bonds and the rights of the registered owners of the Bonds, and will warrant and defend their rights against all claims and demands of all persons. From and after the sale and delivery of any of the Bonds by the Village, the Bonds shall be incontestable by the Village.

F. The Village will adopt, make, execute and deliver any and all such further ordinances, resolutions, instruments and assurances as may be reasonably necessary or proper to carry out the intention of, or to facilitate the performance of, this Ordinance, and for the better assuring and confirming unto the registered owners of the Bonds of the rights and benefits provided in this Ordinance.

G. As long as any Bonds are Outstanding, the Village will continue to deposit and apply the Revenues as provided herein and, if applicable, the Pledged Taxes to the Bond Fund. The Village covenants and agrees with the purchasers of the Bonds and with the registered owners thereof that so long as any Bonds remain Outstanding, the Village will take no action or fail to take any action which in any way would adversely affect the

ability of the Village to levy the Pledged Taxes and to collect and to segregate the Pledged Moneys. The Village and its officers will comply with all present and future applicable laws in order to assure that the Pledged Taxes can be levied and extended and that the Revenues and the Pledged Taxes may be collected and deposited into the Fund and to the credit of the respective Accounts thereof and the Bond Fund, respectively, as provided herein.

H. The Outstanding Bonds shall be and forever remain until paid or defeased the general obligation of the Village, for the payment of which its full faith and credit are pledged, and shall be payable, in addition to from the Revenues, as herein provided, from the levy of the Pledged Taxes as provided in the Reform Act.

I. The Village will maintain the System in good repair and working order, will operate the same efficiently and faithfully, and will punctually perform all duties with respect thereto required by State and Federal law.

J. The Village will establish and maintain at all times reasonable fees, charges, and rates for the use and service of the System and will provide for the collection thereof and the segregation and application of the Revenues in the manner provided by this Ordinance, sufficient at all times to pay Operation and Maintenance Costs, to provide an adequate depreciation fund, to pay the principal of and interest on all revenue bonds of the

Village which by their terms are payable from the Revenues thereof, and to provide for the creation and maintenance and funding of the respective accounts as provided in Section 13 of this Ordinance. It is hereby expressly provided that the pledge and establishment of rates or charges for use of the System shall constitute a continuing obligation of the Village with respect to such establishment and a continuing appropriation of the amounts received.

K. There shall be charged against all users of the System, including the Village, such rates and amounts for services as shall be adequate to meet the requirements of this Ordinance. Charges for services rendered to the Village shall be made against the Village, and payment for the same shall be made monthly from the corporate funds into the Fund as revenues derived from the operation of the System; provided, however, that the Village need not charge itself for System services if, in the previous Fiscal Year, Revenues (not including any payments made by the Village) shall have met the requirements of this Ordinance.

L. Within six months following the close of each Fiscal Year, the Village will cause the books and accounts of the Fund to be audited by independent certified public accountants in accordance with appropriate audit standards. Said audit will be available for inspection by the registered owners of any of the Bonds.

Section 21. Parity Bonds.

The Village reserves the right to issue Parity Bonds without limit provided that the Revenues as determined or as adjusted as hereinbelow set out shall be sufficient to provide for or pay all of the following: (a) Operation and Maintenance Costs (but not including depreciation), (b) debt service on all Outstanding Bonds computed immediately after the issuance of the proposed Parity Bonds, (c) all amounts required to meet any fund or account requirements with respect to such Outstanding Bonds, (d) other contractual or tort liability obligations then payable, if any, and (e) an additional amount not less than 0.25 times Maximum Annual Debt Service on such of the Bonds as shall remain Outstanding Bonds after the issuance of the proposed Parity Bonds. Such sufficiency shall be demonstrated in each year to the final maturity of those Bonds which shall remain Outstanding Bonds after the issuance of the proposed Parity Bonds. The determination of the sufficiency of Revenues shall be supported by reference to the most recent audit of the Fund from which the proposed Parity Bonds are to be payable, which audit shall be for a Fiscal Year ending not earlier than 18 months previous to the time of issuance of the proposed Parity Bonds.

If such audit shows the Revenues to be insufficient, then the determination of sufficiency may be made in either of the following two ways:

(A) The Revenues may be adjusted in the event there has been an increase in the rates of the System from the rates in effect for the Fiscal Year of such audit (if such rate increase is still in effect at the time of the issuance of such proposed Parity Bonds) to show such Revenues as they would have been if such increased rates had been in effect during all of said Fiscal Year. Any such adjusted statement of Revenues shall be evidenced the certificate of an independent consulting engineer, an independent certified public accountant or an independent financial consultant employed for the purpose.

(B) The determination of sufficiency of the Revenues may be supported by the report of an independent accountant or feasibility analyst having a national reputation for expertise in such matters, demonstrating the sufficiency of the Revenues and explaining by what means they will be greater than as shown in the audit.

The reference to and acceptance of an audit, an adjusted statement of the Revenues, or a report, as the case may be, and the determination of the Board of the sufficiency of Revenues shall be conclusive evidence that the conditions of this section have been met and that the Parity Bonds are properly issued hereunder; and no right to challenge such determination is granted to the registered owners of the Bonds.

Section 22. Defeasance.

Bonds which are no longer Outstanding Bonds as defined in this Ordinance shall cease to have any lien on or right to receive or be paid from Pledged Moneys and shall no longer have the benefits of any covenant for the registered owners of Outstanding Bonds as set forth herein as such relates to lien and security of the Bonds in the Pledged Moneys.

Section 23. Sale of the Bonds.

The Bonds hereby authorized shall be sold and executed as in this Ordinance provided as soon after the passage hereof as may be, and thereupon be deposited with the Treasurer of the Village, and be by said Treasurer delivered to the purchaser thereof, the same being Ziegler Securities, Chicago, Illinois, upon receipt of the purchase price therefor, the same being not less than \$1,117,200 plus accrued interest to date of delivery. The Purchase Contract for the sale of the Bonds presented to the Board at this time is hereby approved and confirmed, it being hereby found and determined that said contract is in the best interests of the Village and that no person holding an office of the Village either by election or appointment, is in any manner interested, either directly or indirectly, in his own name or in the name of any other person, association, trust or corporation, in said contract for the purchase of the Bonds. The designated officers of the Village are hereby authorized to execute such contract.

Section 24. Use of Proceeds, Escrow Agreement, Construction Fund (1990).

The proceeds derived from the sale of the Bonds shall be used as follows:

A. Accrued interest shall be credited to the Junior Bond and Interest Account and applied to pay first interest due on the Bonds.

B. The amount necessary of the proceeds of the Bonds shall be used to pay expenses of issuance of Bonds.

C. The sum necessary shall be used to provide for the refunding of all the Prior Bonds, and the payment of such expenses as may be designed, pursuant to the provisions of the Escrow Agreement, substantially in the form attached hereto as Exhibit A to this Ordinance and incorporated herein by this reference, as if set forth in full at this place. The Village by its Board hereby does (1) approve the form of the Escrow Agreement, (2) approve Citizens Bank of Tolono, Tolono, Illinois, as named in the Escrow Agreement, as the Escrow Agent, (3) authorize and direct the officers as designated in the Escrow Agreement to execute the same with such completions, corrections and revisions as they may approve, their execution to constitute conclusive evidence of their approval and of due execution and delivery under the terms of this Ordinance, and (4) subject only to the funding of the Escrow Account under the Escrow Agreement, irrevocably call for redemption the Prior Bonds in accordance with the terms of the Escrow Agreement.

D. The remaining funds shall be set aside in a separate fund hereby created and designated as the "Construction Fund (1990)" (the "Project Fund"), which the Village shall maintain as a separate and segregated account. Moneys in such fund shall be used solely and only for the 1990 Waterworks and Sewerage Project (the "Project") described in the name of the account. Moneys in the Project Fund shall be withdrawn from time to time as needed for the payment of costs of the Project and paying the fees and expenses incidental thereto and to issuance of the Bonds not paid out at closing or from the Escrow Account; and said moneys shall be disbursed by the Village from time to time only upon submission to the Treasurer of the following:

(1) If such disbursement is for payment to a supplier, materialman, or contractor for work done in connection with the Project, a certificate executed by the engineer or architect in charge of the construction of the relevant part of the project stating the amount of materials supplied or the nature of the work completed, that such materials have been properly accepted or such work approved by him, the amount due and payable thereon, and the amount remaining to be paid in connection with the project as applicable; and

(2) A duplicate copy of the order signed by an officer of the Village, stating specifically the purpose for which the order is issued and indicating that the payment for which the order is issued has been approved by the Board.

Funds on deposit in the Project Fund may be invested by the Treasurer of the Village in the same manner as provided in Section 17 of this Ordinance for moneys in the Fund. All investment earnings in the Project Fund shall first be reserved and transferred to such other fund or account as and to the extent necessary to pay any "excess arbitrage profits" under

Section 148 of the Code to maintain the Tax-exempt status of the Bonds, and the remainder shall be retained in the Project Fund for costs of the Project.

Within sixty (60) days after full depletion of the Project Fund, or if the Waterworks and Sewerage Project has been completed and accepted, the Treasurer of the Village shall certify to the Board the fact of such depletion or the engineer or architect in responsible charge of the Waterworks and Sewerage Project shall certify to the Board the fact that the work has been completed and accepted, and upon approval of such certification by the Board, funds (if any) remaining in the Project Fund shall be credited by the Treasurer of the Village to the Junior Bond and Interest Account; and the Project Fund shall be closed.

Section 25. Bond Registrar Covenants.

If requested by the Bond Registrar, the President and Village Clerk are authorized to execute a Bond Registrar's agreement between the Village and the Bond Registrar with respect to the obligations and duties of the Bond Registrar hereunder. Such duties shall include the following:

(a) to act as bond registrar, authenticating agent, paying agent and transfer agent as provided herein;

(b) to maintain a list of Bondholders as set forth herein and to furnish such list to the Village upon request, but otherwise to keep such list confidential to the extent permitted by law;

(c) to give notice, if any, of redemption of Bonds as provided herein;

(d) to cancel and/or destroy Bonds which have been paid at maturity or upon earlier redemption or submitted for exchange or transfer;

(e) to furnish the Village at least annually a certificate with respect to Bonds cancelled and/or destroyed; and

(f) to furnish the Village at least annually an audit confirmation of Bonds paid, Outstanding Bonds and payments made with respect to interest on the Bonds.

The Village Clerk is hereby directed to file a certified copy of this Ordinance with the Bond Registrar.

The Village covenants with respect to the Bond Registrar, and the Bond Registrar further covenants and agrees as follows:

A. The Village shall at all times retain a Bond Registrar with respect to the Bonds; it will maintain at the designated office(s) of such Bond Registrar a place or places where Bonds may be presented for payment, registration, transfer or exchange; and it will require that the Bond Registrar properly maintain the Bond Register and perform the other duties and obligations imposed upon it by this Ordinance in a manner consistent with the standards, customs and practices of the municipal securities industry.

B. The Bond Registrar shall signify its acceptance of the duties and obligations imposed upon it by this Ordinance by executing the certificate of authentication on any Bond, and by such execution the Bond Registrar shall be deemed to have certified to the Village that it has all requisite power to accept and has accepted such duties and obligations not only with respect to the Bond so authenticated but with respect to all the Bonds. Any Bond Registrar shall be the agent of the Village and shall not be liable in connection with the performance of its duties except for its own negligence or willful wrongdoing. Any Bond Registrar shall, however, be responsible for any representation in its certificate of authentication on Bonds.

C. The Village may remove the Bond Registrar at any time. In case at any time the Bond Registrar shall resign, shall be removed, shall become incapable of acting, or shall be adjudicated a bankrupt or insolvent, or if a receiver, liquidator, or conservator of the Bond Registrar or of the property thereof shall be appointed, or if any public officer shall take charge or control of the Bond Registrar or of the property or affairs thereof, the Village covenants and agrees that it will thereupon appoint a successor Bond Registrar. The Village shall give notice of any such appointment made by it to each registered owner of any Bond within twenty days after such appointment in the same manner, or as nearly the same as may be practicable, as for a redemption of Bonds. Any Bond Registrar appointed under

the provisions of this Section shall be a bank, trust company, or national banking association maintaining its principal corporate trust office in Illinois, and having capital and surplus and undivided profits in excess of \$10,000,000.

Section 26. Not Private Activity Bonds.

None of the bonds is a "private activity bond" as defined in Section 141(a) of the Code. In support of such conclusion, the Village certifies, represents and covenants as follows:

A. The Prior Bonds were issued for the purpose, and the Prior Bond proceeds were properly and fully expended for the purpose, of paying the costs of improvements to the System, or for refunding original bonds issued for such purpose, which is a public, governmental utility supply system.

B. No direct or indirect payments are to be made on any Bond with respect to any private business use by any person other than a state or local governmental unit.

C. None of the proceeds of the Bonds is to be used, directly or indirectly, and none of the proceeds of the Prior Bonds were used, directly or indirectly, to make or finance loans to persons other than a state or local governmental unit.

D. No user of the System other than the Village will use the same on any basis other than the same basis as the general public; and no person other than the Village will be a user of the System as a result of (i) ownership or (ii) actual or

beneficial use pursuant to a lease, a management or incentive payment contract, or (iii) any other similar arrangement.

Section 27. General Arbitrage Covenants.

The Village represents and certifies as follows with respect to the Bonds:

A. All of the proceeds of the Prior Bonds issued for project purposes have been spent. All of the proceeds of the Prior Bonds issued for the purpose of refunding bonds previously issued by the Village have been spent.

B. No portion of the System has been or is expected to be sold or otherwise disposed of in whole or in material part prior to the last maturity of the Bonds. "Material part" means (i) land except occasional small parcels no longer useful to the System, or (ii) any System improvement or personal property or fixtures in excess of that which is expected to be sold, traded in or discarded upon wearing out or becoming obsolete.

C. Except for the Junior Bond and Interest Account and the Bond Fund, the Village has not created or established and will not create or establish any sinking fund, reserve fund or any other similar fund to provide for the payment of the Bonds. The Junior Bond and Interest Account and the Bond Fund have been established and will be funded in a manner primarily to achieve a proper matching of tax revenues and debt service, and will be collectively depleted at least annually to an amount not in excess of 1/12 the particular annual debt service on the Bonds.

Money deposited therein will be spent within a 13-month period beginning on the date of deposit, and investment earnings therein will be spent or withdrawn within a one-year period beginning on the date of receipt.

D. The investment of proceeds or funds related to the Bonds by the Village officers at a yield which is restricted to a lower yield than otherwise obtainable in order to meet any covenants relating to the Tax-exempt status of the Bonds, as advised by bond counsel, or as otherwise determined to be necessary for such purpose, is expressly authorized and directed.

E. The Village has not been notified of any disqualification or proposed disqualification of it by the Commissioner of the Internal Revenue Service as a bond issuer which may certify bond issues under Treasury Regulations Section 1.103-13(a)(2)(ii) (1979).

The Village also certifies and further covenants with the purchasers and registered owners of the Bonds from time to time outstanding that moneys on deposit in any fund or account in connection with the Bonds, whether or not such moneys were derived from the proceeds of the sale of the Bonds or from any other source, will not be used in a manner which will cause the Bonds to be "arbitrage bonds" within the meaning of Code Section 148 and any lawful regulations promulgated thereunder, as the same presently exist or may from time to time hereafter be amended, supplemented or revised.

Section 28. Arbitrage Rebate.

The Village recognizes that the provisions of Section 148 of the Code require a rebate to the United States in certain circumstances. An exemption to rebate requirements appears at Section 148(f)(4)(C) of the Code and applies to this issue. No rebate is required or planned by the Village. In support of this conclusion, the Village covenants, represents and certifies as follows:

A. The Village is a governmental unit with general taxing powers.

B. No Bond in this issue is a "private activity bond" as defined in Section 141(a) of the Code.

C. All the net proceeds of the Bonds are to be used for the local government activities of the Village described in this Ordinance (or of a governmental unit the jurisdiction of which is entirely within the jurisdiction of the Village).

D. The aggregate face amount of all tax-exempt bonds (other than "private activity bonds" as defined in the Code) issued by the Village (and all subordinate entities thereof) during 1990 is not reasonably expected to exceed \$5,000,000.

Section 29. Further Tax Covenants.

The Village agrees to comply with all provisions of the Code which, if not complied with by the Village, would cause the Bonds not to be Tax-exempt. In furtherance of the foregoing provisions, but without limiting their generality, the Village

agrees: (a) through its officers, to make such further specific covenants, representations as shall be truthful, and assurances as may be necessary or advisable; (b) to comply with all representations, covenants and assurances contained in certificates or agreements as may be prepared by counsel approving the Bonds; (c) to consult with such counsel and to comply with such advice as may be given; (d) to pay to the United States, if necessary, such sums of money representing required rebates of excess arbitrage profits relating to the Bonds; (e) to file such forms, statements and supporting documents as may be required and in a timely manner; and (f) if deemed necessary or advisable by its officers, to employ and pay fiscal agents, financial advisors, attorneys and other persons to assist the Village in such compliance.

Section 30. Registered Form.

The Village recognizes that Section 149 of the Code requires the Bonds to be issued and to remain in fully registered form in order to be and remain Tax-exempt. In this connection, the Village agrees that it will not take any action to permit the Bonds to be issued in, or converted into, bearer or coupon form.

Section 31. Qualified Tax-exempt Obligations.

The Village recognizes the provisions of Section 265(b)(3) of the Code which provide that a "qualified tax-exempt obligation" as therein defined may be treated by certain financial institutions as if it were acquired on November 7, 1986, for certain purposes. The Village hereby designates each of the

Bonds as may be from time to time outstanding for purposes of Section 265(b)(3) of the Code as a "qualified tax-exempt obligation" as provided therein.

In support of such designation, the Village certifies, represents and covenants as follows:

A. None of the Bonds is a "private activity bond" as defined in Section 141(a) of the Code.

B. Including the Bonds, the Village (including any entities subordinate thereto) has not and does not reasonably expect to issue in excess of \$10,000,000 in "qualified tax-exempt obligations" during calendar year 1990.

C. Including the Bonds, not more than \$10,000,000 of obligations issued by the Village (including any entities subordinate thereto) during the calendar year 1990 have been to date or will be designated by the Village for purposes of said Section 265(b)(3).1

Section 32. Opinion of Counsel Exception.

The Village reserves the right to use or invest moneys in connection with the Bonds in any manner, or to use, treat or contract with respect to the System, notwithstanding the covenants in Sections 26 to 31 herein, provided it shall first have received an opinion from an attorney or a firm of attorneys of nationally recognized standing relating to Tax-exempt bonds to the effect that use or investment of such moneys, or use of the System, as contemplated will not result in any adverse effect on

either the "qualified tax-exempt obligation" status or the Tax-exempt status of interest on the Bonds.

Section 33. This Ordinance a Contract.

The provisions of this Ordinance shall constitute a contract between the Village and the registered owners of the Bonds, and the Escrow Agent under the Escrow Agreement, each in accordance with terms hereof; and no changes, additions or alterations of any kind shall be made hereto.

Section 34. 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 35. 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.

Section 36. Effective Date.

This ordinance shall be effective immediately upon its passage, approval and publication in pamphlet form.

PASSED by the Board on October 25, 1990.

APPROVED: October 25, 1990.


President

AYES: JAMES M. BATES, EVERETT PRUTEMAN, CECIL
PLACKETT, JIM MYERS

NAYS: NONE

ABSENT: LEO JUDER

RECORDED in the Village Records on October 25, 1990.

Published in pamphlet form by authority of the Corporate Authorities on October 25, 1990.

Attest:


Village Clerk
(SEAL)

Trustee PUTSMAN moved and Trustee Miers seconded the motion that said ordinance as presented by the Village President be adopted.

The President then gave a public recital of the nature and purpose of the ordinance, which included a reading of the title of the ordinance and statements (1) that the ordinance provided for the issuance of general obligation alternate bonds for the purpose of providing funds for the refunding of the Village's Waterworks and Sewerage Revenue Bonds, Series 1987 defraying the cost of improving the waterworks and sewerage system, (2) that the bonds are issuable pursuant to authority of the Illinois Municipal Code, the Local Government Debt Reform Act and certain previous proceedings of the President and Board of Trustees, (3) that the ordinance provides for the bonds to be paid by revenues of the waterworks and sewerage system, but there is also a back-up levy of taxes to pay the bonds, and (4) that the ordinance provides many details for the bonds, including tax-exempt status covenants, provision for terms and form of the bonds, and appropriations.

Thereupon the President directed that the roll be called for a vote upon the motion to adopt such ordinance.

Upon the roll being called, the following Trustees
voted:

AYE: JAMES M. BATES, EVERETT PRUDMAN, CECIL PLACKETT,
JIM MYERS

NAY: NONE

ABSENT: LEO STUBER

Whereupon the President declared the motion carried and
the ordinance adopted, and did direct the Village Clerk to record
the same in full in the records of the Board, which was thereupon
done.

Other business not pertinent to the adoption of said
ordinance was duly transacted at said meeting.

Upon motion duly made and seconded, the meeting was
adjourned.


Village Clerk

STATE OF ILLINOIS)
) SS
COUNTY OF CHAMPAIGN)

CERTIFICATION OF ORDINANCE AND MINUTES

I, the undersigned, do hereby certify that I am the duly qualified and acting Village Clerk of the Village of Tolono, Champaign County, Illinois (the "Village"), and as such officer I am the keeper of the books, records, files, and journal of proceedings of the Village and of the President and Board of Trustees (the "Board") thereof.

I do further certify that the foregoing constitutes a full, true and complete transcript of the minutes of the legally convened meeting of the Board held on the 25th day of October, 1990, insofar as same relates to the adoption of an ordinance entitled:

AN ORDINANCE authorizing and providing for the issuance of \$1,135,000 General Obligation Bonds (Waterworks and Sewerage System Alternate Revenue Source), Series 1990, of the Village of Tolono, Champaign County, Illinois, for the purpose of refunding certain outstanding waterworks and sewerage revenue bonds, defraying the cost of improving the waterworks and sewerage sytem, prescribing all the details of said Series 1990 bonds and providing for the imposition of taxes to pay the same, and for the collection, segregation and distribution of the waterworks and sewerage system operated by said Village; further authorizing and providing for implementing the plan of refunding for waterworks and sewerage revenue bonds through an escrow agreement.

a true, correct and complete copy of which said ordinance as adopted at said meeting appears in the foregoing transcript of the minutes of said meeting.

I do further certify that the deliberations of the Board on the adoption of said ordinance were taken openly; that the vote on the adoption of said ordinance was taken openly; that said meeting was held at a specified time and place convenient to the public; that notice of said meeting was duly given to all of the news media requesting such notice of said meeting was duly given to all of the news media requesting such notice; that said meeting was called and held in strict accordance with the provisions of the Illinois Municipal Code and the Open Meetings Act of the State of Illinois, as amended; and that the Board has complied with all of the applicable provisions of said laws and its own procedural rules in the adoption of said ordinance.

IN WITNESS WHEREOF I have hereunto affixed my official signature and the seal of the Village, this 25 day of Oct, 1990.

(SEAL)


Village Clerk

STATE OF ILLINOIS)
) SS
COUNTY OF CHAMPAIGN)

CERTIFICATE OF PUBLICATION IN PAMPHLET FORM

I, the undersigned, do hereby certify that I am the duly qualified and acting Village Clerk of the Village of Tolono, Champaign County, Illinois (the "Village"), and as such official I am the keeper of the official journal of proceedings, books, records, minutes, and files of the Village and of the President and Board of Trustees (the "Board") thereof.

I do further certify that on the 25th day of October, 1990, there was published in pamphlet form, by authority of the Board, a true, correct and complete copy of an ordinance entitled:

AN ORDINANCE authorizing and providing for the issuance of \$1,135,000 General Obligation Bonds (Waterworks and Sewerage System Alternate Revenue Source), Series 1990, of the Village of Tolono, Champaign County, Illinois, for the purpose of refunding certain outstanding waterworks and sewerage revenue bonds, defraying the cost of improving the waterworks and sewerage system, prescribing all the details of said Series 1990 bonds and providing for the imposition of taxes to pay the same, and for the collection, segregation and distribution of the waterworks and sewerage system operated by said Village; further authorizing and providing for implementing the plan of refunding for waterworks and sewerage revenue bonds through an escrow agreement.

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 Village Clerk at 507 West Strong, Tolono, Illinois.

IN WITNESS WHEREOF I have affixed hereto my official
signature and the seal of the Village this 25 day of Oct.
1990.


Village Clerk

(SEAL)