

PAMPHLET PUBLICATION

ORDINANCE NO. 590

AN ORDINANCE AUTHORIZING THE ISSUANCE OF \$88,000 GENERAL OBLIGATION BONDS, SERIES 1995, OF THE CITY OF LEROY, McLEAN COUNTY, ILLINOIS, AND PROVIDING THE DETAILS OF SUCH BONDS AND FOR THE LEVY OF DIRECT ANNUAL TAXES TO PAY SUCH BONDS, AND RELATED MATTERS

PRESENTED: April 17, 1995

PASSED: April 17, 1995

APPROVED: April 17, 1995

RECORDED: April 17, 1995

PUBLISHED: April 17, 1995

Voting "Aye" (Names): Randy Zimmerman, Lois Parkin, Robert D. Johnson
Ronnie Litherland, Patrick Beaty, David McClelland

Voting "Nay" (Names): None

Absent (Names): None

The undersigned being the duly qualified and acting Clerk of the City of LeRoy, Illinois, does hereby certify that this document constitutes the publication in pamphlet form, in connection with and pursuant to Section 1-2-4 of the Illinois Municipal Code, of the above-captioned ordinance and that such ordinance was presented, passed, approved, recorded and published as above stated.

Juanita Bagley
City Clerk

(SEAL)

Dated: April 17, 1995

STATE OF ILLINOIS)
) SS.
COUNTY OF McLEAN)

CERTIFICATION OF ORDINANCE

I, the undersigned, do hereby certify that I am the duly qualified and acting City Clerk of the City of LeRoy, McLean County, Illinois (the "**Municipality**"), and that as such official I am the keeper of the records and files of the Municipality and the City Council (the "**Corporate Authorities**").

I do further certify that the foregoing is a full, true and complete excerpt from the proceedings of the meeting of the Corporate Authorities held on the 17th day of April, 1995, insofar as the same relates to the adoption of an ordinance numbered and entitled:

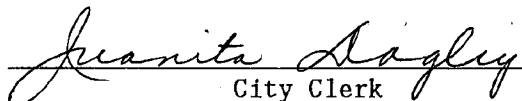
ORDINANCE NO. 590

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

I do further certify that the deliberations of the Corporate Authorities on the adoption of such ordinance were conducted openly, that the vote on the adoption of such ordinance was taken openly and was preceded by a public recital of the matter being considered and such other information as would inform the public of the business being conducted, that such meeting was held at a specified time and place convenient to the public, that notice of such meeting was duly given to all of the news media requesting such notice, that such meeting was called and held in strict compliance with the provisions of the open meetings laws of the State of Illinois, as amended, and with the provisions of the Illinois Municipal Code of the State of Illinois, as amended, and that the Corporate Authorities have complied with all of the procedural rules of the Corporate Authorities.

IN WITNESS WHEREOF, I hereunto affix my official signature, this 17th day of April, 1995.



City Clerk

AN ORDINANCE AUTHORIZING THE ISSUANCE OF \$88,000 GENERAL OBLIGATION BONDS, SERIES 1995, OF THE CITY OF LEROY, McLEAN COUNTY, ILLINOIS, AND PROVIDING THE DETAILS OF SUCH BONDS AND FOR THE LEVY OF DIRECT ANNUAL TAXES TO PAY SUCH BONDS, AND RELATED MATTERS

WHEREAS, the City Council (the "Corporate Authorities") of the City of LeRoy, McLean County, Illinois (the "Issuer"), has determined that it is advisable, necessary and in the Issuer's best interests to provide for the acquisition, construction and installation of municipal building facilities, and related facilities, improvements and costs (the "Project"); and

WHEREAS, the Issuer is a non-home rule unit under the provisions of Section 7 (Counties and Municipalities other than Home Rule Units) of Article VII (Local Government) of the Constitution of the State of Illinois and has the authority under the Illinois Municipal Code (Section 5/1-1-1 et seq. of Chapter 65 of the Illinois Compiled Statutes, and particularly Paragraph 8-5-16 thereof concerning non-referendum general obligation bonds, as supplemented and amended, including by the Registered Bond Act, the Bond Replacement Act, the Bond Authorization Act, the Municipal Bond Reform Act and the Local Government Debt Reform Act, collectively, the "Act"); and

WHEREAS, the estimated cost of financing the Project as contemplated by this ordinance, and related costs and expenses, including legal, financial, printing and publication costs is anticipated to be paid from proceeds derived from and in respect of this ordinance; and

WHEREAS, pursuant to and in accordance with the Act and this ordinance, the Issuer is authorized to issue its General Obligation Bonds, Series 1995, up to the aggregate principal amount of \$88,000 (the "Bonds") for the purpose of providing funds to pay the costs of the Project and related costs and expenses; and

WHEREAS, pursuant to arrangements made on behalf of the Issuer, Busey Bank of McLean County, LeRoy, Illinois (including its assigns, the "Purchaser") has agreed to purchase the Bonds; and

WHEREAS, for convenience of reference only this ordinance is divided into numbered sections with headings, which shall not define or limit the provisions hereof, as follows:

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NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF LEROY, McLEAN COUNTY, ILLINOIS, as follows:

Section 1. Authority and Purpose. This ordinance is adopted pursuant to the Act for the purpose of financing the

Project. Proceeds of the Bonds are hereby appropriated for such purpose.

Section 2. Authorization and Terms of Bonds. For the purposes described above in Section 1, there is hereby appropriated the sum of \$88,000, to be derived from the proceeds of the Bonds. For the purpose of financing such appropriation, Bonds of the Issuer shall be issued and sold in an aggregate principal amount of not to exceed \$88,000, shall each be designated "General Obligation Bond, Series 1995", and shall be issuable in the denominations of \$1,000 each or any authorized integral multiple thereof. The Bonds shall be numbered consecutively from 1 upwards in order of their issuance and may bear such identifying numbers or letters as shall be useful to facilitate the registration, transfer and exchange of the Bonds. Unless otherwise determined in an order to authenticate the Bonds, not inconsistent herewith, each Bond shall be dated as of the date of issuance thereof. The Bonds shall mature on December 1 of the year and in the principal amount and shall bear interest at the rate, as follows:

<u>Year</u>	<u>Principal Amount(\$)</u>	<u>Interest Rate (%)</u>
1996	88,000	4.90

Each Bond shall bear interest from its date, or from the most recent interest payment date to which interest has been paid, computed on the basis of a 360-day year consisting of twelve 30-day months, and payable in lawful money of the United States of America at maturity on December 1, 1996, at the rate

per annum above set forth. The principal of and premium, if any, on the Bonds shall be payable in lawful money of the United States of America upon presentation and surrender thereof at the principal office of Busey Bank of McLean County, with its principal office in LeRoy, Illinois, the Paying Agent for the Bonds (including its successors, the "Paying Agent"). Interest on the Bonds shall be payable on each interest payment date to the registered owners of record appearing on the registration books maintained by Busey Bank of McLean County, with its principal office in LeRoy, Illinois, the Bond Registrar on behalf of the Issuer for such purpose (including its successors, the "Registrar"), at the principal office of the Bond Registrar as of the close of business on the fifteenth (15th) day of the calendar month next preceding the applicable interest payment date. Interest on the Bonds shall be paid by check or draft mailed to such registered owners at their addresses appearing on the registration books therefor. The Bond Registrar shall not be required to transfer or exchange any Bond during a period commencing the fifteenth (15th) day of the month next preceding each interest payment date and ending on such interest date or during a period of fifteen (15) days next preceding the mailing of a notice of redemption of any Bond which could designate all or a part of such Bond for redemption. With notice to the Bond Registrar 45 days before the designated redemption date (or lesser notice acceptable to the Bond Registrar), the Bonds shall be subject to redemption prior to maturity at the times, in the manner, with the notice and with the effect set

forth in the form of the Bonds in Section 8 below.

Section 3. Sale and Delivery. All acts and things done by officers of the Issuer in connection with the sale of the Bonds shall be and they are hereby in all respects ratified, confirmed and approved. The sale of the Bonds to the Purchaser shall be and is hereby authorized and approved.

The Mayor, Clerk, Treasurer and other officials of the Issuer are hereby authorized and directed to do and perform, or cause to be done or performed, for or on behalf of the Issuer each and every thing necessary for the issuance of the Bonds, including the due and proper execution, delivery and performance of this ordinance and all related and incidental agreements, certificates, receipts and opinions, upon payment of the full purchase price of the Bonds, an amount equal to 100% of par, plus accrued interest, if any.

Section 4. Execution and Authentication. Each Bond shall be executed in the name of the Issuer by the manual or authorized facsimile signature of its Mayor and the corporate seal of the Issuer, or a facsimile thereof, shall be thereunto affixed or otherwise reproduced thereon and attested by the manual or authorized facsimile signature of its Clerk.

In case any officer whose signature, or a facsimile of whose signature, shall appear on any Bond shall cease to hold such office before the issuance of such Bond, such Bond shall nevertheless be valid and sufficient for all purposes, the same as if the person whose signature, or a facsimile thereof, appears on such Bond had not ceased to hold such office. Any Bond may be

signed, sealed or attested on behalf of the Issuer by any person who, on the date of such act, shall hold the proper office, notwithstanding that at the date of such Bond such person may not hold such office. No recourse shall be had for the payment of any Bonds against the Mayor or any member of the City of Council or any officer or employee of the Issuer (past, present or future) who executes the Bonds, or on any other basis.

Each Bond shall bear thereon a certificate of authentication executed manually by the Bond Registrar. No Bond shall be entitled to any right or benefit under this ordinance or shall be valid or obligatory of any purpose until such certificate of authentication shall have been duly executed by the Bond Registrar. 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 the Bond Registrar 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 5. Transfer, Exchange and Registration. The Bonds shall be negotiable, subject to the provisions for registration of transfer contained herein. Each Bond shall be transferable only upon the registration books maintained by the Bond Registrar on behalf of the Issuer for that purpose at the

principal office of the Bond Registrar, by the registered owner thereof in person or by such registered owner's attorney duly authorized in writing, upon surrender thereof together with a written instrument of transfer satisfactory to the Bond Registrar and duly executed by the registered owner or such registered owner's duly authorized attorney. Upon the surrender for transfer of any such Bond, the Issuer shall execute and the Bond Registrar shall authenticate and deliver a new Bond or Bonds registered in the name of the transferee, of the same aggregate principal amount, maturity and interest rate as the surrendered Bond. Bonds, upon surrender thereof at the principal office of the Bond Registrar, with a written instrument satisfactory to the Bond Registrar, duly executed by the registered owner or such registered owner's attorney duly authorized in writing, may be exchanged for an equal aggregate principal amount of Bonds of the same maturity and interest rate and of the denominations of \$5,000 each or any authorized integral multiple thereof, less previous retirements.

For every such exchange or registration of transfer of Bonds, the Issuer or the Bond Registrar may make a charge sufficient to reimburse it for any tax, fee or other governmental charge required to be paid with respect to such exchange or transfer, which sum or sums shall be paid by the person requesting such exchange or transfer as a condition precedent to the exercise of the privilege of making such exchange or transfer. No other charge shall be made for the privilege of making such transfer or exchange. The provisions of the Bond

Replacement Act shall govern the replacement of lost, destroyed or defaced Bonds.

The Issuer, the Bond Registrar and the Paying Agent may deem and treat the person in whose name any Bond shall be registered upon the registration books as the absolute owner of such Bond, whether such Bond shall be overdue or not, for the purpose of receiving payment of, or on account of, the principal of, premium, if any, or interest thereon and for all other purposes whatsoever, and all such payments so made to any such registered owner or upon such registered owner's order shall be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid, and neither the Issuer nor the Bond Registrar or the Paying Agent shall be affected by any notice to the contrary.

Section 6. Bond Registrar and Paying Agent. The Issuer covenants that it shall at all times retain a Bond Registrar and Paying Agent with respect to the Bonds and shall cause to be maintained at the office of the Bond Registrar a place where Bonds may be presented for registration of transfer or exchange, that it will maintain at the designated office of the Paying Agent a place where Bonds may be presented for payment, that it shall require that the Bond Registrar maintain proper registration books and that it shall require the Bond Registrar and Paying Agent to perform the other duties and obligations imposed upon them by this ordinance in a manner consistent with the standards, customs and practices concerning municipal securities. The Issuer may enter into appropriate

agreements with the Registrar and Paying Agent in connection with the foregoing, including as follows:

(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 Issuer upon request, but otherwise to keep such list confidential;

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

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

(e) to give notices of call for redemption; and

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

In any event, (a) - (f) above shall apply to the Bond Registrar and Paying Agent.

The Bond Registrar and Paying Agent shall signify their acceptances of the duties and obligations imposed upon them by this ordinance. The Bond Registrar by executing the certificate of authentication on any Bond shall be deemed to have certified to the Issuer that it has all requisite power to accept, and has accepted, including as Paying Agent in the case of Busey Bank of McLean County, such duties and obligations not only with respect to the Bond so authenticated but with respect to all of the Bonds. The Bond Registrar and Paying Agent are the agents of the Issuer for such purposes and shall not be liable in connection with the performance of their respective duties, except for their own negligence or default. The Bond Registrar shall, however, be responsible for any representation in its certificate of

authentication on the Bonds.

The Issuer may remove the Bond Registrar or Paying Agent at any time. In case at any time the Bond Registrar or Paying Agent shall resign or shall be removed or shall become incapable of acting, or shall be adjudged a bankrupt or insolvent, or if a receiver, liquidator or conservator of the Bond Registrar, or of its property, shall be appointed, or if any public officer shall take charge or control of the Bond Registrar or Paying Agent or of their respective properties or affairs, the Issuer covenants and agrees that it will thereupon appoint a successor Bond Registrar or Paying Agent, as the case may be. The Issuer shall mail or cause to be mailed notice of any such appointment made by it to each registered owner of Bonds within twenty (20) days after such appointment. Any Bond Registrar or Paying Agent appointed under the provisions of this Section 6 shall be a bank, trust company, national banking association or other qualified professional with respect to such matters, maintaining its principal office in the State of Illinois.

Section 7. General Obligations. The full faith and credit of the Issuer are hereby irrevocably pledged to the punctual payment of the principal of and interest on the Bonds. The Bonds shall be direct and general obligations of the Issuer, and the Issuer shall be obligated to levy ad valorem taxes upon all the taxable property in the City of LeRoy, Illinois, for the payment of the Bonds and the interest thereon, without limitation as to rate or amount. The Issuer reserves the right, by proceedings supplemental to this ordinance, to apply

incremental property taxes (derived under Section 5/11-74.4-1 et seq. of Chapter 65 of the Illinois Compiled Statutes) from a redevelopment project area covering the Project, and included within the applicable redevelopment project and redevelopment plan, to pay project costs or to abate the taxes levied in Section 9 below.

Section 8. Form of Bonds. Subject to the Purchaser accepting typewritten Bonds, the Bonds shall be issued as fully registered Bonds conforming to the industry customs and practices of printing, including part on the front and part on the reverse of the certificates, as appropriate, the blanks to be appropriately completed when the Bonds are delivered; and the Bonds shall be prepared in compliance with the National Standard Specifications for Fully Registered Municipal Securities prepared by the American National Standards Institute and, with appropriate insertions and modifications, including in respect of the Policy and the Insurer, shall be in substantially the form, as follows:

UNITED STATES OF AMERICA
STATE OF ILLINOIS
COUNTY OF McLEAN
CITY OF LEROY
GENERAL OBLIGATION BOND
SERIES 1995

REGISTERED NO. _____ REGISTERED \$ _____

INTEREST RATE: MATURITY DATE: DATED DATE: CUSIP:
None

Registered Owner:

Principal Amount:

KNOW ALL BY THESE PRESENTS that the City of LeRoy, a municipal corporation and non-home rule unit of local government, situated in the County of McLean, in the State of Illinois (the "Issuer"), acknowledges itself indebted and for value received hereby promises to pay to the Registered Owner identified above, or registered assigns, the Principal Amount set forth above on the Maturity Date specified above, and to pay interest on such Principal Amount from the Dated Date hereof, or from the most recent interest payment date to which interest has been paid, at the Interest Rate per annum set forth above, computed on the basis of a 360-day year consisting of twelve 30-day months and payable in lawful money of the United States of America at maturity on December 1, 1996, and until the Principal Amount hereof shall have been paid, by check or draft mailed to the Registered Owner of record hereof as of the fifteenth (15th) day of the calendar month next preceding such interest payment date, at the address of such Registered Owner appearing on the registration books maintained for such purpose at the principal office of Busey Bank of McLean County, with its principal office

in LeRoy, Illinois, as Bond Registrar (including its successors, the "Registrar"). This Bond, as to principal and premium, if any, when due, will be payable in lawful money of the United States of America upon presentation and surrender of this Bond at the principal office of Busey Bank of McLean County, with its principal office in LeRoy, Illinois, as Paying Agent (including its successors, the "Paying Agent"). The full faith and credit of the Issuer, including the power to levy taxes without limit as to rate or amount, are irrevocably pledged for the punctual payment of the principal of and interest on this Bond according to its terms.

This Bond is one of a series of Bonds issued in the aggregate principal amount of \$88,000, which are all of like tenor, except as to maturity, and which are authorized and issued under and pursuant to the Constitution and laws of the State of Illinois and pursuant to and in accordance with an authorizing ordinance adopted by the City Council of the Issuer on April 17, 1995, and entitled: "An Ordinance Authorizing the Issuance of \$88,000 General Obligation Bonds, Series 1995, of the City of LeRoy, McLean County, Illinois, and Providing the Details of Such Bonds and for the Levy of Direct Annual Taxes To Pay Such Bonds, and Related Matters."

The Bonds are subject to redemption prior to maturity at the option of the Issuer as a whole or in part at any time (with notice as herein provided) in integral multiples of \$1,000 in inverse order of maturity (to be selected by the Bond Registrar in such manner as it shall deem fair and appropriate in

the case of partial redemption of the Bonds of a maturity) at a redemption price equal to the principal amount to be so redeemed plus accrued interest to the redemption date.

In the event of the redemption of less than all the Bonds of a maturity, the aggregate principal amount thereof to be redeemed shall be \$1,000 each or an integral multiple thereof, and the Bond Registrar shall assign to each Bond of such maturity a distinctive number for each \$1,000 principal amount of the Bonds of such maturity and shall select by lot from the numbers so assigned as many numbers as, at \$1,000 for each number, shall equal the principal amount of such Bonds to be redeemed. The Bonds to be redeemed shall be the Bonds to which were assigned numbers so selected; provided that only so much of the principal amount of each Bond shall be redeemed as shall equal \$1,000 for each number assigned to it and so selected.

Notice of the redemption of Bonds will be mailed not less than thirty (30) days nor more than sixty (60) days prior to the date fixed for such redemption to the registered owners of Bonds to be redeemed at their last addresses appearing on the registration books therefor. The Registered Owner of this Bond may waive such notice, presentment for payment being conclusive of such a waiver. The Bonds or portions thereof specified in such notice shall become due and payable at the applicable redemption price on the redemption date therein designated, and if, on the redemption date, moneys for payment of the redemption price of all the Bonds or portions thereof to be redeemed, together with interest to the redemption date, shall be available

for such payment on such redemption date, and if notice of redemption shall have been mailed as herein set forth (and notwithstanding any defect therein or the lack of actual receipt thereof by any registered owner), then from and after the redemption date interest on such Bonds or portions thereof shall cease to accrue and become payable. All notices of redemption shall state the redemption date, the redemption price, if less than all outstanding Bonds of a maturity are to be redeemed, the identification (and, in the case of partial redemption, the respective principal amounts in integral multiples of \$1,000) of the Bonds to be redeemed, that on the redemption date the redemption price will become due and payable upon each such Bond or portion thereof called for redemption and, upon the deposit of funds therefor with the Paying Agent, that interest thereon shall cease to accrue from and after such redemption date, and the place where such Bonds are to be surrendered for payment of the redemption price, which place of payment shall be the principal office of the Paying Agent.

This Bond is transferable only upon the registration books therefor by the Registered Owner hereof in person, or by such Registered Owner's attorney duly authorized in writing, upon surrender hereof at the principal office of the Registrar in LeRoy, Illinois, together with a written instrument of transfer satisfactory to the Registrar duly executed by the Registered Owner or by such Registered Owner's duly authorized attorney, and thereupon a new registered Bond or Bonds, in the authorized denominations of \$1,000 or any authorized integral multiple

thereof and of the same aggregate principal amount as this Bond, shall be issued to the transferee in exchange therefor. In like manner, this Bond may be exchanged for an equal aggregate principal amount of Bonds of any authorized denomination. The Registrar shall not be required to exchange or transfer any Bond during the period from the fifteenth (15th) day of the month preceding any interest payment date to such interest payment date or during a period of fifteen (15) days next preceding the mailing of a notice of redemption which could designate all or a part of such Bond for redemption. The Issuer or the Registrar may make a charge sufficient to reimburse it for any tax, fee or other governmental charge required to be paid with respect to the transfer or exchange of this Bond. No other charge shall be made for the privilege of making such transfer or exchange. The Issuer, the Registrar and the Paying Agent may treat and consider the person in whose name this Bond is registered as the absolute owner hereof for the purpose of receiving payment of, or on account of, the principal, premium, if any, and interest due hereon and for all other purposes whatsoever, and all such payments so made to such Registered Owner or upon such Registered Owner's order shall be valid and effectual to satisfy and discharge the liability upon this Bond to the extent of the sum or sums so paid, and neither the Issuer nor the Registrar or the Paying Agent shall be affected by any notice to the contrary.

No recourse shall be had for the payment of any Bonds against the Mayor, any member of the City Council or any other officer or employee of the Issuer (past, present or future) who

executes any Bonds, or on any other basis. The Issuer may remove the Registrar or Paying Agent at any time and for any reason and appoint a successor.

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

The Issuer has designated the Bonds as "**qualified tax-exempt obligations**" under Section 265(b)(3) of the Internal Revenue Code of 1986, as amended.

It is hereby certified, recited and declared that all acts, conditions and things required to be done, exist and be performed precedent to and in the issuance of this Bond in order to make it a legal, valid and binding obligation of the Issuer have been done, exist and have been performed in regular and due time, form and manner as required by law, and that the series of Bonds of which this Bond is one, together with all other indebtedness of the Issuer, is within every debt or other limit prescribed by law.

IN WITNESS WHEREOF, the City of LeRoy, McLean County, Illinois, by its City Council has caused this Bond to be executed in its name and on its behalf by the manual or facsimile signature of its Mayor, and its corporate seal, or a facsimile thereof, to be hereunto affixed or otherwise reproduced hereon and attested by the manual or facsimile signature of its Clerk, all as of the Dated Date set forth above.

CITY OF LEROY, ILLINOIS

(SEAL)
Attest:

Mayor

Clerk

Dated: _____

CERTIFICATE OF AUTHENTICATION

This Bond is one of the General Obligation Bonds, Series 1995, described in the within mentioned ordinance.

BUSEY BANK OF McLEAN COUNTY
LeRoy, Illinois, as Bond Registrar

By _____
Authorized Officer

Bond Registrar Busey Bank of McLean County,
and Paying Agent: LeRoy, Illinois

ASSIGNMENT

For value received the undersigned sells, assigns and transfers unto _____
[Name, Address and Social Security Number or FEIN of Assignee]
the within Bond and hereby irrevocably constitutes and appoints _____ attorney to transfer the within Bond on the books kept for registration thereof, with full power of substitution in the premises.

Dated _____
Signature

Signature Guarantee: _____

Notice: The signature on this 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 9. Levy and Extension of Taxes. For the purpose of providing the money required to pay the interest on the Bonds when and as the same falls due and to pay and discharge the principal thereof as the same shall mature, there shall be

levied upon all the taxable property in the City of LeRoy, Illinois, in each year while any of the Bonds shall be outstanding, a direct annual tax in the year 1995 sufficient for that purpose, in addition to all other taxes, and in the amounts for each year, as follows:

<u>For Each Year</u>	<u>A Tax Sufficient to Produce the Sum of:</u>
1995	\$95,019 for interest and principal

Interest or principal coming due at any time when there shall be insufficient funds on hand to pay the same shall be paid promptly when due from current funds on hand in advance of the collection of the taxes herein levied; and when such taxes shall have been collected, reimbursement shall be made to such fund or funds from which such advance was made in the amounts thus advanced.

After this ordinance becomes effective and before the issuance under this ordinance of any Bonds, a copy hereof certified by the Clerk, which certificate shall recite that this ordinance has been duly adopted, shall be filed with the County Clerk of McLean County, Illinois, who is hereby directed to ascertain the rate per cent required to produce the aggregate tax hereinabove provided to be levied in the year 1995 (receivable in 1996) and to extend the same for collection on the tax books in connection with other taxes levied in each of such years in and by the Issuer for general corporate purposes of the Issuer, and in each of such years such annual tax shall be levied and collected in like manner as taxes for general corporate purposes for each of such years are levied and collected and, when collected, such taxes shall be used solely for the purpose of

paying the principal of and interest on the Bonds herein authorized as the same become due and payable or reimbursing the Issuer for any funds advanced therefor.

The Issuer covenants and agrees with the registered owners of the Bonds that so long as any of the Bonds remain outstanding, and unless and to the extent funds are then on deposit in the Debt Service Fund of 1995, the Issuer will take no action or fail to take any action which in any way would adversely affect the ability of the Issuer to levy and collect the foregoing taxes, and the Issuer and its officers will comply with all present and future applicable laws in order to assure that the foregoing taxes will be levied, extended and collected as provided herein and deposited in the Debt Service Fund of 1995 established in Section 10 below to pay the principal of and interest on the Bonds.

Section 10. Debt Service Fund. Moneys derived from taxes herein levied are appropriated and set aside for the sole purpose of paying principal of and interest on the Bonds when and as the same come due. All of such moneys, and all other moneys to be used for the payment of the principal of and interest on the Bonds, shall be deposited in the "Debt Service Fund of 1995", which is hereby established as a special fund of the Issuer and shall be administered as a bona fide debt service fund under the Internal Revenue Code of 1986, as amended. At the time of issuance of the Bonds any accrued interest received upon the issuance of the Bonds shall be deposited in the Debt Service Fund of 1995 and applied to pay interest on the Bonds.

Section 11. Bond Proceeds Fund. All of the proceeds of the sale of the Bonds (exclusive of accrued interest as provided above in Section 10) shall be deposited in the "Bond Proceeds Fund of 1995", which is hereby established as a special fund of the Issuer. Moneys in the Bond Proceeds Fund of 1995 shall be used for the purposes specified in Section 1 of this ordinance, including for the payment of costs of issuance of the Bonds, but may thereafter be reappropriated and used for other lawful purposes of the Issuer. Before any such reappropriation shall be made, there shall be filed with the Clerk an opinion of Evans, Froehlich & Beth, Champaign, Illinois, or other nationally recognized bond counsel ("Bond Counsel") to the effect that such reappropriation will not adversely affect the tax-exempt status of the Bonds under Section 103 of the Internal Revenue Code of 1986, as amended.

Section 12. Arbitrage Rebate. The Issuer does not reasonably expect to issue more than \$5,000,000 of tax-exempt obligations in the calendar year of the issuance of the Bonds within the meaning of the small issuer exception under Section 148(f)(4)(D) of the Internal Revenue Code of 1986, as amended. The Issuer shall comply with the provisions of Section 148(f) of the Internal Revenue Code of 1986, as amended, relating to the rebate of certain investment earnings at periodic intervals to the United States of America to the extent that there shall have been filed with the Clerk an opinion of Bond Counsel to the effect that such compliance is necessary to preserve the exclusion from gross income for federal income tax purposes of

interest on the Bonds under Section 103 of the Internal Revenue Code of 1986, as amended.

Section 13. Investment Regulations. No investment shall be made of any moneys in the Debt Service Fund of 1995 or the Bond Proceeds Fund of 1995 except in accordance with the tax covenants and other covenants set forth in Section 14 of this ordinance. All income derived from such investments in respect of moneys or securities in any fund or account shall be credited in each case to the fund or account in which such moneys or securities are held.

Any moneys in any fund or account that are subject to investment yield restrictions, including in respect of the Escrow Agreement, may be invested in United States Treasury Securities, State and Local Government Series, pursuant to the regulations of the United States Treasury Department, Bureau of Public Debt. The Issuer's Mayor or Treasurer and agents designated by such officers are hereby authorized to submit, on behalf of the Issuer, subscriptions for such United States Treasury Securities and to request redemption of such United States Treasury Securities.

Section 14. Non-Arbitrage and Tax-Exemption. One purpose of this Section 14 is to set forth various facts regarding the Bonds and to establish the expectations of the City Council and the Issuer as to future events regarding the Bonds and the use of Bond proceeds. The certifications and representations made herein and at the time of the issuance of the Bonds are intended, and may be relied upon, as certifications

and expectations described in the Income Tax Regulations dealing with arbitrage and rebate (the "Regulations"). The covenants and agreements contained herein, and at the time of the issuance of the Bonds, are made for the benefit of the registered owners from time to time of the Bonds. The City Council and the Issuer agree, certify, covenant and represent as follows:

(1) The Bonds are being issued to pay the Project costs described in Section 1 above, and all of the amounts received upon the sale of the Bonds, plus all investment earnings thereon (the "Proceeds") are needed for the purpose for which the Bonds are being issued.

(2) The Issuer will apply proceeds of the Bonds to the costs in (1) above concurrently with the issuance of the Bonds.

(3) The Issuer has on hand no funds which could legally and practically be used for the purposes hereof which are not pledged, budgeted, earmarked or otherwise necessary to be used for other purposes. Accordingly, no portion of the Proceeds will be used (i) directly or indirectly to replace funds of the Issuer or any agency, department or division thereof that could be used for such purposes, or (ii) to replace any proceeds of any prior issuance of obligations by the Issuer. No portion of the Bonds is being issued solely for the purpose of investing the Proceeds at a Yield higher than the Yield on the Bonds. For purposes of this Section 14, "Yield" means that yield (that is, the discount rate) which when used in computing the present worth of all payments of principal and interest to be paid on an obligation (using semi-annual compounding on the basis of a 360-day year) produces an amount equal to its issue price, including accrued interest, and the purchase price of the Bonds is equal to the first offering price at which more than 10% of the principal amount of each maturity of the Bonds is sold to the public (excluding bond houses, brokers or similar persons or organizations acting in the capacity of underwriters or wholesalers).

(4) All principal proceeds of the Bonds will be deposited in the Bond Proceeds Fund of 1995 for the purposes described in Section 1 above, and any accrued interest and premium received on the delivery of the Bonds will be deposited in the Debt Service Fund of 1995 and used to pay the first interest due on the Bonds. Earnings on investment of moneys in any fund or account will be credited to that fund or account. Costs for the purposes described in Section 1 above, including issuance costs of the Bonds, will

be paid from the Bond Proceeds Fund of 1995, and no other moneys are expected to be deposited therein. Interest on and principal of the Bonds will be paid from the Debt Service Fund of 1995. No Proceeds will be used more than 30 days after the date of issue of the Bonds for the purpose of paying any principal or interest on any issue of bonds, notes, certificates or warrants or on any installment contract or other obligation of the Issuer or for the purpose of replacing any funds of the Issuer used for such purpose.

(5) The Debt Service Fund of 1995 is established to achieve a proper matching of revenues and earnings with debt service in each Bond year. Other than any amounts held to pay principal of matured Bonds that have not been presented for payment, it is expected that any moneys deposited in the Debt Service Fund of 1995 will be spent within the 12-month period beginning on the date of deposit therein. Any earnings from the investment of amounts in the Debt Service Fund of 1995 will be spent within a one-year period beginning on the date of receipt of such investment earnings. Other than any amounts held to pay principal of matured Bonds that have not been presented for payment, it is expected that the Debt Service Fund of 1995 will be depleted at least once a year, except for a reasonable carryover amount not to exceed the greater of (i) one-year's earnings on the investment of moneys in the Debt Service Fund of 1995, or (ii) in the aggregate, one-twelfth (1/12th) of the annual debt service on the Bonds.

(6) Other than the Debt Service Fund of 1995, no funds or accounts have been or are expected to be established, and no moneys or property have been or are expected to be pledged (no matter where held or the source thereof) which will be available to pay, directly or indirectly, the Bonds or restricted so as to give reasonable assurance of their availability for such purposes. No property of any kind is pledged to secure, or is available to pay, obligations of the Issuer to any credit enhancer or liquidity provider.

(7) (a) All amounts on deposit in the Bond Proceeds Fund of 1995 or the Debt Service Fund of 1995 and all Proceeds, no matter in what funds or accounts deposited ("**Gross Proceeds**"), to the extent not exempted in (b) below, and all amounts in any fund or account pledged directly or indirectly to the payment of the Bonds which will be available to pay, directly or indirectly, the Bonds or restricted so as to give reasonable assurance of their availability for such purpose contrary to the expectations set forth in (6) above, shall be invested at market prices and at a Yield not in excess of the Yield on the Bonds.

(b) The following may be invested without Yield restriction:

(i) amounts invested in obligations described in Section 103(a) of the Internal Revenue Code of 1986, as amended (but not specified private activity bonds as defined in Section 57(a)(5)(C) of the Code), the interest on which is not includable in the gross income of any registered owner thereof for federal income tax purposes ("Tax-Exempt Obligations");

(ii) amounts deposited in the Debt Service Fund of 1995 that are reasonably expected to be expended within 13 months from the deposit date and have not been on deposit therein for more than 13 months; and

(iii) all amounts for the first 30 days after they become Gross Proceeds (in general the date of deposit in any fund or account securing the Bonds); and

(8) Subject to (17) below, once moneys are subject to the Yield limits of (7)(a) above, such moneys remain Yield restricted until they cease to be Gross Proceeds.

(9) As set forth in Section 148(f)(4)(D) of the Internal Revenue Code of 1986, as amended, the Issuer is excepted from the required rebate of arbitrage profits on the Bonds because the Issuer is a governmental unit with general taxing powers, none of the Bonds is a "private activity bond" as defined in Section 141(a) of the Internal Revenue Code of 1986, as amended, all the net proceeds of the Bonds are to be used for the local government activities of the Issuer, and the aggregate face amount of all Tax-Exempt Obligations (other than "private activity bonds" as defined in Internal Revenue Code of 1986, as amended) issued by the Issuer and all subordinate entities thereof during the calendar year 1995, including the Bonds, is not reasonably expected to exceed \$5,000,000 under such Section 148(f)(4)(D).

(10) None of the Proceeds will be used, directly or indirectly, to replace funds which were used in any business carried on by any person other than a state or local governmental unit.

(11) The payment of the principal of or the interest on the Bonds will not be, directly or indirectly (A) secured by any interest in (i) property used or to be used for a private business activity by any person other than a state or local governmental unit, or (ii) payments in respect of such property, or (B) derived from payments (whether or not by or to the Issuer), in respect of property, or borrowed money, used or to be used for a private business activity by any person other than a state or local governmental unit.

(12) None of the Proceeds will be used, directly or indirectly, to make or finance loans to persons other than a state or local governmental unit.

(13) No user of facilities in respect of the Bonds other than a state or local government unit will use the Project on any basis other than the same basis as the general public, and no person other than a state or local governmental unit will be a user of the Project as a result of (i) ownership, or (ii) actual or beneficial use pursuant to a lease or a management or incentive payment contract, or (iii) any other similar arrangement.

(14) Beginning on the 15th day prior to the Bond sale date, the Issuer will not have sold or delivered, and will not sell or deliver (nor will it deliver within 15 days after the date of issue of the Bonds), any other obligations pursuant to a common plan of financing, which will be paid out of substantially the same source of funds (or which will have substantially the same claim to be paid out of substantially the same source of funds) as the Bonds or will be paid directly or indirectly from Proceeds.

(15) No portion of facilities in respect of the Bonds is expected to be sold or otherwise disposed of prior to the last maturity of the Bonds.

(16) The Issuer has not been notified of any disqualification or proposed disqualification of it by the Internal Revenue Service as a bond issuer which may certify bond issues under the Regulations.

(17) The Yield restrictions contained in (7) above or any other restriction or covenant contained herein may be violated or changed if the Issuer receives an opinion of Bond Counsel to the effect that such violation or change will not adversely affect the tax-exempt status of interest on the Bonds to which it is otherwise entitled.

(18) The Issuer acknowledges that any changes in facts or expectations from those set forth herein may result in different Yield restrictions or rebate requirements from those set forth herein and that Bond Counsel should be contacted if such changes do occur.

(19) The City Council has no reason to believe the facts, estimates, circumstances and expectations set forth herein are untrue or incomplete in any material respect. On the basis of such facts, estimates, circumstances and expectations, it is not expected that the Proceeds or any other moneys or property will be used in a manner that will cause the Bonds to be arbitrage bonds within the meaning of Section 148 of the Internal Revenue Code of 1986, as amended, and of the Regulations. To the best of the

knowledge and belief of the City Council, such expectations are reasonable, and there are no other facts, estimates and circumstances that would materially change such expectations.

The Issuer also agrees and covenants with the registered owners of the Bonds from time to time outstanding that, to the extent possible under Illinois law, it will comply with whatever federal tax law is adopted in the future which applies to the Bonds and affects the tax-exempt status of the Bonds.

The City Council hereby authorizes the officials of the Issuer responsible for issuing the Bonds, the same being the Mayor, Clerk and Treasurer of the Issuer, to make such further covenants and certifications as may be necessary to assure that the use thereof will not cause the Bonds to be arbitrage bonds and to assure that the interest in the Bonds will be excluded from gross income for federal income tax purposes. In connection therewith, the Issuer and the City Council further agree: (a) through the officers of the Issuer, to make such further specific covenants, representations as shall be truthful, and assurances as may be necessary or advisable; (b) to consult with Bond Counsel approving the Bonds and to comply with such advice as may be given; (c) to pay to the United States, as necessary, such sums of money representing required rebates of excess arbitrage profits relating to the Bonds; (d) to file such forms, statements, and supporting documents as may be required and in a timely manner; and (e) if deemed necessary or advisable, to employ and pay fiscal agents, financial advisors, attorneys, and other persons to assist the Issuer in such compliance.

Section 15. Bank Qualified Bonds. Pursuant to Section 265(b)(3) of the Internal Revenue Code of 1986, as amended, the Issuer hereby designates the Bonds as "qualified tax-exempt obligations" as defined in such Section 265(b)(3). The Issuer represents that the reasonably anticipated amount of tax-exempt obligations that will be issued by the Issuer and all subordinate entities of the Issuer during the calendar year in which the Bonds are issued will not exceed \$10,000,000 (and reasonably expects not to exceed \$5,000,000) within the meaning of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended. The Issuer covenants that it will not so designate and issue more than \$10,000,000 aggregate principal amount of tax-exempt obligations in such calendar year. For purposes of this Section 15, the term "tax-exempt obligations" includes "qualified 501(c)(3) Bonds" (as defined in the Section 145 of the Internal Revenue Code of 1986, as amended) but does not include other "private activity bonds" (as defined in Section 141 of the Internal Revenue Code of 1986, as amended).

Section 16. Ordinance to Constitute a Contract and Severability. The provisions of this ordinance shall constitute a contract between the Issuer and the registered owners of the Bonds. Any pledge made in this ordinance and the provisions, covenants and agreements herein set forth to be performed by or on behalf of the Issuer shall be for the equal benefit, protection and security of the registered owners of any and all of the Bonds. All of the Bonds, regardless of the time or times of their issuance, shall be of equal rank without preference,

priority or distinction of any of the Bonds over any other thereof except as expressly provided in or pursuant to this ordinance. This ordinance and the Act shall constitute full authority for the issuance of the Bonds, and to the extent that the provisions of this ordinance conflict with the provisions of any other ordinance or resolution of the Issuer, the provisions of this ordinance shall control. If any section, paragraph or provision of this ordinance shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such section, paragraph or provision shall not affect any of the remaining provisions of this ordinance.

Section 17. Conflict and Repeal. All ordinances, resolutions or parts thereof in conflict herewith be and the same are hereby repealed to the extent of such conflict, and this ordinance shall be in full force and effect forthwith upon its adoption.

Section 18. Effective Date. This ordinance shall become effective 10 days after its adoption and publication in pamphlet form, and prior to the issuance of the Bonds this ordinance shall be filed with the County Clerk of McLean County, Illinois.

Upon motion by Randy Zimmerman, seconded by Robert D. Johnson, adopted this 17th day of April, 1995, by roll call vote, as follows:

Ayes (names): Randy Zimmerman, Lois Parkin, Robert D. Johnson
Ronnie Litherland, Patrick Beaty, David McClelland

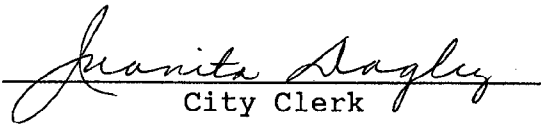
Nays (names): None

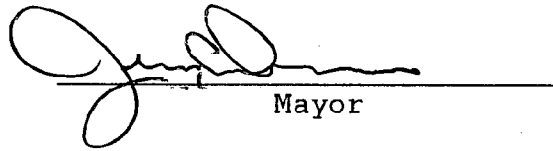
Absent (names): None

APPROVED: April 17, 1995

(SEAL)

Attest:


City Clerk


Mayor

CITY OF LEROY, MCLEAN COUNTY, ILLINOIS
 \$88,000 GENERAL OBLIGATION BONDS, SERIES 1995
 DEBT SERVICE SCHEDULE

Issue Date 4/15/95
 Settlement Date 4/15/95
 1st Interest Date 12/01/96

Date	Principal	Interest Rate	Interest	Total Debt Ser.	Annual Debt Ser.
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12/01/96	88,000	4.900	7,018.98	95,018.98	
Totals	88,000		7,018.98	95,018.98	

Accrued Interest To 4/15/95 = 0.00
 Total Bond Years = 143.244444
 Net Interest Rate = 4.900000%
 True Interest Cost = 4.770393%
 Average Life = 1.63 YEARS
 Discount @100.0000000 = 0.00
 FILE NAME: leroy
 04-07-1995