

ORDINANCE NO. 763

ORDINANCE AUTHORIZING THE ISSUANCE OF A \$94,107
BOND ANTICIPATION NOTE OF THE CITY
OF NOKOMIS, ILLINOIS

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF NOKOMIS, ILLINOIS, AS
FOLLOWS:

Section 1. Authority and Purpose. This Ordinance and the Note issued pursuant to this Ordinance are for the purpose of paying an agreed amount to satisfy a judgment and costs entered February 13, 1986 in Zueck v. the City of Nokomis, Illinois, and post-judgment interest and attorney fees resulting therefrom in Case No. 83-L-26 in the Circuit Court of Montgomery County, Illinois (herein collectively the "Judgment"), all being pursuant to and in all respects in compliance with the provisions of paragraph 9-105 of Chapter 85, Ill. Rev. Stat., 1985, and all acts amendatory thereof and supplementary thereto; and

Section 2. Authorization and Terms of Note. To meet the cost incurred by the City in the Judgment, there is hereby appropriated the sum of \$94,860 said sum being inclusive of cost required for the payment of redemption of said Note due on or prior to April 1, 1988.

For the purpose of financing said appropriation, bonds of the City are hereby authorized to be issued pursuant to the Act in an aggregate principal amount not exceeding \$100,000. In anticipation of the issuance of said bonds a \$94,107 aggregate principal amount bond anticipation note is hereby authorized to be issued.

Said note shall be designated "Bond Anticipation Note" (the "Note"), shall be dated as of the date of issuance, shall mature on April 1, 1988 and

shall bear interest from their date of sale and delivery at a rate of interest of eight percent (8%) per annum.

The Note shall be subject to redemption prior to maturity at the option of the City and upon notice as hereinafter set forth, as a whole at any time, at a redemption price equal to the principal amount thereof together with interest accrued thereon to the date fixed for such redemption. Notice of redemption shall be mailed to the paying agent for the Note not less than five (5) days prior to the date set for such redemption. If notice of redemption shall have been given as aforesaid, the Note specified in such notice shall become due and payable at the applicable redemption price on the redemption date therein designated.

The Note shall be payable, both principal and interest, in lawful money of the United States of America at the principal office of the holder of the Note

The Note shall be executed in the name of the City by the manual or facsimile signature of its Mayor and the corporate seal of the City, or a facsimile thereof, shall be thereunto affixed or otherwise reproduced thereon and attested by the manual signature of its City Clerk. In case any officer of the City who shall have signed or sealed any Note shall cease to be such officer before the Note so signed or sealed shall have actually been delivered and issued, such Note may be delivered and issued with the same effect as though the person who signed and sealed such Note had not ceased to be an officer of the City. No recourse shall be had for the payment of any Note against any officer of the City who executes the Note.

Section 4. Source of Payment. The Note shall be a general obligation of the City for which its full faith, credit and resources shall be irrevocably

pledged and, unless paid from other sources, shall be payable from taxes levied on all taxable property in the City, without limitation as to rate or amount.

Section 5. Form of Note. The Note shall be fully negotiable but shall be registrable as to principal in the manner and with the effect provided in the form of note. The Note shall be in substantially the following form, the blanks to be appropriately completed when the Note is printed:

(Form of Note)

United States of America
State of Illinois
County of Montgomery
City of Nokomis
Bond Anticipation Note
Series 1988

No. _____

Dated Date: MARCH 2, 1988 \$94,107

The City of Nokomis, a municipal corporation and a non-home rule unit of the State of Illinois situated in the County of Montgomery, acknowledges itself indebted and for value received hereby promises to pay to the bearer hereof, or if this note be registered, to the registered owner hereof, upon presentation and surrender of this note, the principal sum of Ninety-four Thousand One-hundred Seven Dollars (\$94,107) on the first day of April, 1988, and to pay interest, at the rate of Eight percent (8%) per annum. This note, as to principal and interest when due, will be payable in lawful money of the United States of America at the principal office of the holder or registered owner hereof. The full faith, credit and resources of the City are irrevocably pledged for the payment of the principal of and interest on this note. The Note is subject to redemption prior to maturity at the option of the City and upon notice as hereinafter set forth, as a whole, at a redemption price equal to the principal amount thereof to be redeemed, together with interest accrued

thereon to the date fixed for such redemption. Notice of redemption shall be mailed to the paying agent for the Note not less than five (5) days prior to the date set for such redemption. If notice of redemption shall have been given as aforesaid, the Note 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, monies for the payment of the redemption price of the Note to be redeemed, together with all accrued interest thereon, shall be available for such payment on such date or shall have been paid, then from and after the redemption date interest on such Note shall cease to accrue and become payable to the holders and registered owners entitled to payment thereof on such redemption date.

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 note in order to make it a legal, valid and binding obligation of the City have been done, exist and have been performed in regular and due time, form and manner as required by law, and that this note, together with the issue of which it is a part, does not exceed any constitutional or statutory limitation.

IN WITNESS WHEREOF, the City of Nokomis has caused this note 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 signature of its City Clerk all as of this 2ND day of MARCH, 1988.

CITY OF NOKOMIS

Gene Alden
Mayor

Attest:

Mary Jean Scheller
City Clerk

(Provision for Registration)

The within note may be registered in the name of the owner as to principal only, such registration to be on a note register kept by the City Treasurer of the City of Nokomis, as Registrar, and also to be noted in the registration blank below; after which no transfer shall be valid unless made on said note register at the request of the registered owner or his authorized attorney and noted in said registration blank below.

(No writing on this blank except by the Registrar)

<u>Date of Registration</u>	<u>Name and Address of Registered Owner</u>	<u>Signature of Registrar</u>
:	:	:
:	:	:
:	:	:
:	:	:

Section 6. Sale and Delivery. The sale of the Note to First National Bank of Nokomis, at a price of par, with the date of delivery and payment to be mutually agreed upon, is hereby ratified and confirmed.

The Mayor, City Clerk and other officials of the City are hereby authorized and directed to do and perform, or cause to be done or performed for or on behalf of the City each and every thing necessary for the issuance of the Note, including the proper execution and delivery of the Note upon payment of the full purchase price of the Note.

Section 8. Tax Covenant. The City covenants that it shall not at any time permit any of the proceeds of any Note or other monies to be used directly or indirectly to acquire any securities or obligations the acquisition of which would cause any Note to be an "arbitrage bond" as defined in Section 103(c)(2) of the Internal Revenue Code of 1954, as amended or an "industrial development bond" within the meaning of Section 103(b)(2) of said Code. The Note issued hereunder is hereby designated as a "qualified tax exempt obligation" under Section 265(b)(3) of the Internal Revenue Code of 1986.

Section 10. Ordinance to Constitute a Contract. The provisions of this ordinance shall constitute a contract between the City and the holder or holders of the Note. Any pledge made in this ordinance and the provisions, covenants and agreements herein set forth to be performed by or on behalf of the City shall be for the equal benefit, protection and security of the holders of any and all of the Note. This ordinance shall constitute full authority for the issuance of the Note and to the extent that the provisions of this ordinance conflict with the provisions of any other ordinance or resolution of the City, 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 11. Effective Date. This ordinance shall become effective upon passage and signing.

Adopted and approved this 22 day of February, 1988 by roll call vote as follows:

AYES: 4

NAYS: 0

Mary Jean Scheller.
City Clerk

Signed this 22 day of February, 1988.

Gene Adder
Mayor

(SEAL)

Attest:

Mary Jean Scheller
City Clerk

PHOTO COPY

CERTIFICATE

I, Mary Jean Scheller, City Clerk of the City of Nokomis, Illinois, hereby certify that the foregoing ordinance entitled: "Ordinance Authorizing the Issuance of \$94,107 Bond Anticipation Note of the City of Nokomis, Illinois," is a true copy of an original ordinance which was duly adopted by the recorded affirmative votes of a majority of the members of the City Council of the City at a meeting thereof which was duly called and held at 7:30 P.m. on February 22, 1988 in the Council Chambers at the Municipal Building, and at which a quorum was present and acting throughout, and that said copy has been compared by me with the original ordinance signed by the Mayor of the City, published in the manner provided by law and recorded in the Ordinance Book of the City and that it is a correct transcript thereof and of the whole of said ordinance, and that said ordinance has not been altered, amended, repealed or revoked, but is in full force and effect.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the City this 22nd day of February, 1988.

PHOTO COPY

Mary Jean Scheller
City Clerk

(SEAL)