

Chapter 10

FINANCE

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Chapter 10

FINANCE

**ARTICLE I.
IN GENERAL**

Sec. 10-1. Publication of a financial statement.

A bill for an ordinance relating to the publication of a financial statement.

Be it ordained by the board of trustees of the town of Freeburg, as follows:

1. That it is hereby ordered that, at the first regular meetings of the board of trustees in March of each year, the town treasurer, who may have been in office during the preceding twelve months, shall make a financial statement of receipts and expenditures of every description for the previous twelve months before the 1st day of said March, including all of the town's money that has passed through his hands, for any purpose whatever, together with the different sources of town revenue, the amount received under each, the several appropriations made by the board of trustees, the object of such appropriations and the sum expended under each, amount of money on hand, and such other information as will give the people of the town a concise and plain statement of its financial affairs; and the chairman of the board of trustees shall cause such statement to be published in some newspaper published in the town of Freeburg, or by causing six notices to be posted in the most public places in the town of Freeburg, within ten days from said date, and it shall be the duty of the board of trustees to refuse to make final settlement with the treasurer until he shall have complied with the provisions of this ordinance. (Ord. 26, §1)

FINANCE

ARTICLE II. WATERWORKS REVENUE BONDS SERIES 1992

Sec. 10-2. Definitions of Words and Terms.

In addition to words and terms defined elsewhere herein, the following capitalized words and terms as used in this Ordinance shall have the following meanings:

Act – Chapter 91 of the Revised Statutes of Missouri, 1986, as amended.

Arbitrage Instructions – the Arbitrage Instructions attached hereto as Exhibit B, as the same may be amended or supplemented in accordance with the provisions thereof.

Bond Counsel – Gilmore & Bell, St. Louis, Missouri, or other attorney or firm of attorneys with a nationally recognized standing in the field of municipal bond financing selected by the Village.

Bond Payment Date – any date on which principal of or interest on any Bond is payable at the Maturity thereof or on any Interest Payment Date.

Bond Register – the books for the registration, transfer and exchange of Bonds kept at the office of the Paying Agent.

Bondowner or Registered Owner – when used with respect to any Bond means the Person in whose name such Bond is registered on the Bond register.

Bonds – the Waterworks Revenue Bonds, Series 1992, of the Village, in the aggregate principal amount of \$90,000, authorized and issued pursuant to this Ordinance.

Business Day – a day other than a Saturday, Sunday or holiday on which the Paying Agent shall be scheduled in the normal course of its operations to be open to the public for conduct of its banking operations.

Code – the Internal Revenue Code of 1986, as amended, and the applicable regulations of the Treasury Department proposed or promulgated thereunder.

Consultant – an independent engineer or engineering firm, having a favorable reputation for skill and experience in the construction, financing and operation of public utilities, and the preparation of management studies and financial feasibility studies in connection therewith, at the time employed by the Village for the purpose of carrying out the duties imposed on the Consultant by this Ordinance.

Debt Service Account – the account by that name created by Section 501 hereof.

Debt Service Reserve Account – the account by that name created by Section 501 hereof.

Debt Service Requirements – the aggregate principal payments (whether at maturity or pursuant to scheduled mandatory sinking fund redemption requirements) and interest payments on the Bonds for the period of time for which calculated; provided, however, that for purposes of calculating such amount principal and interest shall be excluded from the determination of Debt Service Requirements to the extent that such principal or interest is payable from amounts deposited in trust, escrowed or otherwise set aside for the payment thereof with the Paying Agent or other commercial bank or trust company located in the State of Missouri and having full trust powers.

Debt Service Reserve Requirement – the sum of \$9,000.

Defaulted Interest – interest on any Bond which is payable but not paid on any Interest Payment Date.

Defeasance Obligations – any of the following obligations:

- (a) United States Government Obligations that are not subject to redemption in advance of their maturity dates; or
- (b) Obligations of any state or political subdivision of any state, the interest on which is excluded from gross income for federal income tax purposes and which meet the following conditions:
 1. The obligations are (i) not subject to redemption prior to maturity or (ii) the trustee for such obligations has been given irrevocable instructions concerning their calling and redemption and the issuer of such obligations has covenanted not to redeem such obligations other than as set forth in such instructions;
 2. The obligations are secured by cash or United States Government Obligations that may be applied only to principal of, premium, if any, and interest payments on such obligations.
 3. Such cash and the principal of and interest on such United States Government Obligations (plus any cash in the escrow fund) are sufficient to meet the liabilities of the obligations:
 4. Such cash and United States Government Obligations serving as security for the obligations are held in an escrow fund by an escrow agent or a trustee irrevocably in trust:
 5. Such cash and United States Government Obligations are not available to satisfy any other claims, including those against the trustee or escrow agent; and
 6. The obligations are rated in the highest rating category by Moody's Investors Service, Inc. (presently "AAA") or Standard and Poor's Corporation (presently "AAA").

Expenses – all reasonable and necessary expenses of operation, maintenance and repair of the System and keeping the System in good repair and working order (other than interest paid on System Revenue Bonds, depreciation and amortization charges during the period of determination), determined in accordance with generally accepted accounting principles, including without limiting the generality of the foregoing, current maintenance charges, expenses of reasonable upkeep and repairs, salaries, wages, costs of materials and supplies, Paying Agent

fees and expenses, annual audits, periodic Consultant's reports, properly allocated share of charges for insurance, the cost of purchased water, gas and power, if any, obligations (other than for borrowed money or for rents payable under capital leases) incurred in the ordinary course of business, liabilities incurred by endorsement for collection or deposit of checks or drafts received in the ordinary course of business, short-term indebtedness incurred and payable within a particular fiscal year, other obligations or indebtedness incurred for the purpose of leasing (pursuant to a true or operating lease) equipment, fixtures, inventory or other personal property, and all other expenses incident to the operation of the System, but shall exclude all general administrative expenses of the Village not related to the operation of the System.

Insurance Consultant – an individual or firm selected by the Village qualified to survey risks and to recommend insurance coverage for entities engaged in operations like those of the System and having a favorable reputation for skill and experience in making such surveys and recommendations.

Interest Payment Date – the Stated Maturity of an installment of interest on any Bond.

Maturity – when used with respect to any Bond means the date on which the principal

Maximum Annual Debt Service – the maximum amount of Debt Service Requirements as computed for the then current or any future fiscal year.

Net Revenues Available for Debt Service – for the period of determination, all Revenues less all Expenses as determined in accordance with generally accepted accounting principles.

Operation and Maintenance Fund – means the fund by that name ratified and confirmed by Section 501 hereof.

Ordinance – this Ordinance as from time to time amended in accordance with the terms hereof.

Outstanding – when used with reference to Bonds, as of any particular date, all Bonds theretofore issued and delivered hereunder, except the following Bonds:

- (a) Bonds theretofore cancelled by the Paying Agent or delivered to the Paying Agent for cancellation;
- (b) Bonds deemed to be paid in accordance with the provisions of Section 1101 hereof; and
- (c) Bonds in exchange for or in lieu of which other Bonds have been registered and delivered hereunder.

Parity Bonds – any bonds or other obligations hereafter issued or incurred pursuant to Section 1002 hereof and standing on a parity and equality with the Bonds with respect to the payment of principal and interest out of the next income and revenues of the System.

Parity Ordinances – any bonds or other obligations hereafter issued or incurred pursuant to Section 1002 hereof and standing on the parity and equality with the Bonds with respect to the payment of principal and interest out of the net income and revenues of the System.

Parity Ordinances – the ordinances under which any Parity Bonds shall hereafter be issued pursuant to Section 1002 hereof.

Paying Agent – Bank of Freeburg, Freeburg, Missouri, and any successors and assigns.

Permitted Investments – any of the following securities and obligations, if and to the extent the same are at the time legal for investments of the Village's moneys held in the funds and accounts referred to the Section 501 hereof:

- (a) United States Government Obligations;
- (b) Bonds, notes or other obligations of the State of Missouri, or any political subdivision of the State of Missouri, that at the time of their purchase are rated in either of the two highest rating categories by a nationally recognized rating service;
- (c) Repurchase agreements with any bank, bankholding company, savings and loan association, trust company, or other financial institution organized under the laws of the United States or any state, that are continuously and fully secured by any one or more of the securities described in clause (a) or (b) above and have a market value, exclusive of accrued interest, at all times at least equal to the principal amount of such repurchase agreement and are held in a custodial or trust account for the benefit of the Village;
- (d) Obligations of the Federal National Mortgage Association, the Government National Mortgage Association, the Federal Financing Bank, the Federal Intermediate Credit Corporation, Federal Banks for Cooperatives, Federal Land Banks, Federal Home Loan Banks, Farmers Home Administration and Federal Home Loan Mortgage Corporation; and
- (e) Certificates of deposit or time deposits, whether negotiable or nonnegotiable, issued by any bank or trust company organized under the laws of the United States or any state, provided that such certificates of deposit or time deposits shall be either (1) continuously and fully insured by the Federal Deposit Insurance Corporation, or (2) continuously and fully secured by such securities as are described above in clauses (a) through (c), inclusive, which shall have a market value, exclusive of accrued interest, at all times at least equal to the principal amount of such certificates of deposit or time deposits; and
- (f) Any other securities or investments that are lawful for the investment of moneys held in such funds or accounts under the laws of the State of Missouri.

Person – any natural person, corporation, partnership, firm, joint venture, association, joint-stock company, trust, unincorporated organization, or government or any agency or political subdivision thereof or other public body.

Project Fund – the fund by that name created by Section 501 hereof.

Purchaser – Bank of Freeburg, Freeburg, Missouri, the original purchaser of the Bonds.

Record Date – for the interest payable on any Interest Payment Date means the 15th day (whether or not a Business Day) of the calendar month next preceding such Interest Payment Date.

Redemption Date – when used with respect to any Bond to be redeemed means that date fixed for such redemption pursuant to the terms of this Ordinance.

Redemption Price – when used with respect to any Bond to be redeemed means the price at which such Bond is to be redeemed pursuant to the terms of this Ordinance, including the applicable redemption premium, if any, but excluding installments of interest whose Stated Maturity is on or before the Redemption Date.

Replacement and Extension Fund – the fund by that name ratified and confirmed by Section 501 hereof.

Revenue Fund – the fund by that name created by Section 501 hereof.

Revenues – all income and revenues derived from the operation of the System, including investment and rental income, net proceeds from business interruption insurance, and any amounts deposited in escrow in connection with the acquisition, construction, remodeling, renovation and equipping of facilities to be applied during the period of determination to pay interest on System Revenue Bonds, but excluding any profits or losses on the early extinguishment of debt or on the sale or other disposition, not in the ordinary course of business, of investments or fixed or capital assets.

Senior Lien Bonds – the outstanding Series 1963 Bonds described in the recitals of this Ordinance.

Senior Lien Ordinance – the Series 1963 Bond Ordinance described in the recitals of this Ordinance under this the Senior Lien Bonds have been issued.

Special Record Date – the date fixed by the Paying Agent pursuant to Section 204 hereof for the payment of Defaulted Interest.

Stated Maturity – when used with respect to any Bond or any installment of interest thereon means the date specified in such Bond and this Ordinance as the fixed date on which the principal of such Bond or such installment of interest is due and payable.

System – the entire waterworks plant and system owned and operated by the Village for the production, storage, treatment and distribution of water, to serve the needs of the Village and its inhabitants and others, including all appurtenances and facilities connected therewith or relating thereto, together with all extensions, improvements, addition and enlargements thereto hereafter made or acquired by the Village.

System Revenue Bonds – collectively the Bonds, the Prior Lien Bonds, the Parity Bonds and all other revenue bonds which are payable out of, or secured by an interest in, the income and revenues derived from the operation of the System.

United States Government Obligations – bonds, notes, certificates of indebtedness, treasury bills or other securities constituting direct obligations of, or obligations the principal of and

interest on which are fully and unconditionally guaranteed as to full and timely payment by, the United States of America, including evidences of a direct ownership interest in future interest or principal payments on obligations issued or guaranteed by the United States of America (including the interest component of obligations of the Resolution Funding Corporation), or securities which represent an undivided interest in such obligations, which obligations are rated in the highest rating category by a nationally recognized rating service, and such obligations are held in a custodial or trust account for the benefit of the Village.

Valuation Date – the first business day of each fiscal year of the System.

Village – the Village of Freeburg, Missouri, and any successors or assigns.
(Ord. 159, §101)

Sec. 10-3. Authorization of Bonds.

There is hereby authorized and directed to be issued a series of bonds of the Village, designated “Waterworks Revenue Bonds, Series 1992”, in the principal amount of \$90,000 (the “Bonds”) for the purpose of paying the cost of extending and improving the System as provided in this Ordinance.
(Ord. 159, §201)

Sec. 10-4. Description of Bonds.

The Bonds shall consist of fully registered bonds without coupons, numbered from 1 upward, in denominations of \$5,000 or any integral multiple thereof. The Bonds, as originally issued or issued upon transfer, exchange or substitution, shall be substantially in the form set forth in Exhibit A attached hereto, and shall be subject to registration, transfer and exchange as provided in Section 205 hereof. The Bonds shall be dated July 1, 1992, shall become due serially on the following Stated Maturities (subject to optional redemption prior to their Stated Maturities as provided in Article III hereof), and shall bear interest at the rates per annum, as follows:

SERIAL BONDS

<u>Stated Maturity</u> <u>July 1</u>	<u>Principal</u> <u>Amount</u>	<u>Annual Rate</u> <u>of Interest</u>
1994	\$5,000	6.0%
1995	\$5,000	6.0%
1996	\$5,000	6.0%
1997	\$5,000	6.0%
1998	\$5,000	6.0%
1999	\$5,000	6.0%
2000	\$5,000	6.0%
2001	\$5,000	6.0%
2002	\$5,000	6.0%

2003	\$5,000	6.0%
2004	\$10,000	6.0%
2005	\$10,000	6.0%
2006	\$10,000	6.0%
2007	\$10,000	6.0%

The Bonds shall bear interest at the above-specified rates (computed on the basis of a 360-day year of twelve 30-day months) from the date thereof or from the most recent Interest Payment Date to which interest has been paid or duly provided for, payable semiannually on January 1 and July 1 in each year, beginning on July 1, 1993.
(Ord. 159, §202)

Sec. 10-5. Designation of Paying Agent.

Bank of Freeburg, in the Village of Freeburg, Missouri, is hereby designated as the Village’s paying agent for the payment of principal of and interest on the Bonds and bond registrar with respect to the registration, transfer and exchange of Bonds (herein called the “Paying Agent”).

The Village will at all times maintain a Paying Agent meeting the qualifications herein described for the performance of the duties hereunder. The Village reserves the right to appoint a successor Paying Agent by (1) filing with the band then performing such function a certified copy of the proceedings giving notice of the termination of such band and appointing a successor, and (2) causing notice to be given to each Bondowner. No resignation or removal of the Paying Agent shall become effective until a successor has been appointed and has accepted the duties of the Paying Agent.

Every Paying Agent appointed hereunder shall at all times be a commercial banking association or corporation or trust company located in the State of Missouri organized and doing business under the laws of the United States of America or of the State of Missouri, authorized under such laws to exercise trust powers and subject to supervision or examination by federal or state regulatory authority.
(Ord. 159, §203)

Sec. 10-6. Method and Place of Payment of Bonds.

The principal or Redemption Price of and interest on the Bonds shall be payable in any coin or currency of the United States of America that, on the respective dates of payment thereof, is legal tender for the payment of public and private debts.

The principal or Redemption Price of each Bond shall be paid at Maturity to the Person in whose name such Bond is registered on the Bond Register at the Maturity thereof, upon presentation and surrender of such Bond at the principal corporate trust office of the Paying Agent.

The interest payable on each Bond on any Interest Payment Date shall be paid to the Registered Owner of such Bond as shown on the Bond Register at the close of business on the Record Date for such interest (a) by check or draft mailed by the Paying Agent to such Registered Owner at the address shown on the Bond Register or (b) at such other address as is furnished to the Paying Agent in writing by such Registered Owner.

Notwithstanding the foregoing provisions of this Section, any Defaulted Interest with respect to any Bonds shall cease to be payable to the Registered Owner of such Bond on the relevant Record Date and shall be payable to the Registered Owner in whose name such Bond is registered at the close of business on the Special Record Date for the payment of such Defaulted Interest, which Special Record Date shall be fixed as hereinafter specified in this paragraph. The Village shall notify the Paying Agent in writing of the amount of Defaulted Interest proposed to be paid on each Bond and the date of the proposed payment (which date shall be at least 30 days after receipt of such notice by the Paying Agent) and shall deposit with the Paying Agent at the time of such notice an amount of money equal to the aggregate amount proposed to be paid in respect of such Defaulted Interest or shall make arrangements satisfactory to the Paying Agent for such deposit prior to the date of the proposed payment. Following receipt of such funds the Paying Agent shall fix a Special Record Date for the payment of such Defaulted Interest which shall be not more than 15 nor less than 10 days prior to the date of the proposed payment. The Paying Agent shall promptly notify the Village of such Special Record Date and, in the name and at the expense of the Village, shall cause notice of the proposed payment of such Defaulted Interest and the Special Record Date thereof to be mailed, by first class mail, postage prepaid, to each Registered Owner of a Bond entitled to such notice at the address of such Registered Owner as it appears on the Bond Register not less than 10 days prior to such Special Record Date.

The Paying Agent shall keep a record of payment of principal and Redemption Price of and interest on all Bonds and shall at least annually forward a copy or summary of such records to the Village.
(Ord. 159, §204)

Sec. 10-7. Registration, Transfer and Exchange of Bonds.

The Village covenants that, as long as any of the Bonds remain Outstanding, it will cause the Bond Register to be kept at the office of the Paying Agent for the registration, transfer and exchange of Bonds as herein provided. Each Bond when issued shall be registered in the name of the owner thereof on the Bond Register kept by the Paying Agent.

Bonds may be transferred and exchanged only on the Bond Register maintained by the Paying Agent as provided in this Section. Upon surrender of any Bond at the principal corporate trust office of the Paying Agent, the Paying Agent shall transfer or exchange such Bond for a new Bond or Bonds in any authorized denomination of the same Stated Maturity and in the same aggregate principal amount as the Bond that was presented for transfer or exchange. Bonds presented for transfer or exchange shall be accompanied by a written instrument or instruments of transfer or authorization for exchange, in a form and with guarantee of signature satisfactory

to the Paying Agent, duly executed by the Registered Owner thereof or by the Registered Owner's duly authorized agent. All Bonds presented for transfer or exchange shall be surrendered to the Paying Agent for cancellation.

In all cases in which the privilege of transferring or exchanging Bonds is exercised, the Paying Agent shall authenticate and deliver Bonds in accordance with the provisions of this Ordinance. The Village shall pay the fees and expenses of the Paying Agent for the registration, transfer and exchange of Bonds provided for by this Ordinance and the cost of printing a reasonable supply of registered bond blanks. Any additional cost or fees that might be incurred in the secondary market, other than fees of the Paying Agent, are the responsibility of the Registered Owners of the Bonds.

The Village and the Paying Agent shall not be required (a) to register the transfer or exchange of any Bond after notice calling such Bond or portion thereof for redemption has been given or during the period of fifteen days next preceding the first mailing of such notice of redemption; or (b) to register the transfer or exchange of any Bond during a period beginning at the opening of business on the day after receiving written notice from the Village of its intent to pay Defaulted Interest and ending at the close of business on the date fixed for the payment of Defaulted Interest pursuant to Section 204 hereof.

The Village and the Paying Agent may deem and treat the Person in whose name any Bond shall be registered in the Bond Register 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 or Redemption Price of and interest on said Bond and for all other purposes. All payments so made to any such Registered Owner or upon the 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 Village nor the Paying Agent shall be affected by any notice to the contrary.

At reasonable times and under reasonable regulations established by the Paying Agent, the Bond Register may be inspected and copied by the Registered Owners (or a designated representative thereof) of 10% or more in principal amount of the Bonds then Outstanding or any designated representative of such Registered Owners to be evidenced to the satisfaction of the Paying Agent.
(Ord. 159, §205)

Sec. 10-8. Execution, Authentication and Delivery of Bonds.

Each of the Bonds, including any Bonds issued in exchanged or as substitution for the Bonds initially delivered, shall be signed by the manual or facsimile signature of the Chairman, attested by the manual or facsimile signature of the Village Clerk, and shall have the official seal of the Village affixed thereto or imprinted thereon. In case any officer whose signature appears on any Bonds shall cease to be such officer before the delivery of such Bonds, such signature shall nevertheless be valid and sufficient for all purposes, as if such person had remained in office

until delivery. Any Bond may be signed by such person who at the actual time of the execution of such Bond shall be the proper officers to sign such Bond although at the date of such Bond such persons may not have been such officers.

The Chairman and Village Clerk are hereby authorized and directed to prepare and execute the Bonds as herein specified, and when duly executed, to deliver the Bonds to the Paying Agent for authentication.

The Bonds shall have endorsed thereon a certificate of authentication substantially in the form set forth in Exhibit A attached hereto, which shall be manually executed by an authorized officer or employee of the Paying Agent, but it shall not be necessary that the same officer or employee sign the certificate of authentication on all of the Bonds that may be issued hereunder at any one time. No Bond shall be entitled to any security or benefit under this Ordinance or be valid or obligatory for any purpose unless and until such certificate of authentication shall have been duly executed by the Paying Agent. Such executed certificated of authentication upon any Bond shall be conclusive evidence that such Bond has been duly authenticated and delivered under this Ordinance. Upon authentication, the Paying Agent shall deliver the Bonds to the Purchaser of the Bonds, upon payment of the purchase price thereof.
(Ord. 159, §206)

Sec. 10-9. Mutilated, Destroyed, Lost and Stolen Bonds.

If (a) any mutilated Bond is surrendered to the Paying Agent, or the Village and the Paying Agent receive evidence to their satisfaction of the mutilation, destruction, loss or theft of any Bond, and (b) there is delivered to the Village and the Paying Agent such security or indemnity as may be required by each of them, then, in the absence of notice to the Village or the Paying Agent that such Bond has been acquired by a bona fide purchaser, the Village shall execute and, upon the Village's request, the Paying Agent shall authenticate and deliver, in exchange for or in lieu of any such mutilated, destroyed, lost or stolen Bond, a new Bond of the same Stated Maturity and of like tenor and principal amount.

In case any such mutilated, destroyed, lost or stolen Bond has become or is about to become due and payable, the Village, in its discretion may pay such Bond instead of issuing a new Bond.

Upon the issuance of any new Bond under this Section, the Village may require the payment by the Registered Owner of a sum sufficient to cover any tax or other governmental charge that may be imposed in relation thereto and any other expenses (including the fees and expenses of the Paying Agent) connected therewith.

Every new Bond issued pursuant to this Section shall constitute a replacement of the prior obligation of the Village, and shall be entitled to all the benefits of this Ordinance equally and ratably with all other Outstanding Bonds.
(Ord. 159, §207)

Sec. 10-10. Cancellation and Destruction of Bonds Upon Payment.

All Bonds that have been paid or redeemed or that otherwise have been surrendered to the Paying Agent, either at or before Maturity, shall be cancelled by the Paying Agent immediately upon the payment, redemption and surrender thereof to the Paying Agent and subsequently destroyed in accordance with the customary practices of the Paying Agent. The Paying Agent shall execute a certificate in duplicate describing the Bonds so cancelled and destroyed and shall file an executed counterpart of such certificate with the Village.
(Ord. 159, §208)

Sec. 10-11. Sale of Bonds.

The sale of the Bonds to the Purchaser at a purchase price of 100% of the principal amount of the Bonds, plus accrued interest to the date of delivery, is hereby ratified and confirmed. Delivery of the Bonds shall be made to the Purchaser as soon as practicable after the adoption of this Ordinance, upon payment therefor in accordance with the terms of sale.
(Ord. 159, §209)

Sec. 10-12. Redemption of Bonds.

At the option of the Village, Bonds or portions thereof maturing in the year 1994, and thereafter may be called for redemption and payment prior to the Stated Maturity thereof in whole at any time or in part on any Interest Payment Date at the Redemption Price of 100% of the principal amount of Bonds redeemed plus accrued interest thereon to the Redemption Date.
(Ord. 159, §301)

Sec. 10-13. Selection of Bonds to be Redeemed.

- (a) The Paying Agent shall call Bonds for redemption and payment as herein provided upon receipt by the Paying Agent at least 45 days prior to the Redemption Date of a written request of the Village specifying the principal amount, Stated Maturities and Redemption Prices of the Bonds to be called for redemption. The Paying Agent may in its discretion waive such notice period so long as the notice requirements set forth in Section 303 are met.
- (b) Bonds shall be redeemed only in the principal amount of \$5,000 or any integral multiple thereof. When less than all of the Outstanding Bonds are to be redeemed, such Bonds shall be redeemed in inverse order of their Stated Maturities, and Bonds of less than a full Stated Maturity shall be selected by the Paying Agent in \$5,000 units of principal amount in such equitable manner as the Paying Agent may determine.
- (c) In the case of a partial redemption of Bonds when Bonds of denominations greater than \$5,000 are then Outstanding, then for all purposes in connection with such redemption each \$5,000 of face value shall be treated as though it were a separate Bond of the denomination of \$5,000. If it is determined that one or more, but not all, of the \$5,000

units of face value represented by any Bond are selected for redemption, then upon notice of intention to redeem such \$5,000 unit or units, the Registered Owner of such Bond or the Registered Owner's duly authorized agent shall present and surrender such Bond to the Paying Agent (1) for payment of the Redemption Price and interest to the Redemption Date of such \$5,000 unit or units of face value called for redemption, and (2) for exchange, without charge to the Registered Owner thereof, for a new Bond or Bonds of the aggregate principal amount of the unredeemed portion of the principal amount of such Bond. If the Registered Owner of any such Bond shall fail to present such Bond to the Paying Agent for payment and exchange as aforesaid, such Bond shall, nevertheless, become due and payable on the Redemption Date to the extent of the \$5,000 unit or units of face value called for redemption (and to that extent only).

(Ord. 159, §302)

Sec. 10-14. Notice and Effect of Call for Redemption.

Unless waived by any Registered Owner of Bonds to be redeemed, official notice of any redemption shall be given by the Paying Agent on behalf of the Village by mailing a copy of an official redemption notice by first class, registered or certified mail, as determined by the Paying Agent, at least 30 days prior to the Redemption Date, to the Purchaser of the Bonds and each Registered Owner of the Bonds to be redeemed at the address shown on the Bond Register or at such other address furnished in writing by any such Registered Owner or Owners to the Paying Agent.

All official notices of redemption shall be dated and shall contain the following information:

- (a) The Redemption Date;
- (b) The Redemption Price
- (c) If less than all Outstanding Bonds are to be redeemed, the identification (and, in the case of partial redemption of any Bonds, the respective principal amounts) on the Bonds to be redeemed;
- (d) 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 the Redemption Date; and
- (e) The place where such Bonds are to be surrendered for payment of the Redemption Price, which shall be the principal corporate trust office of the Paying Agent.

Prior to any Redemption Date, the Village shall deposit with the Paying Agent an amount of money sufficient to pay the Redemption Price of all the Bonds or portions of Bonds that are to be redeemed on that date.

Official notice of redemption having been given as aforesaid, the Bonds or portions of Bonds to be redeemed shall become due and payable on the Redemption Date, at the Redemption Price therein specified, and from and after the Redemption Date (unless the Village shall default in the payment of the Redemption Price) such Bonds or portion of Bonds shall cease to bear interest. Upon surrender of such Bonds for redemption in accordance with such notice, the Redemption Price of such Bonds shall be paid by the Paying Agent. Installments of interest due on or prior to

the Redemption Date shall be payable as herein provided for payment of interest. Upon surrender for any partial redemption of any Bond, there shall be prepared for the Registered Owner a new Bond or Bonds of the same Stated Maturity in the amount of the unpaid principal as provided herein. All Bonds that have been redeemed shall be cancelled and destroyed by the Paying Agent as provided herein and shall not be reissued.
(Ord. 159, §303)

Sec. 10-15. Security for Bonds.

The Bonds shall be special obligations of the Village payable solely from, and secured as to the payment of principal and interest by a pledge of, the net income and revenues derived from the operation of the System, after providing for the costs of operation and maintenance thereof, including operating income, investment income, grants and other moneys made available to the Village with respect to the System from sources other than funds raised by taxation, and the Village hereby pledges said net income and revenues to the payment of the principal of and interest on the Bonds. The Bonds shall not be or constitute a general obligation of the Village, nor shall they constitute an indebtedness of the Village, within the meaning of any constitutional, statutory or charter provision, limitation or restriction, and the taxing power of the Village is not pledged to the payment of the Bonds, either as to principal or interest.

The covenants and agreements of the Village contained herein and in the Bonds shall be for the equal benefit, protection and security of the legal owners of any or all of the Bonds, all of which Bonds shall be of equal rank and without preference or priority of one Bond over any other Bond in the application of the funds herein pledged to the payment of the principal of and the interest on the Bonds, or otherwise, except as to rate of interest, date of maturity and right of prior redemption as provided in this Ordinance. The Bonds shall stand on a parity and be equally and ratably secured with respect to the payment of principal and interest from the net income and revenues derived from the operation of the System and in all other respects with any Parity Bonds.

The Bonds shall be junior and subordinate with respect to the payment of principal and interest from the net income and revenues derived from the operation of the System and in all other respects to the Senior Lien Bonds and, in the event of any default in the payment of either principal of or interest on any of the Senior Lien Bonds, all of the net income and revenues of the System will be applied solely to the payment of the principal of and interest on the Senior Lien Bonds until such default is cured. The Bonds shall not have any priority with respect to the payment of principal or interest from said net income and revenues or otherwise over any Parity Bonds hereafter issued in accordance with the provisions of this Ordinance, nor shall any Parity Bonds hereafter issued have any priority with respect to the payment of principal or interest from said net income and revenues or otherwise over the Bonds.
(Ord. 159, §401)

Sec. 10-16. Establishment of Funds and Accounts.

There are hereby created or ratified and ordered to be established and maintained in the treasury of the Village the following separate funds and accounts to be known respectively as the:

- (a) Waterworks System Project Fund (the “Project Fund”).
- (b) Waterworks System Revenue Fund (the “Revenue Fund”).
- (c) Waterworks System Operation and Maintenance Fund (the “Operation and Maintenance fund”).
- (d) Debt Service Account for Waterworks Revenue Bonds, Series 1992 (the “Debt Service Account”).
- (e) Debt Service Reserve Account for Waterworks Revenue Bonds, Series 1992 (the “Debt Service Reserve Account”).
- (f) Waterworks System Replacement and Extension Fund (the “Replacement and Extension Fund”).

The funds and accounts referred to in paragraphs (a) through (f) of this Section shall be maintained and administered by the Village solely for the purposes and in the manner as provided in the Act and in this Ordinance so long as any of the Bonds remain Outstanding within the meaning of this Ordinance.

(Ord. 159, §501)

Sec. 10-17. Deposit of Bond Proceeds.

The net proceeds received from the sale of the Bonds, including any premium or accrued interest thereon, shall be deposited simultaneously with the delivery of the Bonds, as follows:

- (a) Any premium on the Bonds and any amount received on account of accrued interest on the Bonds shall be deposited in the Debt Service Account and applied in accordance with Section 602(b) hereof.
- (b) An amount equal to the Debt Service Reserve Requirement from the proceeds of the Bonds shall be deposited in the Debt Service Reserve Account and applied in accordance with Section 602(c) hereof.
- (c) The remaining balance of the proceeds of the Bonds shall be deposited in the Project Fund, and applied in accordance with Section 503 hereof.

(Ord. 159, §502)

Sec. 10-18. Application of Moneys in the Project Fund.

Moneys in the Project Fund shall be used solely for the purpose of (a) paying the cost of extending and improving the System as hereinbefore provided, in accordance with the plans and specifications therefor prepared by the Consultant, heretofore approved by the Board of Trustees of the Village and on file in the office of the Village Clerk, including any alterations in or

amendments to said plans and specifications deemed advisable by the Consultant and approved by the Board of Trustees of the Village, and (b) for paying the costs and expenses incident to the issuance of the Bonds.

Withdrawals from the Project Fund shall be made only when authorized by the Board of Trustees and only on duly authorized and executed warrants or vouchers therefor accompanied by a certificate executed by the Consultant that such payment is being made for a purpose within the scope of this Ordinance and that the amount of such payment represents only the contract price of the property, equipment, labor, materials or service being paid for or, if such payment is not being made pursuant to an express contract, that such payment is not in excess of the reasonable value thereof. Nothing hereinbefore contained shall prevent the payment out of the Project Fund of all costs and expenses incident to the issuance of the Bonds of withdrawals of sums for investment or reinvestment purposes under the terms of this Ordinance without a certificate from the Consultant.

Upon completion of the extensions and improvements to the System as hereinbefore provided, but in no event later than July 1, 1995, any surplus moneys remaining in the Project Fund and not required for the payment of unpaid costs thereof shall be deposited in the Debt Service Account.
(Ord. 159, §503)

Sec. 10-19. Revenue Fund.

The Village covenants and agrees that from and after the delivery of the Bonds, and continuing as long as any of the Bonds remain Outstanding hereunder, all of the revenues derived and collected by the Village from the operation of the System shall as and when received be paid and deposited into the Revenue Fund. Said revenues shall be segregated and kept separate and apart from all other moneys, revenues, funds and accounts of the Village and shall not be commingled with any other moneys, revenues, funds and accounts of the Village. The Revenue Fund shall be administered and applied solely for the purposes and in the manner provided in this Ordinance and in the Senior Lien Ordinance.
(Ord. 159, §601)

Sec. 10-20. Application of Moneys in Funds and Accounts.

The Village covenants and agrees that from and after the delivery of the Bonds and continuing so long as any of the Bonds shall remain Outstanding, it will on the first day of each month administer and allocate all of the moneys then held in the Revenue Fund as follows:

- (a) Operation and Maintenance Fund. There shall first be paid and credited to the Operation and Maintenance Fund an amount sufficient to pay the estimated cost of operating and maintaining the System during the ensuing month. All amounts paid and credited to the Operation and Maintenance Fund shall be expended and used by the Village solely for the purpose of paying the Expense of the System.

- (b) Debt Service Account. There shall next be paid and credited monthly to the Debt Service Account, to the extent necessary to meet on each Bond Payment Date the payment of all interest on and principal of the Bonds, the following sums:
1. Beginning with the first of said monthly deposits and continuing on the first day of each month thereafter to and including June 1, 1993, an equal pro rata portion of the amount of interest becoming due on the Bonds on July 1, 1993; and thereafter, beginning on July 1, 1993, and continuing on the first day of each month thereafter so long as any of the Bonds shall remain outstanding and unpaid, an amount not less than 1/6 of the amount of interest that will become due on the Bonds on the next succeeding Interest Payment Date; and
 2. Beginning with the first of said monthly deposits and continuing on the first day of each month thereafter to and including June 1, 1994, an equal pro rata portion of the amount of principal becoming due on the Bonds on July 1, 1994, and thereafter, beginning on July 1, 1994, and continuing on the first day of each month thereafter so long as any of the Bonds shall remain outstanding and unpaid, an amount not less than 1/12 of the amount of principal that will become due on the Bonds on the next succeeding Maturity date.

All amounts paid and credited to the Debt Service Account shall be expended and used by the Village for the sole purpose of paying the interest on and principal of the Bonds as and when the same become due at Maturity and on each Interest Payment Date.

If at any time the moneys in the Revenue Fund shall be insufficient to make in full the payments and credits at the time required to be made to the Debt Service Account and to the debt service accounts established to pay the principal of and interest on any Parity Bonds, the available moneys in the Revenue Funds shall be allocated first in accordance with the provisions of the Senior Lien Ordinance and then shall be divided among such debt service accounts in proportion to the respective principal amounts of said series of bonds at the time outstanding which are payable from the moneys in said debt service accounts.

- (c) Debt Service Reserve Account. Except as hereinafter provided in this section, all amounts paid and credited to the Debt Service Reserve Account shall be expended and used by the Village solely to prevent any default in the payment of interest on or principal of the Bonds on any Maturity date or Interest Payment Date if the moneys in the Debt Service Account are insufficient to pay the interest on or principal of said Bonds as they become due. So long as the Debt Service Reserve Account aggregates the Debt Service Reserve Requirement, no payments into said Account shall be required, but if the Village shall ever be required to expend and use a part of the moneys in said Account for the purpose herein authorized and such expenditure shall reduce the amount of said Account below the Debt Service Reserve Requirement, the Village shall, after all payments and credits required at the time to be made under the provisions of paragraphs (a) and (b) of this Section have been made, pay and credit to the Debt Service Reserve Account the sum of \$800 each month until said Account shall again aggregate the Debt Service Reserve Requirement.

Moneys in the Debt Service Reserve Account may be used to call the Bonds for redemption and payment prior to their Stated Maturity, provided all of the Bonds at the time Outstanding are called for payment and funds are available to pay the same according to their terms. Moneys in the Debt Service Reserve Account shall be used to pay and retire the last Outstanding Bonds unless such Bonds and all interest thereon are otherwise paid. Any amounts in the Debt Service Reserve Account in excess of the Debt Service Reserve Requirement on any Valuation Date shall be transferred (i) during the period of construction of the extensions and improvements to the system, to the Project Fund, and (ii) after such construction period, to the Debt Service Account.

If at any time the moneys in the Revenue Fund shall be insufficient to make in full the payments and credits at the time required to be made to the Debt Service Reserve Account and to the debt service reserve accounts established to protect the payment of any Parity Bonds, the available moneys in the Revenue Fund shall be allocated first in accordance with the provisions of the Senior Lien Ordinance and then shall be divided among such debt service reserve accounts in proportion to the respective principal amounts of said series of bonds at the time outstanding which are payable from the moneys in such debt service reserve accounts.

- (d) Replacement and Extension Funds. After all payments and credits required at the time to be made under the provisions of paragraphs (a), (b) and (c) of this Section have been made, there shall be paid and credited to the Replacement and Extension Fund, the sum of \$125 each month until said Fund shall aggregate the sum of \$3,000. Except as hereinafter provided in Section 603, moneys in the Replacement and Extension Fund shall be expended and used by the Village, if no other funds are available therefor, solely for the purpose of making emergency replacements and repairs in and to the System as may be necessary to keep the System in good repair and working order and to assure the continued effective and efficient operation thereof. After the Replacement and Extension Fund aggregates the sum of \$3,000, no further payments into said Fund shall be required, but if the Village shall ever be required to expend and use a part of the moneys in said Fund for its authorized purposes and such expenditure shall reduce the amount of said Fund below the sum of \$3,000, then the Village shall resume and continue said monthly payments into said Fund until said Fund shall again aggregate the sum of \$3,000.

The amounts required to be paid and credited to the Replacement and Extension Fund pursuant to this Section shall be in addition to any amounts at the time required to be paid and credited to said Fund under the provisions of the Senior Lien Ordinance.

- (e) Surplus Moneys. After all payments and credits required at the time to be made under the provisions of paragraphs (a), (b), (c) and (d) of this Section have been made, all moneys remaining in the Revenue Fund may be expended and used for the following purposes as determined by the governing body of the Village:
1. Paying the cost of the operation, maintenance and repair of the System to the extent that may be necessary;
 2. Paying the cost of extending, enlarging or improving the System;
 3. Preventing default in, anticipating payments into or increasing the amounts in the Debt Service Account, the Debt Service Reserve Account or the Replacement and Extension Fund referred to in paragraphs (b), (c) and (d) of this Section, or any

one of them, or establishing or increasing the amount of any debt service account or debt service reserve account created by the Village for the payment of any Parity Bonds;

4. Calling, redeeming and paying prior to Stated Maturity, or, at the option of the Village, purchasing in the open market at the best price obtainable not exceeding the redemption price (if any bonds are callable), the Bonds or any Parity Bonds, including principal, interest and redemption premium, if any;
5. Any other lawful purpose in connection with the operation of the System and benefiting the System.

So long as any of the Bonds remain Outstanding, no moneys derived from the operation of the System shall be diverted to any other purpose.

- (f) Deficiency of Payments into Funds and Accounts. If at any time the revenues derived by the Village from the operation of the System shall be insufficient to make any payment on the date or dates hereinbefore specified, the Village will make good the amount of such deficiency by making additional payments or credits out of the first available revenues thereafter received by the Village from the operation of the System, such payments and credits being made and applied in the order hereinbefore specified in this Section.

(Ord. 159, §602)

Sec. 10-21. Transfer of Funds to Paying Agent.

The finance officer of the Village is hereby authorized and directed to withdraw from the Debt Service Account, and, to the extent necessary to prevent a default in the payment of either principal of or interest on the Bonds, from the Debt Service Reserve Account and the Replacement and Extension Fund as provided in Section 602 hereof, sums sufficient to pay the principal of and interest on the Bonds as and when the same become due on any Bond Payment Date, and to forward such sums to the Paying Agent in a manner which ensures the Paying Agent will have available funds in such amounts on or before the business day immediately preceding each Bond Payment Date. If, through lapse of time, or otherwise, the Registered Owners of Bonds shall no longer be entitled to enforce payment of their obligations, it shall be the duty of the Paying Agent forthwith to return said funds to the Village. All moneys deposited with the Paying Agent shall be deemed to be deposited in accordance with and subject to all of the provisions contained in this Ordinance.

(Ord. 159, §603)

Sec. 10-22. Payments Due on Saturdays, Sundays and Holidays.

In any case where a Bond Payment Date is not a Business Day, then payment of principal, Redemption Price or interest need not be made on such Bond Payment Date but may be made on the next succeeding Business Day with the same force and effect as if made on such Bond Payment Date, and no interest shall accrue for the period after such Bond Payment Date.

(Ord. 159, §604)

Sec. 10-23. Nonpresentment of Bonds.

In the event any Bond shall not be presented for payment when the principal thereof becomes due at Maturity, if funds sufficient to pay such Bond shall have been made available to the Paying Agent all liability of the Village to the Registered Owner thereof for the payment of such Bond, shall forthwith cease, determine and be completely discharged, and thereupon it shall be the duty of the Paying Agent to hold such fund or funds, without liability for interest thereon, for the benefit of the Registered Owner of such Bond, who shall thereafter be restricted exclusively to such fund or funds for any claim of whatever nature on his part under this Ordinance or on, or with respect to, said Bond. If any Bond shall not be presented for payment within six years following the date when such Bond becomes due at Maturity, the Paying Agent shall repay to the Village the funds theretofore held by it for payment of such Bond, and such Bond shall, subject to the defense of any applicable statute of limitation, thereafter be an unsecured obligation of the Village, and the Registered Owner thereof shall be entitled to look only to the Village for payment, and then only to the extent of the amount so repaid to it by the Paying Agent, and the Village shall not be liable for any interest thereon and shall not be regarded as a trustee of such money.

(Ord. 159, §605)

Sec. 10-24. Deposits and Investments of Moneys.

Moneys in each of the funds and accounts created by and referred to in this Ordinance shall be deposited in a bank or banks located in the State that are members of the Federal Deposit Insurance Corporation. All such deposits shall be continuously and adequately secured by the banks holding such deposits as provided by the laws of the State of Missouri.

Moneys held in any fund or account referred to in this Ordinance may be invested in Permitted Investments; provided, however, that no such investment shall be made for a period extending longer than the date when the moneys invested may be needed for the purpose for which such fund or account was created. All earnings on any investments held in any fund or account shall accrue to and become a part of such fund or account. All earnings on investments held in the Debt Service Reserve Account shall accrue to and become a part of such Account until the amount on deposit in such Account shall aggregate the Debt Service Reserve Requirement; thereafter, all such earnings shall be credited to the Debt Service Account. In determining the amount held in any fund or account under any of the provisions of this Ordinance, obligations shall be valued at the lower of the cost or the market value thereof; provided, however, that investments held in the Debt Service Reserve Account shall be valued at cost only. If and when the amount held in any fund or account shall be in excess of the amount required by the provisions of this Ordinance, the Village shall direct that such excess be paid and credited to the Debt Service Account.

So longer as any of the Senior Lien Bonds remain outstanding and unpaid, any investments made pursuant to this Section shall be subject to any restrictions in the Senior Lien Ordinance with respect to the funds and accounts created by and referred to in the Senior Lien Ordinance. (Ord. 159, §701)

Sec. 10-25. Efficient and Economical Operation.

The Village will continuously own and will operate the System as a revenue producing facility in an efficient and economical manner and will keep and maintain the same in good repair and working order.
(Ord. 159, §801)

Sec. 10-26. Rate Covenant.

The Village in accordance with and subject to applicable legal requirements will fix, establish, maintain and collect such rates and charges for the use and services furnished by or through the System as will produce revenues sufficient to (a) pay the costs of the operation and maintenance of the System; (b) pay the principal of and interest on the bonds as and when the same become due at the Maturity thereof or any Interest Payment Date; (c) enable the Village to have in each fiscal year Net Revenues Available for Debt Service not less than 120% of the amount required to be paid in such fiscal year on account of both principal of and interest on all System Revenue Bonds at the time outstanding; and (d) provide reasonable and adequate reserves for the payment of the Bonds and the interest thereon and for the protection and benefit of the System as provided in this Ordinance. The Village will require the prompt payment of accounts for service rendered by or through the System and will promptly take whatever action is legally permissible to enforce and collect delinquent charges. The Village will, from time to time as often as necessary, in accordance with and subject to applicable legal requirements, revise the rates and charges aforesaid in such manner as may be necessary or proper so that the Net Revenues Available for Debt Service will be sufficient to cover the obligations of the Village under this Section and otherwise under the provisions of this Ordinance. If in any fiscal year Net Revenues Available for Debt Service and other funds shall be an amount less than as hereinbefore provided, the Village will immediately employ a Consultant to make recommendations with respect to such rates and charges. A copy of the Consultant's report and recommendations shall be filed with the Village Clerk and with the Purchaser of the Bonds and shall be furnished to any Registered Owner of the Bonds requesting a copy of the same, at the cost of such Registered Owner. The Village shall, to the extent feasible, follow the recommendations of the Consultant.
(Ord. 159, §802)

Sec. 10-27. Reasonable Charges for all Services.

None of the facilities or services provided by the System will be furnished to any user (excepting the Village itself) without a reasonable charge being made therefor. In the event that the revenues derived from the System shall at any time be insufficient to pay the reasonable Expenses of the System and also to pay all interest on and principal of the Bonds as and when the same become due, then the Village will thereafter pay into the Revenue Fund a fair and reasonable payment in accordance with effective applicable rates and charges for all services or other facilities furnished to the Village or any of its departments by the System, and such

payments will continue so long as the same may be necessary in order to prevent or reduce the amount of any default in the payment of the interest on or principal of the Bonds.
(Ord. 159, §803)

Sec. 10-28. Restrictions on Mortgage or Sale of System.

The Village will not mortgage, pledge or otherwise encumber the System or any part thereof, nor will it sell, lease or otherwise dispose of the System or any material part thereof; provided, however, the Village may (a) sell at fair market value any portion of the System which shall have been replaced by other similar property of at least equal value, or which shall cease to be necessary for the efficient operation of the System, and in the event of sale, the Village will apply the proceeds to either (1) redemption of Outstanding Bonds in accordance with the provisions governing repayment of Bonds in advance of Stated Maturity, or (2) replacement of the property so disposed of by other property the revenues of which shall be incorporated into the System as hereinbefore provided, (b) cease to operate, abandon or otherwise dispose of any property which has become obsolete, nonproductive or otherwise unusable to the advantage of the Village, or (c) sell, lease or convey all or substantially all of the System to another entity or enter into a management contract with another entity if:

1. The transferee entity shall be a political subdivision organized and existing under the laws of the State of Missouri, or instrumentality thereof, or an organization described in Section 501(c)(3) of the Code, and shall expressly assume in writing the due and punctual payment of the principal of and premium, if any, and interest on all Outstanding System Revenue Bonds according to their tenor, and the due and punctual performance and observance of all of the covenants and conditions of this Ordinance;
2. If there remains unpaid any System Revenue Bond which bears interest that is not includable in gross income under this Code, the Village shall have received an opinion of Bond Counsel, in form and substance satisfactory to the Village, to the effect that under then existing law the consummation of such sale, lease or conveyance, whether or not contemplated on any date of the delivery of such System Revenue Bond, would not cause the interest payable on such System Revenue Bond to become includable in gross income under the Code;
3. The Village shall have received a certificate of the Consultant which demonstrates and certifies that immediately upon such sale or conveyance the transferee entity will not, as a result thereof, be in default in the performance or observance of any covenant or agreement to be performed or observed by it under this Ordinance;
4. Such transferee entity shall possess such licenses to operate the System as may be required if it is to operate the System; and
5. The Village shall receive an opinion of Bond Counsel, in form and substance satisfactory to the Village, as conclusive evidence that any such sale, lease or conveyance, and any such assumption, is permitted by law and complies with the provisions of this Section.

(Ord. 159, §804)

Sec. 10-29. Insurance.

The Village will carry and maintain insurance with respect to the System and its operations against such casualties, contingencies and risks (including but not limited to property and casualty fire and extended coverage insurance upon all of the properties forming a part of the System insofar as the same are of an insurable nature, public liability, worker's compensation and employee dishonestly insurance), such insurance to be of the character and coverage and in such amounts as would normally be carried by other enterprises engaged in similar activities of comparable size and similarly situated. In the event of loss of damage, the Village, with reasonable dispatch, will use the proceeds of such insurance in reconstructing and replacing the property damaged or destroyed, or in paying the claims on account of which such proceeds were received, or if such reconstruction or replacement is unnecessary or impracticable, then the Village will pay and deposit the proceeds of such insurance into the Debt Service Account. The Village will annually review the insurance it maintains with respect to the system to determine that it is customary and adequate to protect its property and operations. The Village may elect to be self-insured for all or any part of the foregoing requirements if (i) the Village shall obtain a written evaluation with respect to such self-insurance program from an Insurance Consultant to be prepared on an annual basis, (ii) such evaluation from an Insurance Consultant shall be to the effect that such self-insurance program is actuarially sound and (iii) adequate reserves created by the Village for such self-insurance program are deposited and maintained with a corporate trustee, who may be the Paying Agent, if the creation of such reserves is recommended by such evaluation, unless such evaluation shall state that such deposits are not necessary. The Village shall pay any fees charged by such Insurance Consultant and any expenses incurred in connection therewith. The cost of all insurance obtained pursuant to the requirements of this subsection shall be paid as an Expense out of the revenues of the System.
(Ord. 159, §805)

Sec. 10-30. Books, Records and Accounts.

The Village will install and maintain proper books, records and accounts (entirely separate from all other records and accounts of the Village) in which complete and correct entries will be made of all dealings and transactions of or in relation to the System of the Village. Such accounts shall show the amount of revenues received from the System, the application of such revenues, and all financial transactions in connection therewith. Said books shall be kept by the Village according to standard accounting practices as applicable to the operation of facilities comparable to the System.
(Ord. 159, §806)

Sec. 10-31. Annual Budget.

Prior to the commencement of each fiscal year, the Village will cause to be prepared and filed with the Village Clerk a budget setting forth the estimated receipts and expenditures of the System for the next succeeding fiscal year. The Village Clerk, promptly upon the filing of said

budget in the Village Clerk's office, will mail a copy of said budget shall be prepared in accordance with the requirements of the laws of Missouri and shall contain all information as shall be required by such laws.

(Ord. 159, §807)

Sec. 10-32. Annual Audit.

At the request of the Purchaser, the Village will cause an audit to be made of the System for the preceding fiscal year by a certified public accountant or firm of certified public accountants to be employed for that purpose and paid from the revenues of the System. Said annual audit shall cover in reasonable detail the operation of the System during such fiscal year.

Within 30 days after the completion of each such audit, a copy thereof shall be filed in the office of the Village Clerk, and a duplicate copy of said audit shall be mailed to the Purchaser of the Bonds. Such audits shall be mailed to the Purchaser of the Bonds. Such audits shall at all times during the usual business hours be open to the examination and inspection by any taxpayer, any user of the services of the System, any Registered Owner of any of the Bonds, or by anyone acting for or on behalf of such taxpayer, user or Registered Owner.

As soon as possible after the completion of such annual audit, the governing body of the Village shall review such audit, and if any audit shall disclose that proper provision has not been made for all of the requirements of this Ordinance and the laws under which the Bonds are issued, the Village covenants and agrees that it will promptly cure such deficiency and will promptly proceed to increase the rates and charges to be charged for the use and services furnished by the System as may be necessary to adequately provide for such requirements.

(Ord. 159, §808)

Sec. 10-33. Right of Inspection.

The Purchaser of the Bonds and any Registered Owner of Owners of 10% of the principal amount of the Bonds then Outstanding shall have the right at all reasonable times to inspect the System and all records, accounts and data relating thereto, and shall be furnished all such information concerning the System and the operation thereof which the Purchaser or such Registered Owner or Owners may reasonably request.

(Ord. 159, §809)

Sec. 10-34. Performance of Duties and Covenants.

The Village will faithfully and punctually perform all duties, covenants and obligations with respect to the operation of the System now or hereafter imposed upon the Village by the Constitution and laws of the State of Missouri and by the provisions of this Ordinance.

(Ord. 159, §810)

Sec. 10-35. Tax Covenants.

- (a) The Village covenants and agrees that (1) it will comply with all applicable provisions of the Code, including Sections 103 and 141 through 150, necessary to maintain the exclusion from gross income for federal income tax purposes of the interest on the Bonds and (2) it will not use or permit the use of any proceeds of Bonds or any other funds of the Village nor take or permit any other action or failure to take action would adversely affect the exclusion from gross income of the interest on the Bonds. The Village will also adopt such other ordinances or resolutions and take such other actions as may be necessary to comply with the Code and will all other applicable future laws, regulations, published rulings and judicial decisions, in order to ensure that the interest on the Bonds will remain excluded from federal gross income, to the extent any such action can be taken by the Village.
- (b) The Village covenants and agrees that (1) it will comply with all requirements of Section 148 of the Code to the extent applicable to the Bonds, (2) it will use the proceeds of the Bonds as soon as practicable and with all reasonable dispatch for the purposes for which the Bonds are issued, and (3) it will not invest or directly or indirectly use or permit the use of any proceeds of the Bonds or any other funds of the Village in any manner, or take or omit to take any action, that would cause the Bonds to be “arbitrage bonds” within the meaning of Section 148(a) of the Code.
- (c) The Village covenants and agrees that it will pay or provide for the payment from time to time of all amounts required to be rebated to the United States pursuant to Section 148(f) of the Code and any Treasury Regulations applicable to the Bonds from time to time. This covenant shall survive payment in full or defeasance of the Bonds. The Village specifically covenants to pay or cause to be paid to the United States, the required amounts of rebatable arbitrage at the times and in the amounts as determined by the Arbitrage Instructions. Notwithstanding anything to the contrary contained herein, the Arbitrage Instructions may be amended or replaced if, in the opinion of counsel nationally recognized on the subject of municipal bonds, such amendment or replacement will not adversely affect the exclusion from gross income for federal income tax purposes of interest on the Bonds.
- (d) The Village covenants and agrees that it will not use any portion of the proceeds of the Bonds, including any investments income earned on such proceeds, directly or indirectly, (1) in a manner that would cause any Bond to be a “private activity bond” (other than a qualified 501(c)(3) bond) within the meaning of Section 141(a) of the Code, or (2) to make or finance a loan to any Person who is not an organization described in Section 501(c)(3) of the Code. For purposes of the preceding sentence, a loan to an organization described in Section 501(c)(3) of the Code for use with respect to an unrelated trade or business, determined according to Section 513(a) of the Code, constitutes a loan to a person who is not an organization described in Section 501(c)(3) of the Code.
- (e) The Village makes the following representations in connection with the exception for small governmental units from the arbitrage rebate requirements under Section 148(f)(4)(c) of the Code:
 - 1. The Village is a governmental unit under Missouri law with general taxing powers;

2. None of the Bonds is a private activity bond as defined in Section 141 of the Code;
 3. 95 percent or more of the net proceeds of the Bonds are to be used for local governmental activities of the Village;
 4. The aggregate face amount of all tax-exempt bonds (other than private activity bonds) issued by the Village (and all subordinate entities thereof) during the calendar year in which the Bonds are issued is not reasonably expected to exceed \$5,000,000; and
 5. The Village (including all subordinate entities thereof) will not issue in excess of \$5,000,000 of tax-exempt bonds (including the Bonds but excluding private activity bonds) during the calendar year in which the Bonds are issued without first obtaining an opinion of Bond Counsel that the excludability of the interest on the Bonds from gross income for federal tax purposes will not be adversely affected thereby.
- (f) The Village hereby designates the Bonds as “qualified tax-exempt obligations” as defined in Section 265(b)(3) of the Code. In addition, the Village hereby represents that:
1. The aggregate face amount of all tax-exempt obligations (other than private activity bonds which are not “qualified 501(c)(3) bonds”) which will be issued by the Village (and all subordinate entities thereof) during calendar year in which the Bonds are issued is not reasonably expected to exceed \$10,000,000; and
 2. The Village (including all subordinate entities thereof) will not issue an aggregate principal amount of obligations designated by the Village to be “qualified tax-exempt obligations” during calendar year in which the Bonds are issued, including the Bonds, in excess of \$10,000,000, without first obtaining an opinion of Bond Counsel that the designation of the Bonds as “qualified tax-exempt obligations” will not be adversely affected.

The Chairman is hereby authorized to take such other action as may be necessary to make effective the designation in this subsection (f).

- (g) The foregoing covenants shall remain in full force and effect notwithstanding the defeasance of the Bonds pursuant to Article XII of this Ordinance or any other provision of this Ordinance, until the final Maturity of all Bonds Outstanding.
(Ord. 159, §811)

Sec. 10-36. Senior Lien Bonds.

The Village covenants and agrees that so long as any of the Bonds remain Outstanding, the Village will not issue any additional bonds or incur or assume any other debt obligations appearing as liabilities on the balance sheet of the System for the payment of moneys determined in accordance with generally accepted accounting principles consistently applied, including capital leases as defined by generally accepted accounting principles, payable out of the net income and revenues of the System or any part thereof which are superior to the Bonds.
(Ord. 159, §901)

Sec. 10-37. Parity Lien Bonds and Other Obligations.

The Village covenants and agrees that so long as any of the Bonds remain Outstanding, it will not issue any additional bonds or other long-term obligations payable out of the net income and revenues of the System or any part thereof which stands on a parity or equality with the Bonds (“Parity Bonds”) unless the following conditions are met:

- (a) The Village shall not be in default in the payment of principal of or interest on any Bonds or the Parity Bonds or in making any payment at the time required to be made into the respective funds and accounts created by and referred to in this Ordinance or any Parity Ordinance (unless such additional revenue bonds or obligations are being issued to provide funds to cure such default); and
- (b) The Village shall obtain a certificate of a Consultant showing either of the following:
 1. The annual Net Revenues Available for Debt Service derived by the Village from the operation of the System, for the fiscal year immediately preceding the issuance of additional bonds shall have been equal to at least 120% of the Maximum Annual Debt Service required to be paid out of said revenues in any succeeding fiscal year on account of both principal (at maturity or upon mandatory redemption) and interest becoming due with respect to all System Revenue Bonds of the Village, including the additional bonds proposed to be issued. In determining the Net Revenues Available for Debt Service for the purpose of this subsection, the Consultant may adjust said Net Revenues Available for Debt Service by adding thereto, in the event the Village shall have made any increase in rates for the use and services of the System and such increase shall not have been in effect during all of the fiscal year immediately preceding the issuance of additional bonds, the amount, as estimated by the Consultant, of the additional Net Revenues Available for Debt Service which would have resulted from the operation of the System during said preceding fiscal year had such rate increase been in effect for the entire period.
 2. The annual Net Revenues Available for Debt Service projected to be derived by the Village from the operation of the System for the fiscal year immediately following the fiscal year in which the improvements to the System, the cost of which is being financed by such additional bonds, are to be in commercial operation, shall be equal to at least 120% of the Maximum Annual Debt Service required to be paid out of said revenues in any succeeding fiscal year following such commercial operation on account of both principal (at maturity or upon mandatory redemption) and interest becoming due with respect to all System Revenue Bonds of the Village, including the additional bonds proposed to be issued. In determining the projected Net Revenues Available for Debt Service for the purpose of this subsection, the Consultant may adjust said net revenues by adding thereto any estimated increase in Net Revenues Available for Debt Service resulting from any increase in rates for the use and services of the System which, in the opinion of the Consultant, are economically feasible, and reasonably considered necessary based on projected operation of the System.

Additional revenue bonds of the Village issued under the conditions set forth in this Section shall stand on a parity with the Bonds and shall enjoy complete equality or lien on and claim against the net revenues of the System with the Bonds, and the Village may make equal provision for paying said bonds and the interest thereon out of the Revenue Fund and may likewise provide for the creation of reasonable debt service accounts and debt service reserve accounts for the payment of such additional bonds and the interest thereon out of moneys in the Revenue Fund.

(Ord. 159, §902)

Sec. 10-38. Junior Lien Bonds and Other Obligations.

Nothing in this Section contained shall prohibit or restrict the right of the Village to issue additional revenue bonds or other revenue obligations for any lawful purpose in connection with the operation of the facility and benefitting the System and to provide that the principal of and interest on said revenue bonds or obligations shall be payable out of the revenues of the System, provided at the time of the issuance of such additional revenues bonds or obligations the Village shall not be in default in the performance of any covenant or agreement contained in this Ordinance (unless such additional revenue bonds or obligations are being issued to provide funds to cure such default), and provided further that such additional revenue bonds or obligations shall be junior and subordinate to the Bonds so that if at any time the Village shall be in default in paying either interest on or principal of the Bonds, or if the Village shall be in default in making any payments required to be made by it under the provisions of paragraphs (a), (b) and (c) of Section 602 of this Ordinance, the Village shall make no payments of either principal of or interest on said junior and subordinate revenue bonds or obligations until said default or defaults be cured. In the event of the issuance of any such junior and subordinate revenue bonds or obligations, the Village, subject to the provisions aforesaid, may make provisions for paying the principal of and interest on said revenue bonds or obligations out of moneys in the Revenue Fund.

(Ord. 159, §903)

Sec. 10-39. Refunding Bonds.

The Village shall have the right, if it shall find it desirable, without complying with the provisions of Section 902 hereof to refund any of the Bonds under the provisions of any law then available, and the refunding bonds so issued shall enjoy complete equality of pledge with any of the Bonds which are not refunded, if any, upon the revenues of the System; provided, however, that if only a portion of the Bonds are refunded and if said Bonds are refunded in such manner that the refunding bonds bear a higher average rate of interest or become due on a date earlier than that of the Bonds which are refunded, then said Bonds may be refunded without complying with the provisions of Section 902 hereof only by and with the written consent of the Registered Owners of a majority in principal amount of the Bonds not refunded.

(Ord. 159, §904)

Sec. 10-40. Acceleration of Maturity Upon Default.

The Village covenants and agrees that if it shall default in the payment of the principal of or interest on any of the Bonds as the same shall become due on any Bond Payment Date, or if the Village or its governing body or any of the officers, agents or employees thereof shall fail or refuse to comply with any of the provisions of this Ordinance or of the constitution or statutes of the State of Missouri, and such default shall continue for a period of 60 days after written notice specifying such default shall have been given to the Village by the Registered Owner of any Bond then Outstanding, then, at any time thereafter and while such default shall continue, the Registered Owners of 25% in principal amount of the Bonds then Outstanding may, by written notice to the Village filed in the office of the Village Clerk or delivered in person to said Village Clerk, declare the principal of all Bonds then Outstanding to be due and payable immediately, and upon any such declaration given as aforesaid, all of said Bonds shall become and be immediately due and payable, anything in this Ordinance or in the Bonds contained to the contrary notwithstanding. This provision, however, is subject to the condition that if at any time after the principal of said Outstanding Bonds shall have been so declared to be due and payable, all arrears of interest upon all of said Bonds, except interest accrued but not yet due on such Bonds, and all arrears of principal upon all of said Bonds shall have been paid in full and all other defaults, if any, by the Village under the provisions of this Ordinance and under the provisions of the statutes of the State of Missouri shall have been cured, then and in every such case the Registered Owners of a majority in principal amount of the Bonds then Outstanding, by written notice to the Village given as hereinbefore specified, may rescind and annul such declaration and its consequences, but no such rescission or annulment shall extend to or affect any subsequent default or impair any rights consequent thereon.
(Ord. 159, §1001)

Sec. 10-41. Other Remedies.

The provisions of this Ordinance, including the covenants and agreements herein contained, shall constitute a contract between the Village and the Registered Owners of the Bonds, and the Registered Owner or Owners of not less than 10% in principal amount of the Bonds at the time Outstanding shall have the right for the equal benefit and protection of all Registered Owners of Bonds similarly situated:

- (a) By mandamus or other suit, action or proceedings at law or in equity to enforce the rights of such Registered Owner or Owners against the Village and its officers, agents and employees, and to require and compel duties and obligations required by the provisions of this Ordinance or by the constitution and laws of the State of Missouri;
- (b) By suit, action or other proceedings in equity or at law to require the Village, its officers, agents and employees to account as if they were the trustees of an express trust; and
- (c) By suit, action or other proceedings in equity or at law to enjoin any acts or things which may be unlawful or in violation of the rights of the Registered Owners of the Bonds.

(Ord. 159, §1002)

Sec. 10-42. Limitation on Rights of Bondowners.

No one or more Bondowners secured hereby shall have any right in any manner whatever by his or their action to affect, disturb or prejudice the security granted and provided for herein, or to enforce any right hereunder, except in the manner herein provided, and all proceedings at law or in equity shall be instituted, had and maintained for the equal benefit of all Registered Owners of such Outstanding Bonds.

(Ord. 159, §1003)

Sec. 10-43. Remedies Cumulative.

No remedy conferred herein upon the Bondowners is intended to be exclusive of any other remedy, but each such remedy shall be cumulative and in addition to every other remedy and may be exercised without exhausting and without regard to any other remedy conferred herein. No waiver of any default or breach of duty or contract by the Registered Owner of any Bond shall extend to or affect any subsequent default or breach of duty or contract or shall impair any rights or remedies consequent thereon. No delay or omission or any Bondowner to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver of any such default or acquiescence therein. Every substantive right and every remedy conferred upon the Registered Owners of the Bonds by this Ordinance may be enforced and exercised from time to time and as often as may be deemed expedient. In case any suit, action or proceedings taken by any Bondowner on account of any default or to enforce any right or exercise any remedy shall have been discontinued or abandoned for any reason, or shall have been determined adversely to such Bondowner, then, and in every such case, the Village and the Registered Owners of the Bonds shall be restored to their former positions and rights hereunder, respectively, and all rights, remedies, powers and duties of the Bondowners shall continue as if no such suit, action or other proceedings had been brought or taken.

(Ord. 159, §1004)

Sec. 10-44. No Obligation to Levy Taxes.

Nothing contained in this Ordinance shall be construed as imposing on the Village any duty or obligation to levy any taxes either to meet any obligation incurred herein or to pay the principal of or interest on the Bonds.

(Ord. 159, §1005)

Sec. 10-45. Defeasance.

When any or all of the Bonds or the interest payments thereon shall have been paid and discharged, then the requirements contained in this Ordinance and the pledge of revenues made hereunder and all other rights granted hereby shall terminate with respect to the Bonds so paid and discharged. Bonds or the interest payments thereon shall be deemed to have been paid and discharged within the meaning of this Ordinance if there shall have been deposited with the

Paying Agent, or other commercial bank or trust company located in the State of Missouri and having full trust powers, at or prior to the Stated Maturity or Redemption Date of said Bonds or the interest payments thereon, in trust for and irrevocably appropriated thereto, moneys and/or Defeasance Obligations which, together with the interest to be earned on any such Defeasance Obligations, will be sufficient for the payment of the principal or Redemption Price of said Bonds, and/or interest to accrue on such Bonds to the Stated Maturity or Redemption Date, as the case may be, or if default in such payment shall have occurred on such date, then to the date of tender of such payments; provided, however, that if any such Bonds shall be redeemed prior to the Stated Maturity thereof, (1) the Village shall have elected to redeem such Bonds, and (2) either notice of such redemption shall have been given, or the Village shall have given irrevocable instructions to the Paying Agent to redeem such Bonds. Any moneys and Defeasance Obligations that at any time shall be deposited with the Paying Agent or other commercial bank or trust company by or on behalf of the Village, for the purpose of paying and discharging any of the Bonds or the interest payments thereon, shall be and are hereby assigned, transferred and set over to the Paying Agent or other bank or trust company in trust for the respective Registered Owners of the Bonds, and such money's shall be and are hereby irrevocably appropriated to the payment and discharge thereof. All moneys and Defeasance Obligations deposited with the Paying Agent or other bank or trust company shall be deemed to be deposited in accordance with and subject to all of the provisions contained in this Ordinance.
(Ord. 159, §1006)

Sec. 10-46. Amendments.

The rights and duties of the Village and the Bondowners, and the terms and provisions of the Bonds or of this Ordinance, may be amended or modified at any time in any respect by ordinance of the Village with the written consent of the Registered Owners of not less than a majority in principal amount of the Bonds then Outstanding, such consent to be evidenced by an instrument or instruments executed by such Registered Owners and duly acknowledged or proved in the manner of a deed to be recorded, and such instrument or instruments shall be filed with the Village Clerk, but no such modification or alteration shall:

- (a) Extend the maturity of any payment of principal or interest due upon any Bond;
- (b) Effect a reduction in the amount which the Village is required to pay by way of principal of or interest on any Bond;
- (c) Permit the creation of a lien on the revenues of the System prior or equal to the lien of the Bonds or Parity Bonds;
- (d) Permit preference or priority of any Bonds over any other Bonds; or
- (e) Reduce the percentage in principal amount of Bonds required for the written consent to any modification or alteration of the provisions of this Ordinance.

Any provision of the Bonds or of this Ordinance may, however, be amended or modified by ordinance duly adopted by the governing body of the Village at any time in any respect with the written consent of the Registered Owners of all of the Bonds at the time Outstanding.

Without the consent of Bondowners, the Village may amend or supplement the Ordinance for the purpose of curing any formal defect, omission, inconsistency or ambiguity therein or in connection with any other change therein which is not materially adverse to the interests of the Bondowners.

Every amendment or modification of the provisions of the Bonds or of this Ordinance, to which the written consent of the Bondowners is given, as above provided, shall be expressed in an ordinance adopted by the governing body of the Village amending or supplementing the provisions of this Ordinance and shall be deemed to be a part of this Ordinance. A certified copy of every such amendatory or supplemental ordinance, if any, and a certified copy of this Ordinance shall always be kept on file in the office of the Village Clerk, and shall be made available for inspection by the Registered Owner of any Bond or a prospective purchaser or owner of any Bond authorized by this Ordinance, and upon payment of the reasonable cost of preparing the same, a certified copy of any such amendatory or supplemental ordinance or of this Ordinance will be sent by the Village Clerk to any such Bondowner or prospective Bondowner. It shall not be necessary to note on any of the Outstanding Bonds any reference to such amendment or modification.

Any and all modifications made in the manner hereinabove provided shall not become effective until there has been filed with the Village Clerk a copy of the ordinance of the Village hereinabove provided for, duly certified, as well as proof of any required consent to such modification by the Registered Owners of the Bonds then Outstanding. It shall not be necessary to note on any of the Outstanding Bonds any reference to such amendment or modification.

The Village shall furnish to the Paying Agent a copy of any amendment to the Bonds or this Ordinance made hereunder, and no such amendment which affects the duties or obligations of the Paying Agent under this Ordinance shall become effective until the Paying Agent shall have consented thereto.
(Ord. 159, §1201)

Sec. 10-47. Amendments.

Any notice, consent, request, direction, approval, objection or other instrument required by this Ordinance to be signed and executed by the Bondowners may be in any number of concurrent writings of similar tenor and may be signed or executed by such Bondowners in person or by agent appointed in writing. Proof of the execution of any such instrument or of the writing appointing any such agent and of the ownership of Bonds, if made in the following manner, shall be sufficient for any of the purposes of this Ordinance, and shall be conclusive in favor of the Village and the Paying Agent with regard to any action taken, suffered or omitted under any such instrument, namely:

- (a) The fact and date of the execution by any person of any such instrument may be proved by a certificate of any officer in any jurisdiction who by law has power to take acknowledgments within such jurisdiction that the person signing such instrument acknowledged before such officer the execution thereof, or by affidavit of any witness to such execution.

(b) The fact of ownership of Bonds, the amount or amounts, numbers and other identification of Bonds, and the date of holding the same shall be proved by the Bond Register.

In determining whether the Registered Owners of the requisite, principal amount of Bonds Outstanding have given any request, demand, authorization, direction, notice, consent or waiver under this Ordinance, Bonds owned by the Village shall be disregarded and deemed not to be Outstanding under this Ordinance, except that, in determining whether the Bondowners shall be protected in relying upon any such request, demand, authorization, direction, notice, consent or waiver, only Bonds which the Bondowners know to be so owed shall be so disregarded. Notwithstanding the foregoing, Bonds so owned which have been pledged in good faith shall not be disregarded as aforesaid if the pledgee establishes to the satisfaction of the Bondowners the pledgee's right so to act with respect to such Bonds and that the pledgee is not the Village. (Ord. 159, §1202)

Sec. 10-48. Further Authority.

The officers of the Village, including the Chairman and Village Clerk, shall be, and they hereby are, authorized and directed to execute all documents and take such actions as they may deem necessary or advisable in order to carry out and perform the purposes of this Ordinance and to make ministerial alterations, changes or additions in the foregoing agreements, statements, instruments and other documents herein approved, authorized and confirmed which they may approve and the execution or taking of such action shall be conclusive evidence of such necessity or advisability. (Ord. 159, §1203)

Sec. 10-49. Severability.

If any section or other part of this Ordinance, whether large or small, shall for any reason be held invalid, the invalidity thereof shall not affect the validity of the other provisions of this Ordinance. (Ord. 159, §1204)

Sec. 10-50. Governing Law.

This Ordinance shall be governed exclusively by and constructed in accordance with the applicable laws of the State of Missouri. (Ord. 159, §1205)

Sec. 10-51. Effective Date.

This Ordinance shall take effect and be in full force from and after its passage by the Board of Trustees. (Ord. 159, §1206)