

ORDINANCE NO. 2006-10

An Ordinance amending Ordinance No. 2006-5

WHEREAS, the Town of Cloverdale, Indiana (the "Town") adopted Ordinance No. 2006-5 ("Ordinance) on May 30, 2006; and

WHEREAS, the Ordinance approved the issuance of Bonds (as defined in the Ordinance) in an aggregate principal amount not to exceed \$2,400,000 and the cost of the Project (as defined by the Ordinance) in an amount not to exceed \$2,600,000; and

WHEREAS, based upon construction bids received for the Project, the Town, with the advice of its financial advisor, O.W. Krohn & Associates, LLP, has determined that the cost of the Project will increase to the amount of \$3,200,000; and

WHEREAS, the Town has issued Bonds, dated June 30, 2006, under the Ordinance in the amount of \$2,156,000 ("2006 Bonds"); and

WHEREAS, the Town Council finds that it has funds from the 2003 Bonds (as defined in the Ordinance) available to apply to the costs of the Project and that it is necessary to finance the balance of the costs of the Project by the issuance of an additional series of sewage works revenue bonds which results in the total amount of Bonds authorized under the Ordinance to equal an amount not to exceed Three Million Dollars (\$3,000,000);

NOW THEREFORE, BE IT ORDAINED BY THE TOWN COUNCIL OF THE TOWN OF CLOVERDALE, INDIANA, THAT:

Section 1. Section 1 of the Ordinance is hereby amended to change the maximum cost of construction of the Project from "shall not exceed the sum of \$2,600,000, plus investment earnings on the BAN and bond proceeds," to "shall not exceed the sum of \$3,200,000, plus investment earnings on the BAN and bond proceeds."

Section 2. The first sentence of Section 2(b) of the Ordinance is hereby amended as follows:

The Town shall issue its sewage works bonds, in two series, designated "Sewage Works Revenue Bonds of 2006" and "Sewage Works Revenue Bonds of 2007" (collectively, "Bonds"), in an aggregate principal amount not to exceed Three Million Dollars (\$3,000,000) for the purpose of procuring funds to apply on the costs of the Project, including the refunding of BANs, if issued, and issuance costs.

Section 3. Section 2(b) of the Ordinance shall be amended to include the following sentence at the end of the first paragraph:

Both series of Bonds authorized hereunder shall rank on a parity for all purposes including the pledge of Net Revenues under this ordinance.

Section 4. Section 14(d) of the Ordinance is amended and restated as follows:
“The Sinking Fund (containing the Bond and Interest Account and the Reserve Account) and the Construction Account, may be held by a financial institution acceptable to the Authority as part of its SRF Program, pursuant to terms acceptable to the Authority. If the Sinking Fund and the accounts therein are so held in trust, the Town shall transfer the monthly required amounts of Net Revenues to the Bond and Interest Account and the Reserve Account in accordance with this Section of the ordinance, and the financial institution holding such funds in trust shall be instructed to pay the required payments in accordance with the payment schedules for the Town’s outstanding bonds. If the Construction Account is so held in trust, the Town shall deposit the proceeds of the Bonds therein until such proceeds are applied consistent with this ordinance and the Financial Assistance Agreement. The financial institution selected to serve in this role may also serve as the Registrar and the Paying Agent for any outstanding bonds of the Town,

including the Bonds. The President of the Town Council and Clerk-Treasurer are hereby authorized to execute and deliver an agreement with a financial institution to reflect this trust arrangement for the Sinking Fund and the Construction Account in the form of trust agreement as approved by the President of the Town Council and Clerk-Treasurer, consistent with the terms and provisions of this ordinance.”

Section 5. The last paragraph in Section 10 of the Ordinance is amended and restated as follows:

“If the Bonds are sold to the Authority, to the extent that (a) the total principal amount of the Bonds is not paid by the purchaser or drawn down by the Town or (b) proceeds remain in the Construction Account and are not applied to the Project (or any modifications or additions thereto approved by the Department and the Authority), the Town shall reduce the principal amount of the Bond maturities to effect such reduction in a manner that will allow the Town to meet the coverage and/or amortization requirements of the SRF Program as described in Section 2 subject to and upon the terms forth in the Financial Assistance Agreement.”

Section 6. Any reference to IC 5-13, as amended and supplemented, in the Ordinance shall mean and include I.C. 5-13, as amended or supplemented including pursuant to I.C. 4-4-11 and I.C. 13-18-13.

Section 7. The Financial Assistance Agreement attached to the Ordinance is replaced by the form attached thereto.

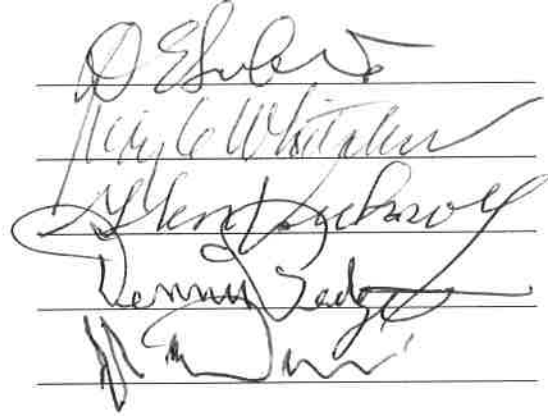
Section 8. All corresponding changes to the form of bond set forth in Section 5 of the Ordinance are hereby authorized.

Section 9. All other provisions of the Ordinance not in conflict herewith, shall remain in full force and effect. The Town Council hereby determines that the adoption of this ordinance does not adversely affect the rights of the owners of the outstanding 2006 Bonds.

Section 10. This ordinance shall be in full force and effect from and after its passage.

Passed and adopted this 12th day of December, 2006.

TOWN OF CLOVERDALE
TOWN COUNCIL



The image shows five handwritten signatures in cursive script, each written on a horizontal line. The signatures are arranged vertically from top to bottom. The first signature is the most legible, appearing to read 'D. G. ...'. The other four signatures are more stylized and difficult to decipher.

Attest:



A handwritten signature in cursive script, written on a horizontal line. The signature is somewhat stylized but appears to read 'Patricia ...'.

Clerk Treasurer