

Date June 26, 1968

Bill No. 16

Ordinance No. 16

AN ORDINANCE AUTHORIZING THE ISSUANCE OF WATERWORKS REVENUE BOND, OF THE VILLAGE OF ST. ELIZABETH, MISSOURI, IN THE PRINCIPAL AMOUNT OF \$ 86,000.00 FOR THE PURPOSE OF PAYING THE COST OF PURCHASING, CONSTRUCTING, EXTENDING AND IMPROVING A REVENUE PRODUCING WATERWORKS SYSTEM TO BE OWNED EXCLUSIVELY BY THE MUNICIPALITY PRESCRIBING THE FORM AND DETAILS OF SAID WATERWORKS REVENUE BOND AND THE COVENANTS AND AGREEMENTS MADE BY SAID MUNICIPALITY TO FACILITATE THE PAYMENT THEREOF, AND PROVIDING FOR THE COLLECTION, SEGREGATION AND APPLICATION OF THE REVENUES OF THE WATERWORKS SYSTEM OF SAID MUNICIPALITY FOR THE PURPOSE OF PAYING THE COST OF THE OPERATION AND MAINTENANCE OF SAID WATERWORKS SYSTEM AND THE INTEREST ON AND PRINCIPAL OF SAID WATERWORKS REVENUE BOND.

WHEREAS, the Village of St. Elizabeth, Missouri, a municipal corporation, sometimes herein referred to as the "municipality" does not own or operate a waterworks system, and its Board of Trustees, sometimes herein referred to as the "Board," having made due investigation, finds and determines that it is advisable that such a waterworks system be constructed by the municipality, and

WHEREAS, the said Board now finds and determines the estimated cost to the municipality of constructing such a waterworks will be at least in the amount of \$ 86,000.00 which must be provided through the issuance of a waterworks revenue bond, and

WHEREAS, pursuant to the provisions of Section 27, of Article VI of the Constitution of Missouri of 1945, as amended, an ordinance was duly passed by the Board of the municipality whereby a special election was ordered to be held in said municipality on Tuesday, May 23, 1967, for the purpose of submitting to the qualified electors of said municipality a proposition to issue the negotiable interest bearing waterworks revenue bonds of the municipality to the principal amount of \$ 110,000.00 for the purpose of paying the cost of purchasing constructing, extending and improving a revenue producing waterworks system to be owned exclusively by the municipality, the cost of operation and maintenance of said waterworks and the principal of and interest on said waterworks revenue bonds to be payable solely from the revenues derived by said municipality from the operation of said waterworks system, and

WHEREAS, pursuant to said ordinance, notice of said special election was duly prepared and executed and the same was duly and regularly published, and

WHEREAS, said special election was duly held in said municipality on Tuesday, May 23, 1967, in accordance with the provisions of said ordinance and notice, and the Constitution and laws of the State of Missouri, and

WHEREAS, the votes cast at said special election were duly canvassed as provided by law, and it was found and determined that more than four sevenths of the qualified electors of said municipality voting on the proposition voted in favor of the issuance of \$ 110,000.00 of waterworks revenue bonds of said municipality for the purpose aforesaid, the vote on said proposition having been 75 votes for said proposition to 10 votes against said proposition, and

WHEREAS, the Board of the municipality hereby finds and determines that the cost of purchasing, constructing, extending and improving a revenue producing waterworks system to be owned exclusively by the municipality, to be paid out of the proceeds of a revenue bond heretofore authorized will equal the sum of \$ 86,000.00 and that it is necessary at this time that said municipality issue and deliver forthwith a waterworks revenue bond in said principal amount of \$ 86,000.00 for

NOW, THEREFORE, BE IT ORDAINED BY THE BOARD OF TRUSTEES OF THE VILLAGE
OF ST. ELIZABETH, MISSOURI, AS FOLLOWS:

Section 1: That for the purpose of paying the cost of purchasing, constructing, extending and improving a revenue producing waterworks system to be owned exclusively by the municipality, there is hereby authorized and directed to be issued a negotiable interest bearing Waterworks Revenue Bond of the municipality in the principal amount of \$86,000.00, said bond to be payable solely from the revenues derived by said municipality from the operation of its waterworks system as hereinafter provided.

Section 2: That said Waterworks Revenue Bond of the municipality shall consist of one bond in the denomination of \$86,000. Said bond shall be signed by the Chairman of the Board, and attested by the Clerk of said municipality and shall have the corporate seal of the municipality affixed thereto. The Bond shall be dated July 16, 1968, and shall bear interest at the rate of 4 1/8 % per annum on the unpaid principal balance from the date of payment for and delivery of said bond until said principal and interest have been fully paid, payable January 1, 1971, and thereafter annually on January 1 in each year. The Village Treasurer shall endorse the bond on the date on which said bond was paid for and delivered.

The said principal and interest shall be payable in the following installments, on the following dates:

\$5,125.00 January 1, 1971, \$5,125.00 January 1, 1972, \$5,125.00 January 1, 1973, and \$5,125.00 annually thereafter on January 1, until the principal and interest are fully paid except that the final installment of the entire remaining unpaid principal and interest on this bond, if not sooner paid, shall be due and payable on January 1, 2003. The consideration for the bond shall support any agreed or decreed modifications in the foregoing schedule of combined principal and interest payments which are in accord with and not contrary to the laws of Missouri.

Every payment made on any indebtedness evidenced by this Waterworks Revenue Bond shall be applied first to accrued interest and then to principal.

Prepayment of scheduled installments, or any portion thereof, may be made at any time at the option of the municipality. Refunds and extra payments, as defined in the regulations of the Farmers Home Administration according to the source of the funds involved, shall, after payment of interest, be applied to the installments last to become due under this bond and shall not affect the obligation of the municipality to pay the remaining installments as scheduled herein.

So long as the United States of America acting through the Farmers Home Administration, United States Department of Agriculture (hereinafter called the Government) is the registered owner of this bond, it shall be payable as to principal and interest as indicated thereon at the office of the Farmers Home Administration, Eldon, Missouri, or at such other place as may be designated by the Government by registered or certified mail addressed to the Chairman of Board of the Village of St. Elizabeth, Missouri, and mailed not less than 40 days prior to any installment payment due date.

The Waterworks Revenue Bond, herein authorized, shall be issued without coupons and shall be payable in any coin or currency which, on each respective payment date, is legal tender for debts due the United States of America. Said bond shall be negotiable, and shall be payable to the United States of America, acting through the Farmers Home Administration, United States Department of Agriculture, and transferrable on the books of the bond registrar. The bond

Section 3: The \$ 86,000.00 negotiable interest bearing Waterworks Revenue Bond of the municipality, hereinbefore authorized, shall be in the form and shall contain recitals substantially as follows, which upon issuance of the bond shall have the same force and effect as any other provision of this ordinance:

\$ 86,000.00

UNITED STATES OF AMERICA
STATE OF MISSOURI
COUNTY OF MILLER
VILLAGE of ST. ELIZABETH

WATERWORKS REVENUE BOND

KNOW ALL MEN BY THESE PRESENTS: That the Village of St. Elizabeth, in the County of Miller, State of Missouri, hereinafter referred to as the "municipality," for value received, hereby promises to pay, but only from the net revenues derived by said municipality from the operation of the waterworks system owned exclusively by said municipality, hereinafter referred to, to the United States of America, acting through the Farmers Home Administration, United States Department of Agriculture (herein called the Government), the sum of

EIGHTY-SIX THOUSAND DOLLARS

AND to pay interest thereon from the date of the payment for and delivery of this bond, as evidenced by the Certificate of the Treasurer of the municipality appearing on this bond, at the rate of four and one-eighth percent (4.125%) per annum, payable January 1, 1971, and thereafter annually on January 1 in each year on the unpaid principal balance until paid in full.

The said principal and interest shall be payable in the following installments, on the following dates:

\$5,125.00 January 1, 1971, \$5,125.00 January 1, 1972, \$5,125.00 January 1, 1973, and \$5,125.00 annually thereafter on January 1, until the principal and interest are fully paid except that the final installment of the entire remaining unpaid principal and interest on this bond, if not sooner paid, shall be due and payable on January 1, 2003. The consideration for this bond shall support any agreed or decreed modifications in the foregoing schedule of combined principal and interest payments which are in accord with and not contrary to the laws of Missouri.

Every payment made on any indebtedness evidenced by this Waterworks Revenue Bond shall be applied first to accrued interest and then to principal.

Prepayment of scheduled installments or any portion thereof may be made at any time at the option of the municipality. Refunds and extra payments, as defined in the regulations of the Farmers Home Administration according to the source of the funds involved, shall, after payment of interest, be applied to the installments last to become due under this bond and shall not affect the obligation of the municipality to pay the remaining installments as scheduled herein.

Both principal of and interest on this bond are hereby made payable in any coin or currency which, on the respective dates of payment of principal and interest, is legal tender for the payment of debts due the United States of America. Final payment of the entire indebtedness and interest and principal installment payments accruing on this bond shall be payable upon presentation of the bond at the Bank of St. Elizabeth in the Village of St. Elizabeth Missouri except as provided in the next succeeding paragraph

This bond in the principal amount of \$ 86,000.00, is issued by the municipality for the purpose of paying a portion of the cost of constructing a waterworks system for said municipality, and is issued pursuant to the Constitution and laws of the State of Missouri, including particularly Section 27 of Article VI of the Constitution of Missouri, and pursuant to an election duly held in the municipality on Tuesday, May 23, 1967, at which more than four sevenths of the qualified electors of said municipality voting on the proposition voted in favor of the issuance of said bond, pursuant to ordinances duly passed and proceedings duly had by the Board of Trustees and approved by the Chairman of the Board of said municipality.

The principal and interest on this bond are payable only from the net revenues derived by the municipality from the operation of the waterworks system to be owned exclusively by said municipality, including revenues derived from extensions and improvements of said waterworks system hereafter constructed or acquired by said municipality, and neither this bond nor the interest hereon shall be payable in whole or in part out of the funds raised by taxation. This bond shall not be or constitute a general obligation of the municipality nor shall it constitute an indebtedness of such municipality within the meaning of any constitutional or statutory limitation. This bond herein authorized shall constitute a first claim upon the said net revenues of said waterworks system according to the terms of this bond and the authorizing ordinance. Under the terms of such ordinance the Municipality has the right to issue additional parity bonds payable from the same sources and secured by the same revenues as this bond, provided, however, such additional bonds will be so issued only in accordance with and subject to the covenants, conditions and restrictions relating thereto set forth in said ordinance

Said municipality hereby covenants with the holder of this bond to keep and perform all covenants and agreements contained in the ordinance of said municipality authorizing the issue of this Waterworks Revenue Bond, of said municipality, and said municipality will fix, establish, maintain and collect such rates, fees, or charges for water or water service furnished by or through the waterworks of said municipality including all extensions and improvements thereof hereafter constructed or acquired by said municipality as will produce revenues sufficient to provide funds to pay the cost of the operation and maintenance of said waterworks and to pay the principal of and interest on this bond as and when the principal and interest on same become due, and to provide adequate reserves therefor.

This bond is negotiable. This bond shall be registered and transferred in accordance with the provisions printed on this bond and subject to the terms and conditions set out in the authorizing ordinance. During the time this bond is registered to bearer, each successive holder of this bond is conclusively presumed to forego and renounce his equities in favor of subsequent holders for value without notice and agree that this bond may be transferred by delivery by any person having possession hereof, howsoever such possession may have been acquired, and that any holder who shall have taken this bond from any person for value and without notice, thereby has absolute title thereto, free from any defenses enforceable against any prior holder and free from all equities and claims of ownership of any such prior holder, and the municipality, its officials and the paying agent hereinabove named shall not be affected by any notice to the contrary.

To the extent provided in the aforesaid ordinance authorizing the issuance of this bond, the provisions of the bond, or of said ordinance, including any amendment or supplement thereto, may be modified or amended by the municipality only with the written consent of the holder and it shall not be necessary to note hereon any reference to such modification or amendment. Any holder or prospective purchaser or holder of this bond shall have the right to examine the provisions of said ordinance and any and all of its amendments or supplements. A copy of said ordinance and of any and all of its amendments and supplements, will,

the revenues of extensions and improvements to said waterworks system hereafter constructed or acquired, and for the application of the same for the purpose of paying the cost of the operation and maintenance of such waterworks system and to the payment of the principal of and interest on this bond, as and when the payments become due, and to provide adequate reserves therefor. The municipality hereby covenants and agrees that there will be prompt payment of the principal and interest on this bond, and that there will be faithful performance in due time and manner of each and every official act necessary therefor, and the municipality hereby pledges said net revenues of the waterworks system for the payment of this bond as aforesaid, and covenants that no other or prior pledge of or lien upon said revenues has been made or exists.

IN WITNESS WHEREOF, the municipality has executed this bond by causing it to be signed by its Chairman of the Board and attested by its Clerk, and its corporate seal to be hereto affixed and this bond to be dated the 16th day of July, 1968.

Village of St. Elizabeth

By _____
Chairman of the Board

ATTEST:

Village Clerk

The following form shall be printed on and as a part of said bond:

CERTIFICATE AS TO DATE OF PAYMENT AND DELIVERY

I, the undersigned, Treasurer of the municipality hereby certify that the within bond was paid for by and delivered to the original purchaser of this bond on the date of this certificate.

WITNESS MY HAND this 16th day of July, 1968.

Treasurer, St. Elizabeth, Missouri

The following form shall be printed on and as a part of said bond:

PROVISIONS FOR REGISTRATION

(No writing to be placed hereon except by Bond Registrar)

This bond shall be registered on the books of the municipality kept by the _____ Bank of St. Elizabeth, as Bond Registrar, at its office in the Village of St. Elizabeth, Missouri, upon presentation hereof to the Bond Registrar who shall make notation of such registration in the registration blank below, and this bond may thereafter be transferred only upon a duly executed assignment of the registered holder or his legal representative in such form as shall be satisfactory to the Bond Registrar, such transfer to be made on such books and endorsed hereon by the Bond Registrar. If the last transfer recorded on the registration books shall be to bearer, the principal and interest on the bond shall be payable to the bearer but this bond shall again be subject to successive registrations and transfers as before. This bond, unless registered to bearer, shall be payable only to or upon the order of the registered holder or his legal representative.

Section 4: That the Chairman of the Board and the Clerk are hereby authorized and directed to prepare and execute the Waterworks Revenue Bond hereinafter described, the Clerk is hereby authorized and directed to record said bond in a book or record to be kept and maintained in his office. Upon the execution and recording of said bond as aforesaid, the Chairman of the Board and the Clerk shall deliver said bond to the purchaser thereof, upon payment of the purchase price. The principal amount received from the sale of said bond shall be deposited in a separate fund to be known and hereafter referred to as the "Waterworks Construction Fund" in a "supervised bank account," as described in the regulations of the Farmers Home Administration, with some bank or banks which are insured by the Federal Deposit Insurance Corporation, under a Deposit Agreement prescribed by the Farmers Home Administration, and shall be used by said municipality solely for the purpose of paying the cost of constructing a waterworks for said municipality as herein provided; provided, however, that withdrawals from said fund shall be made only for a purpose within the scope of this ordinance and only for such purposes as shall have been previously specified in a signed certificate of purpose filed with and approved by the Government as purchaser of said bond. Any sum received by said municipality on account of accrued interest on said Waterworks Construction Fund shall be deposited in said Sinking Fund. Any excess bond proceeds remaining in the Waterworks Construction Fund after completion of construction and not required to pay unpaid costs of construction shall be used for the prepayment of the principal of said bond.

Section 5: That the principal of and interest on the Waterworks Revenue Bond of the municipality herein authorized shall be payable solely from the net revenues derived by said municipality from the operation of the waterworks system owned by said municipality, including income derived from extensions and improvements to said waterworks hereafter constructed or acquired, which net revenues for the payment of such principal and interest are hereby irrevocably pledged by the municipality. Neither said bond nor the interest thereon shall be payable in whole or in part out of funds raised by taxation; such bond shall not be or constitute a general obligation of said municipality nor shall it constitute an indebtedness of said municipality within the meaning of any constitutional or statutory limitation. This bond shall constitute a first claim or lien upon the said net revenues of said waterworks system according to the terms of this ordinance.

Section 6: That there is hereby created in the treasury of the municipality a special fund and it is hereby ordered that a separate bank account be established for the purpose of handling all revenues and expenses of the waterworks system owned and operated by said municipality, to be known and hereafter referred to as the "Waterworks Revenue Fund." So long as any principal of the Waterworks Revenue Bond of said municipality herein authorized remains outstanding and unpaid, said municipality covenants and agrees that it will maintain said Waterworks Revenue Fund and that all of the revenues of the waterworks system of said municipality, including all revenues of all extensions and improvements thereto hereafter constructed or acquired, will be paid into said Waterworks Revenue Fund and that the same will not be mingled with the other funds of said municipality. The current expenses of the waterworks system, as hereinafter defined, shall be paid by said municipality from month to month as a first charge against the Waterworks Revenue Fund as the same become due and payable. Such current expenses shall include all reasonable and necessary costs of operating, repairing, maintaining and insuring the waterworks system but shall exclude depreciation and payments into the Sinking Fund, Bond Reserve Fund, and Replacement and Extension Fund provided for by the terms of this ordinance. The municipality covenants and agrees that the current expenses of the operation and maintenance of the waterworks system in any year shall not exceed the reasonable and necessary amounts therefor.

All moneys held in said Waterworks Revenue Fund and in the special Funds and accounts created and maintained under the terms and provisions of this ordinance shall be kept on deposit in separate bank accounts in a bank or banks which are insured by the Federal Deposit Insurance Corporation.

Section 8: That so long as any of the principal of the Waterworks Revenue Bond herein authorized, remains unpaid, the municipality will, out of the Waterworks Revenue Fund hereinbefore created, pay each month the current expenses of the operation and maintenance of the waterworks of the municipality and after making provision for the payment of the estimated current expenses of operating and maintaining said waterworks for the next ensuing month, said municipality will pay into the Sinking Fund, hereinbefore created, at monthly intervals, on the first day of each month, beginning on the first day of the month following one full calendar month's operation of the waterworks system of the municipality, all remaining moneys in said Waterworks Revenue Fund until such time as the funds accumulated therein are sufficient to pay the next installment of interest and principal becoming due on the next January 1 (together with sums sufficient to pay the charges of the fiscal agent for paying same).

The amounts required to be paid, as aforesaid, into the Sinking Fund shall be used by the said municipality for the sole purpose of paying the interest on and principal payments of the Waterworks Revenue Bond herein authorized; provided, however, that said municipality may use the moneys in said sinking fund for the purpose of prepayment of the entire remaining principal and interest balance on said bond in the manner hereinbefore specified.

Section 9: There is hereby created in the treasury of said municipality to be kept and maintained as a separate bank account, a special fund to be known and hereafter referred to as the "Bond Reserve Fund." Said municipality covenants and agrees that so long as any of the principal of the Waterworks Revenue Bond herein authorized remains unpaid, it will maintain said fund, and it will, after making the payments hereinabove provided, pay into said Bond Reserve Fund the remaining moneys derived from operation of said waterworks system, until there has accumulated in said fund the sum of not less than \$ 4,400.00, either in cash or in the then current market or redemption value of any investment authorized by the terms of this ordinance. After there has accumulated in said Bond Reserve Fund the sum of \$ 4,400.00, no further deposits shall be required, but if any moneys in said fund are used for any purpose herein authorized, the said municipality thereafter shall resume said deposits until there accumulates the sum of \$ 4,400.00 in said fund. Moneys in said Bond Reserve Fund shall be used for the purpose of paying the principal of and interest on the bond herein authorized, if the moneys in said sinking fund are insufficient to pay the same as the same become due. No moneys in said Bond Reserve Fund shall be used for the purpose of prepayment of principal of the bond herein authorized, unless the entire remaining unpaid principal balance of said bond is paid. Transfers of the sums required by the terms of this section shall be in amounts sufficient to cause said Bond Reserve Fund to reach at least \$ 2,200.00 by January 1, 1974, and \$ 4,400.00 by January 1, 1979.

Section 10: That after making all payments, transfers and deposits provided for by Sections 6, 7, 8, and 9 of this ordinance, there shall be created in the treasury of the municipality a "Replacement and Extension Fund." So long as any of the principal of the Waterworks Revenue Bond of the municipality remains unpaid, the municipality covenants and agrees to maintain said Fund and establish and maintain the same as a separate bank account and to deposit in said Fund and bank account from and after its creation, monthly, on the first day of each month, all remaining moneys in said Waterworks Revenue Fund until such time as the funds in said Replacement and Extension Fund, including the current market value of any investments authorized by the terms of this ordinance, shall aggregate the principal amount of \$ 3,000.00. Said Replacement and Extension Fund shall be expended and used, upon appropriate certification to the Treasurer of the municipality, solely to pay the cost of any unusual or extraordinary maintenance, repairs or replacements, exclusive of any current expenses, or for the purpose of paying the cost of the extensions or improvements to the waterworks system which will either enhance its revenue producing capacity or provide a higher or better degree

Section 11: After making all payments, transfers, and deposits provided for by Sections 6, 7, 8, 9, and 10 of this ordinance, any surplus remaining thereafter in said Waterworks Revenue Fund may be expended by the municipality for the purpose of prepaying principal of the Waterworks Revenue Bond herein authorized in the manner herein authorized, or for any other lawful municipal purpose.

Section 12: If at any time the revenues derived by the municipality from the operation of its waterworks system shall be insufficient to make any payment on the date or dates hereinbefore specified, the municipality shall make good the amount of such deficiency by making additional payments out of the first available revenues thereafter received by the municipality from the operation of its waterworks system.

Cash moneys in the funds established by this ordinance, shall be kept in a bank or banks which are insured by the Federal Deposit Insurance Corporation. The cash moneys held in the Sinking Fund, Bond Reserve Fund, and Replacement and Extension Fund may be invested by the municipality if permitted by law, in direct obligations of, or obligations the principal of and interest on which are guaranteed by, the United States Government which have a fixed redemption value or become due within five years from the date of purchase and which may be readily converted into cash. Investment income derived from any fund shall remain a part of such fund and shall be used only for the purposes for which such fund may be used.

Section 13: The Municipality covenants with the Government and with each of the holders of any of the Waterworks Revenue Bonds which are not insured by the Government that so long as any of the said bonds remain outstanding and unpaid:

- (a) The municipality will fix, establish, maintain and collect such rates, fees or charges for water and water service furnished by or through the waterworks system of the municipality, including all extensions and improvements thereto hereafter constructed or acquired by the municipality, as will produce revenues sufficient to provide funds to pay the cost of the operation and maintenance of said waterworks system and to pay the principal of and interest on said Waterworks Revenue Bond as principal and interest on the same become due, and to provide for the establishment of reasonable reserves as hereinbefore specified.
- (b) None of the facilities or services offered by the waterworks system of the municipality will be furnished to any water user (excepting the municipality itself) without a reasonable charge being made therefor; provided, however, that if the revenues derived by the municipality from the operation of said waterworks shall at any time prove insufficient to pay the cost of maintenance, repairs and operations of said waterworks system and all interest on and principal payments of the Revenue Bond herein authorized, as and when the same become due, and to establish and maintain reasonable reserves therefor as herein provided, then the municipality will make a fair and reasonable payment for all water or water service furnished it.
- (c) The municipality will not mortgage, pledge, or otherwise encumber its waterworks or any part thereof or any improvement, betterment or extension thereto, or the revenues therefrom, except as provided herein, nor will it sell, lease or otherwise dispose of said waterworks system or any material part thereof.
- (d) The municipality will maintain in good repair and working order the waterworks system of said municipality and will operate the same in an efficient manner and at a reasonable cost, provided, however, that the municipality may abandon or cease to operate any portion of the water-

system, will carry and maintain public liability and workmen's compensation insurance in such amount or amounts as would normally be maintained by a private corporation engaged in a similar type of business. All of the costs of such insurance shall be paid as an operating cost out of the revenues of the waterworks for said municipality. As long as the bond herein authorized is held by the Government, the Government may determine and specify to the municipality the minimum amounts of insurance which the municipality is required to carry under the terms of this ordinance. All employees of the municipality handling the funds and accounts of the municipality's waterworks system shall be bonded at all times in an amount equal to the total funds in their possession or custody at any one time. The United States of America shall be named as a co-obligee with the municipality on all such fidelity bonds so long as the bond herein authorized is held by the Government.

- (f) The municipality will furnish the holder of any said bond, annually, an operating budget of income and expenses. The municipality will keep proper books, records and accounts (separate from all other records and accounts) in which complete and correct entries will be made of all transactions relating to the waterworks system of the municipality. Said books will be kept by the municipality according to standard accounting practice as applicable to the operation of utilities by municipalities. Such books, records and accounts, at least once a year, shall be properly audited by an independent public accountant employed for such purpose. The municipality will furnish to the holder of the bond herein authorized on the written request of such holder, and not more than sixty (60) days after the close of each fiscal year, a complete report of such audit covering in reasonable detail the operation of said waterworks system during said year. Any such holder shall have the right at all reasonable times to inspect the waterworks system of the municipality and all books, records, accounts and data of the municipality relating thereto.
- (g) As long as any of the bonds herein authorized which remain outstanding and unpaid are insured or held by the Government, the Municipality will not issue any additional bonds or other obligations payable out of the income and revenues arising from the operation of said waterworks system or any part thereof without first securing the written consent of the State Director for Missouri of the Farmers Home Administration, United States Department of Agriculture, or his successors, for the issuance of said additional obligations. As long as any of the bonds herein authorized remain outstanding and unpaid, the Municipality will not issue any additional bonds or other obligations having an equal or parity claim on the revenues arising from the operation of said waterworks system, or any part thereof, without first securing the written consent of the holders or insurer of not less than seventy-five per cent (75%) in the aggregate principal amount of the bonds then outstanding and unpaid for the issuance of said additional obligations. If any of the bonds outstanding and unpaid are insured, the Government, and not the holders of said bonds, will exercise the holders' rights under the above provision. If no bond of the Municipality is either owned or insured by the Government, junior lien bonds may be issued by the Municipality without the consent of the holders of the bonds.
- (h) The municipality will punctually perform all duties with respect to the operation of its waterworks system imposed upon the municipality by the Constitution and laws of the State of Missouri.

Section 15: Said municipality hereby agrees that in the event that said municipality shall default in the payment of any installment on the bond herein authorized, after the same shall become due, whether at maturity or upon call for redemption, and in the event that such default shall continue for a period of thirty (30) days, or in the event that said municipality or the governing body or officers, agent or employees thereof shall fail or refuse to comply with any of the provisions of this ordinance or the statutes of the State of Missouri, then, at any time thereafter and while such default shall continue, the holder of the bond herein authorized may, by written notice to said municipality filed in the office of the Clerk or delivered in person to the Chairman of the Board Clerk of said municipality, declare the remaining principal of the bond herein authorized to be due and payable immediately, and upon any such declaration given as aforesaid, the entire principal of said bond shall become and be immediately due and payable, anything in this ordinance or in said bond contained to the contrary notwithstanding. This provision, however, is subject to the condition that if at any time after the principal of said bond shall have been so declared to be due and payable, all arrears of interest upon said bond, except interest accrued but not yet due on such bonds and all arrears of principal of said bond shall have been paid in full and all other defaults, if any, by the municipality 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 holder of the bond herein authorized, by written notice to the municipality 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.

Section 16: That the provisions of this ordinance shall constitute a contract between the municipality and the holder of the bond herein authorized and the holder of such bond may, by suit, action, mandamus, injunction or other proceedings, either at law or in equity, enforce or compel performance of all duties and obligations required by this ordinance to be done or performed by said municipality. Nothing contained in this ordinance, however, shall be construed as imposing on such municipality any duty or obligation to levy any tax either to meet any obligation contained herein or to pay the principal of or interest on the bond herein authorized.

Section 17: That it is hereby declared that the sections, subsections, sentences, clauses and all other parts of this ordinance, whether large or small, are severable and are not matters of mutually essential inducement, it being the purpose of said municipality to provide funds for paying the cost of constructing a waterworks system for said municipality as hereinbefore provided and to do so in compliance in all respects with the Constitution and laws of the State of Missouri, and if any one or more sections, subsections, sentences, clauses, or other parts of this ordinance shall for any reason be questioned in any court or shall be adjudged unconstitutional or invalid, such judgment shall not impair or invalidate the remaining provisions of this ordinance, and such judgment shall be confined in its operation to the specific provision or provisions so held unconstitutional or invalid, and the same shall not be taken to affect or prejudice in any way the remaining provisions of this ordinance.

Section 18: The provisions of the bonds authorized under this ordinance and the provisions of this ordinance may be modified or amended at any time by the municipality with the written consent of the holders, or the insurer, of not less than seventy-five per cent (75%) in the aggregate principal amount of the bonds which are then outstanding and unpaid (the Government, and not the holders of insured bonds, will exercise the holders' rights under this provision); and the consent of the Government if any of the bonds are then insured or held by it; provided, however, that no such modification or amendment shall permit, or be construed as permitting, (a) extension of maturity of the principal of or interest on any bonds issued hereunder, or (b) a reduction in the principal amount of any

holder or the Government as insurer of any bond or a prospective purchaser or holder 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 said Clerk to any such bondholder or insurer or prospective bondholder. It shall not be necessary to note on any of the outstanding bonds any reference to such amendment or modification, if any.

Section 19: The Chairman of the Board and Clerk are hereby authorized and directed to execute for and on behalf of the municipality the annexed Form FHA 400-4, "Nondiscrimination Agreement," and the annexed Form FHA 400-1, "Equal Opportunity Agreement," to which is annexed an FHA Form 400-2, "Equal Opportunity Clause," and to incorporate in or attach as a rider to each construction contract for the waterworks system involving \$10,000.00 or more, a Form FHA 400-2.

Section 20: That this ordinance shall be in full force and effect from and after its passage and approval.

Section 21: That any and all ordinances or resolutions or parts thereof heretofore adopted or passed in conflict or inconsistent herewith be and the same are hereby cancelled, rescinded and repealed.

READ three times and passed by the Board of Trustees of the Village of St. Elizabeth, Missouri, this 26th day of June, 1968.

Alfred L. Thiemeyer
(Signature)
Chairman of the Board
(Title)

ATTEST:

Vincent Doerhoff
Village Clerk

APPROVED: This 16th day of July, 1968.

Alfred L. Thiemeyer
(Signature)
Chairman of the Board
(Title)

ATTEST:

Vincent Doerhoff
Village Clerk

CERTIFICATE

STATE OF MISSOURI)

) SS

COUNTY OF MILLER)

I, Vincent Doerhoff Clerk within and for the Village of St. Elizabeth, Miller County, Missouri, do hereby certify that the foregoing eleven pages constitute a full, true and complete copy of Ordinance No. 16, as passed by the Board of Trustees on the 26th day of June, 1968, and approved by the Chairman