

VILLAGE OF ELBERTA
ORDINANCE NO. _____

AN ORDINANCE TO AMEND CERTAIN PROVISIONS OF ORDINANCE NO. 40 OF THE VILLAGE OF ELBERTA:

AN ORDINANCE TO PROVIDE FOR THE ACQUISITION, CONSTRUCTION AND EQUIPPING OF IMPROVEMENTS TO THE WATER SUPPLY SYSTEM SERVING THE VILLAGE OF ELBERTA; TO PROVIDE FOR THE ISSUANCE AND SALE OF REVENUE BONDS TO PAY THE COST THEREOF; TO PRESCRIBE THE FORM OF THE BONDS; TO PROVIDE FOR THE COLLECTION OF REVENUES FROM THE SYSTEM SUFFICIENT FOR THE PURPOSE OF PAYING THE COSTS OF OPERATION AND MAINTENANCE OF THE SYSTEM AND TO PAY THE PRINCIPAL OF AND INTEREST ON THE BONDS AND OUTSTANDING BONDS OF THE SYSTEM; TO PROVIDE AN ADEQUATE RESERVE ACCOUNT FOR THE BONDS; TO PROVIDE FOR THE SEGREGATION AND DISTRIBUTION OF THE REVENUES; TO PROVIDE FOR THE RIGHTS OF THE HOLDERS OF THE BONDS IN ENFORCEMENT THEREOF; AND TO PROVIDE FOR OTHER MATTERS RELATING TO THE BONDS AND THE SYSTEM.

WHEREAS, on June 16, 2022, the Village Council of the Village of Elberta (the "Village"), adopted Ordinance No. 40 authorizing the issuance of its Water Supply System Revenue Bonds, Series 2022A (Taxable) (the "Series 2022A Bonds") to finance improvements and repairs to the Village's Water Supply System; and

WHEREAS, the Series 2022A Bonds will be sold to the government of the United States of America (the "Government") at the interest rate of 1.50% per annum; and

WHEREAS, the Government has advised the Village that Section 12(B)(3) of Ordinance No. 40 can be revised to reduce the amount required to be deposited into the Repair, Replacement and Improvement Fund.

THEREFORE, THE VILLAGE OF ELBERTA ORDAINS:

Section 1. Amendment of Section 12 of Ordinance No. 40. Section 12(B)(3) of Ordinance No. 40 is hereby amended to read as follows:

(3) Repair, Replacement and Improvement Account. There is hereby continued and maintained the separate account established under the Prior Ordinance and designated as the REPAIR, REPLACEMENT AND IMPROVEMENT ACCOUNT (the "RRI Account"). After the transfers required in Section 12(B)(1) and Section 12(B)(2), and so long as any principal installments of the Series 2022A Bonds or the Outstanding Bonds remain outstanding, commencing the first day of the first quarter following the delivery by the Government to the Issuer of the first delivery installment of the Series 2022A Bonds, revenues shall be transferred each Fiscal Year quarter from the Receiving Account and deposited in the RRI Account in an amount not less than \$2,175

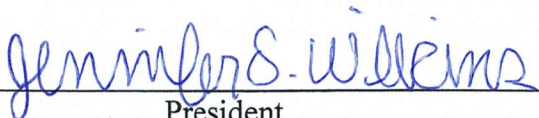
(\$8,700 annually). Moneys in the RRI Account shall be used and disbursed only for the purpose of paying the cost of (a) repairing any damage to and emergency maintenance of the System, (b) repairing or replacing obsolete, deteriorating, deteriorated or worn out portions of the System, (c) acquiring and constructing extensions and improvements to the System and (d) when necessary, for the purpose of making payment of principal and interest on the Bonds. If the amounts in the Bond and Interest Redemption Account and the Bond Reserve Account are not sufficient to pay the principal of and interest on the Bonds when due, the moneys in the RRI Account shall be transferred to the Bond and Interest Redemption Account and used for that purpose. Moneys in the RRI Account may be invested in accordance with Section 13 of this Ordinance. The reserve requirement amounts shown in this section may be reduced only with consent of the Government.

Section 2. Conflict and Severability. All ordinances, resolutions and orders or parts thereof in conflict with the provisions of this Ordinance are to the extent of such conflict hereby repealed, and each section of this Ordinance and each subdivision of any section hereof is hereby declared to be independent, and the finding or holding of any section or subdivision thereof to be invalid or void shall not be deemed or held to affect the validity of any other section or subdivision of this Ordinance.

Section 3. Publication and Recordation. This Ordinance shall be published in full in the *Benzie County Record Patriot*, a newspaper of general circulation in the Issuer, qualified under State law to publish legal notices, promptly after its adoption, and the same shall be recorded in the Ordinance Book of the Issuer and such recording authenticated by the signatures of the President and the Village Clerk.

Section 4. Effective Date. This Ordinance is hereby determined by the Village Council to be immediately necessary for the preservation of the peace, health and safety of the Issuer and shall be in full force and effect from and after its passage and publication as required by law.

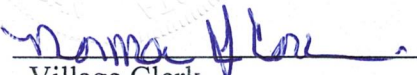
Passed and adopted by the Village of Elberta, County of Benzie, State of Michigan, on JULY 20, 2023.



President

(Seal)

Attest:



Village Clerk

I hereby certify that the foregoing constitutes a true and complete copy of an Ordinance duly adopted by the Village Council of the Village of Elberta, County of Benzie, State of Michigan, at a regular meeting held on July 20, 2023, and that said meeting was conducted and public notice of said meeting was given pursuant to and in full compliance with the Open Meetings Act, being Act 267, Public Acts of Michigan, 1976, and that the minutes of said meeting were kept and will be or have been made available as required by said Open Meetings Act.

I further certify that the following Members were present at said meeting: Brett Mc Gregor, Ryan Fiebig, Ken Holmes, Emily Votruba, and Jennifer Wilkins and that the following Members were absent: None.

I further certify that Member Brett Mc Gregor moved adoption of said Ordinance, and that said motion was supported by Member Emily Votruba.

I further certify that the following Members voted for adoption of said Ordinance: Brett Mc Gregor, Ryan Fiebig, Ken Holmes, Emily Votruba & Jennifer Wilkins and that the following Members voted against adoption of said Ordinance: None.

I further certify that said Ordinance has been recorded in the Ordinance Book and that such recording has been authenticated by the signatures of the President and the Village Clerk.

Norma J. Kern
Village Clerk