

ORDINANCE NO. 93-55

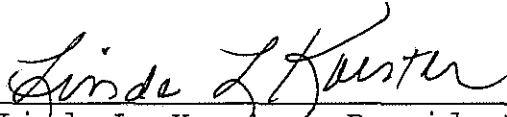
AN ORDINANCE APPROVING AN AGREEMENT WITH SPEER FINANCIAL, INC.
FOR PROFESSIONAL FINANCIAL SERVICES ON BONDS ISSUED FOR
SUBSTATION IMPROVEMENTS

BE IT ORDAINED BY THE PRESIDENT AND BOARD OF TRUSTEES OF THE
VILLAGE OF CHATHAM, ILLINOIS, AS FOLLOWS:


SECTION 1: That certain Agreement with Speer Financial, Inc
attached hereto as exhibit A, is hereby approved. The total
amount of the contract shall not exceed \$4,500 plus one fourth of
one percent of securities issued in excess of \$650,000.

SECTION 2: The President is authorized and directed to sign
said Agreement on behalf of the Village. The Clerk is authorized
and directed to attest said Agreement on behalf of the Village.
The proper officers of the Village are authorized and directed to
implement said Agreement on behalf of the Village.

SECTION 3: This Ordinance is effective upon its passage and
approval.


Linda L. Koester, President
Village of Chatham

ATTEST:


~~Penny Moomery~~ Village Clerk
Deputy Village Clerk

AYES: 6

NAYS: 0

PASSED: November 9, 1993

APPROVED: November 9, 1993

SPEER FINANCIAL, INC.

PUBLIC FINANCE CONSULTANTS SINCE 1954

SUITE 3435 • 55 EAST MONROE STREET • CHICAGO, ILLINOIS 60603 • (312) 346-3700 • FAX (312)346-8833

August 12, 1993

EXHIBIT A

Mr. David Joswaik, Trustee
Finance Committee Chairman
Village of Chatham
117 East Mulberry Street
Chatham, IL 62629

Dear Mr. Joswiak:

This letter is Speer Financial's proposal offering our professional services as financial consultants in connection with the sale of approximately \$600,000 of bonds for electric purposes to be issued by the Village.

This proposal is made for our services in connection with the preparation of all necessary material in order to market these securities at the best possible interest rate. We outline herein some of the specific services we would render and, in any event, our services will be complete through the issuance of the securities and delivery of the proceeds.

Upon approval by the Village, this proposal will become a contract between the Village and Speer Financial, Inc. in accordance with its terms.

Summary of Services

Speer Financial will prepare a financial plan and then implement it through the proposed sale and issuance of bonds. The Village will make all final decisions, but Speer Financial will make recommendations on all aspects of the financing and work closely with the Village's staff, attorney and bond counsel. We will develop alternative maturity schedules for the Village's review. After consultation, we will recommend maturity schedules and other terms for the proposed debt issuance to meet both the Village's needs and to match market requirements.

We will research financial and economic data relating to the Village and compile a Preliminary Official Statement. We will recommend the best method of sale. When a competitive sale is appropriate we will distribute the Preliminary Official Statement to underwriters and investors and work to develop bidding groups. We attend all competitive sales, check the bids and recommend which bid to accept. When a negotiated placement is most advantageous to the Village, we will work with you to select an underwriter. We will assist in negotiating the interest rates, spread, terms and conditions of the issue on your behalf with the selected underwriter.

We will arrange for the printing and registration of the securities, the delivery of the bonds to the purchaser and the simultaneous transfer of sale proceeds to the Village. We will advise, if requested, on the investment of sale proceeds until they are scheduled to be expended.

Compensation

This proposal is for our professional services only and does not include the expenditure of any funds on behalf of the Village. The Village is to pay all of its own ordinary expenses in connection with the issue. These include, but may not be limited to, professional services (attorney, bond counsel, architect, engineer and auditor), credit enhancement (rating, insurance, letters of credit), delivery (postage, express mail, fax service), publication/printing fees (official statement, notice of sale, bid forms, report duplication, printing and delivery of the bonds) and transaction costs (CUSIP, registration/paying agent).

Our fee for security sales will include all of our ordinary expenses including necessary travel in Illinois and is payable from sale proceeds. Our fee for each sale is based upon the par amount of securities issued and is calculated as follows:

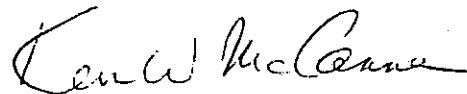
Financial Advisory Fee: \$4,500 plus 1/4 of 1% of municipal securities issued in excess of \$650,000.

Based on the preliminary information provided, application of the above formula to a debt issuance of \$600,000 results in a fee of \$4,500.

Our fee is the same for competitive and negotiated sales. Our recommendation on the method of sale is based on the best interests of the Village and is not influenced by our fee. The fee is due upon the sale of the debt instrument and payable upon receipt of proceeds. Should the debt not be sold, there is no obligation to pay our fee.

Our employment under this proposal is to continue from the date of acceptance and thereafter until canceled by either party upon 90 days written notice, and is intended to include any financing completed or authorized prior to expirations.

Respectfully submitted,



Kevin W. McCanna
President

This proposal is accepted on behalf of the Village of Chatham, Sangamon County, Illinois, this 9th day of November 1993. You are instructed to proceed.

ATTEST:

VILLAGE OF CHATHAM
SANGAMON COUNTY, ILLINOIS


Barbara J. Bickhaus
Village Clerk
Linda Kuster
Village President