

Ordinance No. 00- 01

**AN ORDINANCE REAUTHORIZING INTERFUND
BORROWING BY THE TAX INCREMENT
ALLOCATION FUND FROM THE ELECTRIC FUND
AND DIRECTING A SCHEDULE OF REPAYMENT OF
INTERFUND BORROWING BY THE TAX INCREMENT
ALLOCATION FUND TO THE ELECTRIC FUND**

WHEREAS, the corporate authorities of the Village of Chatham approved several contracts for public works improvements within the Downtown Tax Increment Finance District; and

WHEREAS, the corporate authorities of the Village of Chatham approved the issuance of tax increment financing alternative revenue bonds to finance said improvements; and

WHEREAS, the cost of said improvements exceeded the proceeds from said bonds; and

WHEREAS, the corporate authorities of the Village of Chatham on April 27, 1999, did approve Ordinance No. 99-16, authorizing interfund borrowing from the Electric Fund to the Tax Increment Allocation Fund to pay expenses and outstanding liabilities and directing the repayment of said borrowing; and

WHEREAS, the corporate authorities of the Village of Chatham have entered into agreements for private redevelopment and made commitments to

complete additional public works improvements to be funded from tax increment financing and may enter into other such agreements and contracts; and

WHEREAS, the 1999 quadrennial reassessment of properties within the Downtown Tax Increment Finance District will increase the amount of property taxes to be paid into the Tax Increment Allocation Fund in the year 2000 and thereafter.

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


SECTION 1: The Village Treasurer is hereby authorized to transfer up to a total of \$350,000, including moneys transferred subject to Ordinance 99-16, or so much as may be necessary to pay expenses and outstanding liabilities, from the Electric Fund to the Tax Increment Allocation Fund. This transfer shall be a loan from the Electric Fund to the Tax Increment Allocation Fund and shall be recorded as such in the appropriate Village accounts. This loan shall be subject to repayment with interest from tax revenues anticipated to be paid into the Tax Increment Allocation Fund.

SECTION 2: The Village Treasurer shall calculate the amount of interest payable from the Tax Increment Allocation Fund to Electric Fund based on the average rate of interest paid by each month on money invested in the Illinois Public Treasurers' Investment Pool. The Village Treasurer shall record the amount of interest payable from the Tax Increment Allocation Fund and accrued to the Electric Fund in the appropriate Village accounts.

SECTION 3: The Village Treasurer shall develop a 10-year repayment schedule through fiscal year 2009-2010 for the interfund loan, similar to that estimated in Exhibit A. Annually, beginning in fiscal year 2000-2001, after all property tax revenues have been paid into the Tax Increment Allocation Fund (the fund) and the debt service requirements for the bonds have been met, the Treasurer shall estimate the total amount of other expenses that remain to be paid from the fund for that fiscal year, including obligations pursuant to private redevelopment agreements. If all such obligations of the fund can be met and the necessary annual repayment, according to the Treasurer's 10-year schedule, can be made to the Electric Fund, the Treasurer may repay an additional amount to the Electric Fund and reduce the length of the repayment schedule accordingly. If there are not sufficient moneys available in the fund to meet all such obligations and the scheduled repayment to the Electric Fund, the Treasurer shall reduce the amounts to be paid pursuant to the private redevelopment agreements according to the terms and conditions set forth in these agreements. If at any time during the term of the repayment schedule the Treasurer determines that future revenues to the fund may not be sufficient to repay the interfund loan by the year 2010, the Treasurer shall report such determination to the corporate authorities as soon as possible.

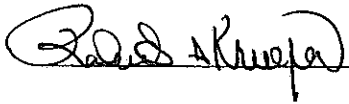
SECTION 4: This Ordinance is effective immediately.

PASSED this 11 day of January, 2000.



VILLAGE PRESIDENT

ATTEST:



Village Clerk

AYES: 6

NAYES: 0

PASSED: 1-11-00

APPROVED: 1-11-00

ABSENT: NONE

VILLAGE OF CHATHAM
TIF FUND / ELECTRIC FUND REPAYMENT

<u>FISCAL YEAR</u>	<u>INCREMENT A. E. V.</u>	<u>PROPERTY TAXES</u>	<u>DEBT SERVICE</u>	<u>TAXES REMAINING</u>	<u>TIF DIST. EXPENSES</u>	<u>INTEREST DUE</u>	<u>PAYMNT TO ELECT. FUND</u>	<u>REMAINING TIF FUNDS AVAILABLE</u>	<u>OWED TO ELECT. FUND</u>
									226,361
1999 - 2000	1,824,651	130,726	113,088	17,638	110,000	12,450	(104,812)	0	331,173
2000 - 2001	2,906,500	208,250	111,220	97,030	10,300	18,214	54,700	32,030	294,687
2001 - 2002	2,906,500	208,250	108,910	99,340	10,609	16,208	40,500	32,023	270,395
2002 - 2003	2,906,500	208,250	111,545	96,705	10,927	14,872	38,900	32,006	246,367
2003 - 2004	2,906,500	208,250	108,905	99,345	11,255	13,550	42,500	32,040	217,417
2004 - 2005	2,906,500	208,250	111,235	97,015	11,593	11,958	41,400	32,064	187,975
2005 - 2006	2,906,500	208,250	113,310	94,940	11,941	10,339	40,600	32,061	157,713
2006 - 2007	2,906,500	208,250	110,090	98,160	12,299	8,674	45,100	32,087	121,288
2007 - 2008	2,906,500	208,250	111,800	96,450	12,668	6,671	45,100	32,011	82,858
2008 - 2009	2,906,500	208,250	113,200	95,050	13,048	4,557	45,400	32,045	42,016
2009 - 2010	2,906,500	208,250	114,280	93,970	13,439	2,311	44,326	33,894	0
2010 - 2011	2,906,500	208,250	115,030	93,220	13,842	0	0	79,378	0
2011 - 2012	2,906,500	208,250	110,440	97,810	14,258	0	0	83,552	0
2012 - 2013	2,906,500	208,250	110,805	97,445	14,685	0	0	82,760	0
2013 - 2014	2,906,500	208,250	110,865	97,385	15,126	0	0	82,259	0
2014 - 2015	2,906,500	208,250	110,565	97,685	15,580	0	0	82,105	0

Exhibit A

Assumptions: TIF District expenses increase by 3% per year. Interest on amount owed to Electric Fund accrues at 5.5% per year.

ORDINANCE CERTIFICATE

STATE OF ILLINOIS)
) SS.
COUNTY OF SANGAMON)

I, the undersigned, do hereby certify that I am the duly qualified and acting Village Clerk of the Village of Chatham, Sangamon County, Illinois.

I do further certify that the ordinance attached hereto is a full, true, and exact copy of Ordinance No. 00-____, adopted by the President and Board of Trustees of said Village on the ____ day of _____, 2000, said Ordinance being entitled:

**AN ORDINANCE REAUTHORIZING INTERFUND
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I do further certify that prior to the making of this certificate, the said Ordinance was spread at length upon the permanent records of said Village, where it now appears and remains.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of said Village this ____ day of _____, 1999.

Village Clerk