

RESOLUTION 11-06

RESOLUTION DECLARING OFFICIAL INTENT TO ISSUE BONDS FOR REIMBURSEMENT OF CAPITAL EXPENDITURES

Whereas, the Village of Chatham, Illinois (the "Village") intends to finance the cost of the design, acquisition, construction and equipping of a water plant, including but not limited to a water transmission line and land acquisition (the "Project") with the issuance of its tax-exempt bonds in the maximum principal amount of \$17,500,000 (the "Bonds"); and

Whereas, the Village intends to incur and pay certain expenses of the Project prior to the date of issuance of the Bonds; and

Whereas, Treasury Regulation Section 1.150-2 promulgated pursuant to the Internal Revenue Service Code of 1986 as amended requires an issuer of tax-exempt bonds such as the Village to declare its official intent to issue bonds in advance of paying expenditures if the issuer intends to reimburse itself with proceeds from the bonds; and

Whereas, the Village intends to reimburse itself from proceeds of the Bonds for expenditures of the Project paid prior to the issuance of the Bonds and it is therefore necessary for the Village to declare its official intent to do so.

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

Section 1: This Resolution is a declaration of official intent under Treasury Regulation Section 1.150-2.

Section 2: The Village hereby declares its official intent that it reasonably expects to reimburse capital expenditures for the Project paid prior to the issuance of the Bonds with proceeds from the sale of the Bonds.

Adopted: April 11, 2006

AYES: 6 HERR SCHATTEMAN BOYLE MCCARTHY MCGRATH KAUNAGH

NAYS: 0

ABSENT: 0

Approved: April 11, 2006

Thomas S. Gray
Thomas S. Gray, President

Attest:

Pat Schad
Pat Schad, Clerk

