

VILLAGE OF LAKEMORE, OHIO

ORDINANCE NO. _1596-2017_

AN ORDINANCE AUTHORIZING THE ISSUANCE OF \$54,000 OF BONDS FOR THE PURPOSE OF ACQUIRING AND INSTALLING AMBULANCE IMPROVEMENTS WITH RELATED EQUIPMENT, AND DECLARING AN EMERGENCY.

WHEREAS, this Village Council has heretofore determined to acquire and installing ambulance improvements with related equipment (collectively, the “Project”); and

WHEREAS, this Village Council desires to finance such acquisition and construction, in part, by issuing securities in the form of general obligation bonds under the provisions of Chapter 133 of the Ohio Revised Code (the “Act”); and

WHEREAS, the Village Fiscal Officer, as fiscal officer of this municipality, has certified that the estimated life of the improvements constituting the Project is at least ten (10) years, and has further certified the maximum maturity of such bonds as ten (10) years; and

WHEREAS, this Village Council anticipates that principal and interest on such bonds will be paid from the general revenues of this municipality (the “Revenues”); and

WHEREAS, the United States of America, acting through the Rural Housing Service, United States Department of Agriculture (the “Government”) has agreed to purchase such bonds upon the terms set forth herein;

NOW, THEREFORE, BE IT ORDAINED by the Council of the Village of Lakemore (hereinafter called the “Municipality”), Ohio:

SECTION 1. That it is necessary to issue bonds (the “Bonds”) of the Municipality in the principal sum of \$54,000 for the purpose of paying part of the cost of the Project, including “financing costs” as defined in Section 133.01 of the Act relating to such bonds, under authority of the general laws of the State of Ohio, particularly the Act. It is hereby determined that notes shall not be issued in anticipation of the Bonds.

SECTION 2. That the Bonds shall (i) be issued in such principal amount for the purpose aforesaid, (ii) be dated their date of initial delivery to the original purchaser thereof, and (iii) be numbered from R-1 upwards in order of issuance, as fully registered Bonds in denominations off \$100 and integral multiples thereof, provided that if the Government is the owner of the Bonds, the Bonds shall be issued as a single Bond in a principal amount equal to the aggregate principal amount of the Bonds from time to time. The unpaid principal amount of the Bonds from time to time shall bear interest at the rate of three and twenty-five hundredths percent (3.25%) per annum, calculated on the basis of a 365-day year and payable annually on each date principal is payable, and shall mature in annual installments on the anniversary of the first day of the month in which

the Bonds are initially delivered to the Government in the years and in the following respective principal amounts:

	Principal Amount			Principal Amount	
<u>Year</u>	<u>Maturing</u>		<u>Year</u>	<u>Maturing</u>	
2018	\$4,700		2023	\$5,500	
2019	4,800		2024	5,700	
2020	4,900		2025	5,800	
2021	5,200		2026	6,000	
2022	5,200		2027	6,200	

With the Government purchasing all of the Bonds, the Bonds shall be initially issued as a single bond in the initial denomination of \$54,000, registered as to both principal and interest in the name of “United States of America, acting through the Rural Housing Service, United States Department of Agriculture” or as otherwise directed by the Government.

If the total par value of the Bonds is not paid by the Government to the Municipality at the time of initial delivery of the Bonds, such par value shall be advanced to the Municipality in one or more installments upon request of the Municipality, and interest shall accrue on the amount of each advance from the actual date of such advance.

The Bonds shall be callable for redemption prior to maturity at the option of the Municipality in whole or in part at any time in inverse order of maturity at a price equal to the principal amount to be redeemed plus accrued interest to the date of redemption. The Municipality shall send notice of such optional redemption by first class mail, postage prepaid, to the registered holders of the Bonds or portions thereof to be redeemed at least 30 days prior to the date of redemption. If less than all the Bonds of a single maturity are to be redeemed, the selection of Bonds or parts thereof to be redeemed shall be made in such manner as the Municipality shall determine. Upon such redemption of less than the entire principal amount of an outstanding Bond, a new Bond or Bonds of authorized denominations of the same maturity and for the unredeemed principal amount will be issued to the owner of the partially redeemed Bond in exchange therefor.

It is hereby determined that the issuance of the bonds upon the terms described herein, including the redemption provisions specified above, will be in the best interest of the Municipality.

The Bonds shall be designated “Ambulance Improvement Bonds, Series 2017”, or as may be otherwise set forth in the Bonds.

SECTION 3. That the Bonds shall express upon their faces the purpose for which they are issued and that they are issued in pursuance of this ordinance. The Bonds shall be in fully registered form without coupons. The Bonds shall bear the signature of the Mayor or a facsimile thereof, and shall bear the signature of the Village Fiscal Officer. The final principal and interest amount of each Bond shall be payable at the office of the Village Fiscal Officer as the paying agent, registrar and transfer agent (the “Paying Agent and Registrar”) for the Bonds, and all other principal and interest on the Bonds shall be made on each interest payment date to the person whose name appears on the fifteenth day preceding each interest payment date on the Bond

registration records to be maintained by the Paying Agent and Registrar as the registered holder thereof, by check or draft mailed to such registered holder at his address as it appears on such registration records.

The Bonds shall not be transferable until the entire principal amount thereof has been disbursed to the Municipality. Thereafter, the Bonds shall be transferable by the registered holder thereof in person or by his attorney duly authorized in writing at the principal office of the Paying Agent and Registrar upon presentation and surrender thereof to the Paying Agent and Registrar. The Municipality and the Paying Agent and Registrar shall not be required to transfer any Bond during the fifteen-day period preceding any interest payment date or the mailing of a notice of redemption, or after such Bond has been selected for partial or complete redemption, and no such transfer shall be effective until entered upon the registration records maintained by the Paying Agent and Registrar. Upon such transfer, a new Bond or Bonds of authorized denominations of the same maturity and for the same aggregate unpaid principal amount will be issued to the transferee in exchange therefor.

The Municipality and the Paying Agent and Registrar may deem and treat the registered holders of the Bonds as the absolute owners thereof for all purposes, and neither the Municipality nor the Paying Agent and Registrar shall be affected by any notice to the contrary.

SECTION 4. That the Bonds shall be the full general obligations of the Municipality and the full faith, credit and revenue of the Municipality are hereby irrevocably pledged for the prompt payment of the same. Any excess fund resulting from the issuance of the Bonds, shall to the extent necessary be used only for the retirement of the Bonds upon mandatory sinking fund redemption or at maturity, together with interest thereon, and is hereby pledged for such purpose.

For the purpose of providing the necessary funds to pay the interest on the Bonds promptly when and as the same falls due, and also to provide a fund sufficient to discharge the Bonds upon mandatory sinking fund redemption and at maturity, during the period while the Bonds run, there shall be levied upon all of the taxable property in the Municipality, within applicable limitations, in addition to all other taxes, a direct tax annually in an amount sufficient to provide funds to pay interest upon the Bonds as and when the same falls due and also to provide a fund for the discharge of the principal of the Bonds upon mandatory sinking fund redemption and at maturity, which tax shall not be less than the interest and sinking fund tax required by Article XII, Section 11 of the Constitution of Ohio.

Said tax shall be and is hereby ordered computed, certified, levied and extended upon the tax duplicate and collected by the same officers in the same manner and at the same time that taxes for general purposes for each of said years are certified, extended and collected. Said tax shall be placed before and in preference to all other items and for the full amount thereof. The funds derived from said tax levy hereby required shall be placed in a separate and distinct fund and, together with interest collected on the same, shall be irrevocably pledged for the payment of the principal and interest of the Bonds when and as the same fall due; provided, however, that in each year to the extent that Revenues or other moneys are available from other sources for the payment of the Bonds and are appropriated for such purpose, the amount of such tax shall be reduced by the amount of such Revenues or other moneys so available and appropriated.

It is hereby determined that all acts, conditions and things necessary to be done precedent to and in the issuance of the Bonds in order to make the same legal, valid and binding obligations of the Municipality have been done, have happened and have been performed in regular and due form as required by law, and that such issue of the Bonds and the tax for the payment of their principal and interest as the same fall due and are payable do not exceed any limitations of indebtedness or taxation fixed by law.

SECTION 5. That the Bonds shall be sold to the Government at par and accrued interest, in accordance with its offer to purchase, which is hereby accepted. The proceeds from the sale of the Bonds, except as any premium and accrued interest received, shall be used for the purpose aforesaid and for no other purpose; and any premium and accrued interest received from such sale shall be transferred to the bond retirement fund to be applied to the payment of the principal and interest of the Bonds in the manner provided by law.

The Mayor and the Village Fiscal Officer and other appropriate officials of the Municipality, are each hereby separately authorized, without further action of this Village Council, to take any and all actions and to execute such other instruments that may be necessary or appropriate in the opinion of Dinsmore & Shohl LLP, bond counsel for the Bonds, in order to effect the issuance of the Bonds and the intent of this ordinance. The Village Fiscal Officer shall certify a true transcript of all proceedings had with respect to the issuance of the Bonds, along with such information from the records of the Municipality as is necessary to determine the regularity and validity of the issuance of the Bonds.

SECTION 6. That this Village Council hereby covenants that it will restrict the use of the proceeds of the Bonds hereby authorized in such manner and to such extent, if any, as may be necessary after taking into account reasonable expectations at the time the debt is incurred, so that they will not constitute obligations the interest on which is subject to federal income taxation or "arbitrage bonds" under Sections 103(b)(2) and 148 of the Internal Revenue Code of 1986, as amended (the "Code") and the regulations prescribed thereunder, including any expenditure requirements, investment limitations or rebate requirements. The Village Fiscal Officer or any other officer having responsibility with respect to the issuance of the Bonds is authorized and directed to give an appropriate certificate on behalf of this Municipality on the date of delivery of the Bonds for inclusion in the transcript of proceedings, setting forth the facts, estimates and circumstances and reasonable expectations pertaining to the use of the proceeds thereof and the provisions of said Sections 103(b)(2) and 148 and regulations thereunder.

SECTION 7. That the Bonds are hereby designated as "qualified tax-exempt obligations" to the extent permitted by Section 265(b)(3) of the Code. This Village Council finds and determines that the reasonably anticipated amount of qualified tax-exempt obligations (other than private activity bonds) which will be issued by the Municipality during this calendar year does not and this Council hereby covenants that, during such year, the amount of tax-exempt obligations issued by the Municipality and designated as "qualified tax-exempt obligations" for such purpose will not exceed \$10,000,000. The Village Fiscal Officer and other appropriate officers, and any of them, are authorized to take such actions and give such certifications on behalf of the Municipality with respect to the reasonably anticipated amount of tax-exempt obligations to be issued by the Municipality during this calendar year and with respect to such other matters as appropriate under Section 265(b)(3).

SECTION 8. That so long as the Government is the holder of any of the Bonds, the Municipality will comply with all applicable regulations of the Government relating to the Project and the Bonds and with the Government's Loan Resolution (Form RD 1942-47) relating thereto adopted by this Village Council, and will not, among other things, defease the Bonds without the prior written consent of the Government. The provisions of such Loan Resolution are hereby accepted, approved, ratified and confirmed and are hereby incorporated into this ordinance by reference.

Without limiting the generality of the foregoing, so long as the Government is the owner of the Bonds and requires a fidelity bond, the Municipality shall obtain, and keep in force, a fidelity bond to the extent and in the amount required by the Government. Such fidelity bond shall be with a surety company approved by the Government, and the Government and the Municipality shall be named as co-obligees in such fidelity bond and the amount of such fidelity bond shall not be reduced without the prior written consent of the Government.

The Municipality shall, at any and all times, cause to be done all such further acts and things and cause to be executed and delivered all such further instruments as may be necessary to carry out the purpose of the Bonds and this ordinance. The provisions of this ordinance shall constitute a contract between the Municipality and the holders of any of the Bonds, and after the issuance of the Bonds this ordinance shall not be repealed or amended in any respect which will adversely affect the rights and interest of the Bondholders, nor shall this Village Council adopt any law, ordinance or resolution in any way adversely affecting the rights of the Bondholders so long as any Bonds or interest thereon remains unpaid. All of the obligations set forth and covenants made under this ordinance are hereby established as duties specifically enjoined by law and resulting from an office, trust or station upon this Village Council and the various officers of the Municipality within the meaning of Section 2731.01 of the Ohio Revised Code.

SECTION 9. That Dinsmore & Shohl LLP, attorneys, be and are hereby retained as bond counsel to the Municipality with respect to the issuance of the Bonds to prepare the necessary authorizing documents, and related closing documents for the issuance of the Bonds and, if appropriate, rendering its approving legal opinion to the Government in connection therewith. The Mayor and the Village Fiscal Officer, and any of them, are hereby authorized, alone or with others, to enter into an agreement with said firm for such services.

SECTION 10. That the Village Fiscal Officer is hereby directed to forward a certified copy of this ordinance to the county auditor of each county in which any portion of the Municipality is located.

SECTION 11. That it is found and determined that all formal actions of this Village Council concerning and relating to the passage of this ordinance were passed in an open meeting of this Village Council, and that all deliberations of this Village Council and of any of its committees that resulted in such formal action, were in meetings open to the public, in compliance with the law, including Section 121.22 of the Ohio Revised Code.

SECTION 12. That this ordinance is hereby declared to be an emergency measure for the reason that the public peace, health, safety and welfare of the inhabitants of the Municipality require the immediate issuance of the Bonds to support contracts relative to the Project and allow

the citizens of the Municipality to enjoy the public safety benefits of the Project at the earliest possible time, and therefore, this ordinance shall take effect immediately upon its passage.

PASSED, this 21st day of August, 2017.



Presiding Officer

Attest: 

Village Fiscal Officer