

ORDINANCE NO. 19-1984

OFFERED BY M. Nelson

AN ORDINANCE TO PROVIDE FOR THE ISSUANCE OF NOTES IN ANTICIPATION OF THE ISSUANCE OF BONDS FOR THE PURPOSE OF CONSTRUCTING A LIBRARY BUILDING AND IMPROVING THE SITE THEREOF, AND DECLARING AN EMERGENCY.

WHEREAS, pursuant to legislation heretofore adopted by this Council an election was held on November 6, 1979 upon the question of issuing bonds for the purpose hereinafter recited in the amount of \$720,000 and of a levy of taxes outside of tax limitations to pay the principal of and interest on such bonds; and

WHEREAS, at said election the requisite majority of those voting upon the proposition voted in favor thereof and this Council has determined that the bonds so authorized by the electors should be issued to provide funds for the purpose hereinafter set forth and that notes should be issued in anticipation of the issuance of such bonds; and

WHEREAS, pursuant to Ordinance No. 29-1980, passed March 18, 1980, a note in anticipation of bonds in the amount of \$720,000, dated April 18, 1980 and maturing on one year from date, was issued for the purpose hereinafter recited, which note was retired at maturity in part from the proceeds of a \$600,000 note issued pursuant to Ordinance No. 21-1981, passed March 17, 1981, which note was retired at maturity in part from the proceeds of a \$500,000 note issued pursuant to Ordinance No. 12-1982, passed March 17, 1982, which note was retired at maturity in part from the proceeds of \$485,000 of notes issued pursuant to Ordinance No. 22-1983, passed March 1, 1983, which notes are about to mature; and

WHEREAS, there are available funds in the amount of \$50,000 which this Council has determined to appropriate and apply to discharge said note at its maturity and has further determined to renew said outstanding note in the reduced amount of \$435,000; and

WHEREAS, the Director of Finance, as fiscal officer, has certified to this Council that the estimated life or usefulness of the improvements hereinafter mentioned is at least five years, that the maximum maturity of the bonds hereinafter referred to is twenty years, and that the maximum maturity of the notes hereinafter referred to, to be issued in anticipation of said bonds, is April 18, 1990, if sold at public sale, or one year, if sold at private sale;

NOW, THEREFORE, BE IT ORDAINED by the Council of the Village of Richfield, County of Summit, Ohio:

Section 1. That it is deemed necessary to issue and sell bonds of the Village of Richfield in the principal amount of \$435,000 for the purpose of constructing a library building and improving the site thereof.

Section 2. That said bonds shall be dated approximately April 1, 1985, shall bear interest at the estimated rate of

nine and one-half per centum (9-1/2%) per annum, payable semi-annually, until the principal sum is paid, and shall mature in twenty substantially equal annual installments after their issuance.

- Section 3. That it is necessary to issue and this Council hereby determines that notes in the aggregate principal amount of \$435,000 shall be issued in anticipation of the issuance of said bonds for the purpose set forth above and to pay and retire a portion of the outstanding notes dated April 15, 1983. Such anticipatory notes shall bear interest at a rate or rates not to exceed ten and one-half per centum (10-1/2%) per annum, such interest to be payable at maturity, with provision, if requested by the original purchaser, that after maturity such notes shall bear interest at such rate or rates of interest not to exceed ten and one-half per centum (10-1/2%) per annum until the principal sum is paid. Such notes shall be dated April 13, 1984, shall mature on April 12, 1985 and shall be issued in such numbers and denominations as may be requested by the original purchaser thereof.
- Section 4. That said notes shall be executed by the Mayor and the Director of Finance, shall bear the seal of the corporation and shall express upon their faces the purpose for which they are issued and that they are issued pursuant to this ordinance. The principal of and interest on such notes shall be payable, without deduction for services of the Village's paying agent, at either or both of, as determined by the Director of Finance, the main office of First National Bank of Akron, Akron, Ohio, or at the main office of a bank or trust company requested by the original purchaser of such notes, provided that such request shall be approved by the Director of Finance after determining that the payment at that bank or trust company will adequately protect the funds of the City.
- Section 5. That subject to the rejection of such notes by the Director of Finance of the Village as officer in charge of the Bond Retirement Fund, such notes shall be awarded and sold by the Director of Finance at private sale, at not less than the par value and accrued interest and at an interest rate or rates not exceeding those specified in Section 3 of this ordinance; and the Director of Finance is hereby authorized and directed to deliver such notes, when executed, to such original purchaser upon payment of such purchase price. The proceeds from the sale of such notes, except any premium and accrued interest shall be paid into the proper fund and used for the purpose

for which such notes are being issued under the provisions of this ordinance. 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 of and interest on such notes in the manner provided by law.

Section 6.

That the Village hereby covenants that it will restrict the use of the proceeds of the notes in such manner and to such extent, if any, as may be necessary, after taking into account reasonable expectations at the time of the delivery of and payment for such notes, so that the notes will not constitute arbitrage bonds under Section 103(c) of the Internal Revenue Code and the regulations prescribed under that Section. The fiscal officer or any other officer, including the Clerk of Council, having responsibility for issuing the notes is authorized and directed, alone or in conjunction with any of the foregoing or with any other officer, employee, or consultant of the Village, to give an appropriate certificate of the Village, for inclusion in the transcript of proceedings, setting forth the reasonable expectations of the Village regarding the amount and use of all such proceeds and the facts and estimates on which they are based, all as of the date of delivery and payment for such notes pursuant to Section 103(c) and regulations thereunder.

Section 7.

That during the year or years while said notes are outstanding, there shall be levied on all the taxable property in the Village of Richfield, in addition to all other taxes, a direct tax annually not less than that which would have been levied if bonds had been issued without the prior issue of such notes. 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. The funds derived from said tax shall be placed in a separate and distinct fund, which, together with the interest collected on the same, shall be irrevocably pledged for the payment of the principal and interest of said notes or the bonds in anticipation of which they are issued when and as the same fall due. Said tax shall be outside of the limitations of Section 2, Article XII of the Ohio Constitution.

Section 8.

That it is hereby determined and recited that all acts, conditions and things required to be done precedent to and in the issuance of said notes, in order to

make them legal, valid and binding obligations of the Village of Richfield, have happened, been done and performed in regular and due form as required by law; that the full faith, credit and revenue of said Village shall be and are hereby irrevocably pledged for the prompt payment of the principal and interest thereof at maturity; and that no limitation of indebtedness or taxation, either statutory or constitutional, will have been exceeded in the issuance of said notes.

Section 9. That the Clerk of Council is hereby directed to forward a certified copy of this ordinance to the County Auditor.

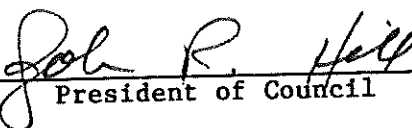
Section 10. That it is hereby found and determined that all formal actions of this Council concerning and relating to the passage of this ordinance were passed in an open meeting of this Council, and that all deliberations of this Council and of any of its committees that resulted in such formal action, were in meetings open to the public, in compliance with all legal requirements including Section 121.22 of the Ohio Revised Code.

Section 11. That this ordinance is hereby declared to be an emergency measure necessary for the immediate preservation of the public peace, health and safety of said Village and for the further reason that the immediate issuance and sale of the notes herein authorized is necessary to provide funds to enable the Village to retire its outstanding note and thereby preserve its credit; wherefore, this ordinance shall be in full force and effect from and immediately after its passage and approval by the Mayor.

Approved:



Mayor




President of Council

Passed:

3/6/84

I, the undersigned Clerk of Council of the Village of Richfield, Summit County, Ohio, do hereby certify that the foregoing Ordinance No. 19, was duly and regularly passed by the Council of the Village of Richfield, Summit County, Ohio, at a regular meeting of Council on the 6th day of March, 1984.


Clerk of Council
Village of Richfield, Ohio

Approved as to legal form:

Director of Law

Posted: _____