

ORDINANCE NO. 1127 AC CMS

AN ORDINANCE TO PROVIDE FOR THE ISSUANCE OF A NOTE IN ANTICIPATION OF THE ISSUANCE OF BONDS FOR THE PURPOSE OF PAYING COSTS OF CONSTRUCTING SIDEWALKS ON VARIOUS STREETS IN THE CITY, AND DECLARING AN EMERGENCY.

WHEREAS, the Auditor as fiscal officer has certified to this Council that the estimated life of the improvement hereinafter mentioned is at least five (5) years, and that the maximum maturity of the bonds hereinafter referred to is fifteen (15) years, and the maximum maturity of the note hereinafter referred to, to be issued in anticipation of said bonds is five (5) years if sold publicly, or one (1) year if sold privately;

NOW, THEREFORE, BE IT ORDAINED by the Council of the City of Oberlin, Lorain County, Ohio:

Section 1. That it is hereby declared necessary to issue bonds of the City of Oberlin in the principal sum of \$30,000 for the purpose of paying costs of constructing sidewalks on various streets in the City.

Section 2. That such bonds shall be dated approximately June 1, 1976, shall bear interest at the estimated rate of six and one-half per centum (6-1/2%) per annum, payable semi-annually, until the principal sum is paid, and shall mature in 15 substantially equal annual installments after their issuance.

Section 3. That it is necessary to issue and this Council hereby determines that a note in the principal amount of \$30,000 shall be issued in anticipation of such bonds. Such anticipatory note shall bear interest at the rate of Four and one-half per centum (4.5 %) per annum, such interest to be payable at maturity. Such note shall be dated the date of issuance and shall mature on or before one year from date.

Section 4. Such note shall be executed by the City Manager and Auditor and bear the seal of the corporation. It shall be payable at the office of The Lorain County Savings & Trust Company, and shall express upon its face the purpose for which it is issued and that it is issued pursuant to this ordinance.

Section 5. Subject to the rejection of such note by the officer in charge of the Bond Retirement Fund for investment in such fund, such note shall be and hereby is awarded and sold to Lorain County Savings & Trust Company, at the par value thereof together with any premium and accrued interest thereon; and the Auditor is hereby authorized and directed to deliver such note, when executed, to such purchaser upon payment of such purchase price. The proceeds from the sale of such note, except any premium and accrued interest shall be paid into the proper fund and used for the purpose for which such note is 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 and interest of such note in the manner provided by law.

Section 6. The City hereby covenants that it will restrict the use of the proceeds of the note 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 it will not constitute arbitrage bonds under Section 103(d) 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 with respect to the issuance of such note is authorized and directed to give an appropriate certificate on behalf of the City, for inclusion in the transcript of proceedings, setting forth the facts, estimates and circumstances and reasonable expectations regarding the amount and use of the proceeds of such note pursuant to said Section 103(d) and regulations thereunder.

Section 7. Such note shall be the full general obligation of this municipality and the full faith, credit and revenue of this municipality are hereby pledged for the prompt payment of the same. The par value to be received from the sale of the bonds anticipated by such note and any excess funds resulting from the issuance of such note shall, to the extent necessary, be used for the retirement of such note at maturity, together with interest thereon, and are hereby pledged for such purpose.

Section 8. That during the years while such note runs there shall be levied on all the taxable property in this municipality, 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 note. 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 levies hereby required 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 such note or bonds in anticipation of which it is issued, when and as the same fall due.

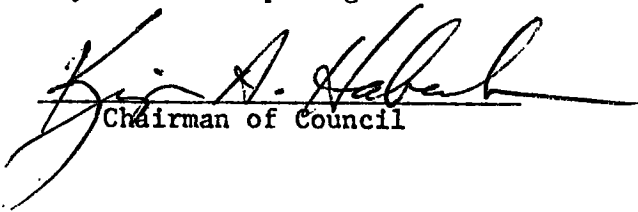
Section 9. It is hereby determined that all acts, conditions and things required to be done precedent to and in the issuance of such note, in order to make it a legal, valid and binding obligation of this municipality, have happened, been done and performed in regular and due form as required by law; that no limitation of indebtedness or taxation, either statutory or constitutional, will have been exceeded in the issuance of such note.

Section 10. The Clerk of this Council is hereby directed to forward a certified copy of this ordinance to the County Auditor.

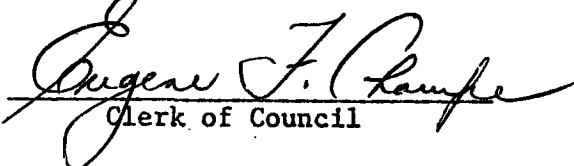
Section 11. This ordinance is hereby declared to be an emergency measure necessary for the immediate preservation of the public peace, health and safety of this municipality, and for the further reason

that construction of such sidewalks is necessary for the safety of the pedestrian traffic in the City; wherefore, this ordinance shall be in full force and effect from and immediately after its passage.

Passed: May 19, 1975


Chairman of Council

Attest:


Clerk of Council

Posted: May 20, 1975