

SR 900P-Nov. 5<sup>th</sup>, 2020

CITY OF WELLSTON, OHIO

ORDINANCE NO. 2020-51

AN ORDINANCE AUTHORIZING THE ISSUANCE OF \$88,000 OF BONDS FOR THE PURPOSE OF ACQUIRING FIRE PACKS AND RELATED EQUIPMENT, AND DECLARING AN EMERGENCY.

WHEREAS, this City Council has heretofore determined to acquire fire packs and related equipment (collectively, the "Project"); and

WHEREAS, this City Council desires to finance such acquisition, 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 City Auditor, as fiscal officer of this municipality, has certified that the estimated life of the improvements constituting the Project is at least five (5) years, and has further certified the maximum maturity of such bonds as ten (10) years; and

WHEREAS, this City 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 City of Wellston (hereinafter called the "Municipality"), Ohio:

SECTION 1. That it is necessary to issue bonds (the "Bonds") of the Municipality in the principal sum of \$88,000 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.

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 two and one hundred twenty-five thousandths percent (2.125%) 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:

<u>Year</u>	<u>Principal Amount Maturing</u>
2021	\$8,000
2022	8,200
2023	8,300
2024	8,500
2025	8,700
2026	8,900
2027	9,000
2028	9,300
2029	9,400
2030	9,700

With the Government purchasing all of the Bonds, the Bonds shall be initially issued as a single bond in the initial denomination of \$88,000, 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 "Fire Equipment Bonds, Series 2020", 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 City Auditor. The final principal and interest amount of each Bond shall be payable at the office of the City Auditor 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, the City Auditor and other appropriate officials of the Municipality, are each hereby separately authorized, without further action of this City 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 Clerk of Council 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 City 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 City Auditor 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 City 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 City Auditor 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 City 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 City 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 City 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 City Auditor, 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 City Auditor 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 City Council concerning and relating to the passage of this ordinance were passed in an open meeting of this City Council, and that all deliberations of this City 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 5th day of November, 2020.

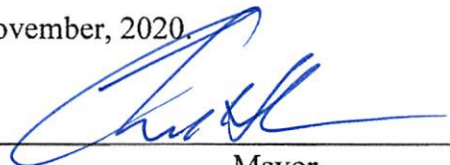
  
\_\_\_\_\_  
President of Council

Attest:   
\_\_\_\_\_  
Clerk of Council

SUBMITTED to the Mayor this 5<sup>th</sup> day of November, 2020.

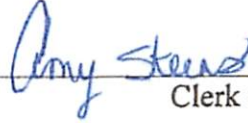
  
\_\_\_\_\_  
Clerk of Council

APPROVED by the Mayor this 5<sup>th</sup> day of November, 2020.

  
\_\_\_\_\_  
Mayor

### CERTIFICATE

I hereby certify that the foregoing is a true and correct copy of Ordinance No. 2020-51 passed by the City Council of the City of Wellston, Ohio, on November 5, 2020.

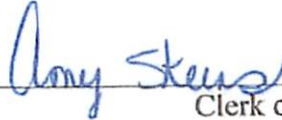


Clerk of Council

Date: November 5<sup>th</sup>, 2020

### CERTIFICATE

I hereby certify that a copy of the foregoing ordinance was certified to the County Auditor of Jackson County, Ohio on Nov. 5<sup>th</sup>, 2020.



Clerk of Council

Date: November 5<sup>th</sup>, 2020

### CERTIFICATE AND RECEIPT

The undersigned, County Auditor of the County of Jackson, Ohio, hereby certifies the filing and acknowledges receipt of a certified copy of the foregoing ordinance.



County Auditor

Date: November 6, 2020

### EXTRACT FROM MINUTES OF MEETING

The City Council of the City of Wellston, Ohio, met in Regular session at 7:00 o'clock P.m. on November 5, 2020 at Council Chambers, Wellston, Ohio, with the following members present:

Anthony Brenner Fred Ouby \_\_\_\_\_

Keith Woolum David McWilliams \_\_\_\_\_

Tom Clark Rick Hudson \_\_\_\_\_

Absent: Roaby Browning \_\_\_\_\_

\*\*\* OTHER BUSINESS \*\*\*

There was presented to Council a Certificate As to Maximum Maturity of Bonds certified by the City Auditor.

There was presented and read to Council, Ordinance No. 2020-51 entitled:

AN ORDINANCE AUTHORIZING THE ISSUANCE OF \$88,000 OF BONDS FOR THE PURPOSE OF ACQUIRING FIRE PACKS AND RELATED EQUIPMENT, AND DECLARING AN EMERGENCY.

Anthony Brenner moved the rule requiring an ordinance or resolution of a general or permanent nature to be read on three separate days be suspended as to Ordinance No. 2020-51.

Rick Hudson seconded the motion, and the following was the result of a vote thereon:

AYES: Anthony Brenner Fred Ouby \_\_\_\_\_

Keith Woolum David McWilliams \_\_\_\_\_

Tom Clark Rick Hudson \_\_\_\_\_

NAYS: \_\_\_\_\_



Anthony Brenner then moved that Ordinance No. 2020-51 be passed as read.

Keith Woolum seconded the motion, and the vote thereon resulted as follows:

AYES: Keith Woolum David McWilliams \_\_\_\_\_

Tom Clark Anthony Brenner \_\_\_\_\_

Fred Doby Rick Hudson \_\_\_\_\_

NAYS: \_\_\_\_\_

Ordinance No. 2020-51 was declared passed November 5, 2020.

\*\*\* OTHER BUSINESS \*\*\*

## CERTIFICATE

The undersigned, Clerk of Council of the City of Wellston, Ohio, hereby certifies that the foregoing is a true and correct copy of the minutes of a meeting of the Council of said City, held on November 5, 2020 concerning the matter indicated.

A handwritten signature in blue ink, appearing to read "Amy Stens", is written over a horizontal line.

Clerk of Council

16922116

LOAN RESOLUTION  
(Public Bodies)

FORM APPROVED  
OMB NO. 0575-0015

A RESOLUTION OF THE City Council

OF THE Wellston City Of

AUTHORIZING AND PROVIDING FOR THE INCURRENCE OF INDEBTEDNESS FOR THE PURPOSE OF PROVIDING  
A PORTION OF THE COST OF ACQUIRING, CONSTRUCTING, ENLARGING, IMPROVING, AND/OR EXTENDING ITS

Fire Protection Equipment

FACILITY TO SERVE AN AREA LAWFULLY WITHIN ITS JURISDICTION TO SERVE.

WHEREAS, it is necessary for the

Wellston City Of

*(Public Body)*

(herein after called Association) to raise a portion of the cost of such undertaking by issuance of its bonds in the principal amount of  
88,000.00

pursuant to the provisions of Ohio Revised Code Chapter 133

; and

WHEREAS, the Association intends to obtain assistance from the Rural Housing Service, Rural Business - Cooperative Service, Rural Utilities Service, or their successor Agencies with the United States Department of Agriculture, (herein called the Government) acting under the provisions of the Consolidated Farm and Rural Development Act (7 U.S.C. 1921 et seq.) in the planning, financing, and supervision of such undertaking and the purchasing of bonds lawfully issued, in the event that no other acceptable purchaser for such bonds is found by the Association:

NOW THEREFORE in consideration of the premises the Association hereby resolves:

1. To have prepared on its behalf and to adopt an ordinance or resolution for the issuance of its bonds containing such items and in such forms as are required by State statutes and as are agreeable and acceptable to the Government.
2. To refinance the unpaid balance, in whole or in part, of its bonds upon the request of the Government if at any time it shall appear to the Government that the Association is able to refinance its bonds by obtaining a loan for such purposes from responsible cooperative or private sources at reasonable rates and terms for loans for similar purposes and periods of time as required by section 333(c) of said Consolidated Farm and Rural Development Act (7 U. S. C. 1983 (c)).
3. To provide for, execute, and comply with Form RD 400-4, "Assurance Agreement," and Form RD 400-1, "Equal Opportunity Agreement," including an "Equal Opportunity Clause," which clause is to be incorporated in, or attached as a rider to, each construction contract and subcontract involving in excess of \$ 10,000.
4. To indemnify the Government for any payments made or losses suffered by the Government on behalf of the Association. Such indemnification shall be payable from the same source of funds pledged to pay the bonds or any other legal permissible source.
5. That upon default in the payments of any principal and accrued interest on the bonds or in the performance of any covenant or agreement contained herein or in the instruments incident to making or insuring the loan, the Government at its option may (a) declare the entire principal amount then outstanding and accrued interest immediately due and payable, (b) for the account of the Association (payable from the source of funds pledged to pay the bonds or any other legally permissible source), incur and pay reasonable expenses for repair, maintenance, and operation of the facility and such other reasonable expenses as may be necessary to cure the cause of default, and/or (c) take possession of the facility, repair, maintain, and operate or rent it. Default under the provisions of this resolution or any instrument incident to the making or insuring of the loan may be construed by the Government to constitute default under any other instrument held by the Government and executed or assumed by the Association, and default under any such instrument may be construed by the Government to constitute default hereunder.
6. Not to sell, transfer, lease, or otherwise encumber the facility or any portion thereof, or interest therein, or permit others to do so without the prior written consent of the Government.
7. Not to defease the bonds, or to borrow money, enter into any contract or agreement, or otherwise incur any liabilities for any purpose in connection with the facility (exclusive of normal maintenance) without the prior written consent of the Government if such undertaking would involve the source of funds pledged to pay the bonds.
8. To place the proceeds of the bonds on deposit in an account and in a manner approved by the Government. Funds may be deposited in institutions insured by the State or Federal Government or invested in readily marketable securities backed by the full faith and credit of the United States. Any income from these accounts will be considered as revenues of the system.
9. To comply with all applicable State and Federal laws and regulations and to continually operate and maintain the facility in good condition.
10. To provide for the receipt of adequate revenues to meet the requirements of debt service, operation and maintenance, and the establishment of adequate reserves. Revenue accumulated over and above that needed to pay operating and maintenance, debt service and reserves may only be retained or used to make prepayments on the loan. Revenue cannot be used to pay any expenses which are not directly incurred for the facility financed by the Government. No free service or use of the facility will be permitted.

11. To acquire and maintain such insurance and fidelity bond coverage as may be required by the Government.
12. To establish and maintain such books and records relating to the operation of the facility and its financial affairs and to provide for required audit thereof as required by the Government, to provide the Government a copy of each such audit without its request, and to forward to the Government such additional information and reports as it may from time to time require.
13. To provide the Government at all reasonable times access to all books and records relating to the facility and access to the property of the system so that the Government may ascertain that the Association is complying with the provisions hereof and of the instruments incident to the making or insuring of the loan.
14. That if the Government requires that a reserve account be established and maintained, disbursements from that account may be used when necessary for payments due on the bond if sufficient funds are not otherwise available. With the prior written approval of the Government, funds may be withdrawn for:
  - (a) Paying the cost of repairing or replacing any damage to the facility caused by catastrophe.
  - (b) Repairing or replacing short-lived assets.
  - (c) Making extensions or improvements to the facility.Any time funds are disbursed from the reserve account, additional deposits will be required until the reserve account has reached the required funded level.
15. To provide adequate service to all persons within the service area who can feasibly and legally be served and to obtain the Government's concurrence prior to refusing new or adequate services to such persons. Upon failure to provide services which are feasible and legal, such person shall have a direct right of action against the Association or public body.
16. To comply with the measures identified in the Government's environmental impact analysis for this facility for the purpose of avoiding or reducing the adverse environmental impacts of the facility's construction or operation.
17. To accept a grant in an amount not to exceed \$ 100,000

under the terms offered by the Government; that the Mayor

and Auditor of the Association are hereby authorized and empowered to take all action necessary or appropriate in the execution of all written instruments as may be required in regard to or as evidence of such grant; and to operate the facility under the terms offered in said grant agreement(s).

The provisions hereof and the provisions of all instruments incident to the making or the insuring of the loan, unless otherwise specifically provided by the terms of such instrument, shall be binding upon the Association as long as the bonds are held or insured by the Government or assignee. The provisions of sections 6 through 17 hereof may be provided for in more specific detail in the bond resolution or ordinance; to the extent that the provisions contained in such bond resolution or ordinance should be found to be inconsistent with the provisions hereof, these provisions shall be construed as controlling between the Association and the Government or assignee

The vote was: Yeas 6 Nays 0 Absent 1

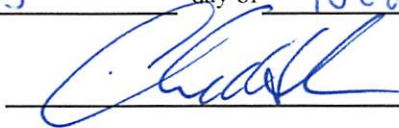
IN WITNESS WHEREOF, the City Council of the

Wellston City Of has duly adopted this resolution and caused it

to be executed by the officers below in duplicate on this 5<sup>th</sup> day of November, 2020.

(SEAL)

Attest:

  
By Charles Hudson

Title Mayor

  
Fiscal Officer

Title