

TEMPORARY ORDINANCE NO. 18-10

PERMANENT ORDINANCE NO. 18-10

AN ORDINANCE PROVIDING FOR THE ISSUANCE AND SALE OF \$142,000 NOTES, IN ANTICIPATION OF THE ISSUANCE OF BONDS, FOR THE PURPOSE OF PAYING COSTS OF ACQUIRING REAL PROPERTY FOR PARK AND RECREATIONAL USE, AND DECLARING AN EMERGENCY

WHEREAS, pursuant to Ordinance No. 19-09 passed October 5, 2009, a Note in anticipation of bonds in the amount of \$180,000, dated November 11, 2009, was issued, in part, for the purpose stated in Section 1, to mature November 11, 2010 (the "Outstanding Note"); and

WHEREAS, this Council finds and determines that the City should retire the Outstanding Note with the proceeds of the Notes described in Section 3 and other funds available to the City; and

WHEREAS, the Auditor as fiscal officer of this City has certified to this Council that the estimated life or period of usefulness of the improvement described in Section 1 is at least five years, the estimated maximum maturity of the Bonds described in Section 1 is 18 years and the maximum maturity of the Notes described in Section 3, to be issued in anticipation of the Bonds, is November 27, 2021;

NOW, THEREFORE, BE IT ORDAINED by the Council of the City of Lancaster, Fairfield County, Ohio, that:

SECTION 1. It is necessary to issue bonds of this City in the aggregate principal amount of \$142,000 (the "Bonds") for the purpose of paying costs of acquiring real property for park and recreational use.

SECTION 2. The Bonds shall be dated approximately November 1, 2011, shall bear interest at the now estimated rate of ~~3~~3% per year, payable semi-annually until the principal amount is paid, and are estimated to mature in 10 annual principal installments on December 1 of each year that are in such amounts that the total principal and interest payments on the Bonds in any year in which principal is payable are substantially equal. The first principal payment of the Bonds is estimated to be December 1, 2011.

SECTION 3. It is necessary to issue and this Council determines that notes in the aggregate principal amount of \$142,000 (the "Notes") shall be issued in anticipation of the issuance of the Bonds and to retire, together with other funds available to the City, the Outstanding Note. The Notes shall bear interest at the rate of 3% per year (computed on a 360-day per year basis), payable at maturity and until the principal amount is paid or payment is provided for.

SECTION 4. The debt charges on the Notes shall be payable in lawful money of the United States of America and shall be payable, without deduction for services of the City's paying agent, at the office of Treasurer of the City (the "Paying Agent"). The Notes shall be dated November 10, 2010 and shall mature November 10, 2011. The Notes shall be prepayable without penalty or premium at the option of the City at any time prior to maturity as provided in this ordinance. Prepayment prior to maturity shall be made by deposit with the Paying Agent of the principal amount of the Notes together with interest accrued thereon to the date of

prepayment. The City's right of prepayment shall be exercised by mailing a notice of prepayment, stating the date of prepayment and the name and address of the Paying Agent, by certified or registered mail to the original purchaser of the Notes not less than seven days prior to the date of that deposit, unless that notice is waived by the original purchaser of the Notes. If money for prepayment is on deposit with the Paying Agent on the specified prepayment date following the giving of that notice (unless the requirement of that notice is waived as stated above), interest on the principal amount prepaid shall cease to accrue on the prepayment date, and upon the request of the Auditor the original purchaser of the Notes shall arrange for the delivery of the Notes at the designated office of the Paying Agent for prepayment and surrender and cancellation.

SECTION 5. The Notes shall be signed by the Mayor and Auditor, in the name of the City and in their official capacities, provided that one of those signatures may be a facsimile. The Notes shall be issued in the denominations and numbers as requested by the original purchaser and approved by the Auditor, provided that the entire principal amount may be represented by a single note. The Notes shall not have coupons attached, shall be numbered as determined by the Auditor and shall express upon their faces the purpose, in summary terms, for which they are issued and that they are issued pursuant to this ordinance.

SECTION 6. The Notes are offered at par and accrued interest, if any, to the Treasury Investment Board of the City. Notes not purchased by the Treasury Investment Board of the City shall be sold at not less than par at private sale by the Auditor in accordance with law and the provisions of this ordinance. The Auditor shall cause the Notes to be prepared, and have the Notes signed and delivered, together with a true transcript of proceedings with reference to the issuance of the Notes if requested by the original purchaser, to the original purchaser upon payment of the purchase price. The Mayor, the Auditor, the Clerk of Council and other City officials, as appropriate, are each authorized and directed to sign any transcript certificates, financial statements and other documents and instruments and to take such actions as are necessary or appropriate to consummate the transactions contemplated by this ordinance. The Auditor is authorized, if it is determined to be in the best interest of the City, to combine the issue of Notes with one or more other note issues of the City into a consolidated note issue pursuant to Section 133.30(B) of the Revised Code.

SECTION 7. The proceeds from the sale of the Notes, except any premium and accrued interest, shall be paid into the proper fund or funds and those proceeds are appropriated and shall be used for the purpose for which the Notes are being issued. Any portion of those proceeds representing premium and accrued interest shall be paid into the Bond Retirement Fund.

SECTION 8. The par value to be received from the sale of the Bonds or of any renewal notes and any excess funds resulting from the issuance of the Notes shall, to the extent necessary, be used to pay the debt charges on the Notes at maturity and are pledged for that purpose.

SECTION 9. During the year or years in which the Notes are outstanding, there shall be levied on all the taxable property in the City, in addition to all other taxes, the same tax that would have been levied if the Bonds had been issued without the prior issuance of the Notes. The tax shall be within the ten-mill limitation imposed by law, shall be and is 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 those years are certified, levied, extended and collected, and shall be placed before and in preference to all other items and for the full amount thereof. The proceeds of the tax levy shall be placed in the Bond Retirement Fund, which is irrevocably pledged for the payment of the debt charges on the Notes or the Bonds when and as the same fall due.

SECTION 10. The Clerk of Council is directed to deliver a certified copy of this ordinance to the County Auditor.

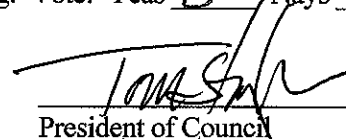
SECTION 11. This Council determines that all acts and conditions necessary to be done or performed by the City or to have been met precedent to and in the issuing of the Notes in order to make them legal, valid and binding general obligations of the City have been performed and have been met, or will at the time of delivery of the Notes have been performed and have been met, in regular and due form as required by law; that the full faith and credit and general property taxing power (as described in Section 9) of the City are pledged for the timely payment of the debt charges on the Notes; and that no statutory or constitutional limitation of indebtedness or taxation will have been exceeded in the issuance of the Notes.

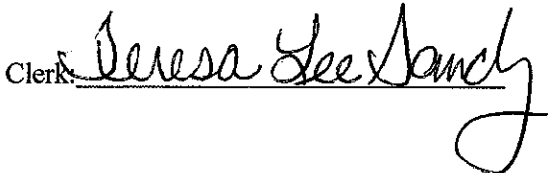
SECTION 12. This Council finds and determines that all formal actions of this Council concerning and relating to the passage of this ordinance were taken in an open meeting of this Council and that all deliberations of this Council and of any committees that resulted in those formal actions were in meetings open to the public in compliance with the law.

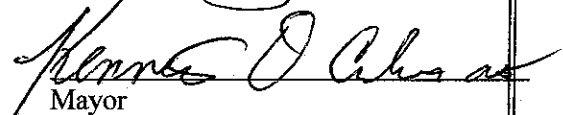
SECTION 13. This ordinance is declared to be an emergency measure necessary for the immediate preservation of the public peace, health and safety of the City and for the further reason that this Ordinance is required to be immediately effective in order to issue and sell the Notes, which is necessary to enable the City to timely retire the Outstanding Notes and thereby preserve its credit; wherefore, this ordinance shall be in full force and effect immediately upon its passage and approval by the Mayor.

Passed: 11/8/2010 after 2nd reading. Vote: Yeas 8 Nays 0

Date Approved: 11/8/2010


President of Council

Clerk: 


Mayor

The foregoing is a true and correct copy of Ordinance 18-10 as adopted by the Council of the City of Lancaster, Ohio at its meeting on November 8, 2010.

Offered by: 

Second by: 

Requested by Finance Committee

I, Teresa L. Sandy, Clerk of Council do hereby certify that on _____, 2010 the Lancaster Eagle Gazette published the summary of this ordinance in accordance with Ohio Revised Code 731.24.

Clerk of Council