

RESOLUTION_06_-2021

The Board of Township Trustees of the Township of Danbury, Ohio, County of Ottawa, State of Ohio, met in regular session at Danbury Twp Hall at 6 pm on March 24, 2021, with the following members present: Trustee: HIRT, Trustee: ROZAK, Trustee: Dress.

Trustee DRESS moved the adoption of the following Resolution and Trustee HIRT seconded the motion.

A RESOLUTION PROVIDING FOR THE ISSUANCE AND SALE OF \$1,000,000 AGGREGATE PRINCIPAL AMOUNT OF NOTES, IN ANTICIPATION OF THE ISSUANCE OF BONDS, TO PAY A PORTION OF THE COSTS OF CONSTRUCTING, FURNISHING AND EQUIPPING FIRE STATION IMPROVEMENTS AND RELATED APPURTENANCES AND IMPROVEMENTS

BE IT RESOLVED by the Board of Township Trustees of the Township of Danbury, County of Ottawa, State of Ohio, that:

Section 1. It is necessary to issue bonds of this Township in the aggregate principal amount of \$1,000,000 (the Bonds) to pay a portion of the costs of constructing, furnishing and equipping fire station improvements and related appurtenances and improvements.

Section 2. The Bonds shall be dated approximately April 1, 2022, shall bear interest at the now estimated rate of 3% per year, and are estimated to mature in 15 annual principal installments. The first principal installment is estimated to be December 1, 2022.

Section 3. It is necessary to issue and this Board determines that notes in the aggregate principal amount of not to exceed \$1,000,000 (the Notes) shall be issued in anticipation of the issuance of the Bonds. The Notes shall bear interest at a rate or rates not to exceed 3% per year (computed on a 360-day per year basis), payable at maturity or at any date of earlier prepayment as provided for in Section 5 of this resolution and until the principal amount is paid or payment is provided for. The principal amount of the Notes shall be the amount as determined by an Authorized Officer in the certificate awarding the Notes in accordance with Section 6 of this resolution to be the amount necessary to pay costs of the improvements described in Section 1 hereof and any issuance costs, after taking into account any other moneys available to the Township and appropriated for those purposes. The rate or rates of interest on the Notes shall be determined by an Authorized Officer (defined below) in the certificate awarding the Notes in accordance with Section 6 of this resolution.

Section 4. The Notes shall be signed by at least two members of the Board of Township Trustees and by the Fiscal Officer, in the name of the Township and in their official capacities; provided that, any or all of those signatures may be a facsimile. The Notes shall be issued only as fully registered notes and in the denominations and numbers as requested by the original purchaser and approved by the Fiscal Officer or any member of this Board, 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 Fiscal Officer or any member of this Board and shall express upon their faces the purpose, in summary terms, for which they are issued and that they are issued pursuant to this resolution.

No Note shall be valid or obligatory for any purpose or shall be entitled to any security or benefit under this resolution unless and until the certificate of authentication printed on the Note is signed by the Note Registrar as authenticating agent. Authentication by the Note Registrar shall be conclusive evidence that the Note so authenticated has been duly issued, signed and delivered under, and is entitled to the security and benefit of, this resolution.

The Fiscal Officer or any member of this Board (each an Authorized Officer) is authorized to determine in the Certificate of Award the bank or trust company to act as authenticating agent, note registrar, transfer agent (the Note Registrar) and/or paying agent for the Notes after having determined that the payment at that bank or trust company will not endanger the funds or securities of the Township and that proper procedures and safeguards are available for the purpose; provided, however, such official may determine in the Certificate of Award that the Fiscal Officer shall act as Note Registrar and/or paying agent.

So long as any of the Notes remain outstanding, the Township will cause the Note Registrar to maintain and keep at its office all books and records necessary for the registration, exchange and transfer of Notes as provided in this Section (the Note Register). The person in whose name a Note is registered on the Note Register shall be regarded as the absolute owner of that Note for all purposes of this resolution. Payment of or on account of the debt charges on any Note shall be made only to or upon the order of that person; the Township and the Note Registrar shall not be affected by any notice to the contrary, but the registration may be changed as provided in this Section. All such payments shall be valid and effectual to satisfy and discharge the Township's liability upon the Note, including interest, to the extent of the amount or amounts so paid.

Any Note may be exchanged for Notes of any authorized denomination upon presentation and surrender at the office of the Note Registrar, together with a request for exchange signed by the registered owner or by a person legally empowered to do so in a form satisfactory to the Note Registrar. A Note may be transferred only on the Note Register upon presentation and surrender of the Note at the office of the Note Registrar together with an assignment signed by the registered owner or by a person legally empowered to do so in a form satisfactory to the Note Registrar. Upon exchange or transfer, the Note Registrar shall complete, authenticate and deliver a new Note or Notes of any authorized denomination or denominations requested by the owner equal in the aggregate to the principal amount of the Note or Notes surrendered and bearing interest at the same rate and maturing on the same date.

If manual signatures on behalf of the Township are required, the Note Registrar shall undertake the exchange or transfer of Notes only after the new Notes are signed by the authorized officers of the County. In all cases of Notes exchanged or transferred, the Township shall sign and the Note Registrar shall authenticate and deliver Notes in accordance with the provisions of this resolution. The exchange or transfer shall be without charge to the owner, except that the Township and Note Registrar may make a charge sufficient to reimburse them for any tax or other governmental charge required to be paid with respect to the exchange or transfer. The Township or the Note Registrar may require that those charges, if any, be paid before the procedure is begun for the exchange or transfer. All Notes issued and authenticated upon any exchange or transfer shall be valid obligations of the Township, evidencing the same debt, and entitled to the same security and benefit under this resolution, as the Notes surrendered upon that exchange or transfer.

Section 5. The debt charges on the Notes shall be payable in lawful money of the United States of America, or in Federal Reserve funds of the United States of America if so requested by the original purchaser, and shall be payable, without deduction for services of the Township's paying agent, upon presentation and surrender, at the office of the Note Registrar, to the persons in whose names the Notes are registered on the Note Register. The Notes shall be dated the date of issuance and shall mature not more than one year from the date of issuance as determined by the Fiscal Officer or any member of this Board in the certificate of award after determining such maturity to be in the best interests and financial advantages of the Township. If agreed to by the original purchaser, the Notes shall be prepayable without penalty or premium at the option of the Township at any time prior to maturity as provided in this resolution. Prepayment prior to maturity shall be made by deposit with the Note Registrar of the principal amount of the Notes together with interest accrued thereon to the date of prepayment. The Township'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 Note Registrar, 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 Note Registrar 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 Fiscal Officer, the original purchaser of the Notes shall arrange for the delivery of the Notes at the designated office of the Note Registrar for prepayment and surrender and cancellation.

Section 6. The Notes shall be awarded and sold at private sale to Stifel, Nicolaus & Company, Incorporated, Cleveland, Ohio (the original purchaser) as set forth in the certificate of award, at a purchase price of not less than par in accordance with law and the provisions of this resolution. The Fiscal Officer or any member of this Board shall sign the certificate of award referred to herein (Certificate of Award), 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 members of the Board of Trustees and the Fiscal Officer and other Township 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 resolution. The Notes may be combined with other issues of notes and sold as a single consolidated issue pursuant to Section 133.30(B) of the Revised Code if determined to be in the best interests of the Township by the official executing the Certificate of Award.

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 Township, 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. In each year to the extent funds from the Township fire levy or other sources are available and appropriated for the purpose of paying debt charges on the Notes or the Bonds, the amount of that tax shall be reduced by the amount so available and appropriated.

Section 10. The Township covenants that it will use, and will restrict the use and investment of, the proceeds of the Notes in such manner and to such extent as may be necessary so that (a) the Notes will not (i) constitute private activity bonds, arbitrage bonds or hedge bonds under Sections 141, 148 or 149 of the Internal Revenue Code of 1986, as amended (the Code) or (ii) be treated other than as bonds to which Section 103 of the Code applies, and (b) the interest on the Notes will not be treated as an item of tax preference under Section 57 of the Code.

The Township further covenants that (a) it will take or cause to be taken such actions that may be required of it for the interest on the Notes to be and remain excluded from gross income for federal income tax purposes, (b) it will not take or authorize to be taken any actions that would adversely affect that exclusion, and (c) it, or persons acting for it, will, among other acts of compliance, (i) apply the proceeds of the Notes to the governmental purpose of the borrowing, (ii) restrict the yield on investment property, (iii) make timely and adequate payments to the federal government, (iv) maintain books and records and make calculations and reports and (v) refrain from certain uses of those proceeds, and, as applicable, of property financed with such proceeds, all in such manner and to the extent necessary to assure such exclusion of that interest under the Code.

Any Authorized Officer having responsibility for issuance of the Notes is hereby authorized (a) to make or effect any election, selection, designation, choice, consent, approval, or waiver on behalf of the Township with respect to the Notes as the Township is permitted to or required to make or give under the federal income tax laws, including, without limitation thereto, any of the elections provided for in Section 148(f)(4)(C) of the Code or available under Section 148 of the Code or any declarations of official intent on behalf of the Township in connection with any reimbursement expenditures, for the purpose of assuring, enhancing or protecting favorable tax treatment or status of the Notes or interest thereon or assisting compliance with requirements for that purpose, reducing the burden or expense of such compliance, reducing the rebate amount or payments of penalties, or making payments of special amounts in lieu of making computations to determine, or paying, excess earnings as rebate, or obviating those amounts or payments, as determined by that officer, which action shall be in writing and signed by the officer, (b) to take any and all other actions, make or obtain calculations, make payments, and make or give reports, covenants and certifications of and on behalf of the Township, as may be appropriate to assure the exclusion of interest from gross income and the intended tax status of the Notes, and (c) to give one or more appropriate certificates of the Township, for inclusion in the transcript of proceedings for the Notes, setting forth the reasonable expectations of the Township regarding the amount and use of all the proceeds of the Notes, the facts, circumstances and estimates on which they are based, and other facts and circumstances relevant to the tax treatment of the interest on and the tax status of the Notes.

The Notes are hereby designated as "qualified tax-exempt obligations" for purposes of Section 265(b)(3) of the Code. In that connection, the Township hereby represents and covenants that it, together with all of its subordinate entities or entities which issue obligations on its behalf, or on behalf of which it issues obligations, in or during the calendar year in which the Notes are issued (i) have not issued and will not issue tax-exempt obligations designated as "qualified tax-exempt obligations" for purposes of Section 265(b)(3) of the Code, including the Notes, in an aggregate amount in excess of \$10,000,000; and (ii) have not issued, do not reasonably anticipate issuing, and will not issue, tax-exempt obligations (including the Notes, but excluding obligations, other than qualified 501(c)(3) bonds as defined in Section 145 of the Code, that are private activity bonds as defined in Section 141 of the Code and excluding refunding obligations that are not advance refunding obligations as defined in Section 149(d)(5) of the Code) in an aggregate amount exceeding \$10,000,000, unless the Township first obtains a written opinion of nationally recognized bond counsel that such designation or issuance, as applicable, will not adversely affect the status of the Notes as "qualified tax-exempt obligations". Further, the Township represents and covenants that, during any time or in any manner as might affect the status of the Notes as "qualified tax-exempt obligations," it has not formed or participated in the formation of, or benefited from or availed itself of, any entity in order to avoid the purposes of subparagraph (C) or (D) of Section 265(b)(3) of the Code, and will not form, participate in the formation of, or benefit from or avail itself of, any such entity. The Township further represents that the Notes are not being issued as part of a direct or indirect composite issue that combines issues or lots of tax-exempt obligations of different issuers.

Section 11. The Fiscal Officer is directed to deliver a certified copy of this Resolution and the Certificate of Award to the County Auditor.

Section 12. This Board hereby finds and determines that all formal actions relative to the adoption of this Resolution were taken in an open meeting of this Board, and that all the deliberations of this Board and of its committees, if any, which resulted in formal actions, were taken in meetings open to the public, in full compliance with applicable legal requirements, including Section 121.22 of the Revised Code;


Section 13. This Board determines that all acts and conditions necessary to be done or performed by the Township 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 Township, pursuant to Chapter 505 of the Revised Code 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 herein) of the Township 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 14. This Resolution shall be in full force and effect immediately upon its adoption.

Upon roll call on the adoption of this Resolution, the vote was as follows:

MR. HIRT YES MS. POZAK YES MR. DIRGES YES

The foregoing is a true and correct excerpt from the minutes of the meeting on March 24, 2021, of the Board of Township Trustees of the Township of Danbury showing the adoption of the Resolution hereinabove set forth.



Fiscal Officer
Township of Danbury, Ohio

