

RESOLUTION NO. 2020 -2 - 3

RESOLUTION AUTHORIZING LEASE-PURCHASE FINANCING FOR THE PURPOSE OF FINANCING THE ACQUISITION OF A FIRE TRUCK IN A PRINCIPAL AMOUNT NOT TO EXCEED \$314,000, AND DECLARING AN EMERGENCY.

WHEREAS, the Village Council (the “Village Council”) of the Village of New Concord, Ohio (the “Issuer”), hereby determines, by virtue of this Resolution, that it is necessary and appropriate to acquire a fire truck (the “Project”) for general municipal purposes; and

WHEREAS, in order to finance the Project, the Issuer desires to enter into an equipment lease-purchase agreement (the “Lease-Purchase Agreement”) with Peoples Bank (or a related entity or affiliate entity) or another financial institution identified in the Certificate of Award (as defined herein); and

WHEREAS, the Lease-Purchase Agreement may be either an existing lease-purchase agreement or a newly executed lease-purchase agreement, and in either case, the Issuer may elect to enter into a master lease-purchase agreement or a lease-purchase agreement that is specific to the Project;

WHEREAS, Chapter 715 of the Ohio Revised Code provides the legal authority to execute the Lease-Purchase Agreement in order to finance the Project;

WHEREAS, the principal amount authorized pursuant to the Lease-Purchase Agreement shall not exceed \$314,000, which principal amount is not expected to exceed the cost of the Project and related costs of issuance;

NOW, THEREFORE, BE IT RESOLVED by this Village Council of the Village of New Concord, County of Muskingum, Ohio, three-fourths of who agreed to pass this Resolution as an emergency measure, and at least a majority of the members elected thereto concurring, that:

SECTION 1. It is hereby determined to be necessary, appropriate, and in the best interests of the inhabitants and citizens of the Issuer, and the Issuer hereby agrees, to finance the Project, in accordance with the plan of lease-purchase financing described in this Resolution.

SECTION 2. The Issuer shall finance the Project by entering into the Lease-Purchase Agreement with Peoples Bank (or a related entity or an affiliate entity) or a financial institution otherwise identified in the Certificate of Award (the “Lessor”). The Lease-Purchase Agreement may be a master agreement which includes one or more financing schedules. The Lease-Purchase Agreement shall provide, among other things, for the payment of rent from the Issuer to the Lessor. Rent shall be payable in an installment or installments over the term of the Lease-Purchase Agreement, in such amounts and at such times as shall be determined in the Certificate of Award and the Lease-Purchase Agreement. The initial term of the Lease-Purchase Agreement shall be from the effective date of the Lease-Purchase Agreement (or the applicable schedule of payments thereunder) to a date specified in the Lease-Purchase Agreement (which, initially, is not expected to exceed seven (7) years), subject to renewal terms at the end of each

fiscal year, which initial term and subsequent renewal terms shall be subject to appropriation of the amounts due and owing under the Lease-Purchase Agreement. The Lease-Purchase Agreement shall provide for termination in the event the Issuer fails to appropriate funds adequate to pay rent due with respect to any renewal term.

The Lease-Purchase Agreement may be subject to prepayment prior to the expiration of the initial term at the option of the Issuer in accordance with the terms of the Certificate of Award.

SECTION 3. The Mayor and the Fiscal Officer of the Issuer are hereby authorized and directed to execute and deliver the Lease-Purchase Agreement and such additional agreements, certificates, instruments, and other documents as may be in their discretion necessary or appropriate in order to carry out the intent of this Resolution in such forms as the official executing the same, and legal counsel for the Issuer, may approve. The Mayor and the Fiscal Officer are also hereby authorized and directed to execute a certificate of award (the "Certificate of Award"), which Certificate of Award shall specify the term of the lease-purchase obligations issued pursuant to the Lease-Purchase Agreement, the schedule of rent, the interest rate (or rates), the prepayment terms (if any), the maturity date, and other material terms and conditions necessary to provide for the issuance and delivery of the lease-purchase obligations issued pursuant to the Lease-Purchase Agreement. This Village Council hereby determines that the Certificate of Award and the provisions thereof shall be fully incorporated into this Resolution, and the terms of the Certificate of Award, when executed, shall be made part of this Resolution, and the Resolution and the Certificate of Award shall be one in the same document. The Mayor, the Fiscal Officer, the Village Administrator, and any other elected or appointed officials or officers of the Issuer (or any legally recognized designees or appointees), are hereby authorized to execute any documentation deemed necessary by legal counsel to the Issuer in order to provide for the issuance and delivery of the lease-purchase obligations provided for pursuant to the Lease-Purchase Agreement.

SECTION 4. The Issuer agrees to execute and perform the duties and obligations specified within the Lease-Purchase Agreement in accordance with the terms thereof. The Issuer agrees to comply with the terms and conditions of such additional agreements and documents relating thereto as shall be deemed, by legal counsel to the Issuer, necessary in order to provide for the issuance and delivery of the lease-purchase obligations to be issued pursuant to the Lease-Purchase Agreement. Dinsmore & Shohl LLP is hereby retained as bond counsel for the purpose of preparing and/or reviewing the necessary documentation in connection with the issuance and delivery of the lease-purchase obligations provided for in connection with the execution of the Lease-Purchase Agreement, and bond counsel is further authorized to prepare all necessary documents required to complete this lease-purchase financing, and the Mayor and the Fiscal Officer, individually or collectively, are hereby authorized to execute a letter of engagement with such firm.

SECTION 5. Nothing in the Lease-Purchase Agreement, or any agreements or documents relating thereto, shall constitute or be construed or deemed to constitute a debt or bonded indebtedness or a general obligation of the Issuer. Neither the taxing power nor the full faith and credit of the Issuer are pledged nor shall be pledged for the payment or security of the

lease-purchase obligations issued pursuant to the Lease-Purchase Agreement, or any other related agreement or document.

SECTION 6. The Issuer hereby covenants that it will restrict the use of the proceeds of the lease-purchase obligations issued pursuant to Lease-Purchase Agreement 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 lease-purchase obligations are incurred, so that they will not constitute “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 and will, to the extent possible, comply with all other applicable provisions of the Code and the regulations thereunder to retain the Federal income tax exemption for interest on such lease-purchase obligations, including any expenditure requirements, investment limitations, rebate requirements, or use restrictions. The Mayor and the Fiscal Officer or any other officer having responsibility with respect to the issuance of the lease-purchase obligations are hereby authorized and directed to give an appropriate certificate on behalf of the Issuer, for inclusion in the transcript of proceedings, setting forth the facts, estimates and circumstances and reasonable expectations pertaining to Section 148 of the Code and the accompanying Treasury Regulations.

SECTION 7. The lease-purchase obligations issued pursuant to the Lease-Purchase Agreement shall be designated “qualified tax-exempt obligations” for the purposes set forth in Section 265(b)(3) of the Code. It is not reasonably expected that the Issuer will issue more than \$10 million in tax-exempt obligations in calendar year 2020.

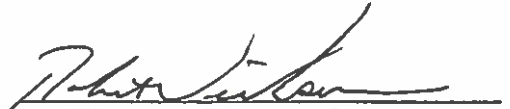
SECTION 8. There is hereby appropriated, from unappropriated funds derived from the Issuer’s safety levy, a sum (to be identified in the Certificate of Award and the Lease-Purchase Agreement as base rent for the current fiscal year) to pay the cost of rent or lease payments due or coming due under the Lease-Purchase Agreement for the initial term ending no later than December 31, 2020.

SECTION 9. It is hereby found and determined that all formal actions of this Village Council concerning and relating to the adoption of this Resolution were adopted in an open meeting of this Village Council, and that all deliberations of this Village 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.

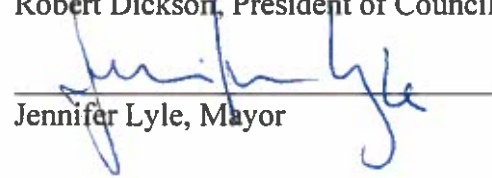
SECTION 10. This Resolution hereby repeals, supersedes, and replaces Resolution No. 9-19-1 approved by this Village Council on September 9, 2019.

SECTION 11. This Resolution is hereby declared to be an emergency measure necessary for the preservation of the public peace, health, and safety of the Issuer, and for the other reason that this Resolution is required to be immediately effective in order to permit the prompt issuance and delivery of the lease-purchase obligations provided for pursuant to the Lease-Purchase Agreement in order to provide for the timely financing of the Project, all on terms most advantageous to the Issuer, including a favorable rate (or rates) of interest, and provided further that this Resolution will take effect and be in force at the earliest period allowed by law.

PASSED: February 10, 2020


Robert Dickson, President of Council

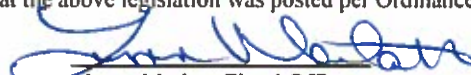
APPROVED: February 10, 2020


Jennifer Lyle, Mayor

ATTEST:


Lynn Marlatt, Fiscal Officer

I hereby certify that the above legislation was posted per Ordinance No. L-1-84-1.


Lynn Marlatt, Fiscal Officer