

RESOLUTION NO. 1980 - 376

A RESOLUTION TO PROVIDE FOR THE PERIODIC DEPOSIT OF MONEYS IN THE BOND RETIREMENT FUND TO MEET DEBT SERVICE REQUIREMENTS ON INDEBTEDNESS OF THE AUTHORITY

WHEREAS, the Greater Cleveland Regional Transit Authority (the "Authority") proposes to issue \$15,900,000 Transit Facilities Bonds, Series 1980A (the "Series 1980A Bonds") pursuant to Section 306.40 of the Revised Code and may subsequently issue additional indebtedness pursuant to that section or Section 306.49 of the Code; and

WHEREAS, the Authority is desirous of providing for the orderly accumulation of funds to pay the debt service on such indebtedness;

NOW, THEREFORE, BE IT RESOLVED by the Board of Trustees of the Greater Cleveland Regional Transit Authority, Cuyahoga County, Ohio, that:

Section 1. For purposes of this resolution, the following terms shall have the following meanings:

a. Indebtedness. The term "Indebtedness" shall mean (i) any general obligation bonds and any notes in anticipation of such bonds issued by the Authority pursuant to Section 306.40, and as provided in Sections 133.01 to 133.65, of the Revised Code without a vote of the electors residing within the territorial boundaries of the Authority, and (ii) any money borrowed in anticipation of the collection of current revenues, and any notes issued therefor, pursuant to Section 306.49 and as provided in Section 133.30 of the Revised Code. The term "Indebtedness" shall not include (i) any bonds or notes in anticipation of such bonds issued by the Authority pursuant to a vote of the electors within its territorial boundaries, pursuant to and as provided in Section 306.40 and Sections 133.01 to 133.65 of the Revised Code, (ii) any notes issued by the Authority, pursuant to Section 306.49 and as provided in Section 5705.193 of the Code, in anticipation of the collection of the proceeds of a tax levy authorized by a vote of the electors within its territorial boundaries, or (iii) any revenue bonds issued by the Authority pursuant to Section 306.37 of the Revised Code.

Only the defined Indebtedness shall be subject to the procedures set forth herein.

b. Debt Service. The term "Debt Service" shall mean the principal of, interest on, and any premium on Indebtedness.

c. Revenues. The term "Revenues" shall mean all moneys received by the Authority except tax proceeds and other moneys which are specifically limited to another use or are prohibited from use for the payment of Debt Service, either by state or federal law or by a pledge or covenant made or entered into by the Authority in connection with the receipt of state or federal grant moneys or the issuance of notes or bonds for the payment of which such moneys are pledged.

Only the defined Revenues shall be subject to the procedures set forth herein.

Section 2. Beginning with the issuance of the Series 1980A Bonds and with respect to those bonds and any other Indebtedness thereafter issued, the Secretary-Treasurer of the Authority shall:

a. Maintain a current schedule (the "Debt Service Schedule") showing (i) the amount of outstanding Indebtedness, (ii) the form in which such Indebtedness has been issued, (iii) the date or dates on which the principal of such Indebtedness will mature, (iv) the date or dates on which the interest on such Indebtedness will be payable, (v) the amount of principal or interest due on each of the dates referred to in items (iv) and (v), and (vi) a calculation of the amount that would be required to be set aside each month in order to accumulate, on the basis of equal monthly installments, an amount sufficient to pay Debt Service. With respect to any notes constituting part of the Indebtedness, such amount shall include only the amounts that would have to be accumulated each month over the period while such notes will be outstanding in order to pay interest on the notes at maturity or other interest payment date or dates. With respect to any bonds constituting part of the Indebtedness, such amount shall include only the amounts that would have to be accumulated each month to pay interest on each such bond at the next succeeding interest payment date and to pay the portion of the principal of each such bond that is payable at the next succeeding principal payment date. In computing the amount of such interest on any such notes or bonds where such interest is to be paid other than on the first day of the month, the amount required to be paid during a period of less than a month shall be prorated on the basis of the remaining number of days in that month.

b. Set aside and deposit in the Bond Retirement Fund of the Authority, from the Revenues received each month, an amount equal to the aggregate of the amounts shown in the Debt Service Schedule as required to be set aside that month and to make up for any deficiency in the amounts required to be set aside in previous months, provided that the amount to be deposited in a particular month may be reduced by (i) the amount in the Bond Retirement Fund in excess of the amount required to meet the set-aside obligations for the preceding months, and (ii) the amount of interest income received during the month or estimated to be received in subsequent months from the investment or reinvestment of amounts previously set aside.

If, as a result of an unexpected decrease in anticipated Revenues or an unexpected, substantial increase in the Authority's expenses for a particular month, the Secretary-Treasurer cannot make the set-aside and deposit for that month without causing the Authority to be unable to meet its current obligations, he shall report such circumstances to the Board of Trustees and, unless the Board of Trustees otherwise directs, may limit the amount of the deposit for that month to that portion of the required set-aside that will not impair the ability of the Authority to meet its current obligations; provided, however, that during no three-month period shall the total amount set aside and deposited in the Bond Retirement Fund be less than the total amount required to be set aside and deposited for that three-month period.


c. Provide to the Board of Trustees at least quarterly a copy of the Debt Service Schedule and a report on the status of the Bond Retirement Fund, including investments of amounts therein.

Section 3. Based on the Debt Service Schedule, provision shall be made in each annual budget of the Authority for the payment of Debt Service payable in the next succeeding fiscal year.

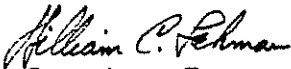
Section 4. It is found and determined that all formal actions of this Board concerning and relating to the adoption of this resolution were adopted in an open meeting of this Board, and that all deliberations of this Board and of any committees that resulted in such formal action, were in meetings open to the public, in compliance with all legal requirements, including Section 121.22 of the Revised Code.

Section 5. This resolution shall become effective immediately upon its adoption, and the requirements contained herein for the deposit of moneys in the Bond Retirement Fund shall be applicable commencing with the issuance and delivery of the Series 1980A Bonds and shall thereafter be applicable to any Indebtedness thereafter incurred.

Adopted: November 5, 1980

  
President

Attest:

  
Secretary-Treasurer