

RESOLUTION NO. 1981-18

A RESOLUTION TO AMEND RESOLUTION NO. 1980-376 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") adopted Resolution No. 1980-376 on November 5, 1980 to provide for the orderly accumulation of funds to pay the debt service on certain bonds and notes of the Authority and now determines it to be necessary to amend said resolution in order to provide for the effective date of the provisions thereof;

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

Section 1. That Section 2 of Resolution No. 1980-376, adopted by the Authority on November 5, 1980, is hereby amended to read in its entirety as follows:

"Section 2. Beginning with any Indebtedness incurred after February 1, 1981 and with respect to such Indebtedness and any and all Indebtedness incurred thereafter, 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 2. 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 3. This resolution shall become effective immediately upon its adoption.

Adopted: January 20, 1981

Harry Alexander
President

Attest:

William C. Schman
Secretary-Treasurer