

RESOLUTION NO. 1983- 178

A RESOLUTION PROVIDING FOR THE ISSUANCE AND SALE OF \$11,000,000 CURRENT REVENUE NOTES.

WHEREAS, this Board has determined, as provided in this resolution, to borrow money in anticipation of the collection of current revenues in and for fiscal year 1983 and to issue notes evidencing that borrowing; and

WHEREAS, the Secretary-Treasurer as the fiscal officer of this Board has certified that the maximum maturity of those notes is six months;

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

Section 1. This Board determines that it is necessary to borrow, pursuant to Section 133.30 of the Revised Code and for the purpose of paying current expenses of the Authority, the amount of \$11,000,000 in anticipation of the collection of current revenues in and for fiscal year 1983 and to issue Current Revenue Notes, Series 1983-2 (the Notes), to evidence that borrowing. This Board further determines that the aggregate principal amount of the Notes, together with the aggregate principal amount of the Authority's outstanding Current Revenue Notes, Series 1983-1, dated March 1, 1983 (the Series 1983-1 Notes), does not exceed one-half of the amount estimated to be received from the current revenues to be received by this Authority during the period while the Notes and the Series 1983-1 Notes are to be outstanding; that that estimated amount is as shown in the latest Official or Amended Official Certificate of Estimated Resources for fiscal year 1983 filed with this Authority pursuant to Section 5705.35 or Section 5705.36 of the Revised Code; that, as provided in Section 5705.39 of the Revised Code, the total appropriations by this Authority from each fund for fiscal year 1983 do not exceed the certified estimated revenue available for expenditure from each fund; and that this Authority does not levy, and receives no money from, ad valorem taxes for current expenses on the tax duplicate of the Authority.

Section 2. The Notes shall be issued in the aggregate principal amount of \$11,000,000, shall be dated August 2, 1983, and shall mature on December 15, 1983. The Notes shall be issued in denominations (including a single note representing the entire principal amount) requested by the original purchaser of the Notes and approved by the Secretary-Treasurer, and shall be numbered as determined by the Secretary-Treasurer. The principal amount of each of the Notes shall bear interest to maturity at a rate not to exceed 7% per annum, payable at maturity, which rate is determined to be the maximum rate per annum on the Notes, with the rate to be fixed by the Secretary-Treasurer in his certificate awarding the Notes at private sale pursuant to Section 4 of this resolution. The Notes shall not have coupons attached; shall be signed in their official capacities by the President and the Secretary-Treasurer of this Authority, one of whose signatures may be a facsimile signature; and shall express upon their faces the purpose for which they are issued and that they are issued pursuant to this resolution.

Section 3. The principal of and interest on the Notes shall be payable in lawful money of the United States of America at the principal office of AmeriTrust Company, Cleveland, Ohio, or at the option of the original purchaser of the Notes, at the principal office of a bank or trust company designated by the original purchaser and approved by the Secretary-Treasurer and situated in a city in which is located a Federal Reserve Bank or a branch thereof, without deduction for the services of either as the Authority's paying agent.

Section 4. The Notes are hereby offered at par and accrued interest to the Secretary-Treasurer, as the officer having charge of the Bond Retirement Fund. If this offer is rejected by the Secretary-Treasurer, the Notes shall be sold by the Secretary-Treasurer at private sale at a rate of interest not exceeding that stated in Section 2 of this resolution and at par and any premium and accrued interest. The Secretary-Treasurer is authorized and directed to cause the Notes to be prepared and to have the Notes executed and delivered, together with a true transcript of the proceedings with reference to the issuance of the Notes, to the original purchaser upon payment of the purchase price.

Section 5. Any proceeds of the sale of the Notes representing premium and accrued interest shall be paid into the Bond Retirement Fund. The balance of the proceeds of the Notes shall be paid into the General Fund and shall be used only for the purposes for which the current tax revenues anticipated are levied, collected and appropriated.

Section 6. The current revenues anticipated are to be applied to the extent required to the payment of the principal of and interest on the Notes at maturity. Pursuant to law and particularly Section 133.30 of the Revised Code, the amounts of the proceeds of those taxes required to pay that principal and interest are deemed to be appropriated to pay that principal and interest. This Authority covenants that it will give effect to that appropriation, to the extent stated above, in resolutions it hereafter adopts appropriating money for expenditure or encumbrance in the year 1983.

Section 7. The Secretary-Treasurer is hereby directed to cause to be paid by October 3, 1983, November 1, 1983 and December 1, 1983, from the current revenues anticipated by the Notes or from moneys derived from those current revenues, into the separate account in the Bond Retirement Fund provided for in Section 8 hereof, one-third of the amount necessary to pay the principal of and interest on the Notes at maturity; provided that the amount to be paid into such separate account on November 1, 1983 and December 1, 1983 shall take into account the amount of interest accrued on the investments made of moneys on deposit in such separate account. The portion of the last such payment shall be in the amount necessary, after taking into account amounts credited or to be credited to the separate account provided for in Section 8 of this resolution, to make timely payment of principal of and interest on the Notes.

Section 8. The Secretary-Treasurer is hereby authorized to enter into, in the name and on behalf of this Authority, a Paying Agent Agreement with AmeriTrust Company in substantially the form on file with this Authority,

which Paying Agent Agreement is hereby approved, with such changes therein not inconsistent with this resolution as may be approved by the Secretary-Treasurer on behalf of this Authority. The approval of such changes by the Secretary-Treasurer shall be conclusively evidenced by the execution of the Paying Agent Agreement. Pursuant to the Paying Agent Agreement, this Authority will be obligated to pay the amounts required in Section 7 of this resolution into a separate account which will be held in the custody of AmeriTrust Company to ensure the timely payment of the principal of and interest on the Notes. The Paying Agent Agreement shall provide that moneys deposited by the Authority in such account may be invested in any lawful investment at the direction of the Secretary-Treasurer, provided that all such investments mature on or before December 15, 1983.

Section 9. This Authority covenants that it will restrict the use of the proceeds of the Notes in such manner and to such extent, if any, as may be necessary, after taking into account reasonable expectations at the time of the delivery of and payment for the Notes, so that the Notes will not constitute arbitrage bonds under Section 103(c) of the Internal Revenue Code and the applicable income tax regulations under that Section. The Secretary-Treasurer as the fiscal officer, or any other officer having responsibility for issuing the Notes, is, alone or in conjunction with any of the foregoing or with any other officer or employee of or consultant to this Authority, authorized and directed to give an appropriate certificate of this Authority, for inclusion in the transcript of proceedings for the Notes, setting forth the reasonable expectations of the Board regarding the amount and use of all the proceeds of the Notes and the facts and estimates on which they are based, all as of the date of delivery of and payment for the Notes.

Section 10. The Official Statement of this Authority relating to the original issuance of the Notes, substantially in the form now on file with the Secretary-Treasurer, is approved and the President of this Board, the General Manager, the Director of Finance and the Secretary-Treasurer are authorized and directed to complete and execute, on behalf of the Board and in their official capacities, that Official Statement, with such modifications, changes and supplements as are necessary or desirable for the purposes thereof as those officers shall approve. Those officers are authorized to use and distribute, or authorize the use and distribution of, the Official Statement and any supplements thereto as so executed in connection with the original issuance of the Notes.

Section 11. The Secretary-Treasurer is directed to forward a certified copy of this resolution to the County Auditor of Cuyahoga County.

Section 12. This Board finds and determines that all acts and conditions necessary to be done or to exist precedent to and in the issuing of the Notes in order to make them legal, valid and binding special obligations of this Authority have been performed and exist, or at the time of delivery of the Notes will have been performed and exist, in regular and due form as required by law; and that the amount of indebtedness to be incurred by the issuance of the Notes does not exceed any limitation of indebtedness as fixed by law or the amount of borrowing permitted by Section 133.30 of the Revised Code.

Section 13. This Board finds and determines that all formal actions of the Board concerning and relating to the adoption of this resolution were adopted in an open meeting of this Board, and that all deliberations of the Board and of any of its committees that resulted in those formal actions were in meetings open to the public, in compliance with all legal requirements including Section 121.22 of the Revised Code.

Section 14. This resolution shall become effective immediately upon its adoption.

Adopted: July 19, 1983 *Harry Alexander*
President

Attest: *Robert J. Ludwig*
Secretary/Treasurer