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4 RESOLUTION NO. 2011-350

5
6 SPONSOR Mr. Pry

7
8 DATE August 29, 2011 COMMITTEE Finance

9
10 **A Resolution authorizing the issuance of refunding bonds of the Akron-Summit County**
11 **Public Library in the maximum aggregate principal amount of \$27,730,000 to refund**
12 **certain outstanding voted bonds, for the Executive, and declaring an emergency.**

13
14 BE IT RESOLVED by the Council of the County of Summit, State of Ohio, that:

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16 SECTION 1

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18 **Findings and Determinations.** This Council finds and determines the following matters
19 (capitalized terms are defined in Section 14):

- 20
21 (a) This Council has previously authorized the issuance of the Prior Bonds by the
22 Library District to pay costs of erecting, constructing, enlarging, and improving
23 buildings for library purposes for certain branch libraries and the Main Library,
24 equipping and furnishing those buildings, and acquiring and improving the sites
25 for those buildings.
- 26
27 (b) This Council has received a request from the Board of Trustees of the Library
28 District to authorize the issuance of bonds to advance refund a portion of the Prior
29 Bonds in order to achieve Debt Service savings.
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31 (c) It is now necessary for the Library District to issue the Series 2011 Bonds for the
32 purpose of (1) refunding certain maturities of the Prior Bonds to achieve Debt
33 Service savings, and (2) paying Financing Costs of the Series 2011 Bonds. The
34 issuance of the Series 2011 Bonds for these purposes is in the best interest of the
35 Library District.
- 36
37 (d) All acts and conditions necessary to be performed by the County and the Library
38 District or to have been met for the issuance of the Series 2011 Bonds in order to
39 make them legal, valid, and binding general obligations of the Library District,
40 have been performed and met, or will have been performed and met at the time of
41 delivery of the Series 2011 Bonds, as required by law.
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43 (e) No statutory or constitutional limitation of indebtedness or taxation will be
44 exceeded by the issuance of the Series 2011 Bonds.
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46 (f) The Clerk-Treasurer of the Library District has previously certified to this
47 Council the maximum maturity of the Prior Bonds.
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SECTION 2

Terms of the Series 2011 Bonds. The Series 2011 Bonds will have the following terms:

(a) **Amount.** The Series 2011 Bonds will be issued in the maximum Original Principal Amount of \$27,730,000. The Original Principal Amount of the Series 2011 Bonds must be the amount necessary to refund the Refunded Prior Bonds and to pay Financing Costs of the Series 2011 Bonds. The principal amounts of the Series 2011 Bonds to be issued as Current Interest Bonds, as Capital Appreciation Bonds, as Capital Appreciation Bonds that convert at some future date to Current Interest Bonds, as Serial Bonds, and as Term Bonds will be determined by the Clerk-Treasurer in the Certificate of Award.

(b) **Date.** The Current Interest Bonds will be dated the Closing Date, or any other date, not more than 31 days before the Closing Date, as determined by the Clerk-Treasurer in the Certificate of Award. The Capital Appreciation Bonds will be dated the Closing Date.

(c) **Maturity.** The Series 2011 Bonds will mature or be payable by Mandatory Sinking Fund Redemption in the amounts and on the Principal Payment Dates as follows:

Year	Amount	Year	Amount
2012	\$3,080,000	2017	\$3,080,000
2013	3,080,000	2018	3,080,000
2014	3,080,000	2019	3,085,000
2015	3,080,000	2020	3,085,000
2016	3,080,000		

The Clerk-Treasurer may adjust the principal payment schedule shown above by (1) increasing or decreasing the principal amounts of the Series 2011 Bonds maturing or payable by Mandatory Sinking Fund Redemption on any one or more of the Principal Payment Dates, or (2) by shortening the schedule so that the Series 2011 Bonds will mature over a lesser number of years. The Clerk-Treasurer must set forth any adjustment of the principal payment schedule in the Certificate of Award.

(d) **Redemption Before Stated Maturity.** The Series 2011 Bonds will be subject to redemption before their stated maturity as described in this Section 2(d), unless otherwise determined by the Clerk-Treasurer in the Certificate of Award.

(1) **Mandatory Sinking Fund Redemption.** If any of the Series 2011 Bonds are issued as Term Bonds, the Term Bonds will be subject to Mandatory Sinking Fund Redemption, in part, on the Mandatory Redemption Dates, at a redemption price of 100% of the principal amount being redeemed, plus interest accrued to the redemption date. The principal amounts to be paid by Mandatory Sinking Fund Redemption will be those in the principal payment schedule in Section 2(c) above.

1 The Library District will have the option to deliver Term Bonds in any
2 principal amount to the Registrar for cancellation. The Library District will
3 be entitled to a credit against its obligation to pay Debt Service by
4 Mandatory Sinking Fund Redemption on any future Mandatory Redemption
5 Date for Term Bonds that (A) are delivered by the Library District to the
6 Registrar, (B) have previously been redeemed other than by Mandatory
7 Sinking Fund Redemption, or (C) have been purchased and canceled by the
8 Registrar as provided in the Registrar Agreement.

- 9 (2) **Optional Redemption.** The Series 2011 Bonds maturing on or after
10 December 1, 2021 will be subject to redemption, at the option of the Library
11 District, on or after December 1, 2020, in whole or in part on any date, in
12 whole multiples of \$1,000, at the redemption price of 100% of the principal
13 amount being redeemed, plus interest accrued to the redemption date.

14 The Clerk-Treasurer may determine to change the optional redemption
15 provisions relating to the Series 2011 Bonds set forth above by (A) changing
16 the earliest optional redemption date, which may be any date before the final
17 maturity of the Series 2011 Bonds, and (B) changing the redemption prices
18 for the Series 2011 Bonds, which may not exceed 110% in any year in which
19 the Series 2011 Bonds are subject to optional redemption. The Clerk-
20 Treasurer must set forth any change to the optional redemption provisions in
21 the Certificate of Award.

22 The Library District's option to redeem the Series 2011 Bonds must be
23 exercised by a notice from the Clerk-Treasurer to the Registrar as provided
24 in the Registrar Agreement.

- 25 (3) **Terms of Redemption.** The procedures for partial redemption, for notice of
26 redemption, and for payment of redeemed Series 2011 Bonds must be
27 established in the Registrar Agreement.

- 28 (e) **Interest Rates.** The Series 2011 Bonds will bear interest at the rate or rates
29 determined in the Certificate of Award. The weighted average of the rates of interest
30 on the Series 2011 Bonds, determined by taking into account the principal amounts
31 of the Series 2011 Bonds and the terms to maturity or Mandatory Redemption Dates
32 of those principal amounts, may not exceed 9% per annum. Interest will be
33 calculated on a 360-day year of twelve, 30-day months.

- 34 (1) **Current Interest Bonds.** Current Interest Bonds will bear interest from
35 the most recent date to which interest has been paid or provided for or, if
36 no interest has been paid or provided for, from their date. Interest on the
37 Current Interest Bonds will be payable on the Interest Payment Dates until
38 the principal amount has been paid or provided for.

- 39 (2) **Capital Appreciation Bonds.** Any Capital Appreciation Bonds will bear
40 interest from their date. The rate of interest on a Capital Appreciation
41 Bond must be a rate that will result in a Maturity Amount for that Capital
42 Appreciation Bond, payable at maturity, as determined by the Clerk-
43 Treasurer in the Certificate of Award. Interest on a Capital Appreciation

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Bond will be accrued and compounded on each Interest Payment Date, and will be payable at maturity. All Capital Appreciation Bonds with the same stated maturity must bear interest at the same compounding rate. The total interest accrued on any Capital Appreciation Bond as of any date will be an amount equal to the amount by which the Compound Accreted Amount of that Capital Appreciation Bond exceeds the Original Principal Amount of that Capital Appreciation Bond as of that date. The Compound Accreted Amounts of the Capital Appreciation Bonds as of the Interest Payment Dates must be set forth in the Certificate of Award. The Compound Accreted Amount of a Capital Appreciation Bond as of any date other than an Interest Payment Date will be calculated in the manner described in the definition of "Compound Accreted Amount" in Section 14.

- (f) **Form, Numbering, and Denominations.** The Series 2011 Bonds must be issued in fully registered form. They must be issued in Authorized Denominations and in such numbers as requested by the Original Purchaser and approved by the Clerk-Treasurer. They must be numbered as determined by the Registrar. They must express on their faces the purpose for which they are issued and that they are issued in accordance with this resolution. The Series 2011 Bonds will be designated "Library Improvement Refunding Bonds, Series 2011" unless otherwise designated in the Certificate of Award.

SECTION 3

Payment. The Debt Service on the Series 2011 Bonds will be payable in lawful money of the United States of America without deduction for the services of the Registrar as paying agent. Principal and any premium on the Series 2011 Bonds will be payable when due upon presentation and surrender of the Series 2011 Bonds at the office of the Registrar. Interest on the Current Interest Bonds will be paid on each Interest Payment Date by check or draft mailed on the Interest Payment Date to the Holder as shown on the Register at the close of business on the 15th day of the month preceding the Interest Payment Date. Interest on the Capital Appreciation Bonds will be payable at maturity, in accordance with Section 2(e)(2) of this resolution. Notwithstanding the foregoing, so long as the Series 2011 Bonds are issued in book-entry form in a book-entry system, Debt Service on the Series 2011 Bonds will be payable as provided in any agreement entered into by the Library District in connection with the book-entry system. Payment of Debt Service on any Series 2011 Bond will be made only to or upon the order of the Holder. All such payments will be valid and effectual to satisfy and discharge the Library District's liability upon that Series 2011 Bond to the extent of the amount or amounts so paid.

SECTION 4

Signing and Authentication of Series 2011 Bonds.

- (a) **Signing.** The Series 2011 Bonds must be signed on behalf of the Library District by the President and the Clerk-Treasurer. In the absence of the President, the Series 2011 Bonds must be signed for by any other member of the Board of Trustees of the Library District, and in the absence of the Clerk-Treasurer the

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Series 2011 Bonds must be signed by any deputy Clerk-Treasurer. Both signatures on the Series 2011 Bonds may be facsimiles.

(b) **Authentication.** No Series 2011 Bond will be valid or obligatory for any purpose or will be entitled to any security or benefit under the Bond Proceedings unless and until the certificate of authentication printed on the bond certificate is signed by the Registrar as authenticating agent. Authentication by the Registrar will be conclusive evidence that the Series 2011 Bond so authenticated has been duly issued, signed, and delivered under, and is entitled to the security and benefit of, the Bond Proceedings. The certificate of authentication may be signed by any authorized officer or employee of the Registrar or by any other person acting as an agent of the Registrar and approved by the Clerk-Treasurer on behalf of the Library District. The same person need not sign the certificate of authentication on all of the Series 2011 Bonds.

SECTION 5

Registration; Transfer and Exchange; Book-Entry System.

(a) **Registration.** So long as any of the Series 2011 Bonds remain outstanding, the Library District must cause the Registrar to maintain the Register. The person in whose name a Series 2011 Bond is registered on the Register will be regarded as the absolute owner of that Series 2011 Bond for all purposes of the Bond Proceedings. Neither the Library District nor the Registrar will be affected by any notice to the contrary, but the registration may be changed as provided in this Section and in the Registrar Agreement.

(b) **Transfer and Exchange.** Any Series 2011 Bond may be exchanged for Series 2011 Bonds of any Authorized Denomination, as provided in the Registrar Agreement.

All Series 2011 Bonds issued and authenticated upon any exchange or transfer will be valid obligations of the Library District, evidencing the same debt, and entitled to the same security and benefit under the Bond Proceedings as the Series 2011 Bonds surrendered upon that exchange or transfer.

(c) **Book-Entry System.** The Series 2011 Bonds must be originally issued in book-entry form to a Depository, initially The Depository Trust Company, for use in a book-entry system upon the terms provided in the Registrar Agreement. Under the book-entry system, the Series 2011 Bonds will be registered in the name of a Depository or its nominee, the bond certificates in fully-registered form will be deposited with and retained in the custody of the Depository or its agent, and the ownership of interests in the Series 2011 Bonds may be transferred only through a book entry on the records of the Depository.

Subject to the provisions of this resolution relating to the Library District's Continuing Disclosure Agreement, the Library District and the Registrar must recognize and treat the Depository as the Holder of the Series 2011 Bonds for all

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purposes, including payment of Debt Service, redemption and other notices, and enforcement of remedies.

If any Depository determines not to continue to act as a Depository for the Series 2011 Bonds for use in a book-entry system or if the Library District determines to discontinue the book-entry system, the Clerk-Treasurer may attempt to establish a securities depository/book-entry relationship with another qualified Depository. If the Clerk-Treasurer does not do so, the Clerk-Treasurer must direct the Registrar to make provision for notification of the book-entry interest owners by the Depository and to make any other arrangements necessary for the withdrawal of the Series 2011 Bonds from the book-entry system.

SECTION 6

Sale of the Series 2011 Bonds.

- (a) **Private Sale.** This Council authorizes and directs the Clerk-Treasurer to sell the Series 2011 Bonds in a private sale to the Original Purchaser. The purchase price of the Series 2011 Bonds must not be less than 97% of the Original Principal Amount of the Series 2011 Bonds, plus any accrued interest on the Series 2011 Bonds from their date to the Closing Date. The Clerk-Treasurer may either sell the Series 2011 Bonds to an investment banker, acting as underwriter, or to a financial institution or other entity or person, in a private placement. The Clerk-Treasurer may enter into a Purchase Agreement with the Original Purchaser in that private sale, or may sell the Series 2011 Bonds without a Purchase Agreement.
- (b) **Certificate of Award.** The Clerk-Treasurer must deliver a Certificate of Award to the Original Purchaser in connection with the sale of the Series 2011 Bonds. The Clerk-Treasurer must state in the Certificate of Award: the principal amounts to be issued as Current Interest Bonds, Capital Appreciation Bonds, convertible Capital Appreciation Bonds, Serial Bonds, and Term Bonds; the interest rates on the Series 2011 Bonds; the Maturity Amounts and Compound Accreted Amounts of any Capital Appreciation Bonds; the first Interest Payment Date; the purchase price for the Series 2011 Bonds; and any other terms required by this resolution. The Clerk-Treasurer may state in the Certificate of Award any changes in the date of the Series 2011 Bonds, any changes in the principal payment schedule, any changes in the redemption provisions, whether the Series 2011 Bonds will be issued in book-entry form, and any other terms authorized by this resolution.
- (c) **Delivery.** The Clerk-Treasurer must cause the Series 2011 Bonds to be prepared, signed, and delivered to the Original Purchaser. This Council authorizes and directs the Clerk-Treasurer to deliver a true transcript of proceedings for the issuance of the Series 2011 Bonds to the Original Purchaser upon payment of the purchase price.

SECTION 7

Disclosure.

(a) **Primary Offering Disclosure—Official Statement.** This Council authorizes and directs the President and the Clerk-Treasurer, or either of them, (1) to prepare or cause to be prepared, and to make or authorize modifications, completions, or changes of or supplements to, a disclosure document in the form of an official statement, (2) to determine, and certify or otherwise represent, when the official statement is to be “deemed final” (except for permitted omissions) or is a final official statement for purposes of the SEC Rule, (3) to use and distribute, or authorize the use and distribution of, that official statement and any supplements in connection with the original issuance of the Series 2011 Bonds, and (4) to complete and sign the final official statement together with certificates, statements, or other documents in connection with the finality, accuracy, and completeness of that official statement.

(b) **Secondary Market Disclosure—Continuing Disclosure Agreement.** For the benefit of the Holders of the Series 2011 Bonds and the beneficial owners of book-entry interests in the Series 2011 Bonds, the Library District agrees, as the only obligated person with respect to the Series 2011 Bonds under the SEC Rule, to provide financial information and operating data, financial statements, and notices, in the manner required for purposes of paragraph (b)(5)(i) of the SEC Rule.

(1) **Information Filing.** The Library District further agrees, in particular, to provide:

(A) to the MSRB through the EMMA System, in an electronic format as prescribed by the MSRB and containing identifying information as prescribed by the MSRB, (i) Annual Information for each Library District fiscal year, not later than the end of the ninth month following the end of the fiscal year, and (ii) when and if available, audited Library District financial statements for each of those fiscal years; and

(B) to the MSRB through the EMMA System, in an electronic format as prescribed by the MSRB and containing identifying information as prescribed by the MSRB, in a timely manner, notice of (i) any Specified Event, within 10 business days after the occurrence of a Specified Event, (ii) the Library District’s failure to provide the Annual Information within the time specified above, (iii) any change in the accounting principles applied in the preparation of its annual financial statements, (iv) any change in its fiscal year, (v) its failure to appropriate funds to meet costs to be incurred to perform the Continuing Disclosure Agreement, and (vi) the termination of the Continuing Disclosure Agreement.

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(2) ***Continuing Disclosure Certificate.*** To further describe and specify certain terms of the Continuing Disclosure Agreement, this Council authorizes and directs the Clerk-Treasurer to (A) complete, sign, and deliver the Continuing Disclosure Certificate, in the name and on behalf of the Library District, and (B) to specify in reasonable detail the Annual Information to be provided (which may be provided by specific reference to other documents previously filed and available in accordance with the SEC Rule), whether the Library District has obtained any credit enhancement for the Series 2011 Bonds, and the Library District's expectations as to whether audited financial statements will be prepared, the accounting principles to be applied in their preparation, and whether they will be available together with, or separately from, the Annual Information.

(3) ***Disclosure Procedures.*** This Council further authorizes and directs the Clerk-Treasurer to establish procedures to ensure compliance by the Library District with the Continuing Disclosure Agreement, including timely provision of information and notices as described above. Before making any filing in accordance with (b)(2) above or providing notice of the occurrence of any other events, the Clerk-Treasurer may consult with and obtain legal advice from bond counsel or other qualified independent special counsel selected by the Library District. The Clerk-Treasurer may rely upon that legal advice in determining whether a filing should be made.

(4) ***Amendments.*** The Library District reserves the right to amend the Continuing Disclosure Agreement, and to obtain the waiver of noncompliance with any provision of the Continuing Disclosure Agreement, as may be necessary or appropriate to achieve its compliance with any applicable federal securities law or rule, to cure any ambiguity, inconsistency, or formal defect or omission, and to address any change in circumstances arising from a change in legal requirements, change in law, or change in the identity, nature, or status of the Library District, or type of business conducted by the Library District. Any amendment or waiver will not be effective unless the Continuing Disclosure Agreement (as amended or taking into account that waiver) would have complied with the requirements of the SEC Rule at the time of the primary offering of the Series 2011 Bonds, after taking into account any applicable amendments to or official interpretations of the SEC Rule, as well as any change in circumstances, and until the Library District has received either (A) a written opinion of bond counsel or other qualified independent special counsel selected by the Library District that the amendment or waiver would not materially impair the interests of Holders or beneficial owners of book-entry interests in the Series 2011 Bonds, or (B) the written consent to the amendment or waiver by the Holders of at least a majority of the principal amount of the Series 2011 Bonds then outstanding. Annual Information containing any revised operating data or financial information must explain, in narrative form, the reasons for any amendment or waiver and the impact of the change on the type of operating data or financial information being provided.

- 1 (5) **Enforcement.** The Continuing Disclosure Agreement will be solely for the
2 benefit of the Holders of, and beneficial owners of book-entry interests in,
3 the Series 2011 Bonds. The exclusive remedy for any breach of the
4 Continuing Disclosure Agreement by the Library District will be limited, to
5 the extent permitted by law, to a right of Holders and beneficial owners to
6 institute and maintain legal proceedings to obtain the specific performance
7 by the Library District of its obligations under the Continuing Disclosure
8 Agreement. Any individual Holder or beneficial owner may institute and
9 maintain those proceedings to require the Library District to provide a filing
10 if the filing is due and has not been made. Any proceedings to require the
11 Library District to perform any other obligation under the Continuing
12 Disclosure Agreement (including any proceedings that contest the
13 sufficiency of any filing) may be instituted and maintained only (A) by a
14 trustee appointed by the Holders and beneficial owners of not less than 25%
15 in principal amount of the Series 2011 Bonds then outstanding, or (B) by
16 Holders and beneficial owners of not less than 10% in principal amount of
17 the Series 2011 Bonds then outstanding, in accordance with Section
18 133.25(B)(4)(b) or (C)(1), Revised Code, as applicable, or any comparable
19 successor provisions.
- 20 (6) **Appropriation.** The performance by the Library District of the Continuing
21 Disclosure Agreement will be subject to the annual appropriation of any
22 funds that may be necessary to perform it.
- 23 (7) **Term.** The Continuing Disclosure Agreement will remain in effect only for
24 the period that the Series 2011 Bonds are outstanding in accordance with
25 their terms and the Library District is an obligated person with respect to the
26 Series 2011 Bonds within the meaning of the SEC Rule. The obligation of
27 the Library District to provide the Annual Information, audited financial
28 statements, and notices of the events described above will terminate if and
29 when the Library District is no longer an obligated person with respect to the
30 Series 2011 Bonds.

31 SECTION 8

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33 **Financing Costs.** The Library District retains the professional services and authorizes
34 the payment of the Financing Costs for the Series 2011 Bonds, as provided in this Section 8.

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36 (a) **Bond Counsel.** The Library District retains the legal services of Vorys, Sater,
37 Seymour and Pease LLP, as bond counsel for the Series 2011 Bonds. The legal
38 services will be in the nature of legal advice and recommendations as to the
39 documents and the proceedings in connection with the issuance and sale of the
40 Series 2011 Bonds and rendering legal opinions upon the delivery of the Series 2011
41 Bonds. Bond Counsel will render those services to the Library District in an
42 attorney-client relationship. Bond Counsel will be paid just and reasonable
43 compensation for those legal services and will be reimbursed for actual out-of-
44 pocket expenses it incurs in rendering those legal services.

- 1 (b) **Original Purchaser.** This Council authorizes and directs the Clerk-Treasurer to
2 select the Original Purchaser, either as an underwriter or as a purchaser in a
3 private placement. If the Clerk-Treasurer selects the Original Purchaser to act as
4 an underwriter of the Series 2011 Bonds, the Library District retains the services
5 of the Original Purchaser as senior manager for the Series 2011 Bonds. The
6 senior manager may designate additional members of the underwriting syndicate.
7 The Original Purchaser will be paid for services in accordance with any Purchase
8 Agreement or, if there is no Purchase Agreement, in accordance with its proposal.
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- 10 (c) **Ratings and Insurance.** If, in the judgment of the Clerk-Treasurer, the filing of
11 an application for (1) a rating on the Series 2011 Bonds by one or more nationally
12 recognized statistical rating organizations, or (2) a policy of insurance, from one
13 or more bond insurance providers, to better assure the payment of Debt Service on
14 the Series 2011 Bonds, is in the best interest of and financially advantageous to
15 the Library District, this Council authorizes and directs the Clerk-Treasurer to
16 prepare and submit those applications and to provide to those rating agencies or
17 insurance providers the information required for the purpose. This Council
18 further authorizes the fees for those ratings and the premiums for the insurance to
19 be included in Financing Costs authorized under (h) below.
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- 21 (d) **Registrar.** This Council authorizes and directs the Clerk-Treasurer to appoint a
22 Registrar for the Series 2011 Bonds. The Registrar must be a financial institution
23 able to complete transfer and exchange functions for the Series 2011 Bonds in
24 accordance with standards and conditions applicable to registered corporate
25 securities. The Library District retains the services of the Registrar for the Series
26 2011 Bonds. The Registrar will perform the services as bond registrar,
27 authenticating agent, paying agent, and transfer agent for the Series 2011 Bonds
28 as provided in this resolution. The Registrar will be paid for those services in
29 accordance with the Registrar Agreement.
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- 31 (e) **Escrow Agent.** This Council authorizes and directs the Clerk-Treasurer to select
32 an Escrow Agent for the Refunded Prior Bonds. The Escrow Agent must be a
33 bank or trust company authorized to exercise corporate trust powers in Ohio. The
34 Escrow Agent must be paid for its services in accordance with the Escrow
35 Agreement or its letter of engagement. This Council authorizes the fees for the
36 Escrow Agent's services to be included in the Financing Costs authorized under
37 (h) below.
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- 39 (f) **Verification Agent.** This Council authorizes and directs the Clerk-Treasurer to
40 select a Verification Agent. The Verification Agent must be an independent
41 public accounting firm. The Verification Agent must be paid for its services in
42 accordance with its letter of engagement.
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- 44 (g) **Limits on Authority of Service Providers.** In rendering the services described
45 above, as independent contractors, those service providers must not exercise any
46 administrative discretion on behalf of the Library District in the formulation of
47 public policy; expenditure of public funds; enforcement of laws, rules and

1 regulations of the State, the Library District, or any other political subdivision; or the
2 execution of public trusts.

3 (h) **Payment of Financing Costs.** This Council authorizes and approves the
4 expenditure of the amounts necessary to pay those Financing Costs specifically
5 authorized above and all other necessary Financing Costs in connection with the
6 issuance and sale of the Series 2011 Bonds. Those Financing Costs may be paid
7 by the Original Purchaser in accordance with any Purchase Agreement. To the
8 extent they are not paid by the Original Purchaser, this Council authorizes and
9 directs the Clerk-Treasurer to provide for the payment of those Financing Costs
10 from the proceeds of the Series 2011 Bonds to the extent available and, otherwise,
11 from any other funds lawfully available and appropriated for the purpose.

12 SECTION 9

13 **Use of Proceeds and Refunding.** The proceeds from the sale of the Series 2011 Bonds
14 must be deposited and used and the Refunded Prior Bonds must be paid as provided in this
15 Section 9.

16 (a) The proceeds of the Series 2011 Bonds must be used for the following purposes:

17 (1) Any accrued interest or premium received on the sale of the Series 2011
18 Bonds must be deposited in the Bond Retirement Fund of the Library
19 District and used for the payment of interest on the Series 2011 Bonds on the
20 first Interest Payment Date.

21 (2) An amount necessary to pay the Financing Costs of the Series 2011 Bonds,
22 to the extent not paid by the Original Purchaser in accordance with the
23 Purchase Agreement and to the extent that the Clerk-Treasurer determines to
24 pay those Financing Costs from the proceeds of the Series 2011 Bonds, must
25 be deposited in a separate fund and used for the payment of those Financing
26 Costs.

27 (3) The remainder of the proceeds must be paid to the Escrow Agent for
28 deposit into the Escrow Fund. If the proceeds of the Series 2011 Bonds in
29 the Escrow Fund are not needed to pay the outstanding principal amount
30 of, any redemption premium on, and any interest on, the Refunded Prior
31 Bonds, as determined in the Verification Report, those excess proceeds
32 must be transferred to the Bond Retirement Fund.

33 (b) The money in the Escrow Fund is pledged for the purpose of refunding the
34 Refunded Prior Bonds.

35 (1) The money in the Escrow Fund to be invested must be invested in direct
36 obligations of or obligations guaranteed as to payment by the United
37 States. Any money not so invested must remain uninvested.
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(2) The investments in the Escrow Fund must mature or be subject to redemption by and at the option of the holder of those investments not later than the date or dates when the money, together with interest or other investment income accrued on that money, will be required for that use.

(3) The Verification Agent must deliver its Verification Report to the Escrow Agent and the Library District on the Closing Date. The Verification Report must establish that the investments in the Escrow Fund, together with the interest or other investment income on those investments and any uninvested money in the Escrow Fund, will be sufficient, without further reinvestment for the payment of principal of and interest on the Refunded Prior Bonds to the Redemption Date, and the payment of the principal, any premium, and interest on the Refunded Prior Bonds on the Redemption Date. The Verification Report must also determine the yield on the investments in the Escrow Fund and the yield on the Series 2011 Bonds and the Refunded Prior Bonds.

(c) This Council authorizes and directs the Clerk-Treasurer to select the maturities of the Prior Bonds to be refunded, to establish the Redemption Date of the Refunded Prior Bonds, and to give any required notices of redemption of the Refunded Prior Bonds. The Redemption Date must be the earliest date on which the Refunded Prior Bonds are subject to redemption at par, or any earlier date that will achieve greater interest cost savings to the Library District, or any later date that will achieve greater interest cost savings to the Library District and that is permitted by the Code.

SECTION 10

Security and Source of Payment. The Series 2011 Bonds will be general obligations of the Library District.

(a) The Library District pledges to the payment of Debt Service on the Series 2011 Bonds the full faith and credit of the Library District including, without limitation:

(1) The voted taxes, as authorized by the voters at the Bond Election, which taxes are outside of the ten-mill limitation, as defined in Section 5705.02, Revised Code.

(2) Any money remaining from the sale of the Series 2011 Bonds after the payment of accrued interest or premium and the Financing Costs of the Series 2011 Bonds and not required to refund the Refunded Prior Bonds.

(b) During the years while the Series 2011 Bonds are outstanding, there will be levied on all the taxable property in the Library District, in addition to all other taxes, and outside of tax limitations, a direct tax annually, as authorized by the voters of the Library District at the Bond Election. The tax will be and is ordered to be computed, certified, levied, and extended upon the tax list and collected by the same officers, in the same manner, and at the same time that taxes for general purposes for each of

1 those years are computed, certified, levied, extended, and collected. The tax will be
2 placed before and in preference to all other items and for its full amount. The money
3 derived from that tax levy must be placed in the Bond Retirement Fund of the
4 Library District and is irrevocably pledged for the payment of Debt Service on the
5 Series 2011 Bonds, when and as that Debt Service falls due.

6 (c) The tax provided in (b) and (c) above will be reduced in each year the Series 2011
7 Bonds are outstanding by the sum of the following items, if available to pay Debt
8 Service on the Series 2011 Bonds and appropriated for that purpose:

9 (1) Any surplus in the Bond Retirement Fund.

10 (2) Any proceeds of bonds issued to refund the Series 2011 Bonds.

11

12 (3) Any other money lawfully available to the Library District.

13 SECTION 11

14

15 **Federal Tax Matters.** The Library District covenants that it will take those actions
16 required to maintain the Federal Tax Status of the Series 2011 Bonds and that it will not take or
17 permit to be taken any actions that would adversely affect that Federal Tax Status. Without
18 limiting these covenants, the Library District specifically covenants as follows:

19

20 (a) **Private Activity Bonds.** The Library District will apply the proceeds received from
21 the sale of the Series 2011 Bonds to the uses described in Section 9. The Library
22 District will not permit the use of the Project by any person, will not secure or derive
23 the money for payment of Debt Service on the Series 2011 Bonds by any property or
24 payments, and will not loan the proceeds of the Series 2011 Bonds to any person, all
25 in a manner as to cause the Series 2011 Bonds to be "private activity bonds" within
26 the meaning of Code Section 141(a).

27 (b) **Arbitrage.** The Library District will restrict the use of proceeds of the Series 2011
28 Bonds in the manner and to the extent as may be necessary, after taking into account
29 reasonable expectations on the Closing Date, so that the Series 2011 Bonds will not
30 constitute "arbitrage bonds" within the meaning of Code Section 148. The Clerk-
31 Treasurer or any other official having responsibility for issuing the Series 2011
32 Bonds, is authorized and directed, alone or in conjunction with any other official,
33 employee, or consultant of the Library District, to sign and deliver a certificate of the
34 Library District, for inclusion in the transcript of proceedings for the Series 2011
35 Bonds. That certificate must set forth the reasonable expectations of the Library
36 District on the Closing Date, regarding the amount and use of the proceeds of the
37 Series 2011 Bonds in accordance with Code Section 148. If required, the Library
38 District will limit the yield on any "investment property" (as defined in Code
39 Section 148(b)(2)) acquired with the proceeds of the Series 2011 Bonds.

40 (c) **Arbitrage Rebate.** Unless the gross proceeds of the Series 2011 Bonds are
41 expended in accordance with one of the spending period exceptions set forth in
42 Treas. Reg. §1.148-7, the Library District will pay the amounts required by Code
43 Section 148(f)(2) to the United States at the times required by Code Section

- 1 148(f)(3). The Library District will maintain the books and records and make
2 calculations and reports as are required to comply with the Code's arbitrage rebate
3 requirements.
- 4 (d) **Federal Guarantee.** The Library District will not permit the use of the Project, or
5 make loans of the proceeds of the Series 2011 Bonds, or invest the proceeds of the
6 Series 2011 Bonds in a manner as to cause the Series 2011 Bonds to be "federally
7 guaranteed" within the meaning of Code Section 149(b).
- 8 (e) **Information Reporting.** This Council authorizes and directs the Clerk-Treasurer or
9 any other official of the Library District having responsibility for issuing the Series
10 2011 Bonds to sign and file Form 8038-G for the Series 2011 Bonds with the
11 Internal Revenue Service.

12 SECTION 12

13
14 **Signing and Delivery of Series 2011 Bonds and Documents.** This Council authorizes
15 and directs the President and the Clerk-Treasurer, or the persons designated to sign in their
16 absence, to sign and deliver the Series 2011 Bonds in accordance with Section 4 of this
17 resolution. This Council authorizes and directs the President and the Clerk-Treasurer, or either
18 of them, to sign and approve a preliminary official statement, a final official statement, and
19 supplements and amendments to both in accordance with Section 7 of this resolution.

- 20
21 (a) This Council authorizes and directs the Clerk-Treasurer to sign and deliver, on
22 behalf of the Library District:
- 23 (1) The Certificate of Award.
- 24 (2) Any Purchase Agreement.
- 25 (3) The Registrar Agreement.
- 26 (4) The Continuing Disclosure Certificate.
- 27 (5) The Escrow Agreement.
- 28 (6) Any agreements or letters of representation in connection with a book-entry
29 system for the Series 2011 Bonds.
- 30 (7) Applications for and agreements in connection with obtaining a policy of
31 municipal bond insurance for the Series 2011 Bonds.
- 32 (8) Applications for and agreements in connection with obtaining one or more
33 ratings for the Series 2011 Bonds.

34 In the absence of the Clerk-Treasurer, this Council authorizes and directs the
35 President to sign and deliver any of those documents and certificates.

- 36 (b) This Council authorizes and directs the Clerk-Treasurer to sign and deliver, on
37 behalf of the Library District, in her capacity as fiscal officer of the Library District:

- 1 (1) Any certificates in accordance with Section 5705.41, Revised Code, required
2 for any of the agreements in connection with the Series 2011 Bonds.
- 3 (2) Any statements of indebtedness required by Section 133.33(B), Revised
4 Code.
- 5 In the absence of the Clerk-Treasurer, this Council authorizes and directs any deputy
6 Clerk-Treasurer to sign and deliver any of those certificates and statements.
- 7 (c) This Council authorizes and directs the President, the Clerk-Treasurer, the Vice
8 President of the Board, the Secretary of the Board, and any other Library District
9 officials:
- 10 (1) to sign and deliver any agreements, certificates, instruments, and other
11 documents that the official considers necessary or appropriate in connection
12 with the issuance and sale of the Series 2011 Bonds, and that are not
13 inconsistent with this resolution; and
- 14 (2) to take such actions as are necessary or appropriate to consummate the
15 transactions contemplated by this resolution.

16 SECTION 13

17

18 **Certification to County Fiscal Officer.** This Council directs the Clerk of Council to
19 forward a certified copy of this resolution and a copy of the Certificate of Award to the County
20 Fiscal Officer.

21

22 SECTION 14

23

24 **Definitions.** Words and terms are used in this resolution with the following meanings:

25

26 “Annual Information” means the annual financial information and operating data of the
27 type to be specified in the Continuing Disclosure Certificate in accordance with the SEC Rule.

28

29 “Authorized Denominations” means the denomination of \$1,000 or any whole multiple of
30 \$1,000.

31

32 “Board” means the Board of Trustees of the Library District.

33

34 “Bond Proceedings” means, collectively, this resolution, the Certificate of Award, any
35 Purchase Agreement, the Continuing Disclosure Agreement, the Registrar Agreement, the
36 Escrow Agreement, and the other proceedings of the Library District or the County, including
37 the Series 2011 Bonds, that provide collectively for, among other things, the rights of Holders
38 and beneficial owners of the Series 2011 Bonds.

39

40 “Bond Election” means the election held on November 4, 1997, in the Library District at
41 which the voters approved the issuance of bonds in the amount of \$80,000,000 to pay costs of
42 the Project and the levy of an ad valorem property tax—unlimited as to its amount or rate—to
43 pay debt service on those bonds.

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“Capital Appreciation Bonds” means those Series 2011 Bonds designated as Capital Appreciation Bonds in the Certificate of Award and bearing interest compounded on each Interest Payment Date and payable at maturity.

“Certificate of Award” means the certificate authorized by Section 6 of this resolution, setting forth the terms and other provisions of the Series 2011 Bonds required or authorized by this resolution.

“Closing Date” means the date of delivery of and payment for the Series 2011 Bonds.

“Code” means the Internal Revenue Code of 1986, as amended. References to the Code and sections of the Code include applicable regulations (whether temporary or final) under the Code, and any amendments of, or successor provisions to, those sections or regulations.

“Compound Accreted Amount” means, for a Capital Appreciation Bond, the Original Principal Amount of the Capital Appreciation Bond, plus interest accrued and compounded on each Interest Payment Date or other date of determination. The Compound Accreted Amount of a Capital Appreciation Bond as of any date other than an Interest Payment Date is the sum of:

- (a) the Compound Accreted Amount for the most recent Interest Payment Date, plus
- (b) the product of (1) times (2) where
 - (1) is the difference between
 - (A) the Compound Accreted Amount of that Capital Appreciation Bond on the most recent Interest Payment Date, and
 - (B) the Compound Accreted Amount of that Capital Appreciation Bond on the next Interest Payment Date, and
 - (2) is the ratio of
 - (A) the number of days from the most recent Interest Payment Date to the date of calculation, to\
 - (B) the total number of days from the most recent Interest Payment Date to the next Interest Payment Date.

In determining the Compound Accreted Amount of a Capital Appreciation Bond as of a determination date before the first Interest Payment Date, the Closing Date is treated as the most recent Interest Payment Date and the Original Principal Amount of that Capital Appreciation Bond is treated as the Compound Accreted Amount as of the Closing Date.

“Continuing Disclosure Agreement” means the continuing disclosure agreement made by the Library District for the benefit of Holders and beneficial owners of the Series 2011 Bonds in

1 accordance with the SEC Rule. It consists of the covenants in Section 7(b) of this resolution and
2 the Continuing Disclosure Certificate.

3
4 “Continuing Disclosure Certificate” means the certificate authorized by Section 7(b).

5
6 “Current Interest Bonds” means those Series 2011 Bonds designated as Current Interest
7 Bonds in the Certificate of Award and bearing interest payable on each Interest Payment Date.

8
9 “Debt Service” means all amounts due as principal, interest, and any premium on an issue
10 of securities.

11
12 “Depository” means any securities depository that is a clearing agency under federal law
13 operating and maintaining, with its participants or otherwise, a book-entry system to record
14 ownership of book-entry interests in securities or the principal of and interest on securities, and
15 to effect transfers of securities in book-entry form.

16
17 “Escrow Agent” means the escrow agent selected by the Clerk-Treasurer under Section
18 8(e).

19
20 “Escrow Agreement” means the agreement between the Library District and the Escrow
21 Agent providing for the deposit of proceeds of the Series 2011 Bonds to refund the Refunded
22 Prior Bonds.

23
24 “EMMA System” means the MSRB’s Electronic Municipal Market Access system.

25
26 “Federal Tax Status” means the status of the interest on the Series 2011 Bonds as
27 excludable from gross income for federal income tax purposes and not treated as an item of tax
28 preference for purposes of the alternative minimum tax.

29
30 “Financing Costs” means any financing costs authorized to be paid by Section 133.01(K),
31 Revised Code.

32
33 “Holder” means, as to any Series 2011 Bond, the person in whose name the Series 2011
34 Bond is registered on the Register.

35
36 “Interest Payment Dates” means June 1 and December 1 of each year, beginning on the
37 first Interest Payment Date designated by the Fiscal Officer in the Certificate of Award.

38
39 “Library District” means the Akron-Summit County Public Library.

40
41 “Mandatory Redemption Dates” means December 1 in each of the years designated in the
42 Certificate of Award as Mandatory Redemption Dates.

43
44 “Mandatory Sinking Fund Redemption” means redemption in accordance with the
45 mandatory redemption requirements, if any, for the Series 2011 Bonds as determined in the
46 Certificate of Award and as described in Section 2(d).
47

1 “Maturity Amount” means, as to a Capital Appreciation Bond, the principal and interest
2 due at stated maturity on that Capital Appreciation Bond.

3
4 “MSRB” means the Municipal Securities Rulemaking Board.

5
6 “Original Principal Amount” means (a) as to a Current Interest Bond, the face amount,
7 and (b) as to a Capital Appreciation Bond, the principal amount that, when added to the interest
8 on that principal amount accrued and compounded to the Principal Payment Date for that Capital
9 Appreciation Bond, results in the Maturity Amount for that Capital Appreciation Bond.

10
11 “Original Purchaser” means the entity selected by the Clerk-Treasurer under Section 8(b)
12 as the purchaser of the Series 2011 Bonds.

13
14 “Participant” means any participant contracting with a Depository under a book-entry
15 system and includes securities brokers and dealers, banks and trust companies, and clearing
16 corporations.

17
18 “President” means the President of the Board.

19
20 “Principal Payment Dates” means December 1 of the years set forth in the table in
21 Section 2(c) of this resolution or in the Certificate of Award.

22
23 “Prior Bonds” means the Library District’s Library Improvement Bonds, Series 2002
24 issued in the principal amount of \$35,000,000 to pay costs of the Project, as authorized at the
25 Bond Election.

26
27 “Project” means erecting, constructing, enlarging, and improving buildings for library
28 purposes for certain branch libraries and the Main Library, equipping and furnishing those
29 buildings, and acquiring and improving the sites for those buildings.

30
31 “Purchase Agreement” means any Bond Purchase Agreement between the Library
32 District and the Original Purchaser, entered into in accordance with Section 6.

33
34 “Redemption Date” means the redemption date for the Refunded Prior Bonds, established
35 by the Clerk-Treasurer under Section 9(c).

36
37 “Refunded Prior Bonds” means the maturities of the Prior Bonds being refunded by the
38 Series 2011 Bonds, as selected by the Clerk-Treasurer under Section 9(c).

39
40 “Register” means all books and records necessary for the registration, exchange, and
41 transfer of the Series 2011 Bonds.

42
43 “Registrar” means the entity selected by the Clerk-Treasurer in accordance with Section
44 8(d) to serve as registrar for the Series 2011 Bonds.

45
46 “Registrar Agreement” means the agreement between the Registrar and the Library
47 District for the provision of registration, authentication, paying agent, and transfer agent services
48 in connection with the Series 2011 Bonds.

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“SEC Rule” means SEC Rule 15c2-12.

“Serial Bonds” means Series 2011 Bonds designated as Serial Bonds in the Certificate of Award and maturing on the dates set forth in the Certificate of Award, and not subject to Mandatory Sinking Fund Redemption.

“Series 2011 Bonds” means the Library Improvement Refunding Bonds, Series 2011, authorized by this resolution.

“Specified Events” means any of the events specified in SEC Rule Section (b)(5)(i)(C), as in effect and applicable to the Series 2011 Bonds at the time of the primary offering of the Series 2011 Bonds.

“Term Bonds” means the Series 2011 Bonds designated as Term Bonds in the Certificate of Award and maturing on the dates set forth in the Certificate of Award, and subject to Mandatory Sinking Fund Redemption.

“Verification Agent” means the verification agent selected by the Clerk-Treasurer under Section 8(f).

“Verification Report” means the report delivered by the Verification Agent in accordance with Section 9(b)(3).

SECTION 15

This Resolution is hereby declared an emergency in the interest of the health, safety, and welfare of the citizens of the County of Summit and for the further reason that the Series 2011 Bonds must be immediately issued so that the Library District can take advantage of prevailing favorable interest rates and so achieve maximum debt service savings.

SECTION 16

Provided this Resolution receives the affirmative vote of eight members, it shall take effect immediately upon its adoption and approval by the Executive; otherwise, it shall take effect and be in force at the earliest time provided by law.

SECTION 17


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

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INTRODUCED August 15, 2011

ADOPTED August 29, 2011


CLERK OF COUNCIL


PRESIDENT OF COUNCIL

APPROVED August 30, 2011


EXECUTIVE

ENACTED EFFECTIVE August 30, 2011

Voice Vote:10-0 YES: Comunale, Crawford, Feeman, Kostandaras
Kurt, Lee, Prenice, Rodgers, Roemer, Schmidt,
ABSENT: Shapiro