

VILLAGE OF COVINGTON, OHIO

ORDINANCE NO. 17-23

AUTHORIZING THE ISSUANCE OF BONDS, IN ONE OR MORE SERIES, IN THE AGGREGATE AMOUNT OF NOT TO EXCEED \$2,600,000 FOR THE PURPOSE OF RENOVATING AND CONSTRUCTING AN ADDITION TO THE VILLAGE'S GOVERNMENT CENTER, WITH RELATED SITE IMPROVEMENTS AND APPURTENANCES THERETO; AND APPROVING RELATED MATTERS, AND DECLARAING AN EMERGENCY

WHEREAS, the Fiscal Officer (the "Fiscal Officer") of the Village of Covington, Ohio (the "Village") has certified to this Council of the Village (the "Council"), in accordance with Ohio Revised Code (the "Revised Code") Section 133.20, that the estimated life of the improvements stated in the title of this Ordinance (the "Project") which is to be financed from the proceeds of the bonds described herein (the "Bonds," as defined herein) exceeds five years, and the maximum maturity of such bonds is 28 years; and

WHEREAS, this Council deems it necessary to issue and sell not to exceed \$2,600,000 of such Bonds under the authority of the general laws of the State of Ohio, and in particular Revised Code Chapter 133 thereof, for the purpose of paying the costs of the Project;

NOW, THEREFORE, BE IT ORDAINED by the Council of the Village of Covington, County of Miami, State of Ohio, that:

SECTION 1. It is hereby declared necessary to issue bonds of the Village, in one or more series, for the purpose of paying costs of the Project described in the title of this Ordinance in the aggregate principal sum of not to exceed \$2,600,000, or such lesser amount as shall be determined by the Fiscal Officer and certified to this Council, which such bonds shall be designated as "Village of Covington, Ohio Government Center Bonds, Series 2023," or as otherwise designated by the Fiscal Officer (the "Bonds").

SECTION 2. The Bonds shall be issued as fully registered bonds, in such denominations and shall be numbered as determined by the Fiscal Officer and set forth in the Certificate of Award provided for hereinbelow; and shall bear interest, payable semiannually on such dates as shall be determined by the Fiscal Officer and set forth in the Certificate of Award, until the principal sum is paid or provision has been duly made therefor. Interest shall be calculated on the basis of a 360-day year of twelve 30-day months.

SECTION 3. The Fiscal Officer is hereby authorized and directed to execute on behalf of the Village a Certificate of Award (the "Certificate of Award") setting forth, for each series of Bonds, the aggregate principal amount and the final terms, which aggregate principal amount and terms, subject to the limitations set forth in this Ordinance, shall be as determined by the Fiscal Officer. The Certificate of Award shall indicate, for each series of Bonds, the Original Purchaser (as defined hereinbelow) for the Bonds, dated date for the Bonds, the dates on which interest on the Bonds is to be paid (the "Interest Payment Date"), the purchase price for the Bonds (which shall be not less than 97% of the face value thereof), the maturity schedule for the Bonds, the interest rates for the Bonds (provided that the true interest cost for all Bonds in the aggregate shall not exceed 6.00% per annum), the optional and mandatory redemption provisions, if any, and such other terms not inconsistent with this Ordinance as the Fiscal Officer shall deem appropriate.

SECTION 4. The Bonds shall be subject to optional and mandatory redemption prior to stated maturity, as provided in the Certificate of Award. When partial redemption is authorized, the Bond Registrar (as defined hereinbelow) shall select a Bond or portions thereof in reverse order of maturity, provided, however, that the portion of any Bond so selected shall correspond to the denominations of the Bonds.

The notice of the call for redemption of Bonds shall identify (i) by designation, letters, numbers or other distinguishing marks, the Bonds or portions thereof to be redeemed, (ii) the redemption price to be paid, (iii) the date fixed for redemption, and (iv) the place or places where the amounts due upon redemption are payable. From and after the specified redemption date, interest on the Bonds (or portions thereof) called for redemption shall cease to accrue. Such notice shall be sent by first class mail at least 30 days prior to the redemption date to each registered holder of Bonds to be redeemed at the address shown in the Bond Register (as defined hereinbelow) on the 15th day preceding the date of mailing. Failure to receive such notice of any defect therein shall not affect the validity of the proceedings for the redemption of any Bond.

SECTION 5. The Bonds shall be the full general obligation of the Village, and the full faith, credit and revenue of the Village are hereby pledged for the prompt payment of the same. The par value to be received from the sale of the Bonds and any excess funds resulting from the issuance of the Bonds shall, to the extent necessary, be used only for the retirement of the Bonds at maturity and are hereby pledged for such purpose.

SECTION 6. There shall be and is hereby levied annually on all the taxable property in the Village, in addition to all other taxes and inside the ten mill limitation, a direct tax (the "Debt Service Levy") for each year during which any of the Bonds are outstanding, for the purpose of providing, and in an amount which is sufficient to provide, funds to pay interest upon the Bonds as and when the same falls due and to provide a fund for the repayment of the principal of the Bonds at maturity or upon redemption. The Debt Service Levy shall not be less than the interest and sinking fund tax required by Article XII, Section 11 of the Ohio Constitution.

The Debt Service Levy shall be and is hereby ordered computed, certified, levied and extended upon the tax duplicate and collected by the same officers, in the same manner, and at the same time that taxes for general purposes for each of such years are certified, extended and collected. The Debt Service Levy shall be placed before and in preference to all other items and for the full amount thereof. The funds derived from the Debt Service Levy shall be placed in a separate and distinct fund, which shall be irrevocably pledged for the payment of premium, if any, and interest on and principal of the Bonds when and as the same falls due. Notwithstanding the foregoing, if the Village determines that funds will be available from other sources for the payment of the Bonds in any year, the amount of the Debt Service Levy for such year shall be reduced by the amount of funds which will be so available, and the Village shall appropriate such funds to the payment of the Bonds in accordance with law.

SECTION 7. The Village hereby covenants, pursuant to Revised Code Section 133.05(B)(7), to appropriate annually from lawfully available municipal income taxes, and to continue to levy and collect municipal income taxes adequate to produce, amounts necessary to meet the debt charges on the Bonds in each year until full payment is made.

SECTION 8. The Bonds shall be sold by negotiated sale to such purchaser or purchasers identified in the Certificate of Award (the "Original Purchaser"), at the purchase price set forth in the Certificate of Award, plus interest accrued to the date of delivery of the Bonds to the Original Purchaser. The Fiscal Officer and the Mayor of the Village (the "Mayor"), or either of them individually, are authorized and directed to execute on behalf of the City a term sheet with the Original Purchaser, setting forth the conditions under which

the Bonds are to be sold and delivered, which term sheet shall be in such form, not inconsistent with this Ordinance, as the Fiscal Officer shall determine.

The proceeds of such sale, except any accrued interest or premium thereon, shall be deposited in the Treasury of the Village and used for the purpose aforesaid and for no other purpose. Any accrued interest received from the sale of the Bonds shall be transferred to the bond retirement fund to be applied to the payment of the principal of and interest on the Bonds, or other obligations of the Village, as permitted by law. Any premium received from the sale of the Bonds may be used to pay the financing costs of the Bonds within the meaning of Ohio Revised Code Section 133.01(K) or be deposited into the bond retirement fund in the manner provided by law.

SECTION 9. The Bonds shall express upon their faces the purpose for which they are issued and that they are issued pursuant to this Ordinance; and shall be executed by the Fiscal Officer and the Mayor, in their official capacities, provided that either or both of their signatures may be a facsimile. No Bond shall be valid or become obligatory for any purpose or shall be entitled to any security or benefit under this Ordinance unless and until a certificate of authentication, as printed on the Bond, is signed by the Bond Registrar as authenticating agent. Authentication by the Bond Registrar shall be conclusive evidence that the Bond so authenticated has been duly issued and delivered under this Ordinance and is entitled to the security and benefit of this Ordinance. The certificate of authentication may be signed by any officer or officers of the Bond Registrar or by such other person acting as an agent of the Bond Registrar as shall be approved by the Fiscal Officer on behalf of the Village. It shall not be necessary that the same authorized person sign the certificate of authentication on all of the Bonds.

SECTION 10. The principal of and interest on the Bonds shall be payable in lawful money of the United States of America without deduction for the services of the Bond Registrar as paying agent. The principal of the Bonds shall be payable upon presentation and surrender of the Bonds at the principal office of the Bond Registrar. Each Bond shall bear interest from the later of the date thereof, or the most recent Interest Payment Date to which interest has been paid or duly provided for, unless the date of authentication of any Bond is less than 15 days prior to an Interest Payment Date, in which case interest shall accrue from such Interest Payment Date. Interest on any Bond shall be paid on each Interest Payment Date by check or draft mailed to the person in whose name the Bond is registered, at the close of business on the 15th day next preceding that Interest Payment Date (the "Record Date") (unless such date falls on a non-business day, in which case the Record Date shall be the preceding business day), on the Bond Register at the address appearing therein.

Any interest on any Bond which is payable, but is not punctually paid or provided for, on any Interest Payment Date (herein called "Defaulted Interest") shall forthwith cease to be payable to the registered owner on the relevant Record Date by virtue of having been such owner and such Defaulted Interest shall be paid to the registered owner in whose name the Bond is registered at the close of business on a date (the "Special Record Date") to be fixed by the Bond Registrar, such Special Record Date to be not more than 15 nor less than 10 days prior to the date of proposed payment. The Bond Registrar shall cause notice of the proposed payment of such Defaulted Interest and the Special Record Date therefor to be mailed, first class postage prepaid, to each Bondholder, at such Bondholder's address as it appears in the Bond Register, not less than 10 days prior to such Special Record Date, and may, in its discretion, cause a similar notice to be published once in a newspaper in each place where Bonds are payable, but such publication shall not be a condition precedent to the establishment of such Special Record Date.

Subject to the foregoing provisions of this Section, each Bond delivered by the Bond Registrar upon transfer of or in exchange for or in lieu of any other Bond shall carry the rights to interest accrued and unpaid, and to accrue, which were carried by such other Bond.

SECTION 11. The Fiscal Officer is hereby authorized and directed to serve as authenticating agent, bond registrar, transfer agent, and paying agent (collectively, the "Bond Registrar") for the Bonds or to execute on behalf of the Village a Bond Registrar Agreement with such bank or other appropriate financial institution as shall be acceptable to the Fiscal Officer and the Original Purchaser, pursuant to which such bank or financial institution shall agree to serve as Bond Registrar for the Bonds. Interest shall be payable at maturity by check or draft mailed to the Registered Owner hereof, as shown on the registration books of the Village maintained by the Bond Registrar. If at any time the Bond Registrar shall be unable or unwilling to serve as such, or the Fiscal Officer in such officer's discretion shall determine that it would be in the best interest of the Village for such functions to be performed by another party, the Fiscal Officer may, and is hereby authorized and directed to, enter into an agreement with a national banking association or other appropriate institution experienced in providing such services, to perform the services required of the Bond Registrar hereunder. Each such successor Bond Registrar shall promptly advise all bondholders of the change in identity and new address of the Bond Registrar.

So long as any of the Bonds remain outstanding, the Village shall cause to be maintained and kept by the Bond Registrar, at the office of the Bond Registrar, all books and records necessary for the registration, exchange and transfer of Bonds as provided in this Section (the "Bond Register"). Subject to the provisions of this Ordinance, the person in whose name any Bond shall be registered on the Bond Register shall be regarded as the absolute owner thereof for all purposes. Payment of or on account of the principal of and interest on any Bond shall be made only to or upon the order of that person. Neither the Village nor the Bond Registrar shall be affected by any notice to the contrary, but the registration may be changed as herein provided. All payments shall be valid and effectual to satisfy and discharge the liability upon the Bonds, including the interest thereon, to the extent of the amount or amounts so paid.

Any Bond, upon presentation and surrender at the office of the Bond Registrar, together with a request for exchange signed by the registered owner or by a person authorized by the owner to do so by a power of attorney in a form satisfactory to the Bond Registrar, may be exchanged for Bonds of the same form and of any authorized denomination or denominations equal in the aggregate to the unmatured principal amount of the Bonds surrendered, and bearing interest at the same rate and maturing on the same date.

A Bond may be transferred only on the Bond Register upon presentation and surrender thereof at the office of the Bond Registrar, together with an assignment executed by the registered owner or by a person authorized by the owner to do so by a power of attorney in a form satisfactory to the Bond Registrar. Upon that transfer, the Bond Registrar shall complete, authenticate and deliver a new Bond or Bonds of any authorized denomination or denominations equal in the aggregate to the unmatured principal amount of the Bonds surrendered, and bearing interest at the same rate and maturing on the same date.

The Village and the Bond Registrar shall not be required to transfer or exchange (i) any Bond during a period beginning at the opening of business 15 days before the day of mailing of a notice of redemption of Bonds, and ending at the close of business on the day of such mailing, or (ii) any Bonds selected for redemption, in whole or in part, following the date of such mailing.

In all cases in which Bonds are exchanged or transferred hereunder, the Village shall cause to be executed and the Bond Registrar shall authenticate and deliver Bonds in accordance with the provisions of this Ordinance. The exchange or transfer shall be without charge to the owner; except that the Village and

the Bond Registrar may make a charge sufficient to reimburse them for any tax or other governmental charge required to be paid with respect to the exchange or transfer. The Village or the Bond Registrar may require that those charges, if any, be paid before it begins the procedure for the exchange or transfer of the Bonds. All Bonds issued upon any transfer or exchange shall be the valid obligations of the Village, evidencing the same debt, and entitled to the same benefits under this Ordinance, as the Bonds surrendered upon that transfer or exchange.

SECTION 12. The Fiscal Officer may determine to issue all or any series or portion of the Bonds as obligations that the interest thereon is excluded from the bondholders' gross income for federal income tax purposes, and the following provisions of this Section shall apply to such Bonds (or series or portions thereof):

The Village hereby covenants that it will comply with the requirements of all existing and future laws which must be satisfied in order that interest on the Bonds is and will continue to be excluded from gross income for federal income tax purposes, including without limitation restrictions on the use of the property financed with the proceeds of the Bonds so that the Bonds will not constitute "private activity bonds" within the meaning of Section 141 of the Internal Revenue Code of 1986, as amended (the "Code"). The Village further covenants that it will restrict the use of the proceeds of the Bonds in such manner and to such extent, if any, as may be necessary, after taking into account reasonable expectations at the time the Bonds are issued, so that they will not constitute arbitrage bonds under Section 148 of the Code and the regulations prescribed thereunder (the "Regulations").

The Fiscal Officer, or any other officer of this Council or the Village, including the Mayor, is hereby authorized and directed (a) to make or effect any election, selection, designation, choice, consent, approval or waiver on behalf of the Village with respect to the Bonds as permitted or required to be made or given under the federal income tax laws, for the purpose of assuring, enhancing or protecting favorable tax treatment or the status of the Bonds or interest thereon or assisting compliance with requirements for that purpose, reducing the burden or expense of such compliance, reducing any rebate amount or any payment of penalties, or making any payments of special amounts in lieu of making computations to determine, or paying, any excess earnings as rebate, or obviating those amounts or payments, as determined by the Fiscal Officer, which action shall be in writing and signed by the Fiscal Officer, or any other officer of this Council or the Village, including the Mayor, on behalf of the Village; (b) to take any and all actions, make or obtain calculations, and make or give reports, covenants and certifications of and on behalf of the Village as may be appropriate to assure the exclusion of interest from gross income and the intended tax status of the Bonds; and (c) to give an appropriate certificate on behalf of the Village, for inclusion in the transcript of proceedings, setting forth the facts, estimates and circumstances, and reasonable expectations of the Village pertaining to Section 148 and the Regulations, and the representations, warranties and covenants of the Village regarding compliance by the Village with Sections 141 through 150 of the Code and the Regulations.

The Fiscal Officer shall keep and maintain adequate records pertaining to the use and investment of all proceeds of the Bonds sufficient to permit, to the maximum extent possible and presently foreseeable, the Village to comply with any federal law or regulation now or hereafter having applicability to the Bonds that relates to the use of such proceeds, which limits the amount of Bond proceeds which may be invested on an unrestricted yield or requires the Village to rebate arbitrage profits to the United States Department of the Treasury. The Fiscal Officer is hereby authorized and directed to file such reports with, and rebate arbitrage profits to, the United States

Department of the Treasury, to the extent that any federal law or regulation having applicability to the Bonds requires any such reports or rebates.

SECTION 13. The appointment of the law firm of Bricker Graydon LLP to serve as Bond Counsel with respect to the issuance of the Bonds is hereby approved. The fees to be paid to such firm shall be subject to review and approval by the Fiscal Officer, shall not exceed the fees customarily charged for such services, and shall be paid upon closing of the financing from proceeds of the Bonds.

SECTION 14. The officer having charge of the minutes of the Council and any other officers of the Council, or any of them individually, are hereby authorized and directed to prepare and certify a true transcript of proceedings pertaining to the Bonds and to furnish a copy of such transcript to the Original Purchaser. Such transcript shall include certified copies of all proceedings and records of the Council relating to the power and authority of the Village to issue the Bonds and certificates as to matters within their knowledge or as shown by the books and records under their custody and control, including but not limited to a general certificate of the Fiscal Officer and a no-litigation certificate of the Mayor and the Fiscal Officer, and such certified copies and certificates shall be deemed representations of the Village as to the facts stated therein. Except for the procedure for authenticating the Bonds set forth in Section 10 herein, documents (including this Ordinance) executed, scanned and transmitted electronically and electronic and digital signatures shall be deemed original signatures for said transcript of the Bonds, for the purposes of this Ordinance, and for all matters related thereto, with any such scanned, electronic, and digital signatures having the same legal effect as original signatures.

The Mayor and Fiscal Officer are hereby authorized and directed to take such action and to execute and deliver, on behalf of the Council, such additional instruments, agreements, certificates, and other documents as may be in their discretion necessary or appropriate in order to carry out the intent of this Ordinance. Such documents shall be in the form not substantially inconsistent with the terms of this Ordinance, as they in their discretion shall deem necessary or appropriate.

SECTION 15. It is hereby found and determined that all acts, conditions and things necessary to be done precedent to and in the issuing of the Bonds in order to make them legal, valid and binding obligations of the Village have happened, been done and been performed in regular and due form as required by law; that the faith, credit and revenue of the Village are hereby irrevocably pledged for the prompt payment of the principal and interest thereof at maturity; and that no limitation of indebtedness or taxation, either statutory or constitutional, has been exceeded in issuing the Bonds.

SECTION 16. It is hereby found and determined that all formal actions of this Council concerning and relating to the adoption of this Ordinance 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.

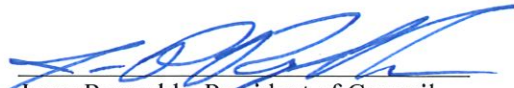
SECTION 17. The Fiscal Officer is hereby directed to forward a certified copy of this Ordinance to the County Auditor of Miami County, Ohio.

SECTION 18. This Ordinance is hereby declared to be an emergency measure necessary for the immediate preservation of the public peace, health, safety, and welfare for the residents of the Village, and for the further reason that, in order to finance the Project, it is necessary to make immediate provision to sell the Bonds and to obtain the most favorable interest rate; wherefore, this Ordinance shall take effect and be in force immediately upon its passage.

ADOPTED: December 4, 2023:



Edward L. McCord, Mayor



Jesse Reynolds, President of Council



Rhonda Gill, Fiscal Officer

CERTIFICATE

The undersigned Village Fiscal Officer hereby certifies that the foregoing is a true copy of Ordinance No. 17-23 duly adopted by the Council of the Village of Covington, Ohio on December 4, 2023 and that a true copy thereof was certified to the County Auditor of Miami County, Ohio.

A handwritten signature in blue ink, appearing to read "Rhonda Hill", written over a horizontal line.

Fiscal Officer
Village of Covington, Ohio

CERTIFICATE OF ESTIMATED LIFE AND MAXIMUM MATURITY

To: The Village Council of the
Village of Covington, Ohio

The undersigned Fiscal Officer of the Village of Covington, Ohio (the "Village") as the fiscal officer of the Village, hereby certifies as follows:

1. The estimated life of the improvements described as follows (the "Improvements") exceeds five years:

renovating and constructing an addition to the Village's government center, with related site improvements and appurtenances thereto.
2. The maximum maturity of the bonds proposed to be issued to pay the cost of the Improvements, calculated in accordance with Section 133.20, Ohio Revised Code, is 28 years.

Dated: December 4, 2023



Rhonda Gill, Fiscal Officer
Village of Covington, Ohio