

## **RESOLUTION 2013-9**

WHEREAS, the City of Central City, Nebraska, has previously entered into a Lease-Purchase Agreement, dated June 26, 2008, with the City of Central City Municipal Facilities Corporation and that said Corporation has issued its Municipal Building Lease Purchase Bonds, Series 2008 dated June 26, 2008 (the “2008 Bonds”), for the purpose of providing funds to construct a a swimming pool for use as public purposes in and for the City pursuant to said Lease-Purchase Agreement;

WHEREAS, interest rates available in the bond markets have declined so that by issuing bonds to provide for the refunding of the 2008 Bonds a significant savings in interest and rents may be made by said Corporation and said City, respectively;

WHEREAS, it is advisable to refund said outstanding 2008 Bonds and as to take advantage of said savings;

WHEREAS, as described in Ordinance No. 972 passed and approved by the Mayor and City Council of the City of Central City, said Corporation is entering into a Rental Return Agreement, dated as of July 16, 2013, which will enable the City to realize a savings on its lease-purchase payments through the refunding of the Corporation’s 2008 Bonds.

WHEREAS, in accordance with said Rental Return Agreement, the City of Central City Municipal Facilities Corporation proposes to issue Two Million One Hundred Fifteen Thousand Dollars (\$2,115,000) of its Lease Purchase Refunding Bonds, Series 2013 under and in accordance with a Supplemental Trust Indenture, Mortgage and Security Agreement, dated as of July 16, 2013, which supplements a Trust Indenture, Mortgage and Security Agreement between the City of Central City Municipal Facilities Corporation and The Fremont National Bank and Trust Company as Trustee, dated June 26, 2008 and a copy of said Supplemental Indenture has been presented to the Mayor and City Council and is on file with the City Clerk.

WHEREAS, said Supplemental Indenture and the issuance and sale of said refunding bonds should be approved by the City of Central City.

NOW, THEREFORE, BE IT RESOLVED by the Mayor and City Council of the City of Central City as follows:

Section 1. The call of the outstanding Lease Purchase Bonds, Series 2008, dated June 26, 2008, in the aggregate outstanding principal amount of \$2,080,000, on July 16, 2013, is hereby approved.

Section 2. The Supplemental Trust Indenture, Mortgage and Security Agreement between the City of Central City Municipal Facilities Corporation and The Fremont National Bank and Trust Company, Trustee, dated as of July 16, 2013, under which the Corporation Lease Purchase Refunding Bonds will be issued, in the form as presented to this meeting is hereby approved.

Section 3. The issuance and sale of \$2,115,000 Lease Purchase Refunding Bonds, Series 2013, by the City of Central City Municipal Facilities Corporation, bearing interest and maturing as provided in said Supplemental Trust Indenture, Mortgage and Security Agreement is hereby approved.

Section 4. The sale of said and the use of the proceeds of said 2013 Refunding Bonds to redeem the 2008 Bonds as provided in said Supplemental Indenture is hereby approved.

Section 5. In connection with said refunding bonds, the City of Central City, Nebraska, as the Lessee under the 2008 Lease-Purchase Agreement covenants, agrees and confirms as follows:

- (a) that so long as the 2013 Refunding Bonds shall be outstanding, no use of the proceeds of the 2013 Bonds shall be made which would cause the 2013 Refunding Bonds to be “arbitrage bonds” under Sections 103 and 148 of the U.S. Internal Revenue Code of 1986, as amended, and that the City of Central City, Nebraska, shall comply with any applicable regulations of the Internal Revenue Service adopted under said Sections 103 and 148;
- (b) that no portion of the proceeds of the 2013 Refunding Bonds are to be used or will be used, directly or indirectly, for “any private business use” as such term is defined in Section 141(b)(6) of the Internal Revenue code of 1986 or (ii) to make or finance loans to persons other than governmental units within the meaning of Sections 141(c) of the Internal Revenue Code of 1986;
- (c) to take all actions necessary under current federal law to maintain the tax-exempt status (as to taxpayers generally) of interest on the 2013 Refunding Bonds;
- (d) to the extent that it may lawfully do so, the City of Central City, Nebraska hereby designates the 2013 Refunding Bonds as its “qualified tax-exempt obligations” under Section 265(b)(3)(B)(i)(III) of the Internal Revenue Code of 1986, as amended, and covenants and warrants that the City of Central City Municipal Facilities Corporation and the City of Central City, Nebraska do not reasonably expect to issue bonds or other obligations aggregating in the principal amount of more than \$5,000,000 during the calendar year in which the 2013 Refunding Bonds are issued.

(e) to take all actions necessary to comply with the continuing disclosure undertaking as set forth in the 2008 Lease-Purchase Agreement as the same may be modified to reflect current disclosure requirements as set forth in the Official Statement for the 2013 Refunding Bonds.

Section 6. That the sale of the 2013 Refunding Bonds to Ameritas Investment Corp., at a price of 98.35% of the par amount thereof plus accrued interest to the date of purchase is hereby approved.

PASSED AND APPROVED this 10<sup>th</sup> day of June, 2013.

CITY OF CENTRAL CITY, NEBRASKA

ATTEST:

By \_\_\_\_\_  
Mayor

\_\_\_\_\_  
City Clerk

(SEAL)