

June 10, 2020

**VIA E-MAIL**

Robert Landon, Auditor  
City of Marion, Ohio  
233 West Center Street  
Marion, Ohio 43302

**Re: City of Marion, Ohio  
(Not to Exceed) \$8,376,000 Various Purpose Refunding Bonds, Series 2020**

Dear Robert:

Pursuant to your request and our discussions, I have prepared and enclose the initial proceedings for the captioned financing which include two Bond Ordinances and the related Supplemental Fiscal Officer's Certificates. Please review the enclosed items and if satisfactory in all respects, process them as follows:

1. The **Supplemental Fiscal Officer's Certificates** to be dated, signed and presented by you to the City Council prior to Council's consideration of the related Bond Ordinances.

2. The **Bond Ordinances** to be considered and passed by City Council are to be effective immediately upon passage and approval by the Mayor. The Bond Ordinances allow the bonds for all of the component purposes to be consolidated for purposes of sale into a single bond issue to be called "Various Purpose Refunding Bonds, Series 2020" and to refund the City's outstanding Various Purpose Refunding Bonds, Series 2010A and the City's outstanding Various Purpose Improvement Bonds, Series 2010B. The Bond Ordinances authorizes bonds and maximum principal amounts (note that a maximum principal authorization preserves the flexibility to actually issue less for a particular purpose):

- Bonds in the maximum principal amount of \$2,953,000, for the purpose of refunding bonds previously issued for the purpose of (i) improving the City storm water system by constructing and replacing storm water sewers on Executive Drive, Littleton Street, Kentucky Avenue, Michigan Avenue, Fleetwood Avenue, Van Buren Street, Jefferson Street, Richland Road, Church Street, Clover Avenue, Homer Street, Kensington Place, Merchant Avenue, Spencer Street,

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Bartram Avenue, Avondale Avenue, Barks Road East, Catalina Drive, Reed Avenue, McKinley Lane and Oakland Boulevard Ditch, between certain termini, together with all necessary appurtenances, (ii) improving the City sanitary sewer system by constructing new sanitary sewer lines, manholes and lift for Church Street, Clover Avenue, Homer Street, Kensington Place, Merchant Avenue, Spencer Street, Bartram Avenue, Avondale Avenue, Vernon Heights Boulevard, Barks Road East and Reed Avenue, between certain termini, and (iii) prepaying, through a single lump sum, the City's accrued liability to the Police and Fireman's Disability and Pension Fund of the State of Ohio and authorizing an agreement with the Pension Fund with respect to that lump sum payment and (b) paying the costs of (i) constructing and extending Lakes Boulevard, improving Barks Road between Delaware Avenue and State Route 529, constructing a portion of Wellness Drive and constructing certain public infrastructure related to Delaware Avenue, (ii) improving Forest Lawn Boulevard and Blaine Avenue, between certain termini, by constructing storm water sewers and sanitary sewers, and (iii) acquiring and installing a comprehensive financial management, utility billing, community development, community access, human resources and payroll computer program and equipment, together with all necessary appurtenances thereto.

- Bonds in the maximum principal amount of \$5,423,000, for the purpose of paying the costs of refunding bonds previously issued by the City to pay the costs of (i) constructing, equipping and furnishing a central garage building, (ii) constructing a main trunk sanitary sewer and improving the Qu Qua Ditch, Mary Street, High Street, Vine Street, North Greenwood Street, State Street, Clinton Street, Silver Street, Waterloo Street, Oakgrove Avenue, Franconia Avenue, Pennsylvania Avenue and Woodrow Avenue between certain termini, by constructing sanitary sewers, (iii) improving Clinton Street, Silver Street, Waterloo Street, Oakgrove Avenue, Franconia Avenue, Pennsylvania Avenue and Woodrow Avenue, between certain termini, by constructing storm water sewers, and (iv) replacing the roof on City Hall, together with all necessary appurtenances.

The Bond Ordinances also provide that:

- Interest will be payable on June 1 and December 1 of each year commencing on a date to be determined by you in the Certificate of Award.
- Principal will be payable on December 1 in each of the years determined by you in the Certificate of Award consistent with certain parameters set forth in the Bond Ordinances.

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- You will determine in the Certificate of Award the actual aggregate principal amount of bonds to be sold (not exceeding the maximum combined permitted amount).
- The Bonds are to be dated as determined by you in the Certificate of Award, provided that their dated date shall not be more than sixty (60) days prior to the closing date.
- The Bonds may be issued in book-entry form if you determine that issuance in that form will facilitate the sale and delivery of the Bonds.
- The Bonds will not be designated as “qualified tax-exempt obligations” under Section 265(b)(3) of the Internal Revenue Code.
- The Bonds may be consolidated with any other bond issues for purposes of sale.
- You may secure a bond rating and/or bond insurance.
- The City shall take such actions that may be required for the interest on the Bonds to be and remain excluded from gross income for purposes of federal income tax purposes.

The usual procedures relating to the passage of the Bond Ordinances should be followed.

The Bond Ordinances are drafted as emergency measure to be effective immediately upon passage and approval by the Mayor. Passage as an emergency measure requires the affirmative vote of two-thirds of all the members of Council for the Bond Ordinances. Council must read the Bond Ordinances on three separate days unless Council suspends that rule by the affirmative vote of three-quarters of all the members of Council.

3. Current drafts of the **Bond Purchase Agreement**, the **Bond Registrar Agreement**, the **Continuing Disclosure Agreement** and the **Escrow Agreement** are each enclosed and should be placed on file with the Clerk of Council prior to the City Council’s consideration of the Bond Ordinances. These documents should **not** be signed at this time.

4. The May 26, 2020 draft of the **Preliminary Official Statement** previously circulated (or any more recent versions available at the time of passage of the Bond Ordinances) should be on file with the Clerk of Council prior to the City Council’s consideration of the Bond Ordinances.

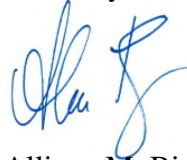
5. The **Supplemental Engagement Letter** with Squire is also enclosed and should be on file with the Clerk of Council prior to City Council’s consideration of the Bond Ordinances. If approved, it should be signed by the Mayor.

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For the transcript of proceedings, please send me, when available, (a) the executed Supplemental Fiscal Officer's Certificates, (b) a certified copy of each Bond Ordinance as passed by City Council, (c) the minutes of the City Council meeting(s) at which each Bond Ordinance is considered and passed, (d) proof of publication of each Bond Ordinance and (e) a signed copy of the supplemental engagement letter.

If you have any questions, please give me a call. Thank you.

Sincerely,



Allison M. Binkley

AMB/pf  
Enclosures

copy (w/enc.): Scott Schertzer, Mayor  
Mark Russell, Law Director  
Marden Watts, Deputy Auditor  
Cathy Chaffin, Service Director  
Tarina Rose, Clerk of Council  
Kathleen Clark, Fifth Third Securities, Inc.