



Ohio Revised Code

Section 133.04 Net indebtedness of subdivision - certain securities not considered in calculation.

Effective: September 29, 2015

Legislation: House Bill 64 - 131st General Assembly

(A) As used in this chapter, "net indebtedness" means, as determined pursuant to this section, the principal amount of the outstanding securities of a subdivision less the amount held in a bond retirement fund to the extent such amount is not taken into account in determining the principal amount outstanding under division (AA) of section 133.01 of the Revised Code. For purposes of this definition, the principal amount of outstanding securities includes the principal amount of outstanding securities of another subdivision apportioned to the subdivision as a result of acquisition of territory, and excludes the principal amount of outstanding securities of the subdivision apportioned to another subdivision as a result of loss of territory and the payment or reimbursement obligations of the subdivision under credit enhancement facilities relating to outstanding securities.

(B) In calculating the net indebtedness of a subdivision, none of the following securities, including anticipatory securities issued in anticipation of their issuance, shall be considered:

- (1) Securities issued in anticipation of the levy or collection of special assessments, either in original or refunded form;
- (2) Securities issued in anticipation of the collection of current revenues for the fiscal year or other period not to exceed twelve consecutive months, or securities issued in anticipation of the collection of the proceeds from a specifically identified voter-approved tax levy;
- (3) Securities issued for purposes described in section 133.12 of the Revised Code;
- (4) Securities issued under Chapter 122., 140., 165., 725., or 761. or section 131.23 of the Revised Code;
- (5) Securities issued to pay final judgments or court-approved settlements under authorizing laws and securities issued under section 2744.081 of the Revised Code;



(6) Securities issued to pay costs of permanent improvements to the extent they are issued in anticipation of the receipt of, and are payable as to principal from, federal or state grants or distributions for, or legally available for, that principal or for the costs of those permanent improvements;

(7) Securities issued to evidence loans from the state capital improvements fund pursuant to Chapter 164. of the Revised Code or from the state infrastructure bank pursuant to section 5531.09 of the Revised Code;

(8) That percentage of the principal amount of general obligation securities issued by a county, township, or municipal corporation to pay the costs of permanent improvements equal to the percentage of the debt charges on those securities payable during the current fiscal year that the fiscal officer estimates can be paid during the current fiscal year from payments in lieu of taxes under section 1728.11, 1728.111, 5709.42, 5709.74, or 5709.79 of the Revised Code, and that the legislation authorizing the issuance of the securities pledges or covenants will be used for the payment of those debt charges; provided that the amount excluded from consideration under division (B)(8) of this section shall not exceed the lesser of thirty million dollars or one-half per cent of the subdivision's tax valuation in the case of a county or township, or one and one-tenth per cent of the subdivision's tax valuation in the case of a municipal corporation;

(9) Securities issued in an amount equal to the property tax replacement payments received under section 5727.85 or 5727.86 of the Revised Code;

(10) Securities issued in an amount equal to the property tax replacement payments received under section 5751.21 or 5751.22 of the Revised Code;

(11) Other securities, including self-supporting securities, excepted by law from the calculation of net indebtedness or from the application of this chapter;

(12) Securities issued under section 133.083 of the Revised Code for the purpose of acquiring, constructing, improving, or equipping any permanent improvement to the extent that the legislation authorizing the issuance pledges tourism development district revenue to the payment of debt



charges on the securities and contains a covenant to appropriate from tourism development district revenue a sufficient amount to cover debt charges or the financing costs related to the securities as they become due;

(13) Any other securities outstanding on October 30, 1989, and then excepted from the calculation of net indebtedness or from the application of this chapter, and securities issued at any time to fund or refund those securities.