



## Ohio Revised Code

### Section 133.05 Net indebtedness of municipal corporation - certain securities not considered in calculation.

Effective: April 27, 2005

Legislation: Senate Bill 222 - 125th General Assembly

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(A) A municipal corporation shall not incur net indebtedness that exceeds an amount equal to ten and one-half per cent of its tax valuation, or incur without a vote of the electors net indebtedness that exceeds an amount equal to five and one-half per cent of that tax valuation.

(B) In calculating the net indebtedness of a municipal corporation, none of the following securities shall be considered:

(1) Self-supporting securities issued for any purposes including, without limitation, any of the following general purposes:

(a) Water systems or facilities;

(b) Sanitary sewerage systems or facilities, or surface and storm water drainage and sewerage systems or facilities, or a combination of those systems or facilities;

(c) Electric plants and facilities and steam or cogeneration facilities that generate or supply electricity, or steam and electrical or steam distribution systems and lines;

(d) Airports or landing fields or facilities;

(e) Railroads, rapid transit, and other mass transit systems;

(f) Off-street parking lots, facilities, or buildings, or on-street parking facilities, or any combination of off-street and on-street parking facilities;

(g) Facilities for the care or treatment of the sick or infirm, and for housing the persons providing such care or treatment and their families;



- (h) Solid waste or hazardous waste collection or disposal facilities, or resource recovery and solid or hazardous waste recycling facilities, or any combination of those facilities;
- (i) Urban redevelopment projects;
- (j) Recreational, sports, convention, auditorium, museum, trade show, and other public attraction facilities;
- (k) Facilities for natural resources exploration, development, recovery, use, and sale;
- (l) Correctional and detention facilities, including multicounty-municipal jails, and related rehabilitation facilities.
- (2) Securities issued for the purpose of purchasing, constructing, improving, or extending water or sanitary or surface and storm water sewerage systems or facilities, or a combination of those systems or facilities, to the extent that an agreement entered into with another subdivision requires the other subdivision to pay to the municipal corporation amounts equivalent to debt charges on the securities;
- (3) Securities issued under order of the director of health or director of environmental protection under section 6109.18 of the Revised Code;
- (4) Securities issued under Section 3, 10, or 12 of Article XVIII, Ohio Constitution;
- (5) Securities that are not general obligations of the municipal corporation;
- (6) Voted securities issued for the purposes of urban redevelopment to the extent that their principal amount does not exceed an amount equal to two per cent of the tax valuation of the municipal corporation;
- (7) Unvoted general obligation securities to the extent that the legislation authorizing them includes covenants to appropriate annually from lawfully available municipal income taxes or other municipal excises or taxes, including taxes referred to in section 701.06 of the Revised Code but not including



ad valorem property taxes, and to continue to levy and collect those municipal income taxes or other applicable excises or taxes in, amounts necessary to meet the debt charges on those securities, which covenants are hereby authorized;

(8) Self-supporting securities issued prior to July 1, 1977, under this chapter for the purpose of municipal university residence halls to the extent that revenues of the successor state university allocated to debt charges on those securities, from sources other than municipal excises and taxes, are sufficient to pay those debt charges;

(9) Securities issued for the purpose of acquiring or constructing roads, highways, bridges, or viaducts, for the purpose of acquiring or making other highway permanent improvements, or for the purpose of procuring and maintaining computer systems for the office of the clerk of the municipal court to the extent that the legislation authorizing the issuance of the securities includes a covenant to appropriate from money distributed to the municipal corporation pursuant to Chapter 4501., 4503., 4504., or 5735. of the Revised Code a sufficient amount to cover debt charges on and financing costs relating to the securities as they become due;

(10) Securities issued for the purpose of providing some or all of the funds required to satisfy the municipal corporation's obligation under an agreement with the board of trustees of the Ohio police and fire pension fund under section 742.30 of the Revised Code;

(11) Securities issued for the acquisition, construction, equipping, and improving of a municipal educational and cultural facility under division (B)(2) of section 307.672 of the Revised Code;

(12) Securities issued for energy conservation measures under section 717.02 of the Revised Code;

(13) Securities that are obligations issued to pay costs of a sports facility under section 307.673 of the Revised Code.

(C) In calculating the net indebtedness of a municipal corporation, no obligation incurred under section 749.081 of the Revised Code shall be considered.