

A RESOLUTION OF THE CITY OF STARKVILLE, MISSISSIPPI, PURSUANT TO SECTION 27-105-367 OF THE MISSISSIPPI CODE FOR THE TRANSFER OF SURPLUS FUNDS TO THE STARKVILLE SCHOOL DISTRICT

WHEREAS, The Mayor and Board of Aldermen of Starkville, Mississippi (the "Board"), acting for and on behalf of the City of Starkville, Mississippi ("City"), does hereby find, determine and adjudicate as follows:

1. In 1986, the City issued two bonds pursuant to state statute: one in the amount of \$3,335,000 for the purpose of enlarging and repairing Starkville High School and related facilities by erecting and equipping additions thereto and repairing existing facilities and repairing and remodeling school buildings and related facilities within the school district by removing asbestos therefrom; and the other in the amount of \$900,000 for the purpose of repairing, remodeling and equipping the old Starkville Middle School building.
2. To cover the cost of the bonds, the City raised taxes of residents within the Starkville School District ("SSD"), including residents outside of the City who lived within the SSD.
3. The City created a special fund identified as a bond and interest sinking fund, into which proceeds derived from taxation were placed and payments made to retire the bonds.
4. In 2006, the bonds were retired. At that time, a surplus remained in the special fund ("Surplus Bond Fund"). Over time, that surplus grew through the accrual of interest to be \$474,081.063.

WHEREAS, In March of 2014, the existence of the Surplus Bond Fund was brought to Mayor Parker Wiseman's (the "Mayor") attention;

WHEREAS, In April of 2014, the Mayor directed that the balance of the Surplus Bond Fund be transferred to SSD in the same manner that tax proceeds for school bonds are ordinarily transferred from the City to SSD;

WHEREAS, Pursuant to the Mayor's directive, a check was issued from the City to SSD for the balance of the Surplus Bond Fund;

WHEREAS, The Mayor's directive to transfer the funds was in error, and the funds should have been transferred pursuant to Miss. Code Ann. § 27-105-367;

WHEREAS, SSD deposited the Surplus Bond Funds to its Capital Outlay Fund;

WHEREAS, The Board of Aldermen believe that in order for the funds to be properly transferred, the City should transfer the Surplus Bond Funds to the SSD Capital Outlay Fund pursuant to Miss. Code Ann. 27-105-367;

NOW THEREFORE, BE IT HEREBY RESOLVED AND AGREED by this Board as follows:

SECTION 1. The Surplus Bond Funds must be transferred by SSD back to the original City bond and interest sinking fund;

SECTION 2. Any and all funds transferred from SSD back to the original City bond and interest sinking fund will be surplus funds from the 1986 bond issuance for SSD, since the purpose for which the special fund was created has been fully carried out and no outstanding indebtedness remains;

SECTION 3. The City wishes to transfer the Surplus Bond Funds to the SSD Capital Outlay Fund pursuant to Miss. Code Ann. § 27-105-367(2)(b);

SECTION 4. Upon SSD's transfer of the Surplus Bond Funds back to the original City bond and interest sinking fund, the City shall publish notice of this Resolution in the Starkville Daily News for three consecutive weeks pursuant to Miss. Code Ann. § 27-105-367(2)(b);

SECTION 5. And that if there be no petition against the proposed transfer, signed by twenty percent (20%) or fifteen hundred (1,500), whichever is less, of the qualified electors residing in the City, filed with the governing body, the funds shall be transferred as stated in this Resolution not less than thirty (30) days after the first date of publication.

Following the reading of the foregoing Resolution Alderman _____ moved and Alderman _____ seconded the motion for its adoption. The matter was then put to a roll call vote, and the result was as follows:

Alderman Ben Carver	voted: _____
Alderman Lisa Wynn	voted: _____
Alderman David Little	voted: _____
Alderman Jason Walker	voted: _____
Alderman Scott Maynard	voted: _____
Alderman Roy A'. Perkins	voted: _____
Alderman Henry N. Vaughn, Sr.	voted: _____

The motion having received the affirmative vote of a majority of the members of the Governing Body present, the Mayor declared the motion carried and the resolution adopted on this the 15th day of July, 2014.

CITY OF STARKVILLE, MISSISSIPPI

Parker Wiseman, Mayor

ATTEST:

Lesa Hardin, City Clerk

