

There came on for consideration the matter of providing financing for capital improvements in the City of Columbus, Mississippi, and after a discussion of the subject matter, Council Member _____ offered and moved for the adoption of the following resolution:

RESOLUTION DECLARING THE INTENTION OF THE MAYOR AND CITY COUNCIL OF THE CITY OF COLUMBUS, MISSISSIPPI TO EITHER ISSUE GENERAL OBLIGATION BONDS OF THE CITY OF COLUMBUS, MISSISSIPPI, ISSUE A GENERAL OBLIGATION BOND OF SAID CITY FOR SALE TO THE MISSISSIPPI DEVELOPMENT BANK OR ENTER INTO A LOAN WITH THE MISSISSIPPI DEVELOPMENT BANK, ALL IN AN AGGREGATE PRINCIPAL AMOUNT OF NOT TO EXCEED FIVE MILLION DOLLARS (\$5,000,000) TO RAISE MONEY FOR THE PURPOSE OF FINANCING THE CONSTRUCTION, IMPROVEMENT, AND PAVING STREETS INCLUDING MILLING, STRIPING AND BASE REPAIRS OF THE SAME; THE CONSTRUCTION AND IMPROVEMENT OF SIDEWALKS, VALLEY CURBS, CURBS AND GUTTERS; THE REPAIR AND IMPROVEMENT OF DRAINAGE SYSTEMS; THE ACQUISITION AND IMPROVEMENT OF PUBLIC PARKING FACILITIES; AND THE CONSTRUCTION OF ADA IMPROVEMENTS RELATED TO ALL OF THE SAME; DIRECTING THE PUBLICATION OF A NOTICE OF SUCH INTENTION; AND FOR RELATED PURPOSES.

WHEREAS, the Mayor and City Council of the City of Columbus, Mississippi (the "Governing Body"), acting for and on behalf of the City of Columbus, Mississippi (the "City"), is authorized by Sections 21-33-301 *et seq.*, Mississippi Code of 1972, as amended and supplemented from time to time (the "City Act"), to issue general obligation bonds for the purposes set forth therein, including, but not limited to, construction, improvement, and paving streets including milling, striping and base repairs of the same; the construction and improvement of sidewalks, valley curbs, curbs and gutters; the repair and improvement of drainage systems; the acquisition and improvement of public parking facilities; and the construction of ADA improvements related to all of the same (the "Project"); and

WHEREAS, the Governing Body, acting for and on behalf of the City, is also authorized under the City Act and Sections 31-25-1 *et seq.*, Mississippi Code of 1972, as amended and supplemented from time to time (the "Bank Act" and together with the City Act, the "Act"), and other applicable laws of the State of Mississippi (the "State"), to (a) issue a general obligation bond of the City to be sold to the Mississippi Development Bank (the "Bank") to finance the costs of the Project, or (b) enter into a loan with the Bank to borrow money to finance the costs of the Project; and

WHEREAS, the Project is in accordance with and in furtherance of the provisions of the Act; and

WHEREAS, the Governing Body is authorized to provide funding for the costs of the Project either (a) through the issuance of general obligation bonds of the City pursuant to the

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City Act in a total aggregate principal amount not to exceed Five Million Dollars (\$5,000,000) (the "Bonds"), (b) through the issuance of a general obligation bond of the City to be sold to the Bank pursuant to the Act in a total aggregate principal amount not to exceed Five Million Dollars (\$5,000,000) (the "City Bond"), or (c) by entering into a loan with the Bank pursuant to the Act to borrow money from the Bank in a total principal amount not to exceed Five Million Dollars (\$5,000,000) (the "Loan"); and,

WHEREAS, prior to the sale and issuance of the Bonds or the City Bond or entering into the Loan with the Bank, the City shall secure a Master Plan for the Project from Neel-Schaffer; and

WHEREAS, as of April 1, 2014, the assessed value of all taxable property within the City, according to the last completed assessment for taxation, was One Hundred Seventy-Six Million Forty-Seven Thousand Eight Hundred Fifty-Eight Dollars (\$176,047,858), and the City had outstanding bonded and floating indebtedness as subject to the fifteen percent (15%) debt limit prescribed by Section 21-33-303 of the City Act, as amended, in the amount of in the amount of Eight Million Five Hundred Fifty-Five Thousand Dollars (\$8,555,000), and outstanding bonded and floating indebtedness as subject to the twenty percent (20%) debt limit prescribed by Section 21-33-303 of the City Act, in the amount of Eight Million Five Hundred Fifty-Five Thousand Dollars (\$8,555,000); and

WHEREAS, the Bonds, the City Bond or the Loan, when added to the outstanding bonded indebtedness of the City, will not result in bonded indebtedness, exclusive of indebtedness not subject to the aforesaid fifteen percent (15%) debt limit, of more than fifteen percent (15%) of the assessed value of all taxable property within the City, will not result in indebtedness, both bonded and floating, exclusive of indebtedness not subject to the aforesaid twenty percent (20%) debt limit prescribed by Section 21-33-303 of the City Act, in excess of twenty percent (20%) of the assessed value of all taxable property within the City, and will not exceed any constitutional or statutory limitation upon indebtedness which may be incurred by the City; and

WHEREAS, there has been no increase in said bonded and floating general obligation indebtedness of the City since April 1, 2014; and

WHEREAS, it would be in the best interest of the City for the Governing Body to provide funding for the costs of the Project by borrowing money through the issuance of the Bonds or the City Bond or by entering into the Loan, all in accordance with the City Act; and

WHEREAS, the City reasonably expects that it will incur expenditures in connection with the Project for which the City intends to reimburse itself with the proceeds of the Bonds, the City Bond or the Loan; and

WHEREAS, the Governing Body is authorized and empowered by the City Act and/or the Bank Act to issue the Bonds or the City Bond or to enter into the Loan for the purposes herein set forth and there are no other available funds on hand or available from regular sources of income for such purposes.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND CITY COUNCIL OF THE CITY, ACTING FOR AND ON BEHALF OF THE CITY, AS FOLLOWS:

SECTION 1. All of the matters and things recited in the premises sections of this resolution are found and determined to be true and accurate.

SECTION 2. This resolution is adopted pursuant to the Act, the Constitution, and other applicable laws of the State.

SECTION 3. The Governing Body, acting for and on behalf of the City, hereby declares its intention to either (a) issue and sell the Bonds pursuant to the City Act in an aggregate principal amount not to exceed Five Million Dollars (\$5,000,000), (b) issue and sell the City Bond to the Bank pursuant to the Act in an aggregate principal amount not to exceed Five Million Dollars (\$5,000,000), or (c) enter into the Loan with the Bank pursuant to the Act to borrow money from the Bank in a principal amount not to exceed Five Million Dollars (\$5,000,000).

SECTION 4. The Bonds, the City Bond or the Loan will be issued for the purpose of financing the Project, as authorized by the City Act and/or the Bank Act.

SECTION 5. The Bonds or the City Bond may be issued in one or more series and, if issued, will be general obligations of the City payable as to principal and interest out of and secured by an irrevocable pledge of the avails of a direct and continuing tax to be levied annually without limitation as to time, rate or amount upon all the taxable property within the geographical limits of the City. The Loan will be payable from available revenues of the City and will not constitute an indebtedness of the City within the meaning of any constitutional or statutory restrictions, limitations, or provisions, and the taxing power of the City will not be pledged to the payment of the Loan.

SECTION 6. The Governing Body proposes to direct the issuance of all or any portion of the Bonds or the City Bond or to authorize the Loan in the amount and for the purposes and secured as aforesaid at a meeting of the Governing Body to be held at its usual meeting place located at 1501 Main Street, Columbus, Mississippi, at the hour of 5:00 o'clock p.m. on May 20, 2014, or at some meeting or meetings subsequent thereto; provided, however, that if ten percent (10%) or Fifteen Hundred (1500), whichever is less, of the qualified electors of the City shall file a written protest with the Governing Body against the issuance of the Bonds or the City Bond or the authorization of the Loan on or before the aforesaid date and hour, then the Bonds or the City Bond shall not be issued or the Loan shall not be entered into unless approved at an election on the question thereof called and held as is provided by law; provided, further that if no protest is filed, then the Bonds or the City Bond may be issued and sold in one or more series or the City may enter into the Loan without an election on the question of the issuance thereof at any time within a period of two (2) years after May 20, 2014.

SECTION 7. In full compliance with the City Act, the Secretary-Treasurer of the City (the "Secretary-Treasurer") is hereby directed to publish a copy of this resolution once a week for at least three (3) consecutive weeks in *The Commercial Dispatch*, a newspaper published in and

having a general circulation in the City and qualified under the provisions of Section 13-3-31, Mississippi Code of 1972, as amended, with the first publication being not less than twenty-one (21) days prior to the date set forth in Section 6 of this resolution, and the last publication being made not more than seven (7) days prior to such date.

SECTION 8. The Secretary-Treasurer is hereby directed to procure from the publisher of the aforesaid newspaper the customary proof of the publication of this resolution and the required notice and have the same before the Governing Body on the date and hour specified in Section 6 hereof.

SECTION 9. The City hereby declares its official intent to reimburse itself from the proceeds of the Bonds, the City Bond or the Loan for expenses incurred with respect to the Project subsequent to the date of this resolution. This resolution is intended as a declaration of official intent under Treasury Regulation 1.150-2. The Bonds, the City Bond or the Loan will not exceed the aggregate principal amount of Five Million Dollars (\$5,000,000).

SECTION 10. If any one or more of the provisions of this resolution shall for any reason be held to be illegal or invalid, such illegality or invalidity shall not affect any of the other provisions of this resolution, but this resolution shall be construed and enforced as if such illegal or invalid provision or provisions had not been contained herein.

Council Member _____ seconded the motion to adopt the foregoing resolution, and the question being put to a roll call vote, the result was as follows:

- Councilman Gene Taylor voted: _____
- Councilman Charlie Box voted: _____
- Councilman Joseph Mickens voted: _____
- Councilman Marty Turner voted: _____
- Councilman Kabir Karriem voted: _____
- Councilman Bill Gavin voted: _____

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

By _____
Robert E. Smith, Sr., Mayor

ATTEST:

By _____
Milton Rawle, Secretary-Treasurer