

ST. TAMMANY PARISH COUNCIL

RESOLUTION

RESOLUTION COUNCIL SERIES NO. C-1288

COUNCIL SPONSOR: MR. IMPASTATO

PROVIDED BY: DISTRICT BOND COUNSEL

A resolution approving the issuance of \$700,000 of Limited Tax Certificates of Indebtedness, Series 2005, of Recreation District No. 4 of the Parish of St. Tammany, State of Louisiana.

WHEREAS, the Board of Commissioners of the St. Tammany Recreation District No. 4 of the Parish of St. Tammany, State of Louisiana (the "Issuer" or "District"), adopted on November 10, 2004, a resolution providing for the incurring of debt and issuance of its Limited Tax Certificates (the "Certificates") in the manner authorized and provided for by the Act for the purpose of (i) acquiring financing, constructing a gymnasium facility, in and for the said District, together with the necessary sites, equipment and furnishings thereof (the "Project") as authorized in Proposition No. 1, approved by the voters on October 20, 2001, (ii) fund a reserve fund, if necessary, and (iii) pay the costs of issuance of the Certificates; and

WHEREAS, in compliance with the terms and provisions of Article VI, Section 15 of the Constitution of the State of Louisiana of 1974, it is now the desire of this Parish Council to approve said borrowing.

THE PARISH OF ST. TAMMANY HEREBY RESOLVES:

SECTION 1. In compliance with the provisions of Article VI, Section 15 of the Constitution of the State of Louisiana of 1974, and in accordance with the request of the Board of Commissioners of the District, this Parish Council hereby approves the issuance of Seven Hundred Thousand Dollars (\$700,000) of Limited Tax Certificates, Series 2005, (the "Certificates") for the purpose of (i) acquiring financing, constructing a gymnasium facility, in and for the said District, together with the necessary sites, equipment and furnishings thereof (the "Project") as authorized by the voters at an election held on October 20, 2001, (ii) fund a reserve fund, if necessary, and (iii) pay the costs of issuance of the Certificates. The Certificates are to be payable from and secured by an irrevocable pledge and dedication of the funds to be derived by the District from the levy and collection of a special 10 mills tax authorized to be levied in each of the years through 2011 on all the property subject to taxation within the corporate boundaries of the District pursuant to an election held therein on October 20, 2001. Neither St. Tammany Parish nor this Parish Council shall in any way be liable for the payment of principal and/or interest on the Certificates.

THIS RESOLUTION HAVING BEEN SUBMITTED TO A VOTE, THE VOTE THEREON WAS AS FOLLOWS:

MOVED FOR ADOPTION BY _____, SECONDED BY _____.

YEAS:

NAYS:

ABSTAIN:

ABSENT:

THIS RESOLUTION WAS DECLARED ADOPTED ON THE _____ DAY OF DECEMBER, 2004, AT A REGULAR MEETING OF THE PARISH COUNCIL, A QUORUM OF THE MEMBERS BEING PRESENT AND VOTING.

PATRICIA BRISTER, COUNCIL CHAIRMAN

DIANE HUESCHEN, COUNCIL CLERK

STATE OF LOUISIANA

PARISH OF ST. TAMMANY

I, the undersigned Council Clerk of the Parish Council of the Parish of St. Tammany, State of Louisiana, do hereby certify that the foregoing ____ () pages constitute a true and correct copy of a resolution adopted by said Parish Council on December 2, 2004, approving the issuance of \$700,000 of Limited Tax Certificates of Indebtedness, Series 2005 of Recreation District No. 4 of the Parish of St. Tammany, State of Louisiana.

IN FAITH WHEREOF, witness my official signature and the impress of the official seal of said Parish on this, the 2nd day of December, 2004.

(SEAL)

Council Clerk

Reso C-1288

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JONES RUSSELL LLP

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The following Resolution was offered by Mr. Sevanto and seconded by Mr. Smith.

RESOLUTION

A PRELIMINARY RESOLUTION AUTHORIZING THE ST. TAMMANY RECREATION DISTRICT NO. 4 OF THE PARISH OF ST. TAMMANY, STATE OF LOUISIANA (THE "ISSUER") TO INCUR DEBT AND TO ISSUE NOT TO EXCEED \$700,000 AGGREGATE PRINCIPAL AMOUNT OF LIMITED TAX CERTIFICATES; MAKING APPLICATION TO THE STATE BOND COMMISSION; AND OTHERWISE PROVIDING WITH RESPECT THERETO.

WHEREAS, the St. Tammany Recreation District No. 4 of the Parish of St. Tammany, State of Louisiana (the "Issuer" or the "District") is a special district and a political subdivision of the Parish of St. Tammany, State of Louisiana (the "State"); and

WHEREAS, pursuant to an election held in the District, on October 20, 2001, the Issuer is levying and collecting a special tax of 10 mills on all the property subject to taxation in said District for a period of ten (10) years, commencing with the year 2002 and ending with the year 2011, for the purpose of acquiring, financing, constructing and equipping capital facilities including a gymnasium in and for the District, together with the necessary sites, equipment, and furnishings therefor, the title of which shall be in the public;

WHEREAS, Chapter 4, Part V of Title 39, particularly LSA-R.S. 39:742.2, of the Louisiana Revised Statutes of 1950, as amended (collectively, the "Act"), authorize the Issuer to anticipate the revenues to be realized from special ad valorem taxes voted pursuant to the provisions of the Constitution and Statutes of the State of Louisiana by borrowing money to be used only for the purpose for which such taxes were voted;

WHEREAS, the Issuer now desires to authorize the incurrence of debt and the issuance of its Limited Tax Certificates (the "Certificates") in the manner authorized and provided for by the Act for the purpose of (i) acquiring financing, constructing a gymnasium facility, in and for the said District, together with the necessary sites, equipment and furnishings therefor (the "Project"), (ii) fund a reserve fund, if necessary, and (iii) pay the costs of issuance of the Certificates;

WHEREAS, in connection with the Project, the Issuer expects to incur expenses for which the Issuer may advance internal funds;

WHEREAS, the Issuer intends to reimburse itself for all or a portion of such expenses of the Project from the proceeds of the Certificates;

WHEREAS, the Certificates will be payable solely from and secured by an irrevocable pledge and dedication of the funds to be derived from the levy and collection of the special tax of 10

mills on all the property subject to taxation in said District for a period of ten (10) years commencing with the year 2002 and ending with the year 2011 (the "Tax");

WHEREAS, the estimated income to be realized from the 2005 levy of the Tax is approximately \$210,000 and the maximum amount of principal and interest due in any year on the Certificates calculated at estimated interest rates on the Certificates does not exceed seventy-five (75 %) percent of such estimated income;

WHEREAS, in connection with the issuance of the Certificates, the Issuer desires to authorize the filing of an application with the Louisiana State Bond Commission (the "Commission") requesting that the Commission approve the issuance and sale of the Certificates in accordance with the Act; and

WHEREAS, in connection with authorizing the issuance of the Certificates, the Issuer desires to employ Bond Counsel;

NOW, THEREFORE:

BE IT RESOLVED by the Board of Commissioners (the "Governing Authority"), acting as governing authority of the Issuer, that:

SECTION 1. For the purpose of providing funds to (i) finance the cost of the Project and (ii) pay the costs of issuance of the Certificates, this Governing Authority hereby gives preliminary approval to the issuance of not to exceed \$700,000 of its Limited Tax Certificates, Series 2005.

SECTION 2. The Certificates shall be secured by and payable solely from an irrevocable pledge and dedication of the funds to be derived from the levy and collection of the special tax of 10 mills on all property subject to taxation in said District for a period of ten (10) years commencing with the year 2002 and ending with the year 2011 (the "Tax"). The Certificates shall bear interest at a fixed rate not to exceed four (4%) percent per annum, maturing over a period not to exceed seven years from the date thereof. The Certificates shall be issued under the authority of the Act and other constitutional and statutory authority supplemental thereto. The acceptance of an offer for sale of the Certificates and the further details of the Certificates shall be established by a bond resolution to be adopted by this Governing Authority; provided, however, that the maturities of the Certificates will be so arranged, pursuant of the Act, that the total amount of principal and interest falling due in

any year will never exceed seventy five (75%) percent of the Tax revenues estimated by the Issuer to be received by it in the calendar year in which the Certificates are issued.

The Certificates shall constitute a borrowing solely upon the credit of the Tax and shall not constitute an indebtedness or pledge of the general credit of the Issuer or of the Parish of St. Tammany or the State of Louisiana or of any other political subdivision thereof, other than the Issuer, within the meaning of any constitutional or statutory provision relating to the incurring of indebtedness, and the Certificates shall contain a recital of that effect.

SECTION 3. This Resolution shall be published immediately after its adoption in one (1) issue of *St. Tammany Farmer*, a weekly newspaper published in the City of Covington, Louisiana, being the official journal of the Issuer, and, as provided by the Act, for a period of thirty (30) days from the date of publication of this Resolution, any person interested may test the legality of this Resolution and the validity of the Certificates, after which time no one shall have any cause to contest the regularity, formality or legality of this Resolution and the validity of the Certificates, after which time no one shall have any cause to contest the regularity, formality or legality of this Resolution or to draw in question the legality of the Certificates for any cause whatsoever. If no suit, action or proceeding is begun contesting the validity of the issuance of the Certificates within the prescribed thirty (30) days, the authority to issue the Certificates and to provide for the payment thereof, and all of the provisions of this Resolution authorizing the issuance of the Certificates shall be conclusively presumed, and no court shall have the authority to inquire into such matters.

SECTION 4. It is hereby recognized, found and determined that a real necessity exists for the employment of Bond Counsel in connection with the issuance of the Certificates, and accordingly, the firms of Jones Fussell, LLP, Covington, Louisiana and Crawford Lewis, P.L.L.C., Baton Rouge, Louisiana, as Co-Bond Counsel ("Co-Bond Counsel"), are hereby employed to do

and to perform comprehensive, legal and coordinate professional work with respect to the issuance and sale of the Certificates. Co-Bond Counsel shall (i) prepare and submit to the Issuer for adoption all of the proceedings incidental to the authorization, issuance, sale and delivery of the Certificates, (ii) counsel and advise the Issuer with respect to the issuance and sale of the Certificates and (iii) furnish their opinion with respect to the legality of the issuance thereof. The fee to be paid Co-Bond Counsel shall be an amount not to exceed that allowed by the Attorney General's then current Bond Counsel Fee Schedule and other guidelines for comprehensive, legal and coordinate professional work in the issuance of revenue bonds applied to the actual aggregate principal amount issued, sold, delivered and paid for at the time the Certificates are delivered, together with reimbursement of out-of-pocket expenses incurred in advance in connection with the issuance of the Certificates, said fee to be payable out of proceeds of the Certificates or other funds provided by the Issuer, subject to the Attorney General's written approval of said employment and fee to be paid with the Certificate proceeds or other funds. The fee to be paid Co-Bond Counsel is payable contingent on the sale and delivery of the Certificates. A certified copy of this Resolution shall be submitted to the Attorney General of the State of Louisiana for his written approval of said employment of Co-Bond Counsel and of the fees to be paid Co-Bond Counsel herein designated.

SECTION 5. King, Bossier, Nosacka & Holley, Baton Rouge, Louisiana, is hereby appointed as financial advisor in connection with the Certificates, any compensation to be subsequently approved by the Issuer and to be paid from the proceeds of the Certificates and contingent upon the issuance of the Certificates; provided that no compensation shall be due to said financial advisor unless the Certificates are sold and delivered and all costs must be reasonable and approved by the Issuer.

SECTION 6. The Governing Authority hereby authorizes and directs Co-Bond Counsel to proceed with the preparation of all necessary and appropriate financing documents and to file preliminary drafts of said financing documents with the Commission in accordance with its Rules.

SECTION 7. Application is hereby formally made by the Issuer to the Louisiana State Bond Commission for consent and authority to issue, sell and deliver the Certificates.

SECTION 8. The Chairman and Vice-Chairman of the Issuer are hereby authorized to do all things necessary, on the advice of the Bond Counsel to the Issuer, to effectuate and implement this Resolution, including the publication hereof as required by the Act.

SECTION 9. This Resolution shall become effective immediately upon adoption hereof.

The Resolution having come to a vote:

YEAS: 5

NAYS: 0

ABSTAIN: 0

ABSENT: 1

ADOPTED THIS 10th day of November, 2004, in Covington, Louisiana.

/s/ Michael Sevante
Vice-Chairman

/s/ Jimmy Laurent
Chairman