

ST. TAMMANY PARISH COUNCIL

RESOLUTION

RESOLUTION COUNCIL SERIES NO. C-2458

COUNCIL SPONSOR BINDER/DAVIS PROVIDED BY BOND COUNSEL

A RESOLUTION APPROVING THE ISSUANCE OF \$184,000 OF CERTIFICATES OF INDEBTEDNESS, SERIES 2008 OF FIRE PROTECTION DISTRICT NO. 7 OF THE PARISH OF ST. TAMMANY, LOUISIANA.

WHEREAS, the Board of Commissioners of Fire Protection District No. 7 of the Parish of St. Tammany, Louisiana (the "District"), adopted a resolution on August 13, 2008, authorizing the issuance of \$184,000 of Certificates of Indebtedness, Series 2008, to pay costs of acquiring fire protection equipment and 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 St. Tammany Parish Fire Protection District No. 7, Louisiana (the "District"), this Parish Council hereby approves the issuance of \$184,000 of Certificates of Indebtedness, Series 2008, of the District, to pay costs of acquiring fire protection equipment for the District and costs of issuance of the Certificates. The Certificates are to be payable from and secured by an irrevocable pledge and dedication of the revenues to be derived by the District from the levy and collection of a 5.21 mills tax (such rate being subject to adjustment from time to time due to reassessment) authorized to be levied each year through the year 2016 within the corporate boundaries of the District pursuant to an election held therein on September 30, 2006. 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 _____

THIS RESOLUTION WAS DECLARED ADOPTED ON THE 4TH DAY OF SEPTEMBER, 2008, AT A REGULAR MEETING OF THE PARISH COUNCIL, A QUORUM OF THE MEMBERS BEING PRESENT AND VOTING.

JERRY BINDER, COUNCIL CHAIRMAN

ATTEST:

THERESA L. FORD, 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 one (1) page constitutes a true and correct copy of a resolution adopted by said Parish Council on September 4, 2008, approving the issuance of \$184,000 of Certificates of Indebtedness, Series 2008, of St. Tammany Parish Fire Protection District No. 7, Louisiana.

IN FAITH WHEREOF, witness my official signature and the impress of the official seal of said Parish on this, the 4th day of September, 2008.

(SEAL)

Council Clerk

The following resolution was offered by Richard Singleton and seconded by Eddie Smith:

RESOLUTION

A resolution authorizing the incurring of debt and issuance of One Hundred Eighty-Four Thousand Dollars (\$184,000) of Certificates of Indebtedness, Series 2008, of Fire Protection District No. 7 of the Parish of St. Tammany, Louisiana; prescribing the form, terms and conditions of said Certificates; designating the date, denomination and place of payment of said Certificates; providing for the payment thereof in principal and interest; providing for the acceptance of offers for the purchase of said Certificates; and providing for other matters in connection therewith.

WHEREAS, pursuant to an election held in Fire Protection District No. 7 of the Parish of St. Tammany, Louisiana (the "Issuer"), on September 30, 2006, the Issuer is authorized to levy a special tax of five and twenty-one hundredths (5.21) mills (such rate being subject to adjustment from time to time due to reassessment) through the year 2016 for the purpose of acquiring, constructing, improving, maintaining and operating facilities and equipment in and for the Issuer, including the cost of obtaining water for fire protection purposes (the "Tax"); and

WHEREAS, Section 742.2 of Title 39 of the Louisiana Revised Statutes of 1950, as amended (R.S. 39:742.2), authorizes the Issuer to borrow money in anticipation of revenues to be realized from a special tax to be used only for the purposes for which the Tax was voted; and

WHEREAS, the Issuer now desires to incur debt and issue One Hundred Eighty-Four Thousand Dollars (\$184,000) of its Certificates of Indebtedness, Series 2008, in the manner authorized and provided by R.S. 39:742.2 for the hereinafter stated purposes; and

WHEREAS, the Issuer presently has no indebtedness outstanding payable from a pledge of the revenues of the Tax; and

WHEREAS, it is the desire of this Board of Commissioners, acting as the governing authority of the Issuer, to fix the details necessary with respect to the issuance of the Certificates and to provide for the authorization and issuance thereof; and

WHEREAS, the annual debt service on the amount proposed to be borrowed pursuant to this resolution will not in any year exceed seventy-five percent (75%) of the estimated income to be realized from the levy of the Tax in the year 2008;

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners of Fire Protection District No. 7 of the Parish of St. Tammany, Louisiana, acting as the governing authority of the Issuer, that:

SECTION 1. Definitions. As used herein, the following terms shall have the following meanings, unless the context otherwise requires:

“Certificate” or **“Certificates”** means the Issuer's Certificates of Indebtedness, Series 2008, authorized to be issued by this Resolution in the total aggregate principal amount of One Hundred Eighty-Four Thousand Dollars (\$184,000).

“Code” means the Internal Revenue Code of 1986, as amended.

“Executive Officers” means, collectively, the Chairman and the Secretary of the Governing Authority.

“Governing Authority” means the Board of Commissioners of Fire Protection District No. 7 of the Parish of St. Tammany, Louisiana.

“Issuer” means Fire Protection District No. 7 of the Parish of St. Tammany, Louisiana.

“Resolution” means this resolution authorizing the issuance of the Certificates, as it may hereafter be supplemented and amended.

“Owner” or **“Owners”** when used with respect to the Certificates means the Persons in whose name such Certificates are registered in the Certificate Register (as defined in Section 4 hereof).

“Paying Agent” means Hancock Bank of Louisiana, in the City of Baton Rouge, Louisiana, for Certificates numbered R-1, R-3, R-5, R-7, R-9, R-11 and R-12, and any replacements therefor, and the Secretary of the Governing Authority for Certificates numbered R-2, R-4, R-6, R-8 and R-10, and any replacements therefor, or such successors as Paying Agents as may be named by the Issuer.

“Person” means any individual, corporation, partnership, joint venture, association, joint-stock company, trust, unincorporated organization or government or any agency or political subdivision thereof.

“Purchaser” or **“Purchasers”** means Hancock Bank of Louisiana, in the City of Baton Rouge, Louisiana, for Certificates numbered R-1, R-3, R-5, R-7, R-9, R-11 and R-12 and the Louisiana Public Facilities Authority, of Baton Rouge, Louisiana, for Certificates numbered R-2, R-4, R-6, R-8 and R-10.

“Tax” means the special tax of five and twenty-one hundredths (5.21) mills (such rate being subject to adjustment from time to time due to reassessment) authorized to be levied and collected through the year 2016 pursuant to an election held on September 30, 2006.

SECTION 2. Authorization of Certificates; Maturities. In compliance with the terms and provisions of R.S. 39:742.2 and other constitutional and statutory authority and subject to the approvals of the Louisiana State Bond Commission and the St. Tammany Parish Council, there is hereby authorized the incurring of an indebtedness of One Hundred Eighty-Four Thousand Dollars (\$184,000) for, on behalf of, and in the name of the Issuer, to pay costs of acquiring fire protection equipment for the Issuer and costs of issuance of the Certificates, and to represent said indebtedness, this Governing Authority does hereby authorize the issuance of One Hundred Eight-Four Thousand Dollars (\$184,000) of Certificates of Indebtedness, Series 2008, of the Issuer. The Certificates shall be in fully registered form, shall be dated the date of delivery thereof and shall be in the denominations

hereinafter set forth and shall be numbered R-1 upward. The Certificates shall bear interest from the date thereof or from the most recent interest payment date to which interest has been paid or duly provided for, payable March 1 and September 1 of each year, commencing March 1, 2008, at the following rates of interest per annum and shall mature serially on March 1 of each of the years as follows:

<u>CERTIFICATE NUMBER</u>	<u>YEAR (MARCH 1)</u>	<u>PRINCIPAL MATURING</u>	<u>INTEREST RATE</u>
R-1	2009	\$19,000	3.55%
R-2	2009	5,000	0.00
R-3	2010	20,000	3.55
R-4	2010	5,000	0.00
R-5	2011	20,000	3.55
R-6	2011	5,000	0.00
R-7	2012	20,000	3.55
R-8	2012	6000	0.00
R-9	2013	21,000	3.55
R-10	2013	6,000	0.00
R-11	2014	28,000	3.55
R-12	2015	29,000	3.55

The principal of the Certificates, upon maturity or redemption, shall be payable at the principal corporate office of the appropriate Paying Agent, upon presentation and surrender thereof, and interest on the Certificates shall be payable by check of the appropriate Paying Agent mailed by the Paying Agent to the Owner (determined as of the close of business on the Record Date) at the address shown on the Certificate Register. Each Certificate delivered under this Resolution upon transfer of, in exchange for or in lieu of any other Certificate shall carry all the rights to interest accrued and unpaid, and to accrue, which were carried by such other Certificate, and each such Certificate shall bear interest (as herein set forth) so neither gain nor loss in interest shall result from such transfer, exchange or substitution.

No Certificate shall be entitled to any right or benefit under this Resolution or be valid or obligatory for any purpose, unless there appears on the Certificate a certificate of registration executed by the Paying Agent by manual signature.

SECTION 3. Redemption Provisions. The Certificates are callable for redemption at the option of the Issuer in full or in part at any time, and, if in part, in inverse order of maturity, at the principal amount thereof, plus accrued interest to the date of redemption. Official notice of such call of any of the Certificates for redemption shall be given by means of first class mail, postage prepaid, by notice deposited in the United States mail not less than fifteen (15) days prior to the redemption date addressed to the Owner of each Certificate to be redeemed at his address as shown on the registration books of the Paying Agent.

SECTION 4. Registration. The Issuer shall cause to be kept at the principal office of each Paying Agent a register (the "Certificate Register") in which registration of the appropriate Certificates and transfers thereof shall be made as provided herein. The Certificates may be transferred, registered and assigned only on the appropriate Certificate Register, and such registration shall be at the expense of the Issuer. A Certificate may be assigned by the execution of the assignment form on the Certificate or by other instruments of transfer and assignment acceptable to the appropriate Paying Agent. A new Certificate will be delivered by such Paying Agent to the last assignee (the new

Owner) in exchange for such transferred and assigned certificate after receipt of the Certificate to be transferred in proper form. Such new Certificate shall be in authorized denomination and like principal amount and maturity.

SECTION 5. Form of Certificates. The Certificates and the endorsements to appear thereon shall be in a form acceptable to the Purchasers and the Executive Officers as the same may be advised by bond counsel.

SECTION 6. Execution of Certificates. The Certificates shall be signed by the Executive Officers for, on behalf of, in the name of and under the corporate seal of the Issuer, which signatures and corporate seal may be either manual or facsimile.

SECTION 7. Pledge and Dedication of Revenues. In accordance with the provisions of R.S. 39:742.2, the Certificates are secured by and payable from an irrevocable pledge and dedication of the avails and proceeds of the Tax. Pursuant to the authority granted at the special election held in the Issuer on September 30, 2006, and as long as the Certificates are not paid in full, this Governing Authority does hereby obligate itself and its successors in office to impose and collect the Tax in each year the Tax is authorized through the year 2016.

This Governing Authority does hereby irrevocably and irrepealably dedicate, appropriate and pledge the annual income to be derived from the assessment, levy and collection of the Tax to pay the annual debt service falling due on the Certificates. The funds so set aside shall be expended solely for the payment of the principal of and the interest on the Certificates and the payment of any reasonable and necessary charges of the Paying Agent until the Certificates have been paid in full in principal and interest. The Issuer shall issue no other certificates of indebtedness or obligations of any kind or nature payable from or enjoying a lien on the revenues from the Tax having priority over or parity with the Certificates, except as parity indebtedness may be issued as provided in Section 9 hereof.

SECTION 8. Sinking Fund. For the payment of the principal of and the interest on the Certificates, there is hereby created a special fund known as the "Fire Protection District No. 7 Certificates of Indebtedness (2008) Sinking Fund", said Fund being maintained with the regularly designated fiscal agent bank of the Issuer. The Issuer shall deposit in the Sinking Fund from the first revenues of the Tax received in any calendar year, a sum equal to the principal and/or interest falling due on the Certificates in that calendar year, together with such additional proportionate sum as may be required to pay said principal and interest as the same become due and any amount required to pay the charges of the Paying Agent. The depository for the Sinking Fund shall transfer from the Sinking Fund to the Paying Agent at least one (1) day in advance of each Interest Payment Date, funds fully sufficient to pay promptly the principal and interest falling due on such date.

It shall be specifically understood and agreed, however, and this provision shall be a part of this contract, that after funds have actually been set aside out of the revenues of the Tax for any fiscal year sufficient to pay the principal and interest on the Certificates for that fiscal year, and all required amounts have been deposited in said Sinking Fund, then any excess of annual revenues of the Tax remaining in that fiscal year shall be free for expenditure by the Issuer for any other lawful corporate purpose for which the Tax was voted.

All moneys deposited with the regularly designated fiscal agent bank of the Issuer or the Paying Agent or any other bank under the terms of this Resolution shall constitute sacred funds for the benefit of the Owners and shall be secured by said fiduciaries at all times to the full extent thereof in the manner required by law for the securing of deposits of public funds.

All or any part of the moneys in the Sinking Fund shall, at the written request of the Issuer, be invested in accordance with the provisions of the laws of the State of Louisiana, in which event all income derived from such investments shall be added to the General Fund of the Issuer.

SECTION 9. Parity Certificates. The Issuer shall issue no other certificates of indebtedness or obligations of any kind or nature payable from a pledge or dedication of the funds to be derived by the Issuer from the levy and collection of the Tax having priority over or parity with the Certificates, except that additional certificates of indebtedness may hereafter be issued on a parity with the Certificates under the following conditions:

- (1) The Certificates, or any part thereof, including the interest thereon, may be refunded, and the refunding certificates so issued shall enjoy complete equality of lien with the portion of the Certificates which is not refunded, if there be any, and the refunding certificates shall continue to enjoy whatever priority of lien over subsequent issues may have been enjoyed by the Certificates refunded; provided, however, that if only a portion of the Certificates outstanding is so refunded and the refunding certificates require total principal and interest payments during any year in excess of the principal and interest which would have been required in such year to pay the principal and interest which would have been required in such year to pay the Certificates refunded thereby, then such Certificates may be not refunded without the consent of the Owner of the unrefunded portion of the Certificates issued hereunder (provided such consent shall not be required if such refunding certificates meet the requirements set forth in clause 2 of this Section).
- (2) Additional certificates of indebtedness may be issued on and enjoy a full and complete parity with the Certificates with respect to the funds to be derived by the Issuer from the levy and collection of the Tax provided that the anticipated Tax revenues in the year in which the additional certificates of indebtedness are to be issued must be at least 1.35 times the combined principal and interest requirements for any calendar year on the Certificates, any outstanding additional certificates of indebtedness issued pursuant to the provisions hereof and the proposed additional certificates of indebtedness.
- (3) Junior and subordinate certificates of indebtedness may be issued without restriction.
- (4) The Issuer must be in full compliance with all covenants and undertakings in connection with the Certificates and there must be no delinquencies in payments required to be made in connection therewith.

SECTION 10. Budget; Audit. As long as any of the Certificates are outstanding and unpaid in principal or interest, the Issuer shall prepare and adopt a budget prior to the beginning of each fiscal year and shall furnish a copy of such budget within thirty (30) days after its adoption to any Owner upon request therefor. The Issuer shall also cause an audit of its books and accounts to

be made as required by State law and a copy of such audit shall be furnished to any Owner upon request therefor.

SECTION 11. Application of Proceeds. The Executive Officers are hereby empowered, authorized and directed to do any and all things necessary and incidental to carry out the provisions of this Resolution; to cause the necessary Certificates to be printed; to issue, execute and seal the Certificates; and to effect delivery thereof as herein provided. The proceeds derived from the sale of the Certificates shall be deposited by the Issuer with its fiscal agent or other financial institution authorized for such deposit under State law to be used only for the purposes for which the Certificates are issued.

SECTION 12. Legal Obligation. The Certificates shall constitute legal, binding and valid obligations of the Issuer and shall be the only representations of the indebtedness as herein authorized and created.

SECTION 13. Contract. The provisions of this Resolution shall constitute a contract between the Issuer, or its successor, and any Owners from time to time of the Certificates, and any Owners may at law or in equity, by suit, action, mandamus or other proceedings, enforce and compel the performance of all duties required to be performed by this Governing Authority or the Issuer as a result of issuing the Certificates.

No material modification or amendment of this Resolution, or of any resolution amendatory hereof or supplemental hereto, may be made without the consent in writing of the Owners of the Certificates.

SECTION 14. Severability; Application of Subsequently Enacted Laws. In case any one or more of the provisions of this Resolution or of the Certificates shall be held to be illegal or invalid, such illegality or invalidity shall not affect any other provisions of this Resolution or of the Certificates, but this Resolution and the Certificates shall be construed and enforced as if such illegal or invalid provisions had not been contained therein. Any constitutional or statutory provisions enacted after the date of this Resolution which validate or make legal any provision of the Resolution and/or the Certificates which would not otherwise be valid or legal, shall be deemed to apply to this Resolution and to the Certificates.

SECTION 15. Recital of Regularity. This Governing Authority having investigated the regularity of the proceedings had in connection with the Certificates and having determined the same to be regular, the Certificates shall contain the following recital, to-wit:

“It is certified that this Certificate is authorized by and is issued in conformity with the requirements of the Constitution and statutes of this State.”

SECTION 16. Effect of Registration. The Issuer, the Paying Agents, and any agent of either, may treat the Owners in whose name the Certificates are registered as the Owners thereof for the purpose of receiving payment of the principal of and interest on the Certificate and for all other purposes whatsoever, and to the extent permitted by law, neither the Issuer, the Paying Agent, nor any agent of either shall be affected by notice to the contrary.

SECTION 17. Cancellation of Certificates. The Certificates, when surrendered for payment or prepayment, shall be promptly canceled by the Paying Agent or the Issuer. The canceled Certificates held by the Paying Agent shall be disposed of as directed in writing by the Issuer.

SECTION 18. Paying Agents. The Issuer will at all times maintain Paying Agents for the performance of the duties hereunder as paying agent and registrar for the Certificates. The designation of the initial Paying Agents in this Resolution is hereby confirmed and approved. The Issuer reserves the right to appoint successor Paying Agents.

SECTION 19. Arbitrage and Bank Qualification. The Issuer covenants and agrees that, to the extent permitted by the laws of the State of Louisiana, it will comply with the requirements of the Code and any amendment thereto in order to establish, maintain and preserve the exclusion from "gross income" of interest on the Certificates under the Code. The Issuer further covenants and agrees that it will not take any action, fail to take any action, or permit any action within its control to be taken, or permit at any time or times any of the proceeds of the Certificates or any other funds of the Issuer to be used directly or indirectly in any manner, the effect of which would be to cause the Certificates to be "arbitrage bonds" or would result in the inclusion of the interest on the Certificates in gross income under the Code, including, without limitation, (i) the failure to comply with the limitation on investment of Certificate proceeds or (ii) the failure to pay any required rebate of arbitrage earnings to the United States of America or (iii) the use of the proceeds of the Certificates in a manner which would cause the Certificates to be a "private activity bond".

The Certificates are designated as "qualified tax-exempt obligations" within the meaning of Section 265(b)(3) of the Code. In making this designation, the Issuer finds and determines that:

- (a) the Certificates are not "private activity bonds" within the meaning of the Code; and
- (b) the reasonably anticipated amount of qualified tax-exempt obligations which will be issued by the Issuer and all subordinate entities in calendar year 2008 will not exceed \$10,000,000.

The Executive Officers are hereby empowered, authorized and directed to take any and all action and to execute and deliver any instrument, document or certificate necessary to effectuate the purposes of this Section.

SECTION 20. Employment of Bond Counsel. This Governing Authority finds and determines that a real necessity exists for the employment of special bond counsel in connection with the issuance of the Certificates, and accordingly, the law firm of Foley & Judell, L.L.P., Bond Counsel, is hereby employed as Bond Counsel to the Issuer to perform comprehensive legal and coordinate professional work in connection with the negotiation, sale, issuance and delivery of the Certificates. The fee of Foley & Judell, L.L.P., in connection with said program of finance is hereby established and fixed at a sum in accordance with the Attorney General's approved schedule for comprehensive bond counsel service for revenue bonds based upon the principal amount of Certificates actually issued, sold and delivered, plus "out-of-pocket" expenses. A certified copy of this resolution shall be forwarded to the Attorney General of the State of Louisiana for his approval of the employment herein provided.

SECTION 21. Publication. A copy of this Resolution shall be published immediately after its adoption in one (1) issue of the official journal of the Governing Authority.

SECTION 22. Award of Certificates. The Issuer hereby accepts the respective offers of the Purchasers to purchase the Certificates, originals of which are on file with the Secretary of the Governing Authority. The Certificates shall be delivered to the Purchasers upon payment of the respective principal amounts of Certificates.

SECTION 23. Disclosure Under SEC Rule 15c2-12. It is recognized that the Issuer will not be required to comply with the continuing disclosure requirements described in the Rule 15c2-12(b) of the Securities and Exchange Commission [17 CFR §240.15c2-12(b)], because, among other reasons, the aggregate principal amount of the Certificates is less than \$1,000,000.

SECTION 24. Approvals. Application is hereby made to the State Bond Commission and the Parish Council of the Parish of St. Tammany, State of Louisiana, for consent and authority to issue, sell and deliver the Certificates, and certified copies of this resolution shall be forwarded to said Commission and Parish Council on behalf of the District, together with letters requesting the prompt consideration and approval of this application.


SECTION 25. Effective Date. This Resolution shall become effective immediately upon its adoption.

SECTION 26. No Swap Provision. By virtue of Issuer's application for, acceptance and utilization of the benefits of the Louisiana State Bond Commission's approval(s) resolved and set forth herein, it resolves that it understands and agrees that such approval(s) are expressly conditioned upon, and it further resolves that it understands, agrees and binds itself, its successors and assigns to, full and continuing compliance with the "State Bond Commission Policy on Approval of Proposed Use of Swaps, or other forms of Derivative Products Hedges, Etc.", adopted by the Commission on July 20, 2006, as to the borrowing(s) and other matter(s) subject to the approval(s), including subsequent application and approval under said Policy of the implementation or use of any swap(s) or other product(s) or enhancement(s) covered thereby.

This resolution having been submitted to a vote, the vote thereon was as follows:

<u>Member</u>	<u>Yea</u>	<u>Nay</u>	<u>Absent</u>	<u>Abstaining</u>
James Scroggins	X			
Richard Singletary	X			
Eddie Smith	X			
Bill Duncan	X			

And the resolution was declared adopted on this, the 13th day of August, 2008.

 /s/ Bill Duncan
Secretary

/s/ James Scroggins
Chairman