

There came on for consideration the matter of the sale and issuance of a general obligation note of Madison County, Mississippi and, after a discussion of the subject matter, Supervisor _____ offered and moved the adoption of the following resolution:

RESOLUTION OF THE BOARD OF SUPERVISORS OF MADISON COUNTY, MISSISSIPPI DECLARING THE NECESSITY FOR THE SALE AND ISSUANCE OF A TAXABLE GENERAL OBLIGATION NOTE OF THE COUNTY IN A PRINCIPAL AMOUNT OF NOT TO EXCEED FIVE MILLION DOLLARS (\$5,000,000) FOR THE PURPOSE OF RAISING MONEY TO PROVIDE FOR THE PROJECTS DESCRIBED HEREIN; AUTHORIZING THE PUBLICATION OF A NOTICE OF NOTE SALE IN CONNECTION WITH SAID NOTE AND THE PREPARATION AND DISTRIBUTION OF INFORMATION AND MATERIALS RELATED TO THE SALE AND ISSUANCE OF SAID NOTE; AND FOR RELATED PURPOSES.

WHEREAS, the Board of Supervisors of Madison County, Mississippi (the “Governing Body”), acting for and on behalf of Madison County, Mississippi (the “County”) are authorized by Sections 19-9-1 *et seq.*, and 19-5-92 of the Mississippi Code of 1972, as amended and supplemented from time to time (together the “County Act”) to issue general obligation bonds to raise money for following purposes, as set forth therein, constructing, reconstructing, and repairing roads, highways and bridges within the County; and acquiring the necessary land, including land for road building materials, acquiring rights-of-way therefor; and the purchase of construction equipment and accessories thereto reasonably required to construct, repair and renovate said roads, highways and bridges and approaches thereto within the County, including certain low-water control improvements, and for any other purposes authorized by the County Act; and providing the costs of issuance thereof (collectively, the “Project”); and

WHEREAS, pursuant to Sections 17-21-51 through 17-21-55, Mississippi Code of 1972, as amended (the “Note Act” and collectively with the County Act, the “Act”), the Governing Body, acting for and on behalf of the County, is authorized to issue negotiable notes of the County for any purpose for which the Governing Body is otherwise authorized to issue bonds, notes or certificates of indebtedness, including those set forth in the County Act; and

WHEREAS, it is necessary and desirable and in the public interest to issue a general obligation note of the County in an aggregate principal amount not to exceed Five Million Dollars (\$5,000,000) in accordance with the Act to raise money for the Project; and

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

WHEREAS, the Governing Body is authorized pursuant to the Act to provide funding for the Project through the issuance of a general obligation note of the County secured by a pledge of the full faith, credit and resources of the County; and

WHEREAS, the Note Act limits the aggregate amount of debt outstanding under the Note Act at any one time to the greater of Two Hundred Fifty Thousand and No/100ths Dollars (\$250,000) or one percent (1%) of the assessed value of all taxable property within the County according to the last completed assessment for taxation; and

WHEREAS, the assessed value of all taxable property within the County, according to the last completed assessment for taxation, is One Billion Eight Hundred Thirty-Seven Million Eight Hundred Twenty-Five Thousand Forty-One Dollars (\$1,837,825,041), and

WHEREAS, one percent (1%) of the assessed value of all taxable property located within the County is Eighteen Million Three Hundred Seventy-Eight Thousand Two Hundred Fifty Dollars (\$18,378,250); and

WHEREAS, the County presently has Eleven Million Three Hundred Forty-Seven Thousand Five Hundred Dollars (\$11,347,500) in outstanding indebtedness under the Note Act; and

WHEREAS, the issuance of the Note (as hereinafter defined) under the Act for the purpose of funding the Project will not exceed any constitutional or statutory limitation upon indebtedness which may be incurred by the County, including those set forth in Section 19-9-5 of the County Act; and

WHEREAS, it would be in the best interest of the County for the Governing Body to issue a general obligation note of the County pursuant to the Act to provide funding for the Project; and

WHEREAS, the Governing Body is authorized and empowered by the Act to issue a general obligation note of the County for the purposes as hereinafter 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 BOARD OF SUPERVISORS OF THE COUNTY, ACTING FOR AND ON BEHALF OF THE COUNTY, AS FOLLOWS:

SECTION 1. Pursuant to the Act, the Governing Body, acting for and on behalf of the County, does hereby find and determine that the sale and issuance of a federally taxable general obligation note of the County in a principal amount not to exceed Five Million Dollars (\$5,000,000) (the "Note") is necessary and advisable and conforms to the Act, and does hereby declare its intention to sell and issue the Note.

SECTION 2. The Note is to be issued for the purpose of financing the Project, including paying certain costs incident to the sale and issuance of the Note, all as authorized by the Act.

SECTION 3. The Note is to be issued pursuant to the Act and this and subsequent resolutions of the Governing Body. The Note shall be a general obligation of the County, and the full faith, credit and resources of the County are hereby irrevocably pledged for the payment of the principal of and interest on the Note. For the purposes of effectuating and providing for the payment of the principal of and interest on the Note, as the same shall mature and accrue, there shall be levied a direct, continuing special tax upon all of the taxable property within the geographical limits of the County, adequate and sufficient, after allowance shall have been made for the expenses of collection and delinquencies in the payment of taxes, to produce sums required for the payment of the principal of and the interest on the Note; provided, however, that such tax levy for any year shall be abated *pro tanto* to the extent the County on or prior to September 1 of that year has transferred money to the Note Fund established for the Note, or has

made other provisions for funds, to be applied toward the payment of the principal of and interest on the Note due during the ensuing fiscal year of the County. Said tax shall be extended upon the tax rolls and collected in the same manner and at the same time as other taxes of the County are collected, and the rate of tax which shall be so extended shall be sufficient in each year fully to produce the sums required as aforesaid, without limitation as to rate or amount. The avails of said tax shall be irrevocably pledged for the payment of the principal of and interest on the Note as the same shall mature and accrue

SECTION 4. The County shall offer the Note for sale subject to the provisions of Section 9 hereof, the date, time and terms of sale to be as set forth in the “Notice of Note Sale” relating to the Note, which Notice of Note Sale and “Proposal for Purchase” shall be in substantially the following form:

NOTICE OF NOTE SALE

\$5,000,000

**MADISON COUNTY, MISSISSIPPI
TAXABLE GENERAL OBLIGATION NOTE, SERIES 2020B**

NOTICE IS HEREBY GIVEN that the Board of Supervisors (the “Governing Body”) of Madison County, Mississippi (the “County”) will receive sealed bids in the Office of the Chancery Clerk in the Chancery Courthouse of the County located at 125 West North Street, Canton, Mississippi in the County until the hour of 1:30 p.m. on September 14, 2020, for the purchase at not less than par of \$5,000,000 Madison County, Mississippi Taxable General Obligation Note, Series 2020B (the “Note”), at which time said bids will be publicly opened by the County Clerk and read for the purchase of the Note.

The Note will be dated and bear interest from the date of its delivery; will be delivered in the denomination of \$5,000,000; will be numbered 1; will be issued in registered form; and will bear interest, payable on April 1 and October 1 of each year commencing on April 1, 2021, at the rate of interest specified in the proposal submitted by the successful bidder in accordance with this Notice of Note Sale. Interest will be payable by check, draft or electronic fund transfer of the County as the paying and transfer agent for the Note (the “Paying and Transfer Agent”) made payable to the registered owner of the Note named in, and mailed to the address or otherwise delivered to the appropriate destination appearing on the registration books of the County kept and maintained by the Paying and Transfer Agent.

Principal of the Note will be payable at the office of the Paying and Transfer Agent on October 1 in the following years and amounts:

Year (October 1)	Principal Amount
2021	\$1,000,000
2022	1,000,000
2023	1,000,000
2024	1,000,000
2025	1,000,000

The Note will be subject to redemption prior to maturity, at the option of the County, in whole or in part, on any date, at the principal amount thereof together with accrued interest to the date fixed for redemption and without premium. Notice of each such redemption shall be mailed, postage prepaid, not less than two (2) business days prior to the redemption date, to the registered owner of the Note to be redeemed at the address appearing on the registration books of the County maintained by the Paying and Transfer Agent.

The Note will be issued pursuant to the provisions of Sections 19-9-1 *et seq.*, Mississippi Code of 1972, as amended and supplemented from time to time (the "County Act"), and Sections 17-21-51 through 17-21-55, Mississippi Code of 1972, as amended and supplemented from time to time (the "Note Act" and together with the County Act, the "Act"). The Note is being issued to raise money for the purpose of (a) constructing, reconstructing, and repairing roads, highways and bridges within the County, and acquiring the necessary land, including land for road building materials, acquiring rights-of-way therefor; and the purchase of construction equipment and accessories thereto reasonably required to construct, repair and renovate roads, highways and bridges and approaches thereto within the County, and for any other purposes authorized by the County Act, and (b) providing the costs of issuance of the Note.

The Note shall be a general obligation of the County, and the full faith, credit and resources of the County are hereby irrevocably pledged for the payment of the principal of and interest on the Note. For the purposes of effectuating and providing for the payment of the principal of and interest on the Note, as the same shall respectively mature and accrue, there shall be levied a direct, continuing special tax upon all of the taxable property within the geographical limits of the County, adequate and sufficient, after allowance shall have been made for the expenses of collection and delinquencies in the payment of taxes, to produce sums required for the payment of the principal of and the interest on the Note; provided, however, that such tax levy for any year shall be abated *pro tanto* to the extent the County on or prior to September 1 of that year has transferred money to the Note Fund established for the Note, or has made other provisions for funds, to be applied toward the payment of the principal of and interest on the Note due during the ensuing fiscal year of the County. Said tax shall be extended upon the tax rolls and collected in the same manner and at the same time as other taxes of the County are collected, and the rate of tax which shall be so extended shall be sufficient in each year fully to produce the sums required as aforesaid, without limitation as to rate or amount. The avails of said tax shall be irrevocably pledged for the payment of the principal of and interest on the Note as the same shall mature and accrue.

The Note is to be sold at par and is to be awarded to the bidder complying with the terms hereof and offering to purchase the Note at the lowest rate of interest to the County. The Note shall bear only one rate of interest as specified in the proposal which it will bear from its date to its stated maturity date of October 1, 2025. The rate of interest on the Note shall not exceed eleven percent (11%) per annum. Bidders must acknowledge in their respective proposals that, contemporaneously with or prior to delivery of the Note, the County shall receive from the successful bidder a document in form and substance satisfactory to the County to the effect that:

(a) the successful bidder is purchasing the Note for its own account for the purpose of investment and not with a view towards distribution or resale;

(b) the bidder has knowledge and experience in financial matters and it is capable of evaluating the merits and risks of purchasing the Note;

(c) the bidder has read and fully understands the resolutions under which the Note is issued;

(d) the bidder has had an opportunity to obtain and has received from the County all of the information, documents and materials which it regards as necessary to evaluate the merits and risks of its purchase of the Note;

(e) the bidder recognizes that Butler Snow LLP (“Special Counsel”) is not responsible for any information contained in or omitted from materials regarding the County and the Note and acknowledges that it does not look to Special Counsel to obtain such information on its behalf; and

(f) while it has no present intention to resell or otherwise dispose of all or any part of the Note purchased by it, the bidder assumes responsibility for disclosing all material information in compliance with all applicable federal and state security laws in the event of its resale of the Note.

All proposals must be enclosed in a sealed envelope and should be addressed to the Governing Body, at their offices located at the Chancery Courthouse of the County, 125 West North Street, Canton, Mississippi 39046, attention: Ronny Lott, Chancery Clerk, Madison County, Mississippi and worded on the outside, in substance, “Proposal for Madison County, Mississippi Taxable General Obligation Note, Series 2020B”. **ALL PROPOSALS MUST BE UNCONDITIONAL.**

The Governing Body reserves the right to reject any or all proposals as well as the right to waive any irregularity or informality in any proposal. All proposals shall be submitted on a Proposal for Purchase which may be obtained from Ronny Lott, Chancery Clerk, Madison County, Mississippi, 125 West North Street, Canton, Mississippi 39046 telephone: (601) 855-5526, or from the County's independent registered municipal advisor, Government Consultants, Inc., 116 Village Blvd., Madison, Mississippi 39110, telephone: (601) 982-0005, attention: Mr. Steve Pittman.

In the opinion of Special Counsel, interest on the Note is included in gross income for federal income tax purposes. In addition, Special Counsel is further of the opinion that under and pursuant to the Act, the Note and interest thereon are exempt from all income taxes imposed by the State of Mississippi.

The final approving opinion of Special Counsel relating to the validity of the Note, together with a non-litigation certificate of the County dated the date of delivery of the Note, and a transcript of the proceedings relating to the Note will be delivered to the successful bidder without charge.

The Note is **NOT** being issued as a “qualified tax exempt obligation” for purposes of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended and supplemented from time to time.

The successful bidder will be given at least seven (7) business days advance notice of the proposed date of delivery of the Note when that date has been tentatively determined. The Note will be delivered in Canton, Mississippi or such other place as the Governing Body shall designate and payment therefor shall be made in federal or other immediately available funds.

The successful bidder shall have the right, at its option, to cancel its agreement to purchase the Note if the Note to be delivered by the County in accordance with the preceding paragraph is not tendered for delivery within sixty (60) days from the date of sale thereof. The County shall have the right, at its option, to cancel its agreement to sell the Note if within five (5) days after the tender of the Note for delivery the successful bidder shall not have accepted delivery of and paid for the Note.

Further information may be obtained from Shelton Vance, County Administrator, Madison County, Mississippi, 125 West North Street, Canton, Mississippi 39046 telephone: (601) 855-5502, or from the County's independent registered municipal advisor, Government Consultants, Inc., 116 Village Blvd., Madison, Mississippi 39110, telephone: (601) 982-0005, attention: Mr. Steve Pittman.

DATED: August 3, 2020

MADISON COUNTY, MISSISSIPPI

By /s/ Ronny Lott
Chancery Clerk

PROPOSAL FOR PURCHASE

\$5,000,000

**MADISON COUNTY, MISSISSIPPI
TAXABLE GENERAL OBLIGATION NOTE, SERIES 2020B**

September 14, 2020

Board of Supervisors
Madison County, Mississippi
125 West North Street
Canton, Mississippi 39046

Ladies and Gentlemen:

For Five Million Dollars (\$5,000,000) principal amount Madison County, Mississippi Taxable General Obligation Note, Series 2020B (the "Note") of Madison County, Mississippi (the "County"), dated as of its delivery, and bearing interest at the rate specified below, we will pay you the aggregate par value thereof. The principal of the Note will be payable in the amounts and in the years set forth in the Notice of Note Sale relating to the Note dated August 3, 2020 (the "Notice of Note Sale").

The Note shall bear interest at the rate of _____ percent per annum. This proposal is subject to all the terms and conditions of the Notice of Note Sale which notice by this reference thereto is hereby made a part hereof. We hereby acknowledge that we will fully comply with the terms and requirements of the Notice of Note Sale.

This proposal is for immediate acceptance.

Bidder _____

By _____

[Print Name]

[Signature]

Title _____

Address _____

Telephone Number _____

Note: No addition to or alteration in this proposal is to be made, and any erasure may cause a rejection of this proposal. Proposals must be filed with the Board of Supervisors of Madison County, Mississippi in the Office of the Chancery Clerk in the Madison County Chancery Courthouse, located at 125 West North Street, Canton, Mississippi 39046 attention: Ronny Lott, Chancery Clerk, sealed and worded on the outside, in substance, "Proposal for Madison County, Mississippi Taxable General Obligation Note, Series 2020B", before 1:30 p.m., Mississippi time, on September 14, 2020.

ACCEPTANCE

The above proposal accepted by the Board of Supervisors of Madison County, Mississippi, this the 14th day of September, 2020.

MADISON COUNTY, MISSISSIPPI

By _____
President, Board of Supervisors

Attest:

Chancery Clerk

SECTION 5. The Note shall be dated as of its delivery; shall bear interest from said date at the rate of interest specified in the proposal submitted by the successful bidder for the Note in accordance with the Notice of Note Sale, but not to exceed eleven percent (11%) per annum, payable on April 1 and October 1 of each year, commencing April 1, 2021; and principal and interest shall be payable in equal installments over a period of five (5) years, with principal payable on October 1 of each year. The Note shall mature on October 1, 2025.

The Note shall be issued in registered form in a single denomination of not to exceed Five Million Dollars (\$5,000,000) and shall be numbered 1. The Note will be subject to redemption prior to maturity at the option of the County, either in whole or in part on any date, at the principal amount thereof together with accrued interest to the date fixed for redemption and without premium. Notice of each such redemption shall be mailed, postage prepaid, not less than two (2) business days prior to the redemption date, to the registered owner of the Note to be redeemed at the address appearing on the registration books of the County maintained by the Paying and Transfer Agent (as hereinafter defined).

The principal of the Note shall be payable in lawful monies of the United States of America as the same shall become due at the County or at a bank or banks to be designated by the County (in either event, the "Paying and Transfer Agent"). Interest will be payable by check, draft or electronic fund transfer of the Paying and Transfer Agent made payable to the registered owner of the Note named in, and mailed to the address or otherwise delivered to the appropriate

destination appearing on, the registration books of the County kept and maintained by the Paying and Transfer Agent.

SECTION 6. Butler Snow LLP is hereby designated as Special Counsel (“Special Counsel”) in connection with the sale and issuance of the Note. Mike Espy PLLC, Jackson, Mississippi, is hereby selected to serve as counsel to the County in connection with the sale and issuance of the Note and Government Consultants, Inc. is hereby designated as independent registered municipal advisor to the County (the “Financial Advisor”) in connection with the sale and issuance of the Note. The President of the Governing Body, acting for an on behalf of the County, is hereby authorized and directed to execute and deliver the Independent Registered Municipal Advisor disclosure letter of the Municipal Advisor attached hereto as Exhibit A.

SECTION 7. Special Counsel is hereby authorized and directed to cause the Notice of Note Sale to be published at least one (1) time, which shall not be less than ten (10) days prior to the date of the sale of the Note, in *The Madison County Journal*, Ridgeland, Mississippi, a newspaper having general circulation in the County.

SECTION 8. The President of the Governing Body (the “President”), Special Counsel and the Financial Advisor are hereby authorized and directed to cause to be prepared, distributed and furnished to prospective bidders for the Note, and to other interested persons, such materials and information concerning the County as may be convenient to the public sale of the Note.

SECTION 9. The President is hereby authorized and directed to make all final determinations necessary in connection with (a) the publication of the Notice of Note Sale, including the date of sale, the dated date of the Note, the maturity schedule relating to the Note, the final aggregate principal amount of the Note, the redemption terms of the Note and any other terms thereof, and (b) the Proposal for Purchase; provided, however, that such determinations shall be subject to ratification by the Governing Body.

SECTION 10. Special Counsel shall obtain from the publisher of the aforesaid newspaper the customary publisher's affidavit proving publication of the Notice of Note Sale for the time and in the manner required by law, and such proof of publication shall be filed in the Chancery Clerk's office and exhibited before the Governing Body at the hour and date for the receipt of proposals for the purchase of the Note.

SECTION 11. The County hereby declares its official intent to reimburse itself from the proceeds of the Note 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 Section 1.150-2. The Note will not exceed the total principal amount of Five Million Dollars (\$5,000,000).

SECTION 12. 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.

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

Supervisor Sheila Jones voted: _____
Supervisor Trey Baxter voted: _____
Supervisor Gerald Steen voted: _____
Supervisor Karl Banks voted: _____
Supervisor Paul Griffin 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 President declared the motion carried and the resolution adopted this 3rd day of August, 2020.

PRESIDENT, BOARD OF SUPERVISORS

ATTEST:

CLERK, BOARD OF SUPERVISORS

PUBLISH August 27, 2020

53608563.v2

