

1 Introduced February 21, 2006, by Councilman
2 Cromer, seconded by Councilman Kingston, (by
3 request of Administration)

4 **Item No. 06-02-2560**

5
6 **ORDINANCE NO. 3323**

7 An ordinance authorizing the borrowing by the City of Slidell, State of
8 Louisiana, of not exceeding Seven Million Dollars (\$7,000,000); providing for the payment
9 thereof; establishing the rate of interest thereon; providing for a pledge of revenues of said
10 City for the security and payment thereof in principal and interest; and providing for other
11 matters in connection therewith.

12 WHEREAS, Section 1430 of Title 39 of the Louisiana Revised Statutes of
13 1950, as amended (the "Act"), and other constitutional and statutory authority, authorize
14 entities to pay their current expenses by anticipating their revenues for the year and to
15 borrow money to pay these current expenses in anticipation of such revenues; and
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19 WHEREAS, the City of Slidell, State of Louisiana (the "Issuer") desires to
20 borrow moneys to pay said current operation costs and to dedicate and set aside revenues
21 for the payment of a Revenue Anticipation Note issued under the provisions of the Act and
22 this ordinance (the "Note"), which Note will fall due and be payable not later than March 1,
23 2007, together with interest thereon as provided herein; and
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27 WHEREAS, the Issuer has found and determined that the estimated
28 revenues of the Issuer for the current year will be in excess of the amount borrowed.
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30 NOW THEREFORE BE IT ORDAINED by the Slidell City Council that:
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32 SECTION 1. There is hereby authorized the borrowing of not exceeding
33 Seven Million Dollars (\$7,000,000) in the name of and on behalf of the Issuer to pay the
34 costs of current operations of the Issuer in anticipation of the revenues of the Issuer for the
35 current year.
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4 SECTION 2. In order to fund the aforementioned borrowing, the Issuer
5 is authorized to issue, sell and deliver to Hancock Bank of Louisiana, of Baton Rouge,
6 Louisiana (the "Purchaser") a Revenue Anticipation Note, Series 2006 (the "Note") in the
7 total aggregate principal amount of Seven Million Dollars (\$7,000,000), bearing interest
8 from the date thereof, payable on March 1, 2007, at the rate of 3.73% per annum
9 (calculated on the basis of a 360 day year, consisting of twelve 30 day months), and
10 maturing March 1, 2007, all in accordance with the provisions of the Act. The Purchaser
11 will advance the purchase price of the Note to the Issuer in installments and interest on the
12 Note shall be payable only on the purchase price which shall have been advanced to the
13 Issuer and shall accrue with respect to each purchase price installment only from the date
14 of advancement of such installment to the Issuer. Each installment shall be advanced by
15 the Purchaser upon the Issuer furnishing a requisition to the Purchaser signed by the
16 Director of Finance in the form set forth in Exhibit A hereto.

17 SECTION 3. The principal of and interest on the Note shall be secured by
18 and payable from a pledge of all revenues accruing to the Issuer for the year ending
19 December 31, 2006.

20 SECTION 4. The Mayor and Council Administrator of the City are each
21 hereby authorized, empowered and directed to execute the Note to represent said
22 indebtedness. Said officers are further authorized and empowered to deliver the Note to
23 the Purchaser, upon the payment of the purchase price thereof, to be used for the purpose
24 of the borrowing and to take any other action or execute and deliver any other documents

4 which may be required to accomplish the purpose of this ordinance. The Note shall be
5 issued in the form of a single, fully registered note, dated the date of delivery thereof and
6 shall be in substantially the following form:
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10 (FORM OF FACE OF NOTE)

11 **UNITED STATES OF AMERICA**
12 **STATE OF LOUISIANA**

13 **REVENUE ANTICIPATION NOTE, SERIES 2006**
14 **OF THE**
15 **CITY OF SLIDELL**
16 **STATE OF LOUISIANA**

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| 18 <u>Number</u> | 19 <u>Principal</u> <u>Amount</u> | 20 <u>Issue</u> <u>Date</u> | 21 <u>Maturity</u> <u>Date</u> |
|------------------|--------------------------------------|--------------------------------|-----------------------------------|
| 22 R-1 | 23 \$7,000,000 | 24 _____, 2006 | 25 March 1, 2007 |

26 The CITY OF SLIDELL, STATE OF LOUISIANA (the "Issuer"), hereby
27 promises to pay to Hancock Bank of Louisiana, in the City of Baton Rouge, Louisiana, or
28 registered assigns, the Principal Amount set forth above on the Maturity Date set forth
29 above, to the extent of the principal amount or amounts advanced to the Issuer, together with
30 interest thereon at the rate of three and seventy-three hundredths per centum (3.73%) per
31 annum (calculated on the basis of a 360 day year, consisting of twelve 30 day months).
32 Interest will be payable on the Maturity Date set forth above. It is understood that the
33 purchase price of this Note shall be advanced to the Issuer in installments, and interest on
34 this Note shall accrue only on the amounts of the purchase price installments which shall
35 have been advanced to the Issuer from the respective dates received by the Issuer.

36 The principal of this Note, to the amount advanced to the Issuer, may be
37 prepaid by the Issuer prior to the Maturity Date set forth above at a price of par plus
38 accrued interest to the date of prepayment.

39 Both the principal of and the interest on this Note are payable at maturity in
lawful money of the United States of America to the registered owner of this Note upon
presentment hereof to the Secretary of the Issuer.

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4 This Note has been issued by the Issuer to represent a debt created under
5 the provisions of Section 1430 of Title 39 of the Louisiana Revised Statutes of 1950, as
6 amended, and other constitutional and statutory authority, for the purpose of paying the
7 costs of current operations for the year ending December 31, 2006, and this Note was
8 specially authorized by an ordinance adopted on March 28, 2006 (the "Ordinance").

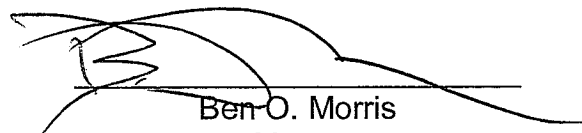
9 This Note is secured by and payable from a pledge of all revenues accruing
10 to the Issuer for the year ending December 31, 2006. The Issuer, in and by the Ordinance,
11 has also entered into certain other covenants and agreements with the registered owner of
12 this Note, for the terms of which reference is made to the Ordinance.

13 It is certified that this Note is authorized by and issued in conformity with the
14 requirements of the Constitution and Statutes of the State of Louisiana. It is further
15 certified, recited and declared that all acts, conditions and things required to exist, to
16 happen and to be performed precedent to and in the issuance of this Note to constitute the
17 same a legal, binding and valid obligation of the Issuer have existed, have happened and
18 have been performed in due time, form and manner as required by law, and that this Note
19 does not exceed any limitation prescribed by the Constitution and statutes of the State of
20 Louisiana.

21 IN WITNESS WHEREOF, the City of Slidell, State of Louisiana has caused
22 this Note to be signed by the facsimile and/or manual signatures of its Mayor and Council
23 Administrator, and the corporate seal of the Issuer to be hereon impressed, and this Note
24 to be dated the Issue Date set forth above.

25 CITY OF SLIDELL, STATE OF LOUISIANA

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29 Wanda Beelman
30 Acting Council Administrator

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29 Ben O. Morris
30 Mayor

31
32 (SEAL)

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5 SECTION 5. The principal of the Note may be prepaid by the Issuer at the
6 principal amount thereof outstanding plus accrued interest to the date of prepayment.
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8 SECTION 6. The Issuer covenants and agrees that, to the extent permitted
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10 by the laws of the State of Louisiana, it will comply with the requirements of the Internal
11 Revenue Code of 1986, as amended (the "Code") in order to establish, maintain and
12 preserve the exclusion from "gross income" of interest on the Note under the Code. The
13 Issuer further covenants and agrees that it will not take any action, fail to take any action,
14 or permit any action within its control to be taken, or permit at any time or times any of the
15 proceeds of the Note or any other funds of the Issuer to be used directly or indirectly in any
16 manner, the effect of which would be to cause the Note to be "arbitrage bonds" or would
17 result in the inclusion of the interest on the Note in gross income under the Code,
18 including, without limitation, (i) the failure to comply with the limitation on investment of
19 Note proceeds or (ii) the failure to pay any required rebate of arbitrage earnings to the
20 United States of America or (iii) the use of the proceeds of the Note in a manner which
21 would cause the Note to be "private activity bonds".
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29 The Note is designated as a "qualified tax-exempt obligation" within the
30 meaning of Section 265(b)(3) of the Code. In making this designation, the Issuer finds and
31 determines that:
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34 (a) the Note is not a "private activity bond" within the meaning of the Code;
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36 and
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4 (b) the reasonably anticipated amount of qualified tax-exempt obligations
5 which will be issued by the Issuer and all subordinate entities in calendar
6 year 2006 does not exceed \$10,000,000.
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9 The Mayor and Acting Council Administrator of the Issuer are hereby empow-
10 ered, authorized and directed to take any and all action and to execute and deliver any
11 instrument, document or certificate necessary to effectuate the purposes of this Ordinance.
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14 SECTION 7. If any provision or item of this ordinance or the application
15 thereof is held invalid, such invalidity shall not affect other provisions, items, or applications
16 of this ordinance which can be given effect without the invalid provisions, items, or
17 applications, and to this end the provisions of this ordinance are hereby declared
18 severable.
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22 SECTION 8. It is recognized that the Issuer will not be required to comply
23 with the continuing disclosure requirements described in the Rule 15c-2-12(b) of the
24 Securities and Exchange Commission [17 CFR Section 240.15c-2-12(b)], because:
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27 (a) the Note is not being purchased by a broker, dealer or municipal
28 securities dealer acting as an underwriter in a primary offering of municipal securities, and
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30 (b) the Note is being sold to only one financial institution (i.e., no more than
31 thirty-five persons), which (i) have such knowledge and experience in financial and
32 business matters that they are capable of evaluating the merits and risks of the
33 prospective investment in the Note and (ii) are not purchasing the Note for more than one
34 account or with a view to distributing the Note.
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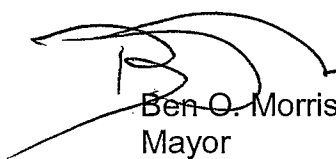
4 SECTION 9. It is recognized that a real necessity exists for the employment
5 of bond counsel in connection with the issuance of the Note and accordingly, Foley &
6 Judell, L.L.P., Attorneys at Law, New Orleans, Louisiana, be and they are hereby
7 employed as bond counsel to the Issuer to do and to perform comprehensive, legal and
8 coordinate professional work with respect thereto. The fee to be paid bond counsel shall
9 be an amount based on the Attorney General's then current Bond Counsel Fee Schedule
10 and other guidelines for comprehensive, legal and coordinate professional work in the
11 issuance of revenue bonds applied to the actual aggregate principal amount issued, sold,
12 delivered and paid for at the time the Note is delivered, together with reimbursement of
13 out-of-pocket expenses incurred and advanced in connection with the issuance of the
14 Note, said fee to be payable out of the proceeds of the Note, subject to the Attorney
15 General's written approval of said employment.
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23 SECTION 10. The foregoing ordinance shall take effect immediately upon its
24 adoption.
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26 **ADOPTED** this 28th day of March, 2006.
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30 Greg Cromer
31 President of the Council
32 Councilman, District G



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35 Ben O. Morris
36 Mayor


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|------------------------------------|
| DELIVERED 3/28/06 to the Mayor |
| RECEIVED 3/28/06 from the Mayor |

STATE OF LOUISIANA

PARISH OF ST. TAMMANY

I, the undersigned Acting Council Administrator of the Slidell City Council, acting as the governing authority of the City of Slidell, State of Louisiana do hereby certify that the foregoing eight (8) pages constitute a true and correct copy of Ordinance No. 3323 adopted by said Council on March 28, 2006, authorizing the borrowing by the City of Slidell, State of Louisiana, of Seven Million Dollars (\$7,000,000); providing for the payment thereof; establishing the rate of interest thereon; providing for a pledge of revenues of said City for the security and payment thereof in principal and interest; and providing for other matters in connection therewith.

IN FAITH WHEREOF, witness my official signature and the impress of the official seal of the Issuer on this the 28th day of March, 2006.


Wanda Beelman
Acting Council Administrator

(SEAL)

EXHIBIT A

_____, 2006
No. _____

REQUISITION

TO: _____ (the "Bank")

Please advance to the City of Slidell, State of Louisiana (the "Issuer"), the sum of _____ Dollars (\$_____), being part of the purchase price of a Revenue Anticipation Note, Series 2006 , of the Issuer, dated _____, 2006, said Note being issued in accordance with the terms of an ordinance adopted by the Slidell City Council on March 28, 2006 (the "Ordinance"). This will be the _____ installment of a total of not exceeding \$7,000,000 to be advanced by the Bank and will result in the aggregate of \$_____ having been advanced by the Bank to the Issuer.

The execution of this requisition is authorized by the Resolution and said Ordinance has not been repealed, revoked or rescinded.

Director of Finance

NOTARY

Jerry Osborne

From: Seth Mann [scm@hsrinvestments.com]
Sent: Monday, March 27, 2006 10:15 AM
To: scm@hsrinvestments.com
Subject: FW: Bond Buyer for March 27, 2006

| | | [General Obligations] | | | | | ["AAA" Coupon Range] | | |
|----|------|-------------------------|--------|---------|------|------|------------------------|-------|--------|
| | | "AAA" | PRE-RE | INSURED | "AA" | "A" | "BAA" | "LOW" | "HIGH" |
| 1 | 2007 | 3.43 | 3.45 | 3.47 | 3.47 | 3.57 | 3.77 | 4.25 | 5.00 |
| 2 | 2008 | 3.46 | 3.51 | 3.54 | 3.54 | 3.65 | 3.86 | 4.25 | 5.25 |
| 3 | 2009 | 3.48 | 3.54 | 3.58 | 3.58 | 3.70 | 3.88 | 4.50 | 5.25 |
| 4 | 2010 | 3.50 | 3.58 | 3.60 | 3.60 | 3.74 | 3.90 | 4.75 | 5.25 |
| 5 | 2011 | 3.53 | 3.61 | 3.64 | 3.64 | 3.78 | 3.94 | 5.00 | 5.50 |
| 6 | 2012 | 3.60 | 3.69 | 3.71 | 3.71 | 3.85 | 4.01 | 5.00 | 5.50 |
| 7 | 2013 | 3.69 | 3.78 | 3.80 | 3.80 | 3.94 | 4.10 | 5.00 | 5.50 |
| 8 | 2014 | 3.75 | 3.84 | 3.88 | 3.88 | 4.02 | 4.18 | 5.00 | 5.50 |
| 9 | 2015 | 3.80 | | 3.93 | 3.93 | 4.08 | 4.25 | 5.00 | 5.50 |
| 10 | 2016 | 3.85 | | 3.98 | 3.98 | 4.13 | 4.31 | 5.00 | 5.50 |
| 11 | 2017 | 3.90 | | 4.03 | 4.03 | 4.18 | 4.37 | 5.00 | 5.25 |
| 12 | 2018 | 3.94 | | 4.07 | 4.07 | 4.22 | 4.42 | 5.00 | 5.10 |
| 13 | 2019 | 3.98 | | 4.11 | 4.11 | 4.26 | 4.46 | 4.90 | 5.00 |
| 14 | 2020 | 4.01 | | 4.14 | 4.14 | 4.29 | 4.49 | 4.90 | 5.00 |
| 15 | 2021 | 4.04 | | 4.17 | 4.17 | 4.32 | 4.52 | 4.90 | 5.00 |
| 16 | 2022 | 4.07 | | 4.19 | 4.19 | 4.35 | 4.55 | 4.85 | 5.00 |
| 17 | 2023 | 4.10 | | 4.22 | 4.22 | 4.38 | 4.58 | 4.85 | 5.00 |
| 18 | 2024 | 4.13 | | 4.25 | 4.25 | 4.41 | 4.61 | 4.80 | 4.95 |
| 19 | 2025 | 4.16 | | 4.27 | 4.27 | 4.44 | 4.64 | 4.80 | 4.95 |
| 20 | 2026 | 4.19 | | 4.30 | 4.30 | 4.47 | 4.67 | 4.80 | 4.95 |
| 21 | 2027 | 4.22 | | 4.33 | 4.33 | 4.49 | 4.70 | 4.80 | 4.95 |
| 22 | 2028 | 4.24 | | 4.34 | 4.34 | 4.51 | 4.72 | 4.80 | 4.95 |
| 23 | 2029 | 4.26 | | 4.36 | 4.36 | 4.53 | 4.74 | 4.80 | 4.95 |
| 24 | 2030 | 4.28 | | 4.38 | 4.38 | 4.55 | 4.76 | 4.80 | 4.95 |
| 25 | 2031 | 4.30 | | 4.40 | 4.40 | 4.57 | 4.77 | 4.80 | 4.95 |
| 26 | 2032 | 4.32 | | 4.42 | 4.42 | 4.59 | 4.78 | 4.80 | 4.95 |
| 27 | 2033 | 4.34 | | 4.44 | 4.44 | 4.61 | 4.79 | 4.80 | 4.95 |
| 28 | 2034 | 4.35 | | 4.45 | 4.45 | 4.62 | 4.80 | 4.80 | 4.95 |
| 29 | 2035 | 4.35 | | 4.45 | 4.45 | 4.62 | 4.80 | 4.80 | 4.95 |
| 30 | 2036 | 4.35 | | 4.45 | 4.45 | 4.62 | 4.80 | 4.80 | 4.95 |

Seth Mann
HSR Investments