ORDINANCE NO. 1038

*An ordinance authorizing the issuance of Four Hundred Twenty-Five Thousand Dollars ($425,000.00) of Certificates of indebtedness of the City of Slidell, State of Louisiana, prescribing the form and fixing the maturities thereof, and providing for the security and payment of said Certificates in principal and interest, and certain other matters in connection therewith, and making application to the State Bond Commission.*

WHEREAS, the Budget, amended, of the City of Slidell, Louisiana, for the fiscal year ending June 30th, 1978, shows an estimated excess of revenues over statutory, necessary and usual charges and all other expenses for such year in the total amount of $ 304,714.00, after having budgeted $ 35,000.00 to the payment of debt service requirements on $ 210,000.00 of Certificates of Indebtedness of the City of Slidell dated January, 1969, as will more fully appear by reference to said budget for the fiscal year ending June 30th, 1978, and the following summary thereof, viz:

Proposed Receipts (1977-1978)

| | |
|---|---|
| General Fund | $ 1,663,358.00 |
| Sales Tax Fund | 1,319,934.00 |
| Utility Fund | 811,338.00 |
| Less Interfund transfer | 300,000.00 |
| | $ 3,494,630.00 |

Proposed Expenditures (1977-1978)

| | |
|---|---|
| General Fund | $ 1,663,358.00 |
| Sales Tax Fund | 749,776.00 |
| Utility Fund | 776,782.00 |
| | $ 3,189,916.00 |
| Available for capital outlay and debt | 304,714.00 |

NOW, THEREFORE, BE IT ORDAINED by the City Council of the City of Slidell, State of Louisiana, acting as the governing authority of said City:

SECTION 1. That in compliance with the terms and provisions of Sections 2921 to 2925 inclusive, of Title 33 of the Louisiana Revised Statutes of 1950, as amended, (R. S. 33: 2921-33:2925) and other constitutional and statutory authority supplemental thereto, there be and there is hereby authorized the creation of an indebtedness of Four Hundred Twenty-Five Thousand Dollars ($425,000.00) for, on behalf of and in the name of the City of Slidell, State of Louisiana, for the purpose of providing funds to carry out the obligations of said City in the construction and acquisition of Waterworks Improvements, as well as the payment of various expenses in connection therewith and the cost of issuance of the Certificates of Indebtedness herein authorized. To represent the said indebtedness, there be and there is hereby authorized the issuance of negotiable, interest bearing coupon Certificates of Indebtedness of the City of Slidell, State of Louisiana, in this principal amount of Four Hundred Twenty-Five Thousand Dollars ($425,000.00), which Certificates shall be dated ________________, shall be numbered consecutively, shall be in the denomination of One Thousand Dollars ($1,000.00) each, and shall bear interest at a rate or rates not exceeding six per centum (6%) per annum, which denomination and rate or rates shall be in accordance with the sale thereof and shall be designated and established by a subsequent ordinance of this City Council. The interest shall be payable on ____________________, and semi-annually thereafter on ________________________ 1st and ______________ 1st of each year, with interest falling due on and prior to maturity to be payable only upon presentation and surrender of the appropriate interest coupons to be attached to said Certificates.

SECTION 2. That the principal of and the interest on said Certificates of Indebtedness shall be payable in lawful money of the United States of America on their respective dates of payment at a bank to be designated by the purchases of said Certificates and approved by a subsequent resolution of this Mayor and City Council, and said Certificates shall become due and payable and mature serially on _______________ 1st of each year as follows, to-wit:

| Maturity | Principal | Interest | Principal & Interest |
|---|---|---|---|
| 1978 | $ 45,000.00 | $ 26,000.00 | $ 71,000.00 |
| 1979 | 50,000.00 | 23,750.00 | 73,750.00 |
| 1980 | 50,000.00 | 21,250.00 | 71,250.00 |
| 1981 | 50,000.00 | 18,750.00 | 68,750.00 |
| 1982 | 50,000,00 | 16,250.00 | 66,250.00 |
| 1983 | 55,000.00 | 13,750.00 | 68,750.00 |
| 1984 | 55,000.00 | 11,000,00 | 66,000.00 |
| 1985 | 55,000.00 | 8,250.00 | 63,250.00 |
| 1986 | 55,000.00 | 5,500.00 | 60,500.00 |
| 1987 | 55,000.00 | 2,750.00 | 57,750.00 |

Those Certificates of Indebtedness numbered ______ to ______, inclusive, shall be callable for redemption at the option of the City of Slidell, Louisiana, in inverse order of their numbers on any interest payment date on or after ____________________, at the principal amount thereof and accrued interest to the date fixed for redemption plus a premium in an amount equal to ______ per centum ( $) of the principal amount of each certificate so redeemed prior to maturity. Official notice of such call of any of the Certificates for redemption shall be given in writing by registered mail to the paying agent for said Certificates at least thirty (30) days prior to such call date, and each of said Certificates shall contain a stipulation to that effect. Those Certificates numbered ____ to _____, inclusive, shall not be callable for redemption prior to their stated dates of maturity.

SECTION 3. That said Certificates of Indebtedness, the interest coupons to be thereto attached and the endorsement to appear on the back thereof shall be substantially in the following forms, respectively, to-wit:

UNITED STATES OF AMERICA
STATE OF LOUISIANA
PARISH OF ST. TAMMANY

CERTIFICATE OF INDEBTEDNESS OF THE CITY OF SLIDELL, STATE OF LOUISIANA

NO.__________ $ 1,000.00

KNOW ALL MEN BY THESE PRESENTS that the City of Slidell, State of Louisiana, acknowledges itself to owe and for value received hereby promises to pay ($1,000.00), together with interest thereon at the rate of ______________ per centum ( %) per annum from date hereof until paid. Said interest is payable on ______________________, and semi-annually thereafter on ________ 1st and ________________ 1st of each year, with interest falling due on and prior to maturity being payable only upon presentation and surrender of the appropriate interest coupons attached hereto as they severally become due. Both the principal of and the interest on this bond are payable in lawful money of the United States of America on their respective dates of payment at ____________________
__________________________________________________________________________________.

This Certificate is one of an issue of four hundred twenty-five (425) Certificates numbered 1 to 475, inclusive, aggregating in principal the sum of Four Hundred Twenty-Five Thousand Dollars ($425,000.00), all of like date, tenor and effect except as to number, interest rate and maturity, said Certificates having been issued by the City of Slidell, State of Louisiana, to represent a debt created under the provisions of Sections 2921 to 2925, inclusive, of Title 33 of the Louisiana Revised Statutes of 1950 (R. S. 33:2921 - 33: 2925), and other constitutional and statutory authority supplemental thereto, for the purpose of providing funds to carry out the obligations of said City in the construction and acquisition of Waterworks Improvements, and said Certificates of Indebtedness were specially authorized by a resolution adopted by the City Council of said City, the governing authority thereof, on *September 13, 1977* (hereinafter called the "Issuing Resolution").

This Certificate and the other Certificates of this issue are secured by and payable solely from a pledge and dedication of the excess of annual revenues of the City of Slidell above statutory, necessary and usual charges in each of the fiscal years ending *June 30*, 1978 to 1987, inclusive. The City has covenanted and agreed and does hereby covenant and agree to budget annually a sufficient sum of money to pay the principal of and the interest on this Certificate and the issue of which it forms a part as the same become due, and to levy and collect taxes and other revenues in each year within the limits prescribed by law sufficient to pay said principal and interest after payment in such years of all statutory, necessary and usual charges. The City, in the Issuing Resolution, has also entered into certain covenants and agreements with the holders of the Certificates of Indebtedness of this issue, for the terms of which reference is made to the Issuing Resolution.

Certificates of this issue number ___ to 425, inclusive, may be called for redemption at the option of the City of Slidell, Louisiana, in inverse numerical order, on any interest payment date on or after ______, ________, at the principal amount thereof and accrued interest to the date fixed for redemption, plus a premium of _______ per cent ( %) of the principal amount of each Certificate so redeemed prior to maturity. Official notice of such call of any of the Certificates for redemption must be given in writing by registered mail to the paying agent for said Certificates at least thirty (30) days prior to such call date. Certificates of this issue numbered ____ to ____, inclusive, are not callable for redemption prior to their stated dates of maturity.

It is certified that this Certificate of Indebtedness is authorized by and is issued in conformity with the requirements of the Constitution and Statutes of the State of Louisiana. It is further certified, recited and declared that all acts, conditions and things required to exist, to happen and to be performed precedent to and in the issuance of this Certificate and the issue of which it forms a part to constitute the same legal, binding and valid obligations of the City of Slidell, State of Louisiana, have existed, have happened and have been performed in due time, form and manner as required by law, and that this Certificate and the issue of which it forms a part do not exceed any limitations prescribed by the Constitution and Statutes of the State of Louisiana. It is also certified, recited and delared that this Certificate is negotiable paper under the Law Merchant, that it shall not be invalid for any irregularity or defect in the proceedings providing for its issuance, and that it shall be incontestable in the hands of bona fide purchasers thereof for value.

IN WITNESS WHEREOF, the City of Slidell, State of Louisiana, acting through its City Council, as the governing authority thereof, has caused this Certificate of Indebtedness to be signed by its duly authorized Mayor and Clerk and the corporate seal of said City to be hereon impressed, and has caused the interest coupons hereto attached to be signed with the facsimile signatures of the said Mayor and the said Clerk and this Certificate to be dated __________ __________.

CITY OF SLIDELL, STATE OF LOUISIANA

__________ Clerk __________ Mayor

(FORM OF INTEREST COUPON)

NO.______ $__________

On the first day of _________, 19__ (unless the Certificates hereinafter mentioned is subject to prior redemption and shall have been duly called for redemption and provision for the payment thereof duly made), the City of Slidell, State of Louisiana, will pay to bearer for value received and upon surrender of this coupon at__________________, the sum of __________________ Dollars ($__________) in lawful money of the United States of America, the said amount being interest then due on its Certificate of Indebtedness dated __________, subject to the provisions, terms and conditions of said Certificate No. _____.

CITY OF SLIDELL, STATE OF LOUISIANA

__________ Clerk __________ Mayor

LEGAL OPINION

I, the undersigned Clerk of the City of Slidell, State of Louisiana, do hereby certify that the following is a true copy of the complete legal opinion of Messrs. Buchler, Morel & Hanewinckel of Metairie, Louisiana, the original of which was manually executed, dated and issued as of the date of payment for and delivery of this Certificate of Indebtedness and was delivered to__________________, the original purchaser thereof:

(Printer Shall Insert Legal Opinion)

I further certify that an executed copy of the above legal opinion is on file in my office and that an executed copy thereof has been furnished to the paying agent for this Certificate.

__________
Clerk, City of Slidell, Louisiana

SECTION 4. The said Certificates of Indebtedness herein authorized shall be signed by the Mayor and Clerk of the City of Slidell, for, on behalf of, in the names of and under the corporate seal of said City and that the interest coupons thereto attached shall be signed with the facsimile signatures of the said Mayor and the said Clerk. The said officers shall, by the execution of said Certificates, adopt as and for their own proper signatures their respective facsimile signatures appearing on said interest coupons and on the legal opinion certificate.

SECTION 5. That the Certificates of Indebtedness herein authorized shall be secured by and payable from a pledge and dedication of the excess of annual revenues of the City of Slidell, Louisiana, above statutory, necessary and usual charges in each of the fiscal years ending June 30 1978 to 1987, inclusive. There shall be and there is hereby irrepealably and irrevocably pledged and dedicated to the payment of said Certificates of Indebtedness herein authorized an amount of such excess of annual revenues sufficient to pay the same in principal and interest as they respectively mature. Until the Certificates of Indebtedness herein authorized shall have been paid in full in principal and interest, the City Council of the City of Slidell, Louisiana, the governing authority of said City, does hereby obligate the City, itself and its successors in office to budget annually a sum of money sufficient to pay the Certificates of Indebtedness and the interest thereon as they respectively mature (including any principal and/or interest theretofore matured and unpaid), and to levy and collect in each year taxes and other revenues (including rates and charges for all services and other facilities rendered by the City's municipally owned utilities) within the limits prescribed by law sufficient to pay the principal of and the interest on said obligations after the payment in such years of all statutory, necessary and usual charges of the City for the then current year; and no further or additional pledges or dedications of the aforesaid excess of annual revenues shall be made which shall have priority over or parity with the pledge and dedication of such revenues herein made.

For the payment of the principal of and the interest on the Certificates of Indebtedness herein authorized, there is hereby created a special fund to be known as "Certificates of Indebtedness of 1977 Sinking Fund," said fund to be established and maintained with the regularly designated fiscal agent of the City of Slidell. At least fifteen (15) days before each principal or interest payment date a dufficient sum of money to pay the principal and/or interest on the Certificates of Indebtedness herein authorized maturing on that date shall be transferred from said Sinking Fund to the paying agent for said Certificates of Indebtedness to pay the maturing principal and/or interest.

It shall be specifically understood and agreed, however, and this provision shall be a part of this contract, that ofter the funds have actually been set aside out of the revenues of any year sufficient to pay the principal of and the interest on the Certificates of Indebtedness herein authorized for that year and such funds have been deposited in the aforesaid Certificates of Indebtedness of 1977 Sinking Fund established by this ordinance, then any escess of annual revenues remaining in that year shall be free for expenditure by the City of Slidell for any other lawful corporate purpose.

All moneys deposited with the regularly designated fiscal agent bank of the City or the paying agent under the terms of this section shall constitute trust funds for the benefit of the holders of the Certificates of Indebtedness herein authorized, and shall be secured by said bank at all times to the full extent thereof in the manner required by law for the securing of deposits of public funds.

SECTION 6. Until the Certificates of Indebtedness herein authorized have been paid in full in principal and interest, the said governing authority shall prepare and adopt a budget at the beginning of each fiscal year and furnish a copy of each such budget within thirty (30) days after it adoption to the paying agent and the holder of any of the Certificates herein authorized who requests the same. Also, the annual audit of the records and accounts of the City of Slidell showing the receipts of and disbursements made by the City during each year shall be available for inspection by the holders of any of said Certificates herein authorized, and a copy of such audit shall be furnished to said holders upon request.

SECTION 7. That the Mayor and the Clerk of the City of Slidell, State of Louisiana, be and they are hereby empowered, authorized and directed to do any and all things necessary and incidental to carry out the provisions of this ordinance, to cause the necessary Certificates to be printed or lithographed, to issue, execute, sign and seal the said Certificates herein authorized, and to effect delivery thereof as hereinafter provided. All the proceeds derived from the sale of the Certificates of Indebtedness herein authorized, except accrued interest, shall be deposited by the City with its fiscal agent bank to be expended only for the purpose of providing funds to carry out the obligations of said City in the construction and acquisition of Waterworks Improvements, as well as the payment of various expenses in connection therewith and the cost of issuance of the Certificates of Indebtedness herein authorized. All accrued interest received upon delivery of the Certificates of Indebtedness herein authorized shall be deposited in the Certificates of Indebtedness of 1977 Sinking Fund created by Section 5 of this ordinance.

SECTION 8. That the Certificates of Indebtedness herein authorized shall constitute legal, binding and valid obligations of the City of Slidell and of this City Council and its successors in office, and shall be the only representation of the indebtedness hereinbefore authorized and created.

SECTION 9. That the provisions of this ordinance shall constitute a contract between the City of Slidell, State of Louisiana, or its successor in law, and the holder or holders from time to time of the Certificates of Indebtedness herein authorized, and that the provisions of such contract shall be enforceable by appropriate proceedings to be taken by such holder or holders either at law or in equity. No material modification or amendment to this ordinance, or of any ordinance or enactment amendatory hereof or supplemental hereto, may be made without the consent in writing of the holders of three-fourths (3/4) of the aggregate principal amount of said Certificates then outstanding; provided, however, that no such modification or amendment shall permit a change in the maturity of such Certificates, or a reduction in the rate of interest thereon, or in the amount of the principal obligation thereof, or affecting the unconditional promise of the City of Slidell to pay the principal of and the interest on said Certificates as the same shall become due from the revenues appropriated, pledged and dedicated to the payment thereof by Section 5 of this ordinance or reduce the percentage of holders required to consent to any material modification or amendment of this ordinance without the consent of the holder or holders of such Certificates.

SECTION 10. The recitals, facts and figures set out in this ordinance and in the preamble hereto have been examined and investigated by this City Council, and have been found and determined and are hereby certified to be correct and in conformity with the provisions of law. The governing body of the City of Slidell having investigated and determined the regularity of the proceedings had in connection with the issuance of the Certificates of Indebtedness herein authorized and having determined the same to be regular, the said Certificates shall contain the following recital, to-wit;

> It is certified that this Certificate of Indebtedness is authorized by and is issued in conformity with the requirements of the Constitution and Statutes of the State of Louisiana"

SECTION 11. That a copy of this ordinance shall be published in one issue of the official journal of the City of Slidell as soon as practicable and that a certified copy thereof shall be filed and recorded as soon as possible in the Mortgage Records of the Parish of St. Tammany, Louisiana. The Certificates of Indebtedness herein authorized shall be incontestable in the hands of bona fide purchasers thereof for value and no court shall have authority or jurisdiction to inquire into the legality thereof if the validity of said Certificates is not raised within thirty (30) days from the date of the publication of this ordinance.

SECTION 12. In case any one or more of the provisions of this ordinance or of the Certificates of Indebtedness or coupons issued hereunder shall for any reason be held to be illegal or invalid, such illegality or invalidity shall not affect any other provisions of this ordinance or of said Certificates or coupons, but this ordinance and said Certificates and coupons shall be construed and enforced as if such illegal or invalid provisions had not beem contained therein. Any constitutional or statutory provision enacted or made effective after the date of this ordinance which validates or makes legal any provision of said ordinance, Certificates and coupons which would not otherwise be valid, or legal, shall be deemed to apply to this ordinance and to said Certificates and coupons.

SECTION 13. That application be and the same is hereby formally made to the State Bond Commission, for consent and authority to issue, sell and deliver the Certificates of Indebtedness herein authorized.

The ordinance having been submitted to a vote, considered section by section, and as a whole, the vote thereon was as follows:

YEAS:

NAYS:

ABSENT:

And the ordinance was declared adopted on this, the 13th day of September, 1977.

/s/ Frank N. Cusimano
Mayor

/s/ John Swenson
Clerk