

A RESOLUTION DECLARING THAT THE ANTICIPATED AMOUNT OF LOCAL REVENUE TO BE COLLECTED WITHIN THE TUPELO PUBLIC SCHOOL DISTRICT IS LESS THAN THE AMOUNT ESTIMATED AT THE TIME OF FORMULATION OR AMENDMENT OF THE SCHOOL DISTRICT'S BUDGET; DECLARING THE INTENTION OF THE BOARD OF TRUSTEES OF THE TUPELO PUBLIC SCHOOL DISTRICT TO ISSUE A NOTE IN AN AMOUNT EQUAL TO THE ESTIMATED SHORTFALL OF LOCAL REVENUES; PRESCRIBING THE FORM AND INCIDENTS OF SAID NOTE; MAKING PROVISION FOR THE SECURITY THEREOF; AND PROVIDING FOR THE SALE OF SAID NOTE.

WHEREAS, the Board of Trustees (the "Board") of the Tupelo Public School District of Tupelo, Mississippi (the "District") does hereby find and declare:

1. That the District requested from its levying authority, the City Council of Tupelo, Mississippi (the "Council"), \$26,073,652.00 for the Operation Fund, and \$5,018,647.00 for the Debt Service Fund during the District's 2008-2009 fiscal year;
2. The District received collections from the ad valorem tax levied by the Council on behalf of the District in the following amounts: \$24,807,705.00 for the Operation Fund, and \$4,908,934.00 for the Debt Service Fund, which, based on the office of State Auditor's worksheet, creates a shortfall of approximately \$276,244 in anticipated ad valorem tax collections on behalf of the district for the District's 2008-2009 fiscal year;
3. The shortfall is allocated \$166,531 for the Operation Fund, and \$109,713 for the Debt Service Fund.
4. The shortfall in local ad valorem tax collections will prevent the District from meeting its financial obligations;
5. Pursuant to Section 37-57-108 of the Mississippi Code of 1972, as amended (the "Code"), the Board, on behalf of the District, has authority to issue a note in the amount of such shortfall, said note to be issued in the maximum amount of \$276,244.00 (the "Note") and issued and secured in the manner set forth in Section 27-39-333 of the Code;

6. The proceeds of said Note shall be used in the budgets in which the shortfalls occurred and shall be used solely to offset the shortfalls in the budgets for the fiscal year 2008-2009; and

7. The Superintendent is authorized to make any necessary adjustments to the final principal amount of the Note. The principal amount of the note is to be less than twenty-five percent (25%) of the District's budget anticipated to be funded from local tax revenues for the 2008-2009 fiscal year;

8. The District has received _____ () proposals for the purchase of the Note, each of which is attached hereto as Exhibit B. The Board has determined that the lowest and best bid, offering to purchase the note at the lowest net interest rate to the District, was submitted by _____, _____, Mississippi (the "Purchaser").

NOW, THEREFORE, BE IT RESOLVED by the Board of Trustees of the Tupelo Public School District of Tupelo, Mississippi, as follows:

SECTION 1: All recitations hereinabove made are found and adjudicated to be true and correct.

SECTION 2: The Board does hereby declare that it is necessary to issue the Note in the maximum amount of \$276,244 to defray the estimated shortfall of local tax revenues caused by circumstances unanticipated at the time of the formulation of the District's budget which will prevent the District from meeting its financial obligations.

SECTION 3: The Note shall be sold to the Purchaser according to the terms of this resolution, the Note and the Purchaser's proposal.

SECTION 4: The proceeds of the Note shall be used in the budgets in which the shortfall occurred and shall be used solely to offset the shortfalls in said budgets.

SECTION 5. The Note shall be in registered form; shall be dated September 1, 2009, or such other date agreed to by the Superintendent, shall be numbered from one (1) upward in the order of issuance; shall be payable from ad valorem tax revenues, to the extent other funds are not used for such purpose, both as to principal and interest, in lawful money of the United States of America at the principal office of the Purchaser; and shall bear interest, payable annually on the anniversary date of the Note, commencing one year from the date of the Note; and shall mature and become due and payable in three approximately equal annual installments, with the first installment due one year from the date of the Note, and annually thereafter, in the years and principal amounts and at the interest rates as follows:

MATURITY SCHEDULE

<u>SEPTEMBER 1</u> <u>YEAR OF</u> <u>MATURITY</u>	<u>PRINCIPAL</u> <u>AMOUNT</u>	<u>INTEREST</u> <u>RATE</u>	<u>INTEREST</u> <u>AMOUNT</u>
2010	\$ _____	_____ %	\$ _____
2011			
2012			

Provided, however, that the outstanding principal and accrued interest may be paid in full or in part at any time, at the Board's option, without penalty, prior to the maturity date.

SECTION 6: The form of the Note shall be substantially the same as the Note attached hereto as Exhibit A, with such appropriate variations, omissions and insertions as are permitted or required by this Resolution.

SECTION 7: (a) The District shall initially serve as the Paying and Transfer Agent/Registrar of the Note. The Board reserves the option to appoint a qualified bank, trust company or other institution at a later date to serve as the Paying and Transfer Agent/Registrar pursuant to the terms of the subsequent Board resolution.

(b) So long as any portion of the Note shall remain outstanding, the District shall maintain records for the registration and transfer of the Note.

SECTION 8: The Purchaser's right to transfer or assign the Note is limited by an investment letter to be signed by the initial purchaser stating that the Note was purchased for investment purposes, not for resale. Subject to the provisions of the investment letter, the Note may be transferred or exchanged by the Purchaser thereof in person or by his attorney duly authorized in writing at the principal office of the Paying Agent, and upon surrender and cancellation of the Note. Upon such transfer or exchange, a new Note or Notes of like aggregate principal amount in authorized denominations of the same maturity will be issued.

SECTION 9: The Superintendent of the District and the President and Secretary of the Board are hereby authorized and directed to take all actions necessary to effectuate the intent of this resolution, including executing all closing documents in their official capacities.

SECTION 10: All orders, resolutions, or proceedings of this Board in conflict with any provisions hereof shall by and the same are hereby repealed, rescinded and set aside, but only to the extent of such conflict.

PASSED AND ADOPTED, at the regular meeting of the Board of Trustees of the Tupelo Public School District, held on August 11, 2009, by the following vote:

Board Member Mike Clayborne	Voted: _____
Board Member Amy Heyer	Voted: _____
Board Member Lee Tucker	Voted: _____
Board Member John Nail	Voted: _____
Board Member Eddie Prather	Voted: _____

BOARD OF TRUSTEES OF THE
TUPELO PUBLIC SCHOOL DISTRICT

By: _____
President

ATTEST:

Secretary

Exhibit A
Form of the Note

**TUPELO PUBLIC SCHOOL DISTRICT
TUPELO, MISSISSIPPI
REVENUE SHORTFALL NOTE
SERIES 2009**

<u>Registered:</u>	<u>Principal Amount</u>	<u>Date of Original Issue</u>
TPSD SF 2009-1	\$276,244.00	September 1, 2009

REGISTERED OWNER: _____
_____, MISSISSIPPI

THE TUPELO PUBLIC SCHOOL DISTRICT OF TUPELO, MISSISSIPPI (The "District") promises to pay to _____, _____, MISSISSIPPI (the "Registered Owner") the sum of Two Hundred Seventy-Six Thousand, Two Hundred Forty-Four and No/100 Dollars (\$276,244.00) together with interest as hereafter provided from date of issue until paid, with principal and interest to become due and payable in three equal installments, due on September 1 of each year, beginning on September 1, 2010, in the following principal amounts:

<u>PAYABLE SEPTEMBER 1</u>	<u>PRINCIPAL AMOUNT</u>	<u>INTEREST AMOUNT</u>	<u>TOTAL PAYMENT</u>
2010	\$ _____	\$ _____	\$ _____
2011			
2012			

Interest on the unpaid principal balance of the debt shall be due and payable concurrently with each installment of principal at the rate of (_____ %) per annum.

This Note is registered as to both principal and interest. The transfer of this Note is restricted by an Investment Letter dated September 1, 2009, executed by the Registered Owner. The principal and interest on the Note are payable at the principal office of the District, acting as Paying Agent on the Note.

The District may deem and treat the Registered Owner hereof as the absolute owner for the purpose of receiving payment of or on account of principal hereof and interest due hereon and for all other purposes.

This Note is issued under and by virtue of Sections 37-57-108 and 27-39-333 of the Mississippi Code of 1972, as amended, and a resolution of the Board of Education of the District adopted on August 11, 2009, (the "Note Resolution"). The Note proceeds are to be used by the District for the purpose of alleviating a shortfall in anticipated revenue for the District's fiscal year 2008-2009 caused by circumstances which were unanticipated at the time of the formulation or amendment of the District's budget which will prevent the District from meeting its financial obligations. To the extent not paid from other sources, this Note shall be repaid out of the proceeds of a tax levied annually on all of the taxable property within the District by the City Council of Tupelo, Mississippi, until the principal of and interest on this Note is paid in full.

This Note is subject to payment in full or in part, at the District's option, at any time prior to the maturity date. Any partial payment shall be in inverse order of maturity.

This Note shall not be valid or become obligatory for any purpose or be entitled to any benefit or security under the Note Resolution until the certificate of registration and authentication hereon shall have been signed by the Secretary of the District's Board of Trustees.

IT IS HEREBY CERTIFIED, RECITED AND REPRESENTED that all conditions, acts and things required by law to exist, to have happened and to have been performed precedent to and in the issuance of the Note in order to make the same a legal and binding limited tax obligation of the District, according to the terms thereof, do exist, have happened and have been performed in regular and due time, form and manner as required by law.

IN WITNESS WHEREOF, the District has caused this Note to be executed in its name by the manual signature of the President of the Board of Trustees, counter-signed by the manual signature of the Superintendent of Schools, all as of the 11th day of August, 2009.

TUPELO PUBLIC SCHOOL DISTRICT

BY: DRAFT
President of the Board of Trustees

COUNTER-SIGNED:

BY: DRAFT
Superintendent of Schools

[Seal]

CERTIFICATE OF AUTHENTICATION AND REGISTRATION

This Note is the Note described in that certain resolution of the Board of Trustees of the Tupelo Public School District dated August 11, 2009, and is the Revenue Shortfall Note, Series 2009, of the Tupelo Public School District, Tupelo, Mississippi, provided for and authorized therein. The within Note has been duly registered by me as an obligation of the Tupelo Public School District pursuant to law in a book kept in my office for that purpose.

TUPELO PUBLIC SCHOOL DISTRICT

BY: DRAFT
Secretary of the Board of Trustees

Date of Registration and Authentication: September 1, 2009

Exhibit B

Proposals