

[SERIES 2014-A WARRANTS]

**EXCERPTS FROM THE MINUTES OF A REGULAR MEETING OF
THE CITY COUNCIL OF THE CITY OF MUSCLE SHOALS**

The City Council (the "Council") of the City of Muscle Shoals (the "City") met in regular public session at City Hall in the City of Muscle Shoals, Alabama, at 6:30 p.m. on the 3rd day of February, 2014. The meeting was called to order by the Council President, and the roll was called with the following results:

Present: James Holland, Council President
Joe E. Pampinto
Neal Willis
Mike Lockhart
Allen Noles

Absent: None

The Mayor, David H. Bradford, and the City Clerk/Treasurer, Ricky Williams, were also present. The Council President stated that a quorum was present and that the meeting was open for the transaction of business.

Council Member Willis moved for unanimous consent of the Council to suspend the rules of procedure to allow for the immediate consideration of the following Ordinance:

ORDINANCE NO. 1457 - 14

**AN ORDINANCE AMENDING AND RESTATING SECTION 8 OF ORDINANCE NO. 1454-13
HERETOFORE ADOPTED BY THE CITY COUNCIL ON DECEMBER 16, 2013**

**NOW THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF
MUSCLE SHOALS, ALABAMA, AS FOLLOWS:**

Section 1. Findings and Representations. The Council hereby finds and determines as follows:

(a) The Council has heretofore adopted Ordinance No. 1454-13 on December 16, 2013 (the "Series 2014-A Authorizing Ordinance"), which authorized the issuance of the City's \$1,960,000 principal amount of General Obligation Refunding Warrants, Series 2014-A, dated January 1, 2014 (the "Series 2014-A Warrants"). The Series 2014-A Warrants were issued on January 7, 2014.

(b) Section 8 of the Series 2014-A Authorizing Ordinance originally provided for monthly deposits by the City into the Warrant Fund for the payment of the principal of and interest on the Series 2014-A Warrants.

(c) The City desires to amend the aforesaid Section 8 to provide instead for semi-annual interest and annual principal, as opposed to monthly, deposits to the Warrant Fund for the payment of the Series 2014-A Warrants.

Section 2. Amendment of Section 8 of Ordinance No. 1454-13. Section 8 of Ordinance No. 1454-13 as originally adopted and presently existing is hereby deleted in its entirety and the following is hereby substituted therefor and made a part thereof:

“Section 8. The Warrant Fund.

(a) There is hereby established a special fund designated the "Series 2014-A General Obligation Refunding Warrants Fund," which shall be held by the Depository as depository for the Warrants, until the principal of, premium, if any, and interest on the Warrants shall have been paid in full or provision for such payment shall have been made as provided in Section 14 hereof. Moneys in the Warrant Fund shall be used solely for the payment of the principal of, premium (if any) and interest on the Warrants. The Municipality shall pay or cause to be paid into the two accounts of the Warrant Fund the following amounts on or before the following dates:

(i) Immediately following the delivery of and payment for the Series 2014-A Warrants, the amount received as accrued interest on the Series 2014-A Warrants;

(ii) On or before July 25, 2014 and on or before the 25th day of each January and July thereafter, to and including July 25, 2025, an amount equal to the interest coming due on the Series 2014-A Warrants on the next ensuing interest payment date, the first such interest payment date being August 1, 2014;

(iii) On or before July 25, 2014 and on or before the 25th day of each July thereafter, to and including July 25, 2025, an amount equal to the principal coming due on the Series 2014-A Warrants on the next ensuing principal payment date, the first such principal payment date being August 1, 2014;

(b) If on any principal or interest payment date the balance in the Warrant Fund is insufficient to pay the principal of, premium, if any, and interest on the Warrants due and payable on such date, the Municipality shall forthwith pay any such deficiency into the Warrant Fund.

(c) The Municipality and the Depository shall cause all money deposited in the Warrant Fund to be applied to the payment of principal or interest on the Warrants within thirteen months from the date of such deposit and shall cause all income and profits received from the investment of money in the Warrant Fund to be applied to the payment of principal or interest on the Warrants within twelve months from the date of receipt of such income or profits.

(d) Income and profits received from any investment of money in the Warrant Fund shall be credited against the deposit next required to be made into the Warrant Fund.”

Section 3. Ratification of Ordinance No. 1454-13. Ordinance No. 1454-13, as hereby amended, is hereby ratified, adopted and confirmed in all respects.

The motion for unanimous consent was seconded by Council Member Noles and upon the question, the vote thereon was as follows:

Ayes: James Holland, Council President
Joe E. Pampinto
Neal Willis
Mike Lockhart
Allen Noles
Nays: None

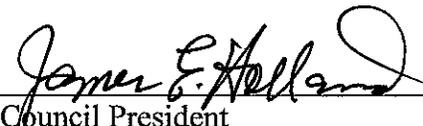
The Council President declared the motion carried and the rules suspended.

After said ordinance had been discussed and considered in full by the Council, Council Member Willis then moved for the adoption of the Ordinance and to waive the reading of said ordinance at length. The motion was seconded by Council Member Noles. The motion was regularly put, and upon roll call, the vote thereon was as follows:

Ayes: James Holland, Council President
Joe E. Pampinto
Neal Willis
Mike Lockhart
Allen Noles
Nays: None

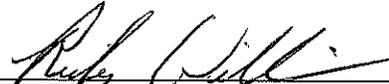
The Council President thereupon declared said ordinance passed and adopted as introduced.


CITY SEAL



Council President

Authenticated and Attested:



City Clerk/Treasurer

Duly approved this 4th day of February, 2014.

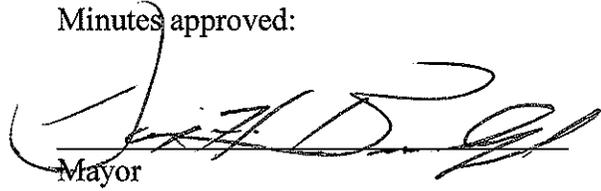


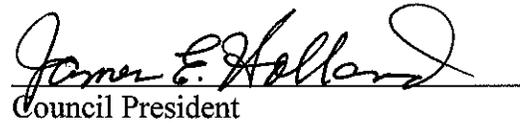
Mayor

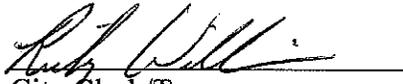
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There being no further business to come before the meeting, it was moved and seconded that the meeting be adjourned. Motion carried.

Minutes approved:


Mayor

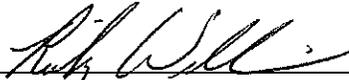

Council President

Attest: 
City Clerk/Treasurer

CERTIFICATE OF CITY CLERK/TREASURER

I, Ricky Williams, do hereby certify that I am the duly elected, qualified and acting Clerk of the City of Muscle Shoals, Alabama (the "Municipality"). I do further certify that as Clerk of the Municipality I have access to all original records of the Municipality and I am duly authorized to make certified copies of its records on its behalf; the above and foregoing pages constitute a complete, verbatim and compared copy of excerpts from the minutes of a regular meeting of the City Council of the Municipality duly held on the 3rd day of February, 2014, the original of which is on file and of record in the minute book of the City Council in my custody; the ordinance set forth in such excerpts is a complete, verbatim and compared copy of said ordinance as introduced and adopted by the City Council on such date; and said ordinance is in full force and effect and has not been repealed, amended or changed.

IN WITNESS WHEREOF, I have hereunto set my hand as Clerk of the Municipality and have affixed the official seal of the Municipality, this 4th day of February, 2014.



City Clerk/Treasurer

CITY SEAL

