

VAN BUREN COUNTY QUORUM COURT

RESOLUTION NO. 2011-1

BE IT RESOLVED BY THE QUORUM COURT OF THE COUNTY OF VAN BUREN, STATE OF ARKANSAS, A RESOLUTION TO BE ENTITLED:

A RESOLUTION AUTHORIZING AND APPROVING EXECUTION OF AN EQUIPMENT LEASE-PURCHASE AGREEMENT WITH BANCORP-SOUTH EQUIPMENT FINANCE, A DIVISION OF BANCORPSOUTH BANK FOR THE PURPOSE OF LEASE-PURCHASING CERTAIN EQUIPMENT.

WHEREAS: The Van Buren County Quorum Court, the Governing Body (the "Governing Body") of Van Buren County, Arkansas (the "Lessee"), acting for and on the behalf of the Lessee hereby finds, determines and adjudicates as follows:

1. The Lessee desires to enter into an Equipment Lease-Purchase Agreement with the Exhibits attached thereto in substantially the same form as attached hereto as Exhibit "A" (the "Agreement") with BancorpSouth Equipment Finance, a division of BancorpSouth Bank (the "Lessor") for the purpose of presently purchasing the equipment as described therein for the total cost specified therein (collectively the "Equipment") and to purchase such other equipment from time to time in the future upon appropriate approval; and
2. The Lessee is authorized pursuant to "the City and County Government Development Bond and Short-Term Financing Amendment" to the Constitution of the State of Arkansas to acquire tangible personal property with an expected useful life of more than one (1) year by Lease-Purchase agreement and pay interest thereon by contract for a term not to exceed five (5) years; and
3. It is in the best interest of the residents served by Lessee that the Lessee acquire the Equipment pursuant to and in accordance with the terms of the Agreement; and
4. It is necessary for the Lessee to approve and authorize the Agreement.
5. The Lessee desires to designate the Agreement as a qualified tax-exempt obligation of Lessee for purposes of Section 265(b)(3) of the Internal Revenue Code of 1986 (the "Code").

NOW, THEREFORE, BE IT RESOLVED BY THE QUORUM COURT OF VAN BUREN COUNTY FOR AND ON BEHALF OF THE LESSEE AS FOLLOWS:

Section 1. The Agreement and Exhibits attached thereto in substantially the same form as attached hereto as Exhibit "A" by and between the Lessor and the Lessee is hereby approved and County Judge Roger Hooper (the "Authorized Officer") is hereby authorized and directed to execute said Agreement on behalf of the Lessee.

Section 2. The Agreement is being issued in calendar year 2011.

Section 3. Neither any portion of the gross proceeds of the Agreement nor the Equipment identified to the Agreement shall be used (directly or indirectly) in a trade of business carried on by any person other than a governmental unit, except for such use as a member of the general public.

Section 4. No portion of the rental payments identified in the Agreement (a) is secured, directly or indirectly, by property used or to be used in a trade or business carried on by a person other than a governmental unit, except for such use as a member of the general public, or by payments in respect of such property; or (b) is to be derived from payments (whether or not to Lessee) in respect of property or borrowed money used or to be used for a trade or business carried on by any person other than a governmental unit.

Section 5. No portion of the gross proceeds of the Agreement are used (directly or indirectly) to make or finance loans to persons other than governmental units.

Section 6. Lessee hereby designates the Agreement as a qualified tax-exempt obligation for purposes of Section 265(b) of the Code.

Section 7. In calendar year 2011, Lessee has designated \$ 60,000.00 of tax-exempt obligations (including the Agreement) as qualified tax-exempt obligations. Including the Agreement herein so designated, Lessee will not designate more than \$30,000,000.00 of obligations issued during calendar year 2011 as qualified tax-exempt obligations.

Section 8. Lessee reasonably anticipates that the total amount of tax-exempt obligations (other than private activity bonds) to be issued by Lessee during calendar year 2011 will not exceed \$30,000,000.00.

Section 9. For purposes of this resolution, the amount of Tax-exempt obligations stated as either issued or designated as qualified tax-exempt obligations includes tax-exempt obligations issued by all entities deriving their issuing authority from Lessee or by an entity subject to substantial control by Lessee, as provided in Section 265(b)(3)(E) of the Code.

Section 10. The assessed value of taxable property located within the municipality or county is \$ 60,000.00 as determined by the last completed tax assessment.

Section 11. The aggregate principal amount of short-term financing obligations incurred by Lessee, including the obligations under the Agreement, does not exceed five percent (5%), if Lessee is a municipality, or two and one-half percent (2A1/2%), if Lessee is a county, of the assessed value of taxable property located within the municipality or county, as determined by the last completed tax assessment.

Section 12. The Authorized Officer is further authorized for and on behalf of the Governing Body and the Lessee to do all things necessary in furtherance of the obligations of the Lessee pursuant to the Agreement, including execution and delivery of all other documents necessary or appropriate to carry out the transactions contemplated thereby in accordance with the terms and provisions thereof.

Following the reading of the foregoing resolution Kirkendall moved that the foregoing resolution be adopted, Deckard seconded the motion for its adoption. The Chairman put the question to a roll call vote and the result was as follows:

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| <u>John R. Harmon</u> | Voted: <u>yes</u> |
| <u>Dale James</u> | Voted: <u>yes</u> |
| <u>Shannon Deckard</u> | Voted: <u>yes</u> |
| <u>George M. Bruce</u> | Voted: <u>yes</u> |
| <u>Keith L. Leming</u> | Voted: <u>YES</u> |
| <u>Kathy Stovall</u> | Voted: <u>yes</u> |
| <u>Richard K. Collins</u> | Voted: <u>YES</u> |
| <u>Dale West</u> | Voted: <u>yes</u> |
| <u>James Kirkendall</u> | Voted: <u>YES</u> |

The motion having received the affirmative vote of all members present, the Chairman declared the motion carried and the resolution adopted this the 6th day of January, 2011.

APPROVED: Roger W. Hooper
Roger Hooper, Van Buren County Judge

ATTEST: Esther Bass
Esther Bass, Van Buren County Clerk