

CERTIFICATE AS TO RESOLUTION AND ADOPTING VOTE

I, the undersigned, being the duly qualified and acting recording officer of the City of Great Falls, Montana (the "City"), hereby certify that the attached resolution is a true copy of Resolution No. 10045, entitled: "RESOLUTION RELATING TO UP TO \$2,750,000 GENERAL OBLIGATION REFUNDING BONDS, SERIES 2014A; AUTHORIZING THE ISSUANCE AND PRIVATE NEGOTIATED SALE THEREOF" (the "Resolution"), on file in the original records of the City in my legal custody; that the Resolution was duly adopted by the City Commission of the City at a regular meeting on December 17, 2013, and that the meeting was duly held by the City Commission and was attended throughout by a quorum, pursuant to call and notice of such meeting given as required by law; and that the Resolution has not as of the date hereof been amended or repealed.

I further certify that, upon vote being taken on the Resolution at said meeting, the following Commissioners voted in favor thereof: _____; voted against the same: _____; abstained from voting thereon: _____; or were absent: _____.

WITNESS my hand officially this 17th day of December, 2013.

Lisa Kunz, City Clerk

RESOLUTION NO. 10045

RESOLUTION RELATING TO UP TO \$2,750,000
GENERAL OBLIGATION REFUNDING BONDS,
SERIES 2014A; AUTHORIZING THE
ISSUANCE AND PRIVATE NEGOTIATED
SALE THEREOF

BE IT RESOLVED by the City Commission (the “Commission”) of the City of Great Falls, Montana (the “City”), as follows:

Section 1. Recitals.

1.01. At an election duly called and held on November 4, 2003, the electors of the City authorized the issuance and sale of general obligation bonds in the principal amount of \$2,500,000. Pursuant to such authorization, this Commission issued and sold general obligation bonds of the City denominated “General Obligation Bonds, Series 2004,” in the original aggregate principal amount of \$2,500,000 (the “Series 2004 Bonds”), for the purpose of paying a portion of the costs of acquiring approximately 35 acres of land and designing, constructing, equipping, and furnishing thereon and adjacent thereto a multi-field soccer park and related improvements (the “Soccer Park”). The Soccer Park is leased to the Great Falls Soccer Foundation, a Montana nonprofit corporation and a 501(c)(3) tax-exempt organization.

1.02. At an election duly called and held on November 7, 2006, the electors of the City authorized the issuance and sale of general obligation bonds in the principal amount of \$2,270,000. Pursuant to such authorization, this Commission issued and sold general obligation bonds of the City denominated “General Obligation Bonds, Series 2007,” in the original aggregate principal amount of \$2,270,000 (the “Series 2007 Bonds”), for the purpose of paying the costs of improving and upgrading certain swimming pools in the City, including rehabilitating and designing, constructing and equipping improvements to the Mitchell Swimming Pool, the Jaycee Swimming Pool, the Water Tower Swimming Pool and related restrooms and locker rooms, and related amenities and improvements.

1.03. It is proposed that there be paid, redeemed and defeased by issuing refunding bonds in one or more series, all or a portion (depending on market conditions) of the Series 2004 Bonds with stated maturities on and after July 1, 2015 and outstanding in the aggregate principal amount of \$1,495,000 (the “Series 2004 Refunded Bonds”), and all or a portion (depending on market conditions) of the Series 2007 Bonds with stated maturities on and after July 1, 2014 and outstanding in the aggregate principal amount of \$1,025,000 (the “Series 2007B Refunded Bonds”). The Series 2004A Refunded Bonds and the Series 2007B Refunded Bonds are collectively referred to herein as the “Refunded Bonds.”

Section 2. Authorization.

2.01. For the purposes of reducing the interest cost on the Refunded Bonds and reducing the taxes necessary to pay the principal of and interest on the Refunded Bonds, it is hereby determined that it is in the best interests of the City and the owners of taxable property therein

for the City to pursue the sale of general obligation refunding bonds in order to refund all of the Refunded Bonds.

2.02. Pursuant to Montana Code Annotated, Sections 7-7-4301 and 7-7-4316, this Commission hereby authorizes the City to proceed with the issuance and sale of its General Obligation Refunding Bonds, Series 2014A (the “Series 2014A Bonds”) for the purpose of refunding the Refunded Bonds, in an aggregate principal amount necessary to provide funds, with other available funds of the City, if any, to pay interest on and principal of the Refunded Bonds and pay costs of issuance of the Series 2014A Bonds, as determined by the officers of the City identified pursuant to Section 3 and within the limitations therein established so as to maximize debt service savings.

Section 3. Negotiated Sale and Terms.

3.01. Pursuant to Sections 7-7-4302, 7-7-4254 and 17-5-107, Montana Code Annotated, this Commission hereby determines that it is in the best interests of the City to sell the Series 2014A Bonds at a private negotiated sale to D.A. Davidson & Co., of Great Falls, Montana (the “Purchaser”).

3.02. The Series 2014A Bonds shall be sold to the Purchaser on the terms and at a purchase price subject to the following limitations and conditions: (1) the aggregate principal amount of the Series 2014A Bonds shall not exceed \$2,750,000; (2) the debt service payable on the Series 2014A Bonds is such that the net present value of debt service savings to be achieved by the refunding is not less than 4.00% of the principal amount of the Refunded Bonds, using the yield of the Series 2014A Bonds as the discount factor, calculated over the remaining term of the Refunded Bonds; (3) the average annual interest rate on the Series 2014A Bonds shall be at least one-half of one percent (0.50%) less than the average annual interest rate on the Refunded Bonds; and (4) the underwriter’s discount shall not exceed 0.90% of the principal amount of the Series 2014A Bonds, exclusive of original issue premium or discount.

All costs of issuing the Series 2014A Bonds (including, without limitation, underwriter’s compensation, the fees and expenses of bond counsel, the fees of the paying agent and registrar, rating agency fees, printing expenses relating to the preliminary official statement and official statement, and the costs of printing the Series 2014A Bonds) shall be paid by the City.

3.03. The City Manager and the Fiscal Services Director, or the Deputy City Manager in the absence or unavailability of either, are hereby authorized and directed to approve the principal amounts, purchase price, maturity dates, interest rates and redemption provisions of the Series 2014A Bonds and compensation to the Purchaser, subject to the conditions contained in the preceding paragraph and in the Act. Upon approving such terms, the City Manager, Fiscal Services Director and/or the Deputy City Manager are hereby authorized and directed to approve, execute and deliver to the Purchaser a bond purchase agreement (the “Bond Purchase Agreement”) containing the agreement of the City to sell, and the agreement of the Purchaser to purchase, the Series 2014A Bonds on the terms so approved, and containing such other provisions as the City Manager, Fiscal Services Director and/or Deputy City Manager shall deem necessary and appropriate. The execution and delivery by the City Manager, the Fiscal Services Director and/or the Deputy City Manager of the Bond Purchase Agreement shall be conclusive

as to the approval of such officers or employees of the terms of the Series 2014A Bonds and the agreement of the City to sell the Series 2014A Bonds on such terms in accordance with the provisions thereof.

Section 4. Preliminary Official Statement. The City Manager and the Fiscal Services Director, in cooperation with the Dorsey & Whitney LLP, the City's bond counsel, and the Purchaser, are hereby authorized and directed to prepare on behalf of the City, a Preliminary Official Statement, to be distributed by the Purchaser to prospective purchasers of the Series 2014A Bonds. The Official Statement shall contain such information as shall be advisable and necessary to describe accurately the City and the security for, and the terms and conditions of, the Series 2014A Bonds. The Fiscal Services Director is authorized on behalf of the City to deem the Preliminary Official Statement near "final" as of its date, in accordance with Rule 15c2-12(b)(1) under the Securities Exchange Act of 1934.

Section 5. Continuing Disclosure. To permit the Purchaser and other participating underwriters in the primary offering of the Series 2014A Bonds to comply with paragraph (b)(5) of Rule 15c2-12 promulgated by the Securities and Exchange Commission under the Securities Exchange Act of 1934 (the "Rule"), the City will covenant and agree, for the benefit of the registered holders and beneficial owners from time to time of the outstanding Series 2014A Bonds, to provide annual reports of specified information and notice of the occurrence of certain events. A description of the undertaking is set forth in the Preliminary Official Statement.

Section 6. Bond Resolution. The form of the Series 2014A Bonds and the final terms and conditions thereof shall be prescribed by a subsequent resolution to be adopted by this Commission.

PASSED AND APPROVED by the City Commission of the City of Great Falls,
Montana, this 17th day of December, 2013.

Michael J. Winters, Mayor

Attest:

Lisa Kunz, City Clerk

APPROVED FOR LEGAL CONTENT:

Sara R. Sexe, City Attorney