

RESOLUTION TO AUTHORIZE THE SOUTH MISSISSIPPI FAIR COMMISSION TO BORROW MONEY

WHEREAS, the South Mississippi Fair Commission (“Fair Commission”) has informed the City that it wishes to borrow funds for repairs to the Magnolia Center, Arts Building, Agriculture Building, and the construction of a 10,000 square foot multi-use exhibit hall in the amount of \$1,500,000.00; and

WHEREAS, the Fair Commission was established by Mississippi Senate Bill 3362 in 1994 and the City of Laurel and the Jones County Board of Supervisors are the governing bodies of the South Mississippi Fair Commission; and

WHEREAS, Section 4(1)(o), of Senate Bill No. 3362 provides that the Fair Commission may borrow money **“provided, however, in no event shall the Commission have any outstanding debts totaling more than fifty percent (50%) of its projected annual revenues unless such debt has been previously authorized by the governing bodies”**; and

WHEREAS, the most recent Financial Statements of the South Mississippi Fair Commission are attached hereto as Exhibit “A”; and

WHEREAS, the amount of the requested loan will constitute debt that exceeds more than 50% of the Fair Commission’s projected annual revenue and accordingly, authorization is required by the City of Laurel, Mississippi; and

WHEREAS, pursuant to House Bill 1868 Section 2, the City provides 1/3 of 1% of the Hotel and Beverage Tax to the Fair Commission annually for “the purpose of constructing and equipping public improvements and facilities at the fairground”; and

WHEREAS, the City authorizes the Fair Commission to borrow \$1,500,000.00 to be financed over a maximum of 10 years to be paid back in equal monthly payments on the condition

that the City receives from the Fair Commission an Assignment Agreement to the City of Laurel that provides that in the event of non-payment of any amounts due under the \$1,500,000.00 note, the proceeds being paid annually by the city to the Fair Commission will be retained by the City until the \$1,500,000.00 note is satisfied.

NOW, THEREFORE BE IT RESOLVED that the City of Laurel authorizes the South Mississippi Fair Commission to borrow \$1,500,000.00 for the purposes of constructing and equipping public improvements and facilities at the fair grounds as requested to be paid over 10 years or sooner with monthly payments upon receipt of a properly executed assignment agreement as discussed above.

Motion was made by Councilperson Thaxton and seconded by Councilperson Wheat, for the adoption of the above and foregoing Resolution.

Upon roll call vote, the result was as follows:

YEAS: Capers, Wheat, Thaxton, Carmichael, S. Comegys, T. Comegys, Page

NAYS: None

ABSTAINING: None

ABSENT: None

The President thereupon declared the motion carried and the Resolution be adopted this the 19th day of JUNE, A.D. 2018

President of the City Council

ATTESTED AND SUBMITTED TO THE MAYOR BY THE CLERK OF THE COUNCIL ON THIS THE _____ day of _____, 2018.

Clerk of the Council

APPROVED () DATE _____

VETOED () DATE _____

MAYOR

ATTEST:

CITY CLERK

Min. of 06/19/18; Book No. 101; Page No. _____; Agenda Item No: 4A