

CITY OF ST. GEORGE

BY COUNCIL MEMBER HIMMEL:

ORDINANCE NO. 2025 – 008

TO AUTHORIZE INCURRING OF DEBT AND ISSUANCE OF \$20,000,000 OF REVENUE NOTES OF THE CITY OF ST. GEORGE, STATE OF LOUISIANA, AND TO PROVIDE FOR RELATED MATTERS

WHEREAS, the St. George City Council (the "**Governing Authority**"), acting as the governing authority of the City of St. George, State of Louisiana (the "**City**") desires to incur debt and issue Twenty Million Dollars (\$20,000,000) of Revenue Notes (the "**Notes**"), in the manner authorized and provided by Section 1430 of Title 39 of the Louisiana Revised Statutes of 1950, as amended, and other constitutional and statutory authority (the "**Act**"), for the purpose of (i) paying start-up and ongoing costs of providing essential City services and other operating expenses of the City, and (ii) paying the costs of issuance of the Notes;

WHEREAS, the Notes shall be secured by and payable from a pledge of all funds or revenues received or to be received by the City to the extent legally available for the payment of debt service on the Notes, provided that no such funds or revenues shall be so included which have been or are in the future legally dedicated and required for purposes inconsistent therewith by the electorate, by the terms of specific grants, by the terms of particular obligations issued or to be issued or by operation of law (such amount being the "**Available Funds**");

WHEREAS, it is expressly provided that the full faith and credit of the City shall not be pledged, and there shall be no obligation on the City to levy or increase taxes or other sources of revenue in order to pay debt service on the Notes or to transfer any funds for the payment of debt service that may result in a violation of any law, ruling, regulation, contract or agreement applicable to the City;

WHEREAS, upon delivery of the Notes herein authorized, the City will have no other outstanding notes or other obligations of any kind or nature payable from or enjoying a lien on the Available Funds herein pledged;

WHEREAS, the State Bond Commission approved the issuance of the Notes at its meeting on January 16, 2025; and

WHEREAS, the City desires to sell the Notes to the purchaser thereof and to fix the details of the Notes and the terms of the sale of the Notes, pursuant to the commitment letter attached as **Exhibit A** hereto.

BE IT ORDAINED by the St. George City Council, State of Louisiana, as follows:

Section 1. Definitions. The following terms as used in the Ordinance shall have the following respective meanings, such definitions being equally applicable to both the singular and plural sense of any of such terms.

"**Act**" means Section 1430 of Title 39 of the Louisiana Revised Statutes of 1950, as amended, and other applicable constitutional and statutory authority.

"**Additional Parity Notes**" means any additional *pari passu* notes which may hereafter be issued on a parity with the Notes pursuant to Section 8 hereof.

"**Agreement**" means the agreement to be entered into between the City and the Paying Agent pursuant to this Ordinance, if any.

"**Available Funds**" means all funds or revenues received or to be received by the City to the extent legally available for the payment of debt service on the Notes, provided that no such funds or revenues shall be so included which have been or are in the future legally dedicated and required for purposes inconsistent therewith by the electorate, by the terms of specific grants, by the terms of particular obligations issued or to be issued or by operation of law.

"**Business Day**" means a day of the year other than a Saturday, Sunday or legal holiday for the City.

"**City**" means the City of St. George, State of Louisiana.

"**Commitment Letter**" means the Commitment Letter of the Lender as attached hereto as **Exhibit A**.

"**Costs of Issuance**" means all items of expense, directly or indirectly payable or reimbursable and related to the authorization, sale and issuance of the Notes, including but not limited to printing costs, costs of preparation and reproduction of documents, filing and recording fees, initial fees and charges of any fiduciary, legal fees and charges, fees and disbursements of consultants and professionals, fees and charges for preparation, execution, transportation and safekeeping of the Notes, and any other cost, charge or fee paid or payable by the City in connection with the original issuance of Notes.

"**Delivery Date**" means the date on which the Lender advances funds for the purchase of the Notes, which is anticipated to be March 12, 2025.

"**Draw Period**" means the period beginning on the Delivery Date and ending on the earlier of (i) the date on which the entire principal amount of the Notes has been requested by the City and paid to the City by the Lender, and (ii) the date that is five (5) years from the Delivery Date, during which the City is permitted to request advances of installments of the Purchase Price from the Lender pursuant to Section 11 hereof.

"Draw Period Interest Payment Date" means August 1, 2025, and the first day of each month thereafter during the Draw Period, provided the Notes or portions thereof are still outstanding at such time.

"Event of Default" shall have the meaning given such term in Section 25 hereof.

"Executive Officers" means, collectively, the Mayor or Interim Mayor of the City and the City Clerk.

"Final Maturity Date" means February 1, 2035.

"Fiscal Year" means the one-year period commencing on July 1 of each year, or such other one-year period as may be designated by the Governing Authority as the fiscal year of the City.

"Governing Authority" means the St. George City Council.

"Government Securities" means direct obligations of, or obligations the principal of and interest on which are unconditionally guaranteed by the United States of America, which are non-callable prior to their maturity, including United States Treasury obligations such as the State and Local Government Series and may be in book-entry form.

"Interest Payment Date" during the Draw Period means each Draw Period Interest Payment Date and during the Repayment Period means each Repayment Period Interest Payment Date.

"Lender" means Investar Bank, the original purchaser of the Notes.

"Note" or **"Notes"** means any or all of the City's Revenue Notes, Series 2025, authorized by this Ordinance, whether initially delivered or issued in exchange for, upon transfer of, or in lieu of any Note previously issued.

"Note Register" means the records kept by the Paying Agent at its designated office in which registration of the Notes and transfers of the Notes shall be made as provided herein.

"Ordinance" means this ordinance authorizing the issuance of the Notes, as it may be supplemented and amended.

"Outstanding" when used with respect to Notes means, as of the date of determination, all Notes or portions thereof theretofore issued and delivered under this Ordinance, except:

1. Notes theretofore canceled by the Paying Agent or delivered to the Paying Agent for cancellation;
2. Notes in exchange for or in lieu of which other Notes have been registered and delivered pursuant to this Ordinance;
3. Notes alleged to have been mutilated, destroyed, lost or stolen which have been paid as provided in this Ordinance or by law; and

4. Notes or portions thereof which have actually been paid or for the payment of the principal of and interest on which money or Government Securities or both are held in trust with the effect specified in this Ordinance.

"**Owner**" or "**Owners**" when used with respect to any Note means the Person in whose name such Note is registered in the Note Register.

"**Paying Agent**" means Investar Bank, unless and until a successor Paying Agent shall have been appointed pursuant to the applicable provisions of this Ordinance and thereafter "Paying Agent" shall mean such successor Paying Agent.

"**Person**" means any individual, corporation, partnership, joint venture, association, joint-stock company, trust, unincorporated organization or government or any agency or political subdivision thereof.

"**Purchase Price**" means the principal amount of the Note which has been advanced or is requested to be advanced to the City by the Lender in installments as set forth herein.

"**Record Date**" for the interest payable on any Interest Payment Date means the 15th calendar day of the month next preceding such Interest Payment Date.

"**Repayment Period**" means the period beginning the first Business Day after the end of the Draw Period and ending on the earlier of the Final Maturity Date or the day on which no Notes or portions thereof are Outstanding.

"**Repayment Period Interest Payment Date**" means February 1 and August 1 of each year the Notes are outstanding, commencing on the first such date to occur after the commencement of the Repayment Period.

"**Requisition Form**" means the form required to request an advance of the Purchase Price of the Notes, which shall be substantially in the form attached hereto as **Exhibit C**.

"**Sales Tax**" shall have the meaning given such term in Section 9 hereof.

"**Sales Tax Fund**" shall have the meaning given such term in Section 9 hereof.

"**Sinking Fund**" shall have the meaning given such term in Section 9 hereof.

"**Variable Rate**" means the rate of interest equal to the Wall Street Journal Prime Rate minus 100 basis points, with a minimum rate of 5.75% and a maximum rate of 8.00%; provided that if the Wall Street Journal no longer publishes the Prime Rate, then the City and Lender will identify a substitute index rate for purposes of the Notes, which may require the adjustment of the discount from the Prime Rate set forth herein.

Section 2. Authorization of Notes; Maturities. In compliance with the terms and provisions of the Act, this Ordinance authorizes the incurring of an indebtedness of Twenty Million Dollars (\$20,000,000) for, on behalf of, and in the name of the City, for the purpose of (i) paying start-up and ongoing costs of providing essential City services and other operating expenses of the City, and (ii)

paying the Costs of Issuance of the Notes. This Ordinance further authorizes the issuance of Twenty Million Dollars (\$20,000,000) of Revenue Notes, Series 2025, of the City.

The Notes shall be issued in the form of a single, fully registered note, numbered R-1, in the principal amount of \$20,000,000, shall be dated the Delivery Date, and shall mature in installments as set forth this Ordinance. The Notes, to the amount actually advanced and not repaid, shall bear interest from the date thereof or from the most recent Interest Payment Date to which interest has been paid or duly provided for, payable on each Interest Payment Date, commencing August 1, 2025, at the Variable Rate, calculated on a 30/360 basis. Interest on the Notes shall accrue on a particular amount of principal advanced to the City only from the date of its advancement by the Lender. The Variable Rate will be reset monthly by the Paying Agent on the 1st day of each month, and the Paying Agent will provide notice of all rate resets via email to the City and the Lender upon each reset. The initial Variable Rate shall be set by the Purchaser not less than five (5) Business Days prior to the Delivery Date.

Principal installments on the Notes shall be due and payable on February 1 in each of the years set forth below. Each installment shall equal the applicable percentage shown on the following table multiplied by the total principal amount of the Note outstanding at such time:

February 1 (Year)	Percentage of Principal Due
2031	20.00%
2032	25.00%
2033	33.33%
2034	50.00%
2035	100.00%

At the conclusion of the Draw Period, the Paying Agent shall provide the City a schedule of actual installments of principal to be due on the Notes based on the principal outstanding at such time. The principal of the Notes, to the extent not already paid, shall be due and payable on the Final Maturity Date.

The principal of and interest on the Notes shall be payable by check of the City mailed directly to the Owner or the Paying Agent mailed by the Paying Agent to the Owner (determined as of the close of business on the Record Date) at the address shown on the Note Register, provided, however, that principal of the Notes at final maturity shall be payable at the designated office of the Paying Agent upon presentation and surrender thereof. Each Note delivered under this Ordinance upon transfer of, in exchange for or in lieu of any other Notes shall carry all the rights to interest accrued and unpaid, and to accrue, which were carried by such other Notes, and each such Note shall bear interest (as herein set forth) so neither gain nor loss in interest shall result from such transfer, exchange or substitution.

The person in whose name any Note is registered at the close of business on the Record Date with respect to an Interest Payment Date shall in all cases be entitled to receive the interest payable on such Interest Payment Date notwithstanding the cancellation of such Note upon any registration of transfer or exchange thereof subsequent to such Record Date and prior to such Interest Payment Date. Any payment of principal or interest due on a day that is not a Business Day may be paid on the next succeeding Business Day and, if so made, shall be credited as though it was paid on the due date.

No Note shall be entitled to any right or benefit under this Ordinance, or be valid or obligatory for any purpose, unless there appears on such Note a certificate of registration, substantially in the form provided in this Ordinance, executed by the Paying Agent by manual signature.

Section 3. Prepayment Provisions. The unpaid principal of the Notes may be prepaid by the City, in whole or in part, at its option at any time on or after March 1, 2027, at the principal amount to be prepaid plus accrued interest thereon to the date of prepayment.

Official notice of such call of any of the Notes for prepayment in whole or in part shall be given to the Paying Agent and the Lender by means of first-class mail, postage prepaid, by notice deposited in the United States mails or electronic transmission not less than twenty (20) days prior to the prepayment date.

Section 4. Registration and Transfer. The City shall cause the Note Register to be kept by the Paying Agent. The Notes may be transferred, registered and assigned only on the Note Register, which such registration shall be at the expense of the City, and only by the execution of an assignment form on the Notes being transferred. A new Note or Notes, may, upon request, be delivered by the Paying Agent to the last assignee (the new Owner) in exchange for such transferred and assigned Note or Notes after receipt of the Note(s) to be transferred in proper form. Such new Note or Notes shall be in an authorized denomination (\$100,000 or any integral multiple of \$5,000 in excess thereof) and of the same maturity and like principal. The Paying Agent shall not be required to issue, register the transfer of, or exchange any Note during a period beginning at the opening of business on a Record Date and ending at the close of business on the Interest Payment Date.

Notwithstanding anything herein, the Lender shall not be authorized or permitted to transfer any Note without the express written consent of the City.

Section 5. Form of Notes. The Notes and the endorsements to appear thereon shall be in substantially the forms attached as **Exhibit B** hereto.

Section 6. Execution of Notes. The Notes shall be signed by the Executive Officers for, on behalf of, in the name of the City, which signatures may be either manual or facsimile.

Section 7. Pledge and Dedication of Available Funds. Pursuant to the Act, the Notes shall be secured by and payable from a pledge and dedication of the Available Funds of the City, and there shall be irrevocably pledged and dedicated to the payment of the Notes, an amount of such Available Funds sufficient to pay the same in principal and interest as they respectively mature. Until the Notes shall have been paid in full in principal and interest, the Governing Authority will obligate the City, itself, and its successors in office to budget annually a sum of money sufficient to pay the Notes and the interest thereon as they respectively mature, including any principal and/or interest theretofore matured and then unpaid, and to levy and collect in each year taxes and to collect other revenues within the limits prescribed by law, sufficient to pay the principal of and interest on the Notes. Pursuant to the Act, the pledge of the Available Funds provided for herein shall be valid, binding, and perfected from the time when the pledge is made, and any Available Funds so pledged and hereafter received by the City or any fiduciary shall immediately be subject to the lien of such pledge and security interest without any physical delivery thereof or further act.

Section 8. Additional Parity Notes. The City shall issue no other notes or obligations of any kind or nature payable from or enjoying a lien on the Available Funds, including any portion thereof, having priority over or parity with the Notes without the consent of the Lender. The City may issue or otherwise enter into junior and subordinate obligations or obligations secured by a separately-identified source or sources of revenues that do not comprise a portion of the Available Funds without restriction.

Section 9. Sales Tax Fund; Sinking Fund. The City anticipates levying and collecting a 2% sales and use tax in the City beginning April 1, 2025 (the "**Sales Tax**"). The City will create a special fund known as the "*City of St. George Sales Tax Fund*" (the "**Sales Tax Fund**"), such Sales Tax Fund to be held by the Lender. The City shall deposit and shall direct the collector of the Sales Tax to deposit the revenues of the Sales Tax upon receipt in the Sales Tax Fund until required for use as determined by the City in its sole discretion.

For the payment of the principal of and the interest on the Notes, the City will create a special fund known as "*Revenue Notes (2025) Sinking Fund*," (the "**Sinking Fund**") said Sinking Fund to be established and maintained with the Paying Agent or a regularly designated fiscal agent bank of the City. The City shall deposit in the Sinking Fund at least two (2) days in advance of the date on which each payment of principal and/or interest on the Notes falls due, funds fully sufficient to promptly pay the maturing principal and/or interest so falling due on such date; provided, however, that if the City does not possess sufficient Available Funds at the time such deposit is required, the City shall (a) deposit all Available Funds it does possess at such time on a pro rata basis to the credit of the Sinking Fund and any sinking fund established for the payment of any Additional Parity Notes, and (b) thereafter deposit to the Sinking Fund and any sinking fund established for the payment of any Additional Parity Notes any and all Available Funds received in the future to the extent necessary to cure such insufficiency. The City shall cause the depository for the Sinking Fund, if not the Paying Agent, to transfer from the Sinking Fund to the Paying Agent funds fully sufficient to pay promptly the principal and interest falling due on the Notes on such date.

After the funds have been budgeted out of the Available Funds for any year sufficient to pay the principal and interest on the Notes and any Additional Parity Notes for that period, then any Available Funds remaining in that year shall be free for expenditure by the City for any lawful purpose, including the redemption or defeasance of any of the Notes as determined by the City.

All moneys deposited with the regularly designated fiscal agent bank or banks of the City or the Lender or Paying Agent under the terms of this Ordinance shall constitute sacred funds for the benefit of the Owners of the Notes and shall be secured by said fiduciaries at all times to the full extent thereof in the manner required by law for the securing of deposits of public funds. Notwithstanding the foregoing, all or any part of the moneys in the Sinking Fund shall, at the written request of the City, be invested in accordance with the provisions of the laws of the State of Louisiana.

Section 10. Budget; Financial Statements. The City shall prepare and adopt a budget prior to the beginning of each Fiscal Year and shall furnish a copy of such budget to the Lender within 30 days of adoption. Not later than 200 days after the close of such Fiscal Year, or such later time as may be permitted by the Louisiana Legislative Auditor, the City shall cause an audit of its books and accounts to be made by the Louisiana Legislative Auditor or an independent firm of certified public accountants showing the receipts and disbursements made by the City during the previous Fiscal Year. Upon completion, a copy of such audit shall be furnished to the Lender.

Section 11. Application of Proceeds. Installments of the Purchase Price of the Notes shall be paid by the Lender to the City from time to time as requested by the City in writing (which request may be via electronic communication) pursuant to one or more Requisition Forms; provided, however, that such installments of the Purchase Price shall only be paid during the Draw Period.

The Lender shall advance installments of the Purchase Price of the Notes to the City within five (5) Business Days of the receipt of a Requisition Form from the City. The Lender shall notify the Paying Agent at the time it pays each installment of the Purchase Price of the amount and date of such installment of the Purchase Price.

Upon receipt of any disbursement of the Purchase Price, the City shall deposit said funds in its General Fund or in such other fund as the City may direct from time to time.

Section 12. Notes Legal Obligations. The Notes shall constitute legal, binding and valid obligations of the City and shall be the only representations of the indebtedness as herein authorized and created.

Section 13. Ordinance a Contract. The provisions of this Ordinance shall constitute a contract between the City, or its successor, and the Owner or Owners from time to time of the Notes, and any such Owner or Owners may at law or in equity, by suit, action, mandamus or other proceedings, enforce and compel the performance of all duties required to be performed by this Governing Authority or the City as a result of issuing the Notes.

No material modification or amendment of this Ordinance, or of any Ordinance amendatory hereof or supplemental hereto, may be made without the consent in writing of the Owners of two-thirds (2/3) of the aggregate principal amount of the Notes then Outstanding; provided, however, that no modification or amendment shall permit a change in the maturity provisions of the Notes, or a reduction in the rate of interest thereon, or in the amount of the principal obligation thereof, or affecting the obligation of the City to pay the principal of and the interest on the Notes as the same shall come due from the revenues appropriated, pledged and dedicated to the payment thereof by this Ordinance, or reduce the percentage of the Owners required to consent to any material modification or amendment of this Ordinance, without the consent of the Owners of all of the Outstanding Notes.

Section 14. Severability; Application of Subsequently Enacted Laws. In case any one or more of the provisions of this Ordinance or of the Notes shall for any reason be held to be illegal or invalid, such illegality or invalidity shall not affect any other provisions of this Ordinance or of the Notes, but this Ordinance and the Notes shall be construed and enforced as if such illegal or invalid provisions had not been contained therein. Any constitutional or statutory provisions enacted after the date of this Ordinance which validate or make legal any provision of this Ordinance and/or the Notes which would not otherwise be valid or legal, shall be deemed to apply to this Ordinance and to the Notes.

Section 15. Recital of Regularity. This Governing Authority having investigated the regularity of the proceedings had in connection with the Notes and having determined the same to be regular, the Notes shall contain the following recital, to-wit:

"It is certified that this Note is authorized by and is issued in conformity with the requirements of the Constitution and statutes of the State of Louisiana."

Section 16. Effect of Registration. The City, the Paying Agent, and any agent of either of them may treat the Owner in whose name any Note is registered as the Owner of such Note for the purpose of receiving payment of the principal of and interest on such Note and for all other purposes whatsoever, and to the extent permitted by law, neither the City, the Paying Agent, nor any agent of either of them shall be affected by notice to the contrary.

Section 17. Notices to Owners. Wherever this Ordinance provides for notice to Owners of Notes of any event, such notice shall be sufficiently given (unless otherwise herein expressly provided) if in writing and mailed, first-class postage prepaid, to each Owner of such Notes, at the address of such Owner as it appears in the Note Register, or if given by accepted means of electronic communication. In any case where notice to Owners of Notes is given by mail, neither the failure to mail such notice to any particular Owner of Notes, nor any defect in any notice so mailed, shall affect the sufficiency of such notice with respect to all other Notes. Where this Ordinance provides for notice in any manner, such notice may be waived in writing by the Owner or Owners entitled to receive such notice, either before or after the event, and such waiver shall be the equivalent of such notice. Waivers of notice by Owners shall be filed with the Paying Agent, but such filing shall not be a condition precedent to the validity of any action taken in reliance upon such waiver.

Section 18. Cancellation of Notes. All Notes surrendered for payment, transfer, exchange or replacement, if surrendered to the Paying Agent, shall be promptly canceled by it and, if surrendered to the City, shall be delivered to the Paying Agent and, if not already canceled, shall be promptly canceled by the Paying Agent. The City may at any time deliver to the Paying Agent for cancellation any Notes previously registered and delivered which the City may have acquired in any manner whatsoever, and all Notes so delivered shall be promptly canceled by the Paying Agent. All canceled Notes held by the Paying Agent shall be disposed of as directed in writing by the City.

Section 19. Mutilated, Destroyed, Lost or Stolen Notes. If (1) any mutilated Note is surrendered to the Paying Agent, or the City and the Paying Agent receive evidence to their satisfaction of the destruction, loss or theft of any Note, and (2) there is delivered to the City and the Paying Agent such security or indemnity as may be required by them to save each of them harmless, then, in the absence of notice to the City or the Paying Agent that such Note has been acquired by a bona fide purchaser, the City shall execute, and upon its request the Paying Agent shall register and deliver, in exchange for or in lieu of any such mutilated, destroyed, lost, or stolen Note, a new Note of the same maturity and of like tenor, interest rate and principal amount, bearing a number not contemporaneously outstanding. In case any such mutilated, destroyed, lost or stolen Note has become or is about to become due and payable, the City in its discretion may, instead of issuing a new Note, pay such Note. Upon the issuance of any new Note under this Section, the City may require the payment by the Owner of a sum sufficient to cover any tax or other governmental charge that may be imposed in relation thereto and any other expenses (including the fees and expenses of the Paying Agent) connected therewith. Every new Note issued pursuant to this Section in lieu of any mutilated, destroyed, lost or stolen note shall constitute a replacement of the prior obligation of the City, whether or not the mutilated, destroyed, lost or stolen Note shall be at any time enforceable by anyone and shall be entitled to all the benefits of this Ordinance equally and ratably with all other Outstanding Notes. Any additional procedures set forth in the Agreement, authorized in this Ordinance, shall also be available

with respect to mutilated, destroyed, lost or stolen Notes. The provisions of this Section are exclusive and shall preclude (to the extent lawful) all other rights and remedies with respect to the replacement and payment of mutilated, destroyed, lost or stolen Notes.

Section 20. Discharge of Ordinance; Defeasance. If the City shall pay or cause to be paid, or there shall otherwise be paid to the Owners of all of the Notes, the principal of and interest on the Notes, at the times and in the manner stipulated in this Ordinance, then the pledge of the money, securities, and funds pledged under this Ordinance and all covenants, agreements, and other obligations of the City to the Owner shall thereupon cease, terminate, and become void and be discharged and satisfied, and the Paying Agent shall pay over or deliver all money held by it under this Ordinance to the City.

Notes or interest installments for the payment of which money shall have been set aside and shall be held in trust (through deposit by the City of funds for such payment or otherwise) at the maturity date thereof shall be deemed to have been paid within the meaning and with the effect expressed above in this Section if they are defeased in the manner provided by Chapter 14 of Title 39 of the Louisiana Revised Statutes of 1950, as amended.

Section 21. Successor Paying Agent; Paying Agent Agreement. The City will at all times maintain a Paying Agent meeting the qualifications hereinafter described for the performance of the duties hereunder for the Notes. The designation of the initial Paying Agent in this Ordinance is hereby confirmed and approved. The City reserves the right to appoint a successor Paying Agent by (a) filing with the Person then performing such function a certified copy of a resolution or ordinance giving notice of the termination of the Agreement and appointing a successor and (b) causing notice to be given to each Owner. Every Paying Agent appointed hereunder shall at all times be a bank or trust company organized and doing business under the laws of the United States of America or of any state, authorized under such laws to exercise trust powers, and subject to supervision or examination by Federal or State authority. The Executive Officers are hereby authorized and directed to execute an appropriate Agreement with the Paying Agent for and on behalf of the City in such form as may be satisfactory to said officers, the signatures of said officers on such Agreement to be conclusive evidence of the due exercise of the authority granted hereunder.

Section 22. Disclosure Under SEC Rule 15c2-12. The City will not be required to comply with the continuing disclosure requirements described in Rule 15c2-12 of the Securities and Exchange Commission [17 CFR §240.15c2-12].

Section 23. Publication. A copy of this Ordinance shall be published immediately after its adoption in one issue of the official journal of the City; however, it shall not be necessary to publish any exhibits hereto if the same are available for public inspection and such fact is stated in the publication.

Section 24. Award of Notes. The City hereby accepts the offer of the Lender for the Notes contained in the Commitment Letter attached as **Exhibit A** hereto, and any Executive Officer is hereby authorized and directed to execute the Commitment Letter on behalf of the City. As a condition to the delivery of the Notes to the Lender, the Lender will execute a standard letter, acceptable to it and the City, indicating it has conducted its own analysis with respect to the Notes and is extending credit in the form of the Notes as a vehicle for making a commercial loan to the City.

Section 25. Events of Default. The following shall be "*Events of Default*" hereunder:

- (i) if default shall be made in the due and punctual payment of the principal of any Note when and as the same shall become due and payable, whether at maturity or otherwise; or
- (ii) if default shall be made in the due and punctual payment of any installment of interest on any Note when and as such interest installment shall become due and payable; or
- (iii) if default shall be made by the City in the performance or observance of any other of the covenants, agreements or conditions on its part in this Ordinance, any supplemental ordinance or in the Notes contained and such default shall continue for a period of forty-five (45) days after written notice thereof to the City by any Owner; or
- (iv) if the City shall file a petition or otherwise seek relief under any Federal or State bankruptcy law or similar law.

Upon the happening and continuance of any Event of Default the Owners of the Notes shall be entitled to exercise all rights and powers for which provision is made under Louisiana law.

Section 26. Execution of Documents. In connection with the issuance and sale of the Notes, the Executive Officers are each authorized, empowered and directed to execute on behalf of the City such documents, certificates and instruments as they may deem necessary, upon the advice of Bond Counsel, to effect the transactions contemplated by this Ordinance, the signatures of the Executive Officers on such documents, certificates and instruments to be conclusive evidence of the due exercise of the authority granted hereunder.

Section 27. Headings. The headings of the various sections hereof are inserted for convenience of reference only and shall not control or affect the meaning or construction of any of the provisions hereof.

Section 28. Effective Date. This Ordinance shall become effective immediately.

Introduced to the City Council on February 11, 2025.

This Ordinance having been submitted to a vote, the vote thereon was as follows:

Ayes: Cook, Himmel, Monachello
Recused: Heck
Absent: Edmonds


Lorraine Beaman, City Clerk

Delivered to Mayor on February 27, 2025.

Lorraine Beaman
Lorraine Beaman, City Clerk

Approved:

Dustin Yates
Dustin Yates, Mayor

Received from Mayor on March 3, 2025

Lorraine Beaman
Lorraine Beaman, City Clerk

Ordinance published in The Advocate on the 11th day of March, 2025.



COMMITMENT LETTER OF LENDER

Investar Bank, National Association
4004 Ambassador Caffery Parkway
Lafayette, LA 70503
Toll-Free: 866.604.2006
www.InvestarBank.com

February 18, 2025

Honorable Mayor Dustin Yates
City of St. George, State of Louisiana
13646 Perkins Road
St. George, LA 70810

Dear Mayor Yates:

Investar Bank is pleased to provide this commitment letter to the City of St. George, Louisiana. The below terms outline the primary terms which have been approved by Investar Bank, all of which would be further defined in a Bond Ordinance and other legal documents. If these terms meet with your approval, movement towards a delivery and closing could begin immediately.

Requested and Approved: Not to exceed a \$20,000,000 Taxable Revenue Note

Issuer: City of St. George, Louisiana (the "City")

Purchaser: Investar Bank, N.A.

Purpose: To fund working capital needs of the City

Security: All available revenues accruing to the City for the term of the Note

Term: 10-year term, Two-year CALL at option of Issuer

Structure: Draw down note with a funding period of up to five years, converting to an amortizing note with an amortization period of the remaining term.

Interest (Coupon) Rate: Wall Street Journal Prime minus 100 basis points, floating monthly; Floor rate of 5.75%; Maximum rate of 8%

Repayment: Interest payable monthly during funding/draw-down period, beginning in August of 2025; At the time of conversion to an amortizing note, payments of principal will be required annually and interest will be payable semi-annually, unless Issuer prefers the monthly payment structure. Interest will be calculated on a 30/360 day year.

Tax Status: Taxable

Opinion: Foley & Judell, LLP to provide an enforceability opinion



Purchaser Counsel: Purchaser does not intend to employ special purchaser counsel.

Bank Fee: \$25,000

Paying Agent: Investar Bank, N.A. in Baton Rouge, LA will serve as Paying Agent. There will be no fees assessed for this service.

Other Requirements and Conditions:

Deposit Account: Investar Bank wishes to build a deposit relationship with the City of St. George and desires to step in as the City's fiscal agent bank. In lieu of being the fiscal agent bank, Investar Bank requests that the Sales Tax Account be opened and maintained at Investar Bank. Sales tax revenues received from the Parish Sales Tax Collector shall be deposited into this account. Excess sales tax revenues, not required for expenditures, shall be held in this account. The account will be interest bearing at a competitive market rate of interest. Balances in excess of those insured by FDIC will be secured as required by Louisiana Statutes.

Annual Budget: The City of St. George must provide to the Purchaser a copy of its Annual Budget within 30 days of adoption.

Annual Audit: The City of St. George must provide to the Purchaser a copy of its Annual Audit within 30 days of acceptance, and no later than 200 days after each fiscal year end.

Senior liens on any revenues of the City will not be allowed without Purchaser approval.

Parity debt will not be allowed without Purchaser approval.

Thank you for the opportunity to provide this term sheet for financing for the City of St. George. If you have any questions or would like to discuss any of the terms outlined, feel free to call me directly at 337-267-1522 or 337-288-4448. I look forward to your feedback.

Best Regards,



Mary Guidry
Public Finance Director
Investar Bank, N.A.

EXHIBIT B

FORM OF NOTE

NO. R-1

PRINCIPAL AMOUNT: \$20,000,000

**UNITED STATES OF AMERICA
STATE OF LOUISIANA
PARISH OF EAST BATON ROUGE**

**REVENUE NOTE, SERIES 2025
OF THE
CITY OF ST. GEORGE, STATE OF LOUISIANA**

<u>DELIVERY DATE</u>	<u>FINAL MATURITY DATE</u>	<u>INTEREST RATE</u>
March 12, 2025	February 1, 2035	Variable

The **CITY OF ST. GEORGE, STATE OF LOUISIANA** (the "**City**"), promises to pay, but solely from the source and as hereinafter provided, to:

**INVESTAR BANK
("Lender")**

or its successors or registered assigns, the Principal Amount set forth above to the extent actually advance and not already repaid, together with interest thereon from the Delivery Date set forth above or the most recent interest payment date to which interest has been paid or duly provided for. This Note represents the entire authorized issue of Twenty Million Dollars (\$20,000,000) of Revenue Notes, Series 2025, of the City, said Note having been issued by the City pursuant to an Ordinance adopted by its governing authority on February 25, 2025 (the "**Ordinance**"), for the purpose of (i) paying start-up and ongoing costs of providing essential City services and other operating expenses of the City, and (ii) paying the costs of issuance of this Note, pursuant to Section 1430 of Chapter 4 of Title 39 of the Louisiana Revised Statutes of 1950, as amended, and other constitutional and statutory authority. Capitalized terms used but not defined herein shall have the meanings given such terms in the Ordinance.

During the Draw Period, installments of the Principal Amount of this Note shall be paid by the Lender to the City from time to time as requested by the Issuer in writing as set forth in the Ordinance. The Paying Agent (defined below) shall note each payment of an installment of the Principal Amount of this Note on Schedule 1 attached hereto.

This Note shall bear interest from the date thereof or from the most recent Interest Payment Date to which interest has been paid or duly provided for, payable on each Interest Payment Date, commencing July 1, 2025, at the Variable Rate, calculated on a 30/360 basis. "**Variable Rate**" as used herein means the rate of interest equal to the Wall Street Journal Prime Rate minus 100 basis points, with a minimum rate of 5.75% and a maximum rate of 8.00%; provided that if the Wall Street Journal no longer publishes the Prime Rate, then the City and Lender will identify a substitute index rate for purposes of this Note, which may require the adjustment of the discount from the Prime Rate set forth

herein. The Variable Rate will be reset monthly by the Paying Agent (defined below) on the 1st day of each month. Interest during the Draw Period shall be payable on August 1, 2025, and the first day of each month thereafter during the Draw Period. Interest during the Repayment Period shall be payable on February 1 and August 1 of each year this Note is outstanding, commencing on the first such date to occur after the commencement of the Repayment Period. Interest on this Note shall accrue on a particular amount of principal advanced to the City only from the date of its advancement by the Lender.

Principal installments of this Note shall be due and payable on February 1 in each of the years set forth below. Each installment shall equal the applicable percentage shown on the following table multiplied by the total principal amount of this Note outstanding at such time:

February 1 (Year)	Percentage of Principal Due
2031	20.00%
2032	25.00%
2033	33.33%
2034	50.00%
2035	100.00%

The principal of this Note, to the extent not already paid, shall be due and payable on the Final Maturity Date.

The principal of this Note, on the Final Maturity Date set forth above or upon earlier prepayment in whole but not in part, is payable in lawful money of the United States of America at the designated office of Investar Bank, or successor thereto (the "**Paying Agent**"), upon presentation and surrender hereof. Prior to the final payment on the Final Maturity Date, payments of principal and interest on this Note are payable by check of the Paying Agent mailed by said Paying Agent to the Owner (determined as of the close of business on the Record Date) at the address shown on this Note Register. Notwithstanding anything in this Note or the Ordinance (as hereafter defined) to the contrary, prior to the Final Maturity Date or the earlier payment in full of this Note, payments of principal of and interest on this Note will be payable without presentation and surrender hereof.

The unpaid principal of this Note may be prepaid by the City, in whole or in part, at its option at any time on or after March 1, 2027, at the principal amount to be prepaid plus accrued interest thereon to the date of prepayment. Official notice of such call of this Note for prepayment shall be given to the Paying Agent and the Lender by means of first-class mail, postage prepaid, by notice deposited in the United States mails or electronic transmission not less than twenty (20) days prior to the prepayment date.

This Note is secured by and payable from a pledge of all funds or revenues received or to be received by the City to the extent legally available for the payment of debt service on this Note, provided that no such funds or revenues shall be so included which have been or are in the future legally dedicated and required for purposes inconsistent therewith by the electorate, by the terms of specific grants, by the terms of particular obligations issued or to be issued or by operation of law. The City, in and by the Ordinance, has also entered into certain other covenants and agreements with the registered owner of this Note, including provisions for the issuance *pari passu* obligations on a parity with this Note if agreed to by the Lender, for the terms of which reference is made to the Ordinance.

This Note shall not be valid or become obligatory for any purpose or be entitled to any security or benefit under the Ordinance until the certificate of registration hereon shall have been signed by the Paying Agent.

It is certified that this Note is authorized by and issued in conformity with the requirements of the Constitution and statutes of the State of Louisiana. It is further certified, recited and declared that all acts, conditions and things required to exist, to happen and to be performed precedent to and in the issuance of this Note to constitute the same a valid and binding obligation of the City have existed, have happened and have been performed in due time, form and manner as required by law, and that this Note does not exceed any limitation prescribed by the Constitution and statutes of the State of Louisiana.

IN WITNESS WHEREOF, the St. George City Council, acting as the governing authority of the City, has caused this Note to be executed in the name of the City by the manual signatures of its Mayor and City Clerk of the City [and a facsimile of its corporate seal to be impressed hereon].

CITY OF ST. ST. GEORGE, STATE OF LOUISIANA

Lorraine Beaman, City Clerk

Dustin Yates, Mayor

[(SEAL)]

* * * * *

**SCHEDULE 1
SCHEDULE OF INSTALLMENTS OF THE PRINCIPAL AMOUNT
PAID TO THE CITY**

**\$20,000,000
REVENUE NOTES, SERIES 2025
OF THE
CITY OF ST. GEORGE, STATE OF LOUISIANA**

No.	Date of Payment	Amount of Payment	Pursuant to Requisition No.	Cumulative Outstanding Principal Amount
1				
2				
3				
4				
5				
6				
7				
8				
9				
10				
11				
12				
13				
14				
15				
16				
17				
18				
19				

\$20,000,000
REVENUE NOTES, SERIES 2025
OF THE
CITY OF ST. GEORGE, STATE OF LOUISIANA

REQUISITION NO.

TO: INVESTAR BANK (the "**Bank**")

Please advance to the City of St. George, State of Louisiana (the "**City**"), the sum of _____ Dollars (\$ _____), being part of the purchase price of the above captioned bonds (the "**Note**") of the City, dated [March 12], 2025, said Note being issued in accordance with the terms of an ordinance adopted by the St. George City Council of said City on February 25, 2025 (the "**Ordinance**") and the Commitment Letter of the Bank. This will be the _____ installment of a total of not exceeding \$20,000,000 to be advanced by the Bank and will result in the aggregate of \$ _____ of the total principal amount of the Note having been advanced by the Bank to the City.

The execution of this requisition is authorized by the Ordinance, and said Ordinance has not been repealed, revoked or rescinded.

CITY OF ST. GEORGE, STATE OF LOUISIANA

Dustin Yates, Mayor

Date: _____

Wire funds to:

