

**CITY COUNCIL BOND MEETING
DEPOT COMMUNITY ROOM
MAY 4, 2011 - 5:00 P.M.**

Those present: James F. Palmer, Al Edwards, George Crowley, Matt Barton, David Hammond, Amy Atkinson, Eddie Hall, Eddie Reeves, Rhoda Washington, Tony Swink.

Also present: Eddie Peterson, William Bailey, Michele Taylor, Bryce Holcomb, Jr., James Pannell.

Mayor Palmer called the meeting to order and stated the purpose was to address the General Obligation School Bonds, Series 2011.

Bryce Holcomb, Jr. Bond Investment Counselor for Citi Group, briefed those in attendance about the results of the Series 2011 City of Calhoun General Obligation School Bonds (Taxable - Qualified School Construction Bonds in the aggregate principal amount of \$21,000,000). Mr. Holcomb stated that in essence the School was borrowing \$21,000,000 and will repay \$17,272,904 due to principal forgiveness and ISF earnings. The School has also agreed to participate in the State of Georgia Intercept Program which is a type of payment guarantee overseen by the State.

Summary of Results - City of Calhoun Georgia

Maturity	Par	10 Year Treasury	Spread	Coupon	Yield
9/1/2022	4,880,000	3.221%	1.400%	4.621%	4.621%
9/1/2023	5,115,000	3.221%	1.500%	4.721%	4.721%
9/1/2024	5,365,000	3.221%	1.600%	4.821%	4.821%
9/1/2025	5,640,000	3.221%	1.700%	4.921%	4.921%

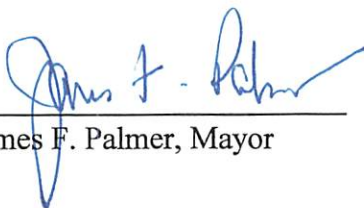
Additional Summary Statistics

Federal Tax Credit Rate	5.12%
Maximum Permitted Invested Sinking Fund ("ISF") Yield	4.86%
Assumed ISF Yield for Final Numbers	3.75%
Annual ISF Deposit (Sept. 1, 2013 - Sept. 1, 2025)	1,439,409
Total Par Amount of Bonds	21,000,000
Total ISF Deposits	17,272,904
Principal Forgiveness / ISF Earnings	3,727,096
Total ISF Deposits & ISF Earnings	21,000,000
Arbitrage Yield (Net Debt Service)	-2.43%
Total Interest Cost (Net Debt Service)	-2.34%
All-In Total Interest Cost (Net Debt Service)	-2.23%

James Pannell, Calhoun's Bond Pricing Attorney, explained the Bond Resolution in terms of; authorization, terms, form, application of proceeds, redemption, acquisition, school construction, ESPLOST, and other provisions.

Councilman Crowley then made a motion to adopt the Bond Resolution for the Calhoun School Board to regulate and provide for the issuance of the City of Calhoun General Obligation School Bonds, series 2011, in the aggregate principal amount of \$21,000,000, and other terms as provided in the entire Bond Resolution. Councilman Edwards seconded. All voted aye.(Bond Resolution attached).

Councilman Hammond made a motion to adjourn. Councilman Barton seconded the motion. All voted aye.



James F. Palmer, Mayor



Eddie Peterson, City Clerk