

INDUSTRIAL DEVELOPMENT AUTHORITY OF MADISON COUNTY
MINUTES
SPECIAL MEETING
MAY 15, 1992
ANSEL'S STEAK HOUSE; 12:00 NOON

PRESENT: Brance Beamon, Lewellyn Dean, Thomas Johnson, Duke Loden, Jim Ritchie, and John Wallace

ABSENT: Billy Cooper, Fred Estes, Bob Montgomery, Joe Waggoner, and Hite Wolcott

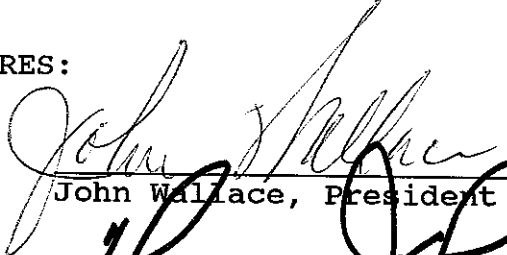
GUESTS: Bill Collins and Larry Smith-Vaniz of Montgomery, Smith-Vaniz & McGraw, and Lucien Bourgeoise of Crosthwait, Terney, Noble & Allain

- I. REASON FOR MEETING - After a lunch, President Wallace spoke of the reason for the special meeting was to go over the Gail Pittman and Jansko projects before the final contracts and additional new bond debt are signed.
- II. OUTSTANDING DEBT - Copies of a listing showing IDAMC'S "outstanding Debt" as of May 1, 1992 were passed out and explained by Executive Vice President Loden. The outstanding principal on the past bond issues was shown to be \$4,335,000. The currently proposed \$600,000 bond issue for Gail Pittman, Inc. and the \$1,800,000 bond issue for Jansko, Inc. would increase the total principal debt to \$6,735,000.
- III. DEBT LIMITATIONS - Bond attorney Bourgeoise spoke of the \$10,000,000 and the 3 mill limitations which the Development Authority has under its enabling legislation of the Mississippi State Code. While the \$10,000,000 limit was not yet close, he told of the 3 mill limitation of \$750,000 - \$780,000 per year from Madison County taxes of being the tightest limitation. After several questions, consensus was that we need an opinion from Moody's Rating Agency or someone regarding IDAMC'S ability to have more debt, especially through "A" rated bond issues, and that we need to raise our debt limits through special amended legislation or otherwise our ability to recruit new industry will be curtailed.
- IV. GAIL PITTMAN BOND ISSUE - Attorney Collins told of there being no problem with the hopefully "A" rated \$600,000 bond issue scheduled for sale on May 26th for the Gail Pittman project. He then summarized the proposed contract with Gail Pittman, Inc.
- V. HALL FURNITURE - Attorney Smith-Vaniz summarized the status of Hall Furniture which had agreed to turn the former No-Sag building over to Jansko, and to sign a lease termination agreement on that building showing that they still owe some closing costs and back rent on it. A motion to authorize President Wallace or Executive Vice President Loden to sign the lease termination agreement contingent with a new lease being signed with Jansko, and assigning the lease back to Deposit Guaranty National Bank was made by Secretary-Treasurer Johnson, seconded by Mr. Ritchie, and approved unanimously.
- VI. JANSKO LEASE - Attorney Smith-Vaniz told of Jansko wanting a six months lease on the former No-Sag/Hall Furniture Building with an additional six months of month by month extension thereafter. It was felt they would sign the lease any day now since Jansko wanted to start moving in as soon as possible. A motion was made by Secretary-Treasury Johnson, seconded by Mr. Dean, and unanimously approved for IDAMC to sign the lease with Jansko.

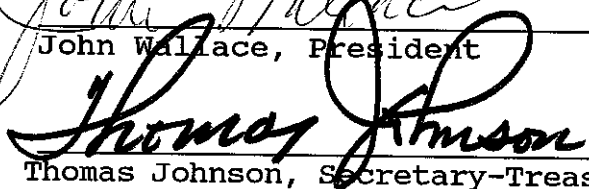
VII. JANSKO CONTRACT AND BOND ISSUE - Attorney Collins spoke of Jansko still taking the contract under consideration for the purchase of 15 acres with an option of 5 more and for the construction of a 187,000 +/- square foot building. He told of the importance of the Community Development Block Grant being applied for and obtained, and of other terms in the contract. Bond attorney Bourgeoise spoke of the tight schedule for the \$1,800,000 bond issue for Jansko's building with the upcoming June 30th sunset of tax exempt industrial development bond issues. A motion for IDAMC to enter into a contract for \$1,800,000 with Jansko was made by Secretary-Treasurer Johnson, seconded by Mr. Beamon, and unanimously approved.

There being no other business brought forward that could not wait until the next regular Tuesday night meeting to be held on May 26th, the meeting was adjourned upon a motion duly made, seconded and approved.

WITNESS OUR SIGNATURES:



John Wallace, President



Thomas Johnson, Secretary-Treasurer