

THE STATE OF TEXAS §
COUNTY OF BURNET §
CITY OF BURNET §

RESOLUTION NO. R2021-35

RESOLUTION AUTHORIZING DEFEASANCE AND REDEMPTION OF CERTAIN OF THE CITY'S OUTSTANDING OBLIGATIONS AND OTHER RELATED MATTERS

WHEREAS, the City of Burnet, Texas (the "City") has duly issued and there is now outstanding several series of debt, secured by ad valorem taxes, revenues or a combination of such ad valorem taxes and revenues (collectively, the "Callable Obligations"); and,

WHEREAS, the City expects to have sufficient funds available after taxes are collected for the 2021 tax year to pay off a portion of the Callable Obligations prior to their maturity, which will save the City's taxpayers by reducing the City's future principal and interest payments on such debt; and,

WHEREAS, the City Council (the "City Council") of the City deems it to be in the best interest of the City to use lawfully available funds to defease and redeem a portion of the Callable Obligations during Fiscal Year 2021; and,

WHEREAS, to give effect to this action, the City Council will direct staff to give effect to such redemption and defeasance during the Summer of 2021;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF BURNET, TEXAS THAT:

Section 1. The City hereby calls for redemption the Callable Obligations selected by the Mayor or City Manager (each an "Authorized Official", and such selected Callable Obligations, the "Defeased Obligations") in an aggregate principal amount of \$1,145,000. Attached to this Resolution as Exhibit "A" and made a part hereof for all purposes, is a copy of the form of Notice of Defeasance and Redemption for the Defeased Obligations. Each Authorized Official is authorized to approve such changes to complete and finalize the Notice of Defeasance and Redemption once the Callable Obligations have been selected and as further authorized in Section 4 hereof. Each Authorized Official, the City's Financial Advisor, the City's Bond Counsel and/or the paying agent for the Defeased Obligations are hereby authorized to take all actions necessary to call for the redemption and defeasance of such obligations, including finalizing the notice of redemption, sending all notices of such redemption required by any ordinance authorizing the Defeased Obligations and approving and executing any other document or agreement, including an escrow agreement, that may be necessary to give effect to the actions authorized by this Resolution. Each Authorized Official is further authorized to determine the timing of the defeasance of the Defeased Obligations and the delivery of the notice once all requirements of this Resolution for such defeasance have been satisfied; provided that such defeasance must occur prior to the end of the City's 2021 Fiscal Year and that such notice in all events is to be given by the time and in the manner

required in any ordinance authorizing the issuance of the Defeased Obligations. Further, all prior actions by City staff and consultants to give effect to any redemption and defeasance of outstanding City debt during Fiscal Year 2021 are hereby approved and confirmed.

Section 2. Each Authorized Official is hereby authorized to transfer lawfully available City funds as necessary to defease and redeem the Defeased Obligations.

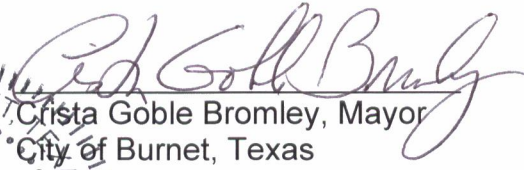
Section 3. Notwithstanding any other provision of this Resolution to the contrary, effectuating the defeasance and redemption contemplated by this Resolution is subject to a determination by an Authorized Official that lawfully available funds are or will be on deposit in the applicable interest and sinking fund of the City sufficient to accomplish the defeasance of the Defeased Obligations at the time such defeasance occurs. Additionally, the amount of the Defeased Obligations to be defeased and redeemed may be adjusted as approved by an Authorized Official based on available funds and final rates for any escrow securities, subject to the requirements in Section 1 above.

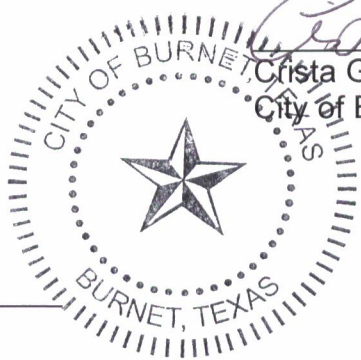
Section 4. Each Authorized Official and all other officers, employees and agents of the City, and each of them, shall be and they are hereby expressly authorized, empowered and directed from time to time and at any time to do and perform all such acts and things, including giving any notices as may be required by the City's continuing disclosure obligations, if any, with respect to the Defeased Obligations and all other instruments, whether or not herein mentioned, as may be necessary or desirable in order to carry out the terms and provisions of this Resolution or the official actions authorizing the Defeased Obligations.

Section 5. If any provision of this Resolution or the application thereof to any circumstance shall be held to be invalid, the remainder of this Resolution and the application thereof to other circumstances shall nevertheless be valid, and this governing body hereby declares that this Resolution would have been enacted without such invalid provision.

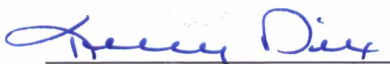
Section 6. This Resolution shall be in full force and effect immediately upon its passage and approval.

PASSED AND ADOPTED this 13th day of July, 2021.


Crista Goble Bromley, Mayor
City of Burnet, Texas



ATTEST:



Kelly Dix, City Secretary
City of Burnet, Texas

EXHIBIT "A"

NOTICE OF REDEMPTION

NOTICE IS HEREBY GIVEN that the City of Burnet, Texas (the "City") has defeased and called certain maturities for redemption of a portion of the outstanding bonds of the City described below at a price of par plus accrued interest to such date of redemption, to-wit:

Burnet, Texas Combination Tax & Revenue Certificates of Obligation, Series 2013, dated April 15, 2013, a portion of the bonds maturing on February 1, 2022 through, and including, 2028, as further described below (collectively, the "Obligations").

<u>Maturity Date</u> (February 1)	<u>Principal Amount Outstanding</u>	<u>Interest Rate</u>	<u>Redemption/ Maturity Date</u>	<u>@Par</u>
2022	\$155,000	2.190%	August 25, 2021	100%
2023	155,000	2.190	August 25, 2021	100%
2024	160,000	2.190	August 25, 2021	100%
2025	165,000	2.190	August 25, 2021	100%
2026	165,000	2.190	August 25, 2021	100%
2027	170,000	2.190	August 25, 2021	100%
2028	175,000	2.190	August 25, 2021	100%

The Obligations being redeemed shall be redeemed upon presentation at the principal corporate offices of TIB-The Independent Bankers Bank, N.A., as paying agent/registrars for the Obligations, at the addresses set forth below. Interest on the Obligations shall cease to accrue from and after August 25, 2021.

First Class/Registered/Certified

Mail

TIB The Independent Bankers
Bank, N.A.
11701 Luna Road
Farmers Branch, TX 75234

By Overnight or Courier

TIB The Independent
Bankers Bank, N.A.
11701 Luna Road
Farmers Branch, TX 75234

By Hand

TIB The Independent Bankers
Bank, N.A.
11701 Luna Road
Farmers Branch, TX 75234

In compliance with section 3406 of the Internal Revenue Code of 1986, as amended, payors making certain payments due on debt securities may be obligated to deduct and withhold a portion of such payment from the remittance to any payee who has failed to provide such payor with a valid taxpayer identification number. To avoid the imposition of this withholding tax, such payees should submit a certified taxpayer identification number when surrendering bonds for redemption.

CITY OF BURNET, TEXAS