

CERTIFICATE AS TO RESOLUTION AND VOTE

I, the undersigned, being the duly qualified and acting recording officer of City of Great Falls, Montana (the "City"), hereby certify that the attached resolution is a true copy of a Resolution entitled: "RESOLUTION RELATING TO \$1,500,000 GENERAL FUND OBLIGATION BONDS, SERIES 2005; AUTHORIZING THE ISSUANCE AND PRIVATE NEGOTIATED SALE THEREOF" (the "Resolution"), on file in the original records of the City in my legal custody; that the Resolution was duly adopted by the City Commission of the City at a regular meeting on \_\_\_\_\_, 2005, and that the meeting was duly held by the City Commission and was attended throughout by a quorum, pursuant to call and notice of such meeting given as required by law; and that the Resolution has not as of the date hereof been amended or repealed.

I further certify that, upon vote being taken on the Resolution at said meeting, the following Commission Members voted in favor thereof:

\_\_\_\_\_  
\_\_\_\_\_; voted against the same: \_\_\_\_\_;  
abstained from voting thereon: \_\_\_\_\_; or were  
absent: \_\_\_\_\_.

WITNESS my hand and seal officially this \_\_\_\_\_ day of \_\_\_\_\_, 2005.

(SEAL)

\_\_\_\_\_  
City Clerk

RESOLUTION NO. \_\_

RESOLUTION RELATING TO \$1,500,000 GENERAL FUND  
OBLIGATION BONDS, SERIES 2005; AUTHORIZING THE  
ISSUANCE AND PRIVATE NEGOTIATED SALE THEREOF

BE IT RESOLVED by the City Commission (the “Commission”) of the City of Great Falls, Montana (the “City”), as follows:

Section 1. Recitals and Authorization.

1.01. Statutory Authorization. Pursuant to Montana Code Annotated, Section 7-7-4104, a municipality is authorized to issue a general obligation of the municipality not secured by its taxing power without submitting the question of incurring the indebtedness to the electors, upon the satisfaction of certain conditions: (1) the principal amount of the obligation may not exceed 10% of the general fund budget of the municipality in each of the two preceding fiscal years; (2) at the time the obligation is incurred, the debt service in the current or any future fiscal year on the obligation and any other outstanding obligation issued pursuant to this section do not exceed 2% of the revenues deposited in the general fund of the municipality in each of the two immediately preceding years; and (3) the term of the obligation does not exceed 20 years.

1.02. Compliance with Conditions. The City proposes to issue General Fund Obligation Bonds, Series 2005, in the principal amount of \$1,500,000 (the “Bonds or Notes”) for the purpose of paying the costs associated with establishing Electric City Power, the City’s participation in Southern Montana Electrical Cooperative, and obtaining financing for the City’s share of the proposed Highwood Generating Plant (the “Project”), payable over a term of 20 years. The City represents that it meets the conditions of Section 7-7-4104 as follows:

A. The principal amount of \$1,500,000 does not exceed 10% of general fund budget of the City for the immediately two preceding fiscal years, i.e., \$1,666,537 for fiscal year ending 2004 and \$1,798,235 for fiscal year ending 2005.

B. Assuming an interest rate of 6.00% and assuming substantially equal amount debt service payments over 20 years, the maximum amount of debt service on the Bonds (\$129,787) does not exceed 2% of the revenue deposited in the general fund of the municipality in each of the two immediately preceding years, i.e., \$346,827 and \$347,390, respectively.

Section 2. Declaration of Intention to Sell Bonds; Term of Bonds. Pursuant to the authority described in Section 1, this Commission hereby authorizes the issuance and sale of the Bonds of the City in the aggregate principal amount of \$1,500,000 for the purpose of paying a portion of the costs of the Project. The Bonds shall be dated as of [the date of original issue], shall be issued in one series designated Series 2005, and shall bear interest, payable semiannually January 1 and July 1 of each year commencing January 1, 2006, payable over a term not to exceed 20 years.

Section 3. Sale of Bonds; Bond Purchase Agreement. Pursuant to the Act, this Commission hereby determines that it would be in the best interests of the City to sell the Bonds at a private negotiated sale. The Mayor, City Manager and City Controller are hereby authorized to pursue negotiations with local banks [and Underwriters] to determine the most cost-effective method of issuing the Bonds or Notes. The City Manager and City Controller shall present to the Commission their recommendation for the sale of the Bonds or Notes, including the name of the Purchaser, the interest rate, and purchase price which the Bonds or Notes will be sold for on the Commission's approval, and shall be authorized to execute and deliver on behalf of the City a Bond Purchase Agreement.

Section 4. Official Statement. If the City Manager and City Controller determine that a public offering of the Bonds or Notes is desirable, the City Controller and other officers of the City, in cooperation with Dorsey & Whitney LLP as bond counsel, are hereby authorized and directed to prepare on behalf of the City an official statement to be distributed to potential purchasers of the Bonds. The Official Statement shall contain such information as shall be advisable and necessary to describe accurately the City, the security for, and the terms and conditions of, the Bonds. The City Manager and City Finance Director along with the City Attorney are authorized on behalf of the Commission to deem the Official Statement near "final" as of its date, in accordance with Rule 15c2-12(b)(1) under the Securities Exchange Act of 1934.

The form of the Bonds and the final terms and conditions thereof shall be prescribed by a subsequent resolution to be adopted by this Commission.

PASSED by the City Commission of the City of Great Falls, Montana, this \_\_\_\_\_ day of \_\_\_\_\_, 2005.

\_\_\_\_\_  
Mayor

Attest:

\_\_\_\_\_  
City Clerk