

CITY OF RUSK, TEXAS
NOTICE OF INTENTION TO ISSUE
COMBINATION TAX AND REVENUE CERTIFICATES OF OBLIGATION

NOTICE IS HEREBY GIVEN that the City Council of the City of Rusk, Texas, at its meeting to commence at 5:30 p.m. on May 13, 2021, at its regular meeting place at the Rusk Civic Center, 555 Euclid Street, Rusk, Texas, tentatively proposes to authorize the issuance of interest bearing certificates of obligation of the City, in one or more series, in an aggregate principal amount not to exceed \$2,630,000, for the purpose of paying all or a portion of the City's contractual obligations incurred in connection with constructing, installing, acquiring and equipping additions, extensions and improvements to the City's waterworks system and legal, fiscal, design and engineering fees in connection with such project. The City proposes to provide for the payment of said series (one or more) of such certificates of obligation from a pledge of ad valorem taxes levied and collected in the City as provided by law, and from a limited pledge of surplus revenues of the City's waterworks and sewer system, remaining after payment of all operation and maintenance expenses thereof, and all debt service, reserve, and other requirements in connection with all of the City's revenue bonds or other obligations (now or hereafter outstanding), which are payable from all or any part of the net revenues of the City's waterworks and sewer system.

The maximum interest rate for the certificates will not exceed the maximum legal interest rate, the maximum maturity date for the certificates is August 15, 2046, and the estimated principal and interest required to pay the certificates to be authorized on time and in full is \$3,200,988. The City currently has outstanding debt obligations secured by and payable from ad valorem taxes equal to \$5,500,000 in principal amount and \$7,115,637.50 in combined principal and interest required to pay such outstanding debt obligations on time and in full.

The certificates of obligation are to be issued, and this notice is given, under and pursuant to the provisions of Texas Local Government Code, Subchapter C of Chapter 271.

CITY OF RUSK, TEXAS