

Barbara A. Mills

Title Finance Director

EXTRACT OF MINUTES

City of Lexington, Nebraska

CITY OF LEXINGTON, NEBRASKA

A meeting of the Mayor and Council of the City of Lexington, Nebraska was convened in open and public session at 7:30 o'clock P.M. on August 27, 2002 at City Hall in Lexington, Nebraska. Present were: Mayor John Fagot; Councilmembers: Ted Cook, Rick Klamm, John Salem and Steve Tomasek

Absent were: _____
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Proof of Publication
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Councilmembe
passage and adoption:

02-16
Bond Resolution
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Sept. 27th.

of the meeting was given in
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Mayor and Council of this
nvened meeting was open to
resolution and moved its

RESOLUTION 02-16

BE IT RESOLVED by the Mayor and City Council of the City of Lexington, Nebraska:

Section 1. The following bonds, in accordance with their option provisions are hereby called for payment on September 27, 2002, after which date interest on the bonds will cease:

Combined Utilities Revenue and Refunding Bonds, 1994 Series, of the City of Lexington, Nebraska, date of original issue - March 15, 1994, in the principal amount of Two Million Eighty Thousand Dollars (\$2,080,000), numbered as shown on the books of the Paying Agent and Registrar, in denomination of \$5,000 each, becoming due and bearing interest as follows:

Principal Amount	Maturity Date	Interest Rate
\$155,000	December 15, 2002	4.50%
155,000	June 15, 2003	4.60%
160,000	December 15, 2003	4.60%
165,000	June 15, 2004	4.80%
165,000	December 15, 2004	4.80%
170,000	June 15, 2005	4.90%
175,000	December 15, 2005	4.90%
175,000	June 15, 2006	5.00%
180,000	December 15, 2006	5.00%
580,000	June 15, 2007	5.05%

Said bonds are subject to redemption at any time on or after March 15, 1999, at par and accrued interest, and said interest is payable semiannually. Said bonds were authorized by ordinance and were issued for the purpose of refunding the City's then outstanding Combined Revenue Bonds, Series 1991 B, date of original issue November 1, 1991 in the then remaining principal amount of \$3,811,293.99. Said bonds are hereinafter referred to as the "1994 Refunded Bonds."

Section 2. The following bonds, in accordance with their option provisions are hereby called for payment on September 27, 2002, after which date interest on the bonds will cease:

Combined Utilities Revenue and Refunding Bonds, 1997 Series A, of the City of Lexington, Nebraska, date of original issue - September 1, 1997, in the principal amount of One Million Five Hundred Eighty Thousand Dollars (\$1,580,000), numbered as shown on the books of the Paying Agent and Registrar, in denomination of \$5,000 each, becoming due and bearing interest as follows:

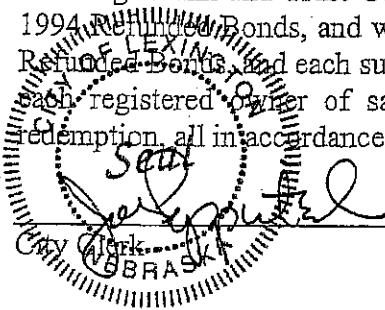
Principal Amount	Maturity Date	Interest Rate
\$200,000	September 1, 2003	4.55%
210,000	September 1, 2004	4.70%
225,000	September 1, 2005	4.80%
235,000	September 1, 2006	4.85%
240,000	September 1, 2007	4.90%
470,000	September 1, 2008	5.00%

Said bonds are subject to redemption at any time on or after September 1, 2002, at par and accrued interest, and said interest is payable semiannually. Said bonds were authorized by ordinance and were issued for the purpose of paying and redeeming the City's outstanding Junior Lien Combined Utilities Revenue Bond, dated December 27, 1996, in the principal amount of \$828,500 and for the purpose of providing for payment

of certain outstanding note indebtedness incurred to pay the costs of certain utility improvements and extensions. Said bonds are hereinafter referred to as the "1997 Refunded Bonds."

Section 3. Said 1994 Refunded Bonds are to be paid off at the office of Minden Exchange Bank and Trust Company, in Minden, Nebraska, as successor paying agent and registrar (previously, Lexington State Bank and Trust Company, Lexington, Nebraska). Said 1997 Refunded Bonds are to be paid off at the office of the City Treasurer of the City of Lexington, in Lexington, Nebraska.

Section 4. A true copy of this resolution shall be filed immediately with Minden Exchange Bank and Trust Company, Minden, Nebraska, as Paying Agent and Registrar for the 1994 Refunded Bonds, and with the City Treasurer, as Paying Agent and Registrar for the 1997 Refunded Bonds, and each such Paying Agent and Registrar is hereby instructed to mail notice to each registered owner of said bonds not less than thirty days prior to the date fixed for redemption, all in accordance with the ordinances authorizing said called bonds.

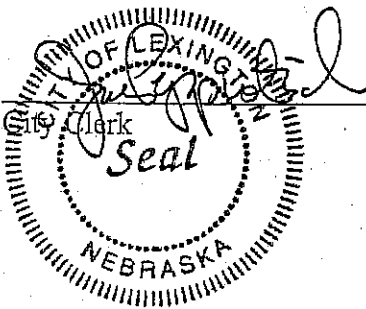


John H. Fagot
Mayor

Councilmember Tomasek seconded the motion for adoption of said resolution, and upon roll call vote the following voted AYE: Cook, Salem, Tomasek, Klamm and Fagot;

NAY: None

The passage of said resolution having been consented to by more than a majority, the Mayor declared the resolution duly passed and adopted.



John H. Fagot
Mayor