

RESOLUTION AND ORDER NO. 2016-072

A RESOLUTION AND ORDER AUTHORIZING THE ISSUANCE OF A GENERAL OBLIGATION TAXABLE WARRANT, SERIES 2016-A, TO BE DATED THE DATE OF DELIVERY, TO FIRST COMMUNITY BANK

BE IT RESOLVED AND ORDERED BY THE COUNTY COMMISSION (the "Commission") OF BALDWIN COUNTY, ALABAMA (the "County") as follows:

Section 1. Findings and Representations.

The County, by and through its Commission, does hereby find and determine, represent and warrant as follows:

(a) The Commission has found and determined that it is in the best public interest of the County to purchase and develop certain real property to be known as the "Live Oak Landing Campground" (the "Series 2016-A Improvements");

(b) the Commission has further found and determined that it is in the best financial interest of the County to issue and sell its \$600,000 General Obligation Taxable Warrant, Series 2016-A, to be dated the date of delivery (the "Warrant"), to First Community Bank (the "Bank") in order to finance the Series 2016-A Improvements.

(c) The assessed valuation of the taxable property in the County for the preceding fiscal year (ending September 30, 2015) is not less than \$3,778,576,700. The total indebtedness of the County following the issuance of the Warrant chargeable against the debt limitation for the County prescribed by the Constitution of Alabama of 1901, as amended, will not be more than five percent thereof.

Section 2. Authorization and Description of Warrant; Payments of Warrant.

(a) The County is hereby authorized to deliver the Warrant to the Bank. The Warrant shall (1) be dated the date of delivery, (2) bear interest at a fixed per annum rate of interest equal to 1.72%, (3) be payable in equal semi-annual payments of principal and interest as set forth in the amortization schedule attached to the Warrant, (4) be subject to redemption prior to maturity at any time at the option of the County and (5) be registered and transferred as provided in the form of the Warrant in Section 3 hereafter.

(b) The principal of and interest on the Warrant shall be payable in lawful money of the United States of America, at the designated office of the registered owner thereof at par and without discount, exchange or deduction or charge therefor.

Section 3. Form of Warrant.

(a) The Warrant shall be in substantially the following form:

THIS WARRANT IS A RESTRICTED SECURITY WITHIN THE MEANING OF SECURITIES AND EXCHANGE COMMISSION ("SEC") RULE 144(a)(3) UNDER THE SECURITIES ACT OF 1933 ("1933 ACT") AND ANY SALE OR TRANSFER OF THIS WARRANT MUST BE MADE IN COMPLIANCE WITH THE CONDITIONS OF SEC RULE 144 OR RULE 144A UNDER THE 1933 ACT OR IN COMPLIANCE WITH ANOTHER EXEMPTION FROM REGISTRATION UNDER THE 1933 ACT.

UNITED STATES OF AMERICA
STATE OF ALABAMA
BALDWIN COUNTY
GENERAL OBLIGATION TAXABLE WARRANT
SERIES 2016-A

May __, 2016

No. R-1

\$600,000

BALDWIN COUNTY, a political subdivision organized and existing under and by virtue of the laws of the State of Alabama (herein called the "County"), for value received, hereby acknowledges itself indebted to and does hereby order and direct the County Administrator of the County to pay, solely out of the special warrant fund hereinafter described, to First Community Bank, and its successors and assigns (the "Payee"), the principal sum of

SIX HUNDRED THOUSAND DOLLARS (\$600,000)

and to pay solely from said warrant fund interest on the unpaid balance of said principal amount from the date hereof until payment in full, at a fixed per annum rate of interest (computed on the basis of the actual number of days elapsed over a 360-day year) equal to 1.72%, said principal and interest being payable in equal semiannual payments on June 1 and December 1 in each year, first payable on December 1, 2016, as set forth on the payment schedule attached hereto as Exhibit A and incorporated herein by reference. On June 1, 2021, the entire outstanding principal balance of this Warrant plus all accrued but unpaid interest hereon shall be due and payable. Payment of the principal hereof and interest hereon shall be made at the office of the Payee, or at such other place as shall be designated to the County in writing by the Payee, provided that the final payment of principal of and interest on this Warrant shall be made only upon presentation and surrender of this Warrant to the County for cancellation.

The County may, on any date, pay in advance the entire unpaid principal balance of this Warrant or any lesser portion or portions thereof by paying to the Payee the principal amount to be prepaid, plus interest accrued on such principal amount to the date of such prepayment, without premium or penalty. Written notice of the call for prepayment of all or part of this Warrant by the County shall be given to the Payee not less than five days prior to the date fixed for prepayment.

This Warrant is issued pursuant to the Constitution and laws of the State of Alabama, including Section 11-28-1 et seq. of the ALA. CODE (1975), as amended, and a resolution and proceedings of the governing body of the County duly passed, held and conducted on April 19, 2016 (the "Authorizing Proceedings").

The indebtedness evidenced and ordered paid by this Warrant is a general obligation of the County and the full faith and credit of the County are pledged to the payment of the principal and interest hereon.

The County established a special fund in the Authorizing Proceedings designated as the "Series 2016-A General Obligation Taxable Warrant Fund" for the payment of the principal of and interest on this Warrant, and has obligated itself to pay or cause to be paid into said Fund from the taxes and revenues of the County sums sufficient to provide for the payment of the principal of and interest on this Warrant as the same matures and comes due.

This Warrant is recorded and registered as to principal and interest in the name of the owner on the book of registration maintained for that purpose by the County. The person in whose name this Warrant is registered shall be deemed and regarded as the absolute owner hereof for all purposes and payment of the principal of and interest on this Warrant shall be made only to or upon the order of the registered owner hereof or its legal representative, and neither the County nor any agent of the County shall be affected by any notice to the contrary. Payment of principal of and interest on this Warrant shall be valid and effectual to satisfy and discharge the liability of the County upon this Warrant to the extent of the amounts so paid.

This Warrant may be transferred only upon written request of the registered owner or its legal representative addressed to the County, such transfer to be recorded on said book of registration and endorsed hereon by the County. Upon presentation to the County for transfer, this Warrant must be accompanied by a written instrument or instruments of transfer satisfactory to the County, duly executed by the registered owner or its attorney duly authorized in writing, and the County shall endorse on the schedule attached hereto for such purpose the principal amount of this Warrant unpaid and the interest accrued hereon to the date of transfer. No charge shall be made for the privilege of transfer, but the registered owner of this Warrant requesting any such transfer shall pay any tax or other governmental charge required to be paid with respect thereto.

It is hereby recited, certified and declared that the indebtedness evidenced and ordered paid by this Warrant is lawfully due without condition, abatement or offset of any description and that all acts, conditions and things required by the Constitution and laws of the State of Alabama to happen, exist and be performed precedent to and in the execution, registration and issuance of this Warrant and the adoption of the Authorizing Proceedings have happened, do exist and have been performed in time, form and manner as so required.

IN WITNESS WHEREOF, the County, acting by and through its governing body, has caused this Warrant to be executed in its name and on its behalf by its Chairman and its county seal to be hereunto affixed and attested by its County Administrator, and has caused this Warrant to be dated May __, 2016.

BALDWIN COUNTY

COUNTY SEAL

By _____
Its Chairman

Attest: _____
County Administrator

REGISTRATION CERTIFICATE

I hereby certify that this Warrant has been duly registered by me as a claim against Baldwin County and the Warrant Fund referred to herein.

County Administrator of Baldwin County

REGISTRATION OF OWNERSHIP

This Warrant is recorded and registered on the registry books of Baldwin County in the name of the last owner named below. The principal of and interest on this Warrant shall be payable only to or upon the order of such registered owner.

<u>Date of Registration</u>	<u>In Whose Name Registered</u>	<u>Signature of Authorized Officer of County</u>
May , 2016	First Community Bank	_____, County Administrator
_____	_____	_____
_____	_____	_____

ENDORSEMENT BY COUNTY OF UNPAID PRINCIPAL
AND ACCRUED INTEREST ON DATE OF TRANSFER

<u>Date of Transfer</u>	<u>Principal Unpaid</u>	<u>Accrued Interest on Date of Transfer</u>	<u>Signature of Authorized Officer of County</u>
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

Exhibit A

Amortization Schedule

Payment #	Due	Payment Amount	Principal	Interest
1	1-Dec-16	\$62,874.45	\$57,714.45	\$5,160.00
2	1-Jun-17	\$62,874.45	\$58,210.79	\$4,663.66
3	1-Dec-17	\$62,874.45	\$58,711.41	\$4,163.04
4	1-Jun-18	\$62,874.45	\$59,216.33	\$3,658.12
5	1-Dec-18	\$62,874.45	\$59,725.59	\$3,148.86
6	1-Jun-19	\$62,874.45	\$60,239.23	\$2,635.22
7	1-Dec-19	\$62,874.45	\$60,757.28	\$2,117.17
8	1-Jun-20	\$62,874.45	\$61,279.80	\$1,594.65
9	1-Dec-20	\$62,874.45	\$61,806.80	\$1,067.65
10	1-Jun-21	\$62,874.43	\$62,338.32	\$536.11
Totals		\$628,744.48	\$600,000	\$28,744.48

Section 4. Execution of the Warrant.

The Warrant shall be manually executed in the name and on behalf of the County by the Chairman and shall be manually attested by the County Administrator of the County, and the official seal of the County shall be manually imprinted thereon. The Registration Certificate shall be manually executed by the County Administrator. The Registration of Ownership of the Warrant shall be manually executed by the County Administrator of the County who shall make the endorsements provided at the time of any transfer. Said officers are hereby directed to so manually execute, attest and register the Warrant and to make the appropriate endorsements and notations, if any, thereon.

Section 5. General Obligation; Warrant Fund.

(a) The Warrant and the interest thereon shall constitute a general obligation debt of the County. The Warrant is an obligation of the County to which the full faith and credit of the County is pledged.

(b) To secure the payment of the principal of and interest on the Warrant and to secure for the benefit of the registered owner of the Warrant the faithful performance of all of the covenants and provisions contained herein, in the manner and to the extent so provided, the County (1) does hereby pledge unto the registered owner of the Warrant and its registered assigns the full faith and credit of the County, (2) does hereby create and establish a special fund designated the "Series 2016-A General Obligation Taxable Warrant Fund" (the "Warrant Fund"), which shall be held by the Bank as custodian and paying agent of the Warrant, and will make the payments required to be made into the Warrant Fund established under this Authorizing Resolution, with the understanding that the interest payments shall be based on the new interest rate established herein, and (3) does hereby covenant and agree to pay or cause to be paid into the Warrant Fund a sufficient amount of the revenues and taxes of the County to pay the principal of and interest on the Warrant.

(c) The County further covenants and agrees to collect or cause to be collected all taxes and revenues when due and to apply the same as provided in this Resolution.

Section 6. Expenses of Collection; Interest After Maturity.

The County covenants and agrees that, if the principal of and interest on the Warrant are not paid promptly as such principal and interest matures and comes due, it will pay to the registered owner of the Warrant or its registered assignees all expenses incident to the collection of any unpaid portion thereof, including a reasonable attorney's fee. If any amount of principal of and, to the extent legally enforceable, interest on, this Warrant shall not be paid when due, such amount shall bear interest at the same rate as the rate on the Warrant from the scheduled date of payment to the date such payment thereof is made.

Section 7. No Federal Tax Exemption for Interest or "Bank-Qualified" Designation

The interest received by the registered owner of the Warrant is includable as gross income for federal income taxation purposes under the Internal Revenue Code of 1986, as amended (the "Code"). The Warrant is not federally "tax-exempt" and will not be designated as "bank-qualified" under Section 265 of the Code.

Section 8. Delivery of Warrant; Use of Proceeds

(a) The Chairman and the County Administrator, or either of them, are hereby authorized and directed to effect delivery of the Warrant to the Bank. The Chairman and the County Administrator, or either of them, are hereby further authorized and directed to execute and deliver such closing papers containing such representations as are required to demonstrate the legality and validity of the Warrant and the absence of pending or threatened litigation with respect thereto. The Chairman and the County Administrator are hereby authorized and directed to execute such other agreements as may reasonably be requested.

(b) Of the \$600,000 proceeds of the Warrant, the County will pay the Bank a \$6,000 origination fee and Jones Walker LLP a fee of \$5,000 as bond counsel. The remainder shall be applied by the County to the acquisition, construction and equipment of the Series 2016-A Improvements.

Section 9. Events of Default

The County agrees that its failure to pay the principal of or interest on the Warrant on any date on which any installment of principal of or interest on the Warrant shall become due and payable shall be an event of default with respect to the Warrant whereupon the registered owner of the Warrant may exercise all remedies available at law or in equity consequent thereupon.

Section 10. Severability.

The provisions of this Resolution are severable. In the event that any one or more of such provisions or the provisions of the Warrant shall, for any reason, be held illegal or invalid, such illegality or invalidity shall not affect the other provisions of this Resolution or of the Warrant, and this Resolution and the Warrant shall be construed and enforced as if such illegal or invalid provision had not been contained herein or therein.

Section 11. Repeal of Conflicting Provisions.

All resolutions, proceedings and orders or parts thereof in conflict with this Resolution are, to the extent of such conflict, hereby repealed.

Section 12. Provisions of Resolution a Contract.

The terms, provisions and conditions set forth in this Resolution constitute a contract between the County and the registered owner of the Warrant and shall remain in effect until the principal of and interest on the Warrant shall have been paid in full.

Section 13. Approval of County Government Bond Financing Review Form.

The County Government Bond Financing Review Form in substantially the form and of substantially the content as that which is presented to and considered by the Commission, is hereby authorized, approved and adopted. The Chairman and the County Administrator are hereby authorized and directed to complete, execute and deliver such form as required by the terms thereof and to provide therein such answers and responses as are consistent with this resolution and order.

After said resolution and order had been discussed and considered in full by the Commission, it was moved by Commissioner Burt that said resolution and order be now adopted. The motion was seconded by Commissioner Gruber. The question being put as to the adoption of said motion and the passage and adoption of said resolution and order, the roll was called with the following results:

Ayes: J. Tucker Dorsey, Chairman
Chris Elliott, Vice-Chairman
Charles F. Gruber
Frank Burt, Jr.

Nays: None

The Chairman thereupon declared said motion carried and the resolution and order passed and adopted as introduced and read.


Adopted this 19th day of April, 2016.



Chairman



Vice-Chairman



Member



Member



Authenticated and Attested:



County Administrator

STATE OF ALABAMA
BALDWIN COUNTY

CERTIFICATE OF CHAIRMAN

I, the undersigned, do hereby certify that I am the duly elected, qualified and acting Chairman of the Baldwin County Commission. I do further certify that as Chairman of the Baldwin County Commission I have access to all original records of the County and I am duly authorized to make certified copies of its records on its behalf, the above and foregoing pages constitute a complete, verbatim and compared copy of excerpts from the minutes of a regular meeting of the Baldwin County Commission duly held on the 19th day of April, 2016, the original of which is on file and of record in the minute book of the Baldwin County Commission in my custody, the resolution and order set forth in such excerpts is a complete, verbatim and compared copy of such resolution and order as introduced and adopted by the County Commission on such date, and said resolution and order is in full force and effect and has not been repealed, amended or changed.

IN WITNESS WHEREOF, I have hereunto set my hand as Chairman of the Baldwin County Commission this 19th day of April, 2016.



Chairman