

RESOLUTION NO. 168

A RESOLUTION PROVIDING FOR THE NEGOTIATED AND PRIVATE SALE OF THE SEWER SYSTEM REVENUE BOND ANTICIPATION NOTES, SERIES 1997, OF THE CITY OF PARKER, FLORIDA, IN AN AMOUNT NOT TO EXCEED \$230,000; PROVIDING FOR THE PAYMENT THEREOF AND ENTERING INTO CERTAIN COVENANTS AND AGREEMENTS WITH THE HOLDER THEREOF; FINDING THE NECESSITY OF A NEGOTIATED SALE; APPROVING THE SALE OF SAID NOTES TO PEOPLES FIRST COMMUNITY BANK; PROVIDING CERTAIN OTHER MATTERS IN CONNECTION THEREWITH; AND PROVIDING AN EFFECTIVE DATE.

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF PARKER, FLORIDA, as follows:

SECTION 1. AUTHORITY FOR RESOLUTION. This Resolution is adopted pursuant to the provisions of the Constitution of Florida, the Charter of the City of Parker, Florida, as amended, Chapter 166, Part II, and Section 215.431, Florida Statutes, a resolution of the City of Parker, Florida (the "Issuer"), adopted May 6, 1997 and other applicable provisions of law.

SECTION 2. FINDINGS. It is hereby ascertained, determined and declared that:

A. On December 3, 1996, the Issuer enacted Ordinance No. 96-225 as amended and supplemented, authorizing the issuance of not exceeding \$230,000 principal amount of Sewer System Revenue Bonds (the "Bonds") and Bond Anticipation Notes for the purpose of financing the cost of construction of improvements to the sewer system of the City of Parker (the "Project").

B. The Bonds appertaining thereto will be payable solely from and secured by a lien on the Net Revenues derived from the operation of the Sewer System.

C. On May 6, 1997, the Issuer adopted a resolution (the "Note Resolution") authorizing the issuance of not exceeding \$230,000 City of Parker, Florida, Sewer System Revenue Bond Anticipation Notes, Series 1997 (the "Notes").

D. It is necessary and urgent that funds be made immediately available in order to provide money for the commencement of said project at this time. The Issuer must, therefore, anticipate the receipt by it of the proceeds to be derived from the sale of the Bonds, and the Issuer has determined it to be in the best interest of the Issuer and its residents and inhabitants that the Notes be issued pursuant to the Note Resolution in anticipation of the receipt by the Issuer of the proceeds from the sale of the Bonds.

The principal of and interest on the Notes will be secured solely as provided in the Note Resolution.

E. It is hereby found and determined that the Notes to be issued by the Issuer are in a relatively small principal amount, and, therefore, a public sale of the Notes is impractical and uneconomical in the prevailing bond market. Protection of the public interest necessitates the approval of a negotiated sale of the Notes directly to the purchaser hereafter named.

F. The Issuer has been provided all disclosure information required by Section 218.385, Florida Statutes, a copy of which is attached hereto as Exhibit A.

G. The Issuer has received a commitment to purchase said Notes from Peoples First Community Bank.

SECTION 3. RESOLUTION TO CONSTITUTE CONTRACT. In consideration of the purchaser's acceptance of the Notes authorized to be issued pursuant to the Note Resolution, this Resolution shall be deemed to be and shall constitute a contract between the Issuer and such purchaser and its assigns.

SECTION 4. TERMS OF NOTE. The Note shall be issued as one fully registered Note in the principal amount of not to exceed \$230,000, shall be dated as of the date of its delivery to the purchaser thereof and shall mature eighteen months from its date. The Note shall be redeemable in whole at any time prior to maturity at the option of the Issuer without penalty. The Note shall be payable to Peoples First Community Bank, and shall bear interest at the rate of 4.96% per annum, subject to adjustment as set forth in the Note. Interest shall be payable only on the principal amount of the Note outstanding from time to time. Said principal and interest shall be payable at maturity or upon redemption, whichever occurs first. On the date of the issuance of the Note, the Issuer shall receive such sum as shall be requested by the officers of the Issuer executing the Note. The purchaser has agreed to advance the remaining principal amount of the Note as needed by the Issuer. At no time shall the aggregate principal amount of the Note outstanding together with interest thereon exceed \$230,000.

SECTION 5. SALE OF NOTE. The Note is hereby sold and awarded to Peoples First Community Bank, at the price of par and the Mayor and the City Clerk are hereby authorized to execute and deliver the Note in the form set forth in the Note Resolution, receive the purchase price therefor and apply the proceeds thereof as hereinafter provided, without further authority from this body. The Mayor and the City Clerk are authorized to make any and all changes on the form of the Note which shall be necessary to conform the same to the commitment of Peoples First Community Bank. Execution of the Note by the Mayor and City Clerk shall be conclusive evidence of

their approval of the form of the Note. The Note shall be payable solely as provided in the Note Resolution.

SECTION 6. REGISTRAR AND PAYING AGENT. The City Clerk shall serve as Registrar and Paying Agent under the Note Resolution.

SECTION 7. NOTE NOT GENERAL INDEBTEDNESS. The Note shall not be or constitute a general obligation of the Issuer within the meaning of any constitutional, statutory or other limitation of indebtedness, but shall be payable solely as provided in the Note Resolution. No holder of the Note shall ever have the right to compel the exercise of the ad valorem taxing power of the Issuer or taxation in any form of any real property therein to pay the Note or the interest due thereon.

SECTION 8. BANK QUALIFIED. The Issuer designates the Note as a "qualified tax-exempt obligation" within the meaning of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended (the "Code"). The Issuer and any subordinate entities of the Issuer and any issuer of "tax-exempt" debt that issues "on behalf of" the Issuer do not reasonably expect during calendar year 1997 to issue more than \$10,000,000 of "tax-exempt" obligations, exclusive of any private activity bonds, as defined in Section 141(a) of the Code.

SECTION 9. NON-REBATE PROVISIONS. In accordance with the Code, the Issuer represents and covenants that it is a governmental unit with general taxing powers; that the Note is not a private activity bond as defined in Section 141(a) of the Code; that 95% or more of the net proceeds of the Note (i.e., the face amount of the Note), are to be used for the local governmental activities of the Issuer and that the aggregate face amount of all obligations of the Issuer (including all subordinate entities of the Issuer and entities, if any, which issue bonds on behalf of the Issuer), the interest on which is not includable in federal gross income (other than private activity bonds as defined in Section 141(a) of the Code), issued during the calendar year 1997 will not exceed \$5,000,000.

SECTION 10. SEVERABILITY. If any one or more of the covenants, agreements or provisions of this Resolution should be held contrary to any express provision of law or contrary to the policy of express law, though not expressly prohibited, or against public policy, or shall for any reasons whatsoever be held invalid, then such covenants, agreements or provisions shall be null and void and shall be deemed separable from the remaining covenants, agreements or provisions, and in no way affect the validity of all the other provisions of this Resolution or of the Note.

SECTION 11. EFFECTIVE DATE. This Resolution shall take effect immediately upon its adoption.

PASSED by the City Council of the City of Parker, Florida,
this 6th day of May, 1997.



(SEAL)

ATTEST:

CITY COUNCIL OF THE CITY OF PARKER,
FLORIDA

By: Brenda L. Hendrix
Mayor

D. A. Hinger
City Clerk

Approved as to form and
correctness:

T. Stogell
City Attorney of the City
of Parker, Florida

EXHIBIT A

NOT TO EXCEED \$230,000
CITY OF PARKER, FLORIDA
SEWER SYSTEM REVENUE BOND ANTICIPATION NOTES
SERIES 1997

DISCLOSURE STATEMENT

City of Parker
Parker, Florida ✓

Ladies and Gentlemen:

In connection with the proposed issuance by the City of Parker, Florida (the "Issuer") of \$230,000 principal amount of the issue of bond anticipation notes referred to above (the "Notes"), Peoples First Community Bank (the "Bank"), has agreed to purchase the Notes.

The purpose of this letter is to furnish, pursuant to the provisions of Section 218.385(6) and (2), Florida Statutes, as amended, certain information in respect to the arrangement contemplated for the underwriting of the Notes as follows:

(a) The nature and estimated amount of expenses to be incurred by the Bank and paid by the Bank in connection with the purchase and reoffering of the Notes are set forth on Schedule I attached hereto.

(b) No person has entered into an understanding with the Bank, or to the knowledge of the Bank, with the Issuer for any paid or promised compensation or valuable consideration, directly or indirectly, expressly or implied, to act solely as an intermediary between the Issuer and the Bank or to exercise or attempt to exercise any influence to effect any transaction in the purchase of the Notes.

(c) The amount of underwriting spread, including the management fee, expected to be realized is as follows:

NONE

(d) No other fee, bonus or other compensation is estimated to be paid by the Bank in connection with the issuance of the Notes to any person not regularly employed or retained by the Bank (including any "finder", as defined in Section 218.386(1)(a), Florida

Statutes, as amended), except as specifically enumerated as expenses to be incurred and paid by the Bank, as set forth in Schedule I attached hereto.

(e) The name and address of the Bank are set forth below:

Peoples First Community Bank
2305 Highway 77
Panama City, Florida 32405

(f) The City of Parker is proposing to issue the Notes for the purpose of providing funds which, together with other available funds of the City of Parker will be used to construct improvements to the sewer system of the City, and to pay certain costs of issuance of the Notes. The Notes are expected to be repaid eighteen months from the date of issue. At a fixed interest rate of 4.96% total interest paid on the Notes will be not more than \$ 17,112.00

(g) The source of repayment or security for the Notes is the proceeds to be derived from long-term financing of the City and the Net Revenues of the Sewer System. Assuming the issuance of such interim financing, the issuance of the Notes should not result in any Net Revenues not being available to finance the other services of the City of Parker in 1997.

We understand that you do not require any further disclosure from the Bank, pursuant to Section 218.385(6) and (2), Florida Statutes, as amended.

Very truly yours,

By: 

Kristian B. Chapman
Commercial Loan Officer

SCHEDULE I

ESTIMATED BANK'S FEE AND ISSUANCE EXPENSES

Bank Counsel

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