



**II. FISCAL IMPACT ANALYSIS**

**A. Five Year Summary of Fiscal Impact:**

Fiscal Years	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
Capital Expenditures	_____	_____	_____	_____	_____
Operating Costs	_____	_____	_____	_____	_____
Debt Service Costs	_____	_____	_____	_____	_____
External Revenues	_____	_____	_____	_____	_____
Program Income (County)	_____	_____	_____	_____	_____
In-Kind Match (County)	_____	_____	_____	_____	_____
<b>NET FISCAL IMPACT</b>	_____	_____	_____	_____	_____
<b>No. ADDITIONAL FTE POSITIONS (Cumulative)</b>	_____	_____	_____	_____	_____

Is Item Included In Current Budget? Yes \_\_\_\_\_ No \_\_\_\_\_  
 Budget Account No.: Fund \_\_\_\_\_ Department \_\_\_\_\_ Unit \_\_\_\_\_  
 Object \_\_\_\_\_ Reporting Category \_\_\_\_\_

**B. Recommended Sources of Funds/Summary of Fiscal Impact:**

The County expects to issue non-ad valorem revenue bonds in February, 2008 to finance this project. The principal and accrued interest for this bond anticipation note will be paid from the proceeds of the bond issue.

**C. Departmental Fiscal Review:**

**III. REVIEW COMMENTS**

**A. OFMB Fiscal and/or Contract Dev. and Control Comments:**

John A. Long 8/28/07 N/A  
 OFMB Contract Dev. and Control

**B. Legal Sufficiency:**

Paul F. J. 8/29/07  
 Assistant County Attorney

**C. Other Department Review:**

\_\_\_\_\_  
 Department Director

RESOLUTION NO. R-2007-\_\_\_\_\_

RESOLUTION OF THE BOARD OF COUNTY COMMISSIONERS OF PALM BEACH COUNTY, FLORIDA, (THE "BOARD"), AUTHORIZING THE ISSUANCE OF A PUBLIC IMPROVEMENT REVENUE BOND ANTICIPATION NOTE, SERIES 2007, IN THE PRINCIPAL AMOUNT OF NOT EXCEEDING TWENTY MILLION ONE HUNDRED THOUSAND DOLLARS (\$20,100,000), IN ANTICIPATION OF THE ISSUANCE OF NOT EXCEEDING ONE HUNDRED SEVENTY MILLION DOLLARS (\$170,000,000) PALM BEACH COUNTY, FLORIDA PUBLIC IMPROVEMENT REVENUE BONDS, HERETOFORE AUTHORIZED BY RESOLUTION NO. R-2007-1228 OF THE BOARD ADOPTED JULY 24, 2007, FOR THE PURPOSE OF EXPEDITING THE FINANCING OF THE COSTS OF ACQUISITION, RENOVATION, CONSTRUCTION AND EQUIPPING OF CRIMINAL JUSTICE AND PUBLIC IMPROVEMENT FACILITIES AND ALL OTHER COSTS NECESSARY OR INCIDENTAL THERETO; APPROVING THE FORM OF AND AUTHORIZING THE EXECUTION AND DELIVERY OF A LOAN AGREEMENT PROVIDING FOR THE TERMS AND PAYMENT OF SUCH BOND ANTICIPATION NOTE; PROVIDING FOR THE RIGHTS, SECURITY AND REMEDIES OF THE HOLDER THEREOF; MAKING CERTAIN COVENANTS AND AGREEMENTS THEREWITH; AUTHORIZING THE NEGOTIATED SALE OF THE BOND ANTICIPATION NOTE PURSUANT TO A LOAN AGREEMENT WITH THE SUCCESSFUL BIDDER; AUTHORIZING THE PROPER OFFICIALS OF PALM BEACH COUNTY TO DO ALL OTHER THINGS DEEMED NECESSARY OR ADVISABLE IN CONNECTION WITH THE ISSUANCE OF SUCH BOND ANTICIPATION NOTE; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, Palm Beach County, Florida, a political subdivision of the State of Florida (the "County"), is authorized by Chapters 125 and 166 of the Florida Statutes and other applicable provisions of law to incur indebtedness of the County for the purpose of financing the costs of acquisition, renovation, construction and equipping of criminal justice and public improvement facilities and all other costs necessary or incidental thereto (herein

referred to as the "Project" and more fully described in Exhibit A to Resolution No. R-2007-1228, Adopted July 24, 2007); and

**WHEREAS**, the Board of County Commissioners of Palm Beach County, Florida (the "Board") authorized the issuance of not exceeding \$170,000,000 Palm Beach County Public Revenue Bonds to finance the Project as described in Resolution No. R-2007-1228, Adopted by the Board on July 24, 2007 (by this reference incorporated herein, the "Bond Resolution"); and

**WHEREAS**, the Board hereby finds it necessary and in the best interest of the County to authorize the issuance of a Palm Beach County Public Improvement Revenue Bond Anticipation Note, Series 2007 (the "Note"), not exceeding in initial aggregate principal amount \$20,100,000, to be issued in one or more series for the purpose of expediting the financing of certain aspects of the Project; and

**WHEREAS**, County Officials have heretofore solicited and received bids from banks for the purchase of the Note as shown in Exhibit A hereto; and

**WHEREAS**, pursuant to Section 215.431 of the Florida Statutes, the Bond Resolution specifically authorizes the Note to expedite the financing of certain aspects of the Project in anticipation of the issuance of bonds authorized by the Bond Resolution and the amount to be borrowed is within the authorized maximum amount of the Bonds authorized by the Bond Resolution, and the Note or any renewals thereof shall mature and be paid within the period prescribed by Section 215.431, Florida Statutes; and

**WHEREAS**, County Resolution R-90-938, as amended adopted June 26, 1990, provides that before the County shall issue any indebtedness payable from Non-Ad Valorem Revenues, the County must demonstrate that after the proposed issuance of such

indebtedness, it shall meet the requirements set forth in Article III, Section 11(d) of the said Resolution R-90-938; and

**WHEREAS**, the Bond Anticipation Note authorized under this Resolution will meet the test provided under the said Resolution R-90-938.

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF PALM BEACH COUNTY, FLORIDA, that:**

**SECTION 1. DEFINITIONS.** Unless the context indicates otherwise, all capitalized terms not defined in this Resolution shall have the same meanings given to them in the Bond Resolution.

**SECTION 2. AUTHORITY FOR THIS RESOLUTION.** This Resolution is adopted pursuant to the Act.

**SECTION 3. AUTHORIZATION OF THE NOTE.** For the purpose of expediting the financing of certain aspects of the Project, the County hereby authorizes the issuance and negotiated sale of the Note in an aggregate principal amount not to exceed \$20,100,000. The Note shall bear interest as determined in Section 13 hereof payable only on the earlier of: (i) maturity or (ii) optimal redemption. The Note shall mature on October 1, 2008. The Note shall be subject to optional prepayment in whole or in part at any time on seven (7) calendar days' notice at price equal to the principal amount being redeemed plus accrued interest to the date of redemption.

**SECTION 4. EXECUTION OF THE NOTE.** The Note shall be executed in the manner provided for Bonds in the Bond Resolution.

**SECTION 5. DESCRIPTION OF THE NOTE.** The Note shall be in substantially the form attached hereto as Exhibit B, with such omissions, insertions and variations as may be necessary and desirable.

**SECTION 6. TAX COVENANT.** In order to maintain the exclusion from gross income for the purposes of Federal income taxation of interest on the Note, the County shall comply with each requirement of the Internal Revenue Code (the "Code") necessary to maintain the exclusion of interest on the Note from gross income for Federal income tax purposes. In furtherance of the covenant contained in the preceding sentence, the County agrees to comply continually with the provisions of the Tax Certificate to be executed by the County at the time the Note is issued as such certificate may be amended from time to time, as a source of guidance for achieving compliance with the Code (herein referred to as the "Tax Certificate").

The County shall make any and all payments required to be made to the United States Department of the Treasury in connection with the Note pursuant to Section 148(f) of the Code from amounts on deposit in the funds and accounts established under the Bond Resolution and available therefor.

Notwithstanding any other provision of this Resolution to the contrary, so long as necessary in order to maintain the exclusion from gross income of interest on the Note for Federal income tax purposes, the covenants contained in this Section shall survive the payment of the Note and the interest thereon, including any payment or defeasance thereof.

The County shall not use or permit the use of any of the proceeds of the Note, or any other funds of the County, directly or indirectly, to acquire any securities, obligations or

other investment property, and shall not take or permit to be taken any other action or actions, which would cause the Note to be an "arbitrage bond" as defined in Section 148 of the Code.

**SECTION 7. PLEDGED REVENUES.** The payment of principal and interest on the Note shall be secured by a first lien upon and pledge of the proceeds derived from the sale of the Bonds and the first proceeds of any notes issued for the purpose of renewing the Note pursuant to Sections 9 and 11 hereof. The payment of principal of and interest on the Note is further payable from and secured by a lien upon and pledge of "Pledged Revenues," consisting of: (a) the moneys budgeted and appropriated by the County, and deposited into the Sinking Fund or any other Fund established under the Bond Resolution, from Non-Ad Valorem Revenues pursuant to the County's covenant in the Bond Resolution to budget and appropriate Non-Ad Valorem Revenues; (b) any, all or any combination of, the fees, charges, income and revenues received by the County from any source of Non-Ad Valorem Revenues and lawfully available to the County for payment of principal of and interest on the Note, including revenues from the Infrastructure Surtax (if enacted), by which the County may, subject to prior receipt of an Opinion of Bond Counsel or the County Attorney that such source of moneys are legally available to be pledged as security for the Note, elect by subsequent proceedings of the Governing Body to secure the payment of the principal of, redemption premium, if any and interest on the Note; (c) any proceeds of the Note originally deposited with the County and all moneys deposited and held from time to time by the County in the funds and accounts established under the Bond Resolution in each case until applied in accordance with this Resolution or the Bond Resolution; (d) investment income received by the County in the funds and accounts

established under the Bond Resolution; and (e) any other moneys received by the Paying Agent in connection with repayment of the Note.

**SECTION 8. NOTE IS A REVENUE OBLIGATION.** THE NOTE IS A REVENUE OBLIGATION OF THE COUNTY PAYABLE SOLELY IN THE MANNER AND TO THE EXTENT SET FORTH IN THIS RESOLUTION. THE NOTE SHALL NOT BE OR CONSTITUTE A GENERAL OBLIGATION OF THE COUNTY WITHIN THE MEANING OF THE CONSTITUTION OF THE STATE OF FLORIDA. NO NOTE HOLDER SHALL EVER HAVE A LIEN ON ANY PROPERTY OF THE COUNTY OR THE PROJECT OTHER THAN THE PLEDGED REVENUES.

**SECTION 9. COVENANT TO RETIRE NOTE USING FIRST PROCEEDS OF BONDS.** The County does hereby further covenant and agree that it will pay and retire all the principal of and interest on the Note from the first proceeds of the Bonds (exclusive of accrued interest on such Bonds) when the same have been sold and delivered to the extent that such principal and interest have not been paid from any other moneys of the County which are lawfully used for such purposes.

**SECTION 10. USE OF NOTE PROCEEDS.** The proceeds derived from the sale of the Note shall be used to pay or reimburse the County for the cost of the Project and for the costs of issuance of the Note.

**SECTION 11. AUTHORITY TO RENEW NOTE.** The County has the authority to renew the Note herein authorized for such periods of time as are authorized by Section 215.431, Florida Statutes, and the first proceeds of any such renewal (exclusive of accrued interest) shall be used to pay all the principal of and interest on the Note.

**SECTION 12. COVENANT TO REPAY NOTE WHEN DUE.** The Board does hereby covenant to use its best efforts to issue the Bonds or renewal note or notes in an amount which will be sufficient to pay the principal of the Note, or any renewals thereof, when due.

**SECTION 13. DELEGATION OF AWARD TO CHAIRPERSON.** The Chairperson, upon advice of the Financial Advisor and Bond Counsel to the County, is hereby authorized and directed to award the Note to the bidder submitting the lowest qualifying bid that results in the lowest spread over 30-day LIBOR, which together with the other terms of the bid, produces the most favorable transaction to the County as shown in Exhibit A hereto. The County hereby authorizes and ratifies all actions taken by the County's staff, officers, consultants and agents in soliciting bids for the Note.

**SECTION 14. NEGOTIATED SALE OF THE NOTE.** Based on prevailing market conditions and the complex nature of the transaction, the Board determines it is in the best interests of the County to sell the Note on a negotiated basis.

**SECTION 15. ADDITIONAL AUTHORIZATION.** The Chairperson of the Board of County Commissioners and any other proper officer of the County are hereby authorized and directed to execute and deliver the Note and a Loan Agreement in conformance with this Resolution and any and all documents and instruments and to do and cause to be done any and all acts and things necessary or proper for the issuance, sale and delivery of the Note.

**SECTION 16. 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 reason whatsoever be held invalid, then such covenants, agreements or provisions shall be null and void and shall be deemed separate from the remaining covenants, agreements or provisions, and shall in no way affect the validity of any of the other provisions of this Resolution.

**SECTION 17. EFFECTIVE DATE.** This resolution shall take effect upon its passage in the manner provided by law.

The foregoing Resolution was offered by Commissioner \_\_\_\_\_, who moved its adoption. The motion was seconded by Commissioner \_\_\_\_\_, and upon being put to a vote, the vote was as follows:

Commissioner Addie L. Greene, Chairperson	-
Commissioner Jeff Koons, Vice Chair	-
Commissioner Karen T. Marcus	-
Commissioner Robert J. Kanjian	-
Commissioner Mary McCarty	-
Commissioner Burt Aaronson	-
Commissioner Jess R. Santamaria	-

The Chairperson thereupon declared the Resolution duly passed and adopted this \_\_\_\_\_ day of \_\_\_\_\_, 2007.

PALM BEACH COUNTY, FLORIDA, BY ITS  
BOARD OF COUNTY COMMISSIONERS

By: \_\_\_\_\_  
Chairperson

ATTEST:

SHARON R. BOCK, CLERK & COMPTROLLER

By: \_\_\_\_\_  
Deputy Clerk

APPROVED AS TO FORM AND  
LEGAL SUFFICIENCY

By: \_\_\_\_\_  
Assistant County Attorney

**EXHIBIT A**

**LIST OF BIDS IN ORDER OF BEST BIDS**

- 1.
- 2.
- 3.
- 4.
- 5.

**EXHIBIT B**

No. R-\_\_

UNITED STATES OF AMERICA  
STATE OF FLORIDA  
PALM BEACH COUNTY  
PUBLIC IMPROVEMENT REVENUE BOND ANTICIPATION NOTE,  
SERIES 2007

<b>Principal Sum</b>	<b>Date of Issuance</b>	<b>Maturity Date</b>
Not to exceed \$20,100,000	_____, 2007	_____, 20__

KNOW ALL PERSONS BY THESE PRESENTS, that THE COUNTY OF PALM BEACH, FLORIDA (the "County"), for value received, hereby promises to pay, solely from sources described herein and set forth in the Loan Agreement, to the order of [BANK], or its assigns (the "Payee"), at [Bank's address] or at such other place as the Payee may from time to time designate in writing, the Principal Sum stated above [or such lesser amount as shall be advanced] pursuant to that certain [Loan Agreement] by and between Payee and the County, dated as of \_\_\_\_\_, 2007 (the "Agreement"), together with interest on the principal balance outstanding at the rate equal to \_\_\_% of LIBOR subject to adjustment as provided in the Loan Agreement (the "Interest Rate on the Note"). "LIBOR" is defined to mean the 30-day London Inter-Bank Offer Rate as posted by the British Financial Institutionary Association which appears on Bloomberg Reporting service, or such similar service as determined by the Payee, for U.S. dollars deposits of a 30-day maturity. Principal and interest on this Note are payable in any coin or currency of the United States of America which, at the time of payment, is legal tender for the payment of public and private debts and shall be made to the Payee hereof by check mailed to the Payee at the address designated in writing by the Payee for purposes of payment or by bank wire or bank transfer as such Payee may specify in writing to the County or otherwise as the County and the Payee may agree.

This Note is authorized to be issued in the outstanding aggregate principal amount of not exceeding \$20,100,000, under the authority of and in full compliance with the Constitution and laws of the State of Florida, including, particularly, Chapters 125 and 126 and Section 215.431 of the Florida Statutes, County Resolution No. R-2007-1228, adopted by the County on the 24th day of July, 2007 (the "Bond Resolution"), and County Resolution No. R-2007-\_\_\_\_, adopted by the County on the [11th day of September], 2007 (the "Note Resolution") and is subject to all terms and conditions of said resolution. Any term used in this Note and not otherwise defined shall have the meaning ascribed to such term in the Loan Agreement, in the Bond Resolution, or in the Note Resolution, as the case may be.

This Note is issued in anticipation of the authorized but unissued Public Improvement Revenue Bonds of the County (the "Bonds") authorized to be issued by the Bond Resolution to pay the cost of the acquisition of the Project (as defined in the Bond Resolution).

Payment of principal and interest on the Note shall be secured by a first lien upon and pledge of the proceeds derived from the sale of the Bonds and the first proceeds of any notes issued for the purpose of renewing the Note. The payment of principal of and interest on the Note is further payable from and secured by a lien upon and pledge of Pledged Revenues as follows: (a) the moneys budgeted and appropriated by the County, and deposited into the Sinking Fund or any other Fund established under the Bond Resolution, from Non-Ad Valorem Revenues pursuant to the County's covenant in the Bond Resolution to budget and appropriate Non-Ad Valorem Revenues; (b) any, all or any combination of, the fees, charges, income and revenues received by the County from any source of Non-Ad Valorem Revenues and lawfully available to the County for payment of and interest on the Note, including revenues from the Infrastructure Surtax (if enacted), by which the County may, subject to prior receipt of an Opinion of Bond Counsel or the County Attorney that such source of moneys are legally available to be pledged as security for the Note, elect by subsequent proceedings of the Governing Body to secure the payment of the principal of, redemption premium, if any and interest on the Note; (c) any proceeds of the Note originally deposited with the County and all moneys deposited and held from time to time by the County in the funds and accounts established under the Bond Resolution in each case until applied in accordance with the Note Resolution or the Bond Resolution; (d) investment income received by the County in the funds and accounts established under the Bond Resolution; and (e) any other moneys received by the Paying Agent in connection with repayment of the Note.

**THIS NOTE IS A REVENUE OBLIGATION OF THE COUNTY PAYABLE SOLELY IN THE MANNER AND TO THE EXTENT SET FORTH IN THE NOTE RESOLUTION. THIS NOTE SHALL NOT BE OR CONSTITUTE A GENERAL OBLIGATION OF THE COUNTY WITHIN THE MEANING OF THE CONSTITUTION OF THE STATE OF FLORIDA. NO NOTE HOLDER SHALL EVER HAVE A LIEN ON ANY PROPERTY OF THE COUNTY OR THE PROJECT OTHER THAN THE PLEDGED REVENUES.**

It is further agreed between the County and the registered owner of this Note that this Note and the obligation evidenced hereby shall not constitute a lien upon the Project (as defined in the Bond Resolution), or any part thereof, or on any other property of or in the County.

This Note is redeemable at any time at the option of the County at the price of par plus accrued interest to the date of redemption upon written notice to the Paying Agent at least seven (7) days prior to the date of redemption.

This Note is and has all the qualities and incidents of negotiable instruments under the law merchant and the Uniform Commercial Code-Investment Securities Law of the State of Florida, and the original registered owner and each successive registered owner of this Note shall be conclusively deemed by his

acceptance thereof to have agreed that this Note shall be and have all the qualities and incidents of negotiable instruments under the law merchant and the Uniform Commercial Code-Investment Securities Law of the State of Florida. The original registered owner and each successive registered owner of this Note shall be conclusively deemed to have agreed and consented to the terms of the Loan Agreement, the Note Resolution and the following additional terms and conditions:

(1) The County Clerk & Comptroller (the "Registrar") shall keep books for the registration of the Note and for the registration of transfers of the Note as provided in the Bond Resolution. The Note shall be transferable by the registered owner thereof in person or by his attorney duly authorized in writing only upon the books of the County kept by the Registrar and only upon surrender hereof together with a written instrument of transfer satisfactory to the Registrar duly executed by the registered owner or his duly authorized attorney. Upon the transfer of the Note, the County shall issue in the name of the transferee a new Note.

(2) The County, the Paying Agent and the Registrar may deem and treat the person in whose name the Note shall be registered upon the books kept by the Registrar as the absolute owner of the Note, whether the Note shall be overdue or not, for the purpose of receiving payment of, or on account of, the principal of and interest on the Note as the same becomes due, and for all other purposes. All such payments so made to any such registered owner or upon his order shall be valid and effectual to satisfy and discharge the liability upon the Note to the extent of the sum or sums so paid, and neither the County, the Paying Agent, nor the Registrar shall be affected by any notice to the contrary.

(3) In all cases in which the privilege of transferring the Note is exercised, the County shall execute and the Registrar shall authenticate and deliver the Note in accordance with the provisions of the Bond Resolution. There shall be no charge for any such transfer of the Note, but the County or the Registrar may require payment of a sum sufficient to pay any tax, fee or other governmental charge required to be paid with respect to such transfer. Neither the County nor the Registrar shall be required to transfer the Note for a period of fifteen (15) days next preceding an interest payment date of the Note.

It is hereby certified and recited that all acts, conditions and things required to exist, to happen, and to be performed, precedent to and in the issuance of this Note exist, have happened and have been performed in regular and due form and time as required by the Laws and Constitution of the State of Florida applicable thereto, and that the issuance of this Note, is in full compliance with all constitutional or statutory limitations or provisions.

IN WITNESS WHEREOF, Palm Beach County, Florida, has caused this Note to be signed by the Chairperson of the Board of County Commissioners, by her manual signature, and the seal of said County to be affixed hereto, and attested by the Clerk of the Board of County Commissioners of Palm Beach County, Florida, by manual signature, and this Note to be dated the \_\_\_ day of \_\_\_\_\_, 2007.

PALM BEACH COUNTY, Florida

(SEAL)

Chairperson of the Board of County  
Commissioners of Palm Beach County, Florida

Attest:  
SHARON R. BOCK, CLERK &  
COMPTROLLER

By: \_\_\_\_\_  
Deputy Clerk

FORM OF CERTIFICATE OF AUTHENTICATION

Date of Authentication:

This Note is the Note delivered pursuant to the within mentioned resolution.

CLERK & COMPTROLLER OF PALM BEACH  
COUNTY, FLORIDA as Registrar

By:

\_\_\_\_\_  
[Authorized Officer]

2007 - 1356

BOARD OF COUNTY COMMISSIONERS  
PALM BEACH COUNTY, FLORIDA  
BUDGET AMENDMENT

Fund 3056 \$20.045M Public Impr Revenue BAN Series 2007 - Jail/Facility

BGEX - 420- 0828070000000002181  
BGRV - 420- 0828070000000000640

ACCOUNT NAME AND NUMBER	ORIGINAL BUDGET	CURRENT BUDGET	INCREASE	DECREASE	ADJUSTED BUDGET	EXPENDED/ ENCUMBERED AS OF 8/28/07	REMAINING BALANCE
<b><u>Revenues</u></b>							
810-4100      8402 Loan Proceeds	0	0	20,045,000	0	20,045,000		
<b>TOTAL RECEIPTS &amp; BALANCES</b>	0	0	20,045,000	0	20,045,000		
<b><u>Expenditures</u></b>							
411-B360 CA      6502 Building Construction - CIP	0	0	600,000	0	600,000	0	0
411-B362 CA      6502 Building Construction - CIP	0	0	19,400,000	0	19,400,000	0	0
821-7321 DA      7305 Issue Costs	0	0	45,000	0	45,000	0	0
<b>TOTAL APPROPRIATIONS &amp; EXPENDITURES</b>	0	0	20,045,000	0	20,045,000		

OFFICE OF FINANCIAL MANAGEMENT  
& BUDGET

INITIATING DEPARTMENT/DIVISION  
Administration/Budget Department Approval  
OFMB Department - Posted

Signatures & Dates

*[Signature]* 8/28/07  
*[Signature]* 8/28/07

BY BOARD OF COUNTY COMMISSIONERS  
AT MEETING OF

9/11/2007  
Deputy Clerk to the  
Board of County Commissioners