

COUNTY GOVERNMENT BOND FINANCING REVIEW FORM

	<u>Yes</u>	<u>No</u>	<u>N/A</u>
1. The County Commission has considered whether it can satisfy its financial obligations for the life of the bonds.	<u>X</u>	—	—
2. In the case of limited obligation indebtedness, the County Commission has identified the source for the debt service payments for the life of the bonds.	—	—	<u>X</u>
3. In the case of general obligation indebtedness, the County Commission has indicated that the full faith and credit of the County has been pledged for the debt service payments for the life of the bonds.	—	—	<u>X</u>
4. The County Commission has considered the period of usefulness of the improvement or property for which the bonds are to be issued in light of the duration of the term of the bonds under the bond financing agreement.	<u>X</u>	—	—
5. The County Commission acknowledges that bond proceeds shall not be used for general operating expenses of the County.	<u>X</u>	—	—
6. The County Commission has received from the bond underwriter, bond counsel, issuer's counsel, trustee, and any others associated with the issuance of bonds an itemized listing of their respective fees and all other costs which shall not be subject to change prior to the sale or issuance of bonds.	<u>X</u>	—	—
7. The County Commission has received from the bond underwriter a clear and understandable written proposal explaining all details of the proposed bond issue, its repayment schedule, and any external factors which could affect the total cost to the County if it issues the bonds.	<u>X</u>	—	—
8. The County Commission has considered the effect, if any, that the bonds will have on the County's constitutional debt limit.	—	—	<u>X</u>
9. The County Commission has received from the bond underwriter information demonstrating that the estimated interest rate on the bonds is reasonable and, that if information regarding similar recent issuances is available, the interest rates are comparable with other similar issuances based on current bond market conditions on the date of the execution of the bond financing agreement.	<u>X</u>	—	—

Complete the following section if the proceeds of the proposed bonds are to be used in whole or in part for the purpose of refinancing or refunding outstanding bonds:

- | | | | |
|---|--------------|-------------|-------------|
| 10. The County Commission understands how the issuance of refunding bonds may extend the County's initial debt repayment period and the total cost paid by the County by the end of the refunding period. | <u> X </u> | <u> </u> | <u> </u> |
| 11. The County Commission has considered whether the refunding bonds will create net present value savings for the County, including the costs of refinancing. | <u> X </u> | <u> </u> | <u> </u> |

Complete the following section in connection with a swap agreement:

- | | | | |
|--|-------|-------|--------------|
| 12. The County Commission has complied with paragraph a. of subdivision (2) of Section 41-1-42, <i>Code of Alabama 1975.</i> | _____ | _____ | <u> X </u> |
| 13. The County Commission has reviewed or <i>had</i> explained by the adviser selected all documentation provided pertaining to the swap agreement. | _____ | _____ | <u> X </u> |
| 14. The County Commission has designated an employee or official who will have primary responsibility for the consideration, execution, and monitoring of interest rate swaps and financial hedges entered into by the County. | _____ | _____ | <u> X </u> |

Name of Employee/Official _____

- | | |
|---|---|
| 15. The County Commission has determined whether the County's obligations under the swap agreement constitute a general obligation indebtedness of the County and whether the source of payment is sufficient. | <div style="display: flex; justify-content: space-around; align-items: flex-end;"> <div style="border-bottom: 1px solid black; width: 50px;"></div> <div style="border-bottom: 1px solid black; width: 50px;"></div> <div style="border-bottom: 1px solid black; width: 50px; text-align: center;">X</div> </div> |
| 16. The County Commission has sought and received specific information disclosing the potential risks inherent in the swap agreement including those risks commonly referred to in the derivatives industry as "basis risk," "tax risk," "interest rate risk," "counterparty risk," "termination risk," "market-access risk," "rollover or anticipation risk," and "credit risk." | <div style="display: flex; justify-content: space-around; align-items: flex-end;"> <div style="border-bottom: 1px solid black; width: 50px;"></div> <div style="border-bottom: 1px solid black; width: 50px;"></div> <div style="border-bottom: 1px solid black; width: 50px; text-align: center;">X</div> </div> |

I, the chairman/president (or other Commission member designee) of the County Commission, do hereby acknowledge that all above items have been considered by the County Commission, and that the County Commission has voted to enter into the bond financing agreement or swap agreement by an affirmative vote of a majority of the members of the County Commission.

Signature _____

Printed Name _____ Billie Jo Underwood, Chairman

Title _____ Chairman

Date of Issuance of Bonds or Swap Agreement _____ March 5, 2020

In preparing this form, the County Commission shall consult with and obtain advice from either an attorney for the County, the County Administrator, or, at the option of the County Commission, a certified public accountant (CPA) regarding any and all bond or swap proposals received by the County. The person or persons utilized by the County Commission for advice and consultation shall review all documents to be included at the execution of the bond financing agreement or swap agreement.

I, the adviser/consultant utilized by the County Commission, do hereby acknowledge that I have reviewed all documents to be included at the execution of the bond financing agreement or swap agreement.

Signature _____

Printed Name _____ Reid Cavnar

Title _____ Financial Advisor to the County

Company Name _____ Stifel, Nicolaus & Company, Incorporated

A copy of this form shall be submitted to the State of Alabama, Department of Examiners of Public Accounts within 10 business days of the issuance of the bonds or swap agreement. This form shall be kept on file at the Office of Examiners of Public Accounts and shall be available for public inspection for a period of seven years.

**Mailing Address: State of Alabama
Department of Examiners of
Public Accounts
P.O. Box 302251
Montgomery, AL 36130-2251**

Detailed Itemization of Costs and Fees

In accordance with Act Number 2009-757, Acts of Alabama, the following detailed itemization of costs and fees and acknowledgments shall be included with the bond financing agreement documents of any County Commission in the State of Alabama.

Costs and Fees which will be paid directly by the County Commission

Expense/Payee	Amount

Costs and Fees which will be paid directly from bond proceeds

Expense/Payee	Amount
Underwriter – The Frazer Lanier Co. Inc.	0.35% of par
Financial Advisor – Stifel Nicolaus	0.35% of par
Bond Counsel – Bradley Arant	57,500
Rating Agency – S&P	26,775
Rating Agency – Moody's	31,950
Trustee – Regions Bank	2,000
Trustee Counsel – Capell Howard	2,500
Closing (DTC, printing)	2,000
Miscellaneous (travel, postage, etc.)	2,000

Detailed Itemization of Costs and Fees (continued)

I, the chairman/president (or other Commission member designee) of the County Commission, do hereby acknowledge that the amounts of these costs and fees (listed on the previous page) have been presented and explained to all members of the County Commission prior to the sale of bonds.

Commission

Signature _____

Printed Name _____ Billie Jo Underwood _____

Title/County _____ Chairman/Baldwin County _____

Date of Issuance of Bonds _____ March 5, 2020 _____

I, the authorized signatory for the bond underwriter, do hereby acknowledge that the amounts of these costs and fees (listed on the previous page) have been presented and explained to all members of the County Commission prior to the sale of bonds.

Bond Underwriter:

Signature _____

Printed Name _____ Robert H. Young, Jr. _____

Title/Company _____ President, The Frazer Lanier Company Incorporated _____

Swap Agreement – Statement from Authorized Signatory

In accordance with Act Number 2009-757, Acts of Alabama, the following acknowledgment from the authorized signatory for the bond underwriter or authorized signatory of the provider of the swap agreement shall be included with documentation necessary to effectuate a swap agreement with any County Commission in the State of Alabama.

In connection with the swap agreement being entered into by
_____ (County Commission) on
_____ (Date of Issuance), I/We do hereby acknowledge the following:

- | | <u>Yes</u> | <u>No</u> | <u>N/A</u> |
|---|------------|-----------|--------------|
| 1. I/We have provided the County Commission with a disclosure of the potential risks inherent in the swap agreement. | _____ | _____ | <u> x </u> |
| 2. I/We have disclosed all fees associated with the swap agreement to the County Commission. | _____ | _____ | <u> x </u> |
| 3. I/We have provided the County Commission with documentation necessary to effectuate the swap agreement including master agreements, schedules, credit support annexes, confirmations, legal opinions, fairness opinions, and any other information necessary to comply with subdivisions (3) and (5) of subsection (c) of Section 3 of Act Number 2009-757, <i>Acts of Alabama</i> . | _____ | _____ | <u> x </u> |

Bond Underwriter/Swap Agreement Provider:

Signature _____ n/a

Printed Name _____ n/a

Title _____ n/a

Company Name _____ n/a