

Resolution Approving Financing Terms

WHEREAS: Barnwell County ("County") has previously determined to undertake a project for the financing of a front end loader, and the Finance Officer has now presented a proposal for the financing of such Project.

**BE IT THEREFORE RESOLVED, as follows:**

1. The County hereby determines to finance the Project through Branch Banking and Trust Company ("BB&T"), in accordance with the proposal dated October 3, 2017. The amount financed shall not exceed \$203,500 the annual interest rate (in the absence of default or change in tax status) shall not exceed 2.43%, and the financing term shall not exceed seven (7) years from closing.

2. All financing contracts and all related documents for the closing of the financing (the "Financing Documents") shall be consistent with the foregoing terms. All officers and employees of the County are hereby authorized and directed to execute and deliver any Financing Documents, and to take all such further action as they may consider necessary or desirable, to carry out the financing of the Project as contemplated by the proposal and this resolution.

3. The Finance Officer is hereby authorized and directed to hold executed copies of the Financing Documents until the conditions for the delivery of the Financing Documents have been completed to such officer's satisfaction. The Finance Officer is authorized to approve changes to any Financing Documents previously signed by County officers or employees, provided that such changes shall not substantially alter the intent of such documents or certificates from the intent expressed in the forms executed by such officers. The Financing Documents shall be in such final forms as the Finance Officer shall approve, with the Finance Officer's release of any Financing Document for delivery constituting conclusive evidence of such officer's final approval of the Document's final form.

4. The County shall not take or omit to take any action the taking or omission of which shall cause its interest payments on this financing to be includable in the gross income for federal income tax purposes of the registered owners of the interest payment obligations. The County hereby designates its obligations to make principal and interest payments under the Financing Documents as "qualified tax-exempt obligations" for the purpose of Internal Revenue Code Section 265(b)(3).

5. The County intends that the adoption of this resolution will be a declaration of the County's official intent to reimburse expenditures for the project that is to be financed from the proceeds of the BB&T financing described above. The County intends that funds that have been advanced, or that may be advanced, from the County's general fund or any other County fund related to the project, for project costs may be reimbursed from the financing proceeds.

6. All prior actions of County officers in furtherance of the purposes of this resolution are hereby ratified, approved and confirmed. All other resolutions (or parts thereof) in conflict with this resolution are hereby repealed, to the extent of the conflict. This resolution shall take effect immediately.

Approved this 10th day of October, 2017

By: Charles L. Jones Sr

Title: Chairman of Council

By: [Signature]

Title: Clerk to Council

SEAL



### Governmental Finance

1201 Main Street 7<sup>th</sup> Floor  
Suite 700  
Columbia, S.C. 29201  
Office: (803) 251-1328

October 3, 2017

Debra Fickling  
Business Manager  
Barnwell County  
57 Wall Street, Rm. 126  
Barnwell, SC 29812

Dear Fickling:

Branch Banking and Trust Company ("BB&T") is pleased to offer this proposal for the financing requested by Barnwell County ("County").

- (1) **Project:** Front End Loader Financing
- (2) **Amount to Be Financed:** \$203,500
- (3) **Interest Rates, Financing Terms and Corresponding Payments:**

<u>Term</u>	<u>Rate</u>
7 years	2.43%

Principal and interest payments shall be annual in arrears, as requested.

The interest rate stated above is valid for a closing not later than November 17, 2017. Closing of the financing is contingent upon completing documentation acceptable to BB&T and upon the condition of the property being acceptable to BB&T. If needed, the proceeds will be deposited in a Project Fund Account with BB&T at the time of closing.

All applicable taxes, permits, costs of lawyers for the County and any other costs shall be the County's responsibility and separately payable by the County. The financing documents shall allow prepayment of the principal balance in whole at any time with a one percent prepayment penalty.

The stated interest rate assumes that the County expects to borrow no more than \$10,000,000 in calendar year 2017 and that the financing shall qualify as qualified tax-exempt financing under the Internal Revenue Code. BB&T reserves the right to terminate its interest in this bid or to negotiate a mutually acceptable rate if the financing is not qualified tax-exempt financing.

- (4) **Financing Documents:**

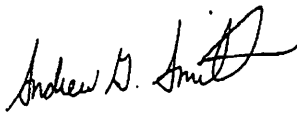
BB&T proposes to use its standard form financing contracts and related documents for this installment financing. We shall provide a sample of those documents to you should BB&T be the successful proposer. This financing shall be secured by a first lien security interest in all personal property acquired with proceeds.

BB&T shall have the right to cancel this offer by notifying the County of its election to do so (whether or not this offer has previously been accepted by the County) if at any time prior to the closing there is a material adverse change in the County's financial condition, if we discover adverse circumstances of which we are currently unaware, if we are unable to agree on acceptable documentation with the County or if there is a change in law (or proposed change in law) that changes the economic effect of this financing to BB&T.

BB&T appreciates the opportunity to make this financing proposal and requests to be notified within five days of this proposal should BB&T be the successful proposer. Please call me at 803-251-1328 with your questions and comments. We look forward to hearing from you.

Sincerely,

BRANCH BANKING AND TRUST COMPANY

A handwritten signature in black ink that reads "Andrew G. Smith". The signature is written in a cursive style with a large, stylized initial "A".

Andrew G. Smith  
Senior Vice President

Enclosure(s)

Barnwell County Front End Loader Estimated Payment Schedule

Compound  
Period: Annual

Nominal Annual Rate: 2.430%

CASH FLOW DATA

Event	Date	Amount	Number	Period	End Date
1 Loan	10/3/2017	203,500.00	1		
2 Payment	10/3/2018	31,964.98	7	Annual	10/3/2024

AMORTIZATION SCHEDULE - Normal Amortization

	Date	Payment	Interest	Principal	Balance
Loan	10/3/2017				203,500.00
2018 Totals		0.00	0.00	0.00	
1	10/3/2018	31,964.98	4,945.05	27,019.93	176,480.07
2019 Totals		31,964.98	4,945.05	27,019.93	
2	10/3/2019	31,964.98	4,288.47	27,676.51	148,803.56
2020 Totals		31,964.98	4,288.47	27,676.51	
3	10/3/2020	31,964.98	3,615.93	28,349.05	120,454.51
2021 Totals		31,964.98	3,615.93	28,349.05	
4	10/3/2021	31,964.98	2,927.04	29,037.94	91,416.57
2022 Totals		31,964.98	2,927.04	29,037.94	
5	10/3/2022	31,964.98	2,221.42	29,743.56	61,673.01
2023 Totals		31,964.98	2,221.42	29,743.56	
6	10/3/2023	31,964.98	1,498.65	30,466.33	31,206.68
2024 Totals		31,964.98	1,498.65	30,466.33	
7	10/3/2024	31,964.98	758.30	31,206.68	0.00
2025 Totals		31,964.98	758.30	31,206.68	
Grand Totals		223,754.86	20,254.86	203,500.00	