

RESOLUTION NO. 2002-1

A RESOLUTION OF THE TOWN OF SOUTHWEST RANCHES, FLORIDA, AUTHORIZING THE NEGOTIATION OF A LOAN IN AN AGGREGATE AMOUNT NOT TO EXCEED \$5,200,000 FROM THE FLORIDA MUNICIPAL LOAN COUNCIL; APPROVING THE ACQUISITION, CONSTRUCTION AND ERECTION OF CERTAIN LAND AND CAPITAL PROJECTS; APPROVING THE EXECUTION AND DELIVERY OF A LOAN AGREEMENT WITH THE FLORIDA MUNICIPAL LOAN COUNCIL; APPROVING THE EXECUTION AND DELIVERY OF A BOND PURCHASE CONTRACT; APPROVING THE EXECUTION AND DELIVERY OF A CONTINUING DISCLOSURE AGREEMENT; PROVIDING CERTAIN OTHER MATTERS IN CONNECTION WITH THE MAKING OF SUCH LOAN; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, participating governmental units (the "Members") have created the Florida Municipal Loan Council (the "Council") pursuant to a certain Interlocal Agreement and pursuant to Chapter 163, Part I, Florida Statutes, for the purpose of issuing its bonds to make loans to participating governmental units for qualified projects; and

WHEREAS, the Town of Southwest Ranches, Florida (the "Borrower"), a municipal corporation, is duly created and existing pursuant to the Constitution and laws of the State of Florida (the "State"); and

WHEREAS, the Borrower finds and declares that there is a substantial need for the financing or refinancing of qualifying projects permitted by Florida Statutes and the State Constitution; and

WHEREAS, the Borrower possesses the ability to finance such projects on its own, but has determined that a pooled financing program involving a limited number of local governmental units which regularly undertake projects requiring significant debt financing within the State of Florida would provide for low cost financing or refinancing of such projects through economies of scale, administrative support and access to expertise in accessing the capital markets; and

WHEREAS, it is anticipated that the benefits of a pooled financing by the Borrower with a limited number of governmental units through the Florida Municipal Loan Council may be obtained through promises to repay loans under the program and supported by a general covenant to budget and appropriate for such purpose, by a specific pledge of taxes or revenues or by a general obligation; and

WHEREAS, by pooling the respective financial needs of these certain various local governmental units, the Borrower will be able to access additional markets and expects to

receive the benefits of lower interest rates on more favorable terms associated with such a large scale financing with such benefits being obtained for and inuring to the Borrower; and

WHEREAS, the Council is in the process of issuing its Florida Municipal Loan Council Revenue Bonds, Series 2001A (the "Bonds") and is seeking to make loans (the "Loans") to governmental units; and

WHEREAS, in connection with the offering of the Bonds to the public, there will be prepared a Preliminary Official Statement (the "Preliminary Official Statement") and a final Official Statement (the "Official Statement") the use and distribution of which the Borrower desires to authorize and approve insofar as they relate to Borrower.

WHEREAS, it is hereby determined that a need exists to borrow funds to finance or refinance the cost of the acquisition, construction and/or equipping of the qualifying projects set forth on Exhibit A attached hereto (the "Project"); and

WHEREAS, it is determined to be in the best interest of the Borrower to borrow funds from the Council from the proceeds of the Bonds to finance the cost of the Project.

NOW, THEREFORE, BE IT RESOLVED by the Town Council of the Town of Southwest Ranches, Florida:

SECTION 1: **AUTHORITY.** This Resolution is adopted pursuant to Chapter 166, Florida Statutes, and other applicable provisions of law.

SECTION 2: **PROJECT.** The refinancing and/or financing of the acquisition, construction and erection of the Project is hereby approved.

SECTION 3: **NEGOTIATED LOAN.** Due to the complicated nature of the financing and the ability of the Council to access additional markets and for the Borrower to receive the benefits of lower interest rates and issuance costs, it is hereby determined that it is in the best interest of the Borrower that the Loan to the Borrower be made from the proceeds of the Bonds, as opposed to the Borrower borrowing funds pursuant to a public sale.

SECTION 4: **LOAN AMOUNT.** The amount of the Loan of the Borrower evidenced by the Loan Agreement shall not exceed \$5,200,000. Such Loan shall be made at a discount which shall include a pro-rata portion of costs of issuance incurred by the Council together with a pro-rata portion of a reserve fund surety cost and the Florida League of Cities, Inc. administrative fees and other ongoing costs and shall bear interest and shall be repayable according to the terms and conditions set forth in the Loan Agreement authorized pursuant to Section 5 hereof with such changes, insertions and omissions as may be approved by the Mayor and the Town Clerk. The redemption provisions, if any, relating to such Loan shall be as provided in the Loan Agreement.

SECTION 5: **AUTHORIZED OFFICERS.** The Mayor and the Town Administrator are hereby authorized and directed to execute and deliver a Loan Agreement to evidence the Loan, to be entered into by and between the Borrower and the Council in substantially the form attached hereto as Exhibit B with such changes, insertions and omissions as may be approved by the Mayor and Town Administrator, the execution thereof being conclusive evidence of such approval.

Further, the Mayor and the Town Administrator are hereby authorized and directed to execute and deliver a Continuing Disclosure Agreement concerning compliance with existing or proposed rules of the Securities and Exchange Commission concerning continuing disclosure by the Borrower, to be entered into by and between the Underwriter, the Borrower and the Council in substantially the form attached hereto as Exhibit C with such changes, insertions and omissions as may be approved by the Mayor and Town Administrator, the execution thereof being conclusive evidence of such approval.

SECTION 6: **RATES.** The Town Administrator or the Mayor is hereby authorized to approve the final rates of interest on the Bonds, and the redemption provisions thereof, if any, on behalf of the Borrower. The Town Administrator, the Mayor, or any other appropriate officers of the Borrower is hereby authorized and directed to execute and deliver a Bond Purchase Agreement, to be entered into by and between the Underwriter, the Borrower and the Council in substantially the form attached hereto as Exhibit D with such changes, insertions and omissions as may be approved by the Town Administrator or the Mayor, the execution thereof being conclusive evidence of such approval.

SECTION 7: **INDENTURE.** The Borrower hereby acknowledges and consents to the Bonds being issued pursuant to a Trust Indenture (the "Indenture") to be executed by the Council and a bank or trust company to be selected by the Council, as Trustee.

SECTION 8: **OTHER INSTRUMENTS.** The Mayor, the Finance Director, the Town Clerk or any other appropriate officers of the Borrower are hereby authorized and directed to execute any and all certifications or other instruments or documents required by this Resolution, the Loan Agreement, the Indenture or any other document required by the Council as a prerequisite or precondition to making the Loan (including but not limited to the execution of all tax documents relating to the tax exempt status of the Loan), and any such representations and agreements made therein shall be deemed to be made on behalf of the Borrower. All action taken to date by the officers of the Borrower in furtherance of the issuance of the Bonds and the making of the Loan is hereby approved, confirmed and ratified.

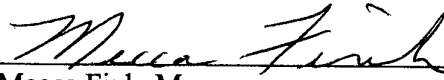
Approval of Official Statement. The use and distribution of a Preliminary Official Statement and an Official Statement in substantially the form of the Preliminary Official Statement, and the approval thereof, insofar as they relate to the Borrower, the loan of Bond Proceeds and related matters are hereby authorized.

SECTION 9: **ADDITIONAL INFORMATION.** The Loan Agreement shall not be executed and delivered unless and until the Borrower has received all information required by Section 218.385, Florida Statutes.

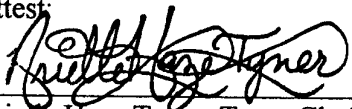
SECTION 10: **ADDITIONAL TERMS.** Pursuant to subsequent resolution, the Borrower may establish such additional terms as it may so determine to be in the best interests of the Borrower.

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

PASSED AND ADOPTED by the Town Council of the Town of Southwest Ranches, Florida, this 11th day of October 2001.


Mecca Fink, Mayor

Attest:


Arielle Haze Tyner, Town Clerk

Approved as to Form and Correctness:

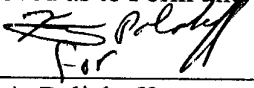

Gary A. Poliakoff, J. D., Town Attorney

EXHIBIT A

PROJECTS

Including, but not limited to: refunding certain outstanding obligations, acquisition of certain parks and recreational land and construction of improvements and recreational facilities thereon.

EXHIBIT B

FORM OF LOAN AGREEMENT

EXHIBIT C

FORM OF CONTINUING DISCLOSURE AGREEMENT

EXHIBIT D

FORM OF BOND PURCHASE CONTRACT

673124_1.DOC



Town of Southwest Ranches

John Canada
Town Administrator
3111 Stirling Road
Fort Lauderdale, FL 33312
Phone: (954) 434-0008
Fax: (954) 434-0380
Email: jcanada@southwestranches.org

11/7/01

JoLinda L. Herring, Esquire
Bryant, Miller and Olive, P. A.
201 South Monroe Street, Suite 500
Tallahassee, Florida 32301

Dear Ms. Herring,

Attached is the information that you have requested. The Exhibit attachment will be included once the transaction is completed. The additional information that you have asked for concerning the refunding of outstanding obligations was previously faxed to you. We will express the certified copy of the resolution to you.

Thank you for your outstanding assistance and coordination.

Sincerely,

John Canada
Town Administrator

**RE: FLORIDA MUNICIPAL LOAN COUNCIL REVENUE BONDS, SERIES 2001A
LOAN TO THE TOWN OF SOUTHWEST RANCHES**

Please provide the following information:

1. The Federal ID number for your Town.
65-1036656
2. How many IRS 8038's have been prepared on behalf of your Town this year?
There have been two prepared. The first for \$1.0 million with Republic Security Bank and the second for \$2.8 million with Wachovia Bank.
3. Will your Mayor or Finance Director sign the IRS form 8038?
Mayor Mecca Fink will sign IRS form 8038
4. Verify the full names as used for execution of documents for your Mayor, Finance Director and Town Clerk.
Mayor – Mecca Fink
Town Administrator – John Canada
Town Clerk – Arielle Haze Tyner
5. Has your Town attorney reviewed the form of the opinion attached as Exhibit "C" to the Loan Agreement which he will render at closing?
Yes, as agreed to with Town Attorney.
6. Please provide us the name and address of your Town Attorney.
Gary A. Poliakoff, P. A.
3111 Stirling Road
Fort Lauderdale, Florida 33312
7. Do you have any other outstanding debt secured by the same revenues as this Loan?
\$1.0 million with Republic Security Bank (now Wachovia) and \$2.8 million with Wachovia. Both issues will be refunded with the proceeds of this issue.