

Meeting Date
<b>7/26/16</b>



AGENDA	
Section	Unfinished Business
Item No.	V.A

**AGENDA REPORT**  
*BREVARD COUNTY BOARD OF COUNTY COMMISSIONERS*

SUBJECT:	APPROVAL OF RESOLUTIONS AUTHORIZING THE REFUNDING OF ALL OF THE COUNTY'S OUTSTANDING SOUTH BREVARD RECREATION SPECIAL DISTRICT LIMITED AD VALOREM TAX BONDS (PARKS AND RECREATION PROGRAM), SERIES 2007, NORTH BREVARD RECREATION SPECIAL DISTRICT LIMITED AD VALOREM TAX BONDS (PARKS AND RECREATION PROGRAM), SERIES 2007 AND LIMITED AD VALOREM TAX BONDS (MERRITT ISLAND RECREATION MUNICIPAL SERVICE TAXING UNIT PARKS AND RECREATION PROGRAM), SERIES 2007 FOR DEBT SERVICE SAVINGS AND FOR DEBT RESTRUCTURING.
DEPT/OFFICE:	COUNTY MANAGER

**Requested Action:**

It is requested that the Board of County Commissioners approve three Resolutions authorizing the issuance of a not exceeding \$26,500,000; \$7,250,000 and \$5,750,000 principal amount, respectively, of South Brevard Recreation Special District Limited Ad Valorem Tax Refunding Bond (Parks and Recreation Program), Series 2016, North Brevard Recreation Special District Limited Ad Valorem Tax Refunding Bond (Parks and Recreation Program), Series 2016, and Limited Ad Valorem Tax Refunding Bond (Merritt Island Recreation Municipal Service Taxing Unit Parks and Recreation Program), Series 2016 to refund all of the County's outstanding South Brevard Recreation Special District Limited Ad Valorem Tax Bonds (Parks and Recreation Program), Series 2007, North Brevard Recreation Special District Limited Ad Valorem Tax Bonds (Parks and Recreation Program), Series 2007, and Limited Ad Valorem Tax Refunding Bonds (Merritt Island Recreation Municipal Service Taxing Unit Parks and Recreation Program), Series 2007 in order to achieve debt service savings and debt restructuring for the County; authorizing a negotiated sale of said South Brevard Series 2016 Bond to TD Bank, N.A. and a negotiated sale of the North Brevard Series 2016 Bond and the Merritt Island Series 2016 Bond to Pinnacle Public Finance; authorizing the execution and delivery of three escrow deposit agreements with The Bank of New York Mellon Trust Company, N.A.; authorizing County officials and staff to take necessary action to effect the foregoing.

**Summary Explanation & Background:**

At its regular Board meeting on April 19, 2016 the Board authorized the refunding of each of the Series 2007 Bonds to achieve net present value debt service savings which would reduce the annual debt payments on the bonds and to restructure a portion of the County's limited general obligation debt.

The South Brevard Series 2007 Bonds are outstanding in the aggregate principal amount of \$25,760,000 with interest rates ranging from 4.00% to 5.00% and have a final maturity of July 1, 2026. The bonds are secured by a not to exceed 0.6 mill limited ad valorem tax levied within the District. Based on the final interest rate of 1.59%, the County's Financial Advisor is estimating the County could achieve \$4,300,000 of net present value debt service savings or 16.75% of the refunded bonds par amount by refunding the South Brevard Series 2007 Bonds. There would be no extension of the final maturity and no new money proceeds generated by the refunding.

The North Brevard Series 2007 Bonds are outstanding in the aggregate principal amount of \$7,055,000 with interest rates ranging from 4.00% to 4.375% and have a final maturity of July 1, 2026. The bonds are secured by a not to exceed 0.8 mill limited ad valorem tax levied within the District. Based on the final interest rate of 2.125%, the County's Financial Advisor is estimating the County could achieve \$722,000 of net present value debt service savings or 10.20% of the refunded bonds par amount by refunding the North Brevard Series 2007 Bonds. There would be no extension of the final maturity and no new money proceeds generated by the refunding.

(continued on next page)

The Merritt Island Series 2007 Bonds are outstanding in the aggregate principal amount of \$5,555,000 with interest rates ranging from 4.00% to 4.50% and have a final maturity of July 1, 2026. The bonds are secured by a not to exceed 0.8 mill limited ad valorem tax levied within the District. Based on the final interest rate of 2.105%, the County's Financial Advisor is estimating the County could achieve \$590,000 of net present value debt service savings or 10.70% of the refunded bonds par amount by refunding the North Brevard Series 2007 Bonds. There would be no extension of the final maturity and no new money proceeds generated by the refunding.

**Fiscal Impact:**

The refundings are expected to generate a total of \$5,612,000 of net present value debt service savings or 14.62% of the refunded bonds par amount. This level of savings is well in excess of the minimum target set in the Board's Budget & Financial Policy for refundings which is savings in excess of 3.0% of the refunded bonds par amount.

Clerk to the Board Instructions:

Exhibits Attached:

Contract /Agreement (If attached): Reviewed by County Attorney Yes  No  PR

**County Manager**

Assistant County Manager  
 Venetta Valdengo

Department Director / Extension

**Stockton Whitten**

Assistant County Manager  
 Frank Abbate



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Tammy.Rowe@brevardclerk.us

July 27, 2016

MEMORANDUM

TO: Stockton Whitten, County Manager

RE: Item V.A., Resolutions Authorizing the Refunding of All of the County's Outstanding South Brevard Recreation Special District Limited Ad Valorem Tax Bonds (Parks and Recreation Program), Series 2007, North Brevard Recreation Special District Limited Ad Valorem Tax Bonds (Parks and Recreation Program), Series 2007, and Limited Ad Valorem Tax Bonds (Merritt Island Recreation Municipal Service Taxing Unit Parks and Recreation Program), Series 2007, for Debt Service Savings and for Debt Restructuring

The Board of County Commissioners, in regular session on July 26, 2016, adopted Resolution No. 16-112, authorizing the issuance of not exceeding \$26,500,000 principle amount of the Refunding of all South Brevard Recreation Special District Limited Ad Valorem Tax Bonds (Parks and Recreation Program), Series 2007; adopted Resolution No. 16-113, authorizing the issuance of not exceeding \$7,250,000 principle amount of the Refunding of all North Brevard Recreation Special District Limited Ad Valorem Tax Bonds (Parks and Recreation Program), Series 2007; adopted Resolution No. 16-114, authorizing the issuance of not exceeding \$5,750,000 principle amount of the Refunding of Limited Ad Valorem Tax Bonds (Merritt Island Recreation Municipal Service Taxing Unit Parks and Recreation Program), Series 2007, for debt services savings and for debt restructuring; authorizing a negotiated sale of said South Brevard Series 2016 Bond to TD Bank, N.A., a negotiated sale of the North Brevard Series 2016 Bond, and the Merritt Island Series 2016 Bond to Pinnacle Public Finance; authorizing the execution and delivery of three escrow deposit agreements with The Bank of New York Mellon Trust Company, N.A.; and authorizing County officials and staff to take necessary action to effect the foregoing. Enclosed are two certified copies of each Resolution.

Your continued cooperation is greatly appreciated.

Sincerely yours,

BOARD OF COUNTY COMMISSIONERS  
SCOTT ELLIS, CLERK

Tammy Rowe, Deputy Clerk

/kp

Encls. (6)

cc: Finance  
Budget

No. Brevard Rec  
District

**RESOLUTION NO. 2016-113**

A RESOLUTION OF THE BOARD OF COUNTY COMMISSIONERS OF BREVARD COUNTY, FLORIDA SUPPLEMENTING RESOLUTION NO. 01-213, WHICH RESOLUTION NO. 01-213, AMONG OTHER THINGS, AUTHORIZED THE ISSUANCE OF BREVARD COUNTY, FLORIDA NORTH BREVARD RECREATION SPECIAL DISTRICT LIMITED AD VALOREM TAX BONDS (PARKS AND RECREATION PROGRAM) FROM TIME TO TIME; AUTHORIZING THE REFUNDING OF THE BREVARD COUNTY, FLORIDA NORTH BREVARD RECREATION SPECIAL DISTRICT LIMITED AD VALOREM TAX BONDS (PARKS AND RECREATION PROGRAM), SERIES 2007 IN ORDER TO ACHIEVE DEBT SERVICE SAVINGS AND TO RESTRUCTURE THE DISTRICT'S INDEBTEDNESS; AUTHORIZING THE ISSUANCE OF NOT EXCEEDING \$7,250,000 AGGREGATE PRINCIPAL AMOUNT OF BREVARD COUNTY, FLORIDA NORTH BREVARD RECREATION SPECIAL DISTRICT LIMITED AD VALOREM TAX REFUNDING BOND (PARKS AND RECREATION PROGRAM), SERIES 2016 IN ORDER TO EFFECT SUCH REFUNDING; AUTHORIZING A NEGOTIATED SALE OF SAID BOND PURSUANT TO THE PROPOSAL OF PINNACLE PUBLIC FINANCE, INC.; DELEGATING CERTAIN AUTHORITY TO THE CHAIRMAN AND THE COUNTY MANAGER IN CONNECTION WITH THE APPROVAL OF THE TERMS AND DETAILS OF SAID BOND; DESIGNATING THE COUNTY AS THE PAYING AGENT AND REGISTRAR FOR SAID BOND; AUTHORIZING THE EXECUTION AND DELIVERY OF AN ESCROW DEPOSIT AGREEMENT AND APPOINTMENT OF AN ESCROW AGENT THERETO; AND PROVIDING AN EFFECTIVE DATE.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF BREVARD COUNTY, FLORIDA that:

**SECTION 1. FINDINGS.** It is hereby found and determined that:

(A) On August 29, 2000, the Board of County Commissioners (the "Board") of Brevard County, Florida (the "County") duly adopted Resolution No. 2000-250 calling for a bond referendum election to be held to determine if the qualified electors within the North Brevard Recreation Special District (the "District") would approve the issuance of not exceeding \$15,100,000 principal amount of limited general obligation bonds payable from ad valorem taxes derived from a levy of up to .8 mills against all taxable property

within the District for the purpose of financing costs of needed recreational improvements within the District (the "2001 Project").

(B) On November 7, 2000, a bond referendum election was held and the issuance of not exceeding \$15,100,000 principal amount of limited general obligation bonds payable from ad valorem taxes derived from a levy of up to .8 mills against all taxable property within the District for the purpose of financing costs of the 2001 Project was approved by a majority of the qualified electors within the District voting in said referendum election.

(C) Pursuant to Resolution No. 01-213 adopted by the Board on May 8, 2001 (as amended and supplemented, the "Bond Resolution"), the County, on behalf of the District (the "Issuer"), issued the Brevard County, Florida North Brevard Recreation Special District Limited Ad Valorem Tax Bonds (Parks and Recreation Program), Series 2001 (the "Series 2001 Bonds") for the principal purpose of financing costs of the 2001 Project.

(D) On August 29, 2006, the Board duly adopted Resolution No. 06-237 calling for a bond referendum election to be held to determine if the qualified electors within the District would approve the issuance of not exceeding \$12,000,000 principal amount of limited general obligation bonds payable from ad valorem taxes derived from the previously approved levy of up to .8 mills against all taxable property within the District for the purpose of financing costs of additional recreational improvements within the District (the "2007 Project").

(E) On November 7, 2006, a bond referendum election was held and the issuance of not exceeding \$12,000,000 principal amount of limited general obligation bonds payable from ad valorem taxes derived from the previously approved levy of up to .8 mills against all taxable property within the District for the purpose of financing costs of the 2007 Project was approved by a majority of the qualified electors within the District voting in said referendum election.

(F) Pursuant to the Bond Resolution, the Issuer issued its Brevard County, Florida North Brevard Recreation Special District Limited Ad Valorem Tax Bonds (Parks and Recreation Program), Series 2007 (the "Series 2007 Bonds") for the principal purpose of financing costs of the 2007 Project.

(G) Pursuant to the Bond Resolution, the Issuer issued its Brevard County, Florida North Brevard Recreation Special District Limited Ad Valorem Tax Refunding Bond (Parks and Recreation Program), Series 2011 (the "Series 2011 Bond") in order to refund all of the outstanding Series 2001 Bonds in order to achieve debt service savings.

(H) The Bond Resolution provides for the issuance of Additional Bonds (as defined in the Bond Resolution), payable on parity with the Series 2011 Bond, for the

purpose of refunding, on a current basis, all of the outstanding Series 2007 Bonds (the "Refunded Bonds"), upon meeting certain requirements set forth in the Bond Resolution.

(I) The Issuer deems it to be in its best interest to issue its Brevard County, Florida North Brevard Recreation Special District Limited Ad Valorem Tax Refunding Bond (Parks and Recreation Program), Series 2016 (the "Series 2016 Bond") for the principal purpose of currently refunding the Refunded Bonds in order to achieve debt service savings and to restructure the District's limited ad valorem tax indebtedness. The Series 2016 Bond shall be issued on parity with the Series 2011 Bond pursuant to the terms of the Bond Resolution.

(J) In connection with the refunding of the Refunded Bonds, the Issuer shall, as provided herein, deposit a portion of the proceeds derived from the sale of the Series 2016 Bond, together with other legally available moneys of the Issuer, if any, to a special escrow deposit trust fund (the "Escrow Fund") to purchase certain direct, non-callable U.S. Treasury obligations (the "Federal Securities") which shall be sufficient, together with the investment earnings therefrom and a cash deposit, if any, to pay the Refunded Bonds as the same become due and payable or are redeemed prior to maturity, all as provided herein and in the hereinafter described Escrow Deposit Agreement; provided however, upon the advice of its financial advisor, Public Financial Management, Inc. (the "Financial Advisor"), the County Manager may determine to fund the Escrow Fund entirely with cash to be held uninvested.

(K) In response to a request for bank loan proposals distributed on behalf of the Issuer by the Financial Advisor to qualified financial institutions, Pinnacle Public Finance, Inc. (including any successors and assigns thereof, the "Purchaser") submitted a proposal (the "Proposal") to the Issuer for the purchase of the Series 2016 Bond which provides the Issuer with the most beneficial means of refunding the Refunded Bonds. A copy of the Proposal is attached as Exhibit A hereto.

(L) Due to the potential volatility of the market for tax-exempt obligations such as the Series 2016 Bond and the complexity of the transactions relating to such Series 2016 Bond, it is in the best interest of the Issuer to sell the Series 2016 Bond by a negotiated sale to the Purchaser pursuant to the Proposal and the provisions hereof and of the Bond Resolution, rather than at a specified advertised date, thereby permitting the Issuer to obtain the best possible price, terms and interest rate for the Series 2016 Bond.

(M) The Issuer hereby certifies that it is current in all deposits into the various funds and accounts established by the Bond Resolution and all payments theretofore required to have been deposited or made by the Issuer under the provisions of the Bond Resolution have been deposited or made and the Issuer has complied with the covenants and agreements of the Bond Resolution and is not currently in default under the Bond Resolution.

(N) The Bond Resolution provides that the Series 2016 Bond shall mature on such dates and in such amounts, shall bear such rates of interest, shall be payable in such places and shall be subject to such redemption provisions as shall be determined by subsequent resolution adopted by the Issuer; and it is now appropriate that the Issuer determine certain of such provisions, terms and details and establish the mechanisms for determining the remaining provisions, terms and details.

(O) The Series 2016 Bond shall be payable solely from and secured by a lien upon and pledge of the Pledged Revenues, in the manner and to the extent provided in the Bond Resolution.

(P) The covenants, pledges and conditions in the Bond Resolution shall be applicable to the Series 2016 Bond herein authorized and said Series 2016 Bond shall be on parity with and rank equally as to the lien on and source and security for payment from the Pledged Revenues and in all other respects with the Series 2011 Bond, and shall constitute "Bonds" within the meaning of the Bond Resolution.

**SECTION 2. DEFINITIONS.** When used in this supplemental resolution, the terms defined in the Bond Resolution shall have the meanings therein stated, except as such definitions shall be hereinafter amended and defined.

**SECTION 3. AUTHORITY FOR THIS SUPPLEMENTAL RESOLUTION.** This supplemental resolution is adopted pursuant to the provisions of the Act.

**SECTION 4. AUTHORIZATION OF THE CURRENT REFUNDING OF THE REFUNDED BONDS.** The Issuer hereby authorizes the current refunding of the Refunded Bonds for the purpose of achieving debt service savings and restructuring the District's limited ad valorem tax indebtedness.

**SECTION 5. AUTHORIZATION AND DESCRIPTION OF THE SERIES 2016 BOND.** The Issuer hereby authorizes the issuance of a Series of Bonds in the aggregate principal amount not to exceed \$7,250,000 to be known as the "Brevard County, Florida North Brevard Recreation Special District Limited Ad Valorem Tax Refunding Bond (Parks and Recreation Program), Series 2016" (the "Series 2016 Bond") (or such other designation as the Chairman may determine), for the principal purpose of refunding, on a current basis, the Refunded Bonds. The aggregate principal amount of the Series 2016 Bond to be issued pursuant to the Bond Resolution shall be determined by the Chairman, upon the advice of the Financial Advisor, provided such aggregate principal amount does not exceed the amount provided above and provided further that the actual aggregate principal amount shall not exceed the limitations imposed by Section 132.35, Florida Statutes. The Series 2016 Bond shall be on parity in all respects and shall rank equally as to lien on and source and security for payment from the Pledged Revenues with the Outstanding Series 2011 Bond.

The Series 2016 Bond shall be dated as of its date of issuance, or such other date as the Chairman may determine, shall be issued in the form of one fully registered Bond and shall be numbered "R-1." Notwithstanding the provisions of Section 5.08 of the Bond Resolution, the Series 2016 Bond shall not be initially registered in the name of Cede & Co, and will not initially be registered under DTC's depository system of registration, but will instead be registered in the name of the Purchaser and held by the Purchaser. The authorized denomination with respect to the Series 2016 Bond shall be the outstanding principal amount thereof. The Series 2016 Bond shall bear interest from its dated date at a fixed interest rate of 2.125% per annum (the "Interest Rate"). The Interest Rate shall be calculated on the basis of a 360-day year consisting of twelve 30-day months. Interest on the Series 2016 Bond shall be payable semi-annually, on January 1 and July 1 of each year (the "Interest Payment Dates"), commencing on January 1, 2017. The Series 2016 Bond shall be issued as a single Term Bond with a final maturity of July 1, 2026, and shall be subject to mandatory sinking fund redemption in such Amortization Installments commencing on July 1, 2017 and on each July 1 thereafter through the maturity date of the Series 2016 Bond, determined by the Chairman, upon the advice of the Financial Advisor, and approved by the Purchaser prior to the issuance of the Series 2016 Bond. The Amortization Installment schedule shall be included in the Series 2016 Bond. The Series 2016 Bond shall be sold on a negotiated basis to the Purchaser at a purchase price equal to 100% of the aggregate principal amount thereof. The Purchaser shall provide the Issuer with an executed Disclosure Letter and Truth-in-Bonding Statement as required by Section 218.385, Florida Statutes, prior to the issuance of the Series 2016 Bond. The Interest Rate on the Series 2016 Bond shall comply in all respects with Section 215.84, Florida Statutes. The Interest Rate is subject to adjustment as provided in Section 6 hereof.

The Series 2016 Bond shall be payable as to principal and interest by bank wire transfer or in such other manner as is agreed to between the Issuer and the holder of the Series 2016 Bond in whose name the Series 2016 Bond shall be registered on the registration books maintained by the Issuer as of the close of business on the fifteenth day (whether or not a business day) of the calendar month next preceding an Interest Payment Date; provided, that the registered owner of the Series 2016 Bond shall present and surrender the Series 2016 Bond to the Issuer for the final payment of the principal of the Series 2016 Bond or shall provide other evidence that such Series 2016 Bond has been paid and cancelled. Principal of and interest on the Series 2016 Bond shall be payable in any coin or currency of the United States of America, which at the time of payment, are legal tender for the payment of public and private debts. The Series 2016 Bond shall be in substantially the form set forth in Section 5.17 of the Bond Resolution.

Notwithstanding the foregoing, the Series 2016 Bond shall not be issued unless the following conditions have been satisfied:

(A) The provisions of Section 132.35, Florida Statutes, and Section 132.39, Florida Statutes have been satisfied.

(B) The aggregate principal amount of the Series 2016 Bond shall not exceed the amount sufficient to pay (i) the principal amount of the Refunded Bonds, (ii) the aggregate amount of unmatured interest payable on the Refunded Bonds to the date of their redemption or maturity, whichever is earlier, (iii) the redemption premiums, if any, on the Refunded Bonds, and (iv) the costs and expenses for issuing the Series 2016 Bond and refunding the Refunded Bonds.

(C) The issuance of the Series 2016 Bond shall not exceed any debt limitation prescribed by law, particularly Section 132.35, Florida Statutes, and such Series 2016 Bond, when issued, will be within the limits of all constitutional or statutory debt limitations.

(D) Receipt by the County Manager of a final financial plan prepared by the Financial Advisor complying in all respects with Section 132.36(1)(d), Florida Statutes.

(E) Receipt by the Chairman of a certification of debt service savings required by Section 132.39, Florida Statutes, executed by the County Manager or his designee.

(F) The Series 2016 Bond shall bear a lower net average interest cost rate than the Refunded Bonds.

**SECTION 6. ADJUSTMENTS TO INTEREST RATE.** (A) In the event of a Determination of Taxability (as defined below), the Interest Rate on the Series 2016 Bond shall be increased to a fixed interest rate of 3.45% per annum (the "Adjusted Rate"); provided, however, such Adjusted Rate shall never exceed the maximum rate allowable by law. Immediately upon a Determination of Taxability, the Issuer agrees to pay to the Purchaser, the Additional Amount (as defined below).

For purposes of this Section 6, "Determination of Taxability" shall mean the circumstance of interest paid or payable on the Series 2016 Bond becoming includable for federal income tax purposes in the gross income of the Purchaser a result of any action or inaction of the Issuer. A Determination of Taxability will be deemed to have occurred upon (i) the receipt by the Issuer or the Purchaser of an original or a copy of an Internal Revenue Service Technical Advice Memorandum or Statutory Notice of Deficiency or other official letter or correspondence from the Internal Revenue Service which holds, in a final determination, that any interest payable on the Series 2016 Bond is includable in the gross income of the Purchaser; (ii) the issuance of any public or private ruling of the Internal Revenue Service that any interest payable on the Series 2016 Bond is includable in the gross income of the Purchaser, or (iii) receipt by the Issuer or the Purchaser of an opinion of Bond Counsel to the Issuer that any interest on the Series 2016 Bond has become includable in the gross income of the Purchaser for federal income tax

purposes. For all purposes of this definition, a Determination of Taxability will be deemed to occur on the date as of which the interest on the Series 2016 Bond is deemed includable in the gross income of the Purchaser. Without limiting the foregoing, a Determination of Taxability shall not include and is not triggered by a change in law by the United States Congress that causes the interest or any portion thereof to be includable in the Purchaser's gross income. A Determination of Taxability shall also not occur solely in the event interest on the Series 2016 Bond is taken into account in determining adjusted current earnings for the purpose of the alternative minimum income tax imposed on corporations.

"Additional Amount" means (i) the difference between (a) interest on the Series 2016 Bond for the period commencing on the date on which the interest on the Series 2016 Bond (or portion thereof) is deemed to have lost its tax-exempt status and ending on the effective date of the adjustment of the Interest Rate to the Adjusted Rate (the "Taxable Period") at a rate per annum equal to the Adjusted Rate and (b) the aggregate amount of interest paid on the Series 2016 Bond during the Taxable Period at the Interest Rate applicable to the Series 2016 Bond prior to the adjustment to the Adjusted Rate, plus (ii) any penalties, fines, fees, costs and interest paid or payable by the Purchaser to the Internal Revenue Service by reason of such Determination of Taxability.

(B) After the occurrence of an Event of Default under Section 9.01 of the Bond Resolution, the Series 2016 Bond shall bear interest at the Default Rate (as defined below) until such Event of Default is cured.

For purposes of this Section 6(B), "Default Rate" means, so long as the interest rate for the Series 2016 Bond does not equal the Adjusted Rate, the lesser of (i) 6.00%, per annum and (ii) the maximum lawful rate. For purposes of this Section 6(B), "Default Rate" means, so long as the interest rate for the Series 2016 Bonds does equal the Adjusted Rate, the lesser of (i) 7.00%, per annum and (ii) the maximum lawful rate.

(C) Notwithstanding the foregoing, the Interest Rate shall never be adjusted to a rate of interest that would cause the Series 2016 Bond to be in violation of any Florida constitutional provision.

**SECTION 7. FINANCIAL PLAN.** The financial plan required by Section 132.36(1)(d), Florida Statutes, was prepared by the Financial Advisor based upon the information provided herein and current market conditions and is attached hereto as Exhibit B. Such financial plan demonstrates, among other things, that the Series 2016 Bond will bear a lower net average interest cost rate than the Refunded Bonds.

**SECTION 8. REDEMPTION PROVISIONS FOR SERIES 2016 BOND.** Prior to July 1, 2020, the Series 2016 Bond shall not be subject to optional redemption. On and after July 1, 2020, the Series 2016 Bond may be redeemed, at the option of the Issuer, from any moneys legally available therefor, upon notice as provided

herein, in whole but not in part, on any date by paying to the Purchaser the principal amount of the Series 2016 Bond to be redeemed, together with the unpaid interest accrued thereon to the date of such prepayment, without a premium or penalty.

Notwithstanding the provisions of Section 5.10 of the Bond Resolution, any redemption of the Series 2016 Bond shall be made on such date as shall be specified by the Issuer in a written notice provided to the Purchaser not less than ten (10) days prior thereto by first class mail. Notice having been given as aforesaid, the outstanding principal of the Series 2016 Bond shall become due and payable on the date of redemption stated in such notice, together with the interest accrued and unpaid to the date of redemption on the principal amount then being paid. If on the date of redemption moneys for the payment of the principal amount to be redeemed on the Series 2016 Bond, together with the accrued interest to the date of redemption on such principal amount, shall have been paid to the Purchaser as above provided, then from and after the date of redemption, interest on such redeemed principal amount of the Series 2016 Bond shall cease to accrue. If said money shall not have been so paid on the date of redemption, such principal amount of the Series 2016 Bond shall continue to bear interest until payment thereof at the Interest Rate.

**SECTION 9. APPLICATION OF SERIES 2016 BOND PROCEEDS.**

The proceeds derived from the sale of the Series 2016 Bond shall be applied by the Issuer simultaneously with the delivery thereof as follows:

(A) A sufficient amount of Series 2016 Bond proceeds, together with other legally available moneys of the Issuer, shall be deposited irrevocably in trust in the Escrow Fund established under the terms and provisions of the hereinafter defined Escrow Deposit Agreement and shall be invested in cash and/or Federal Securities in the manner set forth in the Escrow Deposit Agreement, which Federal Securities, if any, shall mature at such times and in such amounts as shall be sufficient, together with any cash deposit, to pay the principal of, premium, if applicable, and interest on the Refunded Bonds as the same mature or are redeemed on their respective redemption dates.

(B) A sufficient amount of the Series 2016 Bond proceeds shall be applied to the payment of costs and expenses relating to the issuance of the Series 2016 Bond.

**SECTION 10. ANNUAL AUDIT, BUDGET AND OTHER INFORMATION.** The Issuer shall, immediately after the close of each Fiscal Year, cause the financial statements of the Issuer to be properly audited by a recognized independent certified public accountant or recognized independent firm of certified public accountants, and shall require such accountants to complete their report on the annual financial statements in accordance with applicable law. The annual financial statements shall be prepared in conformity with generally accepted accounting principles as applied to governmental entities. A copy of the audited financial statements for each Fiscal Year shall be furnished to the Purchaser or made available on the Issuer's general

website within 210 days after the end of each Fiscal Year. A copy of the annual budget for each Fiscal Year will be provided to the Purchaser or made available on the Issuer's general website within 30 days of approval. The Issuer shall also provide the Purchaser with any other financial information reasonably requested by the Purchaser.

**SECTION 11. TRANSFER AND ASSIGNMENT.** The holder's right, title and interest in and to the Series 2016 Bond and any amounts payable by the Issuer thereunder may be assigned and reassigned in whole or in part to one or more assignees or subassignees by the Purchaser, without the necessity of obtaining the consent of the Issuer; provided, that any such assignment, transfer or conveyance shall be made only to (i) affiliates of the Purchaser or (ii) banks, insurance companies or their affiliates, provided that any such entity is purchasing the Series 2016 Bond for its own account with no present intention to resell or distribute the Series 2016 Bond, subject to each investor's right at any time to dispose of the Series 2016 Bond as it determines to be in its best interests. Unless to an affiliate controlling, controlled by or under common control with the Purchaser, no assignment, transfer or conveyance permitted by this Section 11 shall be effective until the Issuer shall have received a written notice of assignment that discloses the name and address of each such assignee. If the Purchaser notifies the Issuer of its intent to assign and sell its right, title and interest in and to the Series 2016 Bond as herein provided, the Issuer agrees that it shall execute and deliver to the assignee Purchaser, a Series 2016 Bond in the principal amount so assigned, registered in the name of the assignee Purchaser, executed and delivered by the Issuer in the same manner as provided herein and in the Bond Resolution and with an appendix attached thereto setting forth the amounts to be paid on each principal payment date with respect to such Series 2016 Bond.

Notwithstanding any other provision of this Section 11, there shall never be more than three (3) holders of the Series 2016 Bond at any one time and, to the extent there are two (2) or more holders of the Series 2016 Bond at any time, such holders shall engage a paying agent and registrar that is reasonably acceptable to the Issuer, the duties of which shall include, but not be limited to, invoicing the Issuer for scheduled payments on the Series 2016 Bond, receiving payments from the Issuer, distributing payments to the Purchasers and maintaining registration books with respect to the Series 2016 Bond and the holders thereof. The holders of the Series 2016 Bond shall pay all costs and expenses of such paying agent and registrar and the Issuer shall have no liability, economic or otherwise, with respect thereto.

Nothing contained in this Section 11 shall be interpreted to prohibit the Purchaser from selling participations in the Series 2016 Bond to any investors meeting the conditions set forth in the immediately preceding paragraph.

**SECTION 12. DESIGNATION OF ISSUER AS PAYING AGENT AND REGISTRAR.** The Issuer, through the Clerk, shall act as Registrar and Paying Agent for the Series 2016 Bond.

**SECTION 13. AUTHORIZATION TO EXECUTE ESCROW DEPOSIT AGREEMENT.** The Issuer hereby authorizes and directs the Chairman to execute and the Clerk to attest an escrow deposit agreement (the "Escrow Deposit Agreement") and to deliver the Escrow Deposit Agreement (the "Escrow Agreement") to The Bank of New York Mellon Trust Company, N.A., which is hereby appointed as Escrow Agent. The Escrow Deposit Agreement shall be in substantially the form of the Escrow Agreement attached hereto as Exhibit C with such changes, amendments, modifications, omissions and additions, including the date of such Escrow Agreement, as may be approved by said Chairman. Execution by the Chairman of the Escrow Agreement shall be deemed to be conclusive evidence of approval of such changes.

**SECTION 14. RATIFICATION OF PRIOR ACTION.** All prior actions of the County Manager, the County Attorney, the Clerk and their respective staffs relating to the procurement of the Proposal, the selection of the Purchaser and the establishment of the terms of the Series 2016 Bonds are hereby ratified and approved.

**SECTION 15. GENERAL AUTHORITY.** The members of the Board, the County Manager, the County Attorney, the Clerk and the officers, attorneys and other agents or employees of the Issuer are hereby authorized to do all acts and things required of them by this supplemental resolution, the Bond Resolution or the Escrow Agreement, or desirable or consistent with the requirements hereof or the Bond Resolution or the Escrow Agreement for the full punctual and complete performance of all the terms, covenants and agreements contained herein or in the Series 2016 Bond, the Bond Resolution and the Escrow Agreement and each member, employee, attorney and officer of the Board and the Issuer and the Clerk is hereby authorized and directed to execute and deliver any and all papers and instruments and to be and cause to be done any and all acts and things necessary or proper for carrying out the transactions contemplated hereunder. In the event the Chairman is absent or unavailable to perform any function or duty hereunder the Vice-Chairman is hereby authorized to perform any and all of such functions or duties. Bond Counsel and the Issuer's Financial Advisor are hereby authorized and directed to take all action necessary and desirable to carry-out the intent and purposes of this supplemental resolution.

**SECTION 16. SEVERABILITY AND INVALID PROVISIONS.** If any one or more of the covenants, agreements or provisions herein contained shall 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 separable from the remaining covenants, agreements or provisions and shall in no way affect the validity of any of the other provisions hereof or of the Series 2016 Bond.

**SECTION 17. RESOLUTION TO CONTINUE IN FORCE.** Except as herein expressly provided, the Bond Resolution and all the terms and provisions thereof are and shall remain in full force and effect.

**SECTION 18. EFFECTIVE DATE.** This Resolution shall be effective immediately upon its adoption.

This Resolution passed and adopted this 26th day of July, 2016.

BOARD OF COUNTY COMMISSIONERS  
BREVARD COUNTY, FLORIDA

(SEAL)

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

  
Jim Barfield  
Chairman

ATTEST:



Approved by Board: July 26, 2016

\_\_\_\_\_  
Scott Ellis, Clerk of the Circuit Court  
and Ex-Officio Clerk to the Board of  
County Commissioners of Brevard  
County, Florida

**EXHIBIT A**  
**PROPOSAL**

**EXHIBIT B**  
**FINANCIAL PLAN**

**EXHIBIT C**

**FORM OF ESCROW DEPOSIT AGREEMENT**



June 27, 2016

**VIA Electronic Mail**

Mr. Stockton Whitten, County Manager  
Brevard County

**RE: Request for Bank Loan Proposals –  
North Brevard Recreation Special District Limited Ad Valorem Refunding Bond, Series 2016**

Dear Mr. Whitten,

Pinnacle Public Finance, Inc., a BankUnited Company, is pleased to provide this response to the Request for Bank Loan Proposals provided by Public Financial Management, Inc., acting as Financial Advisor, for Brevard County.

**Corporate Overview:** In October 2010, BankUnited acquired the municipal finance business from Koch Financial Corporation and now operates it under the name Pinnacle Public Finance, Inc. Pinnacle is headquartered in Scottsdale, Arizona and is a market leader in providing tax-exempt financing directly to its state and local government clients and through its vendor programs and alliances. With more than \$6 billion in financing and transactional experience in every state in the U.S., our team has the knowledge and the resources to fund complex programs that require innovative and flexible financing solutions.

Since beginning operations as Pinnacle, we have funded over 1,220 municipal transactions totaling nearly \$1.85 billion. As Koch Financial Corporation, our group managed a portfolio in excess of \$1 billion and 2,600 municipal leases.

Given that BankUnited is based in Florida, Pinnacle is strongly committed to meeting the needs of our Florida clients. Members of our team have successfully closed over 30 transactions totaling more than \$370 million in Florida.

Our proposed terms and conditions are as follows:

<b>Borrower:</b>	Brevard County, Florida (“County”)
<b>Lender:</b>	Pinnacle Public Finance, Inc. (“Pinnacle”)
<b>Financial Advisor:</b>	Public Financial Management, Inc. (“Financial Advisor”)
<b>Bond Counsel:</b>	Nabors, Giblin & Nickerson PA (“Bond Counsel”)
<b>Lender’s Counsel:</b>	Chapman and Cutler LLP (“Purchaser’s Counsel”)
<b>Issue Type:</b>	Municipal loan structured as a privately placed bond. The registered owner will be Pinnacle Public Finance, Inc. and Pinnacle requests physical delivery of the Bond, printed on safety paper, with no CUSIP and no reference to DTC or book-entry only system.

<b>Transaction Amount:</b>	Not to exceed \$7,250,000
<b>Purpose:</b>	The proceeds will be used to current refund the County's outstanding North Brevard Recreation Special District Limited Ad Valorem Refunding Bonds, Series 2007 and pay costs of issuance.
<b>Security:</b>	The payment of principal and interest will be secured by and payable from the receipts from a levy of ad valorem taxes on all taxable property within the North Brevard Recreation District as described in the request.
<b>Term:</b>	The loan will have a final maturity of July 1, 2026
<b>Interest Rate:</b>	2.125%
<b>Interest Rate Expiration:</b>	The above rate is valid through August 5, 2016.
<b>Projected Funding Date:</b>	It is assumed the loan will fund on or about August 4, 2016.
<b>Payment Frequency:</b>	Principal will be paid annually each July 1, commencing July 1, 2017. Interest will be paid semi-annually each January 1 and July 1, commencing January 1, 2017.
<b>Debt Service Requirements:</b>	Please see the attached Preliminary Debt Service Schedule.
<b>Prepayment Terms:</b>	Prior to July 1, 2020, the loan is not subject to prepayment. Beginning July 1, 2020, the loan is subject to prepayment in whole, but not in part, at any time at a price equal to par plus accrued interest. <i>Subject to negotiation.</i>

**Documentation:** Pinnacle assumes all financing documentation will be prepared by Bond Counsel in form and content acceptable to Pinnacle and Lender’s Counsel. Further, it is assumed Bond Counsel will provide, at no cost to Pinnacle, a validity and tax opinion.

This proposal is subject to review and acceptance of all documents by Pinnacle and Lender’s Counsel.

**Requested Provisions:**

Pinnacle will require a gross up provision in the event the loan becomes taxable due to actions or omissions of the County. If the loan becomes taxable the taxable rate of interest will be 3.45% and will be effective as of the date the tax status is ruled to have changed.

Pinnacle requests that a default rate of 6% be included in the documents. The default rate will become 7% if the obligation has become taxable as described above. *Subject to negotiation.*

Pinnacle requires the loan documents make no reference to any Uniform Commercial Code Section relating to Investment Securities (i.e. UCC Article 8).

Pinnacle will agree to transfer restrictions stated below in “Assignment”.

**Reporting:**

Pinnacle will request that the County agree to provide its CAFR within 210 days of the close of each fiscal year. Additionally, Pinnacle will request that the County agree to provide such other financial information as Pinnacle may reasonably request, including but not limited to, its annual budget for any prior or current fiscal year or subsequent fiscal years. *Subject to negotiation.*

**Assignment:**

It is our present intention to hold the loan to maturity; however, Pinnacle will require that it reserves the right to assign, transfer or convey the loan (or any interest therein or portion thereof) only to any of its affiliates or to banks, insurance companies or similar financial institutions or their affiliates, including participation arrangements with such entities.

**Fees/Closing Costs:**

Pinnacle proposes the inclusion of up to \$5,000 for Purchaser’s Counsel in the costs of issuance. The County will be responsible for any fees or expenses with respect to its (i) issuing costs, (ii) legal counsel (iii) Bond Counsel and (iv) title/registration fees, if any.

**Pre-Close Requirements:**

Pinnacle will require a complete executed copy of the transcript by noon the day prior to funding (a scanned copy is acceptable). Ultimately, Pinnacle will require a complete transcript with original signatures.

**IRMA Representation:**

Pinnacle requests the County provide a letter confirming the County’s Financial Advisor is acting as Independent Registered Municipal Advisor under the SEC

Municipal Advisor Rule. A copy of the requested letter is attached to this proposal as Exhibit A.

**Pinnacle's Role**

**As Lender:**

The transaction described in this document is an arm's length, commercial transaction between the County and Pinnacle in which: (a) Pinnacle is acting solely as a principal (*i.e.*, as a lender) and for its own interest; (b) Pinnacle is not acting as a municipal advisor or financial advisor to the County; (c) Pinnacle has no fiduciary duty pursuant to Section 15B of the Securities Exchange Act of 1934 to the County with respect to this transaction and the discussions, undertakings and procedures leading thereto (irrespective of whether Pinnacle has provided other services or is currently providing other services to the County on other matters); (d) the only obligations Pinnacle has to the County with respect to this transaction are set forth in the definitive transaction agreements between Pinnacle and the County; and (e) Pinnacle is not recommending that the County take an action with respect to the transaction described in this document, and before taking any action with respect to this transaction, the County should discuss the information contained herein with its own legal, accounting, tax, financial and other advisors, as it deems appropriate. If the County would like a municipal advisor in this transaction that has legal fiduciary duties to the County, the County is free to engage a municipal advisor to serve in that capacity.

**Credit Approval:** This proposal is subject to final credit approval by Pinnacle.

Please feel free to call me at **480-419-3634** with any questions or further clarification.

Thank you for the opportunity to present this proposal.

Sincerely,

*Blair Swain*

Blair Swain  
Vice President, Direct Markets

CC: Jay Glover  
Public Financial Management, Inc.

**Preliminary Debt Service Schedule**

**Brevard - N Brev Rec -Amortization Schedule:**

Totals:		\$8,250,857.86	\$1,115,857.86	\$7,135,000.00	Rate 2.1250%	\$8,250,857.86	
Pmt #	Payment Date	Payment Amount	Interest	Principal	Purchase Price	Outstanding Balance	Annual Total
	8/4/2016					\$7,135,000.00	
1	1/1/2017	\$61,910.99	\$61,910.99	\$0.00	Non-Callable	\$7,135,000.00	
2	7/1/2017	\$225,809.38	\$75,809.38	\$150,000.00	Non-Callable	\$6,985,000.00	\$287,720.36
3	1/1/2018	\$74,215.63	\$74,215.63	\$0.00	Non-Callable	\$6,985,000.00	
4	7/1/2018	\$234,215.63	\$74,215.63	\$160,000.00	Non-Callable	\$6,825,000.00	\$308,431.25
5	1/1/2019	\$72,515.63	\$72,515.63	\$0.00	Non-Callable	\$6,825,000.00	
6	7/1/2019	\$242,515.63	\$72,515.63	\$170,000.00	Non-Callable	\$6,655,000.00	\$315,031.25
7	1/1/2020	\$70,709.38	\$70,709.38	\$0.00	Non-Callable	\$6,655,000.00	
8	7/1/2020	\$250,709.38	\$70,709.38	\$180,000.00	\$6,475,000.00	\$6,475,000.00	\$321,418.75
9	1/1/2021	\$68,796.88	\$68,796.88	\$0.00	\$6,475,000.00	\$6,475,000.00	
10	7/1/2021	\$258,796.88	\$68,796.88	\$190,000.00	\$6,285,000.00	\$6,285,000.00	\$327,593.75
11	1/1/2022	\$66,778.13	\$66,778.13	\$0.00	\$6,285,000.00	\$6,285,000.00	
12	7/1/2022	\$1,276,778.13	\$66,778.13	\$1,210,000.00	\$5,075,000.00	\$5,075,000.00	\$1,343,556.25
13	1/1/2023	\$53,921.88	\$53,921.88	\$0.00	\$5,075,000.00	\$5,075,000.00	
14	7/1/2023	\$1,288,921.88	\$53,921.88	\$1,235,000.00	\$3,840,000.00	\$3,840,000.00	\$1,342,843.75
15	1/1/2024	\$40,800.00	\$40,800.00	\$0.00	\$3,840,000.00	\$3,840,000.00	
16	7/1/2024	\$1,295,800.00	\$40,800.00	\$1,255,000.00	\$2,585,000.00	\$2,585,000.00	\$1,336,600.00
17	1/1/2025	\$27,465.63	\$27,465.63	\$0.00	\$2,585,000.00	\$2,585,000.00	
18	7/1/2025	\$1,307,465.63	\$27,465.63	\$1,280,000.00	\$1,305,000.00	\$1,305,000.00	\$1,334,931.25
19	1/1/2026	\$13,865.63	\$13,865.63	\$0.00	\$1,305,000.00	\$1,305,000.00	
20	7/1/2026	\$1,318,865.63	\$13,865.63	\$1,305,000.00	\$0.00	\$0.00	\$1,332,731.25

SOURCES AND USES OF FUNDS

Brevard County, Florida  
 North Brevard Recreation Special District -- Limited Ad Valorem Refunding Bond, Series 2016

Final Numbers -- Current Refunding of 2007 Bonds  
 Lender: Pinnacle Public Finance

Sources:

<b>Bond Proceeds:</b>	
Par Amount	7,160,000.00
	<u>7,160,000.00</u>

Uses:

<b>Refunding Escrow Deposits:</b>	
Cash Deposit	7,110,100.36
<b>Delivery Date Expenses:</b>	
Cost of Issuance	49,899.64
	<u>7,160,000.00</u>

BOND SUMMARY STATISTICS

Brevard County, Florida  
 North Brevard Recreation Special District -- Limited Ad Valorem Refunding Bond, Series 2016

Final Numbers -- Current Refunding of 2007 Bonds  
 Lender: Pinnacle Public Finance

Dated Date	08/04/2016
Delivery Date	08/04/2016
Last Maturity	07/01/2026
Arbitrage Yield	2.125124%
True Interest Cost (TIC)	2.125124%
Net Interest Cost (NIC)	2.125000%
All-In TIC	2.228914%
Average Coupon	2.125000%
Average Life (years)	7.366
Duration of Issue (years)	6.815
Par Amount	7,160,000.00
Bond Proceeds	7,160,000.00
Total Interest	1,120,696.70
Net Interest	1,120,696.70
Total Debt Service	8,280,696.70
Maximum Annual Debt Service	1,345,356.26
Average Annual Debt Service	835,730.53
Underwriter's Fees (per \$1000)	
Average Takedown	
Other Fee	
Total Underwriter's Discount	
Bid Price	100.000000

Bond Component	Par Value	Price	Average Coupon	Average Life	PV of 1 bp change
Bond Component	7,160,000.00	100.000	2.125%	7.366	4,852.25
	7,160,000.00			7.366	4,852.25

	TIC	All-In TIC	Arbitrage Yield
Par Value	7,160,000.00	7,160,000.00	7,160,000.00
+ Accrued Interest			
+ Premium (Discount)			
- Underwriter's Discount			
- Cost of Issuance Expense		-49,899.64	
- Other Amounts			
Target Value	7,160,000.00	7,110,100.36	7,160,000.00
Target Date	08/04/2016	08/04/2016	08/04/2016
Yield	2.125124%	2.228914%	2.125124%

SUMMARY OF BONDS REFUNDED

Brevard County, Florida  
 North Brevard Recreation Special District -- Limited Ad Valorem Refunding Bond, Series 2016

Final Numbers -- Current Refunding of 2007 Bonds  
 Lender: Pinnacle Public Finance

Bond	Maturity Date	Interest Rate	Par Amount	Call Date	Call Price
North Brevard Limited GO Bonds, Series 2007, 07NORTH:					
SERIALS	07/01/2017	4.000%	585,000.00	09/08/2016	100.000
	07/01/2018	4.000%	610,000.00	09/08/2016	100.000
	07/01/2019	4.000%	630,000.00	09/08/2016	100.000
	07/01/2020	4.125%	655,000.00	09/08/2016	100.000
	07/01/2021	4.125%	685,000.00	09/08/2016	100.000
	07/01/2022	4.250%	715,000.00	09/08/2016	100.000
	07/01/2023	4.250%	745,000.00	09/08/2016	100.000
	07/01/2024	4.300%	775,000.00	09/08/2016	100.000
TERM26	07/01/2026	4.375%	1,655,000.00	09/08/2016	100.000
			7,055,000.00		

## SUMMARY OF REFUNDING RESULTS

Brevard County, Florida  
North Brevard Recreation Special District -- Limited Ad Valorem Refunding Bond, Series 2016

Final Numbers -- Current Refunding of 2007 Bonds  
Lender: Pinnacle Public Finance

Dated Date	08/04/2016
Delivery Date	08/04/2016
Arbitrage yield	2.125124%
Escrow yield	0.000000%
Value of Negative Arbitrage	
Bond Par Amount	7,160,000.00
True Interest Cost	2.125124%
Net Interest Cost	2.125000%
Average Coupon	2.125000%
Average Life	7.366
Par amount of refunded bonds	7,055,000.00
Average coupon of refunded bonds	4.265610%
Average life of refunded bonds	5.746
PV of prior debt to 08/04/2016 @ 2.125124%	7,882,176.27
Net PV Savings	722,176.27
Percentage savings of refunded bonds	10.236375%
Percentage savings of refunding bonds	10.086261%

SAVINGS

Brevard County, Florida  
 North Brevard Recreation Special District -- Limited Ad Valorem Refunding Bond, Series 2016

Final Numbers -- Current Refunding of 2007 Bonds  
 Lender: Pinnacle Public Finance

Date	Prior Debt Service	Refunding Debt Service	Savings	Annual Savings	Present Value to 08/04/2016 @ 2.1251238%
01/01/2017	148,028.13	62,127.92	85,900.21		85,161.93
07/01/2017	733,028.13	226,075.00	506,953.13	592,853.34	497,311.79
01/01/2018	136,328.13	74,481.25	61,846.88		60,032.78
07/01/2018	746,328.13	234,481.25	511,846.88	573,693.76	491,609.65
01/01/2019	124,128.13	72,781.25	51,346.88		48,798.23
07/01/2019	754,128.13	242,781.25	511,346.88	562,693.76	480,856.34
01/01/2020	111,528.13	70,975.00	40,553.13		37,734.08
07/01/2020	766,528.13	250,975.00	515,553.13	556,106.26	474,670.85
01/01/2021	98,018.75	69,062.50	28,956.25		26,379.78
07/01/2021	783,018.75	259,062.50	523,956.25	552,912.50	472,316.97
01/01/2022	83,890.63	67,043.75	16,846.88		15,026.84
07/01/2022	798,890.63	1,277,043.75	-478,153.12	-461,306.24	-422,012.11
01/01/2023	68,696.88	54,187.50	14,509.38		12,671.16
07/01/2023	813,696.88	1,289,187.50	-475,490.62	-460,981.24	-410,884.03
01/01/2024	52,865.63	41,065.63	11,800.00		10,089.49
07/01/2024	827,865.63	1,301,065.63	-473,200.00	-461,400.00	-400,351.48
01/01/2025	36,203.13	27,678.13	8,525.00		7,136.76
07/01/2025	846,203.13	1,317,678.13	-471,475.00	-462,950.00	-390,548.31
01/01/2026	18,484.38	13,971.88	4,512.50		3,698.65
07/01/2026	863,484.38	1,328,971.88	-465,487.50	-460,975.00	-377,523.09
	8,811,343.84	8,280,696.70	530,647.14	530,647.14	722,176.27

Savings Summary

PV of savings from cash flow	722,176.27
Net PV Savings	722,176.27

## BOND DEBT SERVICE

Brevard County, Florida

North Brevard Recreation Special District -- Limited Ad Valorem Refunding Bond, Series 2016

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Final Numbers -- Current Refunding of 2007 Bonds

Lender: Pinnacle Public Finance

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
01/01/2017			62,127.92	62,127.92	
07/01/2017	150,000	2.125%	76,075.00	226,075.00	288,202.92
01/01/2018			74,481.25	74,481.25	
07/01/2018	160,000	2.125%	74,481.25	234,481.25	308,962.50
01/01/2019			72,781.25	72,781.25	
07/01/2019	170,000	2.125%	72,781.25	242,781.25	315,562.50
01/01/2020			70,975.00	70,975.00	
07/01/2020	180,000	2.125%	70,975.00	250,975.00	321,950.00
01/01/2021			69,062.50	69,062.50	
07/01/2021	190,000	2.125%	69,062.50	259,062.50	328,125.00
01/01/2022			67,043.75	67,043.75	
07/01/2022	1,210,000	2.125%	67,043.75	1,277,043.75	1,344,087.50
01/01/2023			54,187.50	54,187.50	
07/01/2023	1,235,000	2.125%	54,187.50	1,289,187.50	1,343,375.00
01/01/2024			41,065.63	41,065.63	
07/01/2024	1,260,000	2.125%	41,065.63	1,301,065.63	1,342,131.26
01/01/2025			27,678.13	27,678.13	
07/01/2025	1,290,000	2.125%	27,678.13	1,317,678.13	1,345,356.26
01/01/2026			13,971.88	13,971.88	
07/01/2026	1,315,000	2.125%	13,971.88	1,328,971.88	1,342,943.76
	7,160,000		1,120,696.70	8,280,696.70	8,280,696.70

## PRIOR BOND DEBT SERVICE

Brevard County, Florida  
 North Brevard Recreation Special District -- Limited Ad Valorem Refunding Bond, Series 2016

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 Final Numbers -- Current Refunding of 2007 Bonds  
 Lender: Pinnacle Public Finance

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
01/01/2017			148,028.13	148,028.13	
07/01/2017	585,000	4.000%	148,028.13	733,028.13	881,056.26
01/01/2018			136,328.13	136,328.13	
07/01/2018	610,000	4.000%	136,328.13	746,328.13	882,656.26
01/01/2019			124,128.13	124,128.13	
07/01/2019	630,000	4.000%	124,128.13	754,128.13	878,256.26
01/01/2020			111,528.13	111,528.13	
07/01/2020	655,000	4.125%	111,528.13	766,528.13	878,056.26
01/01/2021			98,018.75	98,018.75	
07/01/2021	685,000	4.125%	98,018.75	783,018.75	881,037.50
01/01/2022			83,890.63	83,890.63	
07/01/2022	715,000	4.250%	83,890.63	798,890.63	882,781.26
01/01/2023			68,696.88	68,696.88	
07/01/2023	745,000	4.250%	68,696.88	813,696.88	882,393.76
01/01/2024			52,865.63	52,865.63	
07/01/2024	775,000	4.300%	52,865.63	827,865.63	880,731.26
01/01/2025			36,203.13	36,203.13	
07/01/2025	810,000	4.375%	36,203.13	846,203.13	882,406.26
01/01/2026			18,484.38	18,484.38	
07/01/2026	845,000	4.375%	18,484.38	863,484.38	881,968.76
	7,055,000		1,756,343.84	8,811,343.84	8,811,343.84

ESCROW REQUIREMENTS

Brevard County, Florida  
North Brevard Recreation Special District -- Limited Ad Valorem Refunding Bond, Series 2016

Final Numbers -- Current Refunding of 2007 Bonds  
Lender: Pinnacle Public Finance

Period Ending	Interest	Principal Redeemed	Total
09/08/2016	55,099.36	7,055,000.00	7,110,099.36
	55,099.36	7,055,000.00	7,110,099.36

ESCROW SUFFICIENCY

Brevard County, Florida  
North Brevard Recreation Special District -- Limited Ad Valorem Refunding Bond, Series 2016

Final Numbers -- Current Refunding of 2007 Bonds  
Lender: Pinnacle Public Finance

Date	Escrow Requirement	Net Escrow Receipts	Excess Receipts	Excess Balance
08/04/2016		7,110,100.36	7,110,100.36	7,110,100.36
09/08/2016	7,110,099.36		-7,110,099.36	1.00
	7,110,099.36	7,110,100.36	1.00	

COST OF ISSUANCE

Brevard County, Florida  
North Brevard Recreation Special District -- Limited Ad Valorem Refunding Bond, Series 2016

Final Numbers -- Current Refunding of 2007 Bonds  
Lender: Pinnacle Public Finance

Cost of Issuance	\$/1000	Amount
Bond Counsel Fee	3.14246	22,500.00
Bond Counsel Expenses	0.27933	2,000.00
Financial Advisor Fee	2.09497	15,000.00
Financial Advisor Expenses	0.06983	500.00
Bank Counsel	0.69832	5,000.00
Miscellaneous	0.68431	4,899.64
	6.96922	49,899.64

FORM 8038 STATISTICS

Brevard County, Florida  
 North Brevard Recreation Special District -- Limited Ad Valorem Refunding Bond, Series 2016

Final Numbers -- Current Refunding of 2007 Bonds  
 Lender: Pinnacle Public Finance

Dated Date 08/04/2016  
 Delivery Date 08/04/2016

Bond Component	Date	Principal	Coupon	Price	Issue Price	Redemption at Maturity
Bond Component:						
	07/01/2017	150,000.00	2.125%	100.000	150,000.00	150,000.00
	07/01/2018	160,000.00	2.125%	100.000	160,000.00	160,000.00
	07/01/2019	170,000.00	2.125%	100.000	170,000.00	170,000.00
	07/01/2020	180,000.00	2.125%	100.000	180,000.00	180,000.00
	07/01/2021	190,000.00	2.125%	100.000	190,000.00	190,000.00
	07/01/2022	1,210,000.00	2.125%	100.000	1,210,000.00	1,210,000.00
	07/01/2023	1,235,000.00	2.125%	100.000	1,235,000.00	1,235,000.00
	07/01/2024	1,260,000.00	2.125%	100.000	1,260,000.00	1,260,000.00
	07/01/2025	1,290,000.00	2.125%	100.000	1,290,000.00	1,290,000.00
	07/01/2026	1,315,000.00	2.125%	100.000	1,315,000.00	1,315,000.00
		7,160,000.00			7,160,000.00	7,160,000.00

	Maturity Date	Interest Rate	Issue Price	Stated Redemption at Maturity	Weighted Average Maturity	Yield
Final Maturity	07/01/2026	2.125%	1,315,000.00	1,315,000.00		
Entire Issue			7,160,000.00	7,160,000.00	7.3657	2.1251%

Proceeds used for accrued interest	0.00
Proceeds used for bond issuance costs (including underwriters' discount)	49,899.64
Proceeds used for credit enhancement	0.00
Proceeds allocated to reasonably required reserve or replacement fund	0.00
Proceeds used to currently refund prior issues	7,110,100.36
Proceeds used to advance refund prior issues	0.00
Remaining weighted average maturity of the bonds to be currently refunded	5.7360
Remaining weighted average maturity of the bonds to be advance refunded	0.0000

FORM 8038 STATISTICS

Brevard County, Florida  
 North Brevard Recreation Special District -- Limited Ad Valorem Refunding Bond, Series 2016

Final Numbers -- Current Refunding of 2007 Bonds  
 Lender: Pinnacle Public Finance

Refunded Bonds

Bond Component	Date	Principal	Coupon	Price	Issue Price
North Brevard Limited GO Bonds, Series 2007:					
SERIALS	07/01/2017	585,000.00	4.000%	100.386	587,258.10
SERIALS	07/01/2018	610,000.00	4.000%	99.543	607,212.30
SERIALS	07/01/2019	630,000.00	4.000%	99.032	623,901.60
SERIALS	07/01/2020	655,000.00	4.125%	99.741	653,303.55
SERIALS	07/01/2021	685,000.00	4.125%	98.660	675,821.00
SERIALS	07/01/2022	715,000.00	4.250%	99.437	710,974.55
SERIALS	07/01/2023	745,000.00	4.250%	98.832	736,298.40
SERIALS	07/01/2024	775,000.00	4.300%	98.789	765,614.75
TERM26	07/01/2025	810,000.00	4.375%	98.900	801,090.00
TERM26	07/01/2026	845,000.00	4.375%	98.900	835,705.00
		7,055,000.00			6,997,179.25

	Last Call Date	Issue Date	Remaining Weighted Average Maturity
North Brevard Limited GO Bonds, Series 2007	09/08/2016	02/06/2007	5.7360
All Refunded Issues	09/08/2016		5.7360

**ESCROW DEPOSIT AGREEMENT**

**ESCROW DEPOSIT AGREEMENT**, dated as of \_\_\_\_\_, 2016 (this "Agreement"), by and between the **BREVARD COUNTY, FLORIDA**, a political subdivision of the State of Florida (the "Issuer"), and **THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A.** (the "Escrow Agent"), a national banking association organized and existing under the laws of the United States of America, having its designated corporate trust office in Jacksonville, Florida, as escrow agent hereunder.

**WHEREAS**, the Issuer has heretofore issued the Brevard County, Florida North Brevard Recreation Special District Limited Ad Valorem Tax Refunding Bonds (Parks and Recreation Program), Series 2007 (the "Refunded Bonds") pursuant to Resolution No. 01-213 adopted on May 8, 2001, as amended and supplemented (the "Resolution"); and

**WHEREAS**, the Issuer has determined to exercise its option under the Resolution to current refund all of the Refunded Bonds, the description of which is set forth in Schedule A hereto; and

**WHEREAS**, the Issuer has determined to issue \$ \_\_\_\_\_ aggregate principal amount of its Brevard County, Florida North Brevard Recreation Special District Limited Ad Valorem Tax Refunding Bond (Parks and Recreation Program), Series 2016 (the "Series 2016 Bond") pursuant to the Resolution, a portion of the proceeds of which Series 2016 Bond will be used to provide payment for the Refunded Bonds and to discharge and satisfy the pledges, liens and other obligations of the Issuer under the Resolution in regard to such Refunded Bonds; and

**WHEREAS**, the issuance of the Series 2016 Bond, the deposit of Series 2016 Bond proceeds into an escrow deposit trust fund to be held by the Escrow Agent and the discharge and satisfaction of the pledges, liens and other obligations of the Issuer under the Resolution in regard to the Refunded Bonds shall occur as a simultaneous transaction; and

**WHEREAS**, this Agreement is intended to effectuate such simultaneous transaction;

**NOW, THEREFORE**, in consideration of the foregoing and of the mutual covenants hereinafter set forth, the parties hereto agree as follows:

**SECTION 1. PREAMBLES.** The recitals stated above are true and correct and incorporated herein.

**SECTION 2. RECEIPT OF RESOLUTION.** Receipt of a true and correct copy of the above-mentioned Resolution and this Agreement is hereby acknowledged by the Escrow Agent. The applicable and necessary provisions of the Resolution, including but not limited to Sections 5.09 through 5.14 and Section 11.02 thereto, are incorporated herein by reference. Reference herein to or citation herein of any provisions of the Resolution shall be deemed to incorporate the same as a part hereof in the same manner and with the same effect as if the same were fully set forth herein.

**SECTION 3. DISCHARGE OF PLEDGE OF HOLDERS OF REFUNDED BONDS.** The Issuer by this writing exercises its option to cause the right, title and interest of the holders of the Refunded Bonds under the Resolution and the pledge and lien on the Pledged Revenues, and all other pledges created by or pursuant to the Resolution with respect to such holders of the Refunded Bonds to cease, determine and become void.

**SECTION 4. ESTABLISHMENT OF ESCROW FUND.** There is hereby created and established with the Escrow Agent a special, segregated and irrevocable escrow fund designated the "Brevard County, Florida North Brevard Recreation Special District Limited Ad Valorem Tax Refunding Bonds (Parks and Recreation Program), Series 2007" (the "Escrow Fund"). The Escrow Fund shall be held in the custody of the Escrow Agent as a trust fund for the benefit of the holders of the Refunded Bonds, separate and apart from other funds and accounts of the Issuer and the Escrow Agent. The Escrow Agent hereby accepts the Escrow Fund and acknowledges the receipt of and deposit to the credit of the Escrow Fund the sum of \$\_\_\_\_\_ received from the Issuer from proceeds of the Series 2016 Bond (the "Bond Proceeds").

**SECTION 5. DEPOSIT OF MONEYS AND SECURITIES IN ESCROW FUND.** The Issuer hereby directs and the Escrow Agent represents and acknowledges that **ALL OF THE BOND PROCEEDS DEPOSITED UNDER SECTION 4 ABOVE SHALL BE HELD UNINVESTED IN CASH (THE "CASH DEPOSIT") IN THE ESCROW FUND.**

**SECTION 6. SUFFICIENCY OF CASH DEPOSIT.** The Issuer represents that the Cash Deposit is sufficient such that moneys will be available to the Escrow Agent in amounts sufficient and at the times required to pay the amounts of principal of and interest due and to become due on the Refunded Bonds as described in Schedule B attached hereto. If the Cash Deposit shall be insufficient to make such payments, the Issuer shall timely deposit to the Escrow Fund, solely from legally available funds of the Issuer, such additional amounts as may be required to pay the Refunded Bonds as described in Schedule B hereto. Notice of any insufficiency shall be given by the Escrow Agent to the Issuer as promptly as possible, but the Escrow Agent shall in no manner be responsible for the Issuer's failure to make such deposits.

**SECTION 7. CASH DEPOSIT IN TRUST FOR HOLDERS OF REFUNDED BONDS.** The Cash Deposit in the Escrow Fund shall constitute an irrevocable deposit of cash in trust solely for the payment of the principal of and interest on the Refunded Bonds at such times and in such amounts as set forth in Schedule B hereto, and the Cash Deposit shall be used solely for such purpose.

**SECTION 8. ESCROW AGENT TO PAY REFUNDED BONDS FROM ESCROW FUND.** The Issuer hereby directs, and the Escrow Agent hereby agrees, that it will take all actions required to be taken by it under the provisions of the Resolution referenced in this Agreement, including the timely transfer of money to the Paying Agent for the Refunded Bonds (TD Bank, National Association) as provided in the Resolution, in order to effectuate this Agreement and to pay the Refunded Bonds in the amounts and at the times provided in Schedule B hereto. The Cash Deposit shall be used to pay the principal of and interest on the Refunded Bonds as the same are redeemed on \_\_\_\_\_, 2016. If any payment date shall be a day on which either the Paying Agent for the Refunded Bonds or the Escrow Agent is not open for the acceptance or delivery of funds, then the Escrow Agent may make payment on the next business day. The liability of the Escrow Agent for the payment of the principal of and interest on the Refunded Bonds pursuant to this Agreement shall be limited to the application of the Cash Deposit as provided herein.

**SECTION 9. NO INVESTMENT OF CASH DEPOSIT. THE CASH DEPOSIT SHALL BE HELD UNINVESTED IN CASH.**

**SECTION 10. REDEMPTION OF REFUNDED BONDS.** The Issuer hereby irrevocably instructs the Escrow Agent to direct, on behalf of the Issuer, that the Registrar and Paying Agent for the Refunded Bonds (TD Bank, National Association) give at the appropriate times the notice or notices, if any, required by the Resolution in connection with the redemption of the Refunded Bonds. Such notice of redemption shall be given by the Registrar for such Refunded Bonds in accordance with the Resolution. The Refunded Bonds shall be redeemed on \_\_\_\_\_, 2016 at a redemption price equal to 100% of the principal amount thereof plus interest accrued to the redemption date.

**SECTION 11. ESCROW FUND IRREVOCABLE.** The Escrow Fund hereby created shall be irrevocable and the holders of the Refunded Bonds shall have an express lien on the Cash Deposit deposited in the Escrow Fund pursuant to the terms hereof and the interest earnings thereon until paid out, used and applied in accordance with this Agreement and the Resolution. Neither the Issuer nor the Escrow Agent shall cause nor permit any other lien or interest whatsoever to be imposed upon the Escrow Fund.

**SECTION 12. AMENDMENTS TO AGREEMENT.** This Agreement is made for the benefit of the Issuer and the holders from time to time of the Refunded

Bonds and it shall not be repealed, revoked, altered or amended without the written consent of all such holders and the written consent of the Escrow Agent; provided, however, that the Issuer and the Escrow Agent may, without the consent of, or notice to, such holders, enter into such agreements supplemental to this Agreement as shall not adversely affect the rights of such holders and as shall not be inconsistent with the terms and provisions of this Agreement, for any one or more of the following purposes:

- (a) to cure any ambiguity or formal defect or omission in this Agreement;
- (b) to grant, or confer upon, the Escrow Agent for the benefit of the holders of the Refunded Bonds, any additional rights, remedies, powers or authority that may lawfully be granted to, or conferred upon, such holders or the Escrow Agent; and
- (c) to subject to this Agreement additional funds, securities or properties.

The Escrow Agent shall be entitled to rely exclusively upon an unqualified opinion of nationally recognized Bond Counsel with respect to compliance with this Section 12, including the extent, if any, to which any change, modification or addition affects the rights of the holders of the Refunded Bonds, or that any instrument executed hereunder complies with the conditions and provisions of this Section 12.

**SECTION 13. FEES AND EXPENSES OF ESCROW AGENT; INDEMNIFICATION.** In consideration of the services rendered by the Escrow Agent under this Agreement, the Issuer agrees to and shall pay to the Escrow Agent the fees and expenses as set forth on Schedule C. The Escrow Agent shall have no lien whatsoever upon any of the Cash Deposit in said Escrow Fund for the payment of such proper fees and expenses. The Issuer further agrees to indemnify and save the Escrow Agent harmless, to the extent allowed by law, against any liabilities which it may incur in the exercise and performance of its powers and duties hereunder, and which are not due to its negligence or misconduct. Indemnification provided under this Section 13 shall survive the termination of this Agreement.

Whenever the Escrow Agent shall deem it necessary or desirable that a matter be proved or established prior to taking, suffering or omitting any action under this Agreement, such matter may be deemed to be conclusively established by a certificate signed by an authorized officer of the Issuer. The Escrow Agent may conclusively rely, as to the correctness of statements, conclusions and opinions therein, upon any certificate, report, opinion or other document furnished to the Escrow Agent pursuant to any provision of this Agreement; the Escrow Agent shall be protected and shall not be liable for acting or proceeding, in good faith, upon such reliance; and the Escrow Agent shall be under no duty to make any investigation or inquiry as to any statements contained or matters referred to in any such instrument. The Escrow Agent may consult with counsel,

who may be counsel to the Issuer or independent counsel, with regard to legal questions, and the opinion of such counsel shall be full and complete authorization and protection in respect of any action taken or suffered by it hereunder in good faith in accordance herewith. Prior to retaining such independent counsel, the Escrow Agent shall notify the Issuer of its intention.

The Escrow Agent and its successors, agents and servants shall not be held to any personal liability whatsoever, in tort, contract or otherwise, by reason of the execution and delivery of this Agreement, the establishment of the Escrow Fund, the acceptance and disposition of the various moneys and funds described herein, the purchase, retention or payment, transfer or other application of funds or securities by the Escrow Agent in accordance with the provisions of this Agreement or any nonnegligent act, omission or error of the Escrow Agent made in good faith in the conduct of its duties. The Escrow Agent shall, however, be liable to the Issuer and to holders of the Refunded Bonds to the extent of their respective damages for negligent or willful acts, omissions or errors of the Escrow Agent which violate or fail to comply with the terms of this Agreement. The duties and obligations of the Escrow Agent shall be determined by the express provisions of this Agreement.

**SECTION 14. REPORTING REQUIREMENTS OF ESCROW AGENT.**

As soon as practicable after \_\_\_\_\_, 2016, the Escrow Agent shall forward in writing to the Issuer a statement in detail of the activity of the Escrow Fund since the date hereof.

**SECTION 15. RESIGNATION OR REMOVAL OF ESCROW AGENT.**

The Escrow Agent, at the time acting hereunder, may at any time resign and be discharged from the duties and obligations hereby created by giving not less than 20 days' written notice to the Issuer and mailing notice thereof, specifying the date when such resignation will take effect to the holders of all Refunded Bonds then outstanding, but no such resignation shall take effect unless a successor Escrow Agent shall have been appointed by the holders of a majority in aggregate principal amount of the Refunded Bonds then outstanding or by the Issuer as hereinafter provided and such successor Escrow Agent shall have accepted such appointment, in which event such resignation shall take effect immediately upon the appointment and acceptance of a successor Escrow Agent.

The Escrow Agent may be replaced at any time by an instrument or concurrent instruments in writing, delivered to the Escrow Agent and signed by either the Issuer or the holders of a majority in aggregate principal amount of the Refunded Bonds then outstanding. Such instrument shall provide for the appointment of a successor Escrow Agent, which appointment shall occur simultaneously with the removal of the Escrow Agent.

In the event the Escrow Agent hereunder shall resign or be removed, or be dissolved, or shall be in the course of dissolution or liquidation, or otherwise become incapable of acting hereunder, or in case the Escrow Agent shall be taken under the control of any public officer or officers, or of a receiver appointed by a court, a successor may be appointed by the holders of a majority in aggregate principal amount of the Refunded Bonds then outstanding by an instrument or concurrent instruments in writing, signed by such holders, or by their attorneys in fact, duly authorized in writing; provided, nevertheless, that in any such event, the Issuer shall appoint a temporary Escrow Agent to fill such vacancy until a successor Escrow Agent shall be appointed by the holders of a majority in aggregate principal amount of the Refunded Bonds then outstanding in the manner above provided, and any such temporary Escrow Agent so appointed by the Issuer shall immediately and without further act be superseded by the Escrow Agent so appointed by such holders. The Issuer shall mail notice of any such appointment made by it at the times and in the manner described in the first paragraph of this Section 15.

In the event that no appointment of a successor Escrow Agent or a temporary successor Escrow Agent shall have been made by such holders or the Issuer pursuant to the foregoing provisions of this Section 15 within 20 days after written notice of resignation of the Escrow Agent has been given to the Issuer, the holder of any of the Refunded Bonds or any retiring Escrow Agent may apply to any court of competent jurisdiction for the appointment of a successor Escrow Agent, and such court may thereupon, after such notice, if any, as it shall deem proper, appoint a successor Escrow Agent.

In the event of replacement or resignation of the Escrow Agent, the Escrow Agent shall remit to the Issuer the prorated portion of prepaid fees not yet incurred or payable, less any termination fees and expenses at the time of discharge, and shall have no further liability hereunder and the Issuer shall indemnify and hold harmless the Escrow Agent, to the extent allowed by law, from any such liability, including costs or expenses incurred by the Escrow Agent or its counsel.

No successor Escrow Agent shall be appointed unless such successor Escrow Agent shall be a corporation with trust powers organized under the banking laws of the United States or any State, and shall have at the time of appointment capital and surplus of not less than \$30,000,000.

Every successor Escrow Agent appointed hereunder shall execute, acknowledge and deliver to its predecessor and to the Issuer an instrument in writing accepting such appointment hereunder and thereupon such successor Escrow Agent, without any further act, deed or conveyance, shall become fully vested with all the rights, immunities, powers, trusts, duties and obligations of its predecessor; but such predecessor shall nevertheless, on the written request of such successor Escrow Agent or the Issuer execute and deliver an instrument transferring to such successor Escrow Agent all the estates, properties, rights, powers and trust of such predecessor hereunder; and every predecessor

Escrow Agent shall deliver all securities and moneys held by it to its successor; provided, however, that before any such delivery is required to be made, all fees, advances and expenses of the retiring or removed Escrow Agent shall be paid in full. Should any transfer, assignment or instrument in writing from the Issuer be required by any successor Escrow Agent for more fully and certainly vesting in such successor Escrow Agent the estates, rights, powers and duties hereby vested or intended to be vested in the predecessor Escrow Agent, any such transfer, assignment and instruments in writing shall, on request, be executed, acknowledged and delivered by the Issuer.

Any corporation into which the Escrow Agent, or any successor to it in the trusts created by this Agreement, may be merged or converted or with which it or any successor to it may be consolidated, or any corporation resulting from any merger, conversion, consolidation or tax-free reorganization to which the Escrow Agent or any successor to it shall be a party shall be the successor Escrow Agent under this Agreement without the execution or filing of any paper or any other act on the part of any of the parties hereto, anything herein to the contrary notwithstanding.

**SECTION 16. TERMINATION OF AGREEMENT.** This Agreement shall terminate when all transfers and payments required to be made by the Escrow Agent under the provisions hereof shall have been made. Upon such termination, all moneys remaining in the Escrow Fund shall be released to the Issuer.

**SECTION 17. GOVERNING LAW.** This Agreement shall be governed by the applicable laws of the State of Florida.

**SECTION 18. SEVERABILITY.** If any one or more of the covenants or agreements provided in this Agreement on the part of the Issuer or the Escrow Agent to be performed should be determined by a court of competent jurisdiction to be contrary to law, such covenant or agreement shall be deemed and construed to be severable from the remaining covenants and agreements herein contained and shall in no way affect the validity of the remaining provisions of this Agreement.

**SECTION 19. COUNTERPARTS.** This Agreement may be executed in several counterparts, all or any of which shall be regarded for all purposes as one original and shall constitute and be but one and the same instrument.

[Remainder of page intentionally left blank]

**SECTION 20. NOTICES.** Any notice, authorization, request or demand required or permitted to be given in accordance with the terms of this Agreement shall be in writing and sent by registered or certified mail addressed to:


The Bank of New York Mellon Trust Company, N.A.  
10161 Centurion Parkway  
Jacksonville, FL 32256  
Attention: Corporate Trust Department

Brevard County, Florida  
2725 Judge Fran Jamieson Way  
Viera, Florida 32940  
Attention: County Manager

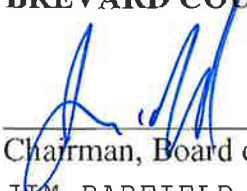
**IN WITNESS WHEREOF**, the parties hereto have each caused this Escrow Deposit Agreement to be executed by their duly authorized officers and appointed officials and the seal of the Issuer to be hereunder affixed and attested as of the date first written herein.

(SEAL)

ATTEST:

  
\_\_\_\_\_  
Clerk of the Circuit Court and Ex-Officio  
Clerk to the Board of County Commissioners  
of Brevard County, Florida  
SCOTT ELLIS, CLERK

**BREVARD COUNTY, FLORIDA**

  
\_\_\_\_\_  
Chairman, Board of County Commissioners  
JIM BARFIELD

Approved by Board July 26, 2016

**THE BANK OF NEW YORK MELLON  
TRUST COMPANY, N.A., as Escrow Agent**

By: \_\_\_\_\_  
Authorized Signatory

**SCHEDULE A**

**DESCRIPTION OF THE REFUNDED BONDS**

**SCHEDULE B**

**DEBT SERVICE REQUIREMENTS FOR REFUNDED BONDS**

**SCHEDULE C**

**ESCROW AGENT FEES AND EXPENSES**

So. Brev. Rec.  
District

**RESOLUTION NO. 16-112**

A RESOLUTION OF THE BOARD OF COUNTY COMMISSIONERS OF BREVARD COUNTY, FLORIDA, SUPPLEMENTING RESOLUTION NO. 01-215, WHICH RESOLUTION NO. 01-215, AMONG OTHER THINGS, AUTHORIZED THE ISSUANCE OF BREVARD COUNTY, FLORIDA SOUTH BREVARD RECREATION SPECIAL DISTRICT LIMITED AD VALOREM TAX BONDS (PARKS AND RECREATION PROGRAM) FROM TIME TO TIME; AUTHORIZING THE REFUNDING OF THE BREVARD COUNTY, FLORIDA SOUTH BREVARD RECREATION SPECIAL DISTRICT LIMITED AD VALOREM TAX BONDS (PARKS AND RECREATION PROGRAM), SERIES 2007 IN ORDER TO ACHIEVE DEBT SERVICE SAVINGS AND TO RESTRUCTURE THE DISTRICT'S INDEBTEDNESS; AUTHORIZING THE ISSUANCE OF NOT EXCEEDING \$26,500,000 AGGREGATE PRINCIPAL AMOUNT OF BREVARD COUNTY, FLORIDA SOUTH BREVARD RECREATION SPECIAL DISTRICT LIMITED AD VALOREM TAX REFUNDING BOND (PARKS AND RECREATION PROGRAM), SERIES 2016 IN ORDER TO EFFECT SUCH REFUNDING; AUTHORIZING A NEGOTIATED SALE OF SAID BOND PURSUANT TO THE PROPOSAL OF TD BANK, N.A.; DELEGATING CERTAIN AUTHORITY TO THE CHAIRMAN AND THE COUNTY MANAGER IN CONNECTION WITH THE APPROVAL OF THE TERMS AND DETAILS OF SAID BOND; DESIGNATING THE COUNTY AS THE PAYING AGENT AND REGISTRAR FOR SAID BOND; AUTHORIZING THE EXECUTION AND DELIVERY OF AN ESCROW DEPOSIT AGREEMENT AND APPOINTMENT OF AN ESCROW AGENT THERETO; AND PROVIDING AN EFFECTIVE DATE.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF BREVARD COUNTY, FLORIDA that:

**SECTION 1. FINDINGS.** It is hereby found and determined that:

(A) On August 29, 2000, the Board of County Commissioners (the "Board") of Brevard County, Florida (the "County") duly adopted Resolution No. 2000-253 calling for a bond referendum election to be held to determine if the qualified electors within the South Brevard Recreation Special District (the "District") would approve the issuance of not exceeding \$45,000,000 principal amount of limited general obligation bonds payable from ad valorem taxes derived from a levy of up to .6 mills against all taxable property

within the District for the purpose of financing costs of needed recreational improvements within the District (the "2001 Project").

(B) On November 7, 2000, a bond referendum election was held and the issuance of not exceeding \$45,000,000 principal amount of limited general obligation bonds payable from ad valorem taxes derived from a levy of up to .6 mills against all taxable property within the District for the purpose of financing costs of the 2001 Project was approved by a majority of the qualified electors within the District voting in said referendum election.

(C) Pursuant to Resolution No. 01-215 adopted by the Board on May 8, 2001, as amended by Resolution No. 2007-022 adopted by the Board on January 23, 2007 and by Resolution No. 2011-197 adopted by the Board on September 6, 2011 (collectively, the "Bond Resolution"), the County, on behalf of the District (the "Issuer"), issued the Brevard County, Florida South Brevard Recreation Special District Limited Ad Valorem Tax Bonds (Parks and Recreation Program), Series 2001 (the "Series 2001 Bonds") for the principal purpose of financing costs of the 2001 Project.

(D) On August 29, 2006, the Board duly adopted Resolution No. 06-239 calling for a bond referendum election to be held to determine if the qualified electors within the District would approve the issuance of not exceeding \$60,270,000 principal amount of limited general obligation bonds payable from ad valorem taxes derived from the previously approved levy of up to .6 mills against all taxable property within the District for the purpose of financing costs of additional recreational improvements within the District (the "2007 Project").

(E) On November 7, 2006, a bond referendum election was held and the issuance of not exceeding \$60,270,000 principal amount of limited general obligation bonds payable from ad valorem taxes derived from the previously approved levy of up to .6 mills against all taxable property within the District for the purpose of financing costs of the 2007 Project was approved by a majority of the qualified electors within the District voting in said referendum election.

(F) Pursuant to the Bond Resolution, the Issuer issued its Brevard County, Florida South Brevard Recreation Special District Limited Ad Valorem Tax Bonds (Parks and Recreation Program), Series 2007 (the "Series 2007 Bonds") for the principal purpose of financing costs of the 2007 Project.

(G) Pursuant to the Bond Resolution, the Issuer issued its Brevard County, Florida South Brevard Recreation Special District Limited Ad Valorem Tax Refunding Bond (Parks and Recreation Program), Series 2011 (the "Series 2011 Bond") in order to refund all of the outstanding Series 2001 Bonds in order to achieve debt service savings.

(H) The Bond Resolution provides for the issuance of Additional Bonds (as defined in the Bond Resolution), payable on parity with the Series 2011 Bond, for the purpose of refunding, on a current basis, all of the outstanding Series 2007 Bonds (the "Refunded Bonds"), upon meeting certain requirements set forth in the Bond Resolution.

(I) The Issuer deems it to be in its best interest to issue its Brevard County, Florida South Brevard Recreation Special District Limited Ad Valorem Tax Refunding Bond (Parks and Recreation Program), Series 2016 (the "Series 2016 Bond") for the principal purpose of currently refunding the Refunded Bonds in order to achieve debt service savings and to restructure the District's limited ad valorem tax indebtedness. The Series 2016 Bond shall be issued on parity with the Series 2011 Bond pursuant to the terms of the Bond Resolution.

(J) In connection with the refunding of the Refunded Bonds, the Issuer shall, as provided herein, deposit a portion of the proceeds derived from the sale of the Series 2016 Bond, together with other legally available moneys of the Issuer, if any, to a special escrow deposit trust fund (the "Escrow Fund") to purchase certain direct, non-callable U.S. Treasury obligations (the "Federal Securities") which shall be sufficient, together with the investment earnings therefrom and a cash deposit, if any, to pay the Refunded Bonds as the same become due and payable or are redeemed prior to maturity, all as provided herein and in the hereinafter described Escrow Deposit Agreement; provided however, upon the advice of its financial advisor, Public Financial Management, Inc. (the "Financial Advisor"), the County Manager may determine to fund the Escrow Fund entirely with cash to be held uninvested.

(K) In response to a request for bank loan proposals distributed on behalf of the Issuer by the Financial Advisor to qualified financial institutions, TD Bank, N.A. (including any successors thereof, the "Purchaser") submitted a proposal (the "Proposal") to the Issuer for the purchase of the Series 2016 Bond which provides the Issuer with the most beneficial means of refunding the Refunded Bonds. A copy of the Proposal is attached as Exhibit A hereto.

(L) Due to the potential volatility of the market for tax-exempt obligations such as the Series 2016 Bond and the complexity of the transactions relating to such Series 2016 Bond, it is in the best interest of the Issuer to sell the Series 2016 Bond by a negotiated sale to the Purchaser pursuant to the Proposal and the provisions hereof and of the Bond Resolution, rather than at a specified advertised date, thereby permitting the Issuer to obtain the best possible price, terms and interest rate for the Series 2016 Bond.

(M) The Issuer hereby certifies that it is current in all deposits into the various funds and accounts established by the Bond Resolution and all payments theretofore required to have been deposited or made by the Issuer under the provisions of the Bond Resolution have been deposited or made and the Issuer has complied with the covenants

and agreements of the Bond Resolution and is not currently in default under the Bond Resolution.

(N) The Bond Resolution provides that the Series 2016 Bond shall mature on such dates and in such amounts, shall bear such rates of interest, shall be payable in such places and shall be subject to such redemption provisions as shall be determined by subsequent resolution adopted by the Issuer; and it is now appropriate that the Issuer determine certain of such provisions, terms and details and establish the mechanisms for determining the remaining provisions, terms and details.

(O) The Series 2016 Bond shall be payable from and secured solely by a lien upon and pledge of the Pledged Revenues, in the manner and to the extent provided in the Bond Resolution.

(P) The covenants, pledges and conditions in the Bond Resolution shall be applicable to the Series 2016 Bond herein authorized and said Series 2016 Bond shall be on parity with and rank equally as to the lien on and source and security for payment from the Pledged Revenues and in all other respects with the Series 2011 Bond, and shall constitute "Bonds" within the meaning of the Bond Resolution.

**SECTION 2. DEFINITIONS.** When used in this supplemental resolution, the terms defined in the Bond Resolution shall have the meanings therein stated, except as such definitions shall be hereinafter amended and defined.

**SECTION 3. AUTHORITY FOR THIS SUPPLEMENTAL RESOLUTION.** This supplemental resolution is adopted pursuant to the provisions of the Act.

**SECTION 4. AUTHORIZATION OF THE CURRENT REFUNDING OF THE REFUNDED BONDS.** The Issuer hereby authorizes the current refunding of the Refunded Bonds for the purpose of achieving debt service savings and restructuring the District's limited ad valorem tax indebtedness.

**SECTION 5. AUTHORIZATION AND DESCRIPTION OF THE SERIES 2016 BOND.** The Issuer hereby authorizes the issuance of a Series of Bonds in the aggregate principal amount not to exceed \$26,500,000 to be known as the "Brevard County, Florida South Brevard Recreation Special District Limited Ad Valorem Tax Refunding Bond (Parks and Recreation Program), Series 2016 (the "Series 2016 Bonds") (or such other designation as the Chairman may determine), for the principal purpose of refunding, on a current basis, the Refunded Bonds. The aggregate principal amount of the Series 2016 Bond to be issued pursuant to the Bond Resolution shall be determined by the Chairman, upon the advice of the Financial Advisor, provided such aggregate principal amount does not exceed the amount provided above and provided further that the actual aggregate principal amount shall not exceed the limitations imposed by Section

132.35, Florida Statutes. The Series 2016 Bond shall be on parity in all respects and shall rank equally as to lien on and source and security for payment from the Pledged Revenues with the Outstanding Series 2011 Bond.

The Series 2016 Bond shall be dated as of its date of issuance, or such other date as the Chairman may determine, shall be issued in the form of one fully registered Bond and shall be numbered "R-1." Notwithstanding the provisions of Section 5.08 of the Bond Resolution, the Series 2016 Bond shall not be initially registered in the name of Cede & Co, and will not initially be registered under DTC's depository system of registration, but will instead be registered in the name of the Purchaser and held by the Purchaser. The authorized denomination with respect to the Series 2016 Bond shall be the outstanding principal amount thereof. The Series 2016 Bond shall bear interest from its dated date at a fixed interest rate of 1.59% per annum (the "Interest Rate"). The Interest Rate shall be calculated on the basis of a 360-day year consisting of twelve 30-day months. Interest on the Series 2016 Bond shall be payable semi-annually, on January 1 and July 1 of each year (the "Interest Payment Dates"), commencing on January 1, 2017. The Series 2016 Bond shall be issued as a single Term Bond with a final maturity of July 1, 2026, and shall be subject to mandatory sinking fund redemption in such Amortization Installments commencing on July 1, 2017 and on each July 1 thereafter through the maturity date of the Series 2016 Bond, determined by the Chairman, upon the advice of the Financial Advisor, and approved by the Purchaser prior to the issuance of the Series 2016 Bond. The Amortization Installment schedule shall be included in the Series 2016 Bond. The Series 2016 Bond shall be sold on a negotiated basis to the Purchaser at a purchase price equal to 100% of the aggregate principal amount thereof. The Purchaser shall provide the Issuer with an executed Disclosure Letter and Truth-in-Bonding Statement as required by Section 218.385, Florida Statutes, prior to the issuance of the Series 2016 Bond. The Interest Rate on the Series 2016 Bond shall comply in all respects with Section 215.84, Florida Statutes. The Interest Rate is subject to adjustment as provided in Section 6 hereof.

The Series 2016 Bond shall be payable as to principal and interest by automated debit or in such other manner as is agreed to between the Issuer and the holder of the Series 2016 Bond in whose name the Series 2016 Bond shall be registered on the registration books maintained by the Issuer as of the close of business on the fifteenth day (whether or not a Business Day) of the calendar month next preceding an Interest Payment Date; provided, that the registered owner of the Series 2016 Bond shall present and surrender the Series 2016 Bond to the Issuer for the final payment of the principal of the Series 2016 Bond or shall provide other evidence that such Series 2016 Bond has been paid and cancelled upon receipt of such final payment. Principal of and interest on the Series 2016 Bond shall be payable in any coin or currency of the United States of America, which at the time of payment, are legal tender for the payment of public and private debts. The Series 2016 Bond shall be in substantially the form set forth in Section 5.17 of the Bond Resolution.

If any payment due to the Purchaser is more than fifteen (15) days late, the Issuer shall be obligated to pay the Purchaser a late payment fee equal to 5% of the overdue amount.

Notwithstanding the foregoing, the Series 2016 Bond shall not be issued unless the following conditions have been satisfied:

(A) The provisions of Section 132.35, Florida Statutes, and Section 132.39, Florida Statutes have been satisfied.

(B) The aggregate principal amount of the Series 2016 Bond shall not exceed the amount sufficient to pay (i) the principal amount of the Refunded Bonds, (ii) the aggregate amount of unmatured interest payable on the Refunded Bonds to the date of their redemption or maturity, whichever is earlier, (iii) the redemption premiums, if any, on the Refunded Bonds, and (iv) the costs and expenses for issuing the Series 2016 Bond and refunding the Refunded Bonds.

(C) The issuance of the Series 2016 Bond shall not exceed any debt limitation prescribed by law, particularly Section 132.35, Florida Statutes, and such Series 2016 Bond, when issued, will be within the limits of all constitutional or statutory debt limitations.

(D) Receipt by the County Manager of a final financial plan prepared by the Financial Advisor complying in all respects with Section 132.36(1)(d), Florida Statutes.

(E) Receipt by the Chairman of a certification of debt service savings required by Section 132.39, Florida Statutes, executed by the County Manager or his designee.

(F) The Series 2016 Bond shall bear a lower net average interest cost rate than the Refunded Bonds.

**SECTION 6. ADJUSTMENTS TO INTEREST RATE.** (A) In the event of a Determination of Taxability (as defined below), the Interest Rate on the Series 2016 Bond shall be increased to such rate as shall provide the Purchaser with the same rate of return that the Purchaser would have otherwise received on the Series 2016 Bond taking into account the increased taxable income of the Purchaser as a result of such Determination of Taxability (the "Adjusted Rate"); provided, however, such Adjusted Rate shall never exceed the maximum rate allowable by law. Immediately upon a Determination of Taxability, the Issuer agrees to pay to the Series 2016 Bondholder, the Additional Amount (as defined below).

For purposes of this Section 6, "Determination of Taxability" shall mean the circumstance of interest paid or payable on the Series 2016 Bond becoming includable for federal income tax purposes in the gross income of the Purchaser a result of any action or inaction of the Issuer. A Determination of Taxability will be deemed to have

occurred upon (i) the receipt by the Issuer or the Purchaser of an original or a copy of an Internal Revenue Service Technical Advice Memorandum or Statutory Notice of Deficiency or other official letter or correspondence from the Internal Revenue Service which holds, in a final determination, that any interest payable on the Series 2016 Bond is includable in the gross income of the Purchaser; (ii) the issuance of any public or private ruling of the Internal Revenue Service that any interest payable on the Series 2016 Bond is includable in the gross income of the Purchaser, or (iii) receipt by the Issuer or the Purchaser of an opinion of Bond Counsel to the Issuer that any interest on the Series 2016 Bond has become includable in the gross income of the Purchaser for federal income tax purposes. For all purposes of this definition, a Determination of Taxability will be deemed to occur on the earliest date as of which the interest on the Series 2016 Bond is deemed includable in the gross income of the Purchaser. Without limiting the foregoing, a Determination of Taxability shall not include and is not triggered by a change in law by the United States Congress that causes the interest or any portion thereof to be includable in the Purchaser's gross income. A Determination of Taxability shall also not occur solely in the event interest on the Series 2016 Bond is taken into account in determining adjusted current earnings for the purpose of the alternative minimum income tax imposed on corporations.

"Additional Amount" means (i) the difference between (a) interest on the Series 2016 Bond for the period commencing on the date on which the interest on the Series 2016 Bond (or portion thereof) is deemed to have lost its tax-exempt status and ending on the effective date of the adjustment of the Interest Rate to the Adjusted Rate (the "Taxable Period") at a rate per annum equal to the Adjusted Rate and (b) the aggregate amount of interest paid on the Series 2016 Bond during the Taxable Period at the Interest Rate applicable to the Series 2016 Bond prior to the adjustment to the Adjusted Rate, plus (ii) any penalties, fines, fees, costs and interest paid or payable by the Purchaser to the Internal Revenue Service by reason of such Determination of Taxability.

(B) After the occurrence of an Event of Default under Section 9.01 of the Bond Resolution, the Series 2016 Bond shall bear interest at the Default Rate (as defined below) until such Event of Default is cured.

For purposes of this Section 6(B), "Default Rate" means the lesser of (i) the sum of the Prime Rate plus 5.00%, per annum and (ii) the maximum lawful rate.

For purposes of this Section 6(B), "Prime Rate" shall mean the rate published from time to time in The Wall Street Journal as the "U.S. Prime Rate" or, in the event The Wall Street Journal ceases to be published, goes on strike, is otherwise not published or ceases publication of "Prime Rates," the base, reference or other rate then designated by the Purchaser, in its sole discretion, for general commercial loan reference. The Prime Rate is not necessarily the lowest or best rate of interest offered by the Purchaser to any borrower or class of borrowers.

(C) Notwithstanding the foregoing, the Interest Rate shall never be adjusted to a rate of interest that would cause the Series 2016 Bond to be in violation of any Florida constitutional provision.

**SECTION 7. FINANCIAL PLAN.** The financial plan required by Section 132.36(1)(d), Florida Statutes, was prepared by the Financial Advisor based upon the information provided herein and current market conditions and is attached hereto as Exhibit B. Such financial plan demonstrates, among other things, that the Series 2016 Bond will bear a lower net average interest cost rate than the Refunded Bonds.

**SECTION 8. REDEMPTION PROVISIONS FOR SERIES 2016 BOND.** The Series 2016 Bond may be redeemed in whole or in part on any date with three (3) Business Days prior written notice to the Purchaser by payment of an amount equal to the principal amount to be redeemed plus accrued interest thereon to the redemption date plus the Redemption Premium, as defined below. No notice of redemption will be required to be given with respect to the mandatory sinking fund redemption of the Series 2016 Bond described in Section 5 above.

For purposes of this Section 8, "Redemption Premium" shall mean an amount equal to the greater of (i) 1.00% of the principal amount of the Series 2016 Bond being prepaid multiplied by the Remaining Term (as defined below) in years or (ii) a Yield Maintenance Fee (as defined below) in an amount computed as hereinafter described. The current cost of funds, specifically the bond equivalent yield for United States Treasury Securities (bills on a discounted basis shall be converted to a bond equivalent yield) with a maturity date closest to the Remaining Term, shall be subtracted from the Interest Rate, or default rate, if applicable. If the result is zero or a negative number, there shall be no Yield Maintenance Fee due and payable. If the result is a positive number, then the resulting percentage shall be multiplied by the principal amount being prepaid times the number of days in the Remaining Term and divided by 360. The resulting amount is the fixed prepayment charge due to the Purchaser plus any accrued interest due as of the prepayment date, expressed as the following calculation: "Yield Maintenance Fee" = [Principal Amount Being Prepaid x (Stated Interest Rate - Current Cost of Funds) x Days in Remaining Term / 360] + Accrued Interest Due. As used herein, "Remaining Term" shall mean the shorter of (i) the remaining term of the Series 2016 Bond or (ii) the remaining term of the then current fixed interest rate period.

**SECTION 9. APPLICATION OF SERIES 2016 BOND PROCEEDS.** The proceeds derived from the sale of the Series 2016 Bond shall be applied by the Issuer simultaneously with the delivery thereof as follows:

(A) A sufficient amount of Series 2016 Bond proceeds, together with other legally available moneys of the Issuer, shall be deposited irrevocably in trust in the Escrow Fund established under the terms and provisions of the hereinafter defined Escrow Deposit Agreement and shall be invested in cash and/or Federal Securities in the

manner set forth in the Escrow Deposit Agreement, which Federal Securities, if any, shall mature at such times and in such amounts as shall be sufficient, together with any cash deposit, to pay the principal of, premium, if applicable, and interest on the Refunded Bonds as the same mature or are redeemed on their respective redemption dates.

(B) A sufficient amount of the Series 2016 Bond proceeds shall be applied to the payment of costs and expenses relating to the issuance of the Series 2016 Bond.

**SECTION 10. ANNUAL AUDIT, BUDGET AND OTHER INFORMATION.** The Issuer shall, immediately after the close of each Fiscal Year, cause the financial statements of the Issuer to be properly audited by a recognized independent certified public accountant or recognized independent firm of certified public accountants, and shall require such accountants to complete their report on the annual financial statements in accordance with applicable law. The annual financial statements shall be prepared in conformity with generally accepted accounting principles as applied to governmental entities. A copy of the audited financial statements for each Fiscal Year shall be furnished to the Purchaser within 180 days after the end of each Fiscal Year. A copy of the annual budget for each Fiscal Year will be provided to the Purchaser within 30 days of approval. The Issuer shall also provide the Purchaser with any other information reasonably requested by the Purchaser.

**SECTION 11. EVENTS OF DEFAULT.** In addition to the Events of Default set forth in Section 9.01 of the Resolution, the following shall also be considered Events of Default:

(A) The Issuer is in breach of any representation or warranty under the Bond Resolution which breach has or reasonably could have an adverse effect on the Series 2016 Bond, the security therefor or the repayment thereof.

(B) The Issuer shall be in default with respect to any current or future loan from the Purchaser.

**SECTION 12. DESIGNATION OF ISSUER AS PAYING AGENT AND REGISTRAR.** The Issuer, through the Clerk, shall act as Registrar and Paying Agent for the Series 2016 Bond.

**SECTION 13. AUTHORIZATION TO EXECUTE ESCROW DEPOSIT AGREEMENT.** The Issuer hereby authorizes and directs the Chairman to execute and the Clerk to attest an escrow deposit agreement (the "Escrow Deposit Agreement") and to deliver the Escrow Deposit Agreement (the "Escrow Agreement") to The Bank of New York Mellon Trust Company, N.A., which is hereby appointed as Escrow Agent. The Escrow Deposit Agreement shall be in substantially the form of the Escrow Agreement attached hereto as Exhibit C with such changes, amendments, modifications, omissions and additions, including the date of such Escrow Agreement, as may be approved by said

Chairman. Execution by the Chairman of the Escrow Agreement shall be deemed to be conclusive evidence of approval of such changes.

**SECTION 14. RATIFICATION OF PRIOR ACTION.** All prior actions of the County Manager, the County Attorney, the Clerk and their respective staffs relating to the procurement of the Proposal, the selection of the Purchaser and the establishment of the terms of the Series 2016 Bonds are hereby ratified and approved.

**SECTION 15. GENERAL AUTHORITY.** The members of the Board, the County Manager, the County Attorney, the Clerk and the officers, attorneys and other agents or employees of the Issuer are hereby authorized to do all acts and things required of them by this supplemental resolution, the Bond Resolution or the Escrow Agreement, or desirable or consistent with the requirements hereof or the Bond Resolution or the Escrow Agreement for the full punctual and complete performance of all the terms, covenants and agreements contained herein or in the Series 2016 Bond, the Bond Resolution and the Escrow Agreement and each member, employee, attorney and officer of the Board and the Issuer and the Clerk is hereby authorized and directed to execute and deliver any and all papers and instruments and to be and cause to be done any and all acts and things necessary or proper for carrying out the transactions contemplated hereunder. In the event the Chairman is absent or unavailable to perform any function or duty hereunder the Vice-Chairman is hereby authorized to perform any and all of such functions or duties. Bond Counsel and the Issuer's Financial Advisor are hereby authorized and directed to take all action necessary and desirable to carry-out the intent and purposes of this supplemental resolution.

**SECTION 16. WAIVER OF JURY TRIAL.** To the extent permitted by applicable law, the Issuer and the Purchaser, knowingly, voluntarily and intentionally waive any right each may have to a trial by jury in respect of any litigation based on, or arising out of, under or in connection with this supplemental resolution, the Bond Resolution, the Series 2016 Bond or any agreement contemplated to be executed in connection therewith, or any course of conduct, course of dealing, statements (whether verbal or written) or actions of any party with respect hereto.

**SECTION 17. APPLICABLE LAW AND VENUE.** The substantive laws of the State of Florida shall govern this supplemental resolution, the Bond Resolution and the Series 2016 Bond. The Issuer submits to the jurisdiction of Florida courts and federal courts and agrees that venue for any suit concerning this supplemental resolution, the Bond Resolution or the Series 2016 Bond shall be in Brevard County, Florida and the Middle District of Florida.

**SECTION 18. MODIFICATION OR AMENDMENT OF THIS SUPPLEMENTAL RESOLUTION.** No modification or amendment of this supplemental resolution or of any resolution amendatory thereof or supplemental thereto, may be made without the consent in writing of the Purchaser

**SECTION 19. SEVERABILITY AND INVALID PROVISIONS.** If any one or more of the covenants, agreements or provisions herein contained shall 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 separable from the remaining covenants, agreements or provisions and shall in no way affect the validity of any of the other provisions hereof or of the Series 2016 Bond.

**SECTION 20. RESOLUTION TO CONTINUE IN FORCE.** Except as herein expressly provided, the Bond Resolution and all the terms and provisions thereof are and shall remain in full force and effect.

**SECTION 21. EFFECTIVE DATE.** This Resolution shall be effective immediately upon its adoption.

This Resolution passed and adopted this 26th day of July, 2016.

BOARD OF COUNTY COMMISSIONERS  
BREVARD COUNTY, FLORIDA

(SEAL)

By:   
Jim Barfield  
Chairman

ATTEST: 

Approved by Board: July 26, 2016

Scott Ellis, Clerk of the Circuit Court  
and Ex-Officio Clerk to the Board of  
County Commissioners of Brevard  
County, Florida

**EXHIBIT A**

**PROPOSAL**

**EXHIBIT B**  
**FINANCIAL PLAN**

**EXHIBIT C**

**FORM OF ESCROW DEPOSIT AGREEMENT**



TD Bank, N.A.  
Commercial Banking  
1560 N Orange Ave, Suite 300  
Winter Park, Florida 32789  
Tel: 407-622-3522  
Fax: 407-622-8470

June 28, 2016

Mr. Stockton Whitten  
County Manager  
Brevard County, Florida

RE: Interest Rate Lock – Brevard County, Florida South Brevard Recreation Special District Limited Ad Valorem Tax Refunding Bond (Parks & Recreation Program), Series 2016

Dear Mr. Whitten:

Brevard County, Florida (the "Borrower") wishes to fix an interest rate for the Credit Accommodation outlined in the attached Exhibit A to include: Commercial Non-Bank Qualified Tax Exempt Term Loan (the "Loan") to be effective upon the agreed Loan Disbursement Date as defined below.

TD Bank, N.A. (the "Bank") is pleased to offer the Borrower the following Loan Interest Rate Commitment (the "Interest Rate Commitment") for implementation on the Loan Disbursement Date subject to the terms and conditions outlined below. It is acknowledged that the Interest Rate Commitment is conditional upon the Borrower being in compliance with the terms and conditions of the Loan as outlined in Exhibit A, as further outlined below and otherwise communicated by the Bank and upon the Borrower providing all required security in satisfactory form.

**BORROWER:** Brevard County, Florida ("County")

**LENDER:** TD Bank, N.A. (the, "Bank")

**LOAN COMMITMENT:** An agreement Credit Accommodation outlining lending terms and conditions between the Borrower and Lender executed June 28, 2016 (the, "Agreement").

**LOAN COMMITMENT TERMS**

**PURPOSE:** The Loan will be used to refund all of the County's outstanding South Brevard Recreation Special District Limited Ad Valorem Tax Bonds, Series 2007 and pay costs of issuance.

**AMOUNT:** Up to \$26,500,000.00 USD

**DISBURSEMENT DATE:** On or before August 4, 2016

**MATURITY DATE:** July 1, 2026

**INTEREST RATE COMMITMENT TERMS**

**INDICATIVE INTEREST RATE:** Tax Exempt Non-Bank Qualified Fixed Rate: 1.55% as of 6/28/2016.

**RATE LOCK OPTION:** A premium of 4 basis points will be added to the Indicative Interest Rate in order to hold the stated rate through the Disbursement Date.

**FORWARD INTEREST RATE:** Tax Exempt Non-Bank Qualified Fixed Rate of 1.59%.

**FORWARD RATE COMMITMENT TERM:** Shall begin up to and including the final Loan Disbursement Date of August 4, 2016 and continue through the Loan Maturity Date of July 1, 2026. The Interest Rate Commitment shall be null and void if the Borrower does not close the Loan on or before August 4, 2016.

The Interest Rate Commitment does not constitute a Loan commitment by the Bank nor does this Interest Rate Commitment supersede, amend or in any way supplant any term sheet, credit accommodation, proposal or commitment letter issued or to be issued by the Bank except to the extent that it establishes the Interest Rate applicable for the Loan. The Interest Rate Commitment is not to be deemed as an amendment of any of the conditions or other terms of financing for which the Bank requires the Borrower to meet in connection with the Loan or any other credit facilities issued by the Lender in favor of the Borrower. The Interest Rate Commitment is intended only to establish the Forward Rate to be charged for the Loan provided that the Loan is approved and closed on or before the Loan Disbursement Date and in accordance with the terms and conditions as outlined in the Agreement and deemed acceptable to the Bank.

Brevard County, Florida shall have no liability or obligation hereunder to the Bank if the Loan does not close on or before the Loan Disbursement Date.

Please evidence your acceptance of this Interest Rate Commitment by signing below and returning to the Bank.

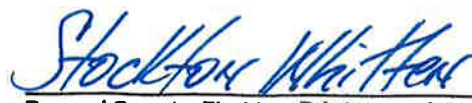
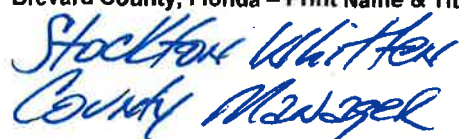
**TO: TD BANK, N.A.**

Brevard County, Florida hereby accepts the terms of the Interest Rate Commitment outlined above this **28<sup>th</sup>** day of June, 2016. It is acknowledged that should this Interest Rate Commitment not be accepted upon the date noted, the Interest Rate Commitment shall become null and void.

  
\_\_\_\_\_  
TD Bank, N.A. – Signature

  
\_\_\_\_\_  
Brevard County, Florida – Signature

**James G. Hanning, Vice President**  
\_\_\_\_\_  
TD Bank, N.A.

  
\_\_\_\_\_  
Brevard County, Florida – Print Name & Title  
  
Stockton Whitten  
County Manager

SOURCES AND USES OF FUNDS

Brevard County, Florida  
 South Brevard Recreation Special District -- Limited Ad Valorem Refunding Bond, Series 2016

Final Numbers -- Current Refunding of 2007 Bonds  
 Lender: TD Bank

Sources:

Bond Proceeds:	
Par Amount	26,060,000.00
	26,060,000.00

Uses:

Refunding Escrow Deposits:	
Cash Deposit	25,983,999.68
Delivery Date Expenses:	
Cost of Issuance	71,009.32
Other Uses of Funds:	
Additional Proceeds	4,991.00
	26,060,000.00

BOND SUMMARY STATISTICS

Brevard County, Florida  
 South Brevard Recreation Special District -- Limited Ad Valorem Refunding Bond, Series 2016

Final Numbers -- Current Refunding of 2007 Bonds  
 Lender: TD Bank

Dated Date	08/04/2016
Delivery Date	08/04/2016
Last Maturity	07/01/2026
Arbitrage Yield	1.590082%
True Interest Cost (TIC)	1.590082%
Net Interest Cost (NIC)	1.590000%
All-In TIC	1.638051%
Average Coupon	1.590000%
Average Life (years)	6.051
Duration of Issue (years)	5.736
Par Amount	26,060,000.00
Bond Proceeds	26,060,000.00
Total Interest	2,507,369.05
Net Interest	2,507,369.05
Total Debt Service	28,567,369.05
Maximum Annual Debt Service	3,407,500.50
Average Annual Debt Service	2,883,165.93
Underwriter's Fees (per \$1000)	
Average Takedown	
Other Fee	
Total Underwriter's Discount	
Bid Price	100.000000

Bond Component	Par Value	Price	Average Coupon	Average Life	PV of 1 bp change
Bond Component	26,060,000.00	100.000	1.590%	6.051	14,818.90
	26,060,000.00			6.051	14,818.90

	TIC	All-In TIC	Arbitrage Yield
Par Value	26,060,000.00	26,060,000.00	26,060,000.00
+ Accrued Interest			
+ Premium (Discount)			
- Underwriter's Discount			
- Cost of Issuance Expense		-71,009.32	
- Other Amounts			
Target Value	26,060,000.00	25,988,990.68	26,060,000.00
Target Date	08/04/2016	08/04/2016	08/04/2016
Yield	1.590082%	1.638051%	1.590082%

SUMMARY OF BONDS REFUNDED

Brevard County, Florida  
 South Brevard Recreation Special District -- Limited Ad Valorem Refunding Bond, Series 2016

Final Numbers -- Current Refunding of 2007 Bonds  
 Lender: TD Bank

Bond	Maturity Date	Interest Rate	Par Amount	Call Date	Call Price
South Brevard Limited GO Bonds, Series 2007, 07SOUTH:					
SERIALS	07/01/2017	5.000%	2,090,000.00	09/08/2016	100.000
	07/01/2018	4.000%	2,205,000.00	09/08/2016	100.000
	07/01/2019	4.000%	2,295,000.00	09/08/2016	100.000
	07/01/2020	4.125%	2,380,000.00	09/08/2016	100.000
	07/01/2021	4.250%	2,480,000.00	09/08/2016	100.000
	07/01/2022	5.000%	2,600,000.00	09/08/2016	100.000
	07/01/2023	5.000%	2,720,000.00	09/08/2016	100.000
	07/01/2024	5.000%	2,855,000.00	09/08/2016	100.000
	07/01/2025	5.000%	2,995,000.00	09/08/2016	100.000
	07/01/2026	5.000%	3,140,000.00	09/08/2016	100.000
			25,760,000.00		

## SUMMARY OF REFUNDING RESULTS

Brevard County, Florida  
 South Brevard Recreation Special District -- Limited Ad Valorem Refunding Bond, Series 2016

Final Numbers -- Current Refunding of 2007 Bonds  
 Lender: TD Bank

Dated Date	08/04/2016
Delivery Date	08/04/2016
Arbitrage yield	1.590082%
Escrow yield	0.000000%
Value of Negative Arbitrage	
Bond Par Amount	26,060,000.00
True Interest Cost	1.590082%
Net Interest Cost	1.590000%
Average Coupon	1.590000%
Average Life	6.051
Par amount of refunded bonds	25,760,000.00
Average coupon of refunded bonds	4.810785%
Average life of refunded bonds	5.776
PV of prior debt to 08/04/2016 @ 1.590082%	30,374,609.49
Net PV Savings	4,319,600.49
Percentage savings of refunded bonds	16.768635%
Percentage savings of refunding bonds	16.575597%

SAVINGS

Brevard County, Florida  
 South Brevard Recreation Special District -- Limited Ad Valorem Refunding Bond, Series 2016

Final Numbers -- Current Refunding of 2007 Bonds  
 Lender: TD Bank

Date	Prior Debt Service	Refunding Debt Service	Savings	Annual Savings	Present Value to 08/04/2016 @ 1.5900823%
01/01/2017	601,787.50	169,194.55	432,592.95		429,804.33
07/01/2017	2,691,787.50	2,082,177.00	609,610.50	1,042,203.45	600,903.34
01/01/2018	549,537.50	192,270.75	357,266.75		349,386.09
07/01/2018	2,754,537.50	2,122,270.75	632,266.75	989,533.50	613,442.97
01/01/2019	505,437.50	176,927.25	328,510.25		316,215.83
07/01/2019	2,800,437.50	2,156,927.25	643,510.25	972,020.50	614,541.17
01/01/2020	459,537.50	161,186.25	298,351.25		282,672.92
07/01/2020	2,839,537.50	2,176,186.25	663,351.25	961,702.50	623,534.85
01/01/2021	410,450.00	145,167.00	265,283.00		247,393.02
07/01/2021	2,890,450.00	2,210,167.00	680,283.00	945,566.00	629,402.50
01/01/2022	357,750.00	128,750.25	228,999.75		210,200.96
07/01/2022	2,957,750.00	3,278,750.25	-321,000.25	-92,000.50	-292,324.95
01/01/2023	292,750.00	103,707.75	189,042.25		170,797.00
07/01/2023	3,012,750.00	3,293,707.75	-280,957.75	-91,915.50	-251,839.12
01/01/2024	224,750.00	78,347.25	146,402.75		130,194.38
07/01/2024	3,079,750.00	3,313,347.25	-233,597.25	-87,194.50	-206,096.95
01/01/2025	153,375.00	52,629.00	100,746.00		88,184.55
07/01/2025	3,148,375.00	3,337,629.00	-189,254.00	-88,508.00	-164,350.33
01/01/2026	78,500.00	26,513.25	51,986.75		44,789.79
07/01/2026	3,218,500.00	3,361,513.25	-143,013.25	-91,026.50	-122,242.85
	33,027,750.00	28,567,369.05	4,460,380.95	4,460,380.95	4,314,609.49

Savings Summary

PV of savings from cash flow	4,314,609.49
Plus: Refunding funds on hand	4,991.00
Net PV Savings	4,319,600.49

BOND DEBT SERVICE

Brevard County, Florida  
 South Brevard Recreation Special District -- Limited Ad Valorem Refunding Bond, Series 2016

Final Numbers -- Current Refunding of 2007 Bonds  
 Lender: TD Bank

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
01/01/2017			169,194.55	169,194.55	
07/01/2017	1,875,000	1.590%	207,177.00	2,082,177.00	2,251,371.55
01/01/2018			192,270.75	192,270.75	
07/01/2018	1,930,000	1.590%	192,270.75	2,122,270.75	2,314,541.50
01/01/2019			176,927.25	176,927.25	
07/01/2019	1,980,000	1.590%	176,927.25	2,156,927.25	2,333,854.50
01/01/2020			161,186.25	161,186.25	
07/01/2020	2,015,000	1.590%	161,186.25	2,176,186.25	2,337,372.50
01/01/2021			145,167.00	145,167.00	
07/01/2021	2,065,000	1.590%	145,167.00	2,210,167.00	2,355,334.00
01/01/2022			128,750.25	128,750.25	
07/01/2022	3,150,000	1.590%	128,750.25	3,278,750.25	3,407,500.50
01/01/2023			103,707.75	103,707.75	
07/01/2023	3,190,000	1.590%	103,707.75	3,293,707.75	3,397,415.50
01/01/2024			78,347.25	78,347.25	
07/01/2024	3,235,000	1.590%	78,347.25	3,313,347.25	3,391,694.50
01/01/2025			52,629.00	52,629.00	
07/01/2025	3,285,000	1.590%	52,629.00	3,337,629.00	3,390,258.00
01/01/2026			26,513.25	26,513.25	
07/01/2026	3,335,000	1.590%	26,513.25	3,361,513.25	3,388,026.50
	26,060,000		2,507,369.05	28,567,369.05	28,567,369.05

PRIOR BOND DEBT SERVICE

Brevard County, Florida  
 South Brevard Recreation Special District -- Limited Ad Valorem Refunding Bond, Series 2016

Final Numbers -- Current Refunding of 2007 Bonds  
 Lender: TD Bank

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
01/01/2017			601,787.50	601,787.50	
07/01/2017	2,090,000	5.000%	601,787.50	2,691,787.50	3,293,575
01/01/2018			549,537.50	549,537.50	
07/01/2018	2,205,000	4.000%	549,537.50	2,754,537.50	3,304,075
01/01/2019			505,437.50	505,437.50	
07/01/2019	2,295,000	4.000%	505,437.50	2,800,437.50	3,305,875
01/01/2020			459,537.50	459,537.50	
07/01/2020	2,380,000	4.125%	459,537.50	2,839,537.50	3,299,075
01/01/2021			410,450.00	410,450.00	
07/01/2021	2,480,000	4.250%	410,450.00	2,890,450.00	3,300,900
01/01/2022			357,750.00	357,750.00	
07/01/2022	2,600,000	5.000%	357,750.00	2,957,750.00	3,315,500
01/01/2023			292,750.00	292,750.00	
07/01/2023	2,720,000	5.000%	292,750.00	3,012,750.00	3,305,500
01/01/2024			224,750.00	224,750.00	
07/01/2024	2,855,000	5.000%	224,750.00	3,079,750.00	3,304,500
01/01/2025			153,375.00	153,375.00	
07/01/2025	2,995,000	5.000%	153,375.00	3,148,375.00	3,301,750
01/01/2026			78,500.00	78,500.00	
07/01/2026	3,140,000	5.000%	78,500.00	3,218,500.00	3,297,000
	25,760,000		7,267,750.00	33,027,750.00	33,027,750

ESCROW REQUIREMENTS

Brevard County, Florida  
South Brevard Recreation Special District -- Limited Ad Valorem Refunding Bond, Series 2016

Final Numbers -- Current Refunding of 2007 Bonds  
Lender: TD Bank

Period Ending	Interest	Principal Redeemed	Total
09/08/2016	223,998.68	25,760,000.00	25,983,998.68
	223,998.68	25,760,000.00	25,983,998.68

ESCROW SUFFICIENCY

Brevard County, Florida  
 South Brevard Recreation Special District -- Limited Ad Valorem Refunding Bond, Series 2016

Final Numbers -- Current Refunding of 2007 Bonds  
 Lender: TD Bank

Date	Escrow Requirement	Net Escrow Receipts	Excess Receipts	Excess Balance
08/04/2016		25,983,999.68	25,983,999.68	25,983,999.68
09/08/2016	25,983,998.68		-25,983,998.68	1.00
	25,983,998.68	25,983,999.68	1.00	

COST OF ISSUANCE

Brevard County, Florida  
South Brevard Recreation Special District -- Limited Ad Valorem Refunding Bond, Series 2016

Final Numbers -- Current Refunding of 2007 Bonds  
Lender: TD Bank

Cost of Issuance	\$/1000	Amount
Bond Counsel Fee	1.38722	36,151.00
Bond Counsel Expenses	0.07675	2,000.00
Financial Advisor Fee	0.89390	23,295.00
Financial Advisor Expenses	0.01919	500.00
Bank Counsel Fee	0.28780	7,500.00
Miscellaneous	0.05999	1,563.32
	2.72484	71,009.32

FORM 8038 STATISTICS

Brevard County, Florida  
 South Brevard Recreation Special District -- Limited Ad Valorem Refunding Bond, Series 2016

Final Numbers -- Current Refunding of 2007 Bonds  
 Lender: TD Bank

Dated Date 08/04/2016  
 Delivery Date 08/04/2016

Bond Component	Date	Principal	Coupon	Price	Issue Price	Redemption at Maturity
Bond Component:						
	07/01/2017	1,875,000.00	1.590%	100.000	1,875,000.00	1,875,000.00
	07/01/2018	1,930,000.00	1.590%	100.000	1,930,000.00	1,930,000.00
	07/01/2019	1,980,000.00	1.590%	100.000	1,980,000.00	1,980,000.00
	07/01/2020	2,015,000.00	1.590%	100.000	2,015,000.00	2,015,000.00
	07/01/2021	2,065,000.00	1.590%	100.000	2,065,000.00	2,065,000.00
	07/01/2022	3,150,000.00	1.590%	100.000	3,150,000.00	3,150,000.00
	07/01/2023	3,190,000.00	1.590%	100.000	3,190,000.00	3,190,000.00
	07/01/2024	3,235,000.00	1.590%	100.000	3,235,000.00	3,235,000.00
	07/01/2025	3,285,000.00	1.590%	100.000	3,285,000.00	3,285,000.00
	07/01/2026	3,335,000.00	1.590%	100.000	3,335,000.00	3,335,000.00
		26,060,000.00			26,060,000.00	26,060,000.00

	Maturity Date	Interest Rate	Issue Price	Stated Redemption at Maturity	Weighted Average Maturity	Yield
Final Maturity	07/01/2026	1.590%	3,335,000.00	3,335,000.00		
Entire Issue			26,060,000.00	26,060,000.00	6.0513	1.5901%

Proceeds used for accrued interest	0.00
Proceeds used for bond issuance costs (including underwriters' discount)	71,009.32
Proceeds used for credit enhancement	0.00
Proceeds allocated to reasonably required reserve or replacement fund	0.00
Proceeds used to currently refund prior issues	25,983,999.68
Proceeds used to advance refund prior issues	0.00
Remaining weighted average maturity of the bonds to be currently refunded	5.8286
Remaining weighted average maturity of the bonds to be advance refunded	0.0000

FORM 8038 STATISTICS

Brevard County, Florida  
 South Brevard Recreation Special District -- Limited Ad Valorem Refunding Bond, Series 2016

Final Numbers -- Current Refunding of 2007 Bonds  
 Lender: TD Bank

Refunded Bonds

Bond Component	Date	Principal	Coupon	Price	Issue Price
South Brevard Limited GO Bonds, Series 2007:					
SERIALS	07/01/2017	2,090,000.00	5.000%	108.585	2,269,426.50
SERIALS	07/01/2018	2,205,000.00	4.000%	99.453	2,192,938.65
SERIALS	07/01/2019	2,295,000.00	4.000%	99.032	2,272,784.40
SERIALS	07/01/2020	2,380,000.00	4.125%	99.741	2,373,835.80
SERIALS	07/01/2021	2,480,000.00	4.250%	99.570	2,469,336.00
SERIALS	07/01/2022	2,600,000.00	5.000%	107.282	2,789,332.00
SERIALS	07/01/2023	2,720,000.00	5.000%	107.121	2,913,691.20
SERIALS	07/01/2024	2,855,000.00	5.000%	106.959	3,053,679.45
SERIALS	07/01/2025	2,995,000.00	5.000%	106.798	3,198,600.10
SERIALS	07/01/2026	3,140,000.00	5.000%	106.638	3,348,433.20
					26,882,057.30

	Last Call Date	Issue Date	Remaining Weighted Average Maturity
South Brevard Limited GO Bonds, Series 2007	09/08/2016	02/06/2007	5.8286
All Refunded Issues	09/08/2016		5.8286

**ESCROW DEPOSIT AGREEMENT**

**ESCROW DEPOSIT AGREEMENT**, dated as of August \_\_\_\_, 2016, by and between **BREVARD COUNTY, FLORIDA**, a political subdivision of the State of Florida (the "Issuer"), and **THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A.** (the "Escrow Agent"), a national banking association organized and existing under the laws of the United States of America, having its designated corporate trust office in Jacksonville, Florida, as escrow agent hereunder.

**WHEREAS**, the Issuer has heretofore issued the Brevard County, Florida South Brevard Recreation Special District Limited Ad Valorem Tax Refunding Bonds (Parks and Recreation Program), Series 2007 (the "Refunded Bonds") pursuant to Resolution No. 01-215 adopted on May 8, 2001, as amended and supplemented (the "Resolution"); and

**WHEREAS**, the Issuer has determined to exercise its option under the Resolution to current refund all of the Refunded Bonds, the description of which is set forth in Schedule A hereto; and

**WHEREAS**, the Issuer has determined to issue \$ \_\_\_\_\_ aggregate principal amount of its Brevard County, Florida South Brevard Recreation Special District Limited Ad Valorem Tax Refunding Bond (Parks and Recreation Program), Series 2016 (the "Series 2016 Bond") pursuant to the Resolution, a portion of the proceeds of which Series 2016 Bond will be used to provide payment for the Refunded Bonds and to discharge and satisfy the pledges, liens and other obligations of the Issuer under the Resolution in regard to such Refunded Bonds; and

**WHEREAS**, the issuance of the Series 2016 Bond, the deposit of Series 2016 Bond proceeds into an escrow deposit trust fund to be held by the Escrow Agent and the discharge and satisfaction of the pledges, liens and other obligations of the Issuer under the Resolution in regard to the Refunded Bonds shall occur as a simultaneous transaction; and

**WHEREAS**, this Agreement is intended to effectuate such simultaneous transaction;

**NOW, THEREFORE**, in consideration of the foregoing and of the mutual covenants hereinafter set forth, the parties hereto agree as follows:

**SECTION 1. PREAMBLES.** The recitals stated above are true and correct and incorporated herein.

**SECTION 2. RECEIPT OF RESOLUTION.** Receipt of a true and correct copy of the above-mentioned Resolution and this Agreement is hereby acknowledged by the Escrow Agent. The applicable and necessary provisions of the Resolution, including but not limited to Sections 5.09 through 5.14 and Section 11.02 thereto, are incorporated herein by reference. Reference herein to or citation herein of any provisions of the Resolution shall be deemed to incorporate the same as a part hereof in the same manner and with the same effect as if the same were fully set forth herein. Capitalized terms not otherwise defined herein shall have the meaning ascribed thereto in the Resolution.

**SECTION 3. DISCHARGE OF PLEDGE OF HOLDERS OF REFUNDED BONDS.** The Issuer by this writing exercises its option to cause the right, title and interest of the holders of the Refunded Bonds under the Resolution and the pledge and lien on the Pledged Revenues, and all other pledges created by or pursuant to the Resolution with respect to such holders of the Refunded Bonds to cease, determine and become void.

**SECTION 4. ESTABLISHMENT OF ESCROW FUND.** There is hereby created and established with the Escrow Agent a special, segregated and irrevocable escrow fund designated the "Brevard County, Florida South Brevard Recreation Special District Limited Ad Valorem Tax Refunding Bonds (Parks and Recreation Program), Series 2007 (the "Escrow Fund"). The Escrow Fund shall be held in the custody of the Escrow Agent as a trust fund for the benefit of the holders of the Refunded Bonds, separate and apart from other funds and accounts of the Issuer and the Escrow Agent. The Escrow Agent hereby accepts the Escrow Fund and acknowledges the receipt of and deposit to the credit of the Escrow Fund the sum of \$\_\_\_\_\_ received from the Issuer from proceeds of the Series 2016 Bond (the "Bond Proceeds").

**SECTION 5. DEPOSIT OF MONEYS AND SECURITIES IN ESCROW FUND.** The Issuer hereby directs and the Escrow Agent represents and acknowledges that **ALL OF THE BOND PROCEEDS DEPOSITED UNDER SECTION 4 ABOVE SHALL BE HELD UNINVESTED IN CASH (THE "CASH DEPOSIT") IN THE ESCROW FUND.**

**SECTION 6. SUFFICIENCY OF CASH DEPOSIT.** The Issuer represents that the Cash Deposit is sufficient such that moneys will be available to the Escrow Agent in amounts sufficient and at the times required to pay the amounts of principal of and interest due and to become due on the Refunded Bonds as described in Schedule B attached hereto. If the Cash Deposit shall be insufficient to make such payments, the Issuer shall timely deposit to the Escrow Fund, solely from legally available funds of the Issuer, such additional amounts as may be required to pay the Refunded Bonds as described in Schedule B hereto. Notice of any insufficiency shall be given by the Escrow Agent to the Issuer as promptly as possible, but the Escrow Agent shall in no manner be responsible for the Issuer's failure to make such deposits.

**SECTION 7. CASH DEPOSIT IN TRUST FOR HOLDERS OF REFUNDED BONDS.** The Cash Deposit in the Escrow Fund shall constitute an irrevocable deposit of cash in trust solely for the payment of the principal of and interest on the Refunded Bonds at such times and in such amounts as set forth in Schedule B hereto, and the Cash Deposit shall be used solely for such purpose.

**SECTION 8. ESCROW AGENT TO PAY REFUNDED BONDS FROM ESCROW FUND.** The Issuer hereby directs, and the Escrow Agent hereby agrees, that it will take all actions required to be taken by it under the provisions of the Resolution referenced in this Agreement, including the timely transfer of money to the Paying Agent for the Refunded Bonds (TD Bank, Nation Association) as provided in the Resolution, in order to effectuate this Agreement and to pay the Refunded Bonds in the amounts and at the times provided in Schedule B hereto. The Cash Deposit shall be used to pay the principal of and interest on the Refunded Bonds as the same are redeemed on \_\_\_\_\_, 2016. If any payment date shall be a day that is not a Business Day, then the Escrow Agent may make payment on the next Business Day. The liability of the Escrow Agent for the payment of the principal of and interest on the Refunded Bonds pursuant to this Agreement shall be limited to the application of the Cash Deposit as provided herein.

**SECTION 9. NO INVESTMENT OF CASH DEPOSIT. THE CASH DEPOSIT SHALL BE HELD UNINVESTED IN CASH.**

**SECTION 10. REDEMPTION OF REFUNDED BONDS.** The Issuer hereby irrevocably instructs the Escrow Agent to direct, on behalf of the Issuer, that the Registrar and Paying Agent for the Refunded Bonds (TD Bank, National Association) give at the appropriate times the notice or notices, if any, required by the Resolution in connection with the redemption of the Refunded Bonds. Such notice of redemption shall be given by the Registrar for such Refunded Bonds in accordance with the Resolution. The Refunded Bonds shall be redeemed on \_\_\_\_\_, 2016 at a redemption price equal to 100% of the principal amount thereof plus interest accrued to the redemption date.

**SECTION 11. ESCROW FUND IRREVOCABLE.** The Escrow Fund hereby created shall be irrevocable and the holders of the Refunded Bonds shall have an express lien on the Cash Deposit deposited in the Escrow Fund pursuant to the terms hereof and the interest earnings thereon until paid out, used and applied in accordance with this Agreement and the Resolution. Neither the Issuer nor the Escrow Agent shall cause nor permit any other lien or interest whatsoever to be imposed upon the Escrow Fund.

**SECTION 12. AMENDMENTS TO AGREEMENT.** This Agreement is made for the benefit of the Issuer and the holders from time to time of the Refunded Bonds and the Series 2016 Bond and it shall not be repealed, revoked, altered or amended

without the written consent of all such holders and the written consent of the Escrow Agent; provided, however, that the Issuer and the Escrow Agent may, without the consent of, or notice to, such holders, enter into such agreements supplemental to this Agreement as shall not adversely affect the rights of such holders and as shall not be inconsistent with the terms and provisions of this Agreement, for any one or more of the following purposes:

- (a) to cure any ambiguity or formal defect or omission in this Agreement;
- (b) to grant, or confer upon, the Escrow Agent for the benefit of the holders of the Refunded Bonds, any additional rights, remedies, powers or authority that may lawfully be granted to, or conferred upon, such holders or the Escrow Agent; and
- (c) to subject to this Agreement additional funds, securities or properties.

The Escrow Agent shall be entitled to rely exclusively upon an unqualified opinion of nationally recognized Bond Counsel with respect to compliance with this Section 12, including the extent, if any, to which any change, modification or addition affects the rights of the holders of the Refunded Bonds, or that any instrument executed hereunder complies with the conditions and provisions of this Section 12.

**SECTION 13. FEES AND EXPENSES OF ESCROW AGENT; INDEMNIFICATION.** In consideration of the services rendered by the Escrow Agent under this Agreement, the Issuer agrees to and shall pay to the Escrow Agent the fees and expenses as set forth on Schedule C. Said fees and expenses shall not be paid out of the Cash Deposit, and the Escrow Agent shall have no lien whatsoever upon any of the Cash Deposit in said Escrow Fund for the payment of such proper fees and expenses. The Issuer further agrees to indemnify and save the Escrow Agent harmless, to the extent allowed by law, against any liabilities which it may incur in the exercise and performance of its powers and duties hereunder, and which are not due to its negligence or misconduct. Indemnification provided under this Section 13 shall survive the termination of this Agreement.

Whenever the Escrow Agent shall deem it necessary or desirable that a matter be proved or established prior to taking, suffering or omitting any action under this Agreement, such matter may be deemed to be conclusively established by a certificate signed by an authorized officer of the Issuer. The Escrow Agent may conclusively rely, as to the correctness of statements, conclusions and opinions therein, upon any certificate, report, opinion or other document furnished to the Escrow Agent pursuant to any provision of this Agreement; the Escrow Agent shall be protected and shall not be liable for acting or proceeding, in good faith, upon such reliance; and the Escrow Agent shall be under no duty to make any investigation or inquiry as to any statements contained or

matters referred to in any such instrument. The Escrow Agent may consult with counsel, who may be counsel to the Issuer or independent counsel, with regard to legal questions, and the opinion of such counsel shall be full and complete authorization and protection in respect of any action taken or suffered by it hereunder in good faith in accordance herewith. Prior to retaining such independent counsel, the Escrow Agent shall notify the Issuer of its intention.

The Escrow Agent and its successors, agents and servants shall not be held to any personal liability whatsoever, in tort, contract or otherwise, by reason of the execution and delivery of this Agreement, the establishment of the Escrow Fund, the acceptance and disposition of the various moneys and funds described herein, the purchase, retention or payment, transfer or other application of funds or securities by the Escrow Agent in accordance with the provisions of this Agreement or any nonnegligent act, omission or error of the Escrow Agent made in good faith in the conduct of its duties. The Escrow Agent shall, however, be liable to the Issuer and to holders of the Refunded Bonds to the extent of their respective damages for negligent or willful acts, omissions or errors of the Escrow Agent which violate or fail to comply with the terms of this Agreement. The duties and obligations of the Escrow Agent shall be determined by the express provisions of this Agreement.

**SECTION 14. REPORTING REQUIREMENTS OF ESCROW AGENT.**

As soon as practicable after \_\_\_\_\_, 2016, the Escrow Agent shall forward in writing to the Issuer a statement in detail of the activity of the Escrow Fund since the date hereof.

**SECTION 15. RESIGNATION OR REMOVAL OF ESCROW AGENT.**

The Escrow Agent, at the time acting hereunder, may at any time resign and be discharged from the duties and obligations hereby created by giving not less than 20 days' written notice to the Issuer and mailing notice thereof, specifying the date when such resignation will take effect to the holders of all Refunded Bonds then outstanding, but no such resignation shall take effect unless a successor Escrow Agent shall have been appointed by the holders of a majority in aggregate principal amount of the Refunded Bonds then outstanding or by the Issuer as hereinafter provided and such successor Escrow Agent shall have accepted such appointment, in which event such resignation shall take effect immediately upon the appointment and acceptance of a successor Escrow Agent.

The Escrow Agent may be replaced at any time by an instrument or concurrent instruments in writing, delivered to the Escrow Agent and signed by either the Issuer or the holders of a majority in aggregate principal amount of the Refunded Bonds then outstanding. Such instrument shall provide for the appointment of a successor Escrow Agent, which appointment shall occur simultaneously with the removal of the Escrow Agent.

In the event the Escrow Agent hereunder shall resign or be removed, or be dissolved, or shall be in the course of dissolution or liquidation, or otherwise become incapable of acting hereunder, or in case the Escrow Agent shall be taken under the control of any public officer or officers, or of a receiver appointed by a court, a successor may be appointed by the holders of a majority in aggregate principal amount of the Refunded Bonds then outstanding by an instrument or concurrent instruments in writing, signed by such holders, or by their attorneys in fact, duly authorized in writing; provided, nevertheless, that in any such event, the Issuer shall appoint a temporary Escrow Agent to fill such vacancy until a successor Escrow Agent shall be appointed by the holders of a majority in aggregate principal amount of the Refunded Bonds then outstanding in the manner above provided, and any such temporary Escrow Agent so appointed by the Issuer shall immediately and without further act be superseded by the Escrow Agent so appointed by such holders. The Issuer shall mail notice of any such appointment made by it at the times and in the manner described in the first paragraph of this Section 15.

In the event that no appointment of a successor Escrow Agent or a temporary successor Escrow Agent shall have been made by such holders or the Issuer pursuant to the foregoing provisions of this Section 15 within 20 days after written notice of resignation of the Escrow Agent has been given to the Issuer, the holder of any of the Refunded Bonds or any retiring Escrow Agent may apply to any court of competent jurisdiction for the appointment of a successor Escrow Agent, and such court may thereupon, after such notice, if any, as it shall deem proper, appoint a successor Escrow Agent.

In the event of replacement or resignation of the Escrow Agent, the Escrow Agent shall remit to the Issuer the prorated portion of prepaid fees not yet incurred or payable, less any termination fees and expenses at the time of discharge, and shall have no further liability hereunder and the Issuer shall indemnify and hold harmless the Escrow Agent, to the extent allowed by law, from any such liability, including costs or expenses incurred by the Escrow Agent or its counsel.

No successor Escrow Agent shall be appointed unless such successor Escrow Agent shall be a corporation with trust powers organized under the banking laws of the United States or any State, and shall have at the time of appointment capital and surplus of not less than \$30,000,000.

Every successor Escrow Agent appointed hereunder shall execute, acknowledge and deliver to its predecessor and to the Issuer an instrument in writing accepting such appointment hereunder and thereupon such successor Escrow Agent, without any further act, deed or conveyance, shall become fully vested with all the rights, immunities, powers, trusts, duties and obligations of its predecessor; but such predecessor shall nevertheless, on the written request of such successor Escrow Agent or the Issuer execute and deliver an instrument transferring to such successor Escrow Agent all the estates, properties, rights, powers and trust of such predecessor hereunder; and every predecessor

Escrow Agent shall deliver all securities and moneys held by it to its successor; provided, however, that before any such delivery is required to be made, all fees, advances and expenses of the retiring or removed Escrow Agent shall be paid in full. Should any transfer, assignment or instrument in writing from the Issuer be required by any successor Escrow Agent for more fully and certainly vesting in such successor Escrow Agent the estates, rights, powers and duties hereby vested or intended to be vested in the predecessor Escrow Agent, any such transfer, assignment and instruments in writing shall, on request, be executed, acknowledged and delivered by the Issuer.

Any corporation into which the Escrow Agent, or any successor to it in the trusts created by this Agreement, may be merged or converted or with which it or any successor to it may be consolidated, or any corporation resulting from any merger, conversion, consolidation or tax-free reorganization to which the Escrow Agent or any successor to it shall be a party shall be the successor Escrow Agent under this Agreement without the execution or filing of any paper or any other act on the part of any of the parties hereto, anything herein to the contrary notwithstanding.

**SECTION 16. TERMINATION OF AGREEMENT.** This Agreement shall terminate when all transfers and payments required to be made by the Escrow Agent under the provisions hereof shall have been made. Upon such termination, all moneys remaining in the Escrow Fund shall be released to the Issuer.

**SECTION 17. GOVERNING LAW.** This Agreement shall be governed by the applicable laws of the State of Florida.

**SECTION 18. SEVERABILITY.** If any one or more of the covenants or agreements provided in this Agreement on the part of the Issuer or the Escrow Agent to be performed should be determined by a court of competent jurisdiction to be contrary to law, such covenant or agreement shall be deemed and construed to be severable from the remaining covenants and agreements herein contained and shall in no way affect the validity of the remaining provisions of this Agreement.

**SECTION 19. COUNTERPARTS.** This Agreement may be executed in several counterparts, all or any of which shall be regarded for all purposes as one original and shall constitute and be but one and the same instrument.

[Remainder of page intentionally left blank]

**SECTION 20. NOTICES.** Any notice, authorization, request or demand required or permitted to be given in accordance with the terms of this Agreement shall be in writing and sent by registered or certified mail addressed to:

The Bank of New York Mellon Trust Company, N.A.  
10161 Centurion Parkway  
Jacksonville, FL 32256  
Attention: Corporate Trust Department

Brevard County, Florida  
2725 Judge Fran Jamieson Way  
Viera, Florida 32940  
Attention: County Manager


**IN WITNESS WHEREOF**, the parties hereto have each caused this Escrow Deposit Agreement to be executed by their duly authorized officers and appointed officials and the seal of the Issuer to be hereunder affixed and attested as of the date first written herein.

(SEAL)

**BREVARD COUNTY, FLORIDA**

ATTEST:

  
  
\_\_\_\_\_  
Clerk of the Circuit Court and Ex-Officio  
Clerk to the Board of County Commissioners  
of Brevard County, Florida  
SCOTT ELLIS, CLERK

  
\_\_\_\_\_  
Chairman, Board of County Commissioners  
JIM BARFIELD

Approved by Board: July 26, 2016

**THE BANK OF NEW YORK MELLON  
TRUST COMPANY, N.A., as Escrow Agent**

By: \_\_\_\_\_  
Authorized Signatory

**SCHEDULE A**

**DESCRIPTION OF THE REFUNDED BONDS**

**SCHEDULE B**

**DEBT SERVICE REQUIREMENTS FOR REFUNDED BONDS**

**SCHEDULE C**

**ESCROW AGENT FEES AND EXPENSES**

Merritt Island

**RESOLUTION NO. 16-114**

A RESOLUTION OF THE BOARD OF COUNTY COMMISSIONERS OF BREVARD COUNTY, FLORIDA SUPPLEMENTING RESOLUTION NO. 01-214, WHICH RESOLUTION NO. 01-214, AMONG OTHER THINGS, AUTHORIZED THE ISSUANCE OF BREVARD COUNTY, FLORIDA LIMITED AD VALOREM TAX BONDS (MERRITT ISLAND RECREATION MUNICIPAL SERVICE TAXING UNIT PARKS AND RECREATION PROGRAM) FROM TIME TO TIME; AUTHORIZING THE REFUNDING OF THE BREVARD COUNTY, FLORIDA LIMITED AD VALOREM TAX BONDS (MERRITT ISLAND RECREATION MUNICIPAL SERVICE TAXING UNIT PARKS AND RECREATION PROGRAM), SERIES 2007 IN ORDER TO ACHIEVE DEBT SERVICE SAVINGS AND TO RESTRUCTURE THE UNIT'S INDEBTEDNESS; AUTHORIZING THE ISSUANCE OF NOT EXCEEDING \$5,750,000 AGGREGATE PRINCIPAL AMOUNT OF BREVARD COUNTY, FLORIDA LIMITED AD VALOREM TAX REFUNDING BOND (MERRITT ISLAND RECREATION MUNICIPAL SERVICE TAXING UNIT PARKS AND RECREATION PROGRAM), SERIES 2016 IN ORDER TO EFFECT SUCH REFUNDING; AUTHORIZING A NEGOTIATED SALE OF SAID BOND PURSUANT TO THE PROPOSAL OF PINNACLE PUBLIC FINANCE, INC.; DELEGATING CERTAIN AUTHORITY TO THE CHAIRMAN AND THE COUNTY MANAGER IN CONNECTION WITH THE APPROVAL OF THE TERMS AND DETAILS OF SAID BOND; DESIGNATING THE COUNTY AS THE PAYING AGENT AND REGISTRAR FOR SAID BOND; AUTHORIZING THE EXECUTION AND DELIVERY OF AN ESCROW DEPOSIT AGREEMENT AND APPOINTMENT OF AN ESCROW AGENT THERETO; AND PROVIDING AN EFFECTIVE DATE.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF BREVARD COUNTY, FLORIDA that:

**SECTION 1. FINDINGS.** It is hereby found and determined that:

(A) On August 29, 2000, the Board of County Commissioners (the "Board") of Brevard County, Florida (the "County") duly adopted Resolution No. 2000-251 calling for a bond referendum election to be held to determine if the qualified electors within the Merritt Island Recreation Municipal Service Taxing Unit (the "Unit") would approve the issuance of not exceeding \$13,000,000 principal amount of limited general obligation bonds payable from ad valorem taxes derived from a levy of up to .8 mills against all

taxable property within the Unit for the purpose of financing costs of needed recreational improvements within the Unit (the "2001 Project").

(B) On November 7, 2000, a bond referendum election was held and the issuance of not exceeding \$13,000,000 principal amount of limited general obligation bonds payable from ad valorem taxes derived from a levy of up to .8 mills against all taxable property within the Unit for the purpose of financing costs of the 2001 Project was approved by a majority of the qualified electors within the Unit voting in said referendum election.

(C) Pursuant to Resolution No. 01-214 adopted by the Board on May 8, 2001 (as amended and supplemented, the "Bond Resolution"), the County, on behalf of the Unit (the "Issuer"), issued the Brevard County, Florida Limited Ad Valorem Tax Bonds (Merritt Island Recreation Municipal Service Taxing Unit Parks and Recreation Program), Series 2001 (the "Series 2001 Bonds") for the principal purpose of financing costs of the 2001 Project.

(D) On August 29, 2006, the Board duly adopted Resolution No. 06-238 calling for a bond referendum election to be held to determine if the qualified electors within the Unit would approve the issuance of not exceeding \$13,410,000 principal amount of limited general obligation bonds payable from ad valorem taxes derived from the previously approved levy of up to .8 mills against all taxable property within the Unit for the purpose of financing costs of additional recreational improvements within the Unit (the "2007 Project").

(E) On November 7, 2006, a bond referendum election was held and the issuance of not exceeding \$13,410,000 principal amount of limited general obligation bonds payable from ad valorem taxes derived from the previously approved levy of up to .8 mills against all taxable property within the Unit for the purpose of financing costs of the 2007 Project was approved by a majority of the qualified electors within the Unit voting in said referendum election.

(F) Pursuant to the Bond Resolution, the Issuer issued its Brevard County, Florida Limited Ad Valorem Tax Bonds (Merritt Island Recreation Municipal Service Taxing Unit Parks and Recreation Program), Series 2007 (the "Series 2007 Bonds") for the principal purpose of financing costs of the 2007 Project.

(G) Pursuant to the Bond Resolution, the Issuer issued its Brevard County, Florida Limited Ad Valorem Tax Bonds (Merritt Island Recreation Municipal Service Taxing Unit Parks and Recreation Program), Series 2011 (the "Series 2011 Bond") in order to refund all of the outstanding Series 2001 Bonds in order to achieve debt service savings.

(H) The Bond Resolution provides for the issuance of Additional Bonds (as defined in the Bond Resolution), payable on parity with the Series 2011 Bond, for the purpose of refunding, on a current basis, all of the outstanding Series 2007 Bonds (the "Refunded Bonds"), upon meeting certain requirements set forth in the Bond Resolution.

(I) The Issuer deems it to be in its best interest to issue its Brevard County, Florida Limited Ad Valorem Tax Refunding Bond (Merritt Island Recreation Municipal Service Taxing Unit Parks and Recreation Program), Series 2016 (the "Series 2016 Bond") for the principal purpose of currently refunding the Refunded Bonds in order to achieve debt service savings and to restructure the Unit's limited ad valorem tax indebtedness. The Series 2016 Bond shall be issued on parity with the Series 2011 Bond pursuant to the terms of the Bond Resolution.

(J) In connection with the refunding of the Refunded Bonds, the Issuer shall, as provided herein, deposit a portion of the proceeds derived from the sale of the Series 2016 Bond, together with other legally available moneys of the Issuer, if any, to a special escrow deposit trust fund (the "Escrow Fund") to purchase certain direct, non-callable U.S. Treasury obligations (the "Federal Securities") which shall be sufficient, together with the investment earnings therefrom and a cash deposit, if any, to pay the Refunded Bonds as the same become due and payable or are redeemed prior to maturity, all as provided herein and in the hereinafter described Escrow Deposit Agreement; provided however, upon the advice of its financial advisor, Public Financial Management, Inc. (the "Financial Advisor"), the County Manager may determine to fund the Escrow Fund entirely with cash to be held uninvested.

(K) In response to a request for bank loan proposals distributed on behalf of the Issuer by the Financial Advisor to qualified financial institutions, Pinnacle Public Finance, Inc. (including any successors and assigns thereof, the "Purchaser") submitted a proposal (the "Proposal") to the Issuer for the purchase of the Series 2016 Bond which provides the Issuer with the most beneficial means of refunding the Refunded Bonds. A copy of the Proposal is attached as Exhibit A hereto.

(L) Due to the potential volatility of the market for tax-exempt obligations such as the Series 2016 Bond and the complexity of the transactions relating to such Series 2016 Bond, it is in the best interest of the Issuer to sell the Series 2016 Bond by a negotiated sale to the Purchaser pursuant to the Proposal and the provisions hereof and of the Bond Resolution, rather than at a specified advertised date, thereby permitting the Issuer to obtain the best possible price, terms and interest rate for the Series 2016 Bond.

(M) The Issuer hereby certifies that it is current in all deposits into the various funds and accounts established by the Bond Resolution and all payments theretofore required to have been deposited or made by the Issuer under the provisions of the Bond Resolution have been deposited or made and the Issuer has complied with the covenants

and agreements of the Bond Resolution and is not currently in default under the Bond Resolution.

(N) The Bond Resolution provides that the Series 2016 Bond shall mature on such dates and in such amounts, shall bear such rates of interest, shall be payable in such places and shall be subject to such redemption provisions as shall be determined by subsequent resolution adopted by the Issuer; and it is now appropriate that the Issuer determine certain of such provisions, terms and details and establish the mechanisms for determining the remaining provisions, terms and details.

(O) The Series 2016 Bond shall be payable solely from and secured by a lien upon and pledge of the Pledged Revenues, in the manner and to the extent provided in the Bond Resolution.

(P) The covenants, pledges and conditions in the Bond Resolution shall be applicable to the Series 2016 Bond herein authorized and said Series 2016 Bond shall be on parity with and rank equally as to the lien on and source and security for payment from the Pledged Revenues and in all other respects with the Series 2011 Bond, and shall constitute "Bonds" within the meaning of the Bond Resolution.

**SECTION 2. DEFINITIONS.** When used in this supplemental resolution, the terms defined in the Bond Resolution shall have the meanings therein stated, except as such definitions shall be hereinafter amended and defined.

**SECTION 3. AUTHORITY FOR THIS SUPPLEMENTAL RESOLUTION.** This supplemental resolution is adopted pursuant to the provisions of the Act.

**SECTION 4. AUTHORIZATION OF THE CURRENT REFUNDING OF THE REFUNDED BONDS.** The Issuer hereby authorizes the current refunding of the Refunded Bonds for the purpose of achieving debt service savings and restructuring the Unit's limited ad valorem tax indebtedness.

**SECTION 5. AUTHORIZATION AND DESCRIPTION OF THE SERIES 2016 BOND.** The Issuer hereby authorizes the issuance of a Series of Bonds in the aggregate principal amount not to exceed \$5,750,000 to be known as the "Brevard County, Florida Limited Ad Valorem Tax Refunding Bond (Merritt Island Recreation Municipal Service Taxing Unit Parks and Recreation Program), Series 2016" (the "Series 2016 Bond") (or such other designation as the Chairman may determine), for the principal purpose of refunding, on a current basis, the Refunded Bonds. The aggregate principal amount of the Series 2016 Bond to be issued pursuant to the Bond Resolution shall be determined by the Chairman, upon the advice of the Financial Advisor, provided such aggregate principal amount does not exceed the amount provided above and provided further that the actual aggregate principal amount shall not exceed the

limitations imposed by Section 132.35, Florida Statutes. The Series 2016 Bond shall be on parity in all respects and shall rank equally as to lien on and source and security for payment from the Pledged Revenues with the Outstanding Series 2011 Bond.

The Series 2016 Bond shall be dated as of its date of issuance, or such other date as the Chairman may determine, shall be issued in the form of one fully registered Bond and shall be numbered "R-1." Notwithstanding the provisions of Section 5.08 of the Bond Resolution, the Series 2016 Bond shall not be initially registered in the name of Cede & Co, and will not initially be registered under DTC's depository system of registration, but will instead be registered in the name of the Purchaser and held by the Purchaser. The authorized denomination with respect to the Series 2016 Bond shall be the outstanding principal amount thereof. The Series 2016 Bond shall bear interest from its dated date at a fixed interest rate of 2.105% per annum (the "Interest Rate"). The Interest Rate shall be calculated on the basis of a 360-day year consisting of twelve 30-day months. Interest on the Series 2016 Bond shall be payable semi-annually, on January 1 and July 1 of each year (the "Interest Payment Dates"), commencing on January 1, 2017. The Series 2016 Bond shall be issued as a single Term Bond with a final maturity of July 1, 2026, and shall be subject to mandatory sinking fund redemption in such Amortization Installments commencing on July 1, 2017 and on each July 1 thereafter through the maturity date of the Series 2016 Bond, determined by the Chairman, upon the advice of the Financial Advisor, and approved by the Purchaser prior to the issuance of the Series 2016 Bond. The Amortization Installment schedule shall be included in the Series 2016 Bond. The Series 2016 Bond shall be sold on a negotiated basis to the Purchaser at a purchase price equal to 100% of the aggregate principal amount thereof. The Purchaser shall provide the Issuer with an executed Disclosure Letter and Truth-in-Bonding Statement as required by Section 218.385, Florida Statutes, prior to the issuance of the Series 2016 Bond. The Interest Rate on the Series 2016 Bond shall comply in all respects with Section 215.84, Florida Statutes. The Interest Rate is subject to adjustment as provided in Section 6 hereof.

The Series 2016 Bond shall be payable as to principal and interest by bank wire transfer or in such other manner as is agreed to between the Issuer and the holder of the Series 2016 Bond in whose name the Series 2016 Bond shall be registered on the registration books maintained by the Issuer as of the close of business on the fifteenth day (whether or not a business day) of the calendar month next preceding an Interest Payment Date; provided, that the registered owner of the Series 2016 Bond shall present and surrender the Series 2016 Bond to the Issuer for the final payment of the principal of the Series 2016 Bond or shall provide other evidence that such Series 2016 Bond has been paid and cancelled. Principal of and interest on the Series 2016 Bond shall be payable in any coin or currency of the United States of America, which at the time of payment, are legal tender for the payment of public and private debts. The Series 2016 Bond shall be in substantially the form set forth in Section 5.17 of the Bond Resolution.

Notwithstanding the foregoing, the Series 2016 Bond shall not be issued unless the following conditions have been satisfied:

(A) The provisions of Section 132.35, Florida Statutes, and Section 132.39, Florida Statutes have been satisfied.

(B) The aggregate principal amount of the Series 2016 Bond shall not exceed the amount sufficient to pay (i) the principal amount of the Refunded Bonds, (ii) the aggregate amount of unmatured interest payable on the Refunded Bonds to the date of their redemption or maturity, whichever is earlier, (iii) the redemption premiums, if any, on the Refunded Bonds, and (iv) the costs and expenses for issuing the Series 2016 Bond and refunding the Refunded Bonds.

(C) The issuance of the Series 2016 Bond shall not exceed any debt limitation prescribed by law, particularly Section 132.35, Florida Statutes, and such Series 2016 Bond, when issued, will be within the limits of all constitutional or statutory debt limitations.

(D) Receipt by the County Manager of a final financial plan prepared by the Financial Advisor complying in all respects with Section 132.36(1)(d), Florida Statutes.

(E) Receipt by the Chairman of a certification of debt service savings required by Section 132.39, Florida Statutes, executed by the County Manager or his designee.

(F) The Series 2016 Bond shall bear a lower net average interest cost rate than the Refunded Bonds.

**SECTION 6. ADJUSTMENTS TO INTEREST RATE.** (A) In the event of a Determination of Taxability (as defined below), the Interest Rate on the Series 2016 Bond shall be increased to a fixed interest rate of 3.40% per annum (the "Adjusted Rate"); provided, however, such Adjusted Rate shall never exceed the maximum rate allowable by law. Immediately upon a Determination of Taxability, the Issuer agrees to pay to the Purchaser, the Additional Amount (as defined below).

For purposes of this Section 6, "Determination of Taxability" shall mean the circumstance of interest paid or payable on the Series 2016 Bond becoming includable for federal income tax purposes in the gross income of the Purchaser a result of any action or inaction of the Issuer. A Determination of Taxability will be deemed to have occurred upon (i) the receipt by the Issuer or the Purchaser of an original or a copy of an Internal Revenue Service Technical Advice Memorandum or Statutory Notice of Deficiency or other official letter or correspondence from the Internal Revenue Service which holds, in a final determination, that any interest payable on the Series 2016 Bond is includable in the gross income of the Purchaser; (ii) the issuance of any public or private ruling of the Internal Revenue Service that any interest payable on the Series 2016 Bond

is includable in the gross income of the Purchaser, or (iii) receipt by the Issuer or the Purchaser of an opinion of Bond Counsel to the Issuer that any interest on the Series 2016 Bond has become includable in the gross income of the Purchaser for federal income tax purposes. For all purposes of this definition, a Determination of Taxability will be deemed to occur on the date as of which the interest on the Series 2016 Bond is deemed includable in the gross income of the Purchaser. Without limiting the foregoing, a Determination of Taxability shall not include and is not triggered by a change in law by the United States Congress that causes the interest or any portion thereof to be includable in the Purchaser's gross income. A Determination of Taxability shall also not occur solely in the event interest on the Series 2016 Bond is taken into account in determining adjusted current earnings for the purpose of the alternative minimum income tax imposed on corporations.

"Additional Amount" means (i) the difference between (a) interest on the Series 2016 Bond for the period commencing on the date on which the interest on the Series 2016 Bond (or portion thereof) is deemed to have lost its tax-exempt status and ending on the effective date of the adjustment of the Interest Rate to the Adjusted Rate (the "Taxable Period") at a rate per annum equal to the Adjusted Rate and (b) the aggregate amount of interest paid on the Series 2016 Bond during the Taxable Period at the Interest Rate applicable to the Series 2016 Bond prior to the adjustment to the Adjusted Rate, plus (ii) any penalties, fines, fees, costs and interest paid or payable by the Purchaser to the Internal Revenue Service by reason of such Determination of Taxability.

(B) After the occurrence of an Event of Default under Section 9.01 of the Bond Resolution, the Series 2016 Bond shall bear interest at the Default Rate (as defined below) until such Event of Default is cured.

For purposes of this Section 6(B), "Default Rate" means, so long as the interest rate for the Series 2016 Bond does not equal the Adjusted Rate, the lesser of (i) 6.00%, per annum and (ii) the maximum lawful rate. For purposes of this Section 6(B), "Default Rate" means, so long as the interest rate for the Series 2016 Bonds does equal the Adjusted Rate, the lesser of (i) 7.00%, per annum and (ii) the maximum lawful rate.

(C) Notwithstanding the foregoing, the Interest Rate shall never be adjusted to a rate of interest that would cause the Series 2016 Bond to be in violation of any Florida constitutional provision.

**SECTION 7. FINANCIAL PLAN.** The financial plan required by Section 132.36(1)(d), Florida Statutes, was prepared by the Financial Advisor based upon the information provided herein and current market conditions and is attached hereto as Exhibit B. Such financial plan demonstrates, among other things, that the Series 2016 Bond will bear a lower net average interest cost rate than the Refunded Bonds.

**SECTION 8. REDEMPTION PROVISIONS FOR SERIES 2016 BOND.** Prior to July 1, 2020, the Series 2016 Bond shall not be subject to optional redemption. On and after July 1, 2020, the Series 2016 Bond may be redeemed, at the option of the Issuer, from any moneys legally available therefor, upon notice as provided herein, in whole but not in part, on any date by paying to the Purchaser the principal amount of the Series 2016 Bond to be redeemed, together with the unpaid interest accrued thereon to the date of such prepayment, without a premium or penalty.

Notwithstanding the provisions of Section 5.10 of the Bond Resolution, any redemption of the Series 2016 Bond shall be made on such date as shall be specified by the Issuer in a written notice provided to the Purchaser not less than ten (10) days prior thereto by first class mail. Notice having been given as aforesaid, the outstanding principal of the Series 2016 Bond shall become due and payable on the date of redemption stated in such notice, together with the interest accrued and unpaid to the date of redemption on the principal amount then being paid. If on the date of redemption moneys for the payment of the principal amount to be redeemed on the Series 2016 Bond, together with the accrued interest to the date of redemption on such principal amount, shall have been paid to the Purchaser as above provided, then from and after the date of redemption, interest on such redeemed principal amount of the Series 2016 Bond shall cease to accrue. If said money shall not have been so paid on the date of redemption, such principal amount of the Series 2016 Bond shall continue to bear interest until payment thereof at the Interest Rate.

**SECTION 9. APPLICATION OF SERIES 2016 BOND PROCEEDS.** The proceeds derived from the sale of the Series 2016 Bond shall be applied by the Issuer simultaneously with the delivery thereof as follows:

(A) A sufficient amount of Series 2016 Bond proceeds, together with other legally available moneys of the Issuer, shall be deposited irrevocably in trust in the Escrow Fund established under the terms and provisions of the hereinafter defined Escrow Deposit Agreement and shall be invested in cash and/or Federal Securities in the manner set forth in the Escrow Deposit Agreement, which Federal Securities, if any, shall mature at such times and in such amounts as shall be sufficient, together with any cash deposit, to pay the principal of, premium, if applicable, and interest on the Refunded Bonds as the same mature or are redeemed on their respective redemption dates.

(B) A sufficient amount of the Series 2016 Bond proceeds shall be applied to the payment of costs and expenses relating to the issuance of the Series 2016 Bond.

**SECTION 10. ANNUAL AUDIT, BUDGET AND OTHER INFORMATION.** The Issuer shall, immediately after the close of each Fiscal Year, cause the financial statements of the Issuer to be properly audited by a recognized independent certified public accountant or recognized independent firm of certified public accountants, and shall require such accountants to complete their report on the

annual financial statements in accordance with applicable law. The annual financial statements shall be prepared in conformity with generally accepted accounting principles as applied to governmental entities. A copy of the audited financial statements for each Fiscal Year shall be furnished to the Purchaser or made available on the Issuer's general website within 210 days after the end of each Fiscal Year. A copy of the annual budget for each Fiscal Year will be provided to the Purchaser or made available on the Issuer's general website within 30 days of approval. The Issuer shall also provide the Purchaser with any other financial information reasonably requested by the Purchaser.

**SECTION 11. TRANSFER AND ASSIGNMENT.** The holder's right, title and interest in and to the Series 2016 Bond and any amounts payable by the Issuer thereunder may be assigned and reassigned in whole or in part to one or more assignees or subassignees by the Purchaser, without the necessity of obtaining the consent of the Issuer; provided, that any such assignment, transfer or conveyance shall be made only to (i) affiliates of the Purchaser or (ii) banks, insurance companies or their affiliates, provided that any such entity is purchasing the Series 2016 Bond for its own account with no present intention to resell or distribute the Series 2016 Bond, subject to each investor's right at any time to dispose of the Series 2016 Bond as it determines to be in its best interests. Unless to an affiliate controlling, controlled by or under common control with the Purchaser, no assignment, transfer or conveyance permitted by this Section 11 shall be effective until the Issuer shall have received a written notice of assignment that discloses the name and address of each such assignee. If the Purchaser notifies the Issuer of its intent to assign and sell its right, title and interest in and to the Series 2016 Bond as herein provided, the Issuer agrees that it shall execute and deliver to the assignee Purchaser, a Series 2016 Bond in the principal amount so assigned, registered in the name of the assignee Purchaser, executed and delivered by the Issuer in the same manner as provided herein and in the Bond Resolution and with an appendix attached thereto setting forth the amounts to be paid on each principal payment date with respect to such Series 2016 Bond.

Notwithstanding any other provision of this Section 11, there shall never be more than three (3) holders of the Series 2016 Bond at any one time and, to the extent there are two (2) or more holders of the Series 2016 Bond at any time, such holders shall engage a paying agent and registrar that is reasonably acceptable to the Issuer, the duties of which shall include, but not be limited to, invoicing the Issuer for scheduled payments on the Series 2016 Bond, receiving payments from the Issuer, distributing payments to the Purchasers and maintaining registration books with respect to the Series 2016 Bond and the holders thereof. The holders of the Series 2016 Bond shall pay all costs and expenses of such paying agent and registrar and the Issuer shall have no liability, economic or otherwise, with respect thereto.

Nothing contained in this Section 11 shall be interpreted to prohibit the Purchaser from selling participations in the Series 2016 Bond to any investors meeting the conditions set forth in the immediately preceding paragraph.

**SECTION 12. DESIGNATION OF ISSUER AS PAYING AGENT AND REGISTRAR.** The Issuer, through the Clerk, shall act as Registrar and Paying Agent for the Series 2016 Bond.

**SECTION 13. AUTHORIZATION TO EXECUTE ESCROW DEPOSIT AGREEMENT.** The Issuer hereby authorizes and directs the Chairman to execute and the Clerk to attest an escrow deposit agreement (the "Escrow Deposit Agreement") and to deliver the Escrow Deposit Agreement (the "Escrow Agreement") to The Bank of New York Mellon Trust Company, N.A., which is hereby appointed as Escrow Agent. The Escrow Deposit Agreement shall be in substantially the form of the Escrow Agreement attached hereto as Exhibit C with such changes, amendments, modifications, omissions and additions, including the date of such Escrow Agreement, as may be approved by said Chairman. Execution by the Chairman of the Escrow Agreement shall be deemed to be conclusive evidence of approval of such changes.

**SECTION 14. RATIFICATION OF PRIOR ACTION.** All prior actions of the County Manager, the County Attorney, the Clerk and their respective staffs relating to the procurement of the Proposal, the selection of the Purchaser and the establishment of the terms of the Series 2016 Bonds are hereby ratified and approved.

**SECTION 15. GENERAL AUTHORITY.** The members of the Board, the County Manager, the County Attorney, the Clerk and the officers, attorneys and other agents or employees of the Issuer are hereby authorized to do all acts and things required of them by this supplemental resolution, the Bond Resolution or the Escrow Agreement, or desirable or consistent with the requirements hereof or the Bond Resolution or the Escrow Agreement for the full punctual and complete performance of all the terms, covenants and agreements contained herein or in the Series 2016 Bond, the Bond Resolution and the Escrow Agreement and each member, employee, attorney and officer of the Board and the Issuer and the Clerk is hereby authorized and directed to execute and deliver any and all papers and instruments and to be and cause to be done any and all acts and things necessary or proper for carrying out the transactions contemplated hereunder. In the event the Chairman is absent or unavailable to perform any function or duty hereunder the Vice-Chairman is hereby authorized to perform any and all of such functions or duties. Bond Counsel and the Issuer's Financial Advisor are hereby authorized and directed to take all action necessary and desirable to carry-out the intent and purposes of this supplemental resolution.

**SECTION 16. SEVERABILITY AND INVALID PROVISIONS.** If any one or more of the covenants, agreements or provisions herein contained shall 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 separable from the remaining covenants, agreements or provisions and shall in no way affect the validity of any of the other provisions hereof or of the Series 2016 Bond.

**SECTION 17. RESOLUTION TO CONTINUE IN FORCE.** Except as herein expressly provided, the Bond Resolution and all the terms and provisions thereof are and shall remain in full force and effect.

**SECTION 18. EFFECTIVE DATE.** This Resolution shall be effective immediately upon its adoption.

This Resolution passed and adopted this 26th day of July, 2016.


BOARD OF COUNTY COMMISSIONERS  
BREVARD COUNTY, FLORIDA

(SEAL)

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

  
Jim Barfield  
Chairman

ATTEST:

  
\_\_\_\_\_  
Scott Ellis, Clerk of the Circuit Court  
and Ex-Officio Clerk to the Board of  
County Commissioners of Brevard  
County, Florida

Approved by Board: July 26, 2016

**EXHIBIT A**

**PROPOSAL**

**EXHIBIT B**  
**FINANCIAL PLAN**

**EXHIBIT C**

**FORM OF ESCROW DEPOSIT AGREEMENT**



June 27, 2016

**VIA Electronic Mail**

Mr. Stockton Whitten, County Manager  
Brevard County

**RE: Request for Bank Loan Proposals – Limited Ad Valorem Refunding Bond (Merritt Island Recreation Municipal Service Taxing Unit), Series 2016**

Dear Mr. Whitten,

Pinnacle Public Finance, Inc., a BankUnited Company, is pleased to provide this response to the Request for Bank Loan Proposals provided by Public Financial Management, Inc., acting as Financial Advisor, for Brevard County.

**Corporate Overview:** In October 2010, BankUnited acquired the municipal finance business from Koch Financial Corporation and now operates it under the name Pinnacle Public Finance, Inc. Pinnacle is headquartered in Scottsdale, Arizona and is a market leader in providing tax-exempt financing directly to its state and local government clients and through its vendor programs and alliances. With more than \$6 billion in financing and transactional experience in every state in the U.S., our team has the knowledge and the resources to fund complex programs that require innovative and flexible financing solutions.

Since beginning operations as Pinnacle, we have funded over 1,220 municipal transactions totaling nearly \$1.85 billion. As Koch Financial Corporation, our group managed a portfolio in excess of \$1 billion and 2,600 municipal leases.

Given that BankUnited is based in Florida, Pinnacle is strongly committed to meeting the needs of our Florida clients. Members of our team have successfully closed over 30 transactions totaling more than \$370 million in Florida.

Our proposed terms and conditions are as follows:

- |                           |   |
|---------------------------|---|
| <b>Borrower:</b>          | Brevard County, Florida (“County”)  |
| <b>Lender:</b>            | Pinnacle Public Finance, Inc. (“Pinnacle”)  |
| <b>Financial Advisor:</b> | Public Financial Management, Inc. (“Financial Advisor”)   |
| <b>Bond Counsel:</b>      | Nabors, Giblin & Nickerson PA (“Bond Counsel”)  |
| <b>Lender’s Counsel:</b>  | Chapman and Cutler LLP (“Purchaser’s Counsel”)  |
| <b>Issue Type:</b>        | Municipal loan structured as a privately placed bond. The registered owner will be Pinnacle Public Finance, Inc. and Pinnacle requests physical delivery of the Bond, printed on safety paper, with no CUSIP and no reference to DTC or book-entry only system. |

**Transaction**

**Amount:** Not to exceed \$5,750,000

**Purpose:** The proceeds will be used to current refund the County's outstanding Limited Ad Valorem Refunding Bonds (Merritt Island Recreation Municipal Service Taxing Unit), Series 2007 and pay costs of issuance.

**Security:** The payment of principal and interest will be secured by and payable from the receipts from a levy of ad valorem taxes on all taxable property within the North Brevard Recreation District as described in the request.

**Term:** The loan will have a final maturity of July 1, 2026

**Interest Rate:** 2.105%

**Interest Rate Expiration:** The above rate is valid through August 5, 2016.

**Projected Funding Date:** It is assumed the loan will fund on or about August 4, 2016.

**Payment**

**Frequency:** Principal will be paid annually each July 1, commencing July 1, 2017. Interest will be paid semi-annually each January 1 and July 1, commencing January 1, 2017.

**Debt Service**

**Requirements:** Please see the attached Preliminary Debt Service Schedule.

**Prepayment Terms:** Prior to July 1, 2020, the loan is not subject to prepayment. Beginning July 1, 2020, the loan is subject to prepayment in whole, but not in part, at any time at a price equal to par plus accrued interest. *Subject to negotiation.*

**Documentation:** Pinnacle assumes all financing documentation will be prepared by Bond Counsel in form and content acceptable to Pinnacle and Lender's Counsel. Further, it is assumed Bond Counsel will provide, at no cost to Pinnacle, a validity and tax opinion.

This proposal is subject to review and acceptance of all documents by Pinnacle and Lender's Counsel.

**Requested**

**Provisions:** Pinnacle will require a gross up provision in the event the loan becomes taxable due to actions or omissions of the County. If the loan becomes taxable the taxable rate of interest will be 3.4% and will be effective as of the date the tax status is ruled to have changed.

Pinnacle requests that a default rate of 6% be included in the documents. The default rate will become 7% if the obligation has become taxable as described above. *Subject to negotiation.*

Pinnacle requires the loan documents make no reference to any Uniform Commercial Code Section relating to Investment Securities (i.e. UCC Article 8).

Pinnacle will agree to transfer restrictions stated below in “Assignment”.

- Reporting:** Pinnacle will request that the County agree to provide its CAFR within 210 days of the close of each fiscal year. Additionally, Pinnacle will request that the County agree to provide such other financial information as Pinnacle may reasonably request, including but not limited to, its annual budget for any prior or current fiscal year or subsequent fiscal years. *Subject to negotiation.*
- Assignment:** It is our present intention to hold the loan to maturity; however, Pinnacle will require that it reserves the right to assign, transfer or convey the loan (or any interest therein or portion thereof) only to any of its affiliates or to banks, insurance companies or similar financial institutions or their affiliates, including participation arrangements with such entities.
- Fees/Closing Costs:** Pinnacle proposes the inclusion of up to \$5,000 for Purchaser’s Counsel in the costs of issuance. The County will be responsible for any fees or expenses with respect to its (i) issuing costs, (ii) legal counsel (iii) Bond Counsel and (iv) title/registration fees, if any.
- Pre-Close Requirements:** Pinnacle will require a complete executed copy of the transcript by noon the day prior to funding (a scanned copy is acceptable). Ultimately, Pinnacle will require a complete transcript with original signatures.
- IRMA Representation:** Pinnacle requests the County provide a letter confirming the County’s Financial Advisor is acting as Independent Registered Municipal Advisor under the SEC Municipal Advisor Rule. A copy of the requested letter is attached to this proposal as Exhibit A.
- Pinnacle’s Role As Lender:** The transaction described in this document is an arm’s length, commercial transaction between the County and Pinnacle in which: (a) Pinnacle is acting solely as a principal (*i.e.*, as a lender) and for its own interest; (b) Pinnacle is not acting as a municipal advisor or financial advisor to the County; (c) Pinnacle has no fiduciary duty pursuant to Section 15B of the Securities Exchange Act of 1934 to the County with respect to this transaction and the discussions, undertakings and procedures leading thereto (irrespective of whether Pinnacle has provided other services or is currently providing other services to the County on other matters); (d) the only obligations Pinnacle has to the County with respect to this transaction are set forth in the definitive transaction agreements between Pinnacle and the County; and (e) Pinnacle is not recommending that the County take an action with respect to the transaction described in this document, and before taking any action with respect to this transaction, the County should discuss the information contained herein with its own legal, accounting, tax, financial and other advisors, as it deems appropriate. If the County would like a

Pinnacle Public Finance, Inc.  
Brevard County – Limited Ad Valorem Refunding Bond (Merritt Island Recreation Municipal Service Taxing Unit),  
Series 2016  
June 27, 2016  
Page 4 of 5

municipal advisor in this transaction that has legal fiduciary duties to the County, the County is free to engage a municipal advisor to serve in that capacity.

**Credit Approval:** This proposal is subject to final credit approval by Pinnacle.

Please feel free to call me at **480-419-3634** with any questions or further clarification.

Thank you for the opportunity to present this proposal.

Sincerely,

*Blair Swain*

Blair Swain  
Vice President, Direct Markets

CC: Jay Glover  
Public Financial Management, Inc.

**Preliminary Debt Service Schedule**

**Brevard - Merritt island Amortization Schedule:**

Totals:		\$6,451,417.35	\$801,417.35	\$5,650,000.00	Rate 2.1050%	\$6,451,417.35	
Pmt #	Payment Date	Payment Amount	Interest	Principal	Purchase Price	Outstanding Balance	Annual Total
	8/4/2016					\$5,650,000.00	
1	1/1/2017	\$48,564.10	\$48,564.10	\$0.00	Non-Callable	\$5,650,000.00	
2	7/1/2017	\$319,466.25	\$59,466.25	\$260,000.00	Non-Callable	\$5,390,000.00	\$368,030.35
3	1/1/2018	\$56,729.75	\$56,729.75	\$0.00	Non-Callable	\$5,390,000.00	
4	7/1/2018	\$326,729.75	\$56,729.75	\$270,000.00	Non-Callable	\$5,120,000.00	\$383,459.50
5	1/1/2019	\$53,888.00	\$53,888.00	\$0.00	Non-Callable	\$5,120,000.00	
6	7/1/2019	\$328,888.00	\$53,888.00	\$275,000.00	Non-Callable	\$4,845,000.00	\$382,776.00
7	1/1/2020	\$50,993.63	\$50,993.63	\$0.00	Non-Callable	\$4,845,000.00	
8	7/1/2020	\$325,993.63	\$50,993.63	\$275,000.00	\$4,570,000.00	\$4,570,000.00	\$376,987.25
9	1/1/2021	\$48,099.25	\$48,099.25	\$0.00	\$4,570,000.00	\$4,570,000.00	
10	7/1/2021	\$328,099.25	\$48,099.25	\$280,000.00	\$4,290,000.00	\$4,290,000.00	\$376,198.50
11	1/1/2022	\$45,152.25	\$45,152.25	\$0.00	\$4,290,000.00	\$4,290,000.00	
12	7/1/2022	\$870,152.25	\$45,152.25	\$825,000.00	\$3,465,000.00	\$3,465,000.00	\$915,304.50
13	1/1/2023	\$36,469.13	\$36,469.13	\$0.00	\$3,465,000.00	\$3,465,000.00	
14	7/1/2023	\$881,469.13	\$36,469.13	\$845,000.00	\$2,620,000.00	\$2,620,000.00	\$917,938.25
15	1/1/2024	\$27,575.50	\$27,575.50	\$0.00	\$2,620,000.00	\$2,620,000.00	
16	7/1/2024	\$892,575.50	\$27,575.50	\$865,000.00	\$1,755,000.00	\$1,755,000.00	\$920,151.00
17	1/1/2025	\$18,471.38	\$18,471.38	\$0.00	\$1,755,000.00	\$1,755,000.00	
18	7/1/2025	\$888,471.38	\$18,471.38	\$870,000.00	\$885,000.00	\$885,000.00	\$906,942.75
19	1/1/2026	\$9,314.63	\$9,314.63	\$0.00	\$885,000.00	\$885,000.00	
20	7/1/2026	\$894,314.63	\$9,314.63	\$885,000.00	\$0.00	\$0.00	\$903,629.25

## SOURCES AND USES OF FUNDS

Brevard County, Florida  
Merritt Island Recr. Municipal Service Taxing Unit -- Limited Ad Valorem Refunding Bond, Series 2016

---  
Final Numbers -- Current Refunding of 2007 Bonds  
Lender: Pinnacle Public Finance

## Sources:

Bond Proceeds:	
Par Amount	5,645,000.00
	5,645,000.00

## Uses:

Refunding Escrow Deposits:	
Cash Deposit	5,599,106.31
Delivery Date Expenses:	
Cost of Issuance	45,893.69
	5,645,000.00

BOND SUMMARY STATISTICS

Brevard County, Florida  
 Merritt Island Recr. Municipal Service Taxing Unit -- Limited Ad Valorem Refunding Bond, Series 2016

Final Numbers -- Current Refunding of 2007 Bonds  
 Lender: Pinnacle Public Finance

Dated Date	08/04/2016
Delivery Date	08/04/2016
Last Maturity	07/01/2026
Arbitrage Yield	2.105131%
True Interest Cost (TIC)	2.105131%
Net Interest Cost (NIC)	2.105000%
All-In TIC	2.235805%
Average Coupon	2.105000%
Average Life (years)	6.809
Duration of Issue (years)	6.320
Par Amount	5,645,000.00
Bond Proceeds	5,645,000.00
Total Interest	809,110.32
Net Interest	809,110.32
Total Debt Service	6,454,110.32
Maximum Annual Debt Service	931,203.50
Average Annual Debt Service	651,382.03
Underwriter's Fees (per \$1000)	
Average Takedown	
Other Fee	
Total Underwriter's Discount	
Bid Price	100.000000

Bond Component	Par Value	Price	Average Coupon	Average Life	PV of 1 bp change
Bond Component	5,645,000.00	100.000	2.105%	6.809	3,546.55
	5,645,000.00			6.809	3,546.55

	TIC	All-In TIC	Arbitrage Yield
Par Value	5,645,000.00	5,645,000.00	5,645,000.00
+ Accrued Interest			
+ Premium (Discount)			
- Underwriter's Discount			
- Cost of Issuance Expense		-45,893.69	
- Other Amounts			
Target Value	5,645,000.00	5,599,106.31	5,645,000.00
Target Date	08/04/2016	08/04/2016	08/04/2016
Yield	2.105131%	2.235805%	2.105131%

SUMMARY OF BONDS REFUNDED

Brevard County, Florida  
 Merritt Island Recr. Municipal Service Taxing Unit -- Limited Ad Valorem Refunding Bond, Series 2016

Final Numbers -- Current Refunding of 2007 Bonds

Lender: Pinnacle Public Finance

Bond	Maturity Date	Interest Rate	Par Amount	Call Date	Call Price
Merritt Island Limited GO Bonds, Series 2007, 2007MER:					
SERIALS	07/01/2017	4.000%	450,000.00	09/08/2016	100.000
	07/01/2018	4.000%	470,000.00	09/08/2016	100.000
	07/01/2019	4.000%	490,000.00	09/08/2016	100.000
	07/01/2020	4.200%	520,000.00	09/08/2016	100.000
	07/01/2021	4.250%	545,000.00	09/08/2016	100.000
	07/01/2022	4.375%	565,000.00	09/08/2016	100.000
	07/01/2023	4.375%	590,000.00	09/08/2016	100.000
	07/01/2024	4.375%	620,000.00	09/08/2016	100.000
	07/01/2025	4.375%	640,000.00	09/08/2016	100.000
	07/01/2026	4.500%	665,000.00	09/08/2016	100.000
			5,555,000.00		

## SUMMARY OF REFUNDING RESULTS

Brevard County, Florida  
 Merritt Island Recr. Municipal Service Taxing Unit -- Limited Ad Valorem Refunding Bond, Series 2016

Final Numbers -- Current Refunding of 2007 Bonds  
 Lender: Pinnacle Public Finance

Dated Date	08/04/2016
Delivery Date	08/04/2016
Arbitrage yield	2.105131%
Escrow yield	0.000000%
Value of Negative Arbitrage	
Bond Par Amount	5,645,000.00
True Interest Cost	2.105131%
Net Interest Cost	2.105000%
Average Coupon	2.105000%
Average Life	6.809
Par amount of refunded bonds	5,555,000.00
Average coupon of refunded bonds	4.347214%
Average life of refunded bonds	5.769
PV of prior debt to 08/04/2016 @ 2.105131%	6,239,622.66
Net PV Savings	594,622.66
Percentage savings of refunded bonds	10.704278%
Percentage savings of refunding bonds	10.533617%

SAVINGS

Brevard County, Florida  
 Merritt Island Recr. Municipal Service Taxing Unit -- Limited Ad Valorem Refunding Bond, Series 2016

Final Numbers -- Current Refunding of 2007 Bonds  
 Lender: Pinnacle Public Finance

Date	Prior Debt Service	Refunding Debt Service	Savings	Annual Savings	Present Value to 08/04/2016 @ 2.1051311%
01/01/2017	118,491.88	48,521.13	69,970.75		69,374.98
07/01/2017	568,491.88	304,413.63	264,078.25	334,049.00	259,102.51
01/01/2018	109,491.88	56,835.00	52,656.88		51,126.58
07/01/2018	579,491.88	311,835.00	267,656.88	320,313.76	257,171.43
01/01/2019	100,091.88	54,151.13	45,940.75		43,681.25
07/01/2019	590,091.88	314,151.13	275,940.75	321,881.50	259,636.33
01/01/2020	90,291.88	51,414.63	38,877.25		36,199.10
07/01/2020	610,291.88	311,414.63	298,877.25	337,754.50	275,389.76
01/01/2021	79,371.88	48,678.13	30,693.75		27,987.08
07/01/2021	624,371.88	313,678.13	310,693.75	341,387.50	280,344.96
01/01/2022	67,790.63	45,889.00	21,901.63		19,556.42
07/01/2022	632,790.63	880,889.00	-248,098.37	-226,196.74	-219,224.69
01/01/2023	55,431.25	37,100.63	18,330.62		16,028.59
07/01/2023	645,431.25	892,100.63	-246,669.38	-228,338.76	-213,445.06
01/01/2024	42,525.00	28,101.75	14,423.25		12,350.56
07/01/2024	662,525.00	903,101.75	-240,576.75	-226,153.50	-203,858.97
01/01/2025	28,962.50	18,892.38	10,070.12		8,444.30
07/01/2025	668,962.50	908,892.38	-239,929.88	-229,859.76	-199,097.51
01/01/2026	14,962.50	9,525.13	5,437.37		4,465.02
07/01/2026	679,962.50	914,525.13	-234,562.63	-229,125.26	-190,609.97
	6,969,822.56	6,454,110.32	515,712.24	515,712.24	594,622.66

Savings Summary

PV of savings from cash flow	594,622.66
Net PV Savings	594,622.66

## BOND DEBT SERVICE

Brevard County, Florida  
Merritt Island Recr. Municipal Service Taxing Unit -- Limited Ad Valorem Refunding Bond, Series 2016

Final Numbers -- Current Refunding of 2007 Bonds  
Lender: Pinnacle Public Finance

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
01/01/2017			48,521.13	48,521.13	
07/01/2017	245,000	2.105%	59,413.63	304,413.63	352,934.76
01/01/2018			56,835.00	56,835.00	
07/01/2018	255,000	2.105%	56,835.00	311,835.00	368,670.00
01/01/2019			54,151.13	54,151.13	
07/01/2019	260,000	2.105%	54,151.13	314,151.13	368,302.26
01/01/2020			51,414.63	51,414.63	
07/01/2020	260,000	2.105%	51,414.63	311,414.63	362,829.26
01/01/2021			48,678.13	48,678.13	
07/01/2021	265,000	2.105%	48,678.13	313,678.13	362,356.26
01/01/2022			45,889.00	45,889.00	
07/01/2022	835,000	2.105%	45,889.00	880,889.00	926,778.00
01/01/2023			37,100.63	37,100.63	
07/01/2023	855,000	2.105%	37,100.63	892,100.63	929,201.26
01/01/2024			28,101.75	28,101.75	
07/01/2024	875,000	2.105%	28,101.75	903,101.75	931,203.50
01/01/2025			18,892.38	18,892.38	
07/01/2025	890,000	2.105%	18,892.38	908,892.38	927,784.76
01/01/2026			9,525.13	9,525.13	
07/01/2026	905,000	2.105%	9,525.13	914,525.13	924,050.26
	5,645,000		809,110.32	6,454,110.32	6,454,110.32

PRIOR BOND DEBT SERVICE

Brevard County, Florida  
 Merritt Island Recr. Municipal Service Taxing Unit -- Limited Ad Valorem Refunding Bond, Series 2016

Final Numbers -- Current Refunding of 2007 Bonds  
 Lender: Pinnacle Public Finance

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
01/01/2017			118,491.88	118,491.88	
07/01/2017	450,000	4.000%	118,491.88	568,491.88	686,983.76
01/01/2018			109,491.88	109,491.88	
07/01/2018	470,000	4.000%	109,491.88	579,491.88	688,983.76
01/01/2019			100,091.88	100,091.88	
07/01/2019	490,000	4.000%	100,091.88	590,091.88	690,183.76
01/01/2020			90,291.88	90,291.88	
07/01/2020	520,000	4.200%	90,291.88	610,291.88	700,583.76
01/01/2021			79,371.88	79,371.88	
07/01/2021	545,000	4.250%	79,371.88	624,371.88	703,743.76
01/01/2022			67,790.63	67,790.63	
07/01/2022	565,000	4.375%	67,790.63	632,790.63	700,581.26
01/01/2023			55,431.25	55,431.25	
07/01/2023	590,000	4.375%	55,431.25	645,431.25	700,862.50
01/01/2024			42,525.00	42,525.00	
07/01/2024	620,000	4.375%	42,525.00	662,525.00	705,050.00
01/01/2025			28,962.50	28,962.50	
07/01/2025	640,000	4.375%	28,962.50	668,962.50	697,925.00
01/01/2026			14,962.50	14,962.50	
07/01/2026	665,000	4.500%	14,962.50	679,962.50	694,925.00
	5,555,000		1,414,822.56	6,969,822.56	6,969,822.56

ESCROW REQUIREMENTS

Brevard County, Florida  
Merritt Island Recr. Municipal Service Taxing Unit -- Limited Ad Valorem Refunding Bond, Series 2016

Final Numbers -- Current Refunding of 2007 Bonds  
Lender: Pinnacle Public Finance

Period Ending	Interest	Principal Redeemed	Total
09/08/2016	44,105.31	5,555,000.00	5,599,105.31
	44,105.31	5,555,000.00	5,599,105.31

ESCROW SUFFICIENCY

Brevard County, Florida  
 Merritt Island Recr. Municipal Service Taxing Unit -- Limited Ad Valorem Refunding Bond, Series 2016

Final Numbers -- Current Refunding of 2007 Bonds  
 Lender: Pinnacle Public Finance

Date	Escrow Requirement	Net Escrow Receipts	Excess Receipts	Excess Balance
08/04/2016		5,599,106.31	5,599,106.31	5,599,106.31
09/08/2016	5,599,105.31		-5,599,105.31	1.00
	5,599,105.31	5,599,106.31	1.00	

COST OF ISSUANCE

Brevard County, Florida

Merritt Island Recr. Municipal Service Taxing Unit -- Limited Ad Valorem Refunding Bond, Series 2016

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Final Numbers -- Current Refunding of 2007 Bonds

Lender: Pinnacle Public Finance

Cost of Issuance	\$/1000	Amount
Bond Counsel Fee	3.98583	22,500.00
Bond Counsel Expenses	0.35430	2,000.00
Financial Advisor Fee	2.65722	15,000.00
Financial Advisor Expenses	0.08857	500.00
Bank Counsel	0.88574	5,000.00
Miscellaneous	0.15832	893.69
	8.12997	45,893.69

FORM 8038 STATISTICS

Brevard County, Florida  
 Merritt Island Recr. Municipal Service Taxing Unit -- Limited Ad Valorem Refunding Bond, Series 2016

Final Numbers -- Current Refunding of 2007 Bonds  
 Lender: Pinnacle Public Finance

Dated Date 08/04/2016  
 Delivery Date 08/04/2016

Bond Component	Date	Principal	Coupon	Price	Issue Price	Redemption at Maturity
Bond Component:						
	07/01/2017	245,000.00	2.105%	100.000	245,000.00	245,000.00
	07/01/2018	255,000.00	2.105%	100.000	255,000.00	255,000.00
	07/01/2019	260,000.00	2.105%	100.000	260,000.00	260,000.00
	07/01/2020	260,000.00	2.105%	100.000	260,000.00	260,000.00
	07/01/2021	265,000.00	2.105%	100.000	265,000.00	265,000.00
	07/01/2022	835,000.00	2.105%	100.000	835,000.00	835,000.00
	07/01/2023	855,000.00	2.105%	100.000	855,000.00	855,000.00
	07/01/2024	875,000.00	2.105%	100.000	875,000.00	875,000.00
	07/01/2025	890,000.00	2.105%	100.000	890,000.00	890,000.00
	07/01/2026	905,000.00	2.105%	100.000	905,000.00	905,000.00
		5,645,000.00			5,645,000.00	5,645,000.00

	Maturity Date	Interest Rate	Issue Price	Stated Redemption at Maturity	Weighted Average Maturity	Yield
Final Maturity	07/01/2026	2.105%	905,000.00	905,000.00		
Entire Issue			5,645,000.00	5,645,000.00	6.8091	2.1051%

Proceeds used for accrued interest	0.00
Proceeds used for bond issuance costs (including underwriters' discount)	45,893.69
Proceeds used for credit enhancement	0.00
Proceeds allocated to reasonably required reserve or replacement fund	0.00
Proceeds used to currently refund prior issues	5,599,106.31
Proceeds used to advance refund prior issues	0.00
Remaining weighted average maturity of the bonds to be currently refunded	5.7755
Remaining weighted average maturity of the bonds to be advance refunded	0.0000

FORM 8038 STATISTICS

Brevard County, Florida  
 Merritt Island Recr. Municipal Service Taxing Unit -- Limited Ad Valorem Refunding Bond, Series 2016

Final Numbers -- Current Refunding of 2007 Bonds  
 Lender: Pinnacle Public Finance

Refunded Bonds

Bond Component	Date	Principal	Coupon	Price	Issue Price
Merritt Island Limited GO Bonds, Series 2007:					
SERIALS	07/01/2017	450,000.00	4.000%	99.575	448,087.50
SERIALS	07/01/2018	470,000.00	4.000%	98.824	464,472.80
SERIALS	07/01/2019	490,000.00	4.000%	98.173	481,047.70
SERIALS	07/01/2020	520,000.00	4.200%	99.287	516,292.40
SERIALS	07/01/2021	545,000.00	4.250%	99.145	540,340.25
SERIALS	07/01/2022	565,000.00	4.375%	100.034	565,192.10
SERIALS	07/01/2023	590,000.00	4.375%	99.706	588,265.40
SERIALS	07/01/2024	620,000.00	4.375%	99.333	615,864.60
SERIALS	07/01/2025	640,000.00	4.375%	98.936	633,190.40
SERIALS	07/01/2026	665,000.00	4.500%	100.072	665,478.80
					5,518,231.95

	Last Call Date	Issue Date	Remaining Weighted Average Maturity
Merritt Island Limited GO Bonds, Series 2007	09/08/2016	02/06/2007	5.7755
All Refunded Issues	09/08/2016		5.7755

**ESCROW DEPOSIT AGREEMENT**

**ESCROW DEPOSIT AGREEMENT**, dated as of \_\_\_\_\_, 2016 (this "Agreement"), by and between the **BREVARD COUNTY, FLORIDA**, a political subdivision of the State of Florida (the "Issuer"), and **THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A.** (the "Escrow Agent"), [a national banking association organized and existing under the laws of the United States of America], having its designated corporate trust office in Jacksonville, Florida, as escrow agent hereunder.

**WHEREAS**, the Issuer has heretofore issued the Brevard County, Florida Limited Ad Valorem Tax Bonds (Merritt Island Recreation Municipal Service Taxing Unit Parks and Recreation Program), Series 2007 (the "Refunded Bonds") pursuant to Resolution No. 01-214 adopted on May 8, 2001, as amended and supplemented (the "Resolution"); and

**WHEREAS**, the Issuer has determined to exercise its option under the Resolution to current refund all of the Refunded Bonds, the description of which is set forth in Schedule A hereto; and

**WHEREAS**, the Issuer has determined to issue \$\_\_\_\_\_ aggregate principal amount of its Brevard County, Florida Limited Ad Valorem Tax Refunding Bond (Merritt Island Recreation Municipal Service Taxing Unit Parks and Recreation Program), Series 2016 (the "Series 2016 Bond") pursuant to the Resolution, a portion of the proceeds of which Series 2016 Bond will be used to provide payment for the Refunded Bonds and to discharge and satisfy the pledges, liens and other obligations of the Issuer under the Resolution in regard to such Refunded Bonds; and

**WHEREAS**, the issuance of the Series 2016 Bond, the deposit of Series 2016 Bond proceeds into an escrow deposit trust fund to be held by the Escrow Agent and the discharge and satisfaction of the pledges, liens and other obligations of the Issuer under the Resolution in regard to the Refunded Bonds shall occur as a simultaneous transaction; and

**WHEREAS**, this Agreement is intended to effectuate such simultaneous transaction;

**NOW, THEREFORE**, in consideration of the foregoing and of the mutual covenants hereinafter set forth, the parties hereto agree as follows:

**SECTION 1. PREAMBLES.** The recitals stated above are true and correct and incorporated herein.

**SECTION 2. RECEIPT OF RESOLUTION.** Receipt of a true and correct copy of the above-mentioned Resolution and this Agreement is hereby acknowledged by the Escrow Agent. The applicable and necessary provisions of the Resolution, including but not limited to Sections 5.09 through 5.14 and Section 11.02 thereto, are incorporated herein by reference. Reference herein to or citation herein of any provisions of the Resolution shall be deemed to incorporate the same as a part hereof in the same manner and with the same effect as if the same were fully set forth herein.

**SECTION 3. DISCHARGE OF PLEDGE OF HOLDERS OF REFUNDED BONDS.** The Issuer by this writing exercises its option to cause the right, title and interest of the holders of the Refunded Bonds under the Resolution and the pledge and lien on the Pledged Revenues, and all other pledges created by or pursuant to the Resolution with respect to such holders of the Refunded Bonds to cease, determine and become void.

**SECTION 4. ESTABLISHMENT OF ESCROW FUND.** There is hereby created and established with the Escrow Agent a special, segregated and irrevocable escrow fund designated the "Brevard County, Florida Limited Ad Valorem Tax Bonds (Merritt Island Recreation Municipal Service Taxing Unit Parks and Recreation Program), Series 2007" (the "Escrow Fund"). The Escrow Fund shall be held in the custody of the Escrow Agent as a trust fund for the benefit of the holders of the Refunded Bonds, separate and apart from other funds and accounts of the Issuer and the Escrow Agent. The Escrow Agent hereby accepts the Escrow Fund and acknowledges the receipt of and deposit to the credit of the Escrow Fund the sum of \$ \_\_\_\_\_ received from the Issuer from proceeds of the Series 2016 Bond (the "Bond Proceeds").

**SECTION 5. DEPOSIT OF MONEYS AND SECURITIES IN ESCROW FUND.** The Issuer hereby directs and the Escrow Agent represents and acknowledges that **ALL OF THE BOND PROCEEDS DEPOSITED UNDER SECTION 4 ABOVE SHALL BE HELD UNINVESTED IN CASH (THE "CASH DEPOSIT") IN THE ESCROW FUND.**

**SECTION 6. SUFFICIENCY OF CASH DEPOSIT.** The Issuer represents that the Cash Deposit is sufficient such that moneys will be available to the Escrow Agent in amounts sufficient and at the times required to pay the amounts of principal of and interest due and to become due on the Refunded Bonds as described in Schedule B attached hereto. If the Cash Deposit shall be insufficient to make such payments, the Issuer shall timely deposit to the Escrow Fund, solely from legally available funds of the Issuer, such additional amounts as may be required to pay the Refunded Bonds as described in Schedule B hereto. Notice of any insufficiency shall be given by the Escrow Agent to the Issuer as promptly as possible, but the Escrow Agent shall in no manner be responsible for the Issuer's failure to make such deposits.

**SECTION 7. CASH DEPOSIT IN TRUST FOR HOLDERS OF REFUNDED BONDS.** The Cash Deposit in the Escrow Fund shall constitute an irrevocable deposit of cash in trust solely for the payment of the principal of and interest on the Refunded Bonds at such times and in such amounts as set forth in Schedule B hereto, and the Cash Deposit shall be used solely for such purpose.

**SECTION 8. ESCROW AGENT TO PAY REFUNDED BONDS FROM ESCROW FUND.** The Issuer hereby directs, and the Escrow Agent hereby agrees, that it will take all actions required to be taken by it under the provisions of the Resolution referenced in this Agreement, including the timely transfer of money to the Paying Agent for the Refunded Bonds (TD Bank, National Association) as provided in the Resolution, in order to effectuate this Agreement and to pay the Refunded Bonds in the amounts and at the times provided in Schedule B hereto. The Cash Deposit shall be used to pay the principal of and interest on the Refunded Bonds as the same are redeemed on \_\_\_\_\_, 2016. If any payment date shall be a day on which either the Paying Agent for the Refunded Bonds or the Escrow Agent is not open for the acceptance or delivery of funds, then the Escrow Agent may make payment on the next business day. The liability of the Escrow Agent for the payment of the principal of and interest on the Refunded Bonds pursuant to this Agreement shall be limited to the application of the Cash Deposit as provided herein.

**SECTION 9. NO INVESTMENT OF CASH DEPOSIT. THE CASH DEPOSIT SHALL BE HELD UNINVESTED IN CASH.**

**SECTION 10. REDEMPTION OF REFUNDED BONDS.** The Issuer hereby irrevocably instructs the Escrow Agent to direct, on behalf of the Issuer, that the Registrar and Paying Agent for the Refunded Bonds (TD Bank, National Association) give at the appropriate times the notice or notices, if any, required by the Resolution in connection with the redemption of the Refunded Bonds. Such notice of redemption shall be given by the Registrar for such Refunded Bonds in accordance with the Resolution. The Refunded Bonds shall be redeemed on \_\_\_\_\_, 2016 at a redemption price equal to 100% of the principal amount thereof plus interest accrued to the redemption date.

**SECTION 11. ESCROW FUND IRREVOCABLE.** The Escrow Fund hereby created shall be irrevocable and the holders of the Refunded Bonds shall have an express lien on the Cash Deposit deposited in the Escrow Fund pursuant to the terms hereof and the interest earnings thereon until paid out, used and applied in accordance with this Agreement and the Resolution. Neither the Issuer nor the Escrow Agent shall cause nor permit any other lien or interest whatsoever to be imposed upon the Escrow Fund.

**SECTION 12. AMENDMENTS TO AGREEMENT.** This Agreement is made for the benefit of the Issuer and the holders from time to time of the Refunded

Bonds and it shall not be repealed, revoked, altered or amended without the written consent of all such holders and the written consent of the Escrow Agent; provided, however, that the Issuer and the Escrow Agent may, without the consent of, or notice to, such holders, enter into such agreements supplemental to this Agreement as shall not adversely affect the rights of such holders and as shall not be inconsistent with the terms and provisions of this Agreement, for any one or more of the following purposes:

- (a) to cure any ambiguity or formal defect or omission in this Agreement;
- (b) to grant, or confer upon, the Escrow Agent for the benefit of the holders of the Refunded Bonds, any additional rights, remedies, powers or authority that may lawfully be granted to, or conferred upon, such holders or the Escrow Agent; and
- (c) to subject to this Agreement additional funds, securities or properties.

The Escrow Agent shall be entitled to rely exclusively upon an unqualified opinion of nationally recognized Bond Counsel with respect to compliance with this Section 12, including the extent, if any, to which any change, modification or addition affects the rights of the holders of the Refunded Bonds, or that any instrument executed hereunder complies with the conditions and provisions of this Section 12.

**SECTION 13. FEES AND EXPENSES OF ESCROW AGENT; INDEMNIFICATION.** In consideration of the services rendered by the Escrow Agent under this Agreement, the Issuer agrees to and shall pay to the Escrow Agent the fees and expenses as set forth on Schedule C. The Escrow Agent shall have no lien whatsoever upon any of the Cash Deposit in said Escrow Fund for the payment of such proper fees and expenses. The Issuer further agrees to indemnify and save the Escrow Agent harmless, to the extent allowed by law, against any liabilities which it may incur in the exercise and performance of its powers and duties hereunder, and which are not due to its negligence or misconduct. Indemnification provided under this Section 13 shall survive the termination of this Agreement.

Whenever the Escrow Agent shall deem it necessary or desirable that a matter be proved or established prior to taking, suffering or omitting any action under this Agreement, such matter may be deemed to be conclusively established by a certificate signed by an authorized officer of the Issuer. The Escrow Agent may conclusively rely, as to the correctness of statements, conclusions and opinions therein, upon any certificate, report, opinion or other document furnished to the Escrow Agent pursuant to any provision of this Agreement; the Escrow Agent shall be protected and shall not be liable for acting or proceeding, in good faith, upon such reliance; and the Escrow Agent shall be under no duty to make any investigation or inquiry as to any statements contained or matters referred to in any such instrument. The Escrow Agent may consult with counsel,

who may be counsel to the Issuer or independent counsel, with regard to legal questions, and the opinion of such counsel shall be full and complete authorization and protection in respect of any action taken or suffered by it hereunder in good faith in accordance herewith. Prior to retaining such independent counsel, the Escrow Agent shall notify the Issuer of its intention.

The Escrow Agent and its successors, agents and servants shall not be held to any personal liability whatsoever, in tort, contract or otherwise, by reason of the execution and delivery of this Agreement, the establishment of the Escrow Fund, the acceptance and disposition of the various moneys and funds described herein, the purchase, retention or payment, transfer or other application of funds or securities by the Escrow Agent in accordance with the provisions of this Agreement or any nonnegligent act, omission or error of the Escrow Agent made in good faith in the conduct of its duties. The Escrow Agent shall, however, be liable to the Issuer and to holders of the Refunded Bonds to the extent of their respective damages for negligent or willful acts, omissions or errors of the Escrow Agent which violate or fail to comply with the terms of this Agreement. The duties and obligations of the Escrow Agent shall be determined by the express provisions of this Agreement.

**SECTION 14. REPORTING REQUIREMENTS OF ESCROW AGENT.**

As soon as practicable after \_\_\_\_\_, 2016, the Escrow Agent shall forward in writing to the Issuer a statement in detail of the activity of the Escrow Fund since the date hereof.

**SECTION 15. RESIGNATION OR REMOVAL OF ESCROW AGENT.**

The Escrow Agent, at the time acting hereunder, may at any time resign and be discharged from the duties and obligations hereby created by giving not less than 20 days' written notice to the Issuer and mailing notice thereof, specifying the date when such resignation will take effect to the holders of all Refunded Bonds then outstanding, but no such resignation shall take effect unless a successor Escrow Agent shall have been appointed by the holders of a majority in aggregate principal amount of the Refunded Bonds then outstanding or by the Issuer as hereinafter provided and such successor Escrow Agent shall have accepted such appointment, in which event such resignation shall take effect immediately upon the appointment and acceptance of a successor Escrow Agent.

The Escrow Agent may be replaced at any time by an instrument or concurrent instruments in writing, delivered to the Escrow Agent and signed by either the Issuer or the holders of a majority in aggregate principal amount of the Refunded Bonds then outstanding. Such instrument shall provide for the appointment of a successor Escrow Agent, which appointment shall occur simultaneously with the removal of the Escrow Agent.

In the event the Escrow Agent hereunder shall resign or be removed, or be dissolved, or shall be in the course of dissolution or liquidation, or otherwise become incapable of acting hereunder, or in case the Escrow Agent shall be taken under the control of any public officer or officers, or of a receiver appointed by a court, a successor may be appointed by the holders of a majority in aggregate principal amount of the Refunded Bonds then outstanding by an instrument or concurrent instruments in writing, signed by such holders, or by their attorneys in fact, duly authorized in writing; provided, nevertheless, that in any such event, the Issuer shall appoint a temporary Escrow Agent to fill such vacancy until a successor Escrow Agent shall be appointed by the holders of a majority in aggregate principal amount of the Refunded Bonds then outstanding in the manner above provided, and any such temporary Escrow Agent so appointed by the Issuer shall immediately and without further act be superseded by the Escrow Agent so appointed by such holders. The Issuer shall mail notice of any such appointment made by it at the times and in the manner described in the first paragraph of this Section 15.

In the event that no appointment of a successor Escrow Agent or a temporary successor Escrow Agent shall have been made by such holders or the Issuer pursuant to the foregoing provisions of this Section 15 within 20 days after written notice of resignation of the Escrow Agent has been given to the Issuer, the holder of any of the Refunded Bonds or any retiring Escrow Agent may apply to any court of competent jurisdiction for the appointment of a successor Escrow Agent, and such court may thereupon, after such notice, if any, as it shall deem proper, appoint a successor Escrow Agent.

In the event of replacement or resignation of the Escrow Agent, the Escrow Agent shall remit to the Issuer the prorated portion of prepaid fees not yet incurred or payable, less any termination fees and expenses at the time of discharge, and shall have no further liability hereunder and the Issuer shall indemnify and hold harmless the Escrow Agent, to the extent allowed by law, from any such liability, including costs or expenses incurred by the Escrow Agent or its counsel.

No successor Escrow Agent shall be appointed unless such successor Escrow Agent shall be a corporation with trust powers organized under the banking laws of the United States or any State, and shall have at the time of appointment capital and surplus of not less than \$30,000,000.

Every successor Escrow Agent appointed hereunder shall execute, acknowledge and deliver to its predecessor and to the Issuer an instrument in writing accepting such appointment hereunder and thereupon such successor Escrow Agent, without any further act, deed or conveyance, shall become fully vested with all the rights, immunities, powers, trusts, duties and obligations of its predecessor; but such predecessor shall nevertheless, on the written request of such successor Escrow Agent or the Issuer execute and deliver an instrument transferring to such successor Escrow Agent all the estates, properties, rights, powers and trust of such predecessor hereunder; and every predecessor

Escrow Agent shall deliver all securities and moneys held by it to its successor; provided, however, that before any such delivery is required to be made, all fees, advances and expenses of the retiring or removed Escrow Agent shall be paid in full. Should any transfer, assignment or instrument in writing from the Issuer be required by any successor Escrow Agent for more fully and certainly vesting in such successor Escrow Agent the estates, rights, powers and duties hereby vested or intended to be vested in the predecessor Escrow Agent, any such transfer, assignment and instruments in writing shall, on request, be executed, acknowledged and delivered by the Issuer.

Any corporation into which the Escrow Agent, or any successor to it in the trusts created by this Agreement, may be merged or converted or with which it or any successor to it may be consolidated, or any corporation resulting from any merger, conversion, consolidation or tax-free reorganization to which the Escrow Agent or any successor to it shall be a party shall be the successor Escrow Agent under this Agreement without the execution or filing of any paper or any other act on the part of any of the parties hereto, anything herein to the contrary notwithstanding.

**SECTION 16. TERMINATION OF AGREEMENT.** This Agreement shall terminate when all transfers and payments required to be made by the Escrow Agent under the provisions hereof shall have been made. Upon such termination, all moneys remaining in the Escrow Fund shall be released to the Issuer.

**SECTION 17. GOVERNING LAW.** This Agreement shall be governed by the applicable laws of the State of Florida.

**SECTION 18. SEVERABILITY.** If any one or more of the covenants or agreements provided in this Agreement on the part of the Issuer or the Escrow Agent to be performed should be determined by a court of competent jurisdiction to be contrary to law, such covenant or agreement shall be deemed and construed to be severable from the remaining covenants and agreements herein contained and shall in no way affect the validity of the remaining provisions of this Agreement.

**SECTION 19. COUNTERPARTS.** This Agreement may be executed in several counterparts, all or any of which shall be regarded for all purposes as one original and shall constitute and be but one and the same instrument.

[Remainder of page intentionally left blank]

**SECTION 20. NOTICES.** Any notice, authorization, request or demand required or permitted to be given in accordance with the terms of this Agreement shall be in writing and sent by registered or certified mail addressed to:

The Bank of New York Mellon Trust Company, N.A.  
10161 Centurion Parkway  
Jacksonville, FL 32256  
Attention: Corporate Trust Department

Brevard County, Florida  
2725 Judge Fran Jamieson Way  
Viera, Florida 32940  
Attention: County Manager

**IN WITNESS WHEREOF**, the parties hereto have each caused this Escrow Deposit Agreement to be executed by their duly authorized officers and appointed officials and the seal of the Issuer to be hereunder affixed and attested as of the date first written herein.

(SEAL)

ATTEST:



  
\_\_\_\_\_  
Clerk of the Circuit Court and Ex-Officio  
Clerk to the Board of County Commissioners  
of Brevard County, Florida  
SCOTT ELLIS

**BREVARD COUNTY, FLORIDA**

  
\_\_\_\_\_  
Chairman, Board of County Commissioners

JIM BARFIELD

Approved by Board: July 26, 2016

**THE BANK OF NEW YORK MELLON  
TRUST COMPANY, N.A., as Escrow Agent**

By: \_\_\_\_\_  
Authorized Signatory

**SCHEDULE A**

**DESCRIPTION OF THE REFUNDED BONDS**

**SCHEDULE B**

**DEBT SERVICE REQUIREMENTS FOR REFUNDED BONDS**

**SCHEDULE C**

**ESCROW AGENT FEES AND EXPENSES**