



# DRAFT Closing Memorandum

To: **Distribution List  
(attached)** Date: **June 30, 2010**

CC: **David Lucas**  
**Sara McCray**

From: **Gary Rehm** Subject: **\$50,125,000 Brunswick-Glynn County Joint  
Water and Sewer Commission, Georgia  
Revenue Bonds, Series 2010C**

---

There will be a "pre-closing" of the \$50,125,000 Brunswick-Glynn County Joint Water and Sewer Commission (Georgia) Revenue Bonds, Series 2010C (the "Bonds"), on Tuesday, June 29, 2010 and the bonds will close on Wednesday, June 30, 2010 at the office of Gray & Pannell, LLP, 24 Drayton Street, Suite 1000, Savannah, Georgia 31401. The contact person at Gray & Pannell, LLP is Thomas S. Gray; Telephone: (912) 443.4044; Facsimile: (912) 443.4064.

## Delivery of the Bonds

The Closing shall be completed on a FAST basis. On Wednesday, June 30, 2010, the Bonds shall be delivered to The Depository Trust Company, New York, New York ("DTC") by U.S. Bank National Association, Atlanta, Georgia, in its capacity as paying agent for the Bonds (the "Paying Agent"), in accordance with the order of the Brunswick-Glynn County Joint Water and Sewer Commission (the "Commission") authorizing the issuance of the Bonds adopted on June 24, 2010 (the "Order"). Such Bonds shall be registered in the name of Cede & Co., DTC's nominee.

## Sources of Funds

The settlement amount for the Bonds is determined as follows:

<u>Source of Funds</u>	<u>Issue Summary</u>
Par Amount of Bonds	\$50,125,000.00
Plus: Net Premium	2,081,717.25
Other Sources of Funds:	
Prior Bond Fund - Principal	975,000.00
Prior Bond Fund – Interest	291,499.88
Co. Interest Earning Acct.	699,369.90
Lease & GEFA Pmt Acct.	187,099.96
City Reserve Fund	1,687,078.25
Transfer fr. 92 & 01 Funds	<u>2,255,829.52</u>
<b>Total Sources of Funds:</b>	<b>\$58,302,594.76</b>

**Uses of Funds**

**1) Transfer from Underwriter to Paying Agent & Bond Insurer**

**Regions Bank, as the authorized representative of Sterne Agee (the "Underwriter"), will wire transfer via Federal Funds the following wires:**

**A) Wire transfer \$51,429,558.21 (which represents Bond Proceeds of \$50,125,000.00 plus the net premium of \$2,081,717.25, less \$333,401.94 for the Insurance Premium and \$443,757.10 for the Underwriter's Discount) to:**

<b>U.S. Bank</b>	<b>(ABA # 091000022)</b>
USBANK WIRE CLRG	
Beneficiary Account Number:	A/C 180121167365
Beneficiary Account Address:	777 E. Wisconsin Avenue Milwaukee, WI 53202-5300
OBI:	Brunswick-Glynn W & S
Ref:	Attn: <b>David Johnson</b>

**B) Wire transfer \$333,401.94, representing the Bond Insurance Premium to:**

Bank:	The Bank of New York
ABA#	021-000-018
Account Name:	Assured Guaranty Municipal Corp.
Account #	8900297263
Policy #	212236-N

Reference Name: \$50,125,000 Brunswick-Glynn County Joint Water & Sewer Commission (Georgia) Series 2010C

**CONFIRMATION OF PREMIUM**

Assured Guaranty will accept as confirmation of the premium payment a wire transfer number and the name of the sending bank, to be communicated to Stephanie Cain (212) 261-5578, [scain@assuredguaranty.com](mailto:scain@assuredguaranty.com), on the closing date.

**Upon receipt of the insurance premium wire information and release of the insurance policy by Assured Guaranty, U.S. Bank National Association, acting as Paying Agent and Sterne Agee acting as Underwriter will contact DTC to release the bonds.**



2) Upon receipt of wire from the Underwriter, the Paying Agent, also acting as Custodian and Escrow Agent, will complete the following actions:

A) The Paying Agent shall internally transfer to the Acquisition Fund a total of **\$33,772,325.60** and complete the following :

i. Wire transfer **\$302,679.87**, representing the pay-off on the BB & T loan to:

Branch Banking & Trust Company  
BB&T Governmental Finance  
223 West Nash Street  
Wilson, NC 27893  
ABA# 053101121  
Account # 5214994315

ii. Wire transfer **\$969,724.56**, representing the pay-off on the Glynn County BOC loan including the prepayment premium to:

Beneficiary Bank: Wachovia Bank  
Beneficiary Bank ABA#: 053000219  
Beneficiary Account Name: Commercial Loan Payment Processing  
Beneficiary Account Number: 0145916-0002008  
Reference the following information:  
Obligor Name: GLYNN COUNTY BOC  
Obligor Number: #21-3496367797  
Obligation Number: # 1658681  
Contact Marcia Giddings DeBarros – (678) 589-4307

iii. Wire transfer **\$6,798,269.89**, representing the pay-off aggregate of GEFA loan # 2006L17WJ-East Beach Payoff in the amount of \$4,703,644.15 and GEFA loan # 2005L40WQ – Five Hoods Payoff in the amount of \$2,094,625.74. (THESE PAY OFF AMOUNTS ARE GOOD UNTIL 2PM EST.) to:

Bank of America, N.A., Atlanta, GA 30303  
GEFA Address- 233 Peachtree St., NE, Harris Tower, Suite 900, Atlanta, GA 30303-1506  
Bank Account Name: GEFA Concentration Account  
Bank Account Number: 0001 0247 6638  
Routing Transit Number: 026009593  
[For Two GEFA loans #205L40WQ for \$2,094,625.74 and #2006L17WJ for \$4,703,644.15]  
Attn: Shelina Ali – (404) 584-1087

iv. The Paying Agent, also acting as Escrow Agent for the Commission, shall internally transfer for deposit to the Escrow Fund, pursuant to the "Escrow Deposit Agreement", the amount of **\$3,151,137.11**, accomplishing the gross defeasance of the City of Brunswick Water and Sewerage Revenue Refunding and Improvement Bonds, Series 2001.

- v. The Paying Agent, also acting as Escrow Agent for the Commission, shall internally transfer for deposit to the Escrow Fund, pursuant to the "Escrow Deposit Agreement", the amount of **\$22,550,514.17**, representing an initial cash deposit of \$1.17 and \$22,550,513.00 to be used for the purchase of the escrowed securities, which (upon purchase) will accomplish the net defeasance of both the City of Brunswick Water and Sewerage Revenue Refunding and Improvement Bonds, Series 1992 and the Glynn County Water and Sewer Revenue Refunding and Improvement Bonds, Series 2003.
- B) The Paying Agent shall wire transfer **\$13,052,000.00**, representing the current refunding and gross defeasance of the Commission's Refunding Revenue (Glynn County Wastewater Improvement Project) Series 2010B Bonds, pursuant to the following wiring instructions:
- Credit: Ameris Bank  
24 Second Avenue  
Moultrie, GA 31768  
ABA: 061201754  
Beneficiary Info: Final Credit to Brunswick Glynn County Joint Water & Sewer Comm.  
Loan # 7550002221-101  
Contact: Lynn Y. Rhymes – (912) 267-9500
- C) The Paying Agent shall internally transfer to the Construction Fund a total of **\$5,000,000.00**.
- D) The Paying Agent shall internally transfer into the Sinking Fund a total of **\$5,050,093.20**, which represents \$1,245,574.44 which shall be held in the Debt Service Account within the sinking fund for Capitalized Interest through June 1, 2012, and \$3,804,518.76 which represents the Debt Service Reserve Account within the sinking fund.
- E) The Paying Agent shall internally transfer to the Cost of Issuance Account a total of **\$651,016.92**.



---

**Upon deposit of the Cost of Issuance funds into the Cost of Issuance Account, the Paying Agent shall complete the following actions:**

- 1) Wire transfer **\$21,500.00**, representing the Arbitrage Rebate Calculations Fee of \$5,500.00 for the 2001 refunded bonds, \$12,000.00 for the 1992 refunded bonds, \$2,000.00 for the Verification Agent Fee for the 2003 refunded bonds and \$2,000.00 for the 1992 refunded bonds.

Regions Bank  
Routing # 062005690  
Acct# 0042740495  
For: GPN Services

- 2) Wire transfer **\$26,000.00**, representing the S & P Rating Fee to:

Bank of America  
San Francisco, CA  
Standard and Poor's  
Account # 12334-02500  
ABA # 0260-0959-3  
Invoice # 10246976

- 3) Wire transfer **\$25,000.00**, representing the Moody's Rating Fee to:

SunTrust Bank  
Atlanta, Georgia  
ABA# 061000104  
ACH# 061000104  
Moody's Account # 8801939847  
Reference Invoice # F1756143-000  
Contact: Lucile Treglia (212) 553-4031

- 4) Wire transfer **\$6,700.00**, representing the cost of printing the OS/POS to:

Bank of America  
Fernandina Beach, Florida  
ABA# 026009593  
Account # 125020108  
Invoice # 152-10  
Contact: Charmain (904) 206-4200  
For Imagemaster Printing/Attn: Mark Dean

- 5) Wire transfer **\$733.00**, representing the CUSIP fee to:

Bank of America  
Chicago, IL  
Standard & Poor's  
Account # 81884-10104  
ABA# 0260-0959-3  
Swift # BOFAUS3N  
Invoice # 34907541

- 6) Wire transfer **\$170,000.00**, representing \$160,000.00 for Bond & Disclosure Counsel fee and \$10,000.00 for Bond Counsel expenses to:

Gray & Pannell LLP Attorney Trust Account  
Sun Trust Bank, Savannah, Georgia  
ABA# 061000104  
Account # 1000044629862  
Gray & Pannell LLP, IOLTA Account  
P. O. Box 8050  
Savannah, GA 31412  
\*Special Instructions: When funds received, please call Andra Bowers, (912) 443-4040 or fax confirmation to (912) 443-4041.

- 7) Wire transfer **\$60,000.00**, representing the fees for professional services rendered and out-of-pocket costs incurred as Underwriter's Counsel and Special Tax Counsel, to:

Wachovia Bank, NA  
Jacksonville, Florida ABA# 063000021  
For credit to the account of Holland & Knight LLP  
Account # 2090002390441  
Swift Code #PNBPUS33  
Please reference Client No. 124048-00001

- 8) The Paying Agent shall retain the amount of **\$7,500.00**, representing fees due to the Escrow Agent (\$7,000.00) and the Annual Paying Agent & Custodian Fee (\$500.00).

---

The funds that remain in the Cost of Issuance account will be used to pay additional costs of issuance. Those who wish to be paid out of the cost of issuance account after closing should submit an invoice to the Commission, Attn: John Donaghy and upon approval will be paid by the Paying Agent out of the COI Account. Any funds that remain after a certain period of time in the COI account will be moved to the Construction Fund.



---

SOURCES AND USES OF FUNDS

Brunswick-Glynn County Joint Water & Sewer Commission  
Revenue Bonds, Series 2010C

Sources:

---

Bond Proceeds:	
Par Amount	50,125,000.00
Net Premium	2,081,717.25
	<hr/> 52,206,717.25
Other Sources of Funds:	
Prior Bd Fd - Princ	975,000.00
Prior Bd Fd - Int	291,499.88
County Interest Earnings Account	699,369.90
Lease & GEFA Payment Account	187,099.96
City Reserve Fund (Plus Accrued, Less Residual)	1,687,078.25
Transfer from Series 1992 & 2001 Remaining Funds	2,255,829.52
	<hr/> 6,095,877.51
	<hr/> 58,302,594.76

---

---

Uses:

---

Project Fund Deposits:	
Cash Deposit	3,151,138.28
SLGS Purchases	22,550,513.00
Wachovia Payoff with Prepayment Premium	969,724.56
BB&T Payoff with Prepayment Premium	302,679.87
GEFA Five Hoods Payoff	2,094,625.74
GEFA East Beach Payoff	4,703,644.15
Series 2010B Payoff (Exit 29)	13,052,000.00
Construction Fund	5,000,000.00
	<hr/> 51,824,325.60
Other Fund Deposits:	
Capitalized Interest Fund	1,245,574.44
Debt Service Reserve Fund	3,804,518.76
	<hr/> 5,050,093.20
Delivery Date Expenses:	
Cost of Issuance	640,753.75
Underwriter's Discount	443,757.10
Assured Guaranty Bond Insurance Premium	333,401.94
Annual Paying Agent & Custodian Fee	500.00
	<hr/> 1,418,412.79
Other Uses of Funds:	
Additional Proceeds	9,763.17
	<hr/> 58,302,594.76

---

---