

WILLIAM SHORE MEMORIAL POOL DISTRICT

*225 East Fifth Street
Port Angeles, WA 98362
(360) 417-9767*

COMMISSIONERS

BRAD COLLINS, BILL PEACH, CHERIE KIDD, ANNA MANILDI, RANDY JOHNSON

RESOLUTION 6-2017

A RESOLUTION of WILLIAM SHORE MEMORIAL POOL DISTRICT, CLALLAM COUNTY, WASHINGTON, providing for the issuance and sale of a limited general obligation bond of the district in the principal amount of \$16,000, to provide funds to finance all or a portion of the costs of the Project; providing the date, form, and repayment terms of the bond and for the pledge of the District's full faith and credit to pay the principal thereof and interest thereon; and approving the sale of such bond.

WHEREAS, William Shore Memorial Pool District, Clallam County, Washington (the "District"), has determined that it is in the best interest of the District to finance all or a portion of the costs of the Project; and

WHEREAS, the District is authorized, pursuant to the laws of the State of Washington, to incur indebtedness and issue a limited tax general obligation bond for the purpose of providing funds to pay the costs of the Project and costs of issuance; and

WHEREAS, it is deemed necessary and advisable that the District now issue and sell its limited tax general obligation bond in the principal amount of not to exceed \$16,000 to pay the costs of the Project; and

WHEREAS, the District has received the offer of Kitsap Bank (the "Bank"), to purchase the Bond, and the Board wishes to accept such offer on the terms and conditions set forth therein and herein;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF WILLIAM SHORE MEMORIAL POOL DISTRICT, CLALLAM COUNTY, WASHINGTON, as follows:

Section 1. Definitions. As used in this resolution, including the recitals hereto, the following words shall have the following meanings:

- 1. Bank** means Kitsap Bank, and any business successor thereto, as the original registered owner and shall include any subsequent registered owner as permitted herein.

2. **Board of Commissioners** means the duly constituted Board of Commissioners as the governing body authority of the District.
3. **Bond Register** means the registration records maintained by the Bond Registrar for the purpose of identifying ownership of the Bond.
4. **Bond Registrar** means the Treasurer, whose duties include registering and authenticating the Bond, maintaining the Bond Register, transferring ownership of the Bond, and paying the principal of the Bond. The term **Bond Registrar** also shall include any successor Bond Registrar appointed by the Treasurer as permitted by law.
5. **Bond** means the William Shore Memorial Pool District, Clallam County, Washington, Limited Tax General Obligation Bond, 2017 A, issued pursuant to this resolution.
6. **Code** means the Internal Revenue Code of 1986 as amended from *time to time, and* the applicable regulations thereunder.
7. **District** means William Shore Memorial Pool District, Clallam County, Washington, a taxing district organized and existing under and by virtue of the laws of the State of Washington.
8. **Fixed Rate** means an interest rate of 4.00% per annum.
9. **Project** means the Purchase of a vehicle.
10. **Treasurer** means the duly appointed treasurer of the District.

Section 2. Authorization of Bond. The District shall issue and sell to the Bank the Bond in the principal amount of \$16,000 (the "Bond") to provide funds to pay the costs of the Project.

The Bond shall be designated "William Shore Memorial Pool District, Clallam County, Washington, Limited Tax General Obligation Bond, 2017 A," shall be dated as of the date of its delivery to the Bank, shall be fully registered as to both principal and interest, shall be issued as a single fully registered bond, and shall be numbered in such manner and with any additional designation as the Bond Registrar deems necessary for purposes of identification. The Bond shall bear interest on unpaid principal from its date or the most recent date to which interest has been paid at the Fixed Rate, calculated on the basis of a 360-day year consisting of twelve 30-day months. Principal of and interest on the Bond will be payable semiannually on the first day of each December and June, commencing December 1, 2017, with the final payment of all outstanding principal, together with interest thereon, due on June 1, 2020.

Section 3. Registration and Payments. The Treasurer shall serve as the Bond Registrar *for the Bond*. The duties of the Bond Registrar hereunder are limited to authenticating the Bond and to remitting money to the Bank on the payment dates as provided therein. Both principal of and interest on the Bond is payable in lawful money of the United States of America. Payments of principal of and interest on the Bond will be made by check or draft of the Bond Registrar mailed on the date such principal and interest is due or by electronic funds transfer made on such due date to the registered owner at the address appearing on the Bond Register. Upon final payment of all principal of and interest on the Bond, the Bond shall be submitted to the Bond Registrar for cancellation and surrender.

The Bond Registrar is authorized, on behalf of the District, to authenticate and deliver the Bond and to carry out all of the Bond Registrar's powers and duties under this resolution. The Bond is transferable only in whole to a successor in interest (through merger, corporate reorganization or purchase) of the Bank or to a "qualified institutional buyer" as that term is defined in Rule 144A under the Securities Act of 1933.

Section 4. Prepayment.

The Bond is subject to prepayment in advance of the scheduled payments, in whole or in part, at any time, with no prepayment penalty

Section 5. Form of Bond. The Bond shall be in substantially the following form:

NO. R-1

\$16,000

**STATE OF WASHINGTON
WILLIAM SHORE MEMORIAL POOL DISTRICT, CLALLAM COUNTY, WASHINGTON
2017 LIMITED TAX GENERAL OBLIGATION BOND "A"**

INTEREST RATE: 4.00%

FINAL MATURITY DATE: June 1, 2020

REGISTERED OWNER: Kitsap Bank

TAX IDENTIFICATION #: 91-0283150

PRINCIPAL AMOUNT: SIXTEEN THOUSAND AND NO/100 DOLLARS

WILLIAM SHORE MEMORIAL POOL DISTRICT, CLALLAM COUNTY, WASHINGTON (the "District"), hereby acknowledges itself to owe and for value received promises to pay to the Registered Owner identified above, or registered assigns, the Principal Amount specified above, together with interest thereon, at the Interest Rate. This Bond shall be amortized in approximately equal principal and interest payments, on each December and June, commencing on December 1, 2017, with the initial payment schedule as shown below:

Payment Date	Principal Amount	Interest	Total Debt Service
12/01/2017	\$ 2,751.52	\$ 104.89	\$ 2,856.41
06/01/2018	2,591.44	264.97	2,856.41
12/01/2018	2,643.27	213.14	2,856.41
06/01/2019	2,696.13	160.28	2,856.41
12/01/2019	2,750.06	106.35	2,856.41
06/01/2020	2,567.57	51.35	2,618.92
Total	\$16,000.00	\$ 900.98	\$16,900.98

Interest shall be calculated on the basis of a 360-day year consisting of twelve 30-day months.

Both principal of and interest on this Bond are payable in lawful money of the United States of America. Installments of the principal of and interest on this Bond shall be paid by check or draft to the Treasurer of the District (the "Bond Registrar") mailed on the date such principal and interest is due or by electronic funds transfer made on the date such interest is due to the registered owner or nominee at the address appearing on the Bond Register. Upon final payment of all installments of principal and interest thereon, this Bond shall be submitted to the Bond Registrar for cancellation and surrender.

This Bond is issued pursuant to Resolution No. 6-2017 of the District (the "Bond Resolution"), to provide funds to finance all or part of the costs of the Project. Capitalized terms appearing on this Bond and not otherwise defined herein shall have the meanings given such terms in the Bond Resolution.

The Bond is subject to prepayment as provided in the Bond Resolution. This Bond is transferable only in whole to a successor in interest (through merger, corporate reorganization or purchase) of the Registered Owner or to a "qualified institutional buyer" as that term is defined in Rule 144A under the Securities Act of 1933. This Bond is not a "private activity bond" as such term is defined in the Internal Revenue Code of 1986, as amended (the "Code"). The District has designated this Bond as a "qualified tax-exempt obligation" under Section 265(b) of the Code for investment by financial institutions.

The District has covenanted in the Bond Resolution that it will use money in the District's General Fund, as necessary, or other funds legally available therefor to pay principal of and interest on the Bond as the same shall become due, and has irrevocably pledged the full faith, credit and taxing power of the District for the prompt payment of such principal and interest.

This Bond shall not be valid or become obligatory for any purpose or be entitled to any security or benefit under the Bond Resolution until the Certificate of Authentication hereon shall have been manually signed by or on behalf of the Bond Registrar or its duly designated agent.

It is hereby certified that all acts, conditions and things required by the Constitution and statutes of the State of Washington to exist, to have happened, been done and performed precedent to and in the issuance of this Bond have happened, been done and performed and that the issuance of this Bond does not violate any constitutional, statutory or other limitation upon the amount of bonded indebtedness that the District may incur.

IN WITNESS WHEREOF, William Shore Memorial Pool District, Clallam County, Washington, has caused this Bond to be executed by the manual or facsimile signatures of the President and Clerk of its Board of Commissioners as of September 26, 2017.

WILLIAM SHORE MEMORIAL POOL DISTRICT, CLALLAM COUNTY, WASHINGTON

By 
Anna Manildi, President, Board of Commissioners

ATTEST:


Rachelle Jires
Clerk, Board of Commissioners

CERTIFICATE OF AUTHENTICATION

Date of Authentication: _____

This is the 2017 Limited Tax General Obligation Bond "A", of William Shore Memorial Pool District, Clallam County, Washington, dated _____, _____ as described in the Bond Resolution No 6-2017.

**TREASURER OF WILLIAM SHORE
MEMORIAL POOL DISTRICT
CLALLAM COUNTY, WASHINGTON,
Bond Registrar**

Section 6. Execution of Bond. The Bond shall be executed on behalf of the District with the manual signatures of the President and Secretary of the Board. The Bond shall not be valid or obligatory for any purpose or entitled to the benefits of this resolution unless the Certificate of Authentication in the form hereinbefore recited, is manually executed by or on behalf of the Bond Registrar or its duly designated agent.

In case either of the officers who shall have executed the Bond shall cease to be an officer or officers of the District before the Bond so signed shall have been authenticated or delivered by the Bond Registrar, or issued by the District, such Bond may nevertheless be authenticated, delivered and issued and upon such authentication, delivery and issuance, shall be as binding upon the District as though those who signed the same had continued to be such officers of the District. The Bond may also be signed and attested on behalf of the District by such persons who are at the actual date of delivery of the Bond, the proper officers of the District although at the original date of the Bond any such person shall not have been such officer of the District.

Section 7. Application of Bond Proceeds. The proceeds of the Bond shall be used to finance all or a portion of the costs of the Project

Section 8. Pledge of Funds and Credit. The District hereby irrevocably covenants and agrees that, for as long as the Bond is outstanding and unpaid, each year it will include in its budget and levy an *ad valorem* tax upon all the property within the District subject to taxation in an amount that will be sufficient, together with all other revenues and money of the District legally available for such purposes, to pay the principal of and interest on the Bond as the same shall become due.

To pay principal of and interest on the Bond as the same shall become due, the District hereby irrevocably covenants that it will use money in the District's General Fund, as necessary, or other funds legally available therefor. The District hereby irrevocably pledges that the annual tax provided for in this resolution to be levied for the payment of such principal and interest will be within and as a part of the tax levy permitted to the District without a vote of the people and that a sufficient portion of the taxes to be levied and collected annually by the District prior to the full payment of the principal of and interest on the Bond will be and is hereby irrevocably set aside, pledged and appropriated for the payment of the principal of and interest on the Bonds.

The full faith, credit and resources of the District are hereby irrevocably pledged for the annual levy and collection of said taxes and for the prompt payment of the principal of and interest on the Bond as the same will become due.

Section 9. General Covenants and Warranties. The District makes the following covenants with and warranties to the registered owner of the Bond:

A. The District has full legal right, power and authority to adopt this resolution, to sell, issue and deliver the Bond as provided in this resolution and to carry out and consummate all other transactions contemplated by this resolution.

B. By all necessary official action prior to or concurrently herewith, the District has duly authorized and approved the execution and delivery of, and the performance by the District of its obligations contained in, the Bond and this resolution and the consummation

by it of all other transactions necessary to effectuate this resolution in connection with the issuance of the Bond, and such authorizations and approvals are in full force and effect and have not been amended, modified or supplemented in any material respect.

C. This resolution constitutes a legal, valid and binding obligation of the District.

D. When issued, sold, authenticated and delivered, the Bond will constitute a legal, valid and binding general obligation of the District.

E. The adoption of this resolution, and compliance on the District's part with the provisions contained in this resolution, will not conflict with, constitute a breach of or constitute a default under, any constitutional provisions, law, administrative regulation, judgment, decree, loan agreement, indenture, bond, note, resolution, ordinance, motion, agreement or other instrument to which the District is a party or to which the District or any of its property or assets are otherwise subject.

F. The Bond will be issued within all statutory and constitutional debt limitations applicable to the District.

Section 10. Tax Covenants; Special Designation. The District hereby covenants that it will not make any use of the proceeds of sale of the Bond or any other funds of the District that may be deemed to be proceeds of such Bond pursuant to Section 148 of the Code that would cause the Bond to be an "arbitrage bond" within the meaning of said section and said regulations. The District will comply with the requirements of Section 148 of the Code (or any successor provision thereof applicable to the Bond) and the applicable Regulations thereunder throughout the term of the Bond.

The District further covenants that it will not take any action or permit any action to be taken that would cause the Bond to constitute a "private activity bond" under Section 141 of the Code.

The District hereby designates the Bond as a "qualified tax-exempt obligation" for purchase by financial institutions pursuant to Section 265(b) of the Code. The District does not anticipate that it will issue more than \$10,000,000 in qualified tax-exempt obligations during the year 2017.

Section 11. Sale of the Bond. The District hereby ratifies and confirms its acceptance of the Bank's offer dated September 26, 2017, to purchase the Bond on the terms specified therein and in this resolution. The proper District officials are hereby authorized and directed to do everything necessary for the prompt execution and delivery of the Bond to the Bank and for the proper application and use of the proceeds of sale thereof

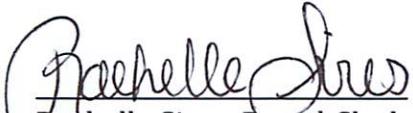
Section 12. Severability. If any one or more of the covenants or agreements provided in this resolution to be performed on the part of the District shall be declared by any court of competent jurisdiction to be contrary to law, then such covenant or covenants, agreement or agreements, shall be null and void and shall be deemed separable from the remaining covenants and agreements of this resolution and shall in no way affect the validity of the other provisions of this resolution or of the Bond.

Section 13. Effective Date. This resolution shall become effective immediately upon its passage and approval.

PASSED AND ADOPTED by the Board of Commissioners of William Shore Memorial Pool District, Clallam County, Washington, at a meeting thereof on September 26, 2017 held upon notice duly given to the extent required by law.

WSMPD BOARD OF COMMISSIONERS

ATTEST:


Rachelle Sires, Board Clerk


Anna Manildi, President


Bill Peach, Commissioner


Cherie Kidd, Commissioner


Randy Johnson, Commissioner

ABSENT

Brad Collins, Commissioner