STATE OF FLORIDA
DEPARTMENT OF ENVIRONMENTAL PROTECTION

STATE REVOLVING LOAN PROGRAM FOR DRINKING WATER FACILITIES

LOAN APPLICATION

Florida Department of Environmental Protection
State Revolving Fund Program
Marjory Stoneman Douglas Building
3900 Commonwealth Boulevard
Tallahassee, FL 32399-3000

TABLE OF CONTENTS

	Page Number
LOAN APPLICATION	
(1) SUBMITTAL	1
(2) COMPLETING THE APPLICATION	1
(3) ASSISTANCE	1
PART I - ADMINISTRATIVE INFORMATION	
(1) PROJECT SPONSOR	1
(2) AUTHORIZED REPRESENTATIVE	1
(3) PRIMARY CONTACT	1
(4) ADDITIONAL CONTACTS	1
(5) PROJECT NUMBER	1
(6) INTERIM FINANCING	1
PART II - PROJECT INFORMATION	
A. PRECONSTRUCTION PROJECT	
(1) ACTIVITIES	2
(2) SCHEDULE	2
(3) COST	2
B. CONSTRUCTION PROJECT	
(1) ACTIVITIES	2
(2) SCHEDULE	3
(3) COST	3
PART III - FINANCIAL INFORMATION	
(1) PRINCIPAL	3
(2) TERMS AND REPAYMENT	3
(3) ANNUAL FUNDING LIMIT	3
(4) INFORMATION ON LIENS	3
(5) ACTUAL AND PROJECTED REVENUES	4
(6) AVAILABILITY OF PLEDGED REVENUES	4
(7) LOAN SERVICE FEE	4
PART IV - AUTHORIZATION AND ASSURANCES	
(1) AUTHORIZATION	4
(2) ASSURANCES	4
PART V - SUPPLEMENTARY INFORMATION	
SCHEDULE OF PRIOR AND PARITY LIENS	7
SCHEDULE OF ACTUAL REVENUES AND DEBT COVERAGE	8
SCHEDULE OF PROJECTED REVENUES AND DEBT COVERAGE	9
LIST OF ATTACHMENTS	10

LOAN APPLICATION

(1) SUBMITTAL. Submit the application and attachments to the Department of Environmental Protection, MS 3505, State Revolving Fund Program, Marjorie Stoneman Douglas Building, 3900 Commonwealth Boulevard, Tallahassee, Florida 32399-3000. The application (and supporting documentation) may be submitted electronically to the Department's Project Manager.

(2) COMPLETING THE APPLICATION.

(a) This application consists of five parts: (I) ADMINISTRATIVE INFORMATION; (II) PROJECT INFORMATION; (III) FINANCIAL INFORMATION; (IV) AUTHORIZATION AND ASSURANCES; and (V) SUPPLEMENTARY INFORMATION.

(b) All information provided on this application must be printed. Monetary amounts may be rounded.

(c) Forms and attachments to be submitted are denoted with italic print.

(3) ASSISTANCE. Completing this application may require information that can be obtained from the Drinking Water State Revolving Fund Program staff. Please email SRF_Reporting@dep.state.fl.us for assistance in completing this application.

PART I - ADMINISTRATIVE INFORMATION

(1) PROJECT SPONSOR City of Stuart

Federal Employer Identification Number 59-6000433

DUNS Number 033988689

(2) AUTHORIZED REPRESENTATIVE (person authorized to sign or attest loan documents).

Name Louis J. Boglioli III Title Financial Services Director

Telephone (772) 288-5324 Email jboglioli@ci.stuart.fl.us

Mailing Address 121 SW Flagler Avenue, Stuart, FL 34994

(3) PRIMARY CONTACT (person to answer questions regarding this application).

Name Tim Voelker, P.E. Title Public Works Assistant Director/City Engineer

Telephone (772) 288-5332 Email tvoelker@ci.stuart.fl.us

Employer City of Stuart

Mailing Address 121 SW Flagler Avenue, Stuart, FL 34994

(4) ADDITIONAL CONTACTS. If more than one additional person is to receive copies of Department correspondence, attach the information (*Attachment #____*).

Name Dave Peters Title Public Works Director

Telephone (772) 288-1292 Email dpeters@ci.stuart.fl.us

Employer City of Stuart

Mailing Address 121 SW Flagler Avenue, Stuart, FL 34994

(5) PROJECT NUMBER (listed on the Department's priority list). 43043

(6) INTERIM FINANCING. A local government project sponsor that has interim financing may be subject to certain conditions regarding such financing.

Is the project currently being funded with interim financing? ☐ Yes ☒ No

PART II – PROJECT INFORMATION

If you are applying for a planning or design loan for a project that will involve construction, complete only Subpart A below. If you are applying for a loan to construct a project that is already planned and designed, complete only Subpart B below.

A. PLANNING OR DESIGN PROJECT

Information should be provided for each separate facility to be planned and designed as appropriate. For design/build projects (not eligible for design loans) or those where multiple facilities, segments, or phases are involved, please attach information for activities, schedule, and cost for each. (*Attachment #*_____)

(1) ACTIVITIES. Attach a brief description of the scope of planning and design activities to be financed by this loan. Include a list of any engineering services to be performed. (*Attachment #*_____) Are these activities the same as those scheduled on the *Request for Inclusion Form*? ☐ Yes ☐ No. If "No", please explain. (*Attachment #*_____)

(2) SCHEDULE.

(a) Provide proposed completion dates for the items. (Please call Department staff to discuss time frames needed to complete required tasks.)

Planning documentation _____

Engineering design _____

Certification of site availability _____

Permitting _____

(b) Do you anticipate that an interlocal agreement with another party will be necessary to implement the project? If "Yes", please explain. (*Attachment #*_____) ☐ Yes ☐ No

(c) Is this a design/build project? ☐ Yes ☐ No

(3) COST. Is the cost information submitted for the planning or design loan priority list current? If "No", please explain and submit revised cost information using the appropriate page of the *Request for Inclusion Form*. (Attachment #_____) Note that the disbursable amount will be limited to the priority list amount. ☐ Yes ☐ No

PLANNING OR DESIGN APPLICANTS PROCEED TO PART III.

B. CONSTRUCTION PROJECT

(1) ACTIVITIES.

(a) Attach a brief description of construction activities to be financed by this loan. Include a list of the contracts (by title) corresponding to the plans and specifications accepted by the Department (*Attachment # 1*).

Are these contracts the same as those scheduled on the *Request for Inclusion Form*? ☒ Yes ☐ No

If "No", please explain. (*Attachment #*_____)

(b) Have any of the contracts been bid? ☐ Yes ☒ No

If "Yes", indicate which contracts have been bid. (*Attachment #*_____)

(c) Was planning or design for this project financed in another SRF loan? ☒ Yes ☐ No

If "Yes", give the SRF loan number. DW430430

(d) Does this project involve an interlocal agreement with other local governments or other entities? ☐ Yes ☒ No

If "Yes", attach a copy of the Department letter accepting the interlocal agreement. (*Attachment #*_____)

Is the interlocal agreement, as accepted by the Department, fully executed and enforceable? ☐ Yes ☐ No

If "No", please explain (*Attachment #*_____).

(2) SCHEDULE. (month and year)

(a) Anticipated notice to proceed for first construction contract. February 2020

(b) Anticipated completion of all construction contracts. August 2020

(3) COST. Is the cost information submitted for the priority list current? ☒ Yes ☐ No

If "No", please explain and submit revised cost information using the appropriate page of the *Request for Inclusion Form*. (*Attachment #*_____) Note that the disbursable amount will be limited to the priority list amount.

PART III - FINANCIAL INFORMATION

Estimates of the capitalized interest, interest rate, pledged revenue coverage, limitations on annual loan amounts for large projects, applicability and amount of repayment reserves, amount of the loan service fee and any other information may be obtained by contacting staff in the State Revolving Fund Management Section.

(1) PRINCIPAL. The requested amount of the loan which does not include capitalized interest is $2,340,000.00

Note that the disbursable amount will be limited to the priority list amount and must be consistent with the project information provided under **PART II** of this application. Also note that the capitalized interest is an inexact estimate, and it is subject to adjustment by the Department to reflect actual disbursement timing. The principal amount of the loan does not include the loan service fee.

(2) TERMS AND REPAYMENT.

(a) Loans for planning and design shall be amortized over 10 years. Construction loans to local government project sponsors are amortized over the lesser of useful life of the project or 20 years unless the project is to serve a small community qualifying as financially disadvantaged. Construction loans to financially disadvantaged small communities may be amortized over the lesser of useful life of the project or 30 years. Construction loans to non-governmental project sponsors are amortized over the lesser of the useful life of the project or 20 years. Interest charges and principal are paid semiannually.

What is the useful life of the project? 40 (years)

Over how many years would you like to amortize the loan? 20 (years)

(b) List all revenues that are to be pledged for repayment of this loan. Water and wastewater rates, availability fees, and other income.

(c) Pledged revenue receipts or collections by the project sponsor must exceed the amount of the repayments due to the Department unless there are other collateral provisions. The excess revenue, or coverage, generally is 15% of each repayment.

What coverage is proposed for the loan? 15% (coverage percentage)

(d) Is any other financial assistance being applied to this project? ☐ Yes ☒ No

If "Yes", please list. (*Attachment #*_____)

(3) ANNUAL FUNDING LIMIT. Large project funding (generally, loans in excess of $10 million) may be provided in increments pursuant to the initial loan agreement and subsequent amendments.

(4) INFORMATION ON LIENS.

(a) Describe, if applicable, all debt obligations having a prior or parity lien on the revenues pledged to repay this loan. (*Attachment # 2*) For example: City Name, Florida, Water and Sewer System Revenue Bonds, Series 1996, issued in the amount of $10,000,000, pursuant to Ordinance No. 93-104, as amended and supplemented by Ordinance No. 96-156.

(b) Using the Part V, *Schedule of Prior and Parity Liens*, provide debt service information, if applicable, on each prior and parity obligation.

(c) For the listed obligations, provide a copy of the ordinance(s), resolution(s), official statement(s), or pages thereof, setting forth the definitions, use of proceeds, debt service schedule, pledged revenues, rate covenants, provisions for issuing additional debt, provisions for bond insurance, and debt rating. (*Attachment # 2*).

(d) Describe any other notes and loans payable from the revenues pledged to repay this loan. (*Attachment # 2*).

(5) ACTUAL AND PROJECTED REVENUES.

(a) Complete the Part V, *Schedule of Actual Revenues and Debt Coverage* for the past two fiscal years.

(b) Complete the Part V, *Schedule of Projected Revenues and Debt Coverage*, demonstrating the availability of pledged revenues for loan repayment.

(6) AVAILABILITY OF PLEDGED REVENUES. All sources must be supported by a written legal opinion. (*Attachment # 3*) The opinion must address the following:

(a) Availability of the revenues to repay the loan.

(b) Right to increase rates at which revenues shall be collected to repay the loan.

(c) Subordination of the pledge if pledged revenues are subject to a prior or parity lien.

(7) LOAN SERVICE FEE. A loan service fee is assessed on each loan. The fee is not part of the loan. The fee along with interest thereon will be deducted from the first available repayments after the final amendment to the loan agreement.

PART IV – AUTHORIZATION AND ASSURANCES

(1) AUTHORIZATION. Provide an authorizing resolution of the Applicant's governing body or other evidence of authorization (*Attachment # 4*) for the following:

(a) Pledging revenues to repay the loan.

(b) Designation of the Authorized Representative(s) to file this application, provide assurances, execute the loan agreement, and represent the Applicant in carrying out responsibilities (including that of requesting loan disbursements) under the loan agreement.

(2) ASSURANCES. The Applicant agrees to comply with the laws, rules, regulations, policies and conditions relating to the loan for this project. Applicants should seek further information from the Drinking Water State Revolving Fund Program staff as to the applicability of the requirements if the necessity for the assurances is of concern. Specifically, the Applicant certifies that it has complied, as appropriate, and will comply with the following requirements, as appropriate, in undertaking the Project:

(a) Assurances for capitalization grant projects.

1. Complete all facilities for which funding has been provided.

2. The Applicant is advised, pursuant to 40 CFR 35 Section 35.3575, that a number of Federal law, executive orders, and government-wide policies can apply to your project or activity that is receiving Federal financial assistance. The Applicant agrees to read those provisions regarding the application of Federal cross-cutting authorities (cross-cutters) to determine their applicability to your specific project or activity.

(b) Assurances for other projects. Please note that Florida Statutes are available at http://www.leg.state.fl.us. They are also available at the following physical address: Florida Department of State Division of Library and Information Services R.A. Gray Building 500 South Bronough Street Tallahassee, Florida 32399-0250.

1. Chapter 161, Part I, F.S., "Beach and Shore Preservation Act" and Part III, “Coastal Zone Protection Act of 1985” which regulate coastal zone construction and all activities likely to affect the condition of the beaches or shore.

2. Chapter 163, Part II, F.S., the “Local Government Comprehensive Planning and Land Development Regulation Act” which requires units of local government to establish and implement comprehensive planning programs to control future development.

3. Chapter 186, F.S., State and Regional Planning, which requires conformance of projects with Regional Plans and the State Comprehensive Plan.

4. Chapter 253, F.S., "Emergency Archaeological Property Acquisition Act of 1988" which requires protection of archaeological properties of major statewide significance discovered during construction activities.

5. Chapter 258, Part III, F.S., which requires protection of components or potential components of the national wild and scenic rivers system.

6. Chapter 267, F.S., the "Florida Historical Resources Act" which requires identification, protection, and preservation of historic properties, archaeological and anthropological sites.

7. Chapter 287, Part I, F.S., which prohibits parties convicted of public entity crimes or discrimination from participating in State-assisted projects and which requires consideration of the utilization of Minority Business Enterprises in State-assisted projects.

8. Chapter 372, F.S., the Florida Endangered and Threatened Species Act which prohibits the killing or wounding of an endangered, threatened, or special concern species or intentionally destroying their eggs or nest.

9. Chapter 373, Part IV, F.S., Florida Water Resources Act of 1972, which requires that activities on surface waters or wetlands avoid adversely affecting: public health, safety, welfare, or property; conservation of fish and wildlife, including endangered or threatened species or their habitats; navigation or the flow of water; the fishing or recreational values or marine productivity; and significant historical and archaeological resources.

10. Chapter 380, Part I, F.S., Florida Environmental Land and Water Management Act of 1972 as it pertains to regulation of developments and implementation of land and water management policies.

11. Chapter 381, F.S., Public Health, as it pertains to regulation of onsite wastewater systems.

12. Chapter 403, Part I, F.S., Florida Air and Water Pollution Control which requires protection of all waters of the state.

13. Chapter 582, F.S., Soil and Water Conservation Act which requires conformance with Water Management District's regulations governing the use of land and water resources.

14. Governor's Executive Order 95-359, which requires State Clearinghouse review of project planning documentation and intergovernmental coordination.

I, the undersigned Authorized Representative of the Applicant, hereby certify that all information contained herein and in the attached is true, correct, and complete to the best of my knowledge and belief. I further certify that I have been duly authorized to file the application and to provide these assurances.

Signed this _____ Day of _____, 20 _____

Authorized Representative _____ Louis J. Boglioli III
(signature) *(name typed or printed)*

Attachments

PART V - SUPPLEMENTARY INFORMATION

CITY OF STUART, FLORIDA

SCHEDULE OF EXISTING PRIOR AND PARITY LIENS
(EXCLUDES EXISTING SRF LOANS)

List annual debt service beginning two years before the anticipated loan agreement date and continuing at least three fiscal years. Use additional pages as necessary.

	Identify Each Obligation [1]	Coverage		Insured?
#1	Revenue Refunding and Improvement Bonds, Series 2003	110%		Yes
#2	Subordinate Lien Public Utilities Revenue Refunding Note, Series 2006	100%		No
#3	Subordinate Lien Public Utilities Revenue Refunding Note, Series 2007	100%		No
#4	Subordinate Lien Public Utilities Revenue Refunding Note, Series 2011 (Refunded Series 2007B)	100%		No
#5	Series 2019 Bond Anticipation Note (BAN) - Seacoast National Bank [2]			

Fiscal Year	Annual Debt Service (Principal + Interest)						Total Debt Service	Total Debt Service Including Coverage
	#1	#2	#3	#4	#5 [2]			
2016	$468,290.00	$343,154.02	$315,713.32	$379,333.62	$0.00	$0.00	$1,506,490.96	$1,553,319.96
2017	469,800.00	343,393.25	315,700.82	380,217.36	0.00	0.00	1,509,111.43	1,556,091.43
2018	0.00	343,429.65	780,386.82	379,916.84	0.00	0.00	1,503,733.31	1,503,733.31
2019	0.00	342,425.90	785,937.69	379,455.12	0.00	0.00	1,507,818.71	1,507,818.71
2020	0.00	343,289.06	785,079.62	379,832.20	0.00	0.00	1,508,200.88	1,508,200.88
2021	0.00	343,378.25	783,082.94	379,025.02	0.00	0.00	1,505,486.21	1,505,486.21
2022	0.00	343,254.05	778,882.63	379,056.64	0.00	0.00	1,501,193.32	1,501,193.32
2023	0.00	948,089.70	178,902.13	379,904.02	0.00	0.00	1,506,895.85	1,506,895.85
2024	0.00	946,382.38	179,040.96	379,544.14	0.00	0.00	1,504,967.48	1,504,967.48
2025	0.00	278,175.75	1,144,245.13	0.00	0.00	0.00	1,422,420.88	1,422,420.88
2026	0.00	277,493.20	1,147,250.25	0.00	0.00	0.00	1,424,743.45	1,424,743.45
2027	0.00	277,810.65	1,142,489.69	0.00	0.00	0.00	1,420,300.34	1,420,300.34
2028	0.00	277,797.78	1,146,333.68	0.00	0.00	0.00	1,424,131.46	1,424,131.46
2029	0.00	1,447,365.25	0.00	0.00	0.00	0.00	1,447,365.25	1,447,365.25
2030	0.00	1,445,626.90	0.00	0.00	0.00	0.00	1,445,626.90	1,445,626.90
2031	0.00	1,446,041.65	0.00	0.00	0.00	0.00	1,446,041.65	1,446,041.65
2032	0.00	1,443,748.76	0.00	0.00	0.00	0.00	1,443,748.76	1,443,748.76
2033	0.00	1,447,888.80	0.00	0.00	0.00	0.00	1,447,888.80	1,447,888.80
2034	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2035	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2036	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2037	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2038	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2039	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2040	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2041	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2042	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2043	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2044	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2045	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

Footnotes:

[1] Amounts derived from the actual loan payment schedules provided by the City. Amounts reflect the estimated sinking fund payments required in each Fiscal Year.

[2] On May 15, 2019, the City entered into an agreement with Seacoast National Bank to borrow a maximum of $1.5 million in anticipation of issuing future bonds (the Bond Anticipation Note or BAN). Based on conversations with City staff, to date only approximately $93,000 has been drawn and is due on May 15, 2020. At this time, no additional proceeds are anticipated to be drawn during the life of this contract. The amount of $93,000 is anticipated to be reimbursed through the use of existing cash reserves.

PART V - SUPPLEMENTARY INFORMATION

CITY OF STUART, FLORIDA

SCHEDULE OF EXISTING SRF LOANS AND PROJECTED PARITY LIENS
(EXCLUDES PROPOSED SRF LOAN)

List annual debt service beginning two years before the anticipated loan agreement date and continuing at least three fiscal years. Use additional pages as necessary.

Identify Each Obligation		Coverage		Insured?
#6	Existing SRF Loan - WW 430400 - Reclaimed Water Transmission Main [1]	115%		No
#7	Existing SRF Loan - DW 430410 - Water Distribution Replacements and Meters [1]	115%	1st Pmt. Dec. 2016	No
#8	Existing SRF Loan - DW 430420 - Water Sysetm Anion Exchange [1]	115%		No
#9	Existing SRF Loan - DW 430430 - Eng. & Design Water RO Phase 1 (Estimated based on Contract)	115%	1st Pmt. Nov. 2020	No
#10	Future Debt Proceeds (Anticipated) - RO Construction Phase 1 [2]	115%		No

Fiscal Year	Annual Debt Service (Principal + Interest)						Total Debt Service	Total Debt Service Including Coverage
	#6	#7	#8	#9	#10			
2016	$178,054.30	$88,617.00	$0.00	$0.00	$0.00	$0.00	$266,671.30	$306,672.00
2017	178,054.30	354,468.00	0.00	0.00	0.00	0.00	532,522.30	612,400.65
2018	178,054.30	354,468.00	0.00	0.00	0.00	0.00	532,522.30	612,400.65
2019	178,054.30	354,468.00	0.00	0.00	0.00	0.00	532,522.30	612,400.65
2020	178,054.30	354,468.00	106,497.56	29,268.00	0.00	0.00	668,287.86	768,531.04
2021	178,054.30	354,468.00	106,497.56	87,804.00	0.00	0.00	726,823.86	835,847.44
2022	178,054.30	354,468.00	106,497.56	87,804.00	0.00	0.00	726,823.86	835,847.44
2023	178,054.30	354,468.00	106,497.56	87,804.00	857,005.64	0.00	1,583,829.50	1,821,403.92
2024	178,054.30	354,468.00	106,497.56	87,804.00	857,005.64	0.00	1,583,829.50	1,821,403.92
2025	178,054.30	354,468.00	106,497.56	87,804.00	857,005.64	0.00	1,583,829.50	1,821,403.92
2026	178,054.30	354,468.00	106,497.56	87,804.00	857,005.64	0.00	1,583,829.50	1,821,403.92
2027	178,054.30	354,468.00	106,497.56	87,804.00	857,005.64	0.00	1,583,829.50	1,821,403.92
2028	178,054.30	354,468.00	106,497.56	87,804.00	857,005.64	0.00	1,583,829.50	1,821,403.92
2029	178,054.30	354,468.00	106,497.56	87,804.00	857,005.64	0.00	1,583,829.50	1,821,403.92
2030	178,054.30	354,468.00	106,497.56	58,536.00	857,005.64	0.00	1,554,561.50	1,787,745.72
2031	89,026.98	354,468.00	106,497.56	0.00	857,005.64	0.00	1,406,998.18	1,618,047.91
2032	0.00	354,468.00	106,497.56	0.00	857,005.64	0.00	1,317,971.20	1,515,666.88
2033	0.00	354,468.00	106,497.56	0.00	857,005.64	0.00	1,317,971.20	1,515,666.88
2034	0.00	354,468.00	106,497.56	0.00	857,005.64	0.00	1,317,971.20	1,515,666.88
2035	0.00	354,468.00	106,497.56	0.00	857,005.64	0.00	1,317,971.20	1,515,666.88
2036	0.00	265,851.00	106,497.56	0.00	857,005.64	0.00	1,229,354.20	1,413,757.33
2037	0.00	0.00	106,497.56	0.00	857,005.64	0.00	963,503.20	1,108,028.68
2038	0.00	0.00	106,497.56	0.00	857,005.64	0.00	963,503.20	1,108,028.68
2039	0.00	0.00	106,497.56	0.00	857,005.64	0.00	963,503.20	1,108,028.68
2040	0.00	0.00	0.00	0.00	857,005.64	0.00	857,005.64	985,556.49
2041	0.00	0.00	0.00	0.00	857,005.64	0.00	857,005.64	985,556.49
2042	0.00	0.00	0.00	0.00	857,005.64	0.00	857,005.64	985,556.49
2043	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2044	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2045	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

Footnotes:

[1] Amounts derived from the actual loan payment schedules provided by the City. Amounts reflect the estimated sinking fund payments required in each Fiscal Year.

[2] Amounts included as a component of funding the total capital plan included in the updated financial forecast, but which are not directly associated with this application. Terms and borrowing assumptions subject to change.

PART V - SUPPLEMENTARY INFORMATION

CITY OF STUART, FLORIDA

SCHEDULE OF ACTUAL REVENUES AND DEBT COVERAGE

(Provide information beginning with the two fiscal years preceding the anticipated date of the first SRF loan repayment.)

		Audited 2017	Audited 2018
(a)	Operating Revenues	$10,884,019	$11,944,815
(b)	Interest Income	$78,829	$44,073
(c)	Other Income or Revenue		
	Availability Fee Revenues	$227,539	$184,859
	Other- Misc Revenues (Disposition of Assets)	7,050	(19,851)
	Total Other Income or Revenue	$234,589	$165,008
(d)	Total Revenues	$11,197,437	$12,153,896
(e)	Operating Expenses (excluding interest on debt, depreciation, and other non-cash items)	$6,732,734	$6,638,927
(f)	Net Revenues [(f) = (d) - (e)]	$4,464,703	$5,514,969
(g)	Debt Service (including required coverage)		
	Existing Senior Lien Debt	$1,556,091	$1,503,733
	Existing SRF Loans and Parity Debt	612,401	612,401
	Total Other Income or Revenue	$2,168,492	$2,116,134
	Amount Available After Payment of Debt Service (including required coverage)	$2,296,211	$3,398,835

(h) Attach audited annual financial report(s), or pages thereof, and any other documentation necessary to support the above information. Include any notes or comments from the audit reports regarding compliance with covenants of debt obligations having a prior or parity lien on the revenues pledged for repayment of the SRF loan. *(Attachment 5)* .

Notes continued on Page 2 of 2.

PART V - SUPPLEMENTARY INFORMATION

CITY OF STUART, FLORIDA

SCHEDULE OF ACTUAL REVENUES AND DEBT COVERAGE

(i) Attach worksheets reconciling this page with the appropriate financial statements (for example, backing out depreciation and interest payments from operating expenses).

The following tabulations reconcile Net Revenues shown as (f) above to the audited financial statements as follows:

	Audited 2017	Audited 2018
Net Revenues (Line f above)	$4,464,703	$5,514,969
Additions to Net Revenues:		
Grant Revenues for Capital / Capital Contributions	$740,656	$286,253
Other Revenue Sources	0	0
Total Additions to Net Revenues	$740,656	$286,253
Deductions from Net Revenues:		
Depreciation Expenses	$2,604,847	$2,842,921
Interest and Amortization Expenses	858,424	1,174,538
Transfer to General Fund	639,168	684,700
Adjustment Due to Rounding	3	(3)
Total Deductions from Net Revenues	$4,102,442	$4,702,156
Change in Net Position - Calculated	$1,102,917	$1,099,066
Change in Net Position - Reported in the CAFR	$1,102,917	$1,099,066

(j) If the net revenues were not sufficient to satisfy the debt service and coverage requirement, please explain what corrective action was taken.
Net Revenues have been and are projected to be fully adequate over the projection period.

Footnotes:

[1] Amounts shown for Fiscal Years 2017 and 2018 are based on detailed records provided by City staff, which were used to compile the City's Audited Financial Statements.

PART V - SUPPLEMENTARY INFORMATION

CITY OF STUART, FLORIDA

SCHEDULE OF PROJECTED REVENUES AND DEBT COVERAGE

		FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
(a)	Operating Revenues [1] [2]						
	Existing Revenues at Adopted Rates Through FY20	$12,197,761	$12,881,123	$13,037,803	$13,199,320	$13,405,754	$13,612,187
	Projected Revenues from Adopted and Projected Rate Increases	0	0	245,999	501,145	765,675 [3]	1,039,691 [3]
	Total Operating Revenues	$12,197,761	$12,881,123	$13,283,801	$13,700,465	$14,171,429	$14,651,878
(b)	Interest Income	$61,000	$54,000	$47,000	$49,000	$55,000	$56,000
(c)	Other Income or Revenue (Identify)						
	Availability Fee Revenues [4]	$364,392	$360,230	$384,259	$393,174	$426,133	$459,092
	Other- Misc Revenues (Disposition of Assets)	50,500	40,000	0	0	0	0
	Total Other Income or Revenue	$414,892	$400,230	$384,259	$393,174	$426,133	$459,092
(d)	Total Revenues	$12,673,653	$13,335,353	$13,715,060	$14,142,639	$14,652,562	$15,166,970
(e)	Operating Expenses (excluding interest on debt, depreciation, and other non-cash items) [5] [6]	$7,115,256	$7,756,939	$7,993,946	$8,239,605	$8,769,291 [6]	$9,040,367
(f)	Net Revenues [(f) = (d) - (e)]	$5,558,397	$5,578,414	$5,721,114	$5,903,035	$5,883,271	$6,126,603
(g)	Revenue (including coverage) pledged to debt service, excluding SRF Loans [7]	$1,507,819	$1,508,201	$1,505,486	$1,501,193	$1,506,896	$1,504,967
(h)	Revenue (including coverage) pledged to outstanding SRF Loans [8]	$612,401	$768,531	$835,847	$835,847	$835,847	$835,847
	Sub-Total Existing Debt Service (including required coverage)	$2,120,219	$2,276,732	$2,341,334	$2,337,041	$2,342,743	$2,340,815
(i)	Revenue Available for this SRF Loan [(i) = (f) - (g)- (h)]	$3,438,178	$3,301,682	$3,379,781	$3,565,994	$3,540,528	$3,785,788
	Revenue (including coverage) pledged to Future SRF Loans & Parity Debt [9]	$0	$0	$0	$0	$985,556	$985,556
	Revenue (including coverage) pledged to the Proposed SRF Loan for the Proposed Projects						
	Proposed SRF Loan - Floridan Aquifer Test Production Well FA-1 [10]	$0	$0	$178,521	$178,521	$178,521	$178,521
	Additional Projects for this Request (if any)	0	0	0	0	0	0
	Sub-total	$0	$0	$178,521	$178,521	$178,521	$178,521
	Amount Available After Payment of Existing, Proposed and Future Debt Service (including required coverage)	$3,438,178	$3,301,682	$3,201,260	$3,387,473	$2,376,450	$2,621,710

PART V - SUPPLEMENTARY INFORMATION

CITY OF STUART, FLORIDA

SCHEDULE OF PROJECTED REVENUES AND DEBT COVERAGE

(j) Identify the source of the above information and explain methods used to develop the projections (See Attachment 6).
Include an explanation of any revenue and expense growth or other adjustments; for example, any rate increases, service growth, inflation adjustments reflecting the cost of operating additional facilities, or other considerations.
Unless otherwise discussed in the footnotes hereunder, the amounts for Fiscal Years 2019 through 2024 are based on the City's most recently completed water and wastewater financial forecast, including updates to account for proposed changes to the Water Facilities Plan. Please refer to Attachment 6 and the additional footnotes below.

(k) For construction loans, are the above projections consistent with the accepted financial feasibility information in the planning documents?
X Yes but projections were updated to accounted for changing conditions __ No

Footnotes:

[1] Based on the rate study results that concluded on August 14, 2017, the City adopted water and wastewater rates for the five (5) Fiscal Years ending September 30, 2022 as follows:

	Water	Wastewater
Adopted Rate Increases on or after October 1, 2017 - Implemented [a]	7%	3%
Adopted Rate Increases on or after October 1, 2018 - Implemented [a]	7%	3%
Adopted Rate Increases on or after October 1, 2019 - Implemented [a]	7%	3%
Adopted Rate Increases on or after October 1, 2020 [b]	2%	2%
Adopted Rate Increases on or after October 1, 2021 [b]	2%	2%

[a] Revenues from adopted rates that have been implemented were included under existing revenues.
[b] Revenues from adopted rates that will be implemented in future years included in the projected amount of revenues.

[2] Projected revenues based on the adopted rates plus an average customer growth rate of 1% per year on average. Additional sewer customer growth was assumed to account for recently completed and planned sewer expansion projects to eliminate septic tanks within selected sewer basins.

[3] The City's recently completed water and wastewater rate study included projections through Fiscal Year 2022. Since certain costs associated with the City's Water Facilities Plan may not be fully incurred until Fiscal Year 2023, the projection period was expanded. The projected FY23 and FY24 revenues assume that the City will continue to increase the water and wastewater rates by 2% per year, which is consistent with the City's adopted annual indexing provision.

[4] Availability Fee revenues based on the current fees plus an average customer growth rate of 1% per year on average. Additional sewer revenues were assumed to account for recently completed and planned sewer expansion projects to eliminate septic tanks within selected sewer basins.

[5] Projected operating expenses shown in detail in Attachment 6, which were based on the amended FY19 and adopted FY20 Operating Budgets. Amounts beyond FY20 were based on inflationary adjustments for labor and benefits, health insurance, utility and chemical costs, and repairs and maintenance expenses. The projected annual average increase in operating expenses is estimated at approximately 4% per year on average from FY20-24, including incremental operating expenses discussed in Note 6 below.

[6] Based on the City's planned implementation of the Water Facilities Plan that includes constructing a 1.0 MGD Reverse Osmosis Facility, the City's Consulting Engineer estimates adding approximately $275,000 per year in (net) incremental operating expenses beginning on or after October 1, 2022.

[7] Amounts derived from Page 7 of 10 (a) of this application, which excludes existing SRF Loans.

PART V - SUPPLEMENTARY INFORMATION

CITY OF STUART, FLORIDA

SCHEDULE OF PROJECTED REVENUES AND DEBT COVERAGE

[8] Amounts derived from Page 7 of 10 (b) of this application, which includes existing SRF Loans. Amounts estimated for DW430430 based on the original loan agreement.

[9] Amounts derived from Page 7 of 10 (b) which were included as a component of funding the total capital plan included in the updated financial forecast, but which are not directly associated with this application. Terms and borrowing assumptions subject to change.

[10] The Proposed Project debt service costs are estimated based on the following:

Floridan Aquifer Test Production Well FA-1	$2,340,000
Plus Financing Costs and Capitalized Interest (Rounded)	80,000
Total Principal Amount Borrowed	$2,420,000
Term (Years)	20
Assumed Rate (%)	2.5%
First Annual Payment Beginning March 31, 2021	$155,236
Total Annual Payment - Including 15% Coverage	$178,521

PART V – SUPPLEMENTARY INFORMATION

LIST OF ATTACHMENTS

LIST OF ATTACHMENTS. This application requires the submittal of *Attachments* to provide supplemental information. The application is not complete without the completed *List of Attachments*. Please list all attachments that you are including with this application form.

Attachment	Number
Project Description and List of Contracts	1
Debt Obligations (includes Resolutions)	2
Legal Opinion	3
Authorizing Resolution	4
Selected Pages - 2017 & 2018 Comprehensive Annual Financial Report	5
Updated Water and Wastewater Financial Forecast	6

ATTACHMENT # 1

PROJECT DESCRIPTION

Construction of the Floridan Aquifer Test Production Well FA-1 will take place at the City of Stuart's Water Treatment Facility, which is located at 1002 SE Palm Beach Road, Stuart, FL 34994. The construction scope of work includes, but is not limited to drilling, setting of steel and PVC casings, grouting, flow testing, wellhead assembly, acidizing (if necessary), well logging, pump testing, formation water disposal system (including temporary piping and pumps), well facility disinfection and restoration of well site. It is anticipated that substantial completion will be reached within 150 calendar days from notice to proceed and final completion will be reached within 210 calendar days from notice to proceed.

LIST OF CONTRACTS

1. *Floridan Aquifer Test Production Well FA-1*. To be awarded December 2019.

ATTACHMENT # 2

DEBT OBLIGATIONS

1. City of Stuart, Florida, Subordinate Lien Public Utilities Revenue Refunding Note, Series 2006, issued in the amount of $8,129,000, pursuant to Resolution No. 219-06.

2. City of Stuart, Florida, Subordinate Lien Public Utilities Revenue Refunding Note, Series 2007 in the amount of $7,142,000.00, pursuant to Resolution No. 22-07.

3. City of Stuart, Florida, Subordinate Lien Public Utilities Revenue Refunding Note, Series 2011 in the amount of $4,923,000.00, pursuant to Resolution No. 118-2011.

4. City of Stuart, Florida, Series 2019 Bond Anticipation Note (BAN) – Seacoast National Bank [1], in the amount of $1,500,000.00, pursuant to Resolution No. 46-2019.

Copies of the above listed Resolutions have been attached.

ADDITIONAL OBLIGATIONS SECURED BY NET OPERATING REVENUES ON PARITY WITH THE LOAN ARE:

1. The City of Stuart also has a Clean Water State Revolving Fund Construction Loan Agreement WW430400.

2. The City of Stuart has a Drinking Water State Revolving Fund Construction Loan Agreement DW430410.

3. The City of Stuart has a Drinking Water State Revolving Fund Construction Loan Agreement DW430420.

4. The City of Stuart has a Drinking Water State Revolving Fund Design Loan Agreement DW430430.

Footnotes:

[1] On May 15, 2019, the City entered into an agreement with Seacoast National Bank to borrow a maximum of $1.5 million in anticipation of issuing future bonds (the Bond Anticipation Note or BAN). Based on conversations with City staff, to date only approximately $93,000 has been drawn and is due on May 15, 2020. At this time, no additional proceeds are anticipated to be drawn during the life of this contract. The amount of $93,000 is anticipated to be reimbursed through the use of existing cash reserves.

RESOLUTION NO. 219-06

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF STUART, FLORIDA, AUTHORIZING THE REFINANCING OF A PORTION OF THE CITY'S PUBLIC UTILITIES REVENUE REFUNDING AND IMPROVEMENT BONDS, SERIES 2003; AUTHORIZING THE CITY TO BORROW FROM BANK OF AMERICA, N.A. IN THE PRINCIPAL AMOUNT OF NOT EXCEEDING $8,500,000 FOR SUCH PURPOSE PROVIDED CERTAIN CONDITIONS ARE MET; PROVIDING THAT SUCH DEBT SHALL BE A LIMITED OBLIGATION OF THE CITY PAYABLE FROM CERTAIN REVENUES AS PROVIDED HEREIN; MAKING CERTAIN COVENANTS AND AGREEMENTS IN CONNECTION THEREWITH; AND PROVIDING FOR AN EFFECTIVE DATE.

BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF STUART, FLORIDA:

Section 1: *Authority for this Resolution.* This Resolution is adopted pursuant to the provisions of Article VIII, Section 2 of the Constitution of the State of Florida, Chapter 166, Florida Statutes, the Charter of the City of Stuart, Florida, and other applicable provisions of law.

Section 2: *Authorization of Refinancing.* The City is authorized to refinance (the "Refunding") all or a portion of the City's Public Utilities Revenue Refunding and Improvement Bonds, Series 2003 (the "Bonds") by borrowing funds on a negotiated basis from Bank of America, N.A. (the "Bank") for such purpose. The City determines that it is in the best interest of the City to proceed with a negotiated loan rather than a competitive bid due to the small size of the transaction and the need for flexibility in the timing of the transaction. The amount of funds borrowed from the Bank shall not exceed $8,500,000.00. The Bonds to be refunded (the "Refunded Bonds") shall be such of the Bonds as specified in the Loan Documents hereinafter described, but shall not exceed the amount as may be refunded using only the proceeds of the funds borrowed from the Bank plus any funds held by the City that would have been used to pay the Refunded Bonds but for the refinancing, such as funds held in the Principal and Interest Account for the Bonds under Resolution No. 163-94 of the City Commission (as amended and supplemented, the "Bond Resolution"). The Refunding shall not proceed unless as a result thereof the City's financial

advisor, Public Financial Management Inc. reports to the City that the City has realized net (that is, after payment of all costs of the Refunding) present value debt service savings in an amount not less than 5% of the principal amount of the Refunded Bonds.

Section 3: *Description of Loan and Refunding.* Subject to the provisions of Section 2 hereof, the terms of the loan (the "Loan") from the Bank to the City shall be specified in the Loan Documents hereinafter described, provided that the obligations of the City under the Loan Documents shall be limited obligations, payable solely from (i) Net Revenues of the Public Utilities System of the City (as those terms are defined in the Bond Resolution) on a basis subordinate to the "Bonds" issued and as may hereafter be issued thereunder, and (ii) lawfully available non-ad valorem revenues of the City budgeted and appropriated by the City for such purpose. In addition, the interest rate on the loan shall not exceed the maximum lawful rate and the final maturity date of the Loan may not exceed the final maturity date of the Refunded Bonds. The proceeds of the Loan may be deposited in escrow and used to pay the debt service on the Refunded Bonds to their maturity or earlier redemption date (any such redemption date to be as provided in the Loan Documents), and may be invested in "Defeasance Obligations" (as defined in the Bond Resolution) all as provided in the Loan Documents.

Section 4: *Authorization of Loan Documents.* Subject to the provisions of Section 2 hereof, the City is authorized to make its promissory note and to enter into such other agreements with such parties, as shall be necessary to accomplish the Refunding, including but not limited to a Loan Agreement, an ISDA Master Agreement, Schedule and Confirmation with the Bank, an Escrow Deposit Agreement with SunTrust Bank (or another escrow agent) and all other ancillary documents necessary or desirable for the transaction (all of such documents, the "Loan Documents"), and to expend proceeds of the Loan in furtherance of the Refunding. The City hereby authorizes and directs the City Manager to execute and deliver on behalf of the City the Loan Documents, which upon such execution shall be valid and binding on the City. The Loan Documents may designate the Loan as a "qualified tax-exempt financing" for purposes of Section 265 of the Internal Revenue Code.

Section 5: *Severability.* If any provision of this Resolution shall be held or deemed to be or shall, in fact, be illegal, inoperative or unenforceable in any context, the same shall not affect any other provision herein or render any other provision (or such provision in any other context) invalid, inoperative or unenforceable to any extent whatever.

Section 6: *Applicable Provisions of Law.* This Resolution shall be governed by and construed in accordance with the laws of the State. **Section 7:** *Authorizations.* The City Manager and such other officials and employees of the City as may be designated by the City Manager are each designated as agents of the City in connection with the Refunding and are authorized and empowered, collectively or individually, to take all action and steps and to execute all instruments, documents, and contracts on behalf of the City that are necessary or desirable in connection with the Refunding, and which are specifically authorized or are not inconsistent with the terms and provisions of this Resolution.

Section 8: *Open Meeting Findings.* It is hereby found and determined that all official acts by the Commission concerning and relating to the adoption of this Resolution and all prior resolutions

affecting the Commission's ability to issue the Note were taken in an open meeting of the Commission and that all deliberations of the Commission or any of its committees that resulted in such official acts were in meetings open to the public, in compliance with all legal requirements, including Section 286.011, Florida Statutes.

Section 9: *Repealer.* All resolutions or parts thereof in conflict herewith are hereby repealed.

Section 10: *Effective Date.* This Resolution shall be in full force and take effect immediately upon its passage and adoption.

ADOPTED this 18th day of December 2006.

Commissioner Krauskopf offered the foregoing resolution and moved its adoption. The motion was seconded by Commissioner Christie and upon being put to a roll call vote, the vote was as follows:

	YES	NO	ABSENT
MARY L. HUTCHINSON, MAYOR	X		
JEFFREY KRAUSKOPF, VICE MAYOR	X		
MICHAEL MORTELL, COMMISSIONER			X
JAMES A. CHRISTIE, COMMISSIONER	X		
CAROL S. WAXLER, COMMISSIONER	X		

ATTEST:

Mary Nash
MARY NASH
DEPUTY CITY CLERK

Mary Hutchinson
MARY L. HUTCHINSON
MAYOR

APPROVED AS TO FORM
AND CORRECTNESS:

PAUL J. NICOLETTI
CITY ATTORNEY

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Cheryl A. White
City Clerk

7

CITY OF STUART, FLORIDA

AGENDA ITEM REQUEST

Meeting Date: December 18th, 2006 **Prepared by:** D. Zaharako

Resolution No. 219-06

Title of Item:
Proposed Refinancing of Utility Bonds

Summary Explanation/Background Information on Agenda Request:
Since the City Commission last considered refinancing the City's 2003 Utility System Bonds at its May 8, 2006 meeting, market conditions have improved. The City financial advisor, Jay Glover of Public Financial Management and our bond counsel Mark Raymond of Moyle, Flanigan et al will be present at the Meeting to discuss this item in detail and to provide estimates of potential cost savings resulting from a refinancing of the bonds.

Funding Source: N/A

Recommended Action:
Authorize the refinancing of a portion of the City's Public Utilities Revenue Refunding and Improvement Bonds, Series 2003.

Financial Services Director — Date 12/11/06

City Attorney — Date 12-12-06

Dan Hudson, City Manager — Date

MOYLE, FLANIGAN, KATZ, RAYMOND, WHITE & KRASKER, P.A.
ATTORNEYS AT LAW

Office Address:
625 North Flagler Drive - 9th Floor
West Palm Beach, Florida 33401-4025
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(850) 681-3828
Wellington Office
(561) 227-1560

MARK E. RAYMOND
Direct Line: (561) 822-0380
E-mail: mraymond@moylelaw.com

December 11, 2006

Honorable Mayor and
Members of the City Commission
City of Stuart, Florida

Re: Proposed Refinancing of Utility Bonds

Dear Mayor and Commissioners:

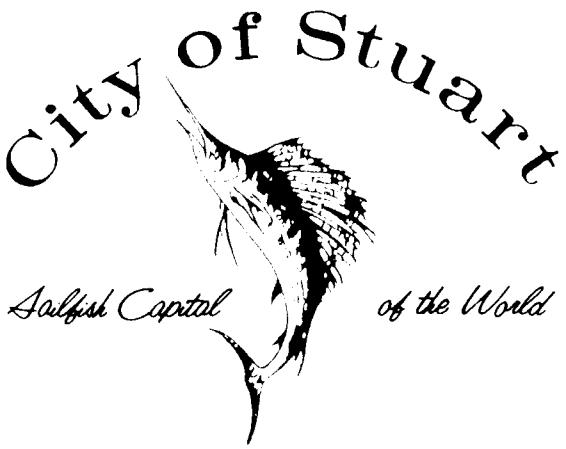
Since the City Commission last considered refinancing the City's 2003 Utility System Bonds at its May 8, 2006 meeting, market conditions have improved. According to the latest financial analysis, savings in excess of 5% of the amount of the debt are achievable. This is substantially in excess of the 3% savings level considered by the Commission in May. Accordingly, I have prepared for your consideration the attached resolution which authorize the City Manager to complete the transaction, so long as the net present value savings to the City are at least 5% of the amount of the bonds refinanced. The 5% figure is net savings to the City (that is, after taking into account all costs of the transaction), and is a standard that is used by many local governments in determining when a refinancing is appropriate.

Both your financial advisor, Public Financial Management, and I will be present at the December 18 meeting to discuss this item with you and to answer any questions you may have.

Very truly yours,

Mark E. Raymond

cc: Dorothy Zaharako
Dan Hudson
Paul Nicoletti, Esq.
Jay Glover, Public Financial Management, Inc.



BEFORE THE CITY COMMISSION
CITY OF STUART, FLORIDA

RESOLUTION NO. 22-07

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF STUART, FLORIDA, AUTHORIZING THE REFINANCING OF A PORTION OF THE CITY'S PUBLIC UTILITIES REVENUE REFUNDING AND IMPROVEMENT BONDS, SERIES 2003; AUTHORIZING THE CITY TO BORROW FROM BANK OF AMERICA, N.A. IN THE PRINCIPAL AMOUNT OF NOT EXCEEDING $7,300,000 FOR SUCH PURPOSE PROVIDED CERTAIN CONDITIONS ARE MET; PROVIDING THAT SUCH DEBT SHALL BE A LIMITED OBLIGATION OF THE CITY PAYABLE FROM CERTAIN REVENUES AS PROVIDED HEREIN; MAKING CERTAIN COVENANTS AND AGREEMENTS IN CONNECTION THEREWITH; AND PROVIDING FOR AN EFFECTIVE DATE.

BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF STUART, FLORIDA:

Section 1: ***Authority for this Resolution.*** This Resolution is adopted pursuant to the provisions of Article VIII, Section 2 of the Constitution of the State of Florida, Chapter 166, Florida Statutes, the Charter of the City of Stuart, Florida, and other applicable provisions of law.

Section 2: ***Authorization of Refinancing.*** The City is authorized to refinance (the "Refunding") all or a portion of the City's Public Utilities Revenue Refunding and Improvement Bonds, Series 2003 (the "Bonds") by borrowing funds on a negotiated basis from Bank of America, N.A. (the "Bank") for such purpose. The City determines that it is in the best interest of the City to proceed with a negotiated loan rather than a competitive bid due to the small size of the transaction, the need for flexibility in the timing of the transaction, and the favorable terms being provided by the Bank. The amount of funds borrowed from the Bank shall not exceed $7,300,000. The Bonds to be refunded (the "Refunded Bonds") shall be such of the Bonds as specified in the Loan Documents hereinafter described, but shall not exceed the amount as may be refunded using only

the proceeds of the funds borrowed from the Bank plus any funds held by the City that would have been used to pay the Refunded Bonds but for the refinancing, such as funds held in the Principal and Interest Account for the Bonds under Resolution No. 163-94 of the City Commission (as amended and supplemented, the "Bond Resolution"). The Refunding shall not proceed unless as a result thereof the City's financial advisor, Public Financial Management Inc. reports to the City that the City has realized net (that is, after payment of all costs of the Refunding) present value debt service savings in an amount not less than 5% of the principal amount of the Refunded Bonds.

Section 3: ***Description of Loan and Refunding.*** Subject to the provisions of Section 2 hereof, the terms of the loan (the "Loan") from the Bank to the City shall be specified in the Loan Documents hereinafter described, provided that the obligations of the City under the Loan Documents shall be limited obligations, payable solely from (i) Net Revenues of the Public Utilities System of the City (as those terms are defined in the Bond Resolution) on a basis subordinate to the "Bonds" issued and as may hereafter be issued thereunder, and on a parity basis with the $8,129,000.00 subordinate lien Public Utilities Revenue Refunding Note, Series 2006, and (ii) lawfully available non-ad valorem revenues of the City budgeted and appropriated by the City for such purpose. In addition, the interest rate on the loan shall not exceed the maximum lawful rate and the final maturity date of the Loan may not exceed the final maturity date of the Refunded Bonds. The proceeds of the Loan may be deposited in escrow and used to pay the debt service on the Refunded Bonds to their maturity or earlier redemption date (any such redemption date to be as provided in the Loan Documents), and may be invested in "Defeasance Obligations" (as defined in the Bond Resolution) all as provided in the Loan Documents.

Section 4: ***Authorization of Loan Documents.*** Subject to the provisions of Section 2 hereof, the City is authorized to make its promissory note and to enter into such other agreements with such parties, as shall be necessary to accomplish the Refunding, including but not limited to a Loan Agreement, in the form attached hereto as Exhibit "A," an Escrow Deposit Agreement in the form attached hereto as Exhibit "B" with U.S. Bank National Association and all other ancillary documents necessary or desirable for the transaction (all of such documents, the "Loan Documents"), and to expend proceeds of the Loan in furtherance of the Refunding. The City hereby authorizes and directs the City Manager to execute and deliver on behalf of the City the Loan Documents, which upon such execution shall be valid and binding on the City. The Loan Documents may designate the Loan as a "qualified tax-exempt financing" for purposes of Section 265 of the Internal Revenue Code.

Section 5: ***Severability.*** If any provision of this Resolution shall be held or deemed to be or shall, in fact, be illegal, inoperative or unenforceable in any context, the same shall not affect any other provision herein or render any other provision (or such provision in any other context) invalid, inoperative or unenforceable to any extent whatever.

Section 6: ***Applicable Provisions of Law.*** This Resolution shall be governed by and construed in accordance with the laws of the State of Florida.

Section 7: ***Authorizations.*** The Mayor and City Manager and such other officials and employees of the City as may be designated by the City Manager are each designated as agents of the City in connection with the Refunding and are authorized and empowered, collectively or individually, to take all action and steps and to execute all instruments, documents, and contracts on behalf of the City that are necessary or desirable in connection with the Refunding, and which are specifically authorized or are not inconsistent with the terms and provisions of this Resolution.

Section 8: ***Open Meeting Findings.*** It is hereby found and determined that all official acts by the Commission concerning and relating to the adoption of this Resolution and all prior resolutions affecting the Commission's ability to issue the Note were taken in an open meeting of the Commission and that all deliberations of the Commission or any of its committees that resulted in such official acts were in meetings open to the public, in compliance with all legal requirements, including Section 286.011, Florida Statutes.

Section 9: ***Repealer.*** All resolutions or parts thereof in conflict herewith are hereby repealed.

Section 10: ***Effective Date.*** This Resolution shall be in full force and take effect immediately upon its passage and adoption.

ADOPTED this 29th day of January 2007.

Commissioner Krauskopf offered the foregoing resolution and moved its adoption. The motion was seconded by Commissioner Christie and upon being put to a roll call vote, the vote was as follows:

	YES	NO	ABSENT
MARY L. HUTCHINSON, MAYOR	✓		
JEFFREY KRAUSKOPF, VICE MAYOR	✓		
MICHAEL MORTELL, COMMISSIONER	✓		
JAMES A. CHRISTIE, COMMISSIONER	✓		
CAROL S. WAXLER, COMMISSIONER	✓		

ATTEST:

CHERYL WHITE
CITY CLERK

MARY L. HUTCHINSON
MAYOR

APPROVED AS TO FORM
AND CORRECTNESS:

PAUL J. NICOLETTI
CITY ATTORNEY

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Cheryl A. White
City Clerk

LOAN AGREEMENT

Dated as of February 6, 2007

By and Between

CITY OF STUART, FLORIDA

(the "City")

and

BANK OF AMERICA, N.A.
(the "Bank")

$7,142,000
Subordinate Lien Public Utilities Revenue Refunding Note, Series 2007

EXHIBIT "A"

TABLE OF CONTENTS

(The Table of Contents for this Loan Agreement is for convenience of reference only and is not intended to define, limit or describe the scope or intent of any provisions of this Loan Agreement.)

Page

ARTICLE I -- DEFINITION OF TERMS 3
Section 1.01. Definitions 3
Section 1.02. Interpretation 5
Section 1.03. Titles and Headings 6

ARTICLE II -- REPRESENTATIONS AND WARRANTIES OF THE PARTIES 7
Section 2.01. Representations and Warranties of City 7
Section 2.02. Representations and Warranties of Bank 7

ARTICLE III -- THE NOTE 9
Section 3.01. The Loan; Purpose and Use 9
Section 3.02. The Note 9
Section 3.03. Compliance with Section 215.84 9
Section 3.04. Registration of Transfer; Assignment of Rights of Bank 9
Section 3.05. Ownership of the Note 10
Section 3.06. Use of Proceeds of Note Permitted Under Applicable Law 11

ARTICLE IV -- COVENANTS OF THE CITY 12
Section 4.01. Performance of Covenants 12
Section 4.02. Payment of Note 12
Section 4.03. Covenant to Budget and Appropriate 13
Section 4.04. Tax Covenant 14
Section 4.05. Budget and Other Financial Information 14
Section 4.06. Compliance with Laws and Regulations 15
Section 4.07. Incorporation of Senior Lien Bond Resolution Covenants; Rate Covenant. 15
Section 4.08. Application of Proceeds of Note 15

ARTICLE V -- EVENTS OF DEFAULT AND REMEDIES 16
Section 5.01. Events of Default 16
Section 5.02. Exercise of Remedies 17
Section 5.03. Remedies Not Exclusive 17
Section 5.04. Waivers, Etc. 17

ARTICLE VI -- MISCELLANEOUS PROVISIONS 19
Section 6.01. Covenants to City, Etc.; Successors 19
Section 6.02. Term of Agreement 19

Section 6.03. Notice of Changes in Fact 19
Section 6.04. Amendments and Supplements 19
Section 6.05. Notices 19
Section 6.06. Benefits Exclusive 20
Section 6.07. Severability 20
Section 6.08. Payments Due on Saturdays, Sundays and Holidays 20
Section 6.09. Counterparts 20
Section 6.10. Applicable Law 21
Section 6.11. No Personal Liability 21
Section 6.12. Defeasance. 21
Section 6.13. Arbitration and Waiver of Jury Trial 21
Section 6.14. Incorporation by Reference 23

Exhibit A Form of Note A-1

LOAN AGREEMENT

THIS LOAN AGREEMENT (the "Agreement"), made and entered into this 6th day of February, 2007, by and between CITY OF STUART, FLORIDA (the "City"), a political subdivision of the State of Florida and its successors and assigns, and BANK OF AMERICA, N.A., a national banking association authorized to do business in Florida, and its successors (the "Bank").

WITNESSETH:

WHEREAS, capitalized terms used in these recitals and not otherwise defined shall have the meanings specified in Article I of this Agreement;

WHEREAS, the City, pursuant to the provisions of the Florida Constitution, Chapter 166, Florida Statutes, as amended and supplemented, the Charter of the City and any other applicable provisions of law (all of the foregoing, collectively, the "Act"), and Resolution No. 163-94, adopted by the City Commission of the City on December 8, 1994, as amended and supplemented from time to time, and as particularly amended by Resolution No. 150-03 adopted by the City Commission of the City on July 21, 2003 (collectively, the "Senior Lien Bond Resolution"), and Resolution No. 22-07, adopted by the City Commission of the City on January 29, 2007 (the "Junior Lien Note Resolution") is authorized to borrow money, issue bonds, Note or other obligations to finance or refinance the costs of capital expenditures to the City's Public Utilities System (as such term is defined in the Senior Lien Bond Resolution); and

WHEREAS, the City desires to borrow an amount equal to Seven Million One Hundred Forty-Two Thousand Dollars ($7,142,000) in order to advance refund the City's Public Utilities Revenue Refunding and Improvement Bonds, Series 2003 which mature on October 1, 2020, October 1, 2022 and October 1, 2028 (the "Refunded Bonds") and the Bank is willing to purchase the City's Subordinate Lien Public Utilities Revenue Refunding Note, Series 2007 (the "Note") to accomplish this purpose, but only upon the terms and conditions of this Agreement; and

WHEREAS, the Note will be junior, inferior and subordinate in all respects to the "Bonds" issued pursuant to the Senior Lien Bond Resolution as to lien on and source of security for payments from the Net Revenues (as such term is defined in the Senior Lien Bond Resolution) and in all other respects, and will be secured in the manner and to the extent as provided herein; and

WHEREAS, the Note will be secured by the Designated Revenues (as such time is defined herein) on parity with the $8,129,000 City of Stuart, Florida Subordinate Lien Public Utilities Revenue Refunding Note, Series 2006 (the "2006 Parity Note") issued pursuant to that certain Loan Agreement dated December 28, 2006 between the City and the Bank;

NOW, THEREFORE, the parties hereto agree as follows:

ARTICLE I

DEFINITION OF TERMS

Section 1.01. Definitions. Capitalized terms used in this Agreement and not otherwise defined shall have the respective meanings as follows:

"Act" shall have the meaning assigned to that term in the recitals hereof.

"Agreement" shall mean this Loan Agreement and all modifications, alterations, amendments and supplements hereto made in accordance with the provisions hereof.

"Bank" shall mean Bank of America, N.A., and its successors.

"Bond Counsel" shall mean, initially, Bryant Miller Olive P.A., or any other attorney at law or firm of attorneys of nationally recognized standing in matters pertaining to the federal tax exemption of interest on obligations issued by states and political subdivisions.

"Business Day" shall mean any day other than a Saturday, a Sunday, or a day on which banks in Naples, Florida are authorized or required to be closed.

"City" shall mean the City of Stuart, Florida, a municipal corporation.

"Code" shall mean the Internal Revenue Code of 1986, as amended from time to time, and the applicable rules and regulations promulgated thereunder.

"Debt Service" means principal and interest, and other debt-related costs, due in connection with the Note, as applicable, and any and all subordinated debt and any other liabilities of the City for borrowed money.

"Default Rate" shall mean the Prime Rate plus three percent (3%) provided such rate shall not exceed the highest rate of interest allowed by applicable law.

"Designated Revenues" shall mean (i) Net Revenues which are available after making all payments required pursuant to the Senior Lien Bond Resolution, and (ii) legally available non-ad valorem revenues of the City budgeted and appropriated in accordance with Section 4.03 hereof. Notwithstanding anything herein to the contrary, the Note will be junior, inferior and subordinate in all respects to the "Bonds" issued pursuant to the Senior Lien Bond Resolution as to lien on and source of security for payments from the Net Revenues and in all other respects.

"Event of Default" shall mean an Event of Default as defined in Section 5.01 of this Agreement.

"Federal Securities" shall mean:

1. Cash

2. U.S. Treasury Certificates, Note and Bonds (including State and Local Government Series – "SLGs")

3. Direct obligations of the Treasury which have been stripped by the Treasury itself, CATS, TIGRS and similar securities.

4. Resolution Funding Corp. (REFCORP). Only the interest component of REFCORP strips which have been stripped by request to the Federal Reserve Bank of New York in book entry form are acceptable.

5. Pre-refunded municipal bonds rated "Aaa" by Moody's Investors Service ("Moody's") and "AAA" by Standard & Poor's Ratings Group ("S&P"). If, however, the issue is only rated by S&P, then the pre-refunded bonds must have been pre-refunded with cash, direct U.S. or U.S. guaranteed obligations, or AAA rated pre-refunded municipals to satisfy this condition.

6. Obligations issued by the following agencies which are backed by the full faith and credit of the U.S.:

   a. U.S. Export-Import Bank (Eximbank)

      Direct obligations or fully guaranteed certificates of beneficial ownership

   b. Farmers Home Administration (FmHA)

      Certificates of beneficial ownership

   c. Federal Financing Bank

   d. General Services Administration

      Participation certificates

   e. U.S. Maritime Administration

      Guaranteed Title XI financing

   f. U.S. Department of Housing and Urban Development (HUD)

Project Note
Local Authority Bonds
New Communities Debentures – U.S. government guaranteed debentures and U.S. Public Housing Note and Bonds – U.S. government guaranteed public housing Note and bonds

"Final Maturity Date" shall mean the date on which all principal and all unpaid interest accrued on a Note shall be due and payable in full, which date shall be, if not sooner due to prepayment, October 1, 2028.

"Fiscal Year" shall mean the twelve month period commencing October 1 of each year and ending on the succeeding September 30, or such other twelve month period as the City may designate as its "fiscal year" as permitted by law.

"Loan" shall collectively refer to an amount equal to the outstanding principal amount of the Note together with unpaid interest which has accrued pursuant to and in accordance with this Agreement.

"Note" shall mean the $7,142,000 City of Stuart, Florida Subordinate Lien Public Utilities Revenue Refunding Note, Series 2007, which evidences the Loan.

"Note Rate" shall mean 4.05%.

"Noteholder" shall mean the Bank as the holder of the Note and any subsequent registered holder of the Note.

"2006 Parity Note" shall mean the $8,129,000 City of Stuart, Florida Subordinate Lien Public Utilities Revenue Refunding Note, Series 2006.

"Prime Rate" shall mean a rate of interest equal to the announced prime commercial lending rate per annum of the Bank. The Prime Rate is a reference rate for the information and use of the Bank in establishing the actual rate to be charged to the City. The Prime Rate is purely discretionary and is not necessarily the lowest or best rate charged any customer. The Prime Rate shall be adjusted from time to time without notice or demand as of the effective date of any announced change thereof.

Section 1.02. Interpretation. Unless the context clearly requires otherwise, words of masculine gender shall be construed to include correlative words of the feminine and neuter genders and vice versa, and words of the singular number shall be construed to include correlative words of the plural number and vice versa. Any capitalized terms used in this Agreement not herein defined shall have the meaning ascribed to such terms in the Senior Lien Bond Resolution. This Agreement and all the terms and provisions hereof shall be construed to effectuate the purpose set forth herein and to sustain the validity hereof.

Section 1.03. Titles and Headings. The titles and headings of the Articles and Sections of this Agreement, which have been inserted for convenience of reference only and are not to be considered a part hereof, shall not in any way modify or restrict any of the terms and provisions hereof, and shall not be considered or given any effect in construing this Agreement or any provision hereof or in ascertaining intent, if any question of intent should arise.

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ARTICLE II

REPRESENTATIONS AND WARRANTIES OF THE PARTIES

Section 2.01. Representations and Warranties of City. The City represents and warrants to the Bank as follows:

(a) Existence. The City is a municipal corporation of the State of Florida, duly created and validly existing under the laws of the State of Florida, with full power to enter into this Agreement, to perform its obligations hereunder and to issue and deliver the Note to the Bank. The making, execution and performance of this Agreement on the part of the City and the issuance and delivery of the Note have been duly authorized by all necessary action on the part of the City and will not violate or conflict with the Act, or any agreement, indenture or other instrument by which the City or any of its material properties is bound.

(b) Validity, Etc. This Agreement, the Note, the Senior Lien Bond Resolution and the Junior Lien Note Resolution are or will be valid and binding obligations of the City enforceable against the City in accordance with their respective terms, except to the extent that enforceability may be subject to valid bankruptcy, insolvency, financial emergency, reorganization, moratorium or similar laws relating to or from time to time affecting the enforcement of creditors' rights and except to the extent that the availability of certain remedies may be precluded by general principles of equity.

(c) No Financial Material Adverse Change. No financial material adverse change has occurred in the City since the last audited financial statement was prepared.

(d) Powers of City. The City has the legal power and authority to pledge the Net Revenues and to covenant to budget and appropriate legally available non-ad valorem revenues of the City in the manner and to the extent described herein.

Section 2.02. Representations and Warranties of Bank. The Bank represents and warrants to the City as follows:

(a) Existence. The Bank is a national banking association, authorized to do business in the State of Florida, with full power to enter into this Agreement, to perform its obligations hereunder and to make the Loan. The performance of this Agreement on the part of the Bank and the making of the Loan have been duly authorized by all necessary action on the part of the Bank and will not violate or conflict with applicable law or any material agreement, indenture or other instrument by which the Bank or any of its material properties is bound.

(b) Validity. This Agreement is a valid and binding obligation of the Bank enforceable against the Bank in accordance with its terms, except to the extent that enforceability may be subject to valid bankruptcy, insolvency, financial emergency,

reorganization, moratorium or similar laws relating to or from time to time affecting the enforcement of creditors' rights (and specifically creditors' rights as the same relate to banks) and except to the extent that the availability of certain remedies may be precluded by general principles of equity.

(c) Knowledge and Experience. The Bank (i) has such knowledge and experience in financial and business matters that it is capable of evaluating the merits and risks of making the Loan and investing in the Note, (ii) has received and reviewed such financial information concerning the City as it has needed in order to fairly evaluate the merits and risks of making the Loan and investing in the Note; (iii) is a "national bank" under the laws of the United States of America; and (iv) is purchasing the Note as an investment for its own account and not with a view toward resale to the public.

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ARTICLE III

THE NOTE

Section 3.01. The Loan; Purpose and Use. On the date of this Agreement, the Bank shall make available to the City the Loan in the principal amount of Seven Million One Hundred Forty-Two Thousand Dollars ($7,142,000). The proceeds of the Loan shall be used to advance refund the Refunded Bonds, and to pay the costs of issuance of the Note.

Section 3.02. The Note. The Note shall be substantially in the form set forth as Exhibit "A" to this Agreement. The general terms of the Note shall be as follows:

(a) Amount of Note. The principal amount of the Note shall not exceed Seven Million One Hundred Forty-Two Thousand Dollars ($7,142,000).

(b) Interest. The Note shall bear interest at the Note Rate. Upon the occurrence of one or more of the events specified in the Note, the Note Rate shall be adjusted as therein provided. Interest on the Note shall be computed on an actual/360 day basis.

(c) Payment Provisions. Interest on the Note shall be payable on April 1 and October 1, commencing April 1, 2007. Principal on the Note shall be payable on each October 1, commencing October 1, 2008 through and including the Final Maturity Date, in the amounts set forth in the Note.

(d) Prepayments. The Note shall be subject to prepayment by the City prior to maturity, as specified in the Note. Each prepayment shall be made on such date and in such principal amount as shall be specified by the City in a written notice delivered to the Noteholder not more than fifteen (15) and not less than five (5) days prior to the specified prepayment date.

Section 3.03. Compliance with Section 215.84. The City represents, warrants, and covenants that the Note Rate, as currently calculated in accordance with Section 215.84, Florida Statutes, is in compliance with Section 215.84, Florida Statutes.

Section 3.04. Registration of Transfer; Assignment of Rights of Bank. The City shall keep at the office of the City Clerk in the City's records the registration of the Note and the registration of transfers of the Note as provided in this Agreement. Subject to the restriction set forth in the fourth paragraph of this Section, the transfer of the Note may be registered only upon the books kept for the registration of the Note and registration of transfer thereof upon surrender thereof to the City together with an assignment duly executed by the Bank or its attorney or legal representative in the form of the assignment set forth on the form of the Note attached as Exhibit A to this Agreement; provided, however, that the Note may be transferred

only in whole and not in part. Notwithstanding anything herein to the contrary, the Note may not be transferred in a denomination less than $100,000 under any circumstances.

In the case of any such registration of transfer, the City shall execute and deliver in exchange for the applicable Note a new Note registered in the name of the transferee. In all cases in which Note shall be transferred hereunder, the City shall execute and deliver at the earliest practicable time new Note in accordance with the provisions of this Agreement. The City may make a charge for every such registration of transfer of a Note sufficient to reimburse it for any tax or other governmental charges required to be paid with respect to such registration of transfer, but no other charge shall be made for registering the transfer hereinabove granted. The Note shall be issued in fully registered form and shall be payable in any coin or currency of the United States.

The registration of transfer of the Note on the registration books of the City shall be deemed to effect a transfer of the rights and obligations of the Bank under this Agreement to the transferee. Thereafter, such transferee shall be deemed to be the Bank under this Agreement and shall be bound by all provisions of this Agreement that are binding upon the Bank. The City and the transferor shall execute and record such instruments and take such other actions as the City and such transferee may reasonably request in order to confirm that such transferee has succeeded to the capacity of Bank under this Agreement and the Note.

In the event any Note is mutilated, lost, stolen, or destroyed, the City shall execute a new Note of like date and denomination as that mutilated, lost, stolen or destroyed, provided that, in the case of any mutilated Note, such mutilated Note shall first be surrendered to the City, and in the case of any lost, stolen, or destroyed Note, there first shall be furnished to the City evidence of such loss, theft or destruction together with an indemnity satisfactory to it.

Nothing in this Agreement or in the Note shall be construed to prohibit the Bank from granting a participation or participations in the Note to any other bank or banks affiliated with Bank of America, N.A. or any subsidiary thereof. No such bank participant shall, however, be a registered holder of the Note or any portion thereof.

Section 3.05. Ownership of the Note. The person in whose name the Note are registered shall be deemed and regarded as the absolute owner thereof for all purposes, and payment of or on account of the Note shall be made only to the registered owner thereof or such owner's legal representative. All such payments shall be valid and effectual to satisfy and discharge the liability upon each Note, and interest thereon, to the extent of the sum or sums so paid.

The registered owner of each Note is hereby granted power to transfer absolute title thereof by assignment thereof to a bona fide purchaser for value (present or antecedent) without notice of prior defenses or equities or claims of ownership enforceable against such owner's assignor or any person in the chain of title and before the maturity of each Note;

provided, however, that each Note may be transferred only in whole and not in part and provided further, that no transfer shall be permitted absent the City's (and the Bank's) receipt of a letter in form and substance similar to the one delivered by the Bank pursuant to Section 218.385, Florida Statutes from such proposed transferee. Every prior registered owner of each Note shall be deemed to have waived and renounced all of such owner's equities or rights therein in favor of every such bona fide purchaser, and every such bona fide purchaser shall acquire absolute title thereto and to all rights represented thereby.

Section 3.06. Use of Proceeds of Note Permitted Under Applicable Law. The City represents, warrants and covenants that the proceeds of each Note will be used solely in the manner and to the extent described in Section 3.01 hereof and that such use is permitted by applicable law.

[Remainder of page intentionally left blank]

ARTICLE IV

COVENANTS OF THE CITY

Section 4.01. Performance of Covenants. The City covenants that it will perform faithfully at all times its covenants, undertakings and agreements contained in this Agreement and the Note or in any proceedings of the City relating to the Loan.

Section 4.02. Payment of Note.

(a) The City covenants that it will promptly pay the principal of and interest on the Note at the place, on the dates and in the manner provided herein and in the Note, in accordance with the terms thereof. Pursuant to Section 4.03 hereof, the City hereby irrevocably pledges (until repayment) the Designated Revenues as security for the repayment of the Note evidenced thereby, on parity with the 2006 Parity Note.

Notwithstanding anything herein to the contrary, the Note will be junior, inferior and subordinate in all respects to the "Bonds" issued pursuant to the Senior Lien Bond Resolution as to lien on and source of security for payments from the Net Revenues and in all other respects.

(b) The Note will be a special obligation of the City secured solely by the Designated Revenues and is payable from the Designated Revenues and as provided in Section 4.03 hereof, on parity with the 2006 Parity Note. The Note will not constitute a general debt, liability or obligation of the City or the State of Florida or any political subdivision thereof within the meaning of any constitutional or statutory provision. Neither the faith and credit nor the taxing power of the City or of the State of Florida or any political subdivision thereof is pledged to the payment of the principal of or interest on the Note and the Noteholder shall never have the right to compel any exercise of any ad valorem taxing power of the City or of the State of Florida or any political subdivision thereof, directly or indirectly to enforce such payment. The Note shall not constitute a lien upon any property of the City except upon the Designated Revenues.

(c) Subject to satisfaction of the requirements in Section 4.02(d) hereof, the City may issue "Additional Bonds" pursuant to the Senior Lien Bond Resolution (the "Priority Bonds"), which Additional Bonds shall have a priority as to the lien on Net Revenues. Subject to satisfaction of the requirements in Section 4.02(e) hereof, the City may (i) incur debt which is secured by a lien on Net Revenues which is on parity and equal status with the Note (a "Parity Note"), and (ii) amend this Agreement, without the consent of the holder of the Note, in such a manner to give effect to such incurrence and parity status; provided, however, the holder of the Note, shall be provided notice of such amendment within 15 days of its effectiveness. Any obligations issued by the City other than the Priority Bonds and Parity Notes shall contain an express statement that such obligations are junior, inferior and subordinate in all respects to the Priority Bonds and the Parity Notes as to lien on and source and security for payment from the

Net Revenues and in all other respects. The City is not precluded from pledging in the future its non-ad valorem revenues or from securing obligations with a covenant to budget and appropriate legally available non-ad valorem revenues. The holder of the Note does not have a prior claim on the non-ad valorem revenues as opposed to claims of general creditors of the City. The covenant to budget and appropriate legally available non-ad valorem revenues described in Section 4.03 hereof is subject in all respects to the prior payment of obligations secured by a pledge of such non-ad valorem revenues heretofore or hereafter entered into (including the payment of debt service on bonds and other debt instruments).

(d) The City will apply the "pari passi additional Bonds" test of Article III, Section 4.H. of the Senior Lien Bond Resolution in such a way that the "Maximum Annual Debt Service Requirement" includes not only the "Annual Debt Service Requirement" on the "Bonds," but also the debt service on the Note and any Parity Notes (the "Maximum Annual Junior and Senior Debt Service Requirement").

(e) The City will not issue Parity Notes unless Net Revenues, as certified by the Director of Financial Services and as may be adjusted in the manner permitted by Article III, Section 4.H. of the Senior Lien Bond Resolution, will be equal to 100% of the Maximum Annual Junior and Senior Debt Service Requirement (which includes debt service on the Parity Notes proposed to be issued).

Section 4.03. Covenant to Budget and Appropriate. Until the Note is paid or deemed paid pursuant to the provisions of this Agreement, subject to the next paragraph, to the extent that Net Revenues (remaining after making payments required by the Senior Lien Bond Resolution) are insufficient therefore, the City covenants and agrees to appropriate in its annual budget, by amendment, if necessary, from legally available non ad-valorem revenues of the City in each fiscal year of the City not derived from ad valorem taxation and which are lawfully available to pay debt service on the Note, amounts sufficient to pay principal of and interest on the Note as the same shall become due. Such covenant and agreement on the part of the City to budget and appropriate such amounts of legally available non-ad valorem revenues shall be cumulative to the extent not paid, and shall continue until such non-ad valorem revenues or other legally available funds in amounts sufficient to make all such required payments shall have been budgeted, appropriated and actually paid. No lien upon or pledge of such non-ad valorem revenues shall be in effect until such monies are budgeted and appropriated. The City further acknowledges and agrees that the obligations of the City to include the amount of any deficiency in payments in each of its annual budgets and to pay such deficiencies from legally available non-ad valorem revenues may be enforced in a court of competent jurisdiction in accordance with the remedies set forth herein.

Such covenant to budget and appropriate does not create any lien upon or pledge of such non-ad valorem revenues, nor does it preclude the City from pledging in the future its non-ad valorem revenues or from securing obligations with a covenant to budget and appropriate legally available non-ad valorem revenues, nor does it require the City to levy and

collect any particular non-ad valorem revenues, nor does it give the holder of the Note a prior claim on the non-ad valorem revenues as opposed to claims of general creditors of the City. Such covenant to budget and appropriate legally available non-ad valorem revenues is subject in all respects to the prior payment of obligations secured by a pledge of such non-ad valorem revenues heretofore or hereafter entered into (including the payment of debt service on bonds and other debt instruments). Anything in this Agreement to the contrary notwithstanding, it is understood and agreed that all obligations of the City hereunder shall be payable from the portion of legally available non-ad valorem revenues budgeted and appropriated as provided for hereunder and nothing herein shall be deemed to pledge ad valorem tax revenues, or to permit or constitute a mortgage or lien upon any assets owned by the City and no holder of the Note nor any other person, may compel the levy of ad valorem taxes on real or personal property within the boundaries of the City. Notwithstanding any provisions of this Agreement or the Note to the contrary, the City shall never be obligated to maintain or continue any of the activities of the City which generate user service charges, regulatory fees or any non-ad valorem revenues. Neither this Agreement nor the obligations of the City under this Agreement shall be construed as a pledge of or a lien on all or any non-ad valorem revenues of the City other than the Designated Revenues, but shall be payable solely as provided herein and is subject in all respects to the provisions of Section 166.241, Florida Statutes, and is subject, further, to the payment of services and programs which are for essential public purposes affecting the health, welfare and safety of the inhabitants of the City.

Section 4.04. Tax Covenant. The City covenants to the purchasers of the Note provided for in this Agreement that the City will not make any use of the proceeds of the Note at any time during the respective terms of such Note which, if such use had been reasonably expected on the date the Note were issued, would have caused such Note to be an "arbitrage bond" within the meaning of the Code. The City will comply with the requirements of the Code and any valid and applicable rules and regulations promulgated thereunder necessary to ensure the exclusion of interest on the Note from the gross income of the holders thereof for purposes of federal income taxation.

Section 4.05. Budget and Other Financial Information. The City shall:

(a) Within two hundred seventy (270) days following the end of each Fiscal Year of the City, provide the Noteholder with a copy of the City's audited financial statements for the preceding Fiscal Year specifically breaking out the Designated Revenues; and

(b) Upon request by the Bank, provide the Noteholder with a copy of its resolution adopting its annual budget within thirty (30) days of the adoption of the same, a completed budget book upon the completion of the same, and such other financial information regarding the City as the Noteholder may reasonably request.

Section 4.06. Compliance with Laws and Regulations. The City shall maintain compliance with all federal, state and local laws and regulations while the Note remains outstanding.

Section 4.07. Incorporation of Senior Lien Bond Resolution Covenants; Rate Covenant. All covenants of the City contained in Article III, Sections 4.D., 4.F., 4.J., 4.K., 4.L., 4.M., 4.N., 4.O., 4.P. and 4.Q. in the Senior Lien Bond Resolution are incorporated herein by reference to the same extent as if set forth verbatim herein and constitutes a part of this Agreement, and the City agrees that it will comply therewith. The City will apply the rate covenant in Article III, Section 4.B. of the Senior Lien Bond Resolution in such a way that Net Revenues are required to cover not only the items set forth therein, but also 100% of the debt service on the Note, the 2006 Parity Note and any Parity Notes hereafter issued, in the relevant fiscal year.

Section 4.08. Application of Proceeds of Note. At the time of delivery of the Note herein authorized, proceeds from the sale of the Note shall be used to advance refund the Refunded Bonds and to fund associated costs of issuance (including but not limited to legal and financial advisory fees and expenses).

[Remainder of page intentionally left blank]

ARTICLE V

EVENTS OF DEFAULT AND REMEDIES

Section 5.01. Events of Default. Each of the following is hereby declared an "Event of Default:"

(a) payment of the principal of the Note shall not be made when the same shall become due and payable; or

(b) payment of any installment of interest on the Note shall not be made when the same shall become due and payable; or

(c) the City shall default in the due and punctual performance of any other of the covenants, conditions, agreements and provisions contained in the Note or in this Agreement and such default shall continue for thirty (30) days after written notice shall have been given to the City by the Noteholder specifying such default and requiring the same to be remedied; provided, however, that if, in the reasonable judgment of the Noteholder, the City shall proceed to take such curative action which, if begun and prosecuted with due diligence, cannot be completed within a period of thirty (30) days, then such period shall be increased to such extent as shall be necessary to enable the City to diligently complete such curative action; or

(d) any representation or warranty of the City contained in this Agreement or in any certificate or other closing document executed and delivered by the City in connection with the closing of this Loan shall prove to have been untrue in any material respect when executed and delivered, thereby adversely impairing the security for the Note; or

(e) any proceedings are instituted with the consent or acquiescence of the City, for the purpose of effecting a compromise between the City and its creditors or for the purpose of adjusting the claims of such creditors, pursuant to any federal or state statute now or hereinafter enacted; or

(f) the City admits in writing its inability to pay its debts generally as they become due, or files a petition in bankruptcy or makes an assignment for the benefit of its creditors, declares a financial emergency or consents to the appointment of a receiver or trustee for itself or shall file a petition or answer seeking reorganization or any arrangement under the federal bankruptcy laws or any other applicable law or statute of the United States of America or any state thereof; or

(g) the City is adjudged insolvent by a court of competent jurisdiction or is adjudged bankrupt on a petition of bankruptcy filed against the City, or an order, judgment or decree is entered by any court of competent jurisdiction appointing, without the consent of the City, a receiver or trustee of the City or of the whole or any part of its property and any of the aforesaid

adjudications, orders, judgments or decrees shall not be vacated or set aside or stayed within sixty (60) days from the date of entry thereof; or

(h) if, under the provisions of any law for the relief or aid of debtors, any court of competent jurisdiction shall assume custody or control of the City or of the whole or any substantial part of its property and such custody or control shall not be terminated within ninety (90) days from the date of assumption of such custody or control.

Section 5.02. Exercise of Remedies. Upon the occurrence and during the continuance of an Event of Default, a Noteholder may proceed to protect and enforce its rights under the laws of the State of Florida or under this Agreement by such suits, actions or special proceedings in equity or at law, or by proceedings in the office of any board or officer having jurisdiction, either for the specific performance of any covenant or agreement contained herein or in aid or execution of any power herein granted or for the enforcement of any proper legal or equitable remedy, as a Noteholder shall deem most effective to protect and enforce such rights. Without limiting the generality of the foregoing, the Noteholder shall have the right to bring a mandamus action to require the City to perform its obligations under Article IV of this Agreement.

In the enforcement of any remedy under this Agreement, to the extent permitted by law, a Noteholder shall be entitled to sue for, enforce payment of and receive any and all amounts then or during any default becoming, and at any time remaining, due from the City for principal, interest or otherwise under any of the provisions of this Agreement or of a Note then unpaid, within interest on overdue payments of principal and interest (to the extent permitted by law) at the Default Rate, together with any and all costs and expenses of collection and of all proceedings hereunder and under the Note (including, without limitation, reasonable legal fees in all proceedings, including administrative, appellate and bankruptcy proceedings), but payable from the Designated Revenues, without prejudice to any other right or remedy of the Noteholder, and to recover and enforce any judgment or decree against the City, but solely as provided herein and in a Note, for any portion of such amounts remaining unpaid and interest, costs, and expenses as above provided, and to collect (but from the Designated Revenues) in any manner provided by law, the monies adjudged or decreed to be payable.

Section 5.03. Remedies Not Exclusive. No remedy herein conferred upon or reserved to a Noteholder is intended to be exclusive of any other remedy or remedies herein provided, and each and every such remedy shall be cumulative and shall be in addition to every other remedy given hereunder.

Section 5.04. Waivers, Etc. No delay or omission of a Noteholder to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver of any such default or any acquiescence therein; and every power and remedy given by this Agreement to a Noteholder may be exercised from time to time and as often as may be deemed expedient.

A Noteholder may waive any default which in its opinion shall have been remedied before the entry of final judgment or decree in any suit, action or proceeding instituted by it under the provisions of this Agreement or before the completion of the enforcement of any other remedy under this Agreement, but no such waiver shall be effective unless in writing and no such waiver shall extend to or affect any other existing or any subsequent default or defaults or impair any rights or remedies consequent thereon.

[Remainder of page intentionally left blank]

ARTICLE VI

MISCELLANEOUS PROVISIONS

Section 6.01. Covenants of City, Etc.; Successors. All of the covenants, stipulations, obligations and agreements contained in this Agreement shall be deemed to be covenants, stipulations, obligations and agreements of the City to the full extent authorized or permitted by law, and all such covenants, stipulations, obligations and agreements shall be binding upon the successor or successors thereof from time to time, and upon any officer, board, commission, authority, agency or instrumentality to whom or to which any power or duty affecting such covenants, stipulations, obligations and agreements shall be transferred by or in accordance with law.

Section 6.02. Term of Agreement. This Agreement shall be in full force and effect from the date hereof until the Note and all other sums payable to the Bank hereunder have been paid in full and shall survive the termination of this Agreement in relation to those provisions that deal with retroactive cost increases for the Bank in relation to the tax exempt status of the Note.

Section 6.03. Notice of Changes in Fact. Promptly after the City becomes aware of the same, the City will notify the Bank of (a) any changes in any material fact or circumstance represented or warranted by the City in this Agreement or in connection with the issuance of the Note, and (b) any default under this Agreement, specifying in each case the nature thereof and what action the City has taken, is taking and/or proposes to take with respect thereto.

Section 6.04. Amendments and Supplements. Subject to 4.02(c) hereof, this Agreement may be amended or supplemented from time to time only by a writing duly executed by each of the City and the Noteholder.

Section 6.05. Notices. Any notice, demand, direction, request or other instrument authorized or required by this Agreement to be given to or filed with the City or the Bank, shall be deemed to have been sufficiently given or filed for all purposes of this Agreement if and when sent by certified mail, return receipt requested:

(a) As to the City:

City of Stuart, Florida
121 S.W. Flagler Avenue
Stuart, Florida 34994
Attention: Financial Services Director

(b) As to the Bank:

Bank of America, N.A.
4501 Tamiami Trail North, Suite 400
Naples, Florida 34103

Either party may, by notice sent to the other, designate a different or additional address to which notices under this Agreement are to be sent.

Section 6.06. Benefits Exclusive. Except as herein otherwise provided, nothing in this Agreement, expressed or implied, is intended or shall be construed to confer upon any person, firm or corporation, other than the City and the Noteholder, any right, remedy or claim, legal or equitable, under or by reason of this Agreement or any provision hereof, this Agreement and all its provisions being intended to be and being for the sole and exclusive benefit of the City and the Noteholder.

Section 6.07. Severability. In case any one or more of the provisions of this Agreement, any amendment or supplement hereto or of a Note shall for any reason be held to be illegal or invalid, such illegality or invalidity shall not affect any other provision of this Agreement, any amendment or supplement hereto or a Note, but this Agreement, any amendment or supplement hereto and a Note shall be construed and enforced at the time as if such illegal or invalid provisions had not been contained therein, nor shall such illegality or invalidity or any application thereof affect any legal and valid application thereof from time to time. In case any covenant, stipulation, obligation or agreement contained in a Note or in this Agreement shall for any reason be held to be in violation of law, then such covenant, stipulation, obligation, or agreement shall be deemed to be the covenant, stipulation, obligation or agreement of the City to the full extent from time to time permitted by law.

Section 6.08. Payments Due on Saturdays, Sundays and Holidays. In any case where the date of maturity of interest on or principal of the Note or the date fixed for prepayment of the Note shall be a Saturday, Sunday or a day on which the Bank is required, or authorized or not prohibited, by law (including executive orders) to close and is closed, then payment of such interest or principal shall be made on the next succeeding day on which the Bank is open for business with the same force and effect as if paid on the date of maturity or the date fixed for prepayment, and no interest on any such principal amount shall accrue for the period after such date of maturity or such date fixed for prepayment.

Section 6.09. Counterparts. This Agreement may be executed in any number of counterparts, each of which when so executed and delivered, shall be an original; but such counterparts shall together constitute but one and the same Agreement, and, in making proof of this Agreement, it shall not be necessary to produce or account for more than one such counterpart.

Section 6.10. Applicable Law. This Agreement shall be governed exclusively by and construed in accordance with the applicable laws of the State of Florida.

Section 6.11. No Personal Liability. Notwithstanding anything to the contrary contained herein or in a Note, or in any other instrument or document executed by or on behalf of the City in connection herewith, no stipulation, covenant, agreement or obligation of any present or future member of the City Commission, officer, employee or agent of the City, officer, employee or agent of a successor to the City, in any such person's individual capacity, and no such person, in his or her individual capacity, shall be liable personally for any breach or non-observance of or for any failure to perform, fulfill or comply with any such stipulations, covenants, agreements or obligations, nor shall any recourse be had for the payment of the principal of or interest on any Note or for any claim based thereon or on any such stipulation, covenant, agreement or obligation, against any such person, in his or her individual capacity, either directly or through the City or any successor to the City, under any rule or law or equity, statute or constitution or by the enforcement of any assessment or penalty or otherwise and all such liability of any such person, in his or her individual capacity, is hereby expressly waived and released.

Section 6.12. Defeasance. If at any time the City shall have paid, or have made provision for the payment of, the principal and interest on a Note which is subject to a prepayment penalty pursuant to the Note and may not be immediately prepayable, then, in that event, the pledge of and lien on the Designated Revenues and on the other moneys created hereunder and the covenant to budget and appropriate legally available non-ad valorem revenues of the City in favor of the Noteholder shall no longer be in effect with respect to that Note. For purposes of the preceding sentence, the deposit of cash or Federal Securities in irrevocable trust with a banking institution or trust company, for the sole benefit of the Noteholder, in an aggregate principal amount which, together with interest to accrue thereon, will be sufficient to make timely payment of the principal of and interest to accrue thereon shall be considered "provision for the payment." Nothing herein shall be deemed to require the City to repay the outstanding Note prior to maturity or to impair the City's discretion in determining whether or not to exercise any option for prepayment. If the conditions set forth in this Section 6.12 have been satisfied, all moneys held in any fund or account created hereby that are in excess of the amounts required to pay or make provision for payment of the principal and interest on the Note may be withdrawn and used by the City for any lawful purpose.

Section 6.13. Arbitration and Waiver of Jury Trial. (a) This Section 6.13 concerns the resolution of any controversies or claims between the parties, whether arising in contract, tort or by statute, that arise out of or relate to: (i) this Agreement (including any renewals, extensions or modifications); or (ii) the Note (collectively a "Claim"). For the purposes of this arbitration provision only, the term "parties" shall include any parent corporation, subsidiary or affiliate of the Noteholder involved in the servicing, management or administration of any obligation described or evidenced by this Agreement.

(b) At the request of any party to this Agreement, any Claim shall be resolved by binding arbitration in accordance with the Federal Arbitration Act (Title 9, U.S. Code) (the "Arbitration Act"). The Arbitration Act will apply even though this Agreement provides that it is governed by the law of a specified state. The arbitration will take place on an individual basis without resort to any form of class action.

(c) Arbitration proceedings will be determined in accordance with the Arbitration Act, the then-current rules and procedures for the arbitration of financial services disputes of the American Arbitration Association or any successor thereof ("AAA"), and the terms of this Section. In the event of any inconsistency, the terms of this paragraph shall control. If AAA is unwilling or unable to (i) serve as the provider of arbitration or (ii) enforce any provision of this arbitration clause, any party to this Agreement may substitute another arbitration organization with similar procedures to serve as the provider of arbitration.

(d) The arbitration shall be administered by AAA and conducted in Stuart, Florida. All Claims shall be determined by one arbitrator; however, if Claims exceed Five Million Dollars ($5,000,000), upon the request of any party, the Claims shall be decided by three arbitrators. All arbitration hearings shall commence within ninety (90) days of the demand for arbitration and close within ninety (90) days of commencement and the award of the arbitrator(s) shall be issued within thirty (30) days of the close of the hearing. However, the arbitrator(s), upon a showing of good cause, may extend the commencement of the hearing for up to an additional sixty (60) days. The arbitrator(s) shall provide a concise written statement of reasons for the award. The arbitration award may be submitted to any court having jurisdiction to be confirmed, judgment entered and enforced.

(e) The arbitrator(s) will give effect to statutes of limitation in determining any Claim and may dismiss the arbitration on the basis that the Claim is barred. For purposes of the application of the statute of limitations, the service on AAA under applicable AAA rules of a notice of Claim is the equivalent of the filing of a lawsuit. Any dispute concerning this arbitration provision or whether a Claim is arbitrable shall be determined by the arbitrator(s). The arbitrator(s) shall have the power to award legal fees pursuant to the terms of this Agreement.

(f) This Section does not limit the right of any party to: (i) exercise self-help remedies, such as but not limited to, setoff; (ii) initiate judicial or non-judicial foreclosure against any real or personal property collateral; (iii) exercise any judicial or power of sale rights, or (iv) act in a court of law to obtain an interim remedy, such as but not limited to, injunctive relief, writ of possession or appointment of a receiver, or additional or supplementary remedies.

(g) The filing of a court action is not intended to constitute a waiver of the right of any party, including the suing party, thereafter to require submittal of the Claim to arbitration.

(h) By agreeing to binding arbitration, the parties irrevocably and voluntarily waive any right they may have to a trial by jury in respect of any Claim. Furthermore, without intending in any way to limit this agreement to arbitrate, to the extent any Claim is not arbitrated,

the parties irrevocably and voluntarily waive any right they may have to a trial by jury in respect of such Claim. This provision is a material inducement for the parties entering into this Agreement.

Section 6.14. Incorporation by Reference. All of the terms and obligations of the Resolution and the Exhibits hereto are hereby incorporated herein by reference as if all of the foregoing were fully set forth in this Agreement. All recitals appearing at the beginning of this Agreement are hereby incorporated herein by reference.

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed as of the date first set forth herein.

CITY OF STUART, FLORIDA

By: _____
Name: Mary L. Hutchinson
Title: Mayor

By: _____
Name: Dan Hudson
Title: City Manager

(SEAL)

Cheryl A. White
City Clerk

ATTESTED AND COUNTERSIGNED:

By: _____
Name: Mary Nash
Title: Deputy City Clerk of the
City of Stuart, Florida

APPROVED AS TO FORM
AND LEGALITY:

By: _____
Name: Paul J. Nicoletti
Title: City Attorney

BANK OF AMERICA, N.A.

By: _____
Name: Holly Kuhlman
Title: Vice President

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed as of the date first set forth herein.

CITY OF STUART, FLORIDA

(SEAL)

By:_____
Name: Mary L. Hutchinson
Title: Mayor

By:_____
Name: Dan Hudson
Title: City Manager

ATTESTED AND COUNTERSIGNED:

By:_____
Name: Mary Nash
Title: Deputy City Clerk of the City of Stuart, Florida

APPROVED AS TO FORM AND LEGALITY:

By:_____
Name: Paul J. Nicoletti
Title: City Attorney

BANK OF AMERICA, N.A.

By:_____
Name: Holly Kuhlman
Title: Vice President

EXHIBIT A

FORM OF NOTE

CITY OF STUART, FLORIDA
SUBORDINATE LIEN PUBLIC UTILITIES
REVENUE REFUNDING NOTE, SERIES 2007

Principal Sum	Maturity Date	Date of Issuance	Note Rate
$7,142,000	October 1, 2028	February 6, 2007	4.05%

The CITY OF STUART, FLORIDA (the "City"), for value received, hereby promises to pay, solely from the Designated Revenues and certain funds and accounts described in the within mentioned Agreement, to the order of BANK OF AMERICA, N.A., a national banking association, or its assigns (the "Holder"), at 4501 Tamiami Trail North, Suite 400, Naples, Florida, or at such other place as the Holder may from time to time designate in writing, the Principal Sum stated above pursuant to that certain Loan Agreement by and between the Holder and the City, dated as of February 6, 2007 (the "Agreement"), together with interest thereon as hereinafter provided until the Maturity Date stated above or the date the principal amount of this Note is paid in the manner hereinafter set forth in any coin or currency of the United States of America which, at the time of payment, is legal tender for the payment of public and private debts, which payments shall be made to the Holder hereof by check mailed to the Holder at the address designated in writing by the Holder for purposes of payment or by bank wire or bank transfer as such Holder may specify in writing to the City or otherwise as the City and the Holder may agree.

All capitalized terms not otherwise defined herein shall have the meanings ascribed to such terms in the Agreement.

This Note shall bear interest at 4.05% (the "Note Rate"). The Note Rate may be adjusted as described below.

The principal of and interest on this Note may be prepaid at the option of the City in whole or in part at any time. In the event that the City shall make any optional prepayment, then the City will pay to the Holder, if a positive number, a prepayment premium equal to the amount determined by the Holder to be the amount equal to (x) the present value as of the prepayment date of the payments of principal and interest that would have been received with respect to the portion of this Note being prepaid using a discount rate as of the prepayment date with such discount rate being the ask yield on the non-callable U.S. Treasury obligation having a maturity closest to but not after the scheduled maturity date of this Note, as reported in *The Wall Street Journal* on the date two Business Days before the prepayment date minus (y)

the present value as of the prepayment date of the payments of principal and interest that would have been received with respect to the portion of this Note being prepaid using a discount rate of 4.05%. Any such determination by the Holder shall be conclusive, absent a manifest error in computation. All prepayments of principal shall be applied in the inverse order of maturity, or in such other order as the Holder shall determine in its sole discretion. Each prepayment of this Note shall be made on such date and in such principal amount as shall be specified by the City in a written notice delivered to the Holder not less than five (5) days prior thereto.

The Holder shall provide to the City such documentation to evidence any adjustment to the Note Rate and the calculations made in connection therewith. Following the occurrence and during the continuance of any Event of Default, this Note shall bear interest at the Default Rate, as defined in the Agreement. Interest on this Note shall be computed on an actual/360 day basis.

The repayment schedule of principal is set forth in Schedule I attached hereto and made a part hereof.

Upon the occurrence of a Determination of Taxability (defined to mean interest on this Note is determined or declared, by the Internal Revenue Service or a court of competent jurisdiction to be included in the gross income of the Holder for federal income tax purposes under the Code), the interest rate on this Note shall be adjusted to a rate equal to 154% of the interest rate otherwise borne hereby (the "Adjusted Interest Rate"), as of and from the date such determination would be applicable with respect to this Note (the "Accrual Date"); and (i) the City shall on the next interest payment date (or if this Note shall have matured, within thirty days after demand) pay to the Holder, or any former Holder, as may be appropriately allocated, an amount equal to the sum of (1) the difference between (A) the total interest that would have accrued on this Note at the Adjusted Interest Rate from the Accrual Date to such interest payment date, and (B) the actual interest paid by the City on this Note from the Accrual Date to such interest payment date, and (2) any interest and penalties required to be paid as a result of any additional State of Florida and federal income taxes imposed upon such Holder and/or former Holder arising as a result of such Determination of Taxability; and (ii) from and after the Accrual Date, this Note shall continue to bear interest at the Adjusted Interest Rate for the period such determination continues to be applicable with respect to this Note. This adjustment shall survive payment of this Note until such time as the federal statute of limitations under which the interest on this Note could be declared taxable under the Code shall have expired.

All payments made by the City hereon shall apply first to accrued interest, then to other charges due the Holder, and the balance thereof shall apply to the principal amount then due on this Note.

This Note is authorized to be issued in the outstanding aggregate principal amount equal to the Principal Sum under the authority of and in full compliance with the Constitution

and statutes of the State of Florida, including, particularly, Chapter 166, Florida Statutes, as amended and supplemented, the Charter of the City and any other applicable provisions of law (all of the foregoing, collectively, the "Act"), and Resolution No. 163-94, adopted by the City Commission of the City on December 8, 1994, as amended and supplemented from time to time, and as particularly amended by Resolution No. 150-03 adopted by the City Commission of the City on July 21, 2003 (collectively, the "Senior Lien Bond Resolution"), and Resolution No. 22-07, adopted by the City Commission of the City on January 29, 2007 (the "Junior Lien Note Resolution"), and is subject to all terms and conditions of the Senior Lien Bond Resolution, the Junior Lien Note Resolution and the Agreement. Notwithstanding anything herein or in the Agreement to the contrary, this Note will be junior, inferior and subordinate in all respects to the "Bonds" issued pursuant to the Senior Lien Bond Resolution as to lien on and source of security for payments from the Net Revenues and in all other respects.

THIS NOTE, WHEN DELIVERED BY THE CITY PURSUANT TO THE TERMS OF THE AGREEMENT AND THE JUNIOR LIEN NOTE RESOLUTION, SHALL NOT BE OR CONSTITUTE AN INDEBTEDNESS OF THE CITY OR THE STATE OF FLORIDA (THE "STATE"), WITHIN THE MEANING OF ANY CONSTITUTIONAL, STATUTORY OR CHARTER LIMITATIONS OF INDEBTEDNESS, BUT SHALL BE PAYABLE SOLELY FROM THE DESIGNATED REVENUES, AS PROVIDED IN THE AGREEMENT AND THE JUNIOR LIEN NOTE RESOLUTION. THE HOLDER SHALL NEVER HAVE THE RIGHT TO COMPEL THE EXERCISE OF THE AD VALOREM TAXING POWER OF THE CITY OR THE STATE, OR TAXATION IN ANY FORM OF ANY PROPERTY THEREIN TO PAY THIS NOTE OR THE INTEREST THEREON.

Notwithstanding anything herein to the contrary, this Note may not be transferred in a denomination less than $100,000 under any circumstances.

The City hereby waives presentment, demand, protest and notice of dishonor. This Note is governed and controlled by the Agreement and reference is hereby made thereto regarding interest rate adjustments and other matters.

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF, the City has caused this Note to be signed by its Mayor, on behalf of the City Commission, either manually or with facsimile signature, and the seal of the City to be affixed hereto or imprinted or reproduced hereon, and attested by the Deputy City Clerk of the City, either manually or with facsimile signature, and this Note to be dated the Date of Issuance set forth above.

CITY OF STUART, FLORIDA

(SEAL)

By:_____
Name: Mary L. Hutchinson
Title: Mayor

By:_____
Name: Dan Hudson
Title: City Manager

ATTESTED AND COUNTERSIGNED:

By:_____
Name: Mary Nash
Title: Deputy City Clerk of the City of Stuart, Florida

APPROVED AS TO FORM AND LEGALITY:

By:_____
Name: Paul J. Nicoletti
Title: City Attorney

ASSIGNMENT

FOR VALUE RECEIVED the undersigned sells, assigns and transfers unto _____ (please print or typewrite name, address and tax identification number of assignee) _____ the within Note and all rights thereunder, and hereby irrevocably constitutes and appoints _____ Attorney to transfer the within Note on the books kept for registration thereof, with full power of substitution in the premises.

Name of Noteholder:_____
By:_____

Schedule I

Interest shall be payable to the Bank on each April 1 and October 1, commencing on April 1, 2007.

Principal on this Note shall amortize on October 1 of the following years:

Year	Principal Amortization
2008	$ 22,000
2009	23,000
2010	24,000
2011	25,000
2012	25,000
2013	27,000
2014	28,000
2015	29,000
2016	30,000
2017	32,000
2018	498,000
2019	524,000
2020	544,000
2021	565,000
2022	584,000
2023	8,000
2024	8,000
2025	974,000
2026	1,017,000
2027	1,054,000
2028	1,101,000

A final payment in the amount of the entire unpaid principal balance, together with all accrued and unpaid interest hereon, shall be due and payable in full on the Maturity Date.

EXHIBIT B

ESCROW DEPOSIT AGREEMENT

THIS ESCROW DEPOSIT AGREEMENT, dated as of February 6, 2007, by and between the CITY OF STUART, FLORIDA (the "Issuer"), a municipal corporation validly organized and existing under and by virtue of the laws of the State of Florida, and U.S. BANK NATIONAL ASSOCIATION, Orlando, Florida, a national banking association organized under the laws of the United States, as Escrow Agent, and its successors and assigns (the "Escrow Agent");

WITNESSETH:

WHEREAS, the Issuer has previously authorized and issued its Refunded Bonds as hereinafter described, and has determined to refund the Refunded Bonds as to which the Total Debt Service for the Refunded Bonds is set forth on Schedule A; and

WHEREAS, the Issuer has determined to provide for payment of the Total Debt Service for the Refunded Bonds by depositing with the Escrow Agent an amount which, together with investment earnings thereon, is at least equal to such Total Debt Service for the Refunded Bonds; and

WHEREAS, in order to obtain certain of the funds needed for such purpose, the Issuer has authorized and is, concurrently with the delivery of this Agreement, issuing its Subordinate Lien Public Utilities Revenue Refunding Note, Series 2007; and

WHEREAS, the execution of this Escrow Deposit Agreement and full performance of the provisions hereof shall defease and discharge the Issuer's obligations relating to the Refunded Bonds;

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained, the Issuer and the Escrow Agent agree as follows:

SECTION 1. Definitions. As used herein, the following terms mean:

(a) "Agreement" means this Escrow Deposit Agreement.

(b) "Annual Debt Service" means the principal, interest and redemption premium, if applicable, on the Refunded Bonds coming due in a particular year as shown on Schedule A attached hereto and made a part hereof.

(c) "Bonds" means the $7,142,000 City of Stuart, Florida, Subordinate Lien Public Utilities Revenue Refunding Note, Series 2007, issued under the Senior Lien Bond Resolution.

(d) "Escrow Account" means the account hereby created and entitled Escrow Account established and held by the Escrow Agent pursuant to this Agreement in which cash

and investments will be held for payment of the principal or value at maturity, as the case may be, interest, if applicable, and redemption premium, if applicable, on the Refunded Bonds as they come due.

(e) "Escrow Agent" means U.S. Bank National Association, having its principal corporate trust office in Orlando, Florida and its successors and assigns organized and existing under the laws of the United States of America, having its designated corporate trust office in Orlando, Florida, as escrow agent hereunder.

(f) "Federal Securities" means Defeasance Obligations as such term is defined in the Senior Lien Bond Resolution. The term "Federal Securities" shall not include money market funds or mutual funds invested in obligations described in this definition.

(g) "Issuer" means the City of Stuart, Florida.

(h) "Refunded Bonds" means the City of Stuart, Florida Public Utilities Revenue Refunding and Improvement Bonds, Series 2003 which mature on October 1, 2020, October 1, 2022 and October 1, 2028.

(i) "Senior Lien Bond Resolution" means Resolution No. 163-94 adopted by the City Commission of the Issuer on December 8, 1994, as amended and supplemented from time to time and as particularly amended by Resolution No. 150-03 adopted by the City Commission of the City on July 21, 2003.

(j) "Total Debt Service for the Refunded Bonds" means, as of any date, the sum of the principal, interest and redemption premium, if applicable, remaining unpaid with respect to the Refunded Bonds in accordance with Schedule A attached hereto.

SECTION 2. Deposit of Funds. The Issuer hereby deposits $7,221,938.25 with the Escrow Agent for deposit into the Escrow Account, in immediately available funds, which funds the Escrow Agent acknowledges receipt of, to be held in irrevocable escrow by the Escrow Agent separate and apart from other funds of the Escrow Agent and applied solely as provided in this Agreement. $7,109,007.00 of such funds are being derived from proceeds of the Bonds. $112,931.25 of such funds are being derived from funds and accounts held for the benefit of the holders of the Refunded Bonds. The Issuer represents that the Federal Securities, the interest thereon, and the cash therein, taking into account all of the reinvestment instructions herein, (i) are at least equal to the Total Debt Service for the Refunded Bonds as of the date of such deposit, and (ii) are sufficient to pay principal, interest and redemption premium, if applicable, on the Refunded Bonds as they become due and payable in accordance with Schedule A attached hereto.

SECTION 3. Use and Investment of Funds. The Escrow Agent acknowledges receipt of the sums described in Section 2 and agrees:

(a) to hold the funds and investments purchased pursuant to this Agreement in irrevocable escrow during the term of this Agreement for the sole benefit of the holders of the Refunded Bonds;

(b) to immediately invest $7,221,937 of such funds in the Federal Securities set forth on Schedule B attached hereto and to hold such securities and $1.25 of such funds derived from proceeds of the Bonds in cash in accordance with the terms of this Agreement;

(c) to invest on the future dates set forth on Schedule C attached hereto the amounts set forth on Schedule C in the Federal Securities set forth on Schedule C, and to hold such securities in accordance with the terms of this Agreement;

(d) in the event the securities described on Schedule B and Schedule C cannot be purchased, substitute securities may be purchased with the consent of the Issuer but only upon receipt of verification from an independent certified public accountant that the Federal Securities, the interest thereon, and the cash deposited in the Escrow Account will not be less than the Total Debt Service for the Refunded Bonds, and only upon receipt of an opinion of Bryant Miller Olive P.A. that (i) such securities constitute Federal Securities for purposes of this Agreement, and (ii) such substitution shall not affect the tax-exempt status of interest on the Bonds or the Refunded Bonds; and

(e) there will be no investment of funds except as set forth in this Section 3 and except as set forth in Section 5.

SECTION 4. Payment of Bonds and Expenses.

(a) Refunded Bonds. On the dates and in the amounts set forth on Schedule A, the Escrow Agent shall transfer to U.S. Bank National Association, as successor to SunTrust Bank, Orlando, Florida, or its successors or assigns, the paying agent for the Refunded Bonds (the "Paying Agent"), in immediately available funds solely from amounts available in the Escrow Account, a sum sufficient to pay that portion of the Annual Debt Service for the Refunded Bonds coming due on such dates, as shown on Schedule A.

(b) Expenses. A one-time fee of $3,500 is due the Escrow Agent for its services hereunder.

(c) Surplus. After making the payments from the Escrow Account described in Subsections 4(a) and (b) above, the Escrow Agent shall retain in the Escrow Account any remaining cash in the Escrow Account in excess of the Total Debt Service for the Refunded Bonds until the termination of this Agreement pursuant to the terms of Section 13 hereof, and shall then pay any remaining funds to the Issuer to be used for any lawful purpose.

(d) Priority of Payments. The holders of the Refunded Bonds shall have an express first priority security interest in the funds and Federal Securities in the Escrow Account until such funds and Federal Securities are used and applied as provided in this Agreement as shown on Schedule A.

SECTION 5. Reinvestment. (a) Except as provided in Section 3 and in this Section, the Escrow Agent shall have no power or duty to invest any funds held under this Agreement or to sell, transfer or otherwise dispose of or make substitutions of the Federal Securities held hereunder.

(b) At the written request of the Issuer and upon compliance with the conditions hereinafter stated, the Escrow Agent shall sell, transfer or otherwise dispose of any of the Federal Securities acquired hereunder and shall substitute other Federal Securities and reinvest any excess receipts in Federal Securities. The Issuer will not request the Escrow Agent to exercise any of the powers described in the preceding sentence in any manner which will cause interest on the Bonds to be included in the gross income of the holders thereof for purposes of federal income taxation. Except as provided in Section 3 hereof, the transactions may be effected only if (i) an independent certified public accountant selected by the Issuer shall certify or opine in writing to the Issuer and the Escrow Agent that Federal Securities, interest thereon, and cash remaining on hand after the transactions are completed will, assuming no reinvestment earnings, be not less than the Total Debt Service for the Refunded Bonds, and that reinvestment in such Federal Securities will not postpone the anticipated transfer of moneys from the Escrow Account to the Paying Agent pursuant to Section 4(a) hereof, and (ii) the Escrow Agent shall receive an opinion from a nationally recognized bond counsel acceptable to the Issuer to the effect that the transactions, in and by themselves, will not cause interest on such Bonds or the Refunded Bonds to be included in the gross income of the holders thereof for purposes of federal income taxation and such substitution is in compliance with this Agreement. Subsection 4(c) above notwithstanding, cash in excess of the Total Debt Service for the Refunded Bonds caused by substitution of Federal Securities shall, as soon as practical, be paid to the Issuer. Notwithstanding any provision of this Agreement to the contrary, no forward purchase agreement relating to the future reinvestment of cash held hereunder shall be executed unless the following condition is met: to the extent either Moody's Investors Service, Inc., Fitch Ratings, Inc. and/or Standard & Poor's Ratings Services have an outstanding rating on the Refunded Bonds, at least one of such rating agencies must give written confirmation that it will not lower or withdraw the rating as a result of the Issuer's execution of such forward purchase agreement. In the event of any inconsistency between the terms and conditions of such forward purchase agreement and this Agreement, the terms and conditions of this Agreement shall control.

SECTION 6. Redemption; Notice. (a) The Issuer shall not accelerate or defer the maturity or redemption of any Refunded Bonds so as to modify the debt service set forth on Schedule A attached hereto.

(b) Subject to the execution and delivery of the Note for the purpose of advance refunding the Refunded Bonds, the City hereby determines that the Refunded Bonds shall be called for redemption on October 1, 2013 (the "Redemption Date") at a redemption premium of 100% of the principal amount to be redeemed.

(c) Subject to the execution and delivery of the Note for the purpose of advance refunding the Refunded Bonds, the City hereby directs U.S. Bank National Association, as successor to SunTrust Bank, as Registrar and Paying Agent for such Refunded Bonds, to prepare a notice of such redemption.

The notice of redemption of the Refunded Bonds shall be mailed, postage prepaid, by the Registrar not less than thirty (30) days before the date fixed for redemption to the registered owners of any Refunded Bonds which are to be redeemed, at their addresses as they appear fifteen (15) days prior to the date such notice is mailed on the registration books of the City kept by the Registrar.

The Registrar also shall mail (by certified mail, return receipt requested) a copy of such notice for receipt not less than the second Business Day prior to the date notice of redemption is mailed to the holders of the Refunded Bonds to the following: The Depository Trust Company, 711 Stewart Avenue, Garden City, New York 11530; Midwest Securities Trust Company, Capital Structures - Call Notification, 440 South LaSalle Street, Chicago, Illinois 60605; Philadelphia Depository Trust Company, Reorganization Division, 1900 Market Street, Philadelphia, Pennsylvania 19103; Attention: Bond Department (or the most current addresses of such depositories); provided, however, that such mailing shall not be a condition precedent to such redemption and failure to mail any such notice shall not affect the validity of any proceedings for the redemption of the Refunded Bonds. The Registrar shall also provide notice, at the same time notice of redemption is given to the Refunded Bondholders, to Kenny Information Systems Notification Service, 65 Broadway, 16th Floor, New York, New York 10006, and Standard & Poor's Called Bond Record, 25 Broadway, New York, New York 10004 (or the most current addresses of such information repositories); provided, however, that such mailing shall not be a condition precedent to such redemption and failure to mail any such notice shall affect the validity of any proceedings for the redemption of the Refunded Bonds.

A second notice of redemption shall be given within sixty (60) days after the redemption date in the manner required above to the registered owners of redeemed Refunded Bonds which have not been presented for payment on or before the date of such notice.

Such notice of redemption shall set forth (i) the date fixed for redemption, (ii) the redemption price to be paid, (iii) that such Refunded Bonds will be redeemed at the designated corporate trust office of the Paying Agent, and the name, address and telephone number of a contact person, (iv) if less than all of the Refunded Bonds shall be called for redemption, the distinctive numbers, letters and CUSIP identification numbers, if any, of such Refunded Bonds to be redeemed, and (v) any other information the City or the Registrar deems relevant. Such

notice shall state that interest shall cease to accrue on any of the Refunded Bonds duly called for prior redemption if payment of the redemption price has been duly made or provided for.

SECTION 7. Indemnity. To the extent permitted by law and without waiving sovereign immunity, the Issuer hereby assumes liability for, and hereby agrees to indemnify, protect, save and keep harmless, the Escrow Agent and its respective successors, assigns, agents and servants, from and against any and all liabilities, obligations, losses, damages, penalties, claims, actions, suits, costs, expenses and disbursements (including reasonable legal fees and disbursements) of whatsoever kind and nature which may be imposed on, incurred by, or asserted against at any time, the Escrow Agent (whether or not also indemnified against the same by the Issuer or any other person under any other agreement or instrument) which relates to or arises out of the execution and delivery of this Agreement, the establishment of the Escrow Account established hereunder, the acceptance of the funds and securities deposited therein, the purchase of the Federal Securities, the retention of the Federal Securities or the proceeds thereof and any payment, transfer or other application of funds or securities by the Escrow Agent in accordance with the provisions of this Agreement; provided, however, that the Issuer shall not be required to indemnify the Escrow Agent beyond the limits of sovereign immunity against its own negligence or willful misconduct or that of a third party. In no event shall the Issuer be liable to any person by reason of the transactions contemplated hereby other than to the Escrow Agent as set forth in this Section. The indemnities contained in this Section shall survive the termination of this Agreement. The Escrow Agent shall not be liable for any deficiencies in the amounts necessary to pay the Total Debt Service for the Refunded Bonds. Furthermore, the Escrow Agent shall not be liable for the accuracy of the calculation as to the sufficiency of moneys and the principal amount of Federal Securities and the earnings thereon to pay the Total Debt Service for the Refunded Bonds.

SECTION 8. Responsibilities of Escrow Agent. The Escrow Agent and its respective successors, assigns, agents and servants shall not be held to any personal liability whatsoever, in tort, contract, or otherwise, in connection with the execution and delivery of this Agreement, the establishment of the Escrow Account, the acceptance of the funds deposited therein, the purchase of the Federal Securities, the retention of the Federal Securities or the proceeds thereof or for any payment, transfer or other application of moneys or securities by the Escrow Agent in accordance with the provisions of this Agreement or by reason of any non-negligent or non-willful act, omission or error of the Escrow Agent made in good faith in the conduct of its duties. The Escrow Agent shall, however, be responsible for its negligent or willful failure to comply with its duties required hereunder, and its negligent or willful acts, omissions or errors hereunder (including full reimbursement to the Issuer of any rebate liability of the Issuer (including interest and penalties thereon) which derive from any failure to make future reinvestments pursuant to Section 3(c) hereof). The duties and obligations of the Escrow Agent may be determined by the express provisions of this Agreement. The Escrow Agent may consult with counsel, who may or may not be counsel to the Issuer, at the Issuer's expense, and in reliance upon the opinion of such counsel, shall have full and complete authorization and protection in respect of any action taken, suffered or omitted by it in good faith in accordance

therewith. 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.

SECTION 9. Resignation of Escrow Agent. The Escrow Agent may resign and thereby become discharged from the duties and obligations hereby created, by notice in writing given to the Issuer, any rating agency then providing a rating on either the Refunded Bonds or the Bonds, and the Paying Agent for the Refunded Bonds not less than sixty (60) days before such resignation shall take effect. Such resignation shall not take effect until the appointment of a new Escrow Agent hereunder.

SECTION 10. Removal of Escrow Agent.

(a) The Escrow Agent may be removed at any time by an instrument or concurrent instruments in writing, executed by the holders of not less than fifty-one percentum (51%) in aggregate principal amount of the Refunded Bonds then outstanding, such instruments to be filed with the Issuer, and notice in writing given by such holders to the original purchaser or purchasers of the Bonds and published by the Issuer once in a newspaper of general circulation in the territorial limits of the Issuer, and in a daily newspaper or financial journal of general circulation in the City of New York, New York, not less than sixty (60) days before such removal is to take effect as stated in said instrument or instruments. A photographic copy of any instrument filed with the Issuer under the provisions of this paragraph shall be delivered by the Issuer to the Escrow Agent.

(b) The Escrow Agent may also be removed at any time for any breach of trust or for acting or proceeding in violation of, or for failing to act or proceed in accordance with, any provisions of this Agreement with respect to the duties and obligations of the Escrow Agent by any court of competent jurisdiction upon the application of the Issuer or the holders of not less than five percentum (5%) in aggregate principal amount of the Bonds then outstanding, or the holders of not less than five percentum (5%) in aggregate principal amount of the Refunded Bonds then outstanding.

(c) The Escrow Agent may not be removed until a successor Escrow Agent has been appointed in the manner set forth herein.

SECTION 11. Successor Escrow Agent.

(a) If, at any time hereafter, the Escrow Agent shall resign, be removed, be dissolved or otherwise become incapable of acting, or shall be taken over by any governmental official, agency, department or board, the position of Escrow Agent shall thereupon become vacant. If the position of Escrow Agent shall become vacant for any of the foregoing reasons or for any other reason, the Issuer shall immediately appoint an Escrow Agent to fill such vacancy and,

upon such appointment, all assets held hereunder shall be transferred to such successor. The Issuer shall either (i) publish notice of any such appointment made by it once in each week for four (4) successive weeks in a newspaper of general circulation published in the territorial limits of the Issuer and in a daily newspaper or financial journal of general circulation in the City of New York, New York, or (ii) mail a notice of any such appointment made by it to the holders of the Refunded Bonds within thirty (30) days after such appointment.

(b) At any time within one year after such vacancy shall have occurred, the holders of a majority in principal amount of the Bonds then outstanding or a majority in principal amount of the Refunded Bonds then outstanding, by an instrument or concurrent instruments in writing, executed by either group of such bondholders and filed with the governing body of the Issuer, may appoint a successor Escrow Agent, which shall supersede any Escrow Agent theretofore appointed by the Issuer. Photographic copies of each such instrument shall be delivered promptly by the Issuer, to the predecessor Escrow Agent and to the Escrow Agent so appointed by the Bondholders. In the case of conflicting appointments made by the Bondholders under this paragraph, the first effective appointment made during the one year period shall govern.

(c) If no appointment of a successor Escrow Agent shall be made pursuant to the foregoing provisions of this Section, the holder of any Refunded Bonds then outstanding, or any retiring Escrow Agent, may apply to any court of competent jurisdiction to appoint a successor Escrow Agent. Such court may thereupon, after such notice, if any, as such court may deem proper and prescribe, appoint a successor Escrow Agent.

(d) Any corporation or association into which the Escrow Agent may be converted or merged, or with which it may be consolidated, or to which it may sell or transfer its corporate trust business and assets as a whole or substantially as a whole, or any corporation or association resulting from any such conversion, sale, merger, consolidation or transfer to which it is a party, ipso facto, shall be and become successor Escrow Agent hereunder and vested with all the trust, powers, discretions, immunities, privileges and all other matters as was its predecessor, without the execution or filing of any instrument or any further act, deed or conveyance on the part of any parties hereto, anything herein to the contrary notwithstanding, provided such successor shall have reported total capital and surplus in excess of $500,000,000, provided that such successor Escrow Agent assumes in writing all the trust, duties and responsibilities of the Escrow Agent hereunder.

SECTION 12. Payment to Escrow Agent. The Escrow Agent shall not be compensated from amounts on deposit in the Escrow Account and the Escrow Agent shall have no lien or claim against funds in the Escrow Account for any payment of obligations due it from the Issuer.

SECTION 13. Term. This Agreement shall commence upon its execution and delivery and shall terminate when the Refunded Bonds have been paid and discharged in accordance with the proceedings authorizing the Refunded Bonds, except as provided in Section 7.

SECTION 14. 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, notice of such event shall be sent to the municipal bond insurer(s) for the Refunded Bonds, if any, as well as Moody's Investors Service, Inc., Fitch Ratings, Inc., and Standard & Poor's Ratings Services (but only to the extent such agencies have a rating outstanding on any of the Refunded Bonds), and while such covenant or agreements herein contained shall be null and void, they shall in no way affect the validity of the remaining provisions of this Agreement.

SECTION 15. Amendments to this Agreement. This Agreement is made for the benefit of the Issuer and the holders from time to time of the Refunded Bonds and the Bonds and it shall not be repealed, revoked, altered or amended in whole or in part without the written consent of all holders of Refunded Bonds, the Escrow Agent and the Issuer; 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 to, or confer upon, the Escrow Agent, for the benefit of the holders of the Bonds and 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, at its option, be entitled to request, at the Issuer's expense, and rely exclusively upon an opinion of nationally recognized attorneys on the subject of municipal bonds acceptable to the Issuer with respect to compliance with this Section, including the extent, if any, to which any change, modification, addition or elimination 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. Prior written notice of such amendments, together with proposed copies of such amendments, shall be provided to Moody's Investors Service, Fitch Ratings, Inc., and Standard & Poor's Ratings Services (but only to the extent such agencies have a rating outstanding on any of the Refunded Bonds).

SECTION 16. Interpleader. The Issuer and the Escrow Agent agree that the Escrow Agent may seek adjudication of any adverse claim, demand, or controversy over its persons as well as funds on deposit, waive personal service of any process, and agree that service of

process by certified or registered mail, return receipt requested, to the City of Stuart, Florida, 121 S.W. Flagler Avenue, Stuart, Florida 34994, Attn: Financial Services Director, shall constitute adequate service. The Issuer and the Escrow Agent further agree that the Escrow Agent has the right to file a Bill of Interpleader in any court of competent jurisdiction to determine the rights of any person claiming any interest herein.

SECTION 17. 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 18. Governing Law. This Agreement shall be governed by and construed under the laws of the State of Florida.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their duly authorized officers and their corporate seals to be hereunto affixed and attested as of the date first above written.

(SEAL)

Cheryl A. White
City Clerk

CITY OF STUART, FLORIDA

By:_____
Name: Mary L. Hutchinson
Title: Mayor

By:_____
Name: Dan Hudson
Title: City Manager

ATTESTED AND COUNTERSIGNED:

By:_____
Name: Mary Nash
Title: Deputy City Clerk of the
City of Stuart, Florida

APPROVED AS TO FORM
AND LEGALITY:

By:_____
Name: Paul J. Nicoletti
Title: City Attorney

U.S. BANK NATIONAL ASSOCIATION, as
Escrow Agent

By:_____
Name: Paula L. Wingo
Title: Assistant Vice President

SECTION 18. Governing Law. This Agreement shall be governed by and construed under the laws of the State of Florida.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their duly authorized officers and their corporate seals to be hereunto affixed and attested as of the date first above written.

CITY OF STUART, FLORIDA

(SEAL)

By:_____
Name: Mary L. Hutchinson
Title: Mayor

By:_____
Name: Dan Hudson
Title: City Manager

ATTESTED AND COUNTERSIGNED:

By:_____
Name: Mary Nash
Title: Deputy City Clerk of the City of Stuart, Florida

APPROVED AS TO FORM AND LEGALITY:

By:_____
Name: Paul J. Nicoletti
Title: City Attorney

U.S. BANK NATIONAL ASSOCIATION, as Escrow Agent

By: Paula L Wingo
Name: Paula L. Wingo
Title: Assistant Vice President

SCHEDULE A

TOTAL DEBT SERVICE

Date	Principal	Redemption Premium	Interest	Debt Service
04/01/2007			$169,396.88	$169,396.88
10/01/2007			169,396.88	169,396.88
04/01/2008			169,396.88	169,396.88
10/01/2008			169,396.88	169,396.88
04/01/2009			169,396.88	169,396.88
10/01/2009			169,396.88	169,396.88
04/01/2010			169,396.88	169,396.88
10/01/2010			169,396.88	169,396.88
04/01/2011			169,396.88	169,396.88
10/01/2011			169,396.88	169,396.88
04/01/2012			169,396.88	169,396.88
10/01/2012			169,396.88	169,396.88
04/01/2013			169,396.88	169,396.88
10/01/2013	$6,750,000.00	$0.00	169,396.88	$6,919,396.88
	$6,750,000.00	$0.00	$2,371,556.32	$9,121,556.32

SCHEDULE B

SCHEDULE OF FEDERAL SECURITIES
TO BE PURCHASED AT CLOSING

Purchase Date	Maturity Date	Par Amount	Interest Rate	Purchase Cost	Type
02/06/2007	04/01/2007	$117,422	4.94%	$117,422	SLG-Cert
02/06/2007	04/01/2012	1,958,180	4.85	1,958,180	SLG-Note
02/06/2007	10/01/2012	$5,146,335	4.85	5,146,335	SLG-Note
		$7,221,937		$7,221,937	

SCHEDULE C

SCHEDULE OF FEDERAL SECURITIES
TO BE PURCHASED ON FUTURE DATES

Purchase Date	Maturity Date	Par Amount	Interest Rate	Purchase Cost	Type
10/01/2007	04/01/2013	$2,888	0.00%	$2,888	SLG-Note
04/01/2008	04/01/2013	2,888	0.00	2,888	SLG-Note
10/01/2008	04/01/2013	2,887	0.00	2,887	SLG-Note
04/01/2009	04/01/2013	2,888	0.00	2,888	SLG-Note
10/01/2009	04/01/2013	2,887	0.00	2,887	SLG-Note
04/01/2010	04/01/2013	2,888	0.00	2.888	SLG-Note
10/01/2010	04/01/2013	2,888	0.00	2,888	SLG-Note
04/01/2011	04/01/2013	2,887	0.00	2,887	SLG-Note
10/01/2011	04/01/2013	2,888	0.00	2,888	SLG-Note
04/01/2012	04/01/2013	143,408	0.00	143,408	SLG-Cert
04/01/2012	10/01/2013	1,817,660	0.00	1,817,660	SLG-Note
10/01/2012	10/01/2013	5,101,736	0.00	5,101,736	SLG-Cert

CERTIFICATE OF ESCROW AGENT

U.S. Bank National Association, is acting as Escrow Agent under the Escrow Deposit Agreement, dated as of February 6, 2007 (the "Escrow Deposit Agreement") between itself, and the City of Stuart, Florida (the "Issuer"), relating to the issuance of the following described obligations of the Issuer:

> $7,142,000 City of Stuart, Florida Subordinate Lien Public Utilities Revenue Refunding Note, Series 2007, consisting of one fully-registered Note dated February 6, 2007, bearing interest at a fixed rate of 4.05% and maturing on October 1, 2028.

U.S. Bank National Association (the "Bank") does hereby certify, represent and warrant the following:

(1) The Bank hereby accepts the duties and obligations of Escrow Agent securing the payment of the Refunded Bonds as defined in the Escrow Deposit Agreement.

(2) The Bank is duly incorporated and validly existing in good standing under the laws of the United States as a national banking association, with full right, power and authority to enter into the Escrow Deposit Agreement and to perform its obligations under, and carry out and consummate all of the transactions contemplated by the Escrow Deposit Agreement.

(3) The Escrow Deposit Agreement was executed on behalf of the Bank by Paula Wingo, Assistant Vice President, a duly appointed and authorized officer thereof who is empowered to execute and deliver such Escrow Deposit Agreement pursuant to the extract of the Bylaws attached hereto as Exhibit A, and the signature of the person appearing on such Escrow Deposit Agreement is a genuine signature.

(4) The Escrow Deposit Agreement has been duly authorized, executed and delivered by the Bank and, assuming the due authorization, execution and delivery by the Issuer and the Authority of such instrument, the Escrow Deposit Agreement constitutes a legal, valid and binding obligation of the Bank enforceable in accordance with its terms.

All capitalized terms not otherwise defined herein shall have the meaning given in the Escrow Deposit Agreement.

[Remainder of page intentionally left blank]

(5) The execution and delivery by the Bank of the Escrow Deposit Agreement is not, and the performance of its obligations thereunder will not, be inconsistent with its charter or bylaws, and, to the best of the knowledge of the undersigned, does not and will not contravene any law, governmental rule or regulation, judgment or order applicable to it and does not and will not contravene any provisions, or constitute a default under, any indenture, mortgage, contract or other instrument to which it is a party or by which it is bound or require the consent or approval of, the giving of notice to, the registration with or the taking of any action in respect of or by, any governmental authority or agency of the United States or the State of Florida, or any subdivision or agency thereof, except such as have been obtained, given or accomplished.

(6) The Bank is in receipt of the funds described in Section 2 of the Escrow Deposit Agreement and has purchased the securities described in Section 3(b) of the Escrow Deposit Agreement.

Dated this 6th day of February, 2007.

U.S. BANK NATIONAL ASSOCIATION

By: _____
Name: K R Broecker
Title: V.P

Bryant ▪ Miller ▪ Olive

ATTORNEYS AT LAW

TRANSMITTAL MEMORANDUM

TO: Attached Transcript Distribution List

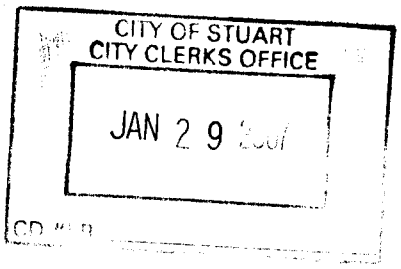
FROM: Duane D. Draper

DATE: January, 2007

RE: City of Stuart, Florida
Subordinate Lien Public Utilities Revenue Refunding Note, Series 2006

Enclosed please find your transcript of closing documents for the above-captioned matter. Please acknowledge receipt by executing the acknowledgment below and faxing a copy to me at your earliest convenience at **813.223.2705.** Should you have any questions, please do not hesitate to call me.

Enclosure



RECEIVED BY:

_____

Name:_____

Firm:_____

Date:_____

TRANSCRIPT DISTRIBUTION LIST

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(3 bound copies)

Dorothy Zaharako
Financial Services Director
City of Stuart
121 SW Flagler Avenue
Stuart, Florida 34994

* **CITY OF STUART, FLORIDA**
(1 bound copy)

Cheryl White
City Clerk
City of Stuart
121 SW Flagler Avenue
Stuart, Florida 34994

* **BRYANT MILLER OLIVE P.A.**
(2 bound copies)

Duane Draper, Esq.
Bryant Miller Olive P.A.
One Tampa City Center, Suite 2700
Tampa, Florida 33602

* **BRYANT MILLER OLIVE P.A.**

JoLinda Herring
Bryant Miller Olive P.A.
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2 S. Biscayne Boulevard, Suite 1480
Miami, Florida 33131

* **PUBLIC FINANCIAL MANAGEMENT, INC.**
(1 bound copy)

Jay Glover
Senior Managing Consultant
Public Financial Management, Inc.
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Orlando, Florida 32801

* **BANK OF AMERICA, N.A.**
(1 bound copy)

Holly Kuhlman
Senior Vice President/Credit
Bank of America, N.A.
4501 Tamiami Trail North, Suite 400
Naples, Florida 34103

* **EDWARDS ANGELL PALMER & DODGE LLP**
(1 bound copy)

Richard Miller
Edwards Angell Palmer & Dodge LLP
One North Clematis Street, Suite 400
West Palm Beach, Florida 33401

* **U.S. BANK NATIONAL ASSOCIATION**
(1 bound copy)

Paula Wingo
U.S. Bank National Association
Mail Code FL-Orlando-4028
225 E. Robinson Street, Suite 250
Orlando, Florida 32801

BEFORE THE CITY COMMISSION
CITY OF STUART, FLORIDA

RESOLUTION NO.118-2011

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF STUART, FLORIDA, AUTHORIZING THE REFINANCING OF ALL OF THE CITY'S SUBORDINATE LIEN PUBLIC UTILITIES REVENUE REFUNDING NOTE, SERIES 2007B; AUTHORIZING THE CITY TO BORROW FROM SUNTRUST EQUIPMENT FINANCE & LEASING CORP. IN THE PRINCIPAL AMOUNT OF NOT EXCEEDING $4,300,000 FOR SUCH PURPOSE PROVIDED CERTAIN CONDITIONS ARE MET; PROVIDING THAT SUCH DEBT SHALL BE A LIMITED OBLIGATION OF THE CITY PAYABLE FROM CERTAIN REVENUES AS PROVIDED HEREIN; MAKING CERTAIN COVENANTS AND AGREEMENTS IN CONNECTION THEREWITH; AND PROVIDING FOR AN EFFECTIVE DATE.

BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF STUART, FLORIDA that:

Section 1: Authority for this Resolution. This Resolution is adopted pursuant to the provisions of Article VIII, Section 2 of the Constitution of the State of Florida, Chapter 166, Florida Statutes, the Charter of the City of Stuart, Florida, and other applicable provisions of law.

Section 2: Authorization of Refinancing. The City is authorized to refinance (the "Refunding") all of the City's Subordinate Lien Public Utilities Revenue Refunding Note, Series 2007B (the "Note") by borrowing funds on a negotiated basis from SunTrust Equipment Finance & Leasing Corp. (the "Purchaser") for such purpose. The City determines that it is in the best interest of the City to proceed with a negotiated loan rather than a competitive bid due to the small size of the transaction, the need for flexibility in the timing of the transaction and the favorable terms being provided by the Purchaser. The amount of funds borrowed from the Purchaser shall not exceed $4,300,000. The Refunding shall not proceed unless as a result thereof the City's financial advisor, Public Financial Management, Inc. reports to the City that the City has realized net (that is, after payment of all costs of the Refunding) present value debt

service savings in an amount not less than 5% of the principal amount of the Refunded Note.

Section 3: Description of Loan and Refunding. Subject to the provisions of Section 2 hereof, the terms of the loan (the "Loan") from the Purchaser to the City shall be specified in the Loan Documents hereinafter described, provided that the obligations of the City under the Loan Documents shall be limited obligations, payable solely from (i) Net Revenues of the Public Utilities System of the City (as those terms are defined in the Resolution No. 163-94 of the City Commission (as amended and supplemented, the "Bond Resolution")) on a basis subordinate to the "Bonds" issued and as may hereafter be issued thereunder and on a parity basis with the $8,129,000 Subordinate Lien Public Utilities Revenue Refunding Note, Series 2006 and the $7,142,000 Subordinate Lien Public Utilities Revenue Refunding Note, Series 2007, and (ii) lawfully available non-ad valorem revenues of the City budgeted and appropriated by the City for such purpose in the manner and to the extent provided in the Loan Documents. In addition, the interest rate on the loan shall not exceed the maximum lawful rate and the final maturity date of the Loan may not exceed the final maturity date of the Refunded Note.

Section 4: Authorization of Loan Documents. Subject to the provisions of Section 2 hereof, the City is authorized to make its promissory note and to enter into such other agreements with such parties, as shall be necessary to accomplish the Refunding, including but not limited to a Loan Agreement in the form attached hereto as Exhibit A, and all other ancillary documents necessary or desirable for the transaction (all of such documents, the "Loan Documents"), and to expend proceeds of the Loan in furtherance of the Refunding. The City hereby authorizes and directs the City Manager to execute and deliver on behalf of the City the Loan Documents, which upon such execution shall be valid and binding on the City. The Loan Documents may designate the Loan as a "qualified tax-exempt financing" for purposes of Section 265 of the Internal Revenue Code.

Section 5: Severability. If any provision of this Resolution shall be held or deemed to be or shall, in fact, be illegal, inoperative or unenforceable in any context, the same shall not affect any other provision herein or render any other provision (or such provision in any other context) invalid, inoperative or unenforceable to any extent whatever.

Section 6: Applicable Provisions of Law. This Resolution shall be governed by and construed in accordance with the laws of the State of Florida.

Section 7: Authorizations. The Mayor and City Manager and such other officials and employees of the City as may be designated by the City Manager are each designated as agents of the City in connection with the Refunding and are authorized and empowered, collectively or individually, to take all action and steps and to execute all instruments, documents, and contracts on behalf of the City that are necessary or desirable in connection with the Refunding, and which are specifically authorized or are not inconsistent with the terms and provisions of this Resolution.

Section 8: Open Meeting Findings. It is hereby found and determined that all official acts by the Commission concerning and relating to the adoption of this Resolution and all prior resolutions affecting the Commission's ability to issue the Note were taken in an open meeting of the Commission and that all deliberations of the Commission or any of its committees that resulted in such official acts were in meetings open to the public, in compliance with all legal requirements, including Section 286.011, Florida Statutes.

Section 9: Repealer. All resolutions or parts thereof in conflict herewith are hereby repealed.

Section 10: Effective Date. This Resolution shall be in full force and take effect immediately upon its passage and adoption.

ADOPTED this 28th day of November, 2011.

Commissioner Christie offered the foregoing resolution and moved its adoption. The motion was seconded by Commissioner Clarke and upon being put to a roll call vote, the vote was as follows:

	YES	NO	ABSENT
JEFFREY A. KRAUSKOPF, MAYOR	✓		
JAMES A. CHRISTIE, Jr., VICE MAYOR	✓		
KELLI GLASS, COMMISSIONER	✓		
EULA R. CLARKE, COMMISSIONER	✓		
TROY A. McDONALD, COMMISSIONER	✓		

ATTEST:

CHERYL WHITE
CITY CLERK

JEFFREY KRAUSKOPF
MAYOR

APPROVED AS TO FORM
AND CORRECTNESS:

MICHAEL D. DURHAM
CITY ATTORNEY

EXHIBIT A

FORM OF LOAN AGREEMENT

LOAN AGREEMENT

Dated as of December 1, 2011

By and Between

CITY OF STUART, FLORIDA

(the "City")

and

SUNTRUST EQUIPMENT FINANCE & LEASING CORP.

(the "Purchaser")

$4,178,000
Subordinate Lien Public Utilities Revenue Refunding Note, Series 2011

TABLE OF CONTENTS

(The Table of Contents for this Loan Agreement is for convenience of reference only and is not intended to define, limit or describe the scope or intent of any provisions of this Loan Agreement.)

Page

ARTICLE I -- DEFINITION OF TERMS 2
Section 1.01. Definitions 2
Section 1.02. Interpretation 5
Section 1.03. Titles and Headings 5

ARTICLE II -- REPRESENTATIONS AND WARRANTIES OF THE PARTIES 6
Section 2.01. Representations and Warranties of City 6
Section 2.02. Representations and Warranties of Purchaser 6

ARTICLE III -- THE NOTE 8
Section 3.01. The Loan; Purpose and Use 8
Section 3.02. The Note 8
Section 3.03. Compliance with Section 215.84 8
Section 3.04. Registration of Transfer; Assignment of Rights of Purchaser 8
Section 3.05. Ownership of the Note 9
Section 3.06. Use of Proceeds of Note Permitted Under Applicable Law 10

ARTICLE IV -- COVENANTS OF THE CITY 11
Section 4.01. Performance of Covenants 11
Section 4.02. Payment of Note 11
Section 4.03. Covenant to Budget and Appropriate 12
Section 4.04. Tax Covenant 13
Section 4.05. Bank Qualified 13
Section 4.06. Budget and Other Financial Information 13
Section 4.07. Compliance with Laws and Regulations 14
Section 4.08. Incorporation of Senior Lien Bond Resolution Covenants; Rate Covenant 14
Section 4.09. Application of Proceeds of Note 14

ARTICLE V -- EVENTS OF DEFAULT AND REMEDIES 15
Section 5.01. Events of Default 15
Section 5.02. Exercise of Remedies 16
Section 5.03. Remedies Not Exclusive 16
Section 5.04. Waivers, Etc. 16

ARTICLE VI -- MISCELLANEOUS PROVISIONS 18
Section 6.01. Covenants to City, Etc.; Successors 18

Section 6.02. Term of Agreement 18
Section 6.03. Amendments and Supplements 18
Section 6.04. Notices 18
Section 6.05. Benefits Exclusive 19
Section 6.06. Severability 19
Section 6.07. Payments Due on Saturdays, Sundays and Holidays 19
Section 6.08. Counterparts 19
Section 6.09. Applicable Law 19
Section 6.10. No Personal Liability 19
Section 6.11. Defeasance. 20
Section 6.12. Waiver of Jury Trial 20
Section 6.13. Incorporation by Reference 20

Exhibit A Form of Note A-1

LOAN AGREEMENT

THIS LOAN AGREEMENT (the "Agreement"), made and entered into this 1st day of December, 2011, by and between CITY OF STUART, FLORIDA (the "City"), a political subdivision of the State of Florida and its successors and assigns, and SUNTRUST EQUIPMENT FINANCE & LEASING CORP., and its successors and assigns (the "Purchaser").

W I T N E S S E T H:

WHEREAS, capitalized terms used in these recitals and not otherwise defined shall have the meanings specified in Article I of this Agreement;

WHEREAS, the City, pursuant to the provisions of the Florida Constitution, Chapter 166, Florida Statutes, as amended and supplemented, the Charter of the City and any other applicable provisions of law (all of the foregoing, collectively, the "Act"), and Resolution No. 163-94, adopted by the City Commission of the City on December 8, 1994, as amended and supplemented from time to time, and as particularly amended by Resolution No. 150-03 adopted by the City Commission of the City on July 21, 2003 (collectively, the "Senior Lien Bond Resolution"), and Resolution No. __-11, adopted by the City Commission of the City on November 28, 2011 (the "Junior Lien Note Resolution") is authorized to borrow money, issue bonds, notes or other obligations to finance or refinance the costs of capital expenditures to the City's Public Utilities System (as such term is defined in the Senior Lien Bond Resolution); and

WHEREAS, the City desires to borrow an amount equal to Four Million One Hundred Seventy-Eight Thousand Dollars ($4,178,000) in order to currently refund the City's Subordinate Lien Public Utilities Revenue Refunding Note, Series 2007B (the "Refunded Note") and the Purchaser is willing to purchase the City's Subordinate Lien Public Utilities Revenue Refunding Note, Series 2011 (the "Note") to accomplish this purpose, but only upon the terms and conditions of this Agreement; and

WHEREAS, the Note will be junior, inferior and subordinate in all respects to the "Bonds" issued pursuant to the Senior Lien Bond Resolution as to lien on and source of security for payments from the Net Revenues (as such term is defined in the Senior Lien Bond Resolution) and in all other respects, and will be secured in the manner and to the extent as provided herein; and

WHEREAS, the Note will be secured by the Designated Revenues (as such term is defined herein) on parity with the City of Stuart, Florida Subordinate Lien Public Utilities Revenue Refunding Note, Series 2006 (the "2006 Parity Note") issued pursuant to that certain Loan Agreement dated December 28, 2006 between the City and the Bank of America, N.A. and the City of Stuart, Florida Subordinate Lien Public Utilities Revenue Refunding Note, Series 2007 (the "2007 Parity Note") issued pursuant to that certain Loan Agreement dated February 6, 2007 between the City and the Bank of America, N.A.;

NOW, THEREFORE, the parties hereto agree as follows:

ARTICLE I

DEFINITION OF TERMS

Section 1.01. Definitions. Capitalized terms used in this Agreement and not defined in the Senior Lien Bond Resolution and not otherwise defined shall have the respective meanings as follows:

"Act" shall have the meaning assigned to that term in the recitals hereof.

"Agreement" shall mean this Loan Agreement and all modifications, alterations, amendments and supplements hereto made in accordance with the provisions hereof.

"Bond Counsel" shall mean, initially, Bryant Miller Olive P.A., or any other attorney at law or firm of attorneys of nationally recognized standing in matters pertaining to the federal tax exemption of interest on obligations issued by states and political subdivisions.

"Business Day" shall mean any day other than a Saturday, a Sunday, or a day on which banks in Stuart, Florida are authorized or required to be closed.

"City" shall mean the City of Stuart, Florida, a municipal corporation.

"Code" shall mean the Internal Revenue Code of 1986, as amended from time to time, and the applicable rules and regulations promulgated thereunder.

"Debt Service" means principal and interest, and other debt-related costs, due in connection with the Note, as applicable, and any and all subordinated debt and any other liabilities of the City for borrowed money.

"Default Rate" shall mean the Prime Rate plus three percent (3%) provided such rate shall not exceed the highest rate of interest allowed by applicable law.

"Designated Revenues" shall mean (i) Net Revenues which are available after making all payments required pursuant to the Senior Lien Bond Resolution, and (ii) legally available non-ad valorem revenues of the City budgeted and appropriated in accordance with Section 4.03 hereof. Notwithstanding anything herein to the contrary, the Note will be junior, inferior and subordinate in all respects to the "Bonds" issued pursuant to the Senior Lien Bond Resolution as to lien on and source of security for payments from the Net Revenues and in all other respects.

"Event of Default" shall mean an Event of Default as defined in Section 5.01 of this Agreement.

"Federal Securities" shall mean:

1. Cash

2. U.S. Treasury Certificates, Note and Bonds (including State and Local Government Series – "SLGs")

3. Direct obligations of the Treasury which have been stripped by the Treasury itself, CATS, TIGRS and similar securities.

4. Resolution Funding Corp. (REFCORP). Only the interest component of REFCORP strips which have been stripped by request to the Federal Reserve Bank of New York in book entry form are acceptable.

5. Pre-refunded municipal bonds rated "Aaa" by Moody's Investors Service ("Moody's") and "AAA" by Standard & Poor's Ratings Group ("S&P"). If, however, the issue is only rated by S&P, then the pre-Note must have been pre-refunded with cash, direct U.S. or U.S. guaranteed obligations, or AAA rated pre-refunded municipals to satisfy this condition.

6. Obligations issued by the following agencies which are backed by the full faith and credit of the U.S.:

   a. U.S. Export-Import Bank (Eximbank)

      Direct obligations or fully guaranteed certificates of beneficial ownership

   b. Farmers Home Administration (FmHA)

      Certificates of beneficial ownership

   c. Federal Financing Bank

   d. General Services Administration

      Participation certificates

   e. U.S. Maritime Administration

      Guaranteed Title XI financing

f. U.S. Department of Housing and Urban Development (HUD)

Project Note
Local Authority Bonds
New Communities Debentures – U.S. government guaranteed debentures and U.S. Public Housing Note and Bonds – U.S. government guaranteed public housing Note and bonds

"Final Maturity Date" shall mean the date on which all principal and all unpaid interest accrued on a Note shall be due and payable in full, which date shall be, if not sooner due to prepayment, October 1, 2024.

"Fiscal Year" shall mean the twelve month period commencing October 1 of each year and ending on the succeeding September 30, or such other twelve month period as the City may designate as its "fiscal year" as permitted by law.

"Loan" shall collectively refer to an amount equal to the outstanding principal amount of the Note together with unpaid interest which has accrued pursuant to and in accordance with this Agreement.

"Net Revenues" shall have the meaning ascribed thereto in the Senior Lien Bond Resolution.

"Note" shall mean the $4,178,000 City of Stuart, Florida Subordinate Lien Public Utilities Revenue Refunding Note, Series 2011, which evidences the Loan.

"Note Rate" shall mean 2.303%.

"Noteholder" shall mean the Purchaser as the holder of the Note and any subsequent registered holder of the Note.

"2006 Parity Note" shall mean the City of Stuart, Florida Subordinate Lien Public Utilities Revenue Refunding Note, Series 2006.

"2007 Parity Note" shall mean the City of Stuart, Florida Subordinate Lien Public Utilities Revenue Refunding Note, Series 2007.

"Parity Notes" shall mean the Note, the 2006 Parity Note, the 2007 Parity Note and any notes issued in the future which is secured by a lien on Designated Revenues which is on parity and equal status therewith.

"Prime Rate" shall mean a rate of interest equal to the announced prime commercial lending rate per annum of an affiliated bank of the Purchaser. The Prime Rate is a reference rate for the information and use of an affiliated bank of the Purchaser in establishing the actual rate to be charged to the City. The Prime Rate is purely discretionary and is not necessarily the lowest or best rate charged any customer. The Prime Rate shall be adjusted from time to time without notice or demand as of the effective date of any announced change thereof.

"Purchaser" shall mean SunTrust Equipment Finance & Leasing Corp., and its successors and assigns.

Section 1.02. Interpretation. Unless the context clearly requires otherwise, words of masculine gender shall be construed to include correlative words of the feminine and neuter genders and vice versa, and words of the singular number shall be construed to include correlative words of the plural number and vice versa. Any capitalized terms used in this Agreement not herein defined shall have the meaning ascribed to such terms in the Senior Lien Bond Resolution. This Agreement and all the terms and provisions hereof shall be construed to effectuate the purpose set forth herein and to sustain the validity hereof.

Section 1.03. Titles and Headings. The titles and headings of the Articles and Sections of this Agreement, which have been inserted for convenience of reference only and are not to be considered a part hereof, shall not in any way modify or restrict any of the terms and provisions hereof, and shall not be considered or given any effect in construing this Agreement or any provision hereof or in ascertaining intent, if any question of intent should arise.

[Remainder of page intentionally left blank]

ARTICLE II

REPRESENTATIONS AND WARRANTIES OF THE PARTIES

Section 2.01. Representations and Warranties of City. The City represents and warrants to the Purchaser as follows:

(a) Existence. The City is a municipal corporation of the State of Florida, duly created and validly existing under the laws of the State of Florida, with full power to enter into this Agreement, to perform its obligations hereunder and to issue and deliver the Note to the Purchaser. The making, execution and performance of this Agreement on the part of the City and the issuance and delivery of the Note has been duly authorized by all necessary action on the part of the City and does not violate or conflict with the Act, or any agreement, indenture or other instrument by which the City or any of its material properties is bound.

(b) Validity, Etc. This Agreement, the Note, the Senior Lien Bond Resolution and the Junior Lien Note Resolution are valid and binding obligations of the City enforceable against the City in accordance with their respective terms, except to the extent that enforceability may be subject to valid bankruptcy, insolvency, financial emergency, reorganization, moratorium or similar laws relating to or from time to time affecting the enforcement of creditors' rights and except to the extent that the availability of certain remedies may be precluded by general principles of equity.

(c) No Financial Material Adverse Change. No financial material adverse change has occurred in the City since the last audited financial statement was prepared.

(d) Powers of City. The City has the legal power and authority to pledge the Net Revenues and to covenant to budget and appropriate legally available non-ad valorem revenues of the City in the manner and to the extent described herein.

Section 2.02. Representations and Warranties of Purchaser. The Purchaser represents and warrants to the City as follows:

(a) Existence. The Purchaser is authorized to do business in the State of Florida, with full power to enter into this Agreement, to perform its obligations hereunder and to make the Loan. The performance of this Agreement on the part of the Purchaser and the making of the Loan have been duly authorized by all necessary action on the part of the Purchaser and will not violate or conflict with applicable law or any material agreement, indenture or other instrument by which the Purchaser or any of its material properties is bound.

(b) Validity. This Agreement is a valid and binding obligation of the Purchaser enforceable against the Purchaser in accordance with its terms, except to the extent that enforceability may be subject to valid bankruptcy, insolvency, financial emergency,

reorganization, moratorium or similar laws relating to or from time to time affecting the enforcement of creditors' rights (and specifically creditors' rights as the same relate to banks) and except to the extent that the availability of certain remedies may be precluded by general principles of equity.

(c) Knowledge and Experience. The Purchaser (i) has such knowledge and experience in financial and business matters that it is capable of evaluating the merits and risks of making the Loan and investing in the Note, (ii) has received and reviewed such financial information concerning the City as it has needed in order to fairly evaluate the merits and risks of making the Loan and investing in the Note; (iii) is an "accredited investor" as such term is defined in the Securities Act of 1933, as amended and Regulation D thereunder; and (iv) is purchasing the Note as an investment primarily for its own account and not with a present view toward resale to the public.

[Remainder of page intentionally left blank]

ARTICLE III

THE NOTE

Section 3.01. The Loan; Purpose and Use. On the date of this Agreement, the Purchaser shall make available to the City the Loan in the principal amount of Four Million One Hundred Seventy-Eight Thousand Dollars ($4,178,000). Together with other legally available funds of the City in an amount equal to $69,140.22, the proceeds of the Loan shall be used to currently refund the Refunded Note, and to pay the costs of issuance of the Note.

Section 3.02. The Note. The Note shall be substantially in the form set forth as Exhibit "A" to this Agreement. The general terms of the Note shall be as follows:

(a) Amount of Note. The principal amount of the Note shall not exceed Four Million One Hundred Seventy-Eight Thousand Dollars ($4,178,000).

(b) Interest. The Note shall bear interest at the Note Rate. Upon the occurrence of one or more of the events specified in the Note, the Note Rate shall be adjusted as therein provided. Interest on the Note shall be computed on the basis of 30-day months and a 360-day year.

(c) Payment Provisions. Interest on the Note shall be payable on April 1 and October 1, commencing April 1, 2012. Principal on the Note shall be payable on each October 1, commencing October 1, 2012 through and including the Final Maturity Date, in the amounts set forth in the Note.

(d) Prepayments. The Note shall be subject to prepayment by the City prior to maturity, as specified in the Note. Each prepayment shall be made on such date and in such principal amount as shall be specified by the City in a written notice delivered to the Noteholder not less than twenty (20) days prior to the specified prepayment date.

Section 3.03. Compliance with Section 215.84. The City represents, warrants, and covenants that the Note Rate, as currently calculated in accordance with Section 215.84, Florida Statutes, is in compliance with Section 215.84, Florida Statutes.

Section 3.04. Registration of Transfer; Assignment of Rights of Purchaser. The City shall keep at the office of the City Clerk in the City's records the registration of the Note and the registration of transfers of the Note as provided in this Agreement. Subject to the restriction set forth in the fourth paragraph of this Section, the transfer of the Note may be registered only upon the books kept for the registration of the Note and registration of transfer thereof upon surrender thereof to the City together with an assignment duly executed by the Purchaser or its attorney or legal representative in the form of the assignment set forth on the form of the Note attached as Exhibit A to this Agreement; provided, however, that the Note may be transferred

only in whole and not in part. Notwithstanding anything herein to the contrary, the Note may not be transferred in a denomination less than $100,000 under any circumstances.

In the case of any such registration or transfer, the City shall execute and deliver in exchange for the applicable Note a new Note registered in the name of the transferee. In all cases in which Note shall be transferred hereunder, the City shall execute and deliver at the earliest practicable time new Note in accordance with the provisions of this Agreement. The City may make a charge for every such registration of transfer of a Note sufficient to reimburse it for any tax or other governmental charges required to be paid with respect to such registration of transfer, but no other charge shall be made for registering the transfer hereinabove granted. The Note shall be issued in fully registered form and shall be payable in any coin or currency of the United States.

The registration of transfer of the Note on the registration books of the City shall be deemed to effect a transfer of the rights and obligations of the Purchaser under this Agreement to the transferee. Thereafter, such transferee shall be deemed to be the Purchaser under this Agreement and shall be bound by all provisions of this Agreement that are binding upon the Purchaser. The City and the transferor shall execute and record such instruments and take such other actions as the City and such transferee may reasonably request in order to confirm that such transferee has succeeded to the capacity of Purchaser under this Agreement and the Note.

In the event any Note is mutilated, lost, stolen, or destroyed, the City shall execute a new Note of like date and denomination as that mutilated, lost, stolen or destroyed, provided that, in the case of any mutilated Note, such mutilated Note shall first be surrendered to the City, and in the case of any lost, stolen, or destroyed Note, there first shall be furnished to the City evidence of such loss, theft or destruction together with an indemnity satisfactory to it.

Nothing in this Agreement or in the Note shall be construed to prohibit the Purchaser from granting a participation or participations in the Note to any other bank or banks affiliated with the Purchaser or any subsidiary thereof. No such bank shall, however, be a registered holder of the Note or any portion thereof.

Section 3.05. Ownership of the Note. The person in whose name the Note is registered shall be deemed and regarded as the absolute owner thereof for all purposes, and payment of or on account of the Note shall be made only to the registered owner thereof or such owner's legal representative. All such payments shall be valid and effectual to satisfy and discharge the liability upon the Note, and interest thereon, to the extent of the sum or sums so paid.

The registered owner of the Note is hereby granted power to transfer absolute title thereof by assignment thereof to a bona fide purchaser for value (present or antecedent) without notice of prior defenses or equities or claims of ownership enforceable against such owner's assignor or any person in the chain of title and before the maturity of the Note; provided, however, that the Note may be transferred only in whole and not in part and

provided further, that no transfer shall be permitted absent the City's (and the Purchaser's) receipt of a letter in form and substance similar to the one delivered by the Purchaser pursuant to Section 218.385, Florida Statutes, from such proposed transferee. Every prior registered owner of each Note shall be deemed to have waived and renounced all of such owner's equities or rights therein in favor of every such bona fide purchaser, and every such bona fide purchaser shall acquire absolute title thereto and to all rights represented thereby.

Section 3.06. Use of Proceeds of Note Permitted Under Applicable Law. The City represents, warrants and covenants that the proceeds of the Note will be used solely in the manner and to the extent described in Section 3.01 hereof and that such use is permitted by applicable law.

[Remainder of page intentionally left blank]

FedEx

Shipment Receipt
Address Information

Ship to:
Debbie Lichty
Bryant Miller Olive
201 N FRANKLIN ST STE 2700

TAMPA, FL
33602-5816
US
813-222-1724

Ship from:
Cheryl White
City of Stuart
121 SW Flagler Ave

Stuart, FL
34994
US
7722885306

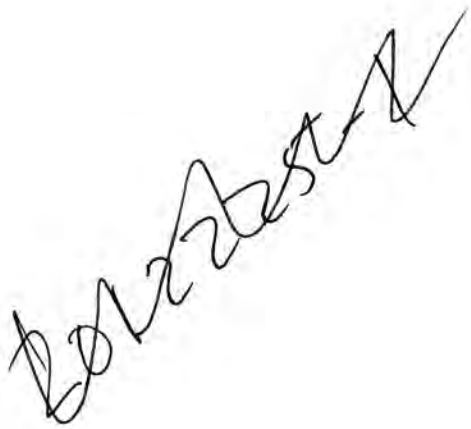
Shipping Information
Tracking number: 797783656945
Ship date: 11/29/2011
Estimated shipping charges: 0.00

Package Information
Service type: First Overnight
Package type: FedEx Envelope
Number of packages: 1
Total weight: 1LBS
Declared value: 10.00USD
Special Services:
Pickup/Drop-off: Use an already scheduled pickup at my location

Billing Information
Bill transportation to: MyAccount-828
Your reference:
P.O. no.:
Invoice no.:
Department no.:

Thank you for shipping online with Fedex *ShipManager at fedex.com.*

Please Note
FedEx will not be responsible for any claim in excess of $100 per package, whether the result of loss, damage, delay, non-delivery, misdelivery, or misinformation, unless you declare a higher value, pay an additional charge, document your actual loss and file a timely claim. Limitations found in the current FedEx Service Guide apply. Your right to recover from FedEx for any loss, including intrinsic value of the package, loss of sales, income interest, profit, attorney's fees, costs, and other forms of damage whether direct, incidental, consequential, or speical is limited to the greater of $100 or the authorized declared value. Recovery cannot exceed actual documented loss. Maximum for items of extraordinary value is $500, e.g., jewelry, precious metals, negotiable instruments and other items lised in our Service Guide. Written claims must be filed within strict time limits; Consult the applicable FedEx Service Guide for details.
The estimated shipping charge may be different than the actual charges for your shipment. Differences may occur based on actual weight, dimensions, and other factors. Consult the applicable FedEx Service Guide or the FedEx Rate Sheets for details on how shipping charges are calculated.



CITY OF STUART, FLORIDA
CITY COMMISSION
AGENDA ITEM REQUEST

Meeting Date: 11/28/2011 **Prepared by:** Alice Lyons

Ordinance/Resolution No. 118-2011

Title of Item:

Authorization to execute Bond Loan Documents

Summary Explanation/Background Information on Agenda Request:

Resolution 112-2011 awarded RFP-2012-109 for a bank loan for Refunding Revenue Bond to SunTrust Equipment & Finance Leasing Corp. This resolution authorizes the Mayor, City Clerk and City Manager to execute loan documents after approval by City Attorney.

Funding Source:

n/a

Recommended Action:

Authorize the execution of loan documents.

Iverson, Terry
Purchasing Manager

Zaharako, Dorothy
Finance Director

Durham, Michael
City Attorney

Nicoletti, Paul
City Manager

CERTIFICATE AS TO PUBLIC MEETINGS
AND NO CONFLICT OF INTEREST

STATE OF FLORIDA:
CITY OF STUART:

Each of the undersigned members of the City Commission (the "City Commission") of the City of Stuart, Florida (the "Issuer"), recognizing that the purchaser of the not to exceed $4,300,000 City of Stuart, Florida Subordinate Lien Public Utilities Revenue Refunding Note, Series 2011 (the "Note"), will have purchased said Note in reliance upon this Certificate, DO HEREBY CERTIFY:

(1) that he or she has no personal knowledge that any two or more members of the City Commission, meeting together, reached any prior conclusion as to whether the actions taken by the City Commission, with respect to said Note, the security therefor and the application of the proceeds thereof, should or should not be taken by the City Commission or should or should not be recommended as an action to be taken or not to be taken by the City Commission, except at public meetings of the City Commission held after due notice to the public was given in the ordinary manner required by law and custom of the City Commission;

(2) that he or she does not have or hold any employment or contractual relationship with SunTrust Equipment Finance & Leasing Corp. which is purchasing the Note from the Issuer that could constitute a prohibited conflict of interest under Part III, Chapter 112, Florida Statutes.

IN WITNESS WHEREOF, we have hereunto affixed our official signatures as of the 28th day of November, 2011.



BEFORE THE CITY COMMISSION
CITY OF STUART, FLORIDA

RESOLUTION NUMBER 46-2019

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF STUART, FLORIDA AUTHORIZING THE ISSUANCE OF A PUBLIC UTILITY SPECIAL OBLIGATION BOND ANTICIPATION NOTE, SERIES 2019 OF THE CITY IN THE PRINCIPAL AMOUNT OF NOT TO EXCEED $1,500,000 TO FINANCE EXPANSION OF SEWER IMPROVEMENTS WITHIN THE PUBLIC UTILITY SYSTEM; PROVIDING THAT THE BOND ANTICIPATION NOTE SHALL BE A LIMITED OBLIGATION OF THE CITY PAYABLE FROM PROCEEDS OF A SERIES OF BONDS EXPECTED TO BE ISSUED ON OR PRIOR TO THE MATURITY DATE OF SUCH BOND ANTICIPATION NOTE AND PUBLIC UTILITY NON-AD VALOREM REVENUES BUDGETED, APPROPRIATED, AND DEPOSITED AS PROVIDED HEREIN; PROVIDING FOR THE RIGHTS, SECURITIES AND REMEDIES FOR THE OWNER OF THE BOND ANTICIPATION NOTE; MAKING CERTAIN COVENANTS AND AGREEMENTS IN CONNECTION THEREWITH; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, it is necessary and urgent that funds be made immediately available in order to provide funds to immediately commence the expansion of sewer improvements within the hereinafter defined Public Utility System (the "Project"); and

WHEREAS, the City of Stuart, Florida (the "Issuer") intends to issue a series of bonds on or before the hereinafter defined Maturity Date (the "Takeout Refinancing") to refinance the hereinafter defined Bond Anticipation Note; and

WHEREAS, the City Commission of the Issuer now desires to adopt this Resolution to authorize its Public Utility Special Obligation Bond Anticipation Note, Series 2019 (the "Bond Anticipation Note") to finance and/or reimburse a portion of the costs of the Project in anticipation of the Takeout Refinancing, which is expected to occur on or prior to the Maturity Date; and

WHEREAS, the Issuer in good faith endeavors to issue the Takeout Refinancing within that timeframe; and

WHEREAS, the Issuer has determined that it is necessary and desirable to adopt this Resolution to provide for various details and other matters with respect to the Bond Anticipation Note.

BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF STUART, FLORIDA that:

Section 1: *Authority for this Resolution.* This Resolution is adopted pursuant to the Constitution and the laws of the State of Florida, Chapter 166, Part II, Florida Statutes, Chapter 159, Part I, Florida Statutes, Section 215.431, Florida Statutes, the Charter of the Issuer, and other applicable provisions of law (collectively, the "Act").

Section 2: *Definitions.* All capitalized undefined terms shall have the same meanings as set forth in this resolution, as hereinafter defined. In addition, the following terms, unless the context otherwise requires, shall have the meanings specified in this section. Words importing the singular number shall include the plural number in each case and vice versa.

"Bond Anticipation Note" shall have the meaning ascribed thereto in the WHEREAS clauses above and authorized by Section 4 hereof, and shall be issued in accordance with Article IV, Section 4 of Resolution No.163-94 adopted by the City Commission of the Issuer on December 8, 1994, as amended.

"Business Day" shall mean any day other than a Saturday, a Sunday, or a day on which banks in Stuart, Florida are authorized or required to be closed.

"City Attorney" shall mean the City Attorney or any acting or interim City Attorney of the Issuer or his or her designee.

"City Clerk" shall mean the City Clerk or any assistant or deputy City Clerk of the Issuer.

"City Manager" shall mean the City Manager or any assistant or deputy City Manager of the Issuer.

"Code" shall mean the Internal Revenue Code of 1986, as amended from time to time, and the applicable rules and regulations promulgated thereunder.

"Debt Service Fund" shall mean the Debt Service Fund established in Section 10 hereof.

"Financial Services Director" shall mean the Financial Services Director of the Issuer or any assistant or deputy thereof.

"Gross Revenues" shall have the meaning ascribed thereto in Resolution No.163-94 adopted by the City Commission of the Issuer on December 8, 1994, as amended.

"Issuer" shall mean the City of Stuart, Florida, a municipal corporation.

"Maturity Date" shall mean May 15, 2020.

"Mayor" shall mean the Mayor or Vice Mayor, or the Mayor's designee of the Issuer.

"Net Revenues" shall mean the Gross Revenues remaining after deducting of monthly Operating Expenses.

"Note Counsel" shall mean, Bryant Miller Olive P.A., or other national recognized bond counsel firm.

"Operating Expenses" shall have the meaning ascribed thereto in Resolution No.163-94 adopted by the City Commission of the Issuer on December 8, 1994, as amended.

"Original Purchaser" shall mean Seacoast National Bank, a national banking association.

"Owner" shall mean the Person or Persons in whose name or names the Bond Anticipation Note shall be registered on the books of the Issuer kept for that purpose in accordance with provisions of this Resolution.

"Person" shall mean natural persons, firms, trusts, estates, associations, corporations, partnerships and public bodies.

"Pledged Revenues" shall mean the proceeds of the Takeout Refinancing and the Public Utility Non-Ad Valorem Revenues budgeted, appropriated and deposited in the Debt Service Fund as provided herein.

"Principal Office" shall mean with respect to the Original Purchaser, 815 Colorado Avenue, Stuart, Florida 34994, or such other office as the Original Purchaser may designate to the Issuer in writing.

"Project" shall have the meaning ascribed thereto in the WHEREAS clauses above.

"Project Fund" shall mean the Project Fund established in Section 11 hereof.

"Public Utility Non-Ad Valorem Revenues" shall mean Net Revenues remaining after satisfying funding requirements for obligations having an express lien on or pledge thereof.

"Public Utilities System" shall have the meaning ascribed thereto in Resolution No.163-94 adopted by the City Commission of the Issuer on December 8, 1994, as amended.

"Resolution" shall mean this resolution, pursuant to which the Bond Anticipation Note is authorized to be issued, including any supplemental resolution(s).

"State" shall mean the State of Florida.

Section 3: *Findings.*

(A) The Issuer declares that it is necessary for the continued preservation of public health and deems it beneficial and in its best financial interest to finance and/or reimburse a portion of the costs of the Project through the issuance of the Bond Anticipation Note. The issuance of the Bond Anticipation Note to finance and/or reimburse a portion of the costs of the Project satisfies a public purpose.

(B) The Bond Anticipation Note is secured by a covenant to budget and appropriate Public Utility Non-Ad Valorem Revenues of the Issuer. The Pledged Revenues will be sufficient to pay the principal and interest on the Bond Anticipation Note herein authorized, as the same become due, and to make all deposits required by this Resolution. The Issuer shall never be required to levy ad valorem taxes on any real property therein to pay the principal of and interest on the Bond Anticipation Note or to make any other payments specified herein. The Bond Anticipation Note shall not constitute a lien upon any property owned by or located within the boundaries of the Issuer other than the sources of security described herein.

(C) The estimated Public Utility Non-Ad Valorem Revenues and the proceeds of the Takeout Refinancing will be sufficient to pay all principal of and interest on the Bond Anticipation Note, as the same become due, and to make all required deposits to the Debt Service Fund.

(D) The Issuer has received an offer from the Original Purchaser to purchase the Bond Anticipation Note.

Section 4: *Authorization of Takeout Refinancing, the Project, and Bond Anticipation Note.* For the purposes of Section 215.431, Florida Statutes, the Issuer hereby authorizes the issuance in the future of the Takeout Refinancing in a principal amount which is sufficient to refinance the Bond Anticipation Note, further details to be determined pursuant to a resolution to be adopted in the future by the City Commission of the Issuer. Subject and pursuant to the provisions of this Resolution and in anticipation of the closing of the Takeout Refinancing, an obligation of the Issuer to be known as the " Public Utility Special Obligation Bond Anticipation Note, Series 2019," herein defined as the "Bond Anticipation Note," is authorized to be issued in the original principal amount of not to exceed $1,500,000 for the purpose of financing and/or reimbursing a portion of the costs of the Project and paying the costs of issuing the Bond Anticipation Note.

Because of the characteristics of the Bond Anticipation Note, prevailing market conditions, and additional savings to be realized from an expeditious sale of the Bond Anticipation Note, it is in the best interest of the Issuer to accept the offer of the Original Purchaser to purchase the Bond Anticipation Note at a private negotiated sale. Prior to the issuance of the Bond Anticipation Note, the Issuer shall receive from the Original Purchaser a Purchaser's Certificate, the form of which is attached hereto as Exhibit B and the Disclosure Letter containing the information required by Section 218.385, Florida Statutes, a form of which is attached hereto as Exhibit C.

Section 5: *This Resolution to Constitute Contract.* In consideration of the acceptance of the Bond Anticipation Note authorized to be issued hereunder by those who shall hold the same from time to time, this Resolution shall be deemed to be and shall constitute a contract between the Issuer and such Owner.

Section 6: *Description of the Bond Anticipation Note.* The Bond Anticipation Note shall initially be in the mode of a non-revolving line of credit permitting the Issuer to draw all or a part of the not to exceed principal amount of the Bond Anticipation Note at any one time. The Bond Anticipation Note shall be dated the date of its execution and delivery, which shall be a date agreed upon by the Issuer and the Original Purchaser, subject to the following terms:

(A) Interest Rate. The Bond Anticipation Note shall have an initial fixed interest rate equal to 3.22% per annum calculated on the basis of actual/360 day year. Such interest rate is subject to change upon conditions set forth in the Bond Anticipation Note, the form of which is attached hereto as Exhibit A.

(B) Principal and Interest Payment Dates. Interest only on the amount drawn which remains outstanding of the Bond Anticipation Note shall be paid semi-annually commencing November 15, 2019. Principal on the Bond Anticipation Note shall be paid in full on the Maturity Date.

(C) Prepayment of the Bond Anticipation Note. The Bond Anticipation Note shall be subject to prepayment at the option of the Issuer in whole or in part at any time with no penalty.

(D) Form of the Bond Anticipation Note. The Bond Anticipation Note is to be in substantially the form set forth in Exhibit A attached hereto, together with such non-material changes as shall be approved by the Mayor and the City Manager, such approval to be conclusively evidenced by the execution thereof by the Mayor and the City Manager.

(E) Original Denomination. The Bond Anticipation Note shall originally be issued in a single denomination equal to the original principal amount authorized hereunder.

(F) Advances. The Bond Anticipation Note may be drawn upon in multiple drawings (each an "Advance") under the following terms:

(1) Each Advance must be requested by the Issuer (a "Requisition") in writing in the form attached hereto as Exhibit D, executed by the Financial Services Director and delivered to the Owner.

(2) Each Advance must be applied to pay for the costs of the Project and/or the costs of issuance of the Bond Anticipation Note.

Section 7: *Execution and Authentication of Bond Anticipation Note.* The Bond Anticipation Note shall be executed in the name of the Issuer by its Mayor and City Manager and attested and countersigned by its City Clerk, subject to the approval of the City Attorney as to form and legality, and the corporate seal of the Issuer or a facsimile thereof shall be affixed

thereto or reproduced thereon. In case any one or more of the officers of the Issuer who shall have signed or sealed the Bond Anticipation Note shall cease to be such officer or officers of the Issuer before the Bond Anticipation Note so signed and sealed shall have been actually sold and delivered, such Bond Anticipation Note may nevertheless be sold and delivered as if the persons who signed or sealed such Bond Anticipation Note had not ceased to hold such offices. The Bond Anticipation Note may be signed and sealed on behalf of the Issuer by such person who at the actual time of the execution of such Bond Anticipation Note shall hold the proper office, although at the date of such execution of the Bond Anticipation Note such person may not have held such office or may not have been so authorized.

Section 8: *Registration and Exchange of the Bond Anticipation Note; Persons Treated as Owner.* The Bond Anticipation Note is initially registered to the Original Purchaser. So long as the Bond Anticipation Note shall remain unpaid, the Issuer will keep books for the registration and transfer of the Bond Anticipation Note. The Bond Anticipation Note shall be transferable only upon such registration books. Notwithstanding anything herein to the contrary, the Original Purchaser may in the future make transfers or enter into participation agreements or securitization transactions with respect to the Bond Anticipation Note; provided, however, the Bond Anticipation Note must be in minimum denominations of $100,000 upon any such transaction.

The Person in whose name the Bond Anticipation Note shall be registered shall be deemed and regarded as the absolute Owner thereof for all purposes, and payment of principal and interest on such Bond Anticipation Note shall be made only to or upon the written order of the Owner. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Bond Anticipation Note to the extent of the sum or sums so paid.

Section 9: *Payment of Principal and Interest; Limited Obligation.* The Issuer promises that it will promptly pay the principal of and interest on the Bond Anticipation Note at the place, on the dates and in the manner provided therein according to the true intent and meaning hereof and thereof. The Bond Anticipation Note is secured by a pledge of and lien upon the Pledged Revenues in the manner and to the extent described herein. The Bond Anticipation Note shall not be or constitute a general obligation or indebtedness of the Issuer as a "bond" within the meaning of Article VII, Section 12 of the Constitution of Florida, but shall be payable from and secured solely by the Pledged Revenues in accordance with the terms hereof. No holder of the Bond Anticipation Note issued hereunder shall ever have the right to compel the exercise of any ad valorem taxing power or the use of ad valorem tax revenues to pay such Bond Anticipation Note, or be entitled to payment of such Bond Anticipation Note from any funds of the Issuer except from the Pledged Revenues as described herein.

Section 10: *Covenant to Budget and Appropriate.* (A) Subject to the next paragraph, the Issuer covenants and agrees and has a positive and affirmative duty to appropriate in its annual budget, by amendment, if necessary, from Public Utility Non-Ad Valorem Revenues, and to deposit into the Debt Service Fund hereinafter created, amounts sufficient to pay principal of and interest on the Bond Anticipation Note and all other payments due hereunder not being paid from other amounts no later than 5 days before the date the same shall become due. Such covenant and agreement on the part of the Issuer to budget, appropriate and deposit such

amounts of Public Utility Non-Ad Valorem Revenues shall be cumulative to the extent not paid, and shall continue until such Public Utility Non-Ad Valorem Revenues in amounts sufficient to make all such required payments shall have been budgeted, appropriated, deposited and actually paid. No lien upon or pledge of such budgeted Public Utility Non-Ad Valorem Revenues shall be in effect until such monies are budgeted, appropriated and deposited as provided herein. The Issuer further acknowledges and agrees that the obligations of the Issuer to include the amount of such amendments in each of its annual budgets and to pay such amounts from Public Utility Non-Ad Valorem Revenues may be enforced in a court of competent jurisdiction in accordance with the remedies set forth herein.

Until such monies are budgeted, appropriated and deposited as provided herein, such covenant to budget and appropriate does not create any lien upon or pledge of such Public Utility Non-Ad Valorem Revenues, nor does it preclude the Issuer from pledging in the future its Public Utility Non-Ad Valorem Revenues, nor does it require the Issuer to levy and collect any particular Public Utility Non-Ad Valorem Revenues. Such covenant to budget and appropriate Public Utility Non-Ad Valorem Revenues is subject in all respects to the prior payment of obligations secured by a pledge of such Public Utility Non-Ad Valorem Revenues heretofore or hereafter entered into (including the payment of debt service on bonds and other debt instruments).

The obligation of the Issuer to budget, appropriate, deposit and make payments hereunder from its Public Utility Non-Ad Valorem Revenues is subject to the availability of Public Utility Non-Ad Valorem Revenues after the satisfaction of the funding requirements for obligations having an express lien on or pledge of such revenues.

There is hereby created and established the "City of Stuart, Florida Public Utility Special Obligation Bond Anticipation Note, Series 2019 Debt Service Fund (the "Debt Service Fund"), which fund shall be a trust fund held by the Financial Services Director, which shall be held solely for the benefit of the holder of the Bond Anticipation Note. The Debt Service Fund shall be deemed to be held in trust for the purposes provided herein for such Debt Service Fund. The money in such Debt Service Fund shall be continuously secured in the same manner as state and municipal deposits are authorized to be secured by the laws of the State. The designation and establishment of the Debt Service Fund in and by this Resolution shall not be construed to require the establishment of a completely independent, self-balancing fund as such term is commonly defined and used in governmental accounting, but rather is intended solely to constitute an earmarking of certain revenues and assets of the Issuer for certain purposes and to establish certain priorities for application of such revenues and assets as herein provided. The Issuer may at any time and from time to time appoint one or more depositaries to hold, for the benefit of the Owner of the Bond Anticipation Note, the Debt Service Fund established hereby. Such depository or depositaries shall perform at the direction of the Issuer the duties of the Issuer in depositing, transferring and disbursing moneys to and from such Debt Service Fund as herein set forth, and all records of such depository in performing such duties shall be open at all reasonable times to inspection by the Issuer and its agent and employees. Any such depository shall be a bank or trust company duly authorized to exercise corporate trust powers and subject to examination by federal or state authority, of good standing, and having a combined capital, surplus and undivided profits aggregating not less than fifty million dollars ($50,000,000).

(B) Until applied in accordance with this Resolution, the Public Utility Non-Ad Valorem Revenues of the Issuer on deposit in the Debt Service Fund and other amounts on deposit from time to time in the funds and accounts established herein, plus any earnings thereon, shall be pledged to the repayment of the Bond Anticipation Note.

Section 11. *Application of Proceeds of Bond Anticipation Note.* The Issuer will apply the proceeds of the Bond Anticipation Note, when drawn in the manner described herein, to pay associated costs of issuance (including without limitation legal and financial advisory fees and expenses). The remaining proceeds of the Bond Anticipation Note shall, when drawn in the manner described herein, be deposited into the hereby created and established "City of Stuart, Florida Public Utility Special Obligation Bond Anticipation Note, Series 2019 Project Fund (the "Project Fund"), to pay a portion of the costs of the Project. All income received from investment of monies in the Project Fund, if any, can be used to pay the costs of the Project or debt service on the Bond Anticipation Note.

The funds and accounts created and established by this Resolution shall constitute trust funds for the purpose provided herein for such funds. Moneys on deposit to the credit of all funds and accounts created hereunder may be invested pursuant to applicable law and the Issuer's written investment policy and shall mature not later than the dates on which such moneys shall be needed to make payments in the manner herein provided.

Section 12: *Amendment.* This Resolution shall not be modified or amended in any respect subsequent to the issuance of the Bond Anticipation Note, except with the written consent of the Owner of the Bond Anticipation Note.

Section 13: *Limitation of Rights.* With the exception of any rights herein expressly conferred, nothing expressed or mentioned in or to be implied from this Resolution or the Bond Anticipation Note is intended or shall be construed to give to any Person other than the Issuer and the Owner any legal or equitable right, remedy or claim under or with respect to this Resolution or any covenants, conditions and provisions herein contained; this Resolution and all of the covenants, conditions and provisions hereof being intended to be and being for the sole and exclusive benefit of the Issuer and the Owner.

Section 14: *Bond Anticipation Note Mutilated, Destroyed, Stolen or Lost.* In case the Bond Anticipation Note shall become mutilated, or be destroyed, stolen or lost, the Issuer shall issue and deliver a new Bond Anticipation Note of like tenor as the Bond Anticipation Note so mutilated, destroyed, stolen or lost, in exchange and in substitution for such mutilated Bond Anticipation Note, or in lieu of and in substitution for the Bond Anticipation Note destroyed, stolen or lost and upon the Owner furnishing the Issuer proof of ownership thereof and indemnity reasonably satisfactory to the Issuer and complying with such other reasonable regulations and conditions as the Issuer may prescribe and paying such expenses as the Issuer may incur. The Bond Anticipation Note so surrendered shall be canceled.

Section 15: *Impairment of Contract.* The Issuer covenants with the Owner of the Bond Anticipation Note that it will not, without the written consent of the Owner of the Bond Anticipation Note, enact any ordinance or adopt any resolution which repeals, impairs or amends

in any manner adverse to the Owner the rights granted to the Owner of the Bond Anticipation Note hereunder.

Section 16: *Tax Covenants.* The Issuer covenants to the Owner of the Bond Anticipation Note provided for in this Resolution that the Issuer will not make any use of the proceeds of the Bond Anticipation Note at any time during the term of the Bond Anticipation Note which would cause the Bond Anticipation Note to be an "arbitrage bond" within the meaning of the Code. The Issuer will comply with the requirements of the Code and any valid and applicable rules and regulations promulgated thereunder necessary to ensure the exclusion of interest on the Bond Anticipation Note from the gross income of the Owner for purposes of federal income taxation.

Section 17: *Events of Default; Remedies of Owners of the Bond Anticipation Note.* The following shall constitute "Events of Default": (i) if the Issuer fails to pay any payment of principal of or interest on the Bond Anticipation Note or other debt payable from any Public Utility Non-Ad Valorem Revenues as the same becomes due and payable; (ii) if the Issuer defaults in the performance or observance of any covenant or agreement contained in this Resolution or the Note (other than set forth in (i) above) and fails to cure the same within thirty (30) days following notice thereof; (iii) filing of a petition by or against the Issuer relating to bankruptcy, reorganization, arrangement or readjustment of debt of the Issuer or for any other relief relating to the Issuer under the United States Bankruptcy Code, as amended, or any other insolvency act or law now or hereafter existing, or the involuntary appointment of a receiver or trustee for the Issuer, and the continuance of any such event for 90 days undismissed or undischarged; or (iv) the Issuer shall fail to comply in any material respect with its obligations under Resolution No. 163-94 adopted by the City Commission of the Issuer on December 8, 1994, as amended.

Upon the occurrence and during the continuation of any Event of Default, the Owner of the Bond Anticipation Note may, in addition to any other remedies set forth in this Resolution or the Bond Anticipation Note, either at law or in equity, by suit, action, mandamus or other proceeding in any court of competent jurisdiction, protect and enforce any and all rights under the laws of the State, or granted or contained in this Resolution, and may enforce and compel the performance of all duties required by this Resolution, or by any applicable statutes to be performed by the Issuer.

Section 18: *Severability.* If any one or more of the covenants, agreements or provisions of this Resolution should 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 separate from the remaining covenants, agreements or provisions of this Resolution or of the Bond Anticipation Note issued thereunder.

Section 19: *Business Days.* In any case where the due date of interest on or principal of a Bond Anticipation Note is not a Business Day, then payment of such principal or interest need not be made on such date but may be made on the next succeeding Business Day, provided that credit for payments made shall not be given until the payment is actually received by the Owner.

Section 20: *Applicable Provisions of Law.* This Resolution shall be governed by and construed in accordance with the laws of the State.

Section 21: *Rules of Interpretation.* Unless expressly indicated otherwise, references to sections or articles are to be construed as references to sections or articles of this instrument as originally executed. Use of the words "herein," "hereby," "hereunder," "hereof," "hereinbefore," "hereinafter" and other equivalent words refer to this Resolution and not solely to the particular portion in which any such word is used.

Section 22: *Captions.* The captions and headings in this Resolution are for convenience only and in no way define, limit or describe the scope or intent of any provisions or sections of this Resolution.

Section 23: *Members of the City Commission Not Liable.* No covenant, stipulation, obligation or agreement contained in this Resolution shall be deemed to be a covenant, stipulation, obligation or agreement of any present or future member, agent or employee of the Issuer in his or her individual capacity, and neither the members of the City Commission of the Issuer nor any Person executing the Bond Anticipation Note shall be liable personally on the Bond Anticipation Note or this Resolution or shall be subject to any personal liability or accountability by reason of the issuance or the execution of the Bond Anticipation Note or this Resolution.

Section 24: *Authorizations.* The Mayor and City Manager and such other officials and employees of the Issuer as may be designated by the City Manager are each designated as agents of the Issuer in connection with the execution and delivery of the Bond Anticipation Note and are authorized and empowered, collectively or individually, to take all action and steps and to execute all instruments, documents, and contracts on behalf of the Issuer that are necessary or desirable in connection with the execution and delivery of the Bond Anticipation Note, and which are specifically authorized or are not inconsistent with the terms and provisions of this Resolution.

Section 25: *Financial Advisory Services.* The City Commission hereby appoints PFM Financial Advisors LLC to provide financial advisory services on the Bond Anticipation Note and the Takeout Refinancing.

Section 26: *Open Meeting Findings.* It is hereby found and determined that all official acts by the City Commission of the Issuer concerning and relating to the adoption of this Resolution and all prior resolutions affecting the City Commission of the Issuer ability to issue the Bond Anticipation Note were taken in an open meeting of the City Commission and that all deliberations of the City Commission or any of its committees that resulted in such official acts were in meetings open to the public, in compliance with all legal requirements, including Section 286.011, Florida Statutes.

Section 27. *Applicable Provisions of Law; Waiver of Jury Trial.* The Issuer and, by acceptance of the Bond Anticipation Note, the Owner of the Bond Anticipation Note each agree that the Bond Anticipation Note and any matters relating thereto shall be governed by and

construed in accordance with the laws of the State. The Issuer and, by acceptance of the Bond Anticipation Note, the Owner of the Bond Anticipation Note each consent to Florida jurisdiction and agree to waive trial by jury in any action arising under the Bond Anticipation Note or any matters relating thereto.

Section 28: *Repealer.* All resolutions or portions thereof in conflict herewith are hereby repealed.

Section 29: *Notices*. Any notice or other communication to be given to the Original Purchaser under this Resolution shall be given by delivering the same in writing to the Principal Office with a copy to 121 S. Flagler Ave, Stuart, Florida 34994 Attention: Sarah Lynch, Vice President.

[Remainder of page intentionally left blank]

Section 30: *Effective Date.* This Resolution shall be in full force and take effect immediately upon its passage and adoption.

Commissioner GLASS LEIGHTON offered the foregoing resolution and moved its adoption. The motion was seconded by Commissioner CLARKE and upon being put to a roll call vote, the vote was as follows:

	YES	NO	ABSENT	ABSTAIN
REBECCA S. BRUNER, MAYOR	Y			
EULA R. CLARKE, VICE MAYOR	Y			
KELLI GLASS LEIGHTON, COMMISSIONER	Y			
MERRITT MATHESON, COMMISSIONER	Y			
MIKE MEIER, COMMISSIONER	Y			

ADOPTED this 13th day of May, 2019.

ATTEST

MARY R. KINDEL
CITY CLERK

REBECCA S. BRUNER
MAYOR

APPROVED AS TO FORM
AND CORRECTNESS:

MICHAEL J. MORTELL
CITY ATTORNEY

CITY OF STUART · FLORIDA · INCORPORATED 1914 · SAILFISH CAPITAL OF THE WORLD ·

CERTIFICATE AS TO PUBLIC MEETINGS
AND NO CONFLICT OF INTEREST

STATE OF FLORIDA:
CITY OF STUART:

Each of the undersigned members of the City Commission (the "City Commission") of the City of Stuart, Florida (the "Issuer"), recognizing that the purchaser of the not to exceed $1,500,000 City of Stuart, Florida Public Utility Special Obligation Bond Anticipation Note, Series 2019 (the "Bond Anticipation Note"), will have purchased said Bond Anticipation Note in reliance upon this Certificate, DO HEREBY CERTIFY:

(1) that he or she has no personal knowledge that any two or more members of the City Commission, meeting together, reached any prior conclusion as to whether the actions taken by the City Commission, with respect to said Bond Anticipation Note, the security therefor and the application of the proceeds thereof, should or should not be taken by the City Commission or should or should not be recommended as an action to be taken or not to be taken by the City Commission, except at public meetings of the City Commission held after due notice to the public was given in the ordinary manner required by law and custom of the City Commission; and

(2) that he or she does not have or hold any employment or contractual relationship with Seacoast National Bank which is purchasing the Bond Anticipation Note from the Issuer that could constitute a prohibited conflict of interest under Part III, Chapter 112, Florida Statutes.

IN WITNESS WHEREOF, we have hereunto affixed our official signatures as of the 15th day of May, 2019.

ATTACHMENT # 3

City of Stuart

MICHAEL J. MORTELL | CITY ATTORNEY
121 SW Flagler Avenue
Stuart, Florida 34994

Telephone: (772) 288-5386
Email: mmortell@ci.stuart.fl.us

November 14, 2019

Shanin T. Speas-Frost, P.E., MBA
Program Administrator
Drinking Water State Revolving Fund Program
Division of Water Restoration Assistance
Florida Department of Environmental Protection
3900 Commonwealth Boulevard
Tallahassee, Florida 32399-3000

Subject: DW43043 – Floridan Aquifer Test Production Well FA-1

Dear Ms. Speas-Frost:

I am the duly appointed City Attorney for the City of Stuart, Florida (the "City"). The City proposes to borrow $2,340,000.00 from the State Revolving Fund to finance the construction of the Floridan Aquifer Test Production Well FA-1 Project No. DW43043 (the "Loan") at the existing water treatment plant. The Loan will be secured by the net operating revenues of the City's water and sewer system and the pledged revenues are available to pledge. The City has the legal authority to increase rates to ensure repayment of the Loan.

The pledge on net operating revenues, as described above, is subject to a prior lien on the pledged revenues of the following obligations:

1. City of Stuart, Florida, Subordinate Lien Public Utilities Revenue Refunding Note, Series 2006, Subordinate Lien Public Utilities Revenue Refunding Note, Series 2007, and Subordinate Lien Public Utilities Revenue Refunding Note, Series 2011.

2. Any obligations which refund some or all of the obligations described in 1 above and do not increase the annual debt service payment.

3. Any new money obligations incurred in the future on parity therewith.

Additional obligations secured by net operating revenues on parity with the Loan are:

1. The City of Stuart also has a Clean Water State Revolving Fund Construction Loan Agreement WW430400.

2. The City of Stuart has a Drinking Water State Revolving Fund Construction Loan Agreement DW430410.

November 14, 2019

Ms. Shanin T. Speas-Frost, P.E., MBA
DW43043 Floridan Aquifer Test Production Well FA-1

3. The City of Stuart has a Drinking Water State Revolving Fund Construction Loan Agreement DW430420.

4. The City of Stuart has a Drinking Water State Revolving Fund Design Loan Agreement DW430430.

If you have any questions or require any additional information, please don't hesitate to contact me at (772) 288-5386.

Very truly yours,

Michael J. Mortell, Esq.
City Attorney for the
City of Stuart, Florida

MJM/rc

City of Stuart
WWW.CITYOFSTUART.US

ATTACHMENT # 4

BEFORE THE CITY COMMISSION
CITY OF STUART, FLORIDA

RESOLUTION NUMBER 105-2019

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF STUART, FLORIDA, RELATED TO THE STATE REVOLVING FUND LOAN PROGRAM; MAKING FINDINGS; AUTHORIZING THE FINANCIAL SERVICES DIRECTOR TO SUBMIT THE LOAN APPLICATION AGREEMENT FOR THE $2,340,000.00 FLORIDAN AQUIFER TEST PRODUCTION WELL FA-1 PROJECT; AUTHORIZING THE MAYOR TO EXECUTE THE LOAN AGREEMENT; DESIGNATING AUTHORIZED REPRESENTATIVES; ESTABLISHING PLEDGED REVENUES; PROVIDING ASSURANCES; PROVIDING FOR CONFLICTS; SEVERABILITY, AND EFFECTIVE DATE.

* * * * *

WHEREAS, Florida Statutes provide for loans to local government agencies to finance the construction of clean water projects; and

WHEREAS, Florida Administrative Code requires authorization to apply for loans, to establish pledged revenues, to designate an authorized representative; to provide assurances of compliance with loan program requirements; and enter into a loan agreement; and

WHEREAS, the State Revolving Fund Loan Priority List designates Floridan Aquifer Test Production Well FA-1 Project No. DW43043 (the "Project") as eligible for available funding; and

WHEREAS, the City of Stuart, Florida (the "City") intends to enter into a loan agreement with the Florida Department of Environmental Protection under the State Revolving Fund to finance the Project.

NOW THEREFORE, BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF STUART, FLORIDA, AS FOLLOWS:

SECTION 1: The foregoing findings are incorporated herein by reference and made a part hereof.

SECTION 2: A Request For Inclusion Form has been submitted to the Florida Department of Environmental Protection for the $2,304,000.00 loan to finance the Project. (the "Loan")

SECTION 3: The revenues pledged for the repayment of the Loan are net water and sewer utility system revenues after payment of debt service on the City's Subordinate Lien Public Utilities Revenue Refunding Note, Series 2006, Subordinate Lien Public Utilities Revenue Refunding Note, Series 2007, Subordinate Lien Public Utilities Revenue Refunding Note, Series 2011, any obligations which refund some or all of the obligations described in above and do not increase the annual debt service payment during the repayment of the Loan and any new money obligations incurred in the future on parity therewith. The debt service on the Loan will be on parity basis with State Revolving Fund Loan WW430400, State Revolving Fund Loan DW430410, State Revolving Fund Loan DW430420, and State Revolving Fund Loan DW430430.

SECTION 4: The City's Financial Services Director is hereby designated as the authorized representative to provide assurances and commitments required by the loan application.

SECTION 5: The Mayor is hereby designated as the authorized representative to execute the loan agreement to be subsequently approved in substantially final form by the City Commission, which will become a binding obligation in accordance with its terms when signed by both parties. The Mayor is authorized to represent the City in carrying out the City's responsibilities under the loan agreement. The Mayor is authorized to delegate responsibility to appropriate staff to carryout technical, financial, and administrative activities associated with the loan agreement.

SECTION 6: The legal authority for borrowing moneys to finance the Project is Chapter 166, Florida Statutes.

SECTION 7: Conflicts. All Resolutions or part of Resolutions in conflict with any of the provisions of this Resolution are hereby repealed.

SECTION 8: Severability. If any section or portion of a Section of this Resolution proves to be invalid, unlawful, or unconstitutional, it shall not be held to invalidate or impair the validity, force or effect of any other Section or part of this Resolution.

SECTION 9: Effective Date. This Resolution shall become effective immediately upon its passage and adoption.

Resolution No. 105-2019
Authorize Loan Application – Floridan Aquifer Test Production Well FA-1

Commissioner _____ offered the foregoing resolution and moved its adoption. The motion was seconded by Commissioner _____ and upon being put to a roll call vote, the vote was as follows:

	YES	NO	ABSENT	ABSTAIN
REBECCA S. BRUNER, MAYOR				
EULA R. CLARKE, VICE MAYOR				
KELLI GLASS LEIGHTON, COMMISSIONER				
MERRITT MATHESON, COMMISSIONER				
MIKE MEIER, COMMISSIONER				

ADOPTED this 25th day of November, 2019.

ATTEST:

_____
MARY R. KINDEL
CITY CLERK

_____
REBECCA S. BRUNER
MAYOR

APPROVED AS TO FORM
AND CORRECTNESS:

_____
MICHAEL MORTELL
CITY ATTORNEY

ATTACHMENT # 5

City of Stuart, Florida
Balance Sheet
Proprietary Funds
September 30, 2018

	Business-type Activities - Enterprise Funds			
	Water and Sewer	Sanitation	Stormwater	Total Enterprise
Assets				
Current assets				
Cash and cash equivalents	$ 2,227,534	$ 453,689	$ 316,045	$ 2,997,268
Investments	11,468,240	2,482,505	221,444	14,172,189
Accounts receivable, net	1,046,009	158,491	61,336	1,265,836
Due from other government	144,874	-	-	144,874
Restricted cash and cash equivalents	174,857	-	-	174,857
Total current assets	15,061,514	3,094,685	598,825	18,755,024
Non Current Assets				
Restricted cash and cash equivalents	181,838	-	-	181,838
Restricted investments	610,016			610,016
Sewer plan receivable	1,911,349	-	-	1,911,349
Advance to other fund	-	1,000,000	-	1,000,000
Capital assets:				
Land	72,260	74,640	6,186,278	6,333,178
Construction In progress	228,191	-	-	228,191
Buildings and improvements	592,670	266,466	-	859,136
Improvements other than buildings	89,165,930	124,517	19,712,042	109,002,489
Equipment	4,158,442	3,104,484	601,723	7,864,649
Infrastructure	143,176	-	242,511	385,687
Less accumulated depreciation	(48,503,356)	(2,107,819)	(9,660,795)	(60,271,970)
Total capital assets	45,857,313	1,462,288	17,081,759	64,401,360
Total noncurrent assets	48,560,516	2,462,288	17,081,759	68,104,563
Total assets	63,622,030	5,556,973	17,680,584	86,859,587
Deferred outflow of resources				
Deferred outflows of resources from losses on refundings	1,030,052	-	-	1,030,052
Related to pension	1,086,741	290,024	53,824	1,430,589
Total deferred outflows of resources	2,116,793	290,024	53,824	2,460,641
Total assets and deferred outflow of resources	**$ 65,738,823**	**$ 5,846,997**	**$ 17,734,408**	**$ 89,320,228**

The notes to the financial statements are an integral part of these statements.

City of Stuart, Florida
Balance Sheet
Proprietary Funds
September 30, 2018

	Business-type Activities - Enterprise Funds			
	Water and Sewer	Sanitation	Stormwater	Total Enterprise
Liabilities and Net Position				
Current liabilities and current assets				
Accounts payable	$ 321,182	$ 123,377	$ 17,287	$ 461,846
Accrued liabilities	99,801	31,421	19,818	151,040
Unearned revenue	640,352	-	-	640,352
Compensated absences	231,891	42,897	3,062	277,850
Customer deposits	675,192	447,933	-	1,123,125
Current portion bonds and loans payable	1,219,384	-	52,511	1,271,895
Accrued interest payable	435,403	-	5,565	440,968
Total current liabilities	3,623,205	645,628	98,243	4,367,076
Non-current liabilities:				
Advance from other fund	1,000,000	-	-	1,000,000
Loans payable	6,811,629	-	-	6,811,629
Revenue bonds payable, net	16,389,000	-	481,734	16,870,734
Compensated absences	212,037	39,397	2,800	254,234
Other post employment benefits	365,965	101,817	13,072	480,854
Net pension liability	2,792,901	748,438	136,715	3,678,054
Total noncurrent liabilities	27,571,532	889,652	634,321	29,095,505
Total liabilities	31,194,737	1,535,280	732,564	33,462,581
Deferred inflows of resources				
Related to pensions	424,536	115,855	17,585	557,976
Related to other post employment benefits	27,499	7,650	982	36,131
	452,035	123,505	18,567	594,107
Total liabilities and deferred inflows	31,646,772	1,658,785	751,131	34,056,688
Net Position				
Net investment In capital assets	22,467,352	1,462,288	16,547,514	40,477,154
Restricted for:				
Renewal and replacement	900,000	-	-	900,000
Capital outlay	610,016			610,016
SRF	330,217	-	-	330,217
Impact fee requirements	2,709,326	-	-	2,709,326
Unrestricted	7,075,140	2,725,924	435,763	10,236,827
Total Net Position	34,092,051	4,188,212	16,983,277	55,263,540
Total liabilities, deferred inflows of resources and net position	**$ 65,738,823**	**$ 5,846,997**	**$ 17,734,408**	**$ 89,320,228**

The notes to the financial statements are an integral part of these statements.

City of Stuart, Florida
Statement of Revenues, Expenses, and changes in Net Position
Proprietary Funds
Year ended September 30, 2018

	Business-type Activities - Enterprise Funds			
	Water and Sewer	Sanitation	Stormwater	Total Enterprise
Operating revenues				
Charges for services	$ 11,945,089	$ 4,505,663	$ 758,760	$ 17,209,512
Miscellaneous	185,869	-	-	185,869
Total operating revenues	12,130,958	4,505,663	758,760	17,395,381
Operating expenses				
Personnel expenses	3,424,421	1,120,295	259,465	4,804,181
Operating expenses	2,954,962	2,737,436	252,552	5,944,950
Depreciation	2,842,921	293,345	775,920	3,912,186
Pension liability	259,544	72,128	9,328	341,000
Total operating expenses	9,481,848	4,223,204	1,297,265	15,002,317
Operating income (loss)	2,649,110	282,459	(538,505)	2,393,064
Non-operating revenues (expenses)				
Interest income	44,073	2,949	754	47,776
Interest expense	(992,098)	-	(13,987)	(1,006,085)
Loss on sale of capital assets	(19,851)	-	-	(19,851)
Other non-operating revenues (expenses)	(182,440)	-	-	(182,440)
Total non-operating revenues (expenses)	(1,150,316)	2,949	(13,233)	(1,160,600)
Income (loss) before contributions and transfers	1,498,794	285,408	(551,738)	1,232,464
Capital contributions	284,972	-	-	284,972
Transfers in	-	-	2,299	2,299
Transfers out	(684,700)	(248,000)	(45,000)	(977,700)
Change in net position	1,099,066	37,408	(594,439)	542,035
Net position - beginning	33,359,698	4,252,822	17,590,813	55,203,333
Restatement (Note 15)	(366,713)	(102,018)	(13,097)	(481,828)
Net position - beginning as restated	32,992,985	4,150,804	17,577,716	54,721,505
Total Net position - ending	$ 34,092,051	$ 4,188,212	$ 16,983,277	$ 55,263,540

The notes to the financial statements are an integral part of these statements.

City of Stuart, Florida
Statement of Cash Flows
Proprietary Funds
Year ended September 30, 2018

	Water and Sewer	Sanitation	Stormwater	Total Enterprise
Operating activities				
Cash received from customers	$ 12,429,058	$ 4,495,218	$ 775,455	$ 17,699,731
Cash payments to suppliers for goods and services	(1,540,772)	(2,776,536)	(128,531)	(4,445,839)
Cash payments to employees for services	(3,315,397)	(1,102,381)	(252,252)	(4,670,030)
Net cash provided by operating activities	7,572,889	616,301	394,672	8,583,862
Noncapital financing activities				
Transfers out to other funds	(684,700)	(248,000)	(45,000)	(977,700)
Net cash used in noncapital financing activities	(684,700)	(248,000)	(45,000)	(977,700)
Capital and related financing activities				
Acquisition and construction of capital assets	(1,562,576)	(265,942)	(45,215)	(1,873,733)
Proceeds from State Revolving Fund Loan	61,723	-	-	61,723
Capital contributions and grants	284,972	-	-	284,972
Principal paid on State Revolving Fund Loan	(273,071)	-	-	(273,071)
Principal paid on revenue bonds and notes	(823,000)	-	(54,794)	(877,794)
Interest expense and fiscal agent fees	(992,098)	-	(13,987)	(1,006,085)
Net cash used in capital and related financing activities	(3,304,050)	(265,942)	(113,996)	(3,683,988)
Investing activities				
Interest income	44,073	2,949	754	47,776
Purchase of investments	(2,756,874)	(2,949)	(3,807)	(2,763,630)
Net cash provided by (used in) investing activities	(2,712,801)	-	(3,053)	(2,715,854)
Net change in cash and cash equivalents	871,338	102,359	232,623	1,206,320
Cash and cash equivalents				
Beginning of year	1,712,891	351,330	83,422	2,147,643
End of year	2,584,229	453,689	316,045	3,353,963
Cash and cash equivalents classified as:				
Unrestricted assets	2,227,534	453,689	316,045	2,997,268
Restricted assets	356,695	-	-	356,695
	$ 2,584,229	$ 453,689	$ 316,045	$ 3,353,963
Reconciliation of operating income (loss) to net cash from operating activities				
Operating income (loss)	2,649,110	282,459	(538,505)	2,393,064
(Increase) Decrease in assets and deferred outflows and Increase (Decrease) in liabilities and deferred inflows:				
Adjustments not affecting cash:				
Depreciation	2,842,921	293,345	775,920	3,912,186
Pension liability adjustment	(86,653)	(24,088)	(3,108)	(113,849)
Deferred outflows	249,151	35,694	(4,614)	280,231
Deferred inflows	245,262	68,172	8,804	322,238
Changes in assets and liabilities:				
Accounts receivable	29,802	(46,186)	(4,631)	(21,015)
Due from other governments	1,442,877	-	143,715	1,586,592
Accounts payable	(295,859)	(42,133)	(860)	(338,852)
Unearned revenue	177,119	-	-	177,119
Compensated absences	(4,994)	(3,755)	(10,090)	(18,839)
Other assets and liabilities	324,153	52,793	28,041	404,987
Total adjustments	4,923,779	333,842	933,177	6,190,798
Net cash provided by operating activities	$ 7,572,889	$ 616,301	$ 394,672	$ 8,583,862

The notes to the financial statements are an integral part of these statements.

City of Stuart, Florida
Balance Sheet
Proprietary Funds
September 30, 2017

	Business-type Activities - Enterprise Funds			
	Water and Sewer	**Sanitation**	**Stormwater**	**Total Enterprise**
Assets				
Current assets				
Cash and cash equivalents	$ 186,662	$ 351,330	$ 83,422	$ 621,414
Investments	9,046,766	2,479,556	218,391	11,744,713
Accounts receivable, net	2,987,159	112,304	56,706	3,156,169
Due from other government	1,587,751	-	143,715	1,731,466
Restricted cash and cash equivalents	1,344,391	-	-	1,344,391
Total current assets	15,152,729	2,943,190	502,234	18,598,153
Non Current Assets				
Restricted cash and cash equivalents	181,838	-	-	181,838
Advance to other fund	-	1,000,000	-	1,000,000
Capital Assets:				
Land	72,260	74,640	6,186,278	6,333,178
Construction In Progress	835,798	-	675	836,473
Buildings and improvements	592,670	266,466	-	859,136
Improvements other than buildings	87,804,324	124,517	19,686,316	107,615,157
Equipment	3,998,242	2,856,081	583,546	7,437,869
Infrastructure	143,176	-	242,511	385,687
Less Accumulated Depreciation	(45,681,363)	(1,832,013)	(8,886,189)	(56,399,565)
Total Capital Assets	47,765,107	1,489,691	17,813,137	67,067,935
Total Noncurrent Assets	47,946,945	2,489,691	17,813,137	68,249,773
Total Assets	63,099,674	5,432,881	18,315,371	86,847,926
Deferred outflow of resources				
Deferred outflows of resources from losses on refundings	1,150,768	-	-	1,150,768
Related to pension	1,215,176	325,718	58,438	1,599,332
Total deferred outflows of resources	2,365,944	325,718	58,438	2,750,100
Total assets and deferred outflow of resources	**$ 65,465,618**	**$ 5,758,599**	**$ 18,373,809**	**$ 89,598,026**

The notes to the financial statements are an integral part of these statements.

City of Stuart, Florida
Balance Sheet
Proprietary Funds
September 30, 2017

	Business-type Activities - Enterprise Funds			
	Water and Sewer	**Sanitation**	**Stormwater**	**Total Enterprise**
Liabilities and Net Position				
Current liabilities and current assets				
Accounts Payable	$ 617,042	$ 165,510	$ 18,146	$ 800,698
Accrued Liabilities	51,784	15,070	4,257	71,111
Unearned Revenue	463,233	-	-	463,233
Compensated Absences	178,179	34,153	6,331	218,663
Customer Deposits	625,969	411,288	-	1,037,257
Current portion bonds and loans payable	1,211,724	-	54,794	1,266,518
Accrued interest payable	358,282	-	6,016	364,298
Total current liabilities	3,506,213	626,021	89,544	4,221,778
Non-Current Liabilities:				
Advance from other fund	1,000,000	-	-	1,000,000
Loans payable	7,006,637	-	-	7,006,637
Revenue bonds payable, net	17,236,000	-	534,245	17,770,245
Compensated absences	270,743	51,897	9,621	332,261
Net pension liability	2,879,554	772,526	139,823	3,791,903
Total noncurrent liabilities	28,392,934	824,423	683,689	29,901,046
Total Liabilities	31,899,147	1,450,444	773,233	34,122,824
Deferred inflows of resources				
Related to pensions	206,773	55,333	9,763	271,869
Total liabilities and deferred inflows	32,105,920	1,505,777	782,996	34,394,693
Net Position				
Net Investment In Capital Assets	23,461,514	1,489,691	17,224,098	42,175,303
Restricted for:				
Renewal and replacement	900,000	-	-	900,000
SRF	330,217	-	-	330,217
Impact fee requirements	2,315,293	-	-	2,315,293
Unrestricted	6,352,674	2,763,131	366,715	9,482,520
Total Net Position	33,359,698	4,252,822	17,590,813	55,203,333
Total liabilities, deferred inflows of resources and net position	**$ 65,465,618**	**$ 5,758,599**	**$ 18,373,809**	**$ 89,598,026**

The notes to the financial statements are an integral part of these statements.

City of Stuart, Florida
Statement of Revenues, Expenses, and changes in Net Position
Proprietary Funds
Year ended September 30, 2017

	Business-type Activities - Enterprise Funds			
	Water and Sewer	**Sanitation**	**Stormwater**	**Total Enterprise**
Operating revenues				
Charges for services	$ 10,988,040	$ 4,044,980	$ 707,603	$ 15,740,623
Miscellaneous	12,363	-	-	12,363
Total operating revenues	11,000,403	4,044,980	707,603	15,752,986
Operating expenses				
Personnel expenses	3,425,640	978,791	271,401	4,675,832
Operating expenses	3,023,176	2,566,066	203,639	5,792,881
Depreciation	2,604,847	284,538	733,248	3,622,633
Pension liability	278,405	74,180	12,753	365,338
Total operating expenses	9,332,068	3,903,575	1,221,041	14,456,684
Operating income (loss)	1,668,335	141,405	(513,438)	1,296,302
Non-operating revenues (expenses)				
Interest income	78,829	15,909	1,097	95,835
Interest expense	(858,424)	-	(15,188)	(873,612)
Sale of capital assets	7,050	67,500	1,200	75,750
Other non-operating revenues (expenses)	(5,515)	(5,539)	(6)	(11,060)
Total non-operating revenues (expenses)	(778,060)	77,870	(12,897)	(713,087)
Income (loss) before contributions and transfers	890,275	219,275	(526,335)	583,215
Capital contributions	851,810	-	143,715	995,525
Transfers in	-	-	97,539	97,539
Transfers out	(639,168)	(227,656)	(45,000)	(911,824)
Change in net position	1,102,917	(8,381)	(330,081)	764,455
Net position - beginning	32,256,781	4,261,203	17,920,894	54,438,878
Total Net position - ending	$ 33,359,698	$ 4,252,822	$ 17,590,813	$ 55,203,333

The notes to the financial statements are an integral part of these statements.

City of Stuart, Florida
Statement of Cash Flows
Proprietary Funds
Year ended September 30, 2017

	Water and Sewer	Sanitation	Stormwater	Total Enterprise
Operating activities				
Cash received from customers	$ 11,731,413	$ 4,236,756	$ 797,741	$ 16,765,910
Cash payments to suppliers for goods and services	(2,298,633)	(2,929,329)	(368,477)	(5,596,439)
Cash payments to employees for services	(3,369,704)	(955,564)	(262,493)	(4,587,761)
Net cash provided by operating activities	6,063,076	351,863	166,771	6,581,710
Noncapital financing activities				
Transfers out to other funds	(639,168)	(227,655)	(45,000)	(911,823)
Net cash used in noncapital financing activities	(639,168)	(227,655)	(45,000)	(911,823)
Capital and related financing activities				
Acquisition and construction of capital assets	(2,093,775)	(95,248)	(806,313)	(2,995,336)
Principal paid on State Revolving Fund Loan	(126,384)	-	-	(126,384)
Proceeds from State Revolving Fund Loan	1,478,733	-	-	1,478,733
Capital contributions and grants	742,748	-	143,715	886,463
Proceeds from special assessment fees	109,062	-	-	109,062
Principal paid on revenue bonds and notes	(843,511)	-	(52,511)	(896,022)
Interest expense and fiscal agent fees	(858,424)	-	(15,188)	(873,612)
Net cash used in capital and related financing activities	(1,591,551)	(95,248)	(730,297)	(2,417,096)
Investing activities				
Interest income	78,829	15,909	1,097	95,835
Sale of investments	-	-	602,388	602,388
Purchase of investments	(3,579,974)	(782,143)	-	(4,362,117)
Net cash provided by (used in) investing activities	(3,501,145)	(766,234)	603,485	(3,663,894)
Net change in cash and cash equivalents	331,212	(737,274)	(5,041)	(411,103)
Cash and cash equivalents				
Beginning of year	1,381,679	1,088,604	88,463	2,558,746
End of year	1,712,891	351,330	83,422	2,147,643
Cash and cash equivalents classified as:				
Unrestricted assets	186,662	351,330	83,422	621,414
Restricted assets	1,526,229	-	-	1,526,229
	$ 1,712,891	$ 351,330	$ 83,422	$ 2,147,643
Reconciliation of operating income (loss) to net cash from operating activities				
Operating income (loss)	1,668,335	141,405	(513,438)	1,296,302
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:				
Depreciation	2,604,847	284,538	733,248	3,622,633
Nonoperating revenues (expenses)	(5,515)	(5,539)	(6)	(11,060)
Pension liability adjustment	278,405	74,180	12,753	365,338
Change in assets and liabilities:				
Accounts receivable	1,718,921	(186,534)	(66,301)	1,466,086
Accounts payable	(298,379)	30,317	673	(267,389)
Accrued liabilities	(31,625)	(1,350)	-	(32,975)
Unearned revenue	130,236	-	-	130,236
Customer deposits	21,785	19,911	-	41,696
Compensated absences	(23,934)	(5,065)	(158)	(29,157)
Total adjustments	4,394,741	210,458	680,209	5,285,408
Net cash provided by operating activities	$ 6,063,076	$ 351,863	$ 166,771	$ 6,581,710

The notes to the financial statements are an integral part of these statements.

ATTACHMENT # 6

Attachment 6
City of Stuart
Updated Water and Wastewater Financial Forecast

List of Tables

No.	Description
1	Summary of Sewer Expansion Program Assumptions
2	Projected New Customer Growth and Availability Fees
3	Projected Rate Revenues at Existing FY19 and FY20 Rates
4	Projected Other Operating Revenues
5	Projected Other Revenues and Transfers
6	Amended Fiscal Year 2019 Budget and Allocation of Operating Expenses to Individual Systems
7	Adopted Fiscal Year 2020 Budget and Allocation of Operating Expenses to Individual Systems
8	Projected Water Operating Expenses
9	Projected Wastewater Operating Expenses
10	Summary of Projected Expense Escalation Factors
11	Five Year Estimated Capital Funding Program
12	Existing and Projected Debt Service Allocation
13	Projected Transfer to Renewal and Replacement Fund
14	Projected Intragovernmental Transfer
15	Combined Revenue Requirements
16	Projected Water Revenue Requirements
17	Projected Wastewater Revenue Requirements
18	Projected Available Fund Balances and Interest Earnings
19	Projected Debt Service Coverage

Financial Forecast Updated on: November 12, 2019
Prepared by: Raftelis Financial Consultants, Inc.

Table 1
City of Stuart
Updated Water and Wastewater Financial Forecast

Summary of Sewer Expansion Program Assumptions

Line No.	Description	Fiscal Year Ending September 30, 2019	2020	2021	2022	2023	2024
	DEVELOPMENT OF CHARGES						
	Proposed Charges						
1	Collection System Cost per ERC	$6,908	$6,908	$6,908	$6,908	$6,908	$6,908
2	Sewer Availability Fee per ERC	$2,092	$2,092	$2,092	$2,092	$2,092	$2,092
3	Total Charges per ERC	$9,000	$9,000	$9,000	$9,000	$9,000	$9,000
	Sewer Expansion Fees Terms:						
4	Period (Years)	10	10	10	10	10	10
5	Interest Rate	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	Projected Annual Sewer Expansion Fees						
6	Collection System Cost per ERC	$691	$691	$691	$691	$691	$691
7	Sewer Availability Fee per ERC	$209	$209	$209	$209	$209	$209
8	Total Charges per ERC	$900	$900	$900	$900	$900	$900
9	Discount for Connection within 12 Months	22.22%	22.22%	22.22%	22.22%	22.22%	22.22%
	Projected Annual Sewer Expansion Fees (Discounted)						
10	Collection System Cost per ERC	$491	$491	$491	$491	$491	$491
11	Sewer Availability Fee per ERC	$209	$209	$209	$209	$209	$209
12	Total Charges per ERC	$700	$700	$700	$700	$700	$700
	Projected Upfront Payment						
13	Collection System Cost per ERC	$3,908	$3,908	$3,908	$3,908	$3,908	$3,908
14	Sewer Availability Fee per ERC	$2,092	$2,092	$2,092	$2,092	$2,092	$2,092
15	Total Charges per ERC	$6,000	$6,000	$6,000	$6,000	$6,000	$6,000

Table 1
City of Stuart
Updated Water and Wastewater Financial Forecast

Summary of Sewer Expansion Program Assumptions

Line No.	Description	Short-term Life Cycle Yr. 1	Yr. 2	Yr. 3	Yr. 4	Yr. 5	Unconnected
	CUSTOMER PROFILE						
	Customer Connection Profile						
16	Connections	12.50%	6.94%	6.94%	6.94%	6.94%	25.00%
	Payment Profile	Percent	Percent	Percent	Percent	Percent	Weighted
17	Upfront Payment	6.25%	0.00%	0.00%	0.00%	0.00%	15.52%
18	Annual Sewer Expansion Fees (Discounted)	6.25%	0.00%	0.00%	0.00%	0.00%	15.52%
19	Annual Sewer Expansion Fees (At Cost)	0.00%	6.94%	6.94%	6.94%	6.94%	68.97%

Line No.	Description	Fiscal Year Ending September 30, 2019	2020	2021	2022	2023	2024
	CUSTOMER CONNECTIONS						
20	Customer Connections - Available						
21	St. Lucie Basin		0				
22	Dolphin Basin		156				
23	Poppleton Basin		94				
24	Palm Beach Basin		53				
25	East Stuart Basin		10				
26	Channel Ave. Basin		18				
27	Existing Basin Expansion	125	125	125	125	125	125
28	Future Basin Expansion						
29	Future Basin Expansion						
30	Total Connections - Available	125	456	125	125	125	125
20	Customer Connections - Each Year						
21	St. Lucie Basin		0	0	0	0	0
22	Dolphin Basin		20	11	11	11	11
23	Poppleton Basin		12	7	7	7	7
24	Palm Beach Basin		7	4	4	4	4
25	East Stuart Basin		1	1	1	1	1
26	Channel Ave. Basin		2	1	1	1	1
27	Existing Basin Expansion	125	125	125	125	125	125
28	Future Basin Expansion						
29	Future Basin Expansion						
31	Total Connections - Each Year	125	166	148	148	148	148
20	Customer Connections - Cumulative						
21	St. Lucie Basin	0	0	0	0	0	0
22	Dolphin Basin	0	20	30	41	52	63
23	Poppleton Basin	0	12	18	25	31	38
24	Palm Beach Basin	0	7	10	14	18	21
25	East Stuart Basin	0	1	2	3	3	4
26	Channel Ave. Basin	0	2	4	5	6	7
27	Existing Basin Expansion	125	250	375	500	625	750
28	Future Basin Expansion	0	0	0	0	0	0
29	Future Basin Expansion	0	0	0	0	0	0
32	Total Connections - Cumulative	125	291	439	587	735	883

Table 1
City of Stuart
Updated Water and Wastewater Financial Forecast

Summary of Sewer Expansion Program Assumptions

Line No.	Description	Fiscal Year Ending September 30, 2019	2020	2021	2022	2023	2024
	DEVELOPMENT OF SEF REVENUES						
	Projected Upfront Payments						
33	Collection System Cost	$0	$0	$44,915	$0	$0	$0
34	Sewer Availability Fee	$0	$0	$24,043	$0	$0	$0
35	Total Charges	$0	$0	$68,958	$0	$0	$0
	Projected Annual Sewer Expansion Fees (Discounted)						
36	Collection System Cost	$0	$0	$5,641	$5,641	$5,641	$5,641
37	Sewer Availability Fee	$0	$0	$2,404	$2,404	$2,404	$2,404
38	Total Charges	$0	$0	$8,045	$8,045	$8,045	$8,045
	Projected Annual Sewer Expansion Fees (At Cost)						
39	Collection System Cost	$86,350	$172,700	$259,050	$361,279	$463,508	$565,736
40	Sewer Availability Fee	$26,150	$52,300	$78,450	$109,408.69	$140,367	$171,326
41	Total Charges	$112,500	$225,000	$337,500	$470,688	$603,875	$737,063
	Projected Annual Sewer Expansion Fees (At Cost) - Existing Installments						
42	Collection System Cost	$366,508	$276,320	$191,889	$191,889	$191,889	$191,889
43	Sewer Availability Fee	$110,992	$83,680	$58,111	$58,111	$58,111	$58,111
44	Total Charges	$477,500	$360,000	$250,000	$250,000	$250,000	$250,000
	TOTAL SEF REVENUES						
45	Total Operating Sewer Expansion Fees Revenues	$452,858	$449,020	$501,495	$558,808	$661,037	$763,266
46	Total Sewer Availability Charges	$137,142	$135,980	$163,009	$169,924	$200,883	$231,842
47	Total Charges	$590,000	$585,000	$664,503	$728,733	$861,920	$995,108

Line No.	Description	Fiscal Year Ending September 30, 2019	2020	2021	2022	2023	2024
	Capital Projects - City Costs (Net of Grant Revenues) - See CIP						
48	Sewer Expansion - Incremental Grinder Systems	500,000	831,875	739,931	739,931	739,931	739,931

Table 2
City of Stuart
Updated Water and Wastewater Financial Forecast

Projected New Customer Growth and Availability Fees

Line No.	Description		Projected Fiscal Year Ending September 30, [1] 2019	2020	2021	2022	2023	2024
	WATER SYSTEM							
	Impact Fee Schedule							
1	Impact Fee Per ERC		$1,933	$1,933	$1,933	$1,933	$1,933	$1,933
2	Projected New ERC's	Yes	50.0	50.0	50.0	50.0	50.0	50.0
3	Total Water Impact Fee Revenue		$96,650	$96,650	$96,650	$96,650	$96,650	$96,650
4	Percent Prepaid		0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
5	Water Impact Fee Revenue Recognized for Forecast		$96,650	$96,650	$96,650	$96,650	$96,650	$96,650
	WASTEWATER SYSTEM							
	Impact Fee Schedule							
6	Impact Fee Per ERC		$2,092	$2,092	$2,092	$2,092	$2,092	$2,092
7	Projected New ERC's	Yes	50.0	50.0	50.0	50.0	50.0	50.0
8	Total Wastewater Impact Fee Revenue		$104,600	$104,600	$104,600	$104,600	$104,600	$104,600
9	Percent Prepaid		0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
10	Wastewater Impact Fee Revenue Recognized for Forecast		$104,600	$104,600	$104,600	$104,600	$104,600	$104,600

Table 2
City of Stuart
Updated Water and Wastewater Financial Forecast

Projected New Customer Growth and Availability Fees

Footnotes:
[1] Projected new development based upon information provided by staff as follows:

Planned Construction Projects:	Projected Fiscal Year Ending September 30, 2019	2020	2021	2022	2023	2024
Incremental Customer Growth						
Number of Homes	50.0	50.0	50.0	50.0	50.0	50.0
Water Gallons per Day per Unit	250	250	250	250	250	250
Wastewater Gallons per Day per Unit	200	200	200	200	200	200
Projected Water ERCs	50.0	50.0	50.0	50.0	50.0	50.0
Projected Wastewater ERCs	50.0	50.0	50.0	50.0	50.0	50.0
Wastewater Expansion Project						
Number of Homes	125.0	166.4	148.0	148.0	148.0	148.0
Water Gallons per Day per Unit	0	0	0	0	0	0
Wastewater Gallons per Day per Unit	200	200	200	200	200	200
Projected Water ERCs	0.0	0.0	0.0	0.0	0.0	0.0
Projected Wastewater ERCs	125.0	166.4	148.0	148.0	148.0	148.0
Total Projected Customer Growth						
Projected Water and Wastewater Accounts	50.0	50.0	50.0	50.0	50.0	50.0
Projected Water ERCs	50.0	50.0	50.0	50.0	50.0	50.0
Projected Wastewater ERCs	175.0	216.4	198.0	198.0	198.0	198.0

Table 2
City of Stuart
Updated Water and Wastewater Financial Forecast

Projected New Customer Growth and Availability Fees

Footnote 1 Continued.

Projected Billing Determinants:		Projected Fiscal Year Ending September 30, 2019	2020	2021	2022	2023	2024
Average Account Growth:							
Water System		4,452	4,502	4,552	4,602	4,652	4,702
	Yes	50.0	50.0	50.0	50.0	50.0	50.0
		4,502	4,552	4,602	4,652	4,702	4,752
		1.12%	1.11%	1.10%	1.09%	1.07%	1.06%
Wastewater System		2,595	2,770	2,986	3,184	3,382	3,580
	Yes	175.0	216.4	198.0	198.0	198.0	198.0
		2,770	2,986	3,184	3,382	3,580	3,778
		6.74%	7.81%	6.63%	6.22%	5.85%	5.53%
Average Sales Growth:							
Water System		1,136,000	1,138,400	1,140,800	1,143,200	1,145,600	1,148,000
	Yes	2,400	2,400	2,400	2,400	2,400	2,400
		1,138,400	1,140,800	1,143,200	1,145,600	1,148,000	1,150,400
		0.21%	0.21%	0.21%	0.21%	0.21%	0.21%
Wastewater System		566,000	574,400	584,786	594,290	603,793	613,297
	Yes	8,400	10,386	9,504	9,504	9,504	9,504
		574,400	584,786	594,290	603,793	613,297	622,800
		1.48%	1.81%	1.63%	1.60%	1.57%	1.55%

Table 3
City of Stuart
Updated Water and Wastewater Financial Forecast

Projected Rate Revenues at Existing FY19 and FY20 Rates

Line No.	Description	Projected Fiscal Year Ending September 30, 2019	2020	2021	2022	2023	2024
	WATER SYSTEM						
1	Existing Revenues (Budgeted) [1]	$6,088,191	$6,514,364	$6,514,364	$6,514,364	$6,514,364	$6,514,364
2	Additional Revenues from Growth (Cumulative) [2]	16,974	36,300	54,450	72,600	90,750	108,900
3	Budget to Actual Revenue Adjustment (if any) [3]	(16,974)	(36,300)	(36,300)	(36,300)	(36,300)	(36,300)
4	Total Water Revenues	$6,088,191	$6,514,364	$6,532,514	$6,550,664	$6,568,814	$6,586,964
5	**WASTEWATER SYSTEM**						
6	Existing Revenues (Budgeted) [1]	$5,436,712	$5,681,364	$5,681,364	$5,681,364	$5,681,364	$5,681,364
7	Additional Revenues from Growth (Cumulative) [2]	73,857	170,109	256,164	342,218	428,273	514,327
8	Budget to Actual Revenue Adjustment (if any) [3]	(73,857)	(170,109)	(170,109)	(170,109)	(170,109)	(170,109)
9	Total Wastewater Revenues	$5,436,712	$5,681,364	$5,767,419	$5,853,473	$5,939,528	$6,025,582
10	**TOTAL RATE REVENUES**	$11,524,903	$12,195,728	$12,299,933	$12,404,137	$12,508,342	$12,612,546

Table 3
City of Stuart
Updated Water and Wastewater Financial Forecast

Projected Rate Revenues at Existing FY19 and FY20 Rates

Footnotes:

[1] Amounts based on budget, but actual results could be higher based on the actual results for Fiscal Year 2018 and the adopted rate increrases for FY19 and FY20.

[2] Projected new development derived from Table 2 based upon information provided by staff as follows:

	Projected Fiscal Year Ending September 30,					
Description	2019	2020	2021	2022	2023	2024
Water System						
Cumulative Growth in Customer Accounts	50	100	150	200	250	300
Existing Monthly Base Fee & Customer Charge	$16.01	$17.13	$17.13	$17.13	$17.13	$17.13
Projected Revenues from Base Facility Charges	$9,606	$20,556	$30,834	$41,112	$51,390	$61,668
Cumulative Growth in Sales (kgals)	2,400	4,800	7,200	9,600	12,000	14,400
Existing Volume Charge (per kgal)	$3.07	$3.28	$3.28	$3.28	$3.28	$3.28
Projected Revenues from Base Facility Charges	$7,368	$15,744	$23,616	$31,488	$39,360	$47,232
Total Incremental Revenues from Customer Growth	$16,974	$36,300	$54,450	$72,600	$90,750	$108,900
Wastewater System						
Cumulative Growth in Customer Accounts	175	391	589	787	985	1,183
Existing Monthly Base Fee & Customer Charge	$8.17	$8.42	$8.42	$8.42	$8.42	$8.42
Projected Revenues from Base Facility Charges	$17,157	$39,545	$59,550	$79,555	$99,560	$119,565
Cumulative Growth in Sales (kgals)	8,400	18,786	28,290	37,793	47,297	56,800
Existing Volume Charge (per kgal)	$6.75	$6.95	$6.95	$6.95	$6.95	$6.95
Projected Revenues from Base Facility Charges	$56,700	$130,564	$196,614	$262,663	$328,713	$394,762
Total Incremental Revenues from Customer Growth	$73,857	$170,109	$256,164	$342,218	$428,273	$514,327

[3] Budget amounts for FY19 and FY20 include estimates for customer growth.

Table 4
City of Stuart
Updated Water and Wastewater Financial Forecast

Allocation of Other Operating Revenues to Individual Systems

Line No.	Description	Budget [1] 2019	Adjustments	Adjusted 2019	Budget [1] 2020	Adjustments	Adjusted 2020	Basis	Allocation Percentages Water System	Allocation Percentages Wastewater System
	Other Operating Revenues									
1	Miscellaneous Fees / Inspections	$10,000	$0	$10,000	$10,000	$0	$10,000	Input	100.00%	0.00%
2	Delinquent Water Fees	8,000	0	8,000	8,000	0	8,000	Input	100.00%	0.00%
3	Delinquent Sewer Fees	6,000	0	6,000	6,000	0	6,000	Input	0.00%	100.00%
4	Utility Service Charges	55,000	0	55,000	55,000	0	55,000	Equal	50.00%	50.00%
5	Sewer Payment Plans [2]	450,000	(450,000)	0	585,000	(585,000)	0	Direct-S	0.00%	100.00%
6	Reclaimed Water Revenue	125,000	0	125,000	143,750	8,625	152,375	Direct-S	0.00%	100.00%
7	Recovered Bad Debt	0	0	0	0	0	0	Equal	50.00%	50.00%
8	Other Miscellaneous Revenues	0	0	0	0	0	0	Equal	50.00%	50.00%
9	Totals	$654,000	($450,000)	$204,000	$807,750	($576,375)	$231,375			

Footnotes:
[1] Based on budgeted figures as provided by the City.
[2] Amount excluded from operating revenues but included as a cash source for sewer expansion in Table 18.

Table 4
City of Stuart
Updated Water and Wastewater Financial Forecast

Projected Other Operating Revenues

Line No.	Description	Budgeted 2019	Budgeted 2020	Escalation Reference	Fiscal Year Ending September 30, 2021	2022	2023	2024
	Water System							
	Other Operating Revenues							
1	Miscellaneous Fees / Inspections	$10,000	$10,000	Constant	$10,000	$10,000	$10,000	$10,000
2	Delinquent Water Fees	8,000	8,000	Constant	8,000	8,000	8,000	8,000
3	Delinquent Sewer Fees	0	0	Constant	0	0	0	0
4	Utility Service Charges	27,500	27,500	Constant	27,500	27,500	27,500	27,500
5	Sewer Payment Plans [2]	0	0	Constant	0	0	0	0
6	Reclaimed Water Revenue	0	0	Constant	0	0	0	0
7	Recovered Bad Debt	0	0	Eliminate	0	0	0	0
8	Other Miscellaneous Revenues	0	0	Constant	0	0	0	0
9	Totals	$45,500	$45,500		$45,500	$45,500	$45,500	$45,500
	Wastewater System							
	Other Operating Revenues							
10	Miscellaneous Fees / Inspections	$0	$0	Constant	$0	$0	$0	$0
11	Delinquent Water Fees	0	0	Constant	0	0	0	0
12	Delinquent Sewer Fees	6,000	6,000	Constant	6,000	6,000	6,000	6,000
13	Utility Service Charges	27,500	27,500	Constant	27,500	27,500	27,500	27,500
14	Sewer Payment Plans [2]	0	0	Constant	0	0	0	0
15	Reclaimed Water Revenue	125,000	152,375	Calculated	152,375	152,375	152,375	152,375
16	Recovered Bad Debt	0	0	Eliminate	0	0	0	0
17	Other Miscellaneous Revenues	0	0	Constant	0	0	0	0
18	Totals	$158,500	$185,875		$185,875	$185,875	$185,875	$185,875

Table 5
City of Stuart
Updated Water and Wastewater Financial Forecast

Allocation of Other Revenues and Transfers to Individual Systems

Line No.	Description	Budget [1] 2019	Adjustments	Adjusted 2019	Budget [1] 2020	Adjustments	Adjusted 2020	Basis	Allocation Percentages Water System	Allocation Percentages Wastewater System
	Other Operating Revenues									
1	Special Assessments	$0	$0	$0	$0	$0	$0	Direct-W	100.00%	0.00%
2	Donations from Public	16,000	0	16,000	5,000	0	5,000	Equal	50.00%	50.00%
3	Disposition of Assets / Sale of Scrap	50,500	0	50,500	40,000	0	40,000	Equal	50.00%	50.00%
4	Transfer from Other City Funds	0	0	0	0	0	0	Equal	50.00%	50.00%
5	Totals	$66,500	$0	$66,500	$45,000	$0	$45,000			

Footnotes:
[1] Based on budgeted figures as provided by the City.

Table 5
City of Stuart
Updated Water and Wastewater Financial Forecast

Projected Other Revenues and Transfers

Line No.	Description	Budgeted 2019	Budgeted 2020	Escalation Reference	Fiscal Year Ending September 30, 2021	2022	2023	2024
	Water System							
	Other Operating Revenues							
1	Special Assessments	$0	$0	Constant	$0	$0	$0	$0
2	Donations from Public	8,000	2,500	Constant	2,500	2,500	2,500	2,500
3	Disposition of Assets / Sale of Scrap	25,250	20,000	Eliminate	0	0	0	0
4	Transfer from Other City Funds	0	0	Constant	0	0	0	0
5	Totals	$33,250	$22,500		$2,500	$2,500	$2,500	$2,500
	Wastewater System							
	Other Operating Revenues							
6	Special Assessments	$0	$0	Constant	$0	$0	$0	$0
7	Donations from Public	8,000	2,500	Constant	2,500	2,500	2,500	2,500
8	Disposition of Assets / Sale of Scrap	25,250	20,000	Eliminate	0	0	0	0
9	Transfer from Other City Funds	0	0	Constant	0	0	0	0
10	Totals	$33,250	$22,500		$2,500	$2,500	$2,500	$2,500

Table 6
City of Stuart
Updated Water and Wastewater Financial Forecast

Amended Fiscal Year 2019 Budget and Allocation of Operating Expenses to Individual Systems

Line No.	Description	Codes	Budget 2019 [1]	Adjustments	Adjusted 2019	Basis	Allocation Percentages [2] Water	Allocation Percentages [2] Wastewater	Adjusted 2019 Water	Adjusted 2019 Wastewater
	Water Plant (1610)									
	Personnel Costs									
1	Salaries - Regular	512	$489,283	$0	$489,283	Direct-W	100.0%	0.0%	$489,283	$0
2	Salaries - Overtime	514	24,800	0	24,800	Direct-W	100.0%	0.0%	24,800	0
3	Salaries - Part-time		0	0	0	Direct-W	100.0%	0.0%	0	0
4	Salaries - Longevity		0	0	0	Direct-W	100.0%	0.0%	0	0
5	Salaries - Special Pay	515	4,200	0	4,200	Direct-W	100.0%	0.0%	4,200	0
6	FICA Taxes	521	39,649	0	39,649	Direct-W	100.0%	0.0%	39,649	0
7	Retirement Contribution	522	39,091	0	39,091	Direct-W	100.0%	0.0%	39,091	0
8	Insurance - Life & Health	523	105,282	0	105,282	Direct-W	100.0%	0.0%	105,282	0
9	Workers Compensation	524	16,734	0	16,734	Direct-W	100.0%	0.0%	16,734	0
10	Unemployment Compensation		0	0	0	Direct-W	100.0%	0.0%	0	0
11	Total Personnel Costs		$719,039	$0	$719,039				$719,039	$0
	Operating Services									
12	Professional Services	531	$53,000	$51,964	$104,964	Direct-W	100.0%	0.0%	$104,964	$0
13	Other Contractual Services	534	207,950	73,379	281,329	Direct-W	100.0%	0.0%	281,329	0
14	Travel and Per Diem	540	1,650	0	1,650	Direct-W	100.0%	0.0%	1,650	0
15	Communications / Freight	541&542	4,800	0	4,800	Direct-W	100.0%	0.0%	4,800	0
16	Utility Services	543	242,415	0	242,415	Direct-W	100.0%	0.0%	242,415	0
17	Rentals and Leases	544	30,064	0	30,064	Direct-W	100.0%	0.0%	30,064	0
18	Insurance	545	18,552	0	18,552	Direct-W	100.0%	0.0%	18,552	0
19	Repair and Maintenance	546	398,500	35,937	434,437	Direct-W	100.0%	0.0%	434,437	0
20	Printing and Binding	547	6,700	(6,700)	0	Direct-W	100.0%	0.0%	0	0
21	Other Current Charges	549	29,700	13,900	43,600	Direct-W	100.0%	0.0%	43,600	0
22	Vehicle Leases	550	0	0	0	Direct-W	100.0%	0.0%	0	0
23	Office Supplies	551	1,535	(1,535)	0	Direct-W	100.0%	0.0%	0	0
24	Operating Supplies	552	334,787	8,235	343,022	Direct-W	100.0%	0.0%	343,022	0
25	Publications / Memberships / Training	554&555	6,320	0	6,320	Direct-W	100.0%	0.0%	6,320	0
26	Promotional Activities	548	13,900	(13,900)	0	Direct-W	100.0%	0.0%	0	0
27	Total Operating Services		$1,349,873	$161,280	$1,511,153				$1,511,153	$0
	Capital Outlay									
28	Buildings	562	$70,000	($70,000) [3]	$0	Direct-W	100.0%	0.0%	$0	$0
29	Infrastructure	563	2,482,375	(2,482,375) [3]	0	Direct-W	100.0%	0.0%	0	0
30	Machinery & Equipment	564	56,000	(56,000) [3]	0	Direct-W	100.0%	0.0%	0	0
31	Total Capital Outlay		$2,608,375	($2,608,375)	$0				$0	$0
32	**Total Water Plant**		$4,677,287	($2,447,095)	$2,230,192				$2,230,192	$0

Table 6
City of Stuart
Updated Water and Wastewater Financial Forecast

Amended Fiscal Year 2019 Budget and Allocation of Operating Expenses to Individual Systems

Line No.	Description	Codes	Budget 2019 [1]	Adjustments	Adjusted 2019	Basis	Allocation Percentages [2] Water	Allocation Percentages [2] Wastewater	Adjusted 2019 Water	Adjusted 2019 Wastewater
	Wastewater Plant (1620)									
	Personnel Costs									
33	Salaries - Regular	512	$507,457	$0	$507,457	Direct-S	0.0%	100.0%	$0	$507,457
34	Salaries - Overtime	514	52,000	0	52,000	Direct-S	0.0%	100.0%	0	52,000
35	Salaries - Part-time		0	0	0	Direct-S	0.0%	100.0%	0	0
36	Salaries - Longevity		0	0	0	Direct-S	0.0%	100.0%	0	0
37	Salaries - Special Pay	515	4,560	0	4,560	Direct-S	0.0%	100.0%	0	4,560
38	FICA Taxes	521	43,147	0	43,147	Direct-S	0.0%	100.0%	0	43,147
39	Retirement Contribution	522	46,335	0	46,335	Direct-S	0.0%	100.0%	0	46,335
40	Insurance - Life & Health	523	136,998	0	136,998	Direct-S	0.0%	100.0%	0	136,998
41	Workers Compensation	524	14,406	0	14,406	Direct-S	0.0%	100.0%	0	14,406
42	Unemployment Compensation		0	0	0	Direct-S	0.0%	100.0%	0	0
43	Total Personnel Costs		$804,903	$0	$804,903				$0	$804,903
	Operating Services									
44	Professional Services	531	$35,000	($13,682)	$21,318	Direct-S	0.0%	100.0%	$0	$21,318
45	Other Contractual Services	534	159,475	(28,296)	131,179	Direct-S	0.0%	100.0%	0	131,179
46	Travel and Per Diem	540	4,340	0	4,340	Direct-S	0.0%	100.0%	0	4,340
47	Communications / Freight	541&542	6,530	0	6,530	Direct-S	0.0%	100.0%	0	6,530
48	Utility Services	543	372,000	50,000	422,000	Direct-S	0.0%	100.0%	0	422,000
49	Rentals and Leases	544	44,500	0	44,500	Direct-S	0.0%	100.0%	0	44,500
50	Insurance	545	23,108	0	23,108	Direct-S	0.0%	100.0%	0	23,108
51	Repair and Maintenance	546	613,500	(306,116)	307,384	Direct-S	0.0%	100.0%	0	307,384
52	Printing and Binding	547	0	0	0	Direct-S	0.0%	100.0%	0	0
53	Other Current Charges	549	7,500	2,000	9,500	Direct-S	0.0%	100.0%	0	9,500
54	Vehicle Leases	550	0	0	0	Direct-S	0.0%	100.0%	0	0
55	Office Supplies	551	1,000	(1,000)	0	Direct-S	0.0%	100.0%	0	0
56	Operating Supplies	552	111,598	(19,000)	92,598	Direct-S	0.0%	100.0%	0	92,598
57	Publications / Memberships / Training	554&555	3,700	0	3,700	Direct-S	0.0%	100.0%	0	3,700
58	Promotional Activities	548	2,000	(2,000)	0	Direct-S	0.0%	100.0%	0	0
59	Total Operating Services		$1,384,251	($318,093)	$1,066,158				$0	$1,066,158
	Capital Outlay									
60	Buildings	562	$500,000	($500,000) [3]	$0	Direct-S	0.0%	100.0%	$0	$0
61	Infrastructure	563	296,500	(296,500) [3]	0	Direct-S	0.0%	100.0%	0	0
62	Machinery & Equipment	564	0	0 [3]	0	Direct-S	0.0%	100.0%	0	0
63	Total Capital Outlay		$796,500	($796,500)	$0				$0	$0
64	**Total Wastewater Plant**		$2,985,654	($1,114,593)	$1,871,061				$0	$1,871,061

Table 6
City of Stuart
Updated Water and Wastewater Financial Forecast

Amended Fiscal Year 2019 Budget and Allocation of Operating Expenses to Individual Systems

Line No.	Description	Codes	Budget 2019 [1]	Adjustments	Adjusted 2019	Basis	Allocation Percentages [2] Water	Allocation Percentages [2] Wastewater	Adjusted 2019 Water	Adjusted 2019 Wastewater
	Distribution and Collection (1630)									
	Personnel Costs									
65	Salaries - Regular	512	$430,635	$0	$430,635	Lines	63.8%	36.2%	$274,745	$155,890
66	Salaries - Overtime	514	52,000	0	52,000	Lines	63.8%	36.2%	33,176	18,824
67	Salaries - Part-time		0	0	0	Lines	63.8%	36.2%	0	0
68	Salaries - Longevity		0	0	0	Lines	63.8%	36.2%	0	0
69	Salaries - Special Pay	515	7,380	0	7,380	Lines	63.8%	36.2%	4,708	2,672
70	FICA Taxes	521	33,508	0	33,508	Lines	63.8%	36.2%	21,378	12,130
71	Retirement Contribution	522	36,017	0	36,017	Lines	63.8%	36.2%	22,979	13,038
72	Insurance - Life & Health	523	104,951	0	104,951	Lines	63.8%	36.2%	66,959	37,992
73	Workers Compensation	524	16,102	0	16,102	Lines	63.8%	36.2%	10,273	5,829
74	Unemployment Compensation		0	0	0	Lines	63.8%	36.2%	0	0
75	Total Personnel Costs		$680,593	$0	$680,593				$434,218	$246,375
	Operating Services									
76	Professional Services	531	$20,000	($12,710)	$7,290	Lines	63.8%	36.2%	$4,651	$2,639
77	Other Contractual Services	534	112,400	(80,000)	32,400	Lines	63.8%	36.2%	20,671	11,729
78	Travel and Per Diem	540	1,800	0	1,800	Lines	63.8%	36.2%	1,148	652
79	Communications / Freight	541&542	5,800	0	5,800	Lines	63.8%	36.2%	3,700	2,100
80	Utility Services	543	23,400	0	23,400	Lines	63.8%	36.2%	14,929	8,471
81	Rentals and Leases	544	500	0	500	Lines	63.8%	36.2%	319	181
82	Insurance	545	34,804	0	34,804	Lines	63.8%	36.2%	22,205	12,599
83	Repair and Maintenance	546	266,580	11,529	278,109	Lines	63.8%	36.2%	177,434	100,676
84	Printing and Binding	547	500	(500)	0	Lines	63.8%	36.2%	0	0
85	Other Current Charges	549	1,000	1,600	2,600	Lines	63.8%	36.2%	1,659	941
86	Vehicle Leases	550	0	0	0	Lines	63.8%	36.2%	0	0
87	Office Supplies	551	700	(700)	0	Lines	63.8%	36.2%	0	0
88	Operating Supplies	552	46,795	3,775	50,570	Lines	63.8%	36.2%	32,264	18,306
89	Road Materials / Supplies	553	2,575	(2,575)	0	Lines	63.8%	36.2%	0	0
90	Publications / Memberships / Training	554&555	4,400	0	4,400	Lines	63.8%	36.2%	2,807	1,593
91	Promotional Activities	548	1,600	(1,600)	0	Lines	63.8%	36.2%	0	0
92	Total Operating Services		$522,854	($81,181)	$441,673				$281,788	$159,886
	Capital Outlay									
93	Buildings	562	$0	$0 [3]	$0	Lines	63.8%	36.2%	$0	$0
94	Infrastructure	563	1,667,000	(1,667,000) [3]	0	Input	0.0%	100.0%	0	0
95	Machinery & Equipment	564	61,300	(61,300) [3]	0	Lines	63.8%	36.2%	0	0
96	Total Capital Outlay		$1,728,300	($1,728,300)	$0				$0	$0
97	**Total Distribution and Collection**		$2,931,747	($1,809,481)	$1,122,266				$716,006	$406,260
	Utility Customer Service (1640)									

Table 6
City of Stuart
Updated Water and Wastewater Financial Forecast

Amended Fiscal Year 2019 Budget and Allocation of Operating Expenses to Individual Systems

Line No.	Description	Codes	Budget 2019 [1]	Adjustments	Adjusted 2019	Basis	Allocation Percentages [2] Water	Allocation Percentages [2] Wastewater	Adjusted 2019 Water	Adjusted 2019 Wastewater
	Personnel Costs									
98	Salaries - Regular	512	$212,323	$0	$212,323	Accounts	63.2%	36.8%	$134,137	$78,186
99	Salaries - Overtime	514	7,650	0	7,650	Accounts	63.2%	36.8%	4,833	2,817
100	Salaries - Part-time		15,000	0	15,000	Accounts	63.2%	36.8%	9,476	5,524
101	Salaries - Longevity		0	0	0	Accounts	63.2%	36.8%	0	0
102	Salaries - Special Pay	515	6,720	0	6,720	Accounts	63.2%	36.8%	4,245	2,475
103	FICA Taxes	521	18,489	0	18,489	Accounts	63.2%	36.8%	11,681	6,808
104	Retirement Contribution	522	19,483	0	19,483	Accounts	63.2%	36.8%	12,309	7,174
105	Insurance - Life & Health	523	28,250	0	28,250	Accounts	63.2%	36.8%	17,847	10,403
106	Workers Compensation	524	323	0	323	Accounts	63.2%	36.8%	204	119
107	Unemployment Compensation		0	0	0	Accounts	63.2%	36.8%	0	0
108	Total Personnel Costs		$308,238	$0	$308,238				$194,732	$113,506
	Operating Services									
109	Professional Services	531	$50,000	($47,490)	$2,510	Accounts	63.2%	36.8%	$1,586	$924
110	Accounting and Auditing		0	0	0	Accounts	63.2%	36.8%	0	0
111	Other Contractual Services	534	68,650	4,000	72,650	Accounts	63.2%	36.8%	45,897	26,753
112	Travel and Per Diem	540	3,600	0	3,600	Accounts	63.2%	36.8%	2,274	1,326
113	Communications / Freight	541&542	41,700	0	41,700	Accounts	63.2%	36.8%	26,344	15,356
114	Utility Services	543	2,000	0	2,000	Accounts	63.2%	36.8%	1,264	736
115	Rentals and Leases	544	1,023	0	1,023	Accounts	63.2%	36.8%	646	377
116	Insurance	545	2,601	0	2,601	Accounts	63.2%	36.8%	1,643	958
117	Repair and Maintenance	546	9,750	0	9,750	Accounts	63.2%	36.8%	6,160	3,590
118	Printing and Binding	547	15,098	(15,098)	0	Accounts	63.2%	36.8%	0	0
119	Other Current Charges	549	108,000	2,200	110,200	Accounts	63.2%	36.8%	69,620	40,580
120	Vehicle Leases	550	0	0	0	Accounts	63.2%	36.8%	0	0
121	Office Supplies	551	7,400	(7,400)	0	Accounts	63.2%	36.8%	0	0
122	Operating Supplies	552	11,450	22,498	33,948	Accounts	63.2%	36.8%	21,447	12,501
123	Publications / Memberships / Training	554&555	7,000	0	7,000	Accounts	63.2%	36.8%	4,422	2,578
124	Promotional Activities	548	2,200	(2,200)	0	Accounts	63.2%	36.8%	0	0
125	Total Operating Services		$330,472	($43,490)	$286,982				$181,303	$105,679
	Capital Outlay									
126	Buildings	562	$0	$0 [3]	$0	Accounts	63.2%	36.8%	$0	$0
127	Infrastructure	563	0	0 [3]	0	Accounts	63.2%	36.8%	0	0
128	Machinery & Equipment	564	21,000	(21,000) [3]	0	Accounts	63.2%	36.8%	0	0
129	Total Capital Outlay		$21,000	($21,000)	$0				$0	$0
130	**Total Utility Customer Service**		$659,710	($64,490)	$595,220				$376,035	$219,185
	Water and Wastewater General Government (1670)									
	Personnel Costs									

Table 6
City of Stuart
Updated Water and Wastewater Financial Forecast

Amended Fiscal Year 2019 Budget and Allocation of Operating Expenses to Individual Systems

Line No.	Description	Codes	Budget 2019 [1]	Adjustments	Adjusted 2019	Basis	Allocation Percentages [2] Water	Allocation Percentages [2] Wastewater	Adjusted 2019 Water	Adjusted 2019 Wastewater
131	Salaries - Regular	512	$525,215	$0	$525,215	Salaries	54.2%	45.8%	$284,786	$240,429
132	Salaries - Overtime	514	1,005	0	1,005	Salaries	54.2%	45.8%	545	460
133	Salaries - Part-time		0	0	0	Salaries	54.2%	45.8%	0	0
134	Salaries - Longevity		0	0	0	Salaries	54.2%	45.8%	0	0
135	Salaries - Special Pay	515	4,560	0	4,560	Salaries	54.2%	45.8%	2,473	2,087
136	FICA Taxes	521	40,604	0	40,604	Salaries	54.2%	45.8%	22,017	18,587
137	Retirement Contribution	522	43,465	0	43,465	Salaries	54.2%	45.8%	23,568	19,897
138	Insurance - Life & Health	523	103,587	0	103,587	Salaries	54.2%	45.8%	56,168	47,419
139	Workers Compensation	524	5,475	0	5,475	Salaries	54.2%	45.8%	2,969	2,506
140	Unemployment Compensation		0	0	0	Salaries	54.2%	45.8%	0	0
141	Total Personnel Costs		$723,911	$0	$723,911				$392,524	$331,387
	Operating Services									
142	Professional Services	531	$82,100	$106,563	$188,663	Salaries	54.2%	45.8%	$102,298	$86,365
143	Other Contractual Services	534	15,877	0	15,877	Salaries	54.2%	45.8%	8,609	7,268
144	Travel and Per Diem	540	6,000	0	6,000	Salaries	54.2%	45.8%	3,253	2,747
145	Communications / Freight	541&542	3,100	0	3,100	Salaries	54.2%	45.8%	1,681	1,419
146	Utility Services	543	5,800	0	5,800	Salaries	54.2%	45.8%	3,145	2,655
147	Rentals and Leases	544	29,974	21,000	50,974	Salaries	54.2%	45.8%	27,639	23,335
148	Insurance	545	15,214	0	15,214	Salaries	54.2%	45.8%	8,249	6,965
149	Repair and Maintenance	546	7,725	0	7,725	Salaries	54.2%	45.8%	4,189	3,536
150	Printing and Binding	547	1,000	(1,000)	0	Salaries	54.2%	45.8%	0	0
151	Other Current Charges	549	4,092	1,050	5,142	Salaries	54.2%	45.8%	2,788	2,354
152	Vehicle Leases	550	0	0	0	Salaries	54.2%	45.8%	0	0
153	Office Supplies	551	4,194	(4,194)	0	Salaries	54.2%	45.8%	0	0
154	Operating Supplies	552	17,033	5,194	22,227	Salaries	54.2%	45.8%	12,052	10,175
155	Road Materials / Supplies	553	0	0	0	Salaries	54.2%	45.8%	0	0
156	Publications / Memberships / Training	554&555	4,700	0	4,700	Salaries	54.2%	45.8%	2,548	2,152
157	Promotional Activities	548	1,050	(1,050)	0	Salaries	54.2%	45.8%	0	0
158	Total Operating Services		$197,859	$127,563	$325,422				$176,452	$148,969
	Capital Outlay									
159	Buildings	562	$0	$0 [3]	$0	Salaries	54.2%	45.8%	$0	$0
160	Infrastructure	563	0	0 [3]	0	Salaries	54.2%	45.8%	0	0
161	Machinery & Equipment	564	10,000	(10,000) [3]	0	Salaries	54.2%	45.8%	0	0
162	Total Capital Outlay		$10,000	($10,000)	$0				$0	$0
163	**Total Water and Wastewater General Government**		$931,770	$117,563	$1,049,333				$568,977	$480,356

Table 6
City of Stuart
Updated Water and Wastewater Financial Forecast

Amended Fiscal Year 2019 Budget and Allocation of Operating Expenses to Individual Systems

Line No.	Description	Codes	Budget 2019 [1]	Adjustments	Adjusted 2019	Basis	Allocation Percentages [2] Water	Allocation Percentages [2] Wastewater	Adjusted 2019 Water	Adjusted 2019 Wastewater
	Debt Service (1660)									
164	Principal		$1,219,390	($1,219,390) [4]	$0	Salaries	54.2%	45.8%	$0	$0
165	Interest		770,650	(770,650) [4]	0	Salaries	54.2%	45.8%	0	0
166	Other Debt Service Costs		122,916	(122,916) [4]	0	Salaries	54.2%	45.8%	0	0
167	**Total Debt Service**		$2,112,956	($2,112,956)	$0				$0	$0
	Non - Departmental (1690)									
168	Transfers (Indirect Cost Allocation) - Net	557	$234,890	$0	$234,890	Salaries	54.2%	45.8%	$127,364	$107,526
169	Other Non-operating Uses - Life / Health Insurar	523	12,294	0	12,294	Salaries	54.2%	45.8%	6,666	5,628
170	Intragovernmental Transfers	591	698,994	(698,994)	0	Salaries	54.2%	45.8%	0	0
171	Transfer to Retained Earnings	595	1,040,975	(1,040,975)	0	Salaries	54.2%	45.8%	0	0
172	**Total Non - Departmental**		$1,987,153	($1,739,969)	$247,184				$134,030	$113,154
173	**Total System**		$16,286,277	($9,171,021)	$7,115,256				$4,025,239	$3,090,017

Footnotes:

[1] Based on budgeted figures for the Fiscal Year Ending September 30, 2019 as amended by the City.

[2] Allocations based on operating information obtained from the budget, historical operating records and other information provided by the City.

[3] Amounts, if any, reflect reductions in the operating budget for capital expenditures shown in Table 11.

[4] Amounts reflect reductions in the operating budget for debt service payments associated with long-term debt. Such amounts are reflected in Table 12 of this report.

Table 7
City of Stuart
Updated Water and Wastewater Financial Forecast

Adopted Fiscal Year 2020 Budget and Allocation of Operating Expenses to Individual Systems

Line No.	Description	Codes	Budget 2020 [1]	Adjustments	Adjusted 2020	Basis	Allocation Percentages [2] Water	Allocation Percentages [2] Wastewater	Adjusted 2020 Water	Adjusted 2020 Wastewater
	Water Plant (1610)									
	Personnel Costs									
1	Salaries - Regular	512	$503,961	$0	$503,961	Direct-W	100.0%	0.0%	$503,961	$0
2	Salaries - Overtime	514	25,000	0	25,000	Direct-W	100.0%	0.0%	25,000	0
3	Salaries - Part-time		0	0	0	Direct-W	100.0%	0.0%	0	0
4	Salaries - Longevity		0	0	0	Direct-W	100.0%	0.0%	0	0
5	Salaries - Special Pay	515	4,200	0	4,200	Direct-W	100.0%	0.0%	4,200	0
6	FICA Taxes	521	40,787	0	40,787	Direct-W	100.0%	0.0%	40,787	0
7	Retirement Contribution	522	42,838	0	42,838	Direct-W	100.0%	0.0%	42,838	0
8	Insurance - Life & Health	523	130,584	0	130,584	Direct-W	100.0%	0.0%	130,584	0
9	Workers Compensation	524	17,487	0	17,487	Direct-W	100.0%	0.0%	17,487	0
10	Unemployment Compensation		0	0	0	Direct-W	100.0%	0.0%	0	0
11	Total Personnel Costs		$764,857	$0	$764,857				$764,857	$0
	Operating Services									
12	Professional Services	531	$30,000	$0	$30,000	Direct-W	100.0%	0.0%	$30,000	$0
13	Other Contractual Services	534	265,950	0	265,950	Direct-W	100.0%	0.0%	265,950	0
14	Travel and Per Diem	540	3,260	0	3,260	Direct-W	100.0%	0.0%	3,260	0
15	Communications / Freight	541&542	5,250	0	5,250	Direct-W	100.0%	0.0%	5,250	0
16	Utility Services	543	236,000	0	236,000	Direct-W	100.0%	0.0%	236,000	0
17	Rentals and Leases	544	31,064	0	31,064	Direct-W	100.0%	0.0%	31,064	0
18	Insurance	545	19,975	0	19,975	Direct-W	100.0%	0.0%	19,975	0
19	Repair and Maintenance	546	662,500	0	662,500	Direct-W	100.0%	0.0%	662,500	0
20	Printing and Binding	547	0	0	0	Direct-W	100.0%	0.0%	0	0
21	Other Current Charges	549	37,400	0	37,400	Direct-W	100.0%	0.0%	37,400	0
22	Vehicle Leases	550	38,400	0	38,400	Direct-W	100.0%	0.0%	38,400	0
23	Office Supplies	551	0	0	0	Direct-W	100.0%	0.0%	0	0
24	Operating Supplies	552	299,805	0	299,805	Direct-W	100.0%	0.0%	299,805	0
25	Publications / Memberships / Training	554&555	7,240	0	7,240	Direct-W	100.0%	0.0%	7,240	0
26	Promotional Activities	548	0	0	0	Direct-W	100.0%	0.0%	0	0
27	Total Operating Services		$1,636,844	$0	$1,636,844				$1,636,844	$0
	Capital Outlay									
28	Buildings	562	$0	$0 [3]	$0	Direct-W	100.0%	0.0%	$0	$0
29	Infrastructure	563	3,760,000	(3,760,000) [3]	0	Direct-W	100.0%	0.0%	0	0
30	Machinery & Equipment	564	17,600	(17,600) [3]	0	Direct-W	100.0%	0.0%	0	0
31	Total Capital Outlay		$3,777,600	($3,777,600)	$0				$0	$0
32	**Total Water Plant**		$6,179,301	($3,777,600)	$2,401,701				$2,401,701	$0

Table 7
City of Stuart
Updated Water and Wastewater Financial Forecast

Adopted Fiscal Year 2020 Budget and Allocation of Operating Expenses to Individual Systems

Line No.	Description	Codes	Budget 2020 [1]	Adjustments	Adjusted 2020	Basis	Allocation Percentages [2] Water	Allocation Percentages [2] Wastewater	Adjusted 2020 Water	Adjusted 2020 Wastewater
	Wastewater Plant (1620)									
	Personnel Costs									
33	Salaries - Regular	512	$523,287	$0	$523,287	Direct-S	0.0%	100.0%	$0	$523,287
34	Salaries - Overtime	514	52,000	0	52,000	Direct-S	0.0%	100.0%	0	52,000
35	Salaries - Part-time		0	0	0	Direct-S	0.0%	100.0%	0	0
36	Salaries - Longevity		0	0	0	Direct-S	0.0%	100.0%	0	0
37	Salaries - Special Pay	515	5,460	0	5,460	Direct-S	0.0%	100.0%	0	5,460
38	FICA Taxes	521	44,427	0	44,427	Direct-S	0.0%	100.0%	0	44,427
39	Retirement Contribution	522	44,526	0	44,526	Direct-S	0.0%	100.0%	0	44,526
40	Insurance - Life & Health	523	104,210	0	104,210	Direct-S	0.0%	100.0%	0	104,210
41	Workers Compensation	524	15,054	0	15,054	Direct-S	0.0%	100.0%	0	15,054
42	Unemployment Compensation		0	0	0	Direct-S	0.0%	100.0%	0	0
43	Total Personnel Costs		$788,964	$0	$788,964				$0	$788,964
	Operating Services									
44	Professional Services	531	$120,000	$0	$120,000	Direct-S	0.0%	100.0%	$0	$120,000
45	Other Contractual Services	534	279,475	0	279,475	Direct-S	0.0%	100.0%	0	279,475
46	Travel and Per Diem	540	140	0	140	Direct-S	0.0%	100.0%	0	140
47	Communications / Freight	541&542	6,130	0	6,130	Direct-S	0.0%	100.0%	0	6,130
48	Utility Services	543	378,000	0	378,000	Direct-S	0.0%	100.0%	0	378,000
49	Rentals and Leases	544	46,500	0	46,500	Direct-S	0.0%	100.0%	0	46,500
50	Insurance	545	24,596	0	24,596	Direct-S	0.0%	100.0%	0	24,596
51	Repair and Maintenance	546	339,000	(70,000)	269,000	Direct-S	0.0%	100.0%	0	269,000
52	Printing and Binding	547	0	0	0	Direct-S	0.0%	100.0%	0	0
53	Other Current Charges	549	26,600	0	26,600	Direct-S	0.0%	100.0%	0	26,600
54	Vehicle Leases	550	7,200	0	7,200	Direct-S	0.0%	100.0%	0	7,200
55	Office Supplies	551	0	0	0	Direct-S	0.0%	100.0%	0	0
56	Operating Supplies	552	77,597	0	77,597	Direct-S	0.0%	100.0%	0	77,597
57	Publications / Memberships / Training	554	2,580	0	2,580	Direct-S	0.0%	100.0%	0	2,580
58	Promotional Activities	548	0	0	0	Direct-S	0.0%	100.0%	0	0
59	Total Operating Services		$1,307,818	($70,000)	$1,237,818				$0	$1,237,818
	Capital Outlay									
60	Buildings	562	$50,000	($50,000) [3]	$0	Direct-S	0.0%	100.0%	$0	$0
61	Infrastructure	563	0	0 [3]	0	Direct-S	0.0%	100.0%	0	0
62	Machinery & Equipment	564	453,000	(453,000) [3]	0	Direct-S	0.0%	100.0%	0	0
63	Total Capital Outlay		$503,000	($503,000)	$0				$0	$0
64	**Total Wastewater Plant**		$2,599,782	($573,000)	$2,026,782				$0	$2,026,782

Table 7
City of Stuart
Updated Water and Wastewater Financial Forecast

Adopted Fiscal Year 2020 Budget and Allocation of Operating Expenses to Individual Systems

Line No.	Description	Codes	Budget 2020 [1]	Adjustments	Adjusted 2020	Basis	Allocation Percentages [2] Water	Allocation Percentages [2] Wastewater	Adjusted 2020 Water	Adjusted 2020 Wastewater
	Distribution and Collection (1630)									
	Personnel Costs									
65	Salaries - Regular	512	$519,780	$0	$519,780	Lines	63.8%	36.2%	$331,620	$188,160
66	Salaries - Overtime	514	54,000	0	54,000	Lines	63.8%	36.2%	34,452	19,548
67	Salaries - Part-time		0	0	0	Lines	63.8%	36.2%	0	0
68	Salaries - Longevity		0	0	0	Lines	63.8%	36.2%	0	0
69	Salaries - Special Pay	515	6,900	0	6,900	Lines	63.8%	36.2%	4,402	2,498
70	FICA Taxes	521	44,422	0	44,422	Lines	63.8%	36.2%	28,341	16,081
71	Retirement Contribution	522	44,356	0	44,356	Lines	63.8%	36.2%	28,299	16,057
72	Insurance - Life & Health	523	159,069	0	159,069	Lines	63.8%	36.2%	101,486	57,583
73	Workers Compensation	524	16,827	0	16,827	Lines	63.8%	36.2%	10,736	6,091
74	Unemployment Compensation		0	0	0	Lines	63.8%	36.2%	0	0
75	Total Personnel Costs		$845,354	$0	$845,354				$539,336	$306,018
	Operating Services									
76	Professional Services	531	$5,000	$0	$5,000	Lines	63.8%	36.2%	$3,190	$1,810
77	Other Contractual Services	534	31,400	0	31,400	Lines	63.8%	36.2%	20,033	11,367
78	Travel and Per Diem	540	3,300	0	3,300	Lines	63.8%	36.2%	2,105	1,195
79	Communications / Freight	541&542	6,150	0	6,150	Lines	63.8%	36.2%	3,924	2,226
80	Utility Services	543	15,000	0	15,000	Lines	63.8%	36.2%	9,570	5,430
81	Rentals and Leases	544	1,000	0	1,000	Lines	63.8%	36.2%	638	362
82	Insurance	545	36,370	0	36,370	Lines	63.8%	36.2%	23,204	13,166
83	Repair and Maintenance	546	280,000	0	280,000	Lines	63.8%	36.2%	178,640	101,360
84	Printing and Binding	547	0	0	0	Lines	63.8%	36.2%	0	0
85	Other Current Charges	549	3,100	0	3,100	Lines	63.8%	36.2%	1,978	1,122
86	Vehicle Leases	550	40,800	0	40,800	Lines	63.8%	36.2%	26,030	14,770
87	Office Supplies	551	0	0	0	Lines	63.8%	36.2%	0	0
88	Operating Supplies	552	57,445	0	57,445	Lines	63.8%	36.2%	36,650	20,795
89	Road Materials / Supplies	553	0	0	0	Lines	63.8%	36.2%	0	0
90	Publications / Memberships / Training	554	5,630	0	5,630	Lines	63.8%	36.2%	3,592	2,038
91	Promotional Activities	548	0	0	0	Lines	63.8%	36.2%	0	0
92	Total Operating Services		$485,195	$0	$485,195				$309,554	$175,641
	Capital Outlay									
93	Buildings	562	$0	$0 [3]	$0	Lines	63.8%	36.2%	$0	$0
94	Infrastructure	563	3,050,000	(3,050,000) [3]	0	Input	4.3%	95.7%	0	0
95	Machinery & Equipment	564	127,800	(127,800) [3]	0	Lines	63.8%	36.2%	0	0
96	Total Capital Outlay		$3,177,800	($3,177,800)	$0				$0	$0
97	**Total Distribution and Collection**		$4,508,349	($3,177,800)	$1,330,549				$848,890	$481,659
	Utility Customer Service (1640)									

Table 7
City of Stuart
Updated Water and Wastewater Financial Forecast

Adopted Fiscal Year 2020 Budget and Allocation of Operating Expenses to Individual Systems

Line No.	Description	Codes	Budget 2020 [1]	Adjustments	Adjusted 2020	Basis	Allocation Percentages [2] Water	Allocation Percentages [2] Wastewater	Adjusted 2020 Water	Adjusted 2020 Wastewater
	Personnel Costs									
98	Salaries - Regular	512&513	$247,133	$0	$247,133	Accounts	63.2%	36.8%	$156,128	$91,005
99	Salaries - Overtime	514	10,000	0	10,000	Accounts	63.2%	36.8%	6,318	3,682
100	Salaries - Part-time		0	0	0	Accounts	63.2%	36.8%	0	0
101	Salaries - Longevity		0	0	0	Accounts	63.2%	36.8%	0	0
102	Salaries - Special Pay	515	4,320	0	4,320	Accounts	63.2%	36.8%	2,729	1,591
103	FICA Taxes	521	20,001	0	20,001	Accounts	63.2%	36.8%	12,636	7,365
104	Retirement Contribution	522	20,752	0	20,752	Accounts	63.2%	36.8%	13,110	7,642
105	Insurance - Life & Health	523	28,139	0	28,139	Accounts	63.2%	36.8%	17,777	10,362
106	Workers Compensation	524	338	0	338	Accounts	63.2%	36.8%	214	124
107	Unemployment Compensation		0	0	0	Accounts	63.2%	36.8%	0	0
108	Total Personnel Costs		$330,683	$0	$330,683				$208,912	$121,771
	Operating Services									
109	Professional Services	531	$0	$0	$0	Accounts	63.2%	36.8%	$0	$0
110	Accounting and Auditing		0	0	0	Accounts	63.2%	36.8%	0	0
111	Other Contractual Services	534	23,500	0	23,500	Accounts	63.2%	36.8%	14,846	8,654
112	Travel and Per Diem	540	3,600	0	3,600	Accounts	63.2%	36.8%	2,274	1,326
113	Communications / Freight	541&542	43,000	0	43,000	Accounts	63.2%	36.8%	27,166	15,834
114	Utility Services	543	2,000	0	2,000	Accounts	63.2%	36.8%	1,264	736
115	Rentals and Leases	544	1,023	0	1,023	Accounts	63.2%	36.8%	646	377
116	Insurance	545	2,718	0	2,718	Accounts	63.2%	36.8%	1,717	1,001
117	Repair and Maintenance	546	2,500	0	2,500	Accounts	63.2%	36.8%	1,579	921
118	Printing and Binding	547	0	0	0	Accounts	63.2%	36.8%	0	0
119	Other Current Charges	549	98,100	0	98,100	Accounts	63.2%	36.8%	61,975	36,125
120	Vehicle Leases	550	5,180	0	5,180	Accounts	63.2%	36.8%	3,273	1,907
121	Office Supplies	551	0	0	0	Accounts	63.2%	36.8%	0	0
122	Operating Supplies	552	33,595	0	33,595	Accounts	63.2%	36.8%	21,224	12,371
123	Publications / Memberships / Training	554/555	7,350	0	7,350	Accounts	63.2%	36.8%	4,643	2,707
124	Promotional Activities	548	0	0	0	Accounts	63.2%	36.8%	0	0
125	Total Operating Services		$222,566	$0	$222,566				$140,608	$81,958
	Capital Outlay									
126	Buildings	562	$0	$0 [3]	$0	Accounts	63.2%	36.8%	$0	$0
127	Infrastructure	563	0	0 [3]	0	Accounts	63.2%	36.8%	0	0
128	Machinery & Equipment	564	0	0 [3]	0	Accounts	63.2%	36.8%	0	0
129	Total Capital Outlay		$0	$0	$0				$0	$0
130	**Total Utility Customer Service**		$553,249	$0	$553,249				$349,520	$203,729
	Water and Wastewater General Government (1670)									
	Personnel Costs									

Table 7
City of Stuart
Updated Water and Wastewater Financial Forecast

Adopted Fiscal Year 2020 Budget and Allocation of Operating Expenses to Individual Systems

Line No.	Description	Codes	Budget 2020 [1]	Adjustments	Adjusted 2020	Basis	Allocation Percentages [2] Water	Allocation Percentages [2] Wastewater	Adjusted 2020 Water	Adjusted 2020 Wastewater
131	Salaries - Regular	512	$604,033	$0	$604,033	Salaries	54.2%	45.8%	$327,523	$276,510
132	Salaries - Overtime	514	1,000	0	1,000	Salaries	54.2%	45.8%	542	458
133	Salaries - Part-time		0	0	0	Salaries	54.2%	45.8%	0	0
134	Salaries - Longevity		0	0	0	Salaries	54.2%	45.8%	0	0
135	Salaries - Special Pay	515	4,080	0	4,080	Salaries	54.2%	45.8%	2,212	1,868
136	FICA Taxes	521	46,597	0	46,597	Salaries	54.2%	45.8%	25,266	21,331
137	Retirement Contribution	522	57,962	0	57,962	Salaries	54.2%	45.8%	31,429	26,533
138	Insurance - Life & Health	523	120,722	0	120,722	Salaries	54.2%	45.8%	65,459	55,263
139	Workers Compensation	524	5,721	0	5,721	Salaries	54.2%	45.8%	3,102	2,619
140	Unemployment Compensation		0	0	0	Salaries	54.2%	45.8%	0	0
141	Total Personnel Costs		$840,115	$0	$840,115				$455,533	$384,582
	Operating Services									
142	Professional Services	531	$90,000	$0	$90,000	Salaries	54.2%	45.8%	$48,800	$41,200
143	Other Contractual Services	534	10,850	0	10,850	Salaries	54.2%	45.8%	5,883	4,967
144	Travel and Per Diem	540	10,200	0	10,200	Salaries	54.2%	45.8%	5,531	4,669
145	Communications / Freight	541&542	2,740	0	2,740	Salaries	54.2%	45.8%	1,486	1,254
146	Utility Services	543	7,500	0	7,500	Salaries	54.2%	45.8%	4,067	3,433
147	Rentals and Leases	544	31,500	0	31,500	Salaries	54.2%	45.8%	17,080	14,420
148	Insurance	545	15,899	0	15,899	Salaries	54.2%	45.8%	8,621	7,278
149	Repair and Maintenance	546	6,500	0	6,500	Salaries	54.2%	45.8%	3,524	2,976
150	Printing and Binding	547	0	0	0	Salaries	54.2%	45.8%	0	0
151	Other Current Charges	549	10,220	0	10,220	Salaries	54.2%	45.8%	5,542	4,678
152	Vehicle Leases	550	13,200	0	13,200	Salaries	54.2%	45.8%	7,157	6,043
153	Office Supplies	551	0	0	0	Salaries	54.2%	45.8%	0	0
154	Operating Supplies	552	31,775	0	31,775	Salaries	54.2%	45.8%	17,229	14,546
155	Road Materials / Supplies	553	0	0	0	Salaries	54.2%	45.8%	0	0
156	Publications / Memberships / Training	554	6,100	0	6,100	Salaries	54.2%	45.8%	3,308	2,792
157	Promotional Materials	548	0	0	0	Salaries	54.2%	45.8%	0	0
158	Total Operating Services		$236,484	$0	$236,484				$128,228	$108,256
	Capital Outlay									
159	Buildings	562	$0	$0 [3]	$0	Salaries	54.2%	45.8%	$0	$0
160	Infrastructure	563	0	0 [3]	0	Salaries	54.2%	45.8%	0	0
161	Machinery & Equipment	564	4,000	(4,000) [3]	0	Salaries	54.2%	45.8%	0	0
162	Total Capital Outlay		$4,000	($4,000)	$0				$0	$0
163	**Total Water and Wastewater General Government**		$1,080,599	($4,000)	$1,076,599				$583,761	$492,838

Table 7
City of Stuart
Updated Water and Wastewater Financial Forecast

Adopted Fiscal Year 2020 Budget and Allocation of Operating Expenses to Individual Systems

Line No.	Description	Codes	Budget 2020 [1]	Adjustments	Adjusted 2020	Basis	Allocation Percentages [2] Water	Allocation Percentages [2] Wastewater	Adjusted 2020 Water	Adjusted 2020 Wastewater
	Debt Service (1660)									
164	Principal		$1,459,445	($1,459,445) [4]	$0	Salaries	54.2%	45.8%	$0	$0
165	Interest		775,600	(775,600) [4]	0	Salaries	54.2%	45.8%	0	0
166	Other Debt Service Costs		237,040	(237,040) [4]	0	Salaries	54.2%	45.8%	0	0
167	**Total Debt Service**		$2,472,085	($2,472,085)	$0				$0	$0
	Non - Departmental (1690)									
168	Transfers (Indirect Cost Allocation) - Net		$273,523	$0	$273,523	Salaries	54.2%	45.8%	$148,312	$125,211
169	Other Non-operating Uses - Life / Health Insurance & Other		94,536	0	94,536	Salaries	54.2%	45.8%	51,260	43,276
170	Intragovernmental Transfers		760,571	(760,571)	0	Salaries	54.2%	45.8%	0	0
171	Transfer to Retained Earnings		1,086,484	(1,086,484)	0	Salaries	54.2%	45.8%	0	0
172	**Total Non - Departmental**		$2,215,114	($1,847,055)	$368,059				$199,572	$168,487
173	**Total System**		$19,608,479	($11,851,540)	$7,756,939				$4,383,443	$3,373,496

Footnotes:

[1] Based on budgeted figures for the Fiscal Year Ending September 30, 2020.

[2] Allocations based on operating information obtained from the budget, historical operating records and other information provided by the City.

[3] Amounts, if any, reflect reductions in the operating budget for capital expenditures shown in Table 11.

[4] Amounts reflect reductions in the operating budget for debt service payments associated with long-term debt. Such amounts are reflected in Table 12 of this report.

Table 8
City of Stuart
Updated Water and Wastewater Financial Forecast

Projected Water Operating Expenses

Line No.	Description	Admin Code	Ops Code	Budget [1] 2019	Budget [2] 2020	Escalation Reference	Projected Fiscal Year Ending September 30, 2021	2022	2023	2024
	Water Plant									
	Personnel Costs									
1	Salaries - Regular	27	16	$489,283	$503,961	Labor	$514,040	$524,321	$534,807	$545,504
2	Salaries - Overtime	27	16	24,800	25,000	Labor	25,500	26,010	26,530	27,061
3	Salaries - Part-time	27	16	0	0	Labor	0	0	0	0
4	Salaries - Longevity	27	16	0	0	Labor	0	0	0	0
5	Salaries - Special Pay	27	16	4,200	4,200	Labor	4,284	4,370	4,457	4,546
6	FICA Taxes	27	17	39,649	40,787	Labor	41,603	42,435	43,283	44,149
7	Retirement Contribution	27	17	39,091	42,838	Labor	43,695	44,569	45,460	46,369
8	Insurance - Life & Health	27	17	105,282	130,584	Ins-Health	138,419	146,724	155,528	164,859
9	Workers Compensation	27	17	16,734	17,487	Worker Comp	18,012	18,552	19,109	19,682
10	Unemployment Compensation	27	17	0	0	Labor	0	0	0	0
11	Total Personnel Costs			$719,039	$764,857		$785,552	$806,980	$829,174	$852,170
	Operating Services									
12	Professional Services	33	24	$104,964	$30,000	Inflation	$30,750	$31,519	$32,307	$33,082
13	Other Contractual Services	33	24	281,329	265,950	Inflation	272,599	279,414	286,399	293,273
14	Travel and Per Diem	34	25	1,650	3,260	Inflation	3,342	3,425	3,511	3,595
15	Communications / Freight	31	18	4,800	5,250	Inflation	5,381	5,516	5,654	5,789
16	Utility Services	28	18	242,415	236,000	Utility-W	248,321	261,285	274,924	289,273
17	Rentals and Leases	28	25	30,064	31,064	Inflation	31,841	32,637	33,453	34,255
18	Insurance	30	30	18,552	19,975	Ins-Property	20,574	21,191	21,827	22,482
19	Repair and Maintenance	28	21	434,437	662,500	Repair	682,375	702,846	723,932	745,650
20	Printing and Binding	31	25	0	0	Inflation	0	0	0	0
21	Other Current Charges	34	25	43,600	37,400	Inflation	38,335	39,293	40,276	41,242
22	Vehicle Leases	34	25	0	38,400	Inflation	39,360	40,344	41,353	42,345
22	Office Supplies	29	21	0	0	Inflation	0	0	0	0
23	Operating Supplies	29	19	343,022	299,805	Water Flow	307,947	316,308	324,895	333,388
24	Publications / Memberships / Training	34	25	6,320	7,240	Inflation	7,421	7,607	7,797	7,984
25	Promotional Activities	31	25	0	0	Inflation	0	0	0	0
26	Total Operating Services			$1,511,153	$1,636,844		$1,688,245	$1,741,384	$1,796,325	$1,852,359
27	**Total Water Plant**			$2,230,192	$2,401,701		$2,473,798	$2,548,365	$2,625,500	$2,704,529
	Distribution and Collection									
	Personnel Costs									
28	Salaries - Regular	27	16	$274,745	$331,620	Labor	$338,252	$345,017	$351,917	$358,956
29	Salaries - Overtime	27	16	33,176	34,452	Labor	35,141	35,844	36,561	37,292
30	Salaries - Part-time	27	16	0	0	Labor	0	0	0	0
31	Salaries - Longevity	27	16	0	0	Labor	0	0	0	0
32	Salaries - Special Pay	27	16	4,708	4,402	Labor	4,490	4,580	4,672	4,765
33	FICA Taxes	27	17	21,378	28,341	Labor	28,908	29,486	30,076	30,677
34	Retirement Contribution	27	17	22,979	28,299	Labor	28,865	29,442	30,031	30,632
35	Insurance - Life & Health	27	17	66,959	101,486	Ins-Health	107,575	114,030	120,871	128,124
36	Workers Compensation	27	17	10,273	10,736	Worker Comp	11,058	11,389	11,731	12,083
37	Unemployment Compensation	27	17	0	0	Labor	0	0	0	0
38	Total Personnel Costs			$434,218	$539,336		$554,289	$569,789	$585,860	$602,529
	Operating Services									
39	Professional Services	33	24	$4,651	$3,190	Inflation	$3,270	$3,351	$3,435	$3,518
40	Other Contractual Services	33	24	20,671	20,033	Inflation	20,534	21,047	21,574	22,091
41	Travel and Per Diem	34	25	1,148	2,105	Inflation	2,158	2,212	2,267	2,322
42	Communications / Freight	31	18	3,700	3,924	Inflation	4,022	4,122	4,225	4,327
43	Utility Services	28	18	14,929	9,570	Utility-W	10,070	10,595	11,148	11,730
44	Rentals and Leases	28	25	319	638	Inflation	654	670	687	704
45	Insurance	30	30	22,205	23,204	Ins-Property	23,900	24,617	25,356	26,116
46	Repair and Maintenance	28	21	177,434	178,640	Repair	183,999	189,519	195,205	201,061
47	Printing and Binding	31	25	0	0	Inflation	0	0	0	0
48	Other Current Charges	34	25	1,659	1,978	Inflation	2,027	2,078	2,130	2,181
49	Vehicle Leases	34	25	0	26,030	Inflation	26,681	27,348	28,032	28,705
49	Office Supplies	29	21	0	0	Inflation	0	0	0	0
50	Operating Supplies	29	19	32,264	36,650	Water Flow	37,645	38,667	39,717	40,755
51	Road Materials / Supplies	34	21	0	0	Inflation	0	0	0	0
52	Publications / Memberships / Training	34	25	2,807	3,592	Inflation	3,682	3,774	3,868	3,961
53	Promotional Activities	31	25	0	0	Inflation	0	0	0	0
54	Total Operating Services			$281,788	$309,554		$318,642	$328,002	$337,644	$347,471
55	**Total Distribution and Collection**			$716,006	$848,890		$872,931	$897,791	$923,504	$950,000

Table 8
City of Stuart
Updated Water and Wastewater Financial Forecast

Projected Water Operating Expenses

Line No.	Description	Admin Code	Ops Code	Budget [1] 2019	Budget [2] 2020	Escalation Reference	Projected Fiscal Year Ending September 30, 2021	2022	2023	2024
	Utility Customer Service									
	Personnel Costs									
56	Salaries - Regular	27	16	$134,137	$156,128	Labor	$159,251	$162,436	$165,685	$168,998
57	Salaries - Overtime	27	16	4,833	6,318	Labor	6,444	6,573	6,704	6,838
58	Salaries - Part-time	27	16	9,476	0	Labor	0	0	0	0
59	Salaries - Longevity	27	16	0	0	Labor	0	0	0	0
60	Salaries - Special Pay	27	16	4,245	2,729	Labor	2,784	2,839	2,896	2,954
61	FICA Taxes	27	17	11,681	12,636	Labor	12,889	13,146	13,409	13,677
62	Retirement Contribution	27	17	12,309	13,110	Labor	13,372	13,640	13,913	14,191
63	Insurance - Life & Health	27	17	17,847	17,777	Ins-Health	18,844	19,974	21,173	22,443
64	Workers Compensation	27	17	204	214	Worker Comp	220	227	233	240
65	Unemployment Compensation	27	17	0	0	Labor	0	0	0	0
66	Total Personnel Costs			$194,732	$208,912		$213,803	$218,835	$224,013	$229,343
	Operating Services									
67	Professional Services	33	24	$1,586	$0	Inflation	$0	$0	$0	$0
68	Accounting and Auditing	33	24	0	0	Inflation	0	0	0	0
69	Other Contractual Services	33	24	45,897	14,846	Inflation	15,217	15,598	15,988	16,372
70	Travel and Per Diem	34	25	2,274	2,274	Inflation	2,331	2,389	2,449	2,508
71	Communications / Freight	31	18	26,344	27,166	Cust-Water	28,151	29,168	30,218	31,273
72	Utility Services	28	18	1,264	1,264	Utility	1,327	1,393	1,463	1,536
73	Rentals and Leases	28	25	646	646	Inflation	662	679	696	713
74	Insurance	30	30	1,643	1,717	Ins-Property	1,769	1,822	1,876	1,933
75	Repair and Maintenance	28	21	6,160	1,579	Repair	1,627	1,676	1,726	1,778
76	Printing and Binding	31	25	0	0	Cust-Water	0	0	0	0
77	Other Current Charges	34	25	69,620	61,975	Cust-Water	64,223	66,543	68,940	71,345
78	Vehicle Leases	34	25	0	3,273	Inflation	3,354	3,438	3,524	3,609
78	Office Supplies	29	21	0	0	Cust-Water	0	0	0	0
79	Operating Supplies	29	19	21,447	21,224	Cust-Water	21,993	22,788	23,609	24,433
80	Publications / Memberships / Training	34	25	4,422	4,643	Inflation	4,760	4,878	5,000	5,120
81	Promotional Activities	31	25	0	0	Inflation	0	0	0	0
82	Total Operating Services			$181,303	$140,608		$145,414	$150,373	$155,490	$160,618
83	**Total Utility Customer Service**			$376,035	$349,520		$359,217	$369,208	$379,503	$389,961
	Water and Wastewater General Government									
	Personnel Costs									
84	Salaries - Regular	27	16	$284,786	$327,523	Labor	$334,073	$340,755	$347,570	$354,521
85	Salaries - Overtime	27	16	545	542	Labor	553	564	575	587
86	Salaries - Part-time	27	16	0	0	Labor	0	0	0	0
87	Salaries - Longevity	27	16	0	0	Labor	0	0	0	0
88	Salaries - Special Pay	27	16	2,473	2,212	Labor	2,257	2,302	2,348	2,395
89	FICA Taxes	27	17	22,017	25,266	Labor	25,771	26,287	26,813	27,349
90	Retirement Contribution	27	17	23,568	31,429	Labor	32,057	32,698	33,352	34,019
91	Insurance - Life & Health	27	17	56,168	65,459	Ins-Health	69,386	73,549	77,962	82,640
92	Workers Compensation	27	17	2,969	3,102	Worker Comp	3,195	3,291	3,390	3,491
93	Unemployment Compensation	27	17	0	0	Labor	0	0	0	0
94	Total Personnel Costs			$392,524	$455,533		$467,293	$479,446	$492,010	$505,003
	Operating Services									
95	Professional Services	33	24	$102,298	$48,800	Inflation	$50,020	$51,271	$52,553	$53,814
96	Other Contractual Services	33	24	8,609	5,883	Inflation	6,030	6,181	6,336	6,488
97	Travel and Per Diem	34	25	3,253	5,531	Inflation	5,669	5,811	5,956	6,099
98	Communications / Freight	31	18	1,681	1,486	Inflation	1,523	1,561	1,600	1,638
99	Utility Services	28	18	3,145	4,067	Utility	4,270	4,484	4,708	4,943
100	Rentals and Leases	28	25	27,639	17,080	Inflation	17,507	17,945	18,393	18,835
101	Insurance	30	30	8,249	8,621	Ins-Property	8,879	9,146	9,420	9,703
102	Repair and Maintenance	28	21	4,189	3,524	Repair	3,630	3,739	3,851	3,967
103	Printing and Binding	31	25	0	0	Inflation	0	0	0	0
104	Other Current Charges	34	25	2,788	5,542	Inflation	5,680	5,822	5,968	6,111
105	Vehicle Leases	34	25	0	7,157	Inflation	7,336	7,520	7,708	7,893
105	Office Supplies	29	21	0	0	Inflation	0	0	0	0
106	Operating Supplies	29	19	12,052	17,229	Inflation	17,660	18,101	18,554	18,999
107	Road Materials / Supplies	31	25	0	0	Inflation	0	0	0	0
108	Publications / Memberships / Training	31	25	2,548	3,308	Inflation	3,390	3,475	3,562	3,647
108	Promotional Activities	34	25	0	0	Inflation	0	0	0	0
109	Total Operating Services			$176,452	$128,228		$131,596	$135,055	$138,608	$142,137
110	**Total Water and Wastewater General Government**			$568,977	$583,761		$598,889	$614,502	$630,618	$647,140

Table 8
City of Stuart
Updated Water and Wastewater Financial Forecast

Projected Water Operating Expenses

Line No.	Description	Admin Code	Ops Code	Budget [1] 2019	Budget [2] 2020	Escalation Reference	Projected Fiscal Year Ending September 30, 2021	2022	2023	2024
	Non - Departmental									
111	Transfers (Indirect Cost Allocation) - Net	39	39	$127,364	$148,312	Labor	$151,278	$154,303	$157,389	$160,537
112	Other Non-operating Uses	34	25	6,666	51,260	Ins-Health	54,336	57,596	61,051	64,715
113	Other Costs			0	0	Constant	0	0	0	0
114	**Total Non - Departmental**			$134,030	$199,572		$205,613	$211,899	$218,441	$225,252
	Additional Charges									
115	Additional Operating Costs [3]	28	18	$0	$0	Calculated	$0	$0	$484,000	$499,000
116	Additional Salaries [4]	28	18	0	0	Calculated	0	0	0	0
117	Additional Savings [5]	28	18	0	0	Calculated	0	0	(209,000)	(215,000)
118	Bad Debt Expense			0	0	Calculated	0	0	0	0
119	**Total Additional Charges**			$0	$0		$0	$0	$275,000	$284,000
120	**Total System**			$4,025,239	$4,383,443		$4,510,448	$4,641,764	$5,052,566	$5,200,880

Footnotes:

[1] Amounts derived from Table 6 as allocated to the water system.

[2] Amounts derived from Table 7 as allocated to the water system.

[3] Based on discussions with the City and amounts provided by the City's Consulting Engineer, which were adjusted for inflation. Estimated costs assumed to be incurred beginning October 1, 2022.

[4] No new personnel costs were assumed. One additional position will be required, but based on discussions with City staff, the proposed position will be funded through attrition.

[5] Savings based on the average incremental cost associated with 1.0 MGD beginning October 1, 2022, which was adjusted for inflation.

Table 9
City of Stuart
Updated Water and Wastewater Financial Forecast

Projected Wastewater Operating Expenses

Line No.	Description	Admin Code	Ops Code	Budget [1] 2019	Budget [2] 2020	Escalation Reference	Projected Fiscal Year Ending September 30, 2021	2022	2023	2024
	Wastewater Plant									
	Personnel Costs									
1	Salaries - Regular	27	16	$507,457	$523,287	Labor	$533,753	$544,428	$555,316	$566,423
2	Salaries - Overtime	27	16	52,000	52,000	Labor	53,040	54,101	55,183	56,286
3	Salaries - Part-time	27	16	0	0	Labor	0	0	0	0
4	Salaries - Longevity	27	16	0	0	Labor	0	0	0	0
5	Salaries - Special Pay	27	16	4,560	5,460	Labor	5,569	5,681	5,794	5,910
6	FICA Taxes	27	17	43,147	44,427	Labor	45,316	46,222	47,146	48,089
7	Retirement Contribution	27	17	46,335	44,526	Labor	45,417	46,325	47,251	48,196
8	Insurance - Life & Health	27	17	136,998	104,210	Ins-Health	110,463	117,090	124,116	131,563
9	Workers Compensation	27	17	14,406	15,054	Worker Comp	15,506	15,971	16,450	16,943
10	Unemployment Compensation	27	17	0	0	Labor	0	0	0	0
11	Total Personnel Costs			$804,903	$788,964		$809,062	$829,817	$851,257	$873,411
	Operating Services									
12	Professional Services	33	24	$21,318	$120,000	Inflation	$123,000	$126,075	$129,227	$132,328
13	Other Contractual Services	33	24	131,179	279,475	Inflation	286,462	293,623	300,964	308,187
14	Travel and Per Diem	34	25	4,340	140	Inflation	144	147	151	154
15	Communications / Freight	31	18	6,530	6,130	Inflation	6,283	6,440	6,601	6,760
16	Utility Services	28	18	422,000	378,000	Utility-S	403,350	430,290	458,916	489,329
17	Rentals and Leases	28	25	44,500	46,500	Inflation	47,663	48,854	50,075	51,277
18	Insurance	30	30	23,108	24,596	Ins-Property	25,334	26,094	26,877	27,683
19	Repair and Maintenance	28	21	307,384	269,000	Repair	277,070	285,382	293,944	302,762
20	Printing and Binding	31	25	0	0	Inflation	0	0	0	0
21	Other Current Charges	34	25	9,500	26,600	Inflation	27,265	27,947	28,645	29,333
22	Vehicle Leases	34	25	0	7,200	Inflation	7,380	7,565	7,754	7,940
22	Office Supplies	29	21	0	0	Inflation	0	0	0	0
23	Operating Supplies	29	19	92,598	77,597	Sewer Flow	80,830	84,175	87,638	91,131
24	Publications / Memberships / Training	34	25	3,700	2,580	Inflation	2,645	2,711	2,778	2,845
25	Promotional Activities	31	25	0	0	Inflation	0	0	0	0
26	Total Operating Services			$1,066,158	$1,237,818		$1,287,424	$1,339,303	$1,393,570	$1,449,729
27	**Total Wastewater Plant**			$1,871,061	$2,026,782		$2,096,486	$2,169,120	$2,244,826	$2,323,140
	Distribution and Collection									
	Personnel Costs									
28	Salaries - Regular	27	16	$155,890	$188,160	Labor	$191,924	$195,762	$199,677	$203,671
29	Salaries - Overtime	27	16	18,824	19,548	Labor	19,939	20,338	20,744	21,159
30	Salaries - Part-time	27	16	0	0	Labor	0	0	0	0
31	Salaries - Longevity	27	16	0	0	Labor	0	0	0	0
32	Salaries - Special Pay	27	16	2,672	2,498	Labor	2,548	2,599	2,651	2,704
33	FICA Taxes	27	17	12,130	16,081	Labor	16,402	16,730	17,065	17,406
34	Retirement Contribution	27	17	13,038	16,057	Labor	16,378	16,706	17,040	17,380
35	Insurance - Life & Health	27	17	37,992	57,583	Ins-Health	61,038	64,700	68,582	72,697
36	Workers Compensation	27	17	5,829	6,091	Worker Comp	6,274	6,462	6,656	6,856
37	Unemployment Compensation	27	17	0	0	Labor	0	0	0	0
38	Total Personnel Costs			$246,375	$306,018		$314,503	$323,297	$332,416	$341,874
	Operating Services									
39	Professional Services	33	24	$2,639	$1,810	Inflation	$1,855	$1,902	$1,949	$1,996
40	Other Contractual Services	33	24	11,729	11,367	Inflation	11,651	11,942	12,241	12,535
41	Travel and Per Diem	34	25	652	1,195	Inflation	1,224	1,255	1,286	1,317
42	Communications / Freight	31	18	2,100	2,226	Inflation	2,282	2,339	2,397	2,455
43	Utility Services	28	18	8,471	5,430	Utility-S	5,794	6,181	6,592	7,029
44	Rentals and Leases	28	25	181	362	Inflation	371	380	390	399
45	Insurance	30	30	12,599	13,166	Ins-Property	13,561	13,968	14,387	14,818
46	Repair and Maintenance	28	21	100,676	101,360	Repair	104,401	107,533	110,759	114,082
47	Printing and Binding	31	25	0	0	Inflation	0	0	0	0
48	Other Current Charges	34	25	941	1,122	Inflation	1,150	1,179	1,208	1,237
49	Vehicle Leases	34	25	0	14,770	Inflation	15,139	15,517	15,905	16,287
49	Office Supplies	29	21	0	0	Inflation	0	0	0	0
50	Operating Supplies	29	19	18,306	20,795	Sewer Flow	21,661	22,558	23,486	24,422
51	Road Materials / Supplies	34	21	0	0	Inflation	0	0	0	0
52	Publications / Memberships / Training	34	25	1,593	2,038	Inflation	2,089	2,141	2,195	2,247
53	Promotional Activities	31	25	0	0	Inflation	0	0	0	0
54	Total Operating Services			$159,886	$175,641		$181,179	$186,896	$192,796	$198,825
55	**Total Distribution and Collection**			$406,260	$481,659		$495,682	$510,193	$525,212	$540,699
	Utility Customer Service									
	Personnel Costs									
56	Salaries - Regular	27	16	$78,186	$91,005	Labor	$92,825	$94,681	$96,575	$98,506
57	Salaries - Overtime	27	16	2,817	3,682	Labor	3,756	3,831	3,908	3,986
58	Salaries - Part-time	27	16	5,524	0	Labor	0	0	0	0
59	Salaries - Longevity	27	16	0	0	Labor	0	0	0	0
60	Salaries - Special Pay	27	16	2,475	1,591	Labor	1,623	1,655	1,688	1,722
61	FICA Taxes	27	17	6,808	7,365	Labor	7,513	7,663	7,816	7,972
62	Retirement Contribution	27	17	7,174	7,642	Labor	7,795	7,950	8,109	8,272
63	Insurance - Life & Health	27	17	10,403	10,362	Ins-Health	10,984	11,643	12,341	13,082
64	Workers Compensation	27	17	119	124	Worker Comp	128	132	136	140
65	Unemployment Compensation	27	17	0	0	Labor	0	0	0	0

Table 9
City of Stuart
Updated Water and Wastewater Financial Forecast

Projected Wastewater Operating Expenses

Line No.	Description	Admin Code	Ops Code	Budget [1] 2019	Budget [2] 2020	Escalation Reference	Projected Fiscal Year Ending September 30, 2021	2022	2023	2024
66	Total Personnel Costs			$113,506	$121,771		$124,622	$127,556	$130,574	$133,680
	Operating Services									
67	Professional Services	33	24	$924	$0	Inflation	$0	$0	$0	$0
68	Accounting and Auditing	33	24	0	0	Inflation	0	0	0	0
69	Other Contractual Services	33	24	26,753	8,654	Inflation	8,870	9,092	9,319	9,543
70	Travel and Per Diem	34	25	1,326	1,326	Inflation	1,359	1,393	1,428	1,462
71	Communications / Freight	31	18	15,356	15,834	Cust-Water	16,409	17,001	17,614	18,228
72	Utility Services	28	18	736	736	Utility	773	812	853	895
73	Rentals and Leases	28	25	377	377	Inflation	386	396	406	415
74	Insurance	30	30	958	1,001	Ins-Property	1,031	1,062	1,094	1,127
75	Repair and Maintenance	28	21	3,590	921	Repair	948	977	1,006	1,036
76	Printing and Binding	31	25	0	0	Cust-Sewer	0	0	0	0
77	Other Current Charges	34	25	40,580	36,125	Cust-Sewer	39,482	42,986	46,640	50,400
78	Vehicle Leases	34	25	0	1,907	Inflation	1,955	2,004	2,054	2,103
78	Office Supplies	29	21	0	0	Cust-Sewer	0	0	0	0
79	Operating Supplies	29	19	12,501	12,371	Cust-Sewer	13,521	14,721	15,972	17,260
80	Publications / Memberships / Training	34	25	2,578	2,707	Inflation	2,774	2,844	2,915	2,985
81	Promotional Activities	31	25	0	0	Inflation	0	0	0	0
82	Total Operating Services			$105,679	$81,958		$87,509	$93,286	$99,299	$105,454
83	**Total Utility Customer Service**			$219,185	$203,729		$212,131	$220,842	$229,872	$239,134
	Water and Wastewater General Government									
	Personnel Costs									
84	Salaries - Regular	27	16	$240,429	$276,510	Labor	$282,040	$287,681	$293,435	$299,303
85	Salaries - Overtime	27	16	460	458	Labor	467	476	486	496
86	Salaries - Part-time	27	16	0	0	Labor	0	0	0	0
87	Salaries - Longevity	27	16	0	0	Labor	0	0	0	0
88	Salaries - Special Pay	27	16	2,087	1,868	Labor	1,905	1,943	1,982	2,022
89	FICA Taxes	27	17	18,587	21,331	Labor	21,757	22,193	22,636	23,089
90	Retirement Contribution	27	17	19,897	26,533	Labor	27,064	27,605	28,157	28,721
91	Insurance - Life & Health	27	17	47,419	55,263	Ins-Health	58,579	62,094	65,819	69,769
92	Workers Compensation	27	17	2,506	2,619	Worker Comp	2,697	2,778	2,862	2,948
93	Unemployment Compensation	27	17	0	0	Labor	0	0	0	0
94	Total Personnel Costs			$331,387	$384,582		$394,510	$404,771	$415,378	$426,347
	Operating Services									
95	Professional Services	33	24	$86,365	$41,200	Inflation	$42,230	$43,285	$44,367	$45,432
96	Other Contractual Services	33	24	7,268	4,967	Inflation	5,091	5,218	5,349	5,477
97	Travel and Per Diem	34	25	2,747	4,669	Inflation	4,786	4,906	5,028	5,149
98	Communications / Freight	31	18	1,419	1,254	Inflation	1,286	1,318	1,351	1,383
99	Utility Services	28	18	2,655	3,433	Utility	3,605	3,785	3,974	4,173
100	Rentals and Leases	28	25	23,335	14,420	Inflation	14,780	15,150	15,529	15,901
101	Insurance	30	30	6,965	7,278	Ins-Property	7,496	7,721	7,953	8,192
102	Repair and Maintenance	28	21	3,536	2,976	Repair	3,065	3,157	3,251	3,349
103	Printing and Binding	31	25	0	0	Inflation	0	0	0	0
104	Other Current Charges	34	25	2,354	4,678	Inflation	4,795	4,915	5,038	5,159
105	Vehicle Leases	34	25	0	6,043	Inflation	6,194	6,349	6,507	6,663
105	Office Supplies	29	21	0	0	Inflation	0	0	0	0
106	Operating Supplies	29	19	10,175	14,546	Inflation	14,909	15,282	15,664	16,040
107	Road Materials / Supplies	31	25	0	0	Inflation	0	0	0	0
108	Publications / Memberships / Training	34	25	2,152	2,792	Inflation	2,862	2,934	3,007	3,079
109	Promotional Activities	31	25	0	0	Inflation	0	0	0	0
110	Total Operating Services			$148,969	$108,256		$111,099	$114,020	$117,019	$119,998
111	**Total Water and Wastewater General Government**			$480,356	$492,838		$505,610	$518,791	$532,397	$546,345
	Non - Departmental									
112	Transfers (Indirect Cost Allocation) - Net	39	39	$107,526	$125,211	Labor	$127,716	$130,270	$132,875	$135,533
113	Other Non-operating Uses	34	25	5,628	43,276	Ins-Health	45,873	48,625	51,542	54,635
114	Other Costs			0	0	Constant	0	0	0	0

Table 9
City of Stuart
Updated Water and Wastewater Financial Forecast

Projected Wastewater Operating Expenses

Line No.	Description	Admin Code	Ops Code	Budget [1] 2019	Budget [2] 2020	Escalation Reference	Projected Fiscal Year Ending September 30, 2021	2022	2023	2024
115	**Total Non - Departmental**			$113,154	$168,487		$173,588	$178,895	$184,418	$190,168
	Additional Charges									
116	Additional Personnel Costs			$0	$0	Input	$0	$0	$0	$0
117	Additional Operating Costs			0	0	Calculated	0	0	0	0
118	Additional Maintenance Costs			0	0	Calculated	0	0	0	0
119	Bad Debt Expense			0	0	Calculated	0	0	0	0
120	**Total Additional Charges**			$0	$0		$0	$0	$0	$0
121	**Total System**			$3,090,017	$3,373,496		$3,483,498	$3,597,840	$3,716,725	$3,839,487

Footnotes:

[1] Amounts derived from Table 6 as allocated to the wastewater system.

[2] Amounts derived from Table 7 as allocated to the wastewater system.

Table 10
City of Stuart
Updated Water and Wastewater Financial Forecast

Summary of Projected Expense Escalation Factors

Line No.	Description	Escalation Reference	Projected Fiscal Year Ending September 30, 2021	2022	2023	2024
1	Constant	Constant	1.0000	1.0000	1.0000	1.0000
2	General Inflation (CPI Index)	Inflation	1.0250	1.0250	1.0250	1.0240
3	Labor Escalator	Labor	1.0200	1.0200	1.0200	1.0200
4	Customer Acct. Growth + Inflation (Water)	Cust-Water	1.0363	1.0361	1.0360	1.0349
5	Customer Acct. Growth + Inflation (Sewer)	Cust-Sewer	1.0930	1.0887	1.0850	1.0806
6	Rate Revenue - Water	Water Rev	1.0028	1.0028	1.0028	1.0028
7	Rate Revenue - Sewer	Sewer Rev	1.0151	1.0149	1.0147	1.0145
8	Flow Growth + Inflation (Water)	Water Flow	1.0272	1.0272	1.0271	1.0261
9	Flow Growth + Inflation (Sewer)	Sewer Flow	1.0417	1.0414	1.0411	1.0399
10	Utility Costs	Utility	1.0500	1.0500	1.0500	1.0500
11	Flow Growth + Inflation (Water)	Utility-W	1.0522	1.0522	1.0522	1.0522
12	Flow Growth + Inflation (Sewer)	Utility-S	1.0671	1.0668	1.0665	1.0663
13	Life/Health/Disability Insurance Escalator	Ins-Health	1.0600	1.0600	1.0600	1.0600
14	Workers Compensation	Worker Comp	1.0300	1.0300	1.0300	1.0300
15	Property Insurance Escalator	Ins-Property	1.0300	1.0300	1.0300	1.0300
16	Repair and Maintenance	Repair	1.0300	1.0300	1.0300	1.0300
17	Marginal Escalator	Margin	1.0010	1.0010	1.0010	1.0010
18	Auto/Equipment User Charge Allocation	Auto Exp	1.0000	1.0000	1.0000	1.0000

Table 11
City of Stuart
Updated Water and Wastewater Financial Forecast

Five Year Estimated Capital Funding Program

Line No.	Description	Ref	Funding Source	For the Fiscal Years Ending September 30, Future Dollars [1] 2019	2020	2021	2022	2023	2024	Total
	Cumulative Inflation Factor ===>			1.000	1.000	1.030	1.061	1.093	1.126	
	SYSTEM CAPITAL COSTS									
	Water System									
	Water Treatment and Supply									
1	Anion Exchange: GAC - All 24 Wells - 2 of 2 (SRF Loan)	PWP351	DW430420	$1,575,000	$0	$0	$0	$0	$0	$1,575,000
2	Anion Exchange: GAC - All 24 Wells - 1 of 2 (20% Debt Forgiveness)	N/A	Grant	0	0	0	0	0	0	0
3	R.O. Project Phase 1 - Engineering and Design - 1 of 3	PWP326	DW430430	0	492,000	0	0	0	0	492,000
4	R.O. Project Phase 1 - Engineering and Design - 2 of 3	PWP326	Grant	0	250,000	0	0	0	0	250,000
5	R.O. Project Phase 1 - Engineering and Design - 3 of 3	PWP326	WAF	0	678,000	0	0	0	0	678,000
6	R.O. Project Phase 1 - Construction	20032602	Debt2	0	0	5,530,000	7,260,000	0	0	12,790,000
7	Floridan Aquifer Test Well FA-1	20032601	Debt1	0	2,340,000	0	0	0	0	2,340,000
8	Chlorine Dioxide Feed System	PWP403	WREV1	115,000	0	0	0	0	0	115,000
9	Buildings	N/A	WREV1	70,000	0	0	0	0	0	70,000
10	Infrastructure	N/A	WREV1	24,000	0	0	0	0	0	24,000
11	Machinery and Equipment - Flouride Feed Pump Replacement	N/A	WREV1	30,000	0	0	0	0	0	30,000
12	Machinery and Equipment	N/A	WREV1	26,000	18,000	0	0	0	0	44,000
13	Addd6	N/A	RR	0	0	0	0	0	0	0
14	Addd7	N/A	RR	0	0	0	0	0	0	0
15	Addd8	N/A	RR	0	0	0	0	0	0	0
16	Addd9	N/A	RR	0	0	0	0	0	0	0
17	Addd10	N/A	RR	0	0	0	0	0	0	0
18	Renewal and Replacement Fund (Above Budget)	0	RR	0	0	206,000	212,000	219,000	225,000	862,000
19	Adjustment - Debt 1	0	Debt1	0	0	0	0	0	0	0
20	Adjustment - 20% Debt Forgiveness	0	Grant	0	0	0	0	0	0	0
21	Adjustment - WAF Applied to R.O Project	0	WAF	0	0	0	0	0	0	0
22	Other Projects	0	WREV2	0	0	0	0	0	0	0
23	**Total Water Treatment and Supply**			$1,840,000	$3,778,000	$5,736,000	$7,472,000	$219,000	$225,000	$19,270,000
	Water Transmission and Distribution									
24	Developer Oversizing	PWP352	WAF	$150,000	$50,000	$0	$0	$0	$0	$200,000
25	Machinery and Equipment - 50%	0	WREV1	31,000	64,000	0	0	0	0	95,000
26	Renewal & Replacement (Above Budget)	0	RR	0	0	103,000	106,000	109,000	113,000	431,000
27	Other Projects	0	WREV2	0	0	0	0	0	0	0
28	Other Projects	0	WREV2	0	0	0	0	0	0	0
29	Other Projects	0	WREV2	0	0	0	0	0	0	0
30	**Total Water Transmission and Distribution**			$181,000	$114,000	$103,000	$106,000	$109,000	$113,000	$726,000
	Other Capital Projects									
31	Machinery and Equipment - 50%	0	WREV1	$16,000	$2,000	$0	$0	$0	$0	$18,000
32	Transfer from Fleet - 50%	0	Fleet	39,000	0	0	0	0	0	39,000
33	Transfer from Fleet - 50%	0	WREV1	(39,000)	0	0	0	0	0	(39,000)
34	Carry Forward	0	OR	56,000	0	0	0	0	0	56,000
35	Capital Outlay - Net Amount from Budget	N/A	WREV1	0	0	26,000	27,000	27,000	28,000	108,000
36	**Total Other Capital Projects**			$72,000	$2,000	$26,000	$27,000	$27,000	$28,000	$182,000
37	**Total Water System**			$2,093,000	$3,894,000	$5,865,000	$7,605,000	$355,000	$366,000	$20,178,000

Table 11
City of Stuart
Updated Water and Wastewater Financial Forecast

Five Year Estimated Capital Funding Program

Line No.	Description	Ref	Funding Source	For the Fiscal Years Ending September 30, Future Dollars [1] 2019	2020	2021	2022	2023	2024	Total
	Wastewater System									
	Water Reclamation Facility									
38	Electrical Control Building Modification	PWP272	SREV2	$0	$500,000	$0	$0	$0	$0	$500,000
39	Renewal & Replacement Fund (Above Budget)	0	RR	0	0	206,000	212,000	219,000	225,000	862,000
40	Machinery and Equipment - Turbo Blowers Replacement	N/A	RR	0	430,000	0	0	0	0	430,000
41	Machinery and Equipment - Polymer Skid Replacement	N/A	RR	25,000	0	0	0	0	0	25,000
42	Machinery and Equipment	N/A	SREV1	22,000	23,000	0	0	0	0	45,000
43	Clarifier Rehab (3)	N/A	RR	225,000	0	0	0	0	0	225,000
44	Pumps for Lift Stations	N/A	RR	70,000	70,000	0	0	0	0	140,000
45	Add3	N/A	SREV1	0	0	0	0	0	0	0
46	Add4	N/A	SREV1	0	0	0	0	0	0	0
47	Add5	N/A	SREV1	0	0	0	0	0	0	0
48	**Total Wastewater Treatment and Disposal**			$342,000	$1,023,000	$206,000	$212,000	$219,000	$225,000	$2,227,000
	Wastewater Transmission and Collection									
49	Monterey Road Force Main Replacement Willoughby to Dixie	PWP405	OR	$0	$400,000	$1,030,000	$0	$0	$0	$1,430,000
50	Stuart Middle Force Main Replacement	PWP404	OR	0	400,000	0	0	0	0	400,000
51	Dolphin Sewer Basin 1 of 2	WC-2	Grant	227,000	0	0	0	0	0	227,000
52	Dolphin Sewer Basin 2 of 2	WC-2	OR	227,000	0	0	0	0	0	227,000
53	Channel Ave. Sewer Basin 1 of 2	CRP343	CRA	95,000	0	0	0	0	0	95,000
54	Channel Ave. Sewer Basin 2 of 2	PWP112-9	OR	95,000	0	0	0	0	0	95,000
55	Basins ESTU	PWP11215	OR	0	1,208,333	241,667	0	0	0	1,450,000
56	Grinder Systems (Link to Sewer Expansion Growth Assumptions)	0	Construction	500,000	750,000	515,000	530,000	546,000	0	2,841,000
57	Grinder Systems (Link to Sewer Expansion Growth Assumptions)	0	Construction	(500,000)	(750,000)	(515,000)	(530,000)	(546,000)	0	(2,841,000)
58	Grinder Systems (Link to Sewer Expansion Growth Assumptions)	0	Construction	500,000	832,000	762,000	785,000	809,000	833,000	4,521,000
59	Machinery and Equipment - 50%	0	SREV1	31,000	64,000	0	0	0	0	95,000
60	Monterey Subdivision - 1 of 2	0	Grant	0	40,000	0	0	0	0	40,000
61	Monterey Subdivision - 2 of 2	0	OR	0	438,000	410,000	0	0	0	848,000
62	Renewal & Replacement (Above Budget)	0	RR	0	0	103,000	106,000	109,000	113,000	431,000
63	**Total Wastewater Transmission and Collection**			$1,175,000	$3,382,333	$2,546,667	$891,000	$918,000	$946,000	$9,859,000
	Other Capital Projects									
64	Machinery and Equipment - 50%	0	SREV1	$16,000	$2,000	$0	$0	$0	$0	$18,000
65	Transfer from Fleet - 50%	0	Fleet	39,000	0	0	0	0	0	39,000
66	Transfer from Fleet - 50%	0	SREV1	(39,000)	0	0	0	0	0	(39,000)
67	Carry Forward	0	OR	31,000	0	0	0	0	0	31,000
68	Capital Outlay - Net Amount from Budget	N/A	SREV1	0	0	26,000	27,000	27,000	28,000	108,000
69	**Total Other Capital Projects**			$47,000	$2,000	$26,000	$27,000	$27,000	$28,000	$157,000
70	**Total Wastewater System**			$1,564,000	$4,407,333	$2,778,667	$1,130,000	$1,164,000	$1,199,000	$12,243,000
71	**TOTAL SYSTEM CAPITAL COSTS**			$3,657,000	$8,301,333	$8,643,667	$8,735,000	$1,519,000	$1,565,000	$32,421,000

Table 11
City of Stuart
Updated Water and Wastewater Financial Forecast

Five Year Estimated Capital Funding Program

Line No.	Description	Ref	Funding Source	For the Fiscal Years Ending September 30, Future Dollars [1] 2019	2020	2021	2022	2023	2024	Total
	FUNDING SOURCES									
72	**Operating Reserves**	0	OR	$409,000	$2,446,333	$1,681,667	$0	$0	$0	$4,537,000
73	Renewal and Replacement Fund	0	RR	320,000	500,000	618,000	636,000	656,000	676,000	3,406,000
74	Rate Revenue - Water System (For Ordinary Vehicles, Equipment and Other Capital Outlay)	0	WREV1	273,000	84,000	26,000	27,000	27,000	28,000	465,000
75	Rate Revenue - Water System (For all other lawful capital expenditures)	0	WREV2	0	0	0	0	0	0	0
76	Rate Revenue - Wastewater System (For Ordinary Vehicles, Equipment and Other Capital Outlay)	0	SREV1	30,000	89,000	26,000	27,000	27,000	28,000	227,000
77	Rate Revenue - Wastewater System (For all other lawful capital expenditures)	0	SREV2	0	500,000	0	0	0	0	500,000
78	Water Availability Fees	0	WAF	150,000	728,000	0	0	0	0	878,000
79	Wastewater Availability Fees	0	SAF	0	0	0	0	0	0	0
80	Grant	0	Grant	227,000	290,000	0	0	0	0	517,000
81	Special Sewer Expansion Fees	0	Sewer Expansion Fees	0	0	0	0	0	0	0
82	Sewer Expansion Construction Fund	0	Construction	500,000	832,000	762,000	785,000	809,000	833,000	4,521,000
83	Developer Contribution	0	Developer	0	0	0	0	0	0	0
84	Community Redevelopment Agency	0	CRA	95,000	0	0	0	0	0	95,000
85	Transfer from Fleet	0	Fleet	78,000	0	0	0	0	0	78,000
86	SRF DW 430420 (Water System Anion Exchange)	0	DW430420	1,575,000	0	0	0	0	0	1,575,000
87	SRF DW 430430 (Eng. & Design Water RO Phase 1)	0	DW430430	0	492,000	0	0	0	0	492,000
88	Debt Proceeds (Anticipated) - Floridan Aquifer Test Well FA-1	0	Debt1	0	2,340,000	0	0	0	0	2,340,000
89	Debt Proceeds (Anticipated) - RO Construction Phase 1	0	Debt2	0	0	5,530,000	7,260,000	0	0	12,790,000
90	Debt Proceeds (Anticipated) - Future Debt Other Capital	0	Debt3	0	0	0	0	0	0	0
91	Debt Proceeds (Anticipated) - Future Debt Other Capital	0	Debt4	0	0	0	0	0	0	0
92	Debt Proceeds (Anticipated) - Future Debt Other Capital	0	Debt5	0	0	0	0	0	0	0
93	**TOTAL FUNDING SOURCES**			$3,657,000	$8,301,333	$8,643,667	$8,735,000	$1,519,000	$1,565,000	$32,421,000

Worksheet 11a
City of Stuart
Updated Water and Wastewater Financial Forecast

Capital Funding Program - Current Dollars

Line No.	Description	Ref	Funding Source	For the Fiscal Years Ending September 30, Today's Dollars [1] 2019	2020	2021	2022	2023	2024	Total
	SYSTEM CAPITAL COSTS									
	Water System									
	Water Treatment and Supply									
1	Anion Exchange: GAC - All 24 Wells - 2 of 2 (SRF Loan)	PWP351	DW430420	$1,575,000	$0	$0	$0	$0	$0	$1,575,000
2	Anion Exchange: GAC - All 24 Wells - 1 of 2 (20% Debt Forgiveness)	N/A	Grant	0	0	0	0	0	0	0
3	R.O. Project Phase 1 - Engineering and Design - 1 of 3	PWP326	DW430430	0	492,125	0	0	0	0	492,125
4	R.O. Project Phase 1 - Engineering and Design - 2 of 3	PWP326	Grant	0	250,000	0	0	0	0	250,000
5	R.O. Project Phase 1 - Engineering and Design - 3 of 3	PWP326	WAF	0	677,875	0	0	0	0	677,875
6	R.O. Project Phase 1 - Construction	20032602	Debt2	0	0	5,369,135	6,842,865	0	0	12,212,000
7	Floridan Aquifer Test Well FA-1	20032601	Debt1	0	2,340,000	0	0	0	0	2,340,000
8	Chlorine Dioxide Feed System	PWP403	WREV1	115,000	0	0	0	0	0	115,000
9	Buildings	N/A	WREV1	70,000	0	0	0	0	0	70,000
10	Infrastructure	N/A	WREV1	24,000	0	0	0	0	0	24,000
11	Machinery and Equipment - Flouride Feed Pump Replacement	N/A	WREV1	30,000	0	0	0	0	0	30,000
12	Machinery and Equipment	N/A	WREV1	26,000	17,600	0	0	0	0	43,600
13	Addd6	N/A	RR	0	0	0	0	0	0	0
14	Addd7	N/A	RR	0	0	0	0	0	0	0
15	Addd8	N/A	RR	0	0	0	0	0	0	0
16	Addd9	N/A	RR	0	0	0	0	0	0	0
17	Addd10	N/A	RR	0	0	0	0	0	0	0
18	Renewal and Replacement Fund (Above Budget)		RR	0	0	200,000	200,000	200,000	200,000	800,000
19	Adjustment - Debt 1		Debt1	0	0	0	0	0	0	0
20	Adjustment - 20% Debt Forgiveness		Grant	0	0	0	0	0	0	0
21	Adjustment - WAF Applied to R.O Project		WAF	0	0	0	0	0	0	0
22	Other Projects		WREV2	0	0	0	0	0	0	0
23	**Total Water Treatment and Supply**			$1,840,000	$3,777,600	$5,569,135	$7,042,865	$200,000	$200,000	$18,629,600
	Water Transmission and Distribution									
24	Developer Oversizing	PWP352	WAF	$150,000	$50,000	$0	$0	$0	$0	$200,000
25	Machinery and Equipment - 50%		WREV1	30,650	63,900	0	0	0	0	94,550
26	Renewal & Replacement (Above Budget)		RR	0	0	100,000	100,000	100,000	100,000	400,000
27	Other Projects		WREV2	0	0	0	0	0	0	0
28	Other Projects		WREV2	0	0	0	0	0	0	0
29	Other Projects		WREV2	0	0	0	0	0	0	0
30	**Total Water Transmission and Distribution**			$180,650	$113,900	$100,000	$100,000	$100,000	$100,000	$694,550
	Other Capital Projects									
31	Machinery and Equipment - 50%		WREV1	$15,500	$2,000	$0	$0	$0	$0	$17,500
32	Transfer from Fleet - 50%		Fleet	39,250	0	0	0	0	0	39,250
33	Transfer from Fleet - 50%		WREV1	(39,250)	0	0	0	0	0	(39,250)
34	Carry Forward		OR	56,296	0	0	0	0	0	56,296
35	Capital Outlay - Net Amount from Budget	N/A	WREV1	0	0	25,000	25,000	25,000	25,000	100,000
36	**Total Other Capital Projects**			$71,796	$2,000	$25,000	$25,000	$25,000	$25,000	$173,796
37	**Total Water System**			$2,092,446	$3,893,500	$5,694,135	$7,167,865	$325,000	$325,000	$19,497,946

Worksheet 11a
City of Stuart
Updated Water and Wastewater Financial Forecast

Capital Funding Program - Current Dollars

Line No.	Description	Ref	Funding Source	For the Fiscal Years Ending September 30, Today's Dollars [1] 2019	2020	2021	2022	2023	2024	Total
	Wastewater System									
	Water Reclamation Facility									
38	Electrical Control Building Modification	PWP272	SREV2	$0	$500,000	$0	$0	$0	$0	$500,000
39	Renewal & Replacement Fund (Above Budget)		RR	0	0	200,000	200,000	200,000	200,000	800,000
40	Machinery and Equipment - Turbo Blowers Replacement	N/A	RR	0	430,000	0	0	0	0	430,000
41	Machinery and Equipment - Polymer Skid Replacement	N/A	RR	25,000	0	0	0	0	0	25,000
42	Machinery and Equipment	N/A	SREV1	21,500	23,000	0	0	0	0	44,500
43	Clarifier Rehab (3)	N/A	RR	225,000	0	0	0	0	0	225,000
44	Pumps for Lift Stations	N/A	RR	70,000	70,000	0	0	0	0	140,000
45	Add3	N/A	SREV1	0	0	0	0	0	0	0
46	Add4	N/A	SREV1	0	0	0	0	0	0	0
47	Add5	N/A	SREV1	0	0	0	0	0	0	0
48	**Total Wastewater Treatment and Disposal**			$341,500	$1,023,000	$200,000	$200,000	$200,000	$200,000	$2,164,500
	Wastewater Transmission and Collection									
49	Monterey Road Force Main Replacement Willoughby to Dixie	PWP405	OR	$0	$400,000	$1,000,000	$0	$0	$0	$1,400,000
50	Stuart Middle Force Main Replacement	PWP404	OR	0	400,000	0	0	0	0	400,000
51	Dolphin Sewer Basin 1 of 2	WC-2	Grant	227,000	0	0	0	0	0	227,000
52	Dolphin Sewer Basin 2 of 2	WC-2	OR	227,000	0	0	0	0	0	227,000
53	Channel Ave. Sewer Basin 1 of 2	CRP343	CRA	95,000	0	0	0	0	0	95,000
54	Channel Ave. Sewer Basin 2 of 2	PWP112-9	OR	95,000	0	0	0	0	0	95,000
55	Basins ESTU	PWP11215	OR	0	1,208,333	241,667	0	0	0	1,450,000
56	Grinder Systems (Link to Sewer Expansion Growth Assumptions)		Construction	500,000	750,000	500,000	500,000	500,000	0	2,750,000
57	Grinder Systems (Link to Sewer Expansion Growth Assumptions)		Construction	(500,000)	(750,000)	(500,000)	(500,000)	(500,000)	0	(2,750,000)
58	Grinder Systems (Link to Sewer Expansion Growth Assumptions)		Construction	500,000	831,875	739,931	739,931	739,931	739,931	4,291,597
59	Machinery and Equipment - 50%		SREV1	30,650	63,900	0	0	0	0	94,550
60	Monterey Subdivision - 1 of 2		Grant	0	40,000	0	0	0	0	40,000
61	Monterey Subdivision - 2 of 2		OR	0	438,281	398,118	0	0	0	836,399
62	Renewal & Replacement (Above Budget)		RR	0	0	100,000	100,000	100,000	100,000	400,000
63	**Total Wastewater Transmission and Collection**			$1,174,650	$3,382,389	$2,479,716	$839,931	$839,931	$839,931	$9,556,546
	Other Capital Projects									
64	Machinery and Equipment - 50%		SREV1	$15,500	$2,000	$0	$0	$0	$0	$17,500
65	Transfer from Fleet - 50%		Fleet	39,250	0	0	0	0	0	39,250
66	Transfer from Fleet - 50%		SREV1	(39,250)	0	0	0	0	0	(39,250)
67	Carry Forward		OR	30,596	0	0	0	0	0	30,596
68	Capital Outlay - Net Amount from Budget	N/A	SREV1	0	0	25,000	25,000	25,000	25,000	100,000
69	Total Other Capital Projects			$46,096	$2,000	$25,000	$25,000	$25,000	$25,000	$148,096
70	**Total Wastewater System**			$1,562,246	$4,407,389	$2,704,716	$1,064,931	$1,064,931	$1,064,931	$11,869,143
71	**TOTAL SYSTEM CAPITAL COSTS**			$3,654,692	$8,300,889	$8,398,851	$8,232,796	$1,389,931	$1,389,931	$31,367,088

Worksheet 11a
City of Stuart
Updated Water and Wastewater Financial Forecast

Capital Funding Program - Current Dollars

Line No.	Description	Ref	Funding Source	For the Fiscal Years Ending September 30, Today's Dollars [1] 2019	2020	2021	2022	2023	2024	Total
	FUNDING SOURCES									
72	Operating Reserves		OR	$408,892	$2,446,614	$1,639,785	$0	$0	$0	$4,495,291
73	Renewal and Replacement Fund		RR	320,000	500,000	600,000	600,000	600,000	600,000	3,220,000
74	Rate Revenue - Water System (For Ordinary Vehicles, Equipment and Other Capital Outlay)		WREV1	271,900	83,500	25,000	25,000	25,000	25,000	455,400
75	Rate Revenue - Water System (For all other lawful capital expenditures)		WREV2	0	0	0	0	0	0	0
76	Rate Revenue - Wastewater System (For Ordinary Vehicles, Equipment and Other Capital Outlay)		SREV1	28,400	88,900	25,000	25,000	25,000	25,000	217,300
77	Rate Revenue - Wastewater System (For all other lawful capital expenditures)		SREV2	0	500,000	0	0	0	0	500,000
78	Water Availability Fees		WAF	150,000	727,875	0	0	0	0	877,875
79	Wastewater Availability Fees		SAF	0	0	0	0	0	0	0
80	Grant		Grant	227,000	290,000	0	0	0	0	517,000
81	Special Sewer Expansion Fees		Sewer Expansion Fees	0	0	0	0	0	0	0
82	Sewer Expansion Construction Fund		Construction	500,000	831,875	739,931	739,931	739,931	739,931	4,291,597
83	Developer Contribution		Developer	0	0	0	0	0	0	0
84	Community Redevelopment Agency		CRA	95,000	0	0	0	0	0	95,000
85	Transfer from Fleet		Fleet	78,500	0	0	0	0	0	78,500
86	SRF DW 430420 (Water System Anion Exchange)		DW430420	1,575,000	0	0	0	0	0	1,575,000
87	SRF DW 430430 (Eng. & Design Water RO Phase 1)		DW430430	0	492,125	0	0	0	0	492,125
88	Debt Proceeds (Anticipated) - Floridan Aquifer Test Well FA-1		Debt1	0	2,340,000	0	0	0	0	2,340,000
89	Debt Proceeds (Anticipated) - RO Construction Phase 1		Debt2	0	0	5,369,135	6,842,865	0	0	12,212,000
90	Debt Proceeds (Anticipated) - Future Debt Other Capital		Debt3	0	0	0	0	0	0	0
91	Debt Proceeds (Anticipated) - Future Debt Other Capital		Debt4	0	0	0	0	0	0	0
92	Debt Proceeds (Anticipated) - Future Debt Other Capital		Debt5	0	0	0	0	0	0	0
93	**TOTAL FUNDING SOURCES**			$3,654,692	$8,300,889	$8,398,851	$8,232,796	$1,389,931	$1,389,931	$31,367,088

Footnotes:
[1] Amounts as provided by the City .

Table 12
City of Stuart
Updated Water and Wastewater Financial Forecast

Existing and Projected Debt Service Allocation

Line No.	Description	Projected Fiscal Year Ending September 30, 2019	2020	2021	2022	2023	2024
	EXISTING DEBT SERVICE [1]						
	Series 2003 Bonds (Unrefunded)						
1	Total Annual Debt Service	$0	$0	$0	$0	$0	$0
2	Percent Allocated to Water System	51.00%	51.00%	51.00%	51.00%	51.00%	51.00%
3	Percent Allocated to Wastewater System	49.00%	49.00%	49.00%	49.00%	49.00%	49.00%
4	Amount Allocated to Water System	$0	$0	$0	$0	$0	$0
5	Amount Allocated to Wastewater System	$0	$0	$0	$0	$0	$0
	Series 2006 Refunding Notes						
6	Total Annual Debt Service	$342,426	$343,289	$343,378	$343,254	$948,090	$946,382
7	Percent Allocated to Water System	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%
8	Percent Allocated to Wastewater System	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%
9	Amount Allocated to Water System	$171,213	$171,645	$171,689	$171,627	$474,045	$473,191
10	Amount Allocated to Wastewater System	$171,213	$171,645	$171,689	$171,627	$474,045	$473,191
	Series 2007A Refunding Notes						
11	Total Annual Debt Service	$785,938	$785,080	$783,083	$778,883	$178,902	$179,041
12	Percent Allocated to Water System	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%
13	Percent Allocated to Wastewater System	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%
14	Amount Allocated to Water System	$392,969	$392,540	$391,541	$389,441	$89,451	$89,520
15	Amount Allocated to Wastewater System	$392,969	$392,540	$391,541	$389,441	$89,451	$89,520
	Series 2011 Refunding Notes						
16	Total Annual Debt Service	$379,455	$379,832	$379,025	$379,057	$379,904	$379,544
17	Percent Allocated to Water System	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%
18	Percent Allocated to Wastewater System	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%
19	Amount Allocated to Water System	$189,728	$189,916	$189,513	$189,528	$189,952	$189,772
20	Amount Allocated to Wastewater System	$189,728	$189,916	$189,513	$189,528	$189,952	$189,772

Table 12
City of Stuart
Updated Water and Wastewater Financial Forecast

Existing and Projected Debt Service Allocation

Line No.	Description	Projected Fiscal Year Ending September 30, 2019	2020	2021	2022	2023	2024
	SRF WW 430400 (Reclaimed Water Transmission Main)						
21	Total Annual Debt Service	$178,054	$178,054	$178,054	$178,054	$178,054	$178,054
22	Percent Allocated to Water System	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
23	Percent Allocated to Wastewater System	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
24	Amount Allocated to Water System	$0	$0	$0	$0	$0	$0
25	Amount Allocated to Wastewater System	$178,054	$178,054	$178,054	$178,054	$178,054	$178,054
	SRF DW 430410 (Water Line and Meter Replacements)						
26	Total Annual Debt Service	$354,468	$354,468	$354,468	$354,468	$354,468	$354,468
27	Percent Allocated to Water System	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
28	Percent Allocated to Wastewater System	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
29	Amount Allocated to Water System	$354,468	$354,468	$354,468	$354,468	$354,468	$354,468
30	Amount Allocated to Wastewater System	$0	$0	$0	$0	$0	$0
	Recent New Debt						
	SRF DW 430420 (Water System Anion Exchange)						
31	Total Annual Debt Service	$0	$106,498	$106,498	$106,498	$106,498	$106,498
32	Percent Allocated to Water System	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
33	Percent Allocated to Wastewater System	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
34	Amount Allocated to Water System	$0	$106,498	$106,498	$106,498	$106,498	$106,498
35	Amount Allocated to Wastewater System	$0	$0	$0	$0	$0	$0
	SRF DW 430430 (Eng. & Design Water RO Phase 1) - Estimated						
36	Total Annual Debt Service	$0	$29,268	$87,804	$87,804	$87,804	$87,804
37	Percent Allocated to Water System	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
38	Percent Allocated to Wastewater System	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
39	Amount Allocated to Water System	$0	$29,268	$87,804	$87,804	$87,804	$87,804
40	Amount Allocated to Wastewater System	$0	$0	$0	$0	$0	$0

Table 12
City of Stuart
Updated Water and Wastewater Financial Forecast

Existing and Projected Debt Service Allocation

Line No.	Description	Projected Fiscal Year Ending September 30, 2019	2020	2021	2022	2023	2024
	Other - Non-departmental						
41	Total Annual Debt Service	$0	$0	$0	$0	$0	$0
42	Percent Allocated to Water System	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
43	Percent Allocated to Wastewater System	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
44	Amount Allocated to Water System	$0	$0	$0	$0	$0	$0
45	Amount Allocated to Wastewater System	$0	$0	$0	$0	$0	$0
	TOTAL DEBT SERVICE - EXISTING DEBT						
46	Amount Allocated to Water System	$1,108,377	$1,244,334	$1,301,513	$1,299,366	$1,302,217	$1,301,253
47	Amount Allocated to Wastewater System	931,964	932,155	930,797	928,651	931,502	930,538
48	Total Annual Debt Service	$2,040,341	$2,176,489	$2,232,310	$2,228,017	$2,233,720	$2,231,791
49	Percent Allocated to Water System	54.32%	57.17%	58.30%	58.32%	58.30%	58.31%
50	Percent Allocated to Wastewater System	45.68%	42.83%	41.70%	41.68%	41.70%	41.69%
	PROPOSED DEBT SERVICE - ADDITIONAL DEBT [2]						
	Debt Proceeds (Anticipated) - Floridan Aquifer Test Well FA-1						
51	Annual Principal Payment	$0	$0	$94,736	$97,104	$99,532	$102,020
52	Annual Interest Payment	0	0	60,500	58,132	55,704	53,216
53	Total Annual Debt Service	$0	$0	$155,236	$155,236	$155,236	$155,236
54	Percent Allocated to Water System	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
55	Percent Allocated to Wastewater System	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	Percent Allocated to Reclaimed Water System	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
56	Amount Allocated to Water System	$0	$0	$155,236	$155,236	$155,236	$155,236
57	Amount Allocated to Wastewater System	0	0	0	0	0	0
	Amount Allocated to Reclaimed Water System	0	0	0	0	0	0

Table 12
City of Stuart
Updated Water and Wastewater Financial Forecast

Existing and Projected Debt Service Allocation

Line No.	Description	Projected Fiscal Year Ending September 30, 2019	2020	2021	2022	2023	2024
	Debt Proceeds (Anticipated) - RO Construction Phase 1						
58	Annual Principal Payment	$0	$0	$0	$0	$523,006	$536,081
59	Annual Interest Payment	0	0	0	0	334,000	320,925
60	Total Annual Debt Service	$0	$0	$0	$0	$857,006	$857,006
61	Percent Allocated to Water System	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
62	Percent Allocated to Wastewater System	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	Percent Allocated to Reclaimed Water System	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
63	Amount Allocated to Water System	$0	$0	$0	$0	$857,006	$857,006
64	Amount Allocated to Wastewater System	0	0	0	0	0	0
	Amount Allocated to Reclaimed Water System	0	0	0	0	0	0
	Debt Proceeds (Anticipated) - Future Debt Other Capital						
65	Annual Principal Payment	$0	$0	$0	$0	$0	$0
66	Annual Interest Payment	0	0	0	0	0	0
67	Total Annual Debt Service	$0	$0	$0	$0	$0	$0
68	Percent Allocated to Water System	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
69	Percent Allocated to Wastewater System	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
	Percent Allocated to Reclaimed Water System	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
70	Amount Allocated to Water System	$0	$0	$0	$0	$0	$0
71	Amount Allocated to Wastewater System	0	0	0	0	0	0
	Amount Allocated to Reclaimed Water System	0	0	0	0	0	0
	Debt Proceeds (Anticipated) - Future Debt Other Capital						
72	Annual Principal Payment	$0	$0	$0	$0	$0	$0
73	Annual Interest Payment	0	0	0	0	0	0
74	Total Annual Debt Service	$0	$0	$0	$0	$0	$0
75	Percent Allocated to Water System	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
76	Percent Allocated to Wastewater System	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
	Percent Allocated to Reclaimed Water System	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
77	Amount Allocated to Water System	$0	$0	$0	$0	$0	$0
78	Amount Allocated to Wastewater System	0	0	0	0	0	0
	Amount Allocated to Reclaimed Water System	0	0	0	0	0	0

Table 12
City of Stuart
Updated Water and Wastewater Financial Forecast

Existing and Projected Debt Service Allocation

Line No.	Description	Projected Fiscal Year Ending September 30, 2019	2020	2021	2022	2023	2024
	Debt Proceeds (Anticipated) - Future Debt Other Capital						
79	Annual Principal Payment	$0	$0	$0	$0	$0	$0
80	Annual Interest Payment	0	0	0	0	0	0
81	Total Annual Debt Service	$0	$0	$0	$0	$0	$0
82	Percent Allocated to Water System	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
83	Percent Allocated to Wastewater System	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
	Percent Allocated to Reclaimed Water System	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
84	Amount Allocated to Water System	$0	$0	$0	$0	$0	$0
85	Amount Allocated to Wastewater System	0	0	0	0	0	0
	Amount Allocated to Reclaimed Water System	0	0	0	0	0	0
	TOTAL DEBT SERVICE - PROPOSED DEBT						
86	Amount Allocated to Water System	$0	$0	$155,236	$155,236	$1,012,242	$1,012,242
87	Amount Allocated to Wastewater System	0	0	0	0	0	0
	Percent Allocated to Reclaimed Water System	0	0	0	0	0	0
88	Total Annual Debt Service	$0	$0	$155,236	$155,236	$1,012,242	$1,012,242
89	Percent Allocated to Water System	0.00%	0.00%	100.00%	100.00%	100.00%	100.00%
90	Percent Allocated to Wastewater System	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	Percent Allocated to Reclaimed Water System	100.00%	100.00%	0.00%	0.00%	0.00%	0.00%
	TOTAL DEBT SERVICE - EXISTING AND PROPOSED						
91	Amount Allocated to Water System	$1,108,377	$1,244,334	$1,456,749	$1,454,602	$2,314,459	$2,313,495
92	Amount Allocated to Wastewater System	931,964	932,155	930,797	928,651	931,502	930,538
	Amount Allocated to Reclaimed Water System	0	0	0	0	0	0
93	Total Annual Debt Service	$2,040,341	$2,176,489	$2,387,546	$2,383,253	$3,245,961	$3,244,033
94	Percent Allocated to Water System	54.32%	57.17%	61.01%	61.03%	71.30%	71.32%
95	Percent Allocated to Wastewater System	45.68%	42.83%	38.99%	38.97%	28.70%	28.68%
	Percent Allocated to Reclaimed Water System	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

Footnotes:

[1] Payment schedules as provided by the City.

[2] Amounts as derived from Tables 12a.

Table 12a
City of Stuart
Updated Water and Wastewater Financial Forecast

Summary of Debt Service Sizing and Payments

No.	Description	Percent	Amount
	Debt Proceeds (Anticipated) - Floridan Aquifer Test Well FA-1		
	Projects		
1	Water	100.0%	$2,340,000
2	Wastewater	0.0%	0
3	Principal Forgiveness	0.0%	0
4	Other	0.0%	0
5	Other	0.0%	0
6	Other	0.0%	0
7	Total Project Cost		$2,340,000
8	Issuance and Surety Costs		
9	Issuance Costs (%)	2.00%	$48,400
10	Bond Insurance	0.00%	0
11	Surety Costs (%)	0.00%	0
12	Underwriters Discount	0.00%	0
13	Total Issuance Costs	2.00%	$48,400
14	Capitalized Interest - CP Used	Yes	
15	Capitalized Interest 0.0	0.0 yr	29,250
16	Debt Service Reserve Requirement	0%	-
17	Principal Amount of Bonds (Rounded)		$2,420,000
18	Assumed Issue Date		October 1, 2020
19	Level Debt Service Payment		
20	Term-Years		20
21	Interest Rate		2.50%
22	First Year of Bond Term (Fiscal Year)		2021
23	First Year of Amortization (Fiscal Year)		2021
24	Interest Only Periods		-
25	Issue Month (Jan=1)		10
26	Principal Payment Month (Jan=1)		10
27	Annual Payment		$155,236

Amortization

Year	Start Bal	Principal	Interest	Cap Int	Payment	End Bal
2021	2,420,000	94,736	60,500	0	155,236	2,325,264
2022	2,325,264	97,104	58,132	0	155,236	2,228,159
2023	2,228,159	99,532	55,704	0	155,236	2,128,627
2024	2,128,627	102,020	53,216	0	155,236	2,026,607
2025	2,026,607	104,571	50,665	0	155,236	1,922,036
2026	1,922,036	107,185	48,051	0	155,236	1,814,851
2027	1,814,851	109,865	45,371	0	155,236	1,704,986
2028	1,704,986	112,611	42,625	0	155,236	1,592,375
2029	1,592,375	115,427	39,809	0	155,236	1,476,948
2030	1,476,948	118,312	36,924	0	155,236	1,358,636
2031	1,358,636	121,270	33,966	0	155,236	1,237,366
2032	1,237,366	124,302	30,934	0	155,236	1,113,064
2033	1,113,064	127,409	27,827	0	155,236	985,654
2034	985,654	130,595	24,641	0	155,236	855,060
2035	855,060	133,860	21,376	0	155,236	721,200
2036	721,200	137,206	18,030	0	155,236	583,994
2037	583,994	140,636	14,600	0	155,236	443,358
2038	443,358	144,152	11,084	0	155,236	299,206
2039	299,206	147,756	7,480	0	155,236	151,450
2040	151,450	151,450	3,786	0	155,236	0

Do Not Delete Lines - For Amortization Purposes

28	Commercial Paper Capitalized Interest Calculation		2020	2021	2022	2023	2024
29	Beginning Balance		$ -	$ -	$ -	$ -	$ -
30	Construction Fund Draw-down (Cannot Exceed 5 Fiscal Years)		2,340,000	-	-	-	-
31	Interest Cost	2.50%	29,250	-	-	-	-
32	Unadjusted Ending Balance		$2,369,250	$ -	$ -	$ -	$ -
33	Conversion to Conventional Financing	2020	2,369,250	-	-	-	-
34	Ending Balance for Interest Calculation		$ -	$ -	$ -	$ -	$ -

Table 12a
City of Stuart
Updated Water and Wastewater Financial Forecast

Summary of Debt Service Sizing and Payments

No.	Description	Percent	Amount
	Debt Proceeds (Anticipated) - RO Construction Phase 1		
	Projects		
35	Water	100.0%	$12,790,000
36	Wastewater	0.0%	0
37	Other	0.0%	0
38	Other	0.0%	0
39	Other	0.0%	0
40	Other	0.0%	0
41	Total Projects		$12,790,000
42	Issuance and Surety Costs		
43	Issuance Costs (%)	2.00%	$267,200
44	Bond Insurance	0.00%	0
45	Surety Costs (%)	0.00%	0
46	Underwriters Discount	0.00%	0
47	Total Issuance Costs	2.00%	$267,200
48	Capitalized Interest - CP Used	Yes	
49	Capitalized Interest 0.0	0.0 yr	299,853
50	Debt Service Reserve Requirement		-
51	Principal Amount of Bonds (Rounded)		$13,360,000
52	Assumed Issue Date		October 1, 2022
53	Level Debt Service Payment		
54	Term-Years		20
55	Interest Rate		2.50%
56	First Year of Bond Term (Fiscal Year)		2023
57	First Year of Amortization (Fiscal Year)		2023
58	Interest Only Periods		-
59	Issue Month		10
60	Principal Payment Month		10
61	Annual Payment		$857,006

Amortization

Year	Start Bal	Principal	Interest	Cap Int	Payment	End Bal
2023	13,360,000	523,006	334,000	0	857,006	12,836,994
2024	12,836,994	536,081	320,925	0	857,006	12,300,914
2025	12,300,914	549,483	307,523	0	857,006	11,751,431
2026	11,751,431	563,220	293,786	0	857,006	11,188,211
2027	11,188,211	577,300	279,705	0	857,006	10,610,911
2028	10,610,911	591,733	265,273	0	857,006	10,019,178
2029	10,019,178	606,526	250,479	0	857,006	9,412,651
2030	9,412,651	621,689	235,316	0	857,006	8,790,962
2031	8,790,962	637,232	219,774	0	857,006	8,153,731
2032	8,153,731	653,162	203,843	0	857,006	7,500,568
2033	7,500,568	669,491	187,514	0	857,006	6,831,077
2034	6,831,077	686,229	170,777	0	857,006	6,144,848
2035	6,144,848	703,384	153,621	0	857,006	5,441,464
2036	5,441,464	720,969	136,037	0	857,006	4,720,495
2037	4,720,495	738,993	118,012	0	857,006	3,981,501
2038	3,981,501	757,468	99,538	0	857,006	3,224,033
2039	3,224,033	776,405	80,601	0	857,006	2,447,628
2040	2,447,628	795,815	61,191	0	857,006	1,651,813
2041	1,651,813	815,710	41,295	0	857,006	836,103
2042	836,103	836,103	20,903	0	857,006	0

Do Not Delete Lines - For Amortization Purposes

No.				2021	2022	2023	2024	2025
62	Commercial Paper Capitalized Interest Calculation							
63	Beginning Balance			$ -	$ 5,599,125	$ -	$ -	$ -
64	Construction Fund Draw-down (Cannot Exceed 5 Fiscal Years)			5,530,000	7,260,000	-	-	-
65	Interest Cost		2.50%	69,125	230,728	-	-	-
66	Unadjusted Ending Balance			$5,599,125	$13,089,853	$ -	$ -	$ -
67	Conversion to Conventional Financing	2022		-	13,089,853	-	-	-
68	Ending Balance for Interest Calculation			$ 5,599,125	$ -	$ -	$ -	$ -

Table 13
City of Stuart
Updated Water and Wastewater Financial Forecast

Projected Transfer to Renewal and Replacement Fund

Line No.	Description	Projected Fiscal Year Ending September 30, 2019	2020	2021	2022	2023	2024
	TRANSFER TO RENEWAL & REPLACEMENT FUND						
	Gross Revenues (Previous Year)						
	Existing Rate Revenue						
1	Water Rate Revenues	$5,930,607	$6,088,191	$6,514,364	$6,532,514	$6,550,664	$6,568,814
2	Wastewater Rate Revenues	5,147,398	5,436,712	5,681,364	5,767,419	5,853,473	5,939,528
3	Total Rate Revenues	11,078,005	11,524,903	12,195,728	12,299,933	12,404,137	12,508,342
4	Other Water Operating Revenue and Interest Income	56,531	77,044	73,527	70,190	71,131	75,109
5	Other Wastewater Operating Revenue and Interest Income	144,910	187,956	211,848	208,185	209,244	211,266
6	Total Other Income	201,440	265,000	285,375	278,375	280,375	286,375
7	Total Revenue at Existing Rates	$11,279,445	$11,789,903	$12,481,103	$12,578,308	$12,684,512	$12,794,717
8	Additional Water Rate Revenue from Rate Increases	0	0	0	130,650	264,633	402,084
9	Additional Wastewater Rate Revenue from Rate Increases	0	0	0	115,348	236,511	363,591
10	Total Gross Revenue	$11,279,445	$11,789,903	$12,481,103	$12,824,307	$13,185,657	$13,560,392
	Renewal and Replacement Fund						
11	Average Funding Requirement [1]	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%
12	Minimum Funding Requirement	563,972	589,495	624,055	641,215	659,283	678,020
13	Total Deposit	$563,972	$589,495	$624,055	$641,215	$659,283	$678,020
	Allocation of Transfer to Renewal & Replacement Fund						
14	Water System Allocation	53.08%	52.29%	52.78%	52.50%	52.23%	51.96%
15	Wastewater System Allocation	46.92%	47.71%	47.22%	47.50%	47.77%	48.04%
16	Water Deposit	$299,357	$308,262	$329,395	$336,668	$344,321	$352,300
17	Average Funding Requirement [1]	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%
18	Wastewater Deposit	$264,615	$281,233	$294,661	$304,548	$314,961	$325,719
19	Average Funding Requirement [1]	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%
20	Estimated Ending Balance [2]	$900,000	$989,495	$995,550	$1,000,766	$1,004,048	$1,006,068

Footnotes:

[1] Transfer a minimum of five (5) percent of previous years gross revenues into the renewal and replacements fund until the minimum requirement of $1,000,000 as set forth in the bond indenture.

[2] Estimated based on a Flow of Funds Analysis.

Table 14
City of Stuart
Updated Water and Wastewater Financial Forecast

Projected Intragovernmental Transfer

Line No.	Description	Projected Fiscal Year Ending September 30, 2019	2020	2021	2022	2023	2024
	INTRAGOVERNMENTAL TRANSFER						
	Gross Revenues (Current Year)						
	Existing Rate Revenue						
1	Water Rate Revenues	$6,088,191	$6,514,364	$6,532,514	$6,550,664	$6,568,814	$6,586,964
2	Wastewater Rate Revenues	5,436,712	5,681,364	5,767,419	5,853,473	5,939,528	6,025,582
3	Total Rate Revenues	11,524,903	12,195,728	12,299,933	12,404,137	12,508,342	12,612,546
4	Other Water Operating Revenue and Interest Income	77,044	73,527	70,190	71,131	75,109	75,503
5	Other Wastewater Operating Revenue and Interest Income	187,956	211,848	208,185	209,244	211,266	211,872
6	Total Other Income	265,000	285,375	278,375	280,375	286,375	287,375
7	Total Revenue at Existing Rates	$11,789,903	$12,481,103	$12,578,308	$12,684,512	$12,794,717	$12,899,921
8	Additional Water Rate Revenue from Rate Increases	0	0	130,650	264,633	402,084	543,003
9	Additional Wastewater Rate Revenue from Rate Increases	0	0	115,348	236,511	363,591	496,688
10	Total Gross Revenue	$11,789,903	$12,481,103	$12,824,307	$13,185,657	$13,560,392	$13,939,612
	Intragovernmental Transfer						
11	Average Funding Requirement	6%	6%	6%	6%	6%	6%
12	Minimum Funding Requirement	$707,394	$748,866	$769,458	$791,139	$813,624	$836,377
	Additional Deposits						
13	Transfer to CRA	0	0	0	0	0	0
14	Other Deposits	0	0	0	0	0	0
15	Total Additional Deposit Requests	0	0	0	0	0	0
16	Total Intragovernmental Transfer	$707,394	$748,866	$769,458	$791,139	$813,624	$836,377
	Allocation of Intragovernmental Transfer						
17	Water System Allocation	52.29%	52.78%	52.50%	52.23%	51.96%	51.69%
18	Wastewater System Allocation	47.71%	47.22%	47.50%	47.77%	48.04%	48.31%
19	Water Transfer	$369,914	$395,273	$404,001	$413,185	$422,761	$432,328
20	Wastewater Transfer	$337,480	$353,593	$365,457	$377,954	$390,863	$404,049

Table 15
City of Stuart
Updated Water and Wastewater Financial Forecast

Combined Revenue Requirements

Line No.	Description	Projected Fiscal Year Ending September 30, [1] 2019	2020	2021	2022	2023	2024
1	Operating Expenses	$7,115,256	$7,756,939	$7,993,946	$8,239,605	$8,769,291	$9,040,367
2	Plus Allowance for Rebate	0	0	0	0	0	0
3	Total Operating Expenses	$7,115,256	$7,756,939	$7,993,946	$8,239,605	$8,769,291	$9,040,367
	Other Revenue Requirements						
	Debt Service						
4	Existing Debt Service	$2,040,341	$2,176,489	$2,232,310	$2,228,017	$2,233,720	$2,231,791
5	Proposed Debt Service	0	0	155,236	155,236	1,012,242	1,012,242
	Less:						
6	Amount Paid by Impact Fees	(178,000)	(178,000)	(178,000)	(178,000)	(178,000)	(178,000)
7	Total Debt Service	$1,862,341	$1,998,489	$2,209,546	$2,205,253	$3,067,961	$3,066,033
8	Transfer to Renewals & Replacement Fund	$563,972	$589,495	$624,055	$641,215	$659,283	$678,020
9	Capital Funded from Rates	303,000	673,000	52,000	54,000	54,000	56,000
10	Investment in Sewer Expansion Project from Fees	452,858	949,020	801,495	558,808	661,037	763,266
11	Intragovernmental Transfers	707,394	748,866	769,458	791,139	813,624	836,377
12	Operating Reserves - Deposits to/(Uses of)	0	0	0	0	0	0
13	Total Other Revenue Requirements	$3,889,565	$4,958,870	$4,456,554	$4,250,416	$5,255,906	$5,399,696
14	Gross Revenue Requirements	$11,004,821	$12,715,809	$12,450,500	$12,490,021	$14,025,196	$14,440,062
	Less Income and Funds from Other Sources						
15	Other Operating Revenue (Including Reclaimed Water Sales)	$204,000	$231,375	$231,375	$231,375	$231,375	$231,375
16	Other Revenues and Transfers	66,500	45,000	5,000	5,000	5,000	5,000
17	Revenues from Operating Sewer Expansion Fees	452,858	449,020	501,495	558,808	661,037	763,266
18	Unrestricted Interest Income	61,000	54,000	47,000	49,000	55,000	56,000
19	Sub-total Income and Funds from Other Sourtces	$784,358	$779,395	$784,870	$844,183	$952,412	$1,055,641
20	Net Revenue Requirements	$10,220,463	$11,936,414	$11,665,630	$11,645,837	$13,072,784	$13,384,421
	Revenue from Water and Wastewater Rates						
21	Existing Retail Rate Revenue	$11,524,903	$12,195,728	$12,299,933	$12,404,137	$12,508,342	$12,612,546
22	Prior Year Rate Adjustments	0	0	0	248,100	505,400	772,000
23	Total Rate Revenue Before Current Year Adjustment	$11,524,903	$12,195,728	$12,299,933	$12,652,237	$13,013,742	$13,384,546
24	Total Revenue from Current Year Adjustments	$0	$0	$245,999	$253,045	$260,275	$267,691
25	Total Revenue from Rates	$11,524,903	$12,195,728	$12,545,932	$12,905,282	$13,274,017	$13,652,237
25	**Projected Surplus/(Deficiency)**	$1,304,440	$259,314	$880,301	$1,259,445	$201,233	$267,816
26	Surplus/(Deficiency) - Percent of Rate Revenues	11.32%	2.13%	7.02%	9.76%	1.52%	1.96%

Table 15
City of Stuart
Updated Water and Wastewater Financial Forecast

Combined Revenue Requirements

		Implemented Rates		Adopted Rates		Projected Rates	
	Proposed Annual Increases (system-wide)	2019	2020	2021	2022	2023	2024
27	Water System (Includes Indexing Provision)	7.0%	7.0%	2.0%	2.0%	2.0%	2.0%
28	Wastewater System (Includes Indexing Provision)	3.0%	3.0%	2.0%	2.0%	2.0%	2.0%
29	Effective	Oct. 1	Oct. 1	Oct. 1	Oct. 1	Oct. 1	Oct. 1

		Projected Fiscal Year Ending September 30,					
	Proposed Year-end Cash Balances	2019	2020	2021	2022	2023	2024
30	Operating Fund	$9,079,098	$6,892,079	$6,090,714	$7,350,158	$7,551,391	$7,819,207
31	Renewal and Replacement Fund	900,000	989,495	995,550	1,000,766	1,004,048	1,006,068
32	Availability Fee Fund	2,803,203	1,858,524	2,064,783	2,279,957	2,528,090	2,809,182
33	Total Year-end Cash	$12,782,301	$9,740,098	$9,151,047	$10,630,881	$11,083,530	$11,634,456
34	Operating Days of Operating Expenses - Min.	90	90	90	90	90	90
35	Operating Days of Operating Expenses - Calculated	466	324	278	326	314	316

Footnotes:
[1] Amounts derived from Tables 16 and 17.

Table 16
City of Stuart
Updated Water and Wastewater Financial Forecast

Projected Water Revenue Requirements

Line No.	Description	Projected Fiscal Year Ending September 30, 2019	2020	2021	2022	2023	2024
1	Operating Expenses [1]	$4,025,239	$4,383,443	$4,510,448	$4,641,764	$5,052,566	$5,200,880
2	Plus Allowance for Rebate	0	0	0	0	0	0
3	Total Operating Expenses	$4,025,239	$4,383,443	$4,510,448	$4,641,764	$5,052,566	$5,200,880
	Other Revenue Requirements						
	Debt Service [2]						
4	Existing Debt Service	$1,108,377	$1,244,334	$1,301,513	$1,299,366	$1,302,217	$1,301,253
5	Proposed Debt Service	0	0	155,236	155,236	1,012,242	1,012,242
	Less:						
6	Amount Paid by Impact Fees	0	0	0	0	0	0
7	Total Debt Service	$1,108,377	$1,244,334	$1,456,749	$1,454,602	$2,314,459	$2,313,495
8	Transfer to Renewals & Replacement Fund [3]	$299,357	$308,262	$329,395	$336,668	$344,321	$352,300
9	Capital Funded from Rates [4]	273,000	84,000	26,000	27,000	27,000	28,000
10	Investment in Sewer Expansion Project	0	0	0	0	0	0
11	Intragovernmental Transfers	369,914	395,273	404,001	413,185	422,761	432,328
12	Operating Reserves - Deposits to/(Uses of)	0	0	0	0	0	0
13	Total Other Revenue Requirements	$2,050,648	$2,031,869	$2,216,144	$2,231,455	$3,108,541	$3,126,124
14	Gross Revenue Requirements	$6,075,887	$6,415,313	$6,726,593	$6,873,220	$8,161,107	$8,327,004
	Less Income and Funds from Other Sources						
15	Other Operating Revenue [5]	$45,500	$45,500	$45,500	$45,500	$45,500	$45,500
16	Other Revenues and Transfers [5]	33,250	22,500	2,500	2,500	2,500	2,500
17	Revenues from Operating Sewer Expansion Fees	0	0	0	0	0	0
18	Unrestricted Interest Income [6]	31,544	28,027	24,690	25,631	29,609	30,003
19	Sub-total Income and Funds from Other Sourtces	$110,294	$96,027	$72,690	$73,631	$77,609	$78,003
20	Net Revenue Requirements	$5,965,593	$6,319,286	$6,653,903	$6,799,589	$8,083,498	$8,249,001
	Revenue from Water Rates						
21	Existing Retail Rate Revenue [7]	$6,088,191	$6,514,364	$6,532,514	$6,550,664	$6,568,814	$6,586,964
22	Prior Year Rate Adjustments	0	0	0	131,000	265,400	403,200
23	Total Rate Revenue Before Current Year Adjustment	$6,088,191	$6,514,364	$6,532,514	$6,681,664	$6,834,214	$6,990,164
	System-wide Rate Adjustments	Implemented Rates		Adopted Rates		Projected Rates	
24	Current Year Rate Adjustment	0.00%	0.00%	2.00%	2.00%	2.00%	2.00%
	Effective Month	Oct.	Oct.	Oct.	Oct.	Oct.	Oct.
25	% of Current Year Effective	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
26	Total Revenue from Current Year Adjustments	$0	$0	$130,650	$133,633	$136,684	$139,803
27	Cumulative Rate Adjustments (Excluding Surcharges)	0.00%	0.00%	2.00%	4.04%	6.12%	8.24%
28	Total Revenue from Rates	$6,088,191	$6,514,364	$6,663,164	$6,815,297	$6,970,898	$7,129,967
29	**Projected Surplus/(Deficiency)**	$122,598	$195,078	$9,262	$15,708	($1,112,600)	($1,119,034)
30	Surplus/(Deficiency) - Percent of Rate Revenues	2.01%	2.99%	0.14%	0.23%	(15.96%)	(15.69%)

Footnotes continued on the following page.

Table 16
City of Stuart
Updated Water and Wastewater Financial Forecast

Projected Water Revenue Requirements

Footnotes:

[1] Amounts derived from Table 8.

[2] Amounts derived from Table 12.

[3] Amounts derived from Table 13.

[4] Amounts derived from Table 11 to pay for capital equipment, improvements and extensions as follows:.

	Fiscal Year Ending September 30,					
	2019	2020	2021	2022	2023	2024
Revenues to Fund Vehicles, Equipment & Other Capital Outlay	$273,000	$84,000	$26,000	$27,000	$27,000	$28,000
Revenues to other Lawful Capital Expenditures	0	0	0	0	0	0
Total Capital Funded from Rates	$273,000	$84,000	$26,000	$27,000	$27,000	$28,000

[5] Amounts based on Budget.

[6] Amounts estimated based on the cash flows anticipated for the forecast period.

[7] Amounts derived from Table 3, which includes adopted rates through FY20 that have been implemented.

Table 17
City of Stuart
Updated Water and Wastewater Financial Forecast

Projected Wastewater Revenue Requirements

Line No.	Description	Projected Fiscal Year Ending September 30, 2019	2020	2021	2022	2023	2024
1	Operating Expenses [1]	$3,090,017	$3,373,496	$3,483,498	$3,597,840	$3,716,725	$3,839,487
2	Plus Allowance for Rebate	0	0	0	0	0	0
3	Total Operating Expenses	$3,090,017	$3,373,496	$3,483,498	$3,597,840	$3,716,725	$3,839,487
	Other Revenue Requirements						
	Debt Service [2]						
4	Existing Debt Service	$931,964	$932,155	$930,797	$928,651	$931,502	$930,538
5	Proposed Debt Service	0	0	0	0	0	0
	Less:						
6	Amount Paid by Impact Fees	(178,000)	(178,000)	(178,000)	(178,000)	(178,000)	(178,000)
7	Total Debt Service	$753,964	$754,155	$752,797	$750,651	$753,502	$752,538
8	Transfer to Renewals & Replacement Fund [3]	$264,615	$281,233	$294,661	$304,548	$314,961	$325,719
9	Capital Funded from Rates [4]	30,000	589,000	26,000	27,000	27,000	28,000
10	Investment in Sewer Expansion Project from Fees	452,858	949,020	801,495	558,808	661,037	763,266
11	Intragovernmental Transfers	337,480	353,593	365,457	377,954	390,863	404,049
12	Operating Reserves - Deposits to/(Uses of)	0	0	0	0	0	0
13	Total Other Revenue Requirements	$1,838,917	$2,927,001	$2,240,410	$2,018,961	$2,147,364	$2,273,572
14	Gross Revenue Requirements	$4,928,933	$6,300,496	$5,723,907	$5,616,801	$5,864,089	$6,113,059
	Less Income and Funds from Other Sources						
15	Other Operating Revenue (Including Reclaimed Water Sales) [5]	$158,500	$185,875	$185,875	$185,875	$185,875	$185,875
16	Other Revenues and Transfers [5]	33,250	22,500	2,500	2,500	2,500	2,500
17	Revenues from Operating Sewer Expansion Fees [6]	452,858	449,020	501,495	558,808	661,037	763,266
18	Unrestricted Interest Income [7]	29,456	25,973	22,310	23,369	25,391	25,997
19	Sub-total Income and Funds from Other Sourtces	$674,064	$683,368	$712,179	$770,553	$874,803	$977,639
20	Net Revenue Requirements	$4,254,870	$5,617,128	$5,011,728	$4,846,248	$4,989,286	$5,135,420
	Revenue from Wastewater Rates						
21	Existing Retail Rate Revenue [8]	$5,436,712	$5,681,364	$5,767,419	$5,853,473	$5,939,528	$6,025,582
22	Prior Year Rate Adjustments	0	0	0	117,100	240,000	368,800
23	Total Rate Revenue Before Current Year Adjustment	$5,436,712	$5,681,364	$5,767,419	$5,970,573	$6,179,528	$6,394,382
	Current Year Rate Adjustments	Implemented Rates		Adopted Rates		Projected Rates	
24	Current Year Rate Adjustment	0.00%	0.00%	2.00%	2.00%	2.00%	2.00%
	Effective Month	Oct.	Oct.	Oct.	Oct.	Oct.	Oct.
25	% of Current Year Effective	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
26	Total Revenue from Current Year Adjustments	$0	$0	$115,348	$119,411	$123,591	$127,888
27	Cumulative Rate Adjustments (Excluding Surcharges)	0.00%	0.00%	2.00%	4.04%	6.12%	8.24%
28	Total Revenue from Rates	$5,436,712	$5,681,364	$5,882,767	$6,089,984	$6,303,119	$6,522,270
29	**Projected Surplus/(Deficiency)**	$1,181,842	$64,236	$871,040	$1,243,736	$1,313,833	$1,386,850
30	Surplus/(Deficiency) - Percent of Rate Revenues	21.74%	1.13%	14.81%	20.42%	20.84%	21.26%

Footnotes continued on the following page.

Table 17
City of Stuart
Updated Water and Wastewater Financial Forecast

Projected Wastewater Revenue Requirements

Footnotes:

[1] Amounts derived from Table 9.

[2] Amounts derived from Table 12.

[3] Amounts derived from Table 13.

[4] Amounts derived from Table 11 to pay for capital equipment, improvements and extensions as follows:.

	Fiscal Year Ending September 30,					
	2019	2020	2021	2022	2023	2024
Revenues to Fund Vehicles, Equipment & Other Capital Outlay	$30,000	$89,000	$26,000	$27,000	$27,000	$28,000
Revenues to other Lawful Capital Expenditures	0	500,000	0	0	0	0
Total Capital Funded from Rates	$30,000	$589,000	$26,000	$27,000	$27,000	$28,000

[5] Amounts based on Budget.

[6] Amounts derived from Table 1.

[7] Amounts estimated based on the cash flows anticipated for the forecast period.

[8] Amounts derived from Table 3, which includes adopted rates through FY20 that have been implemented.

Table 18
City of Stuart
Water & Wastewater Rate Study

Projected Available Fund Balances and Interest Earnings

Line No.	Description		For the Fiscal Years Ending September 30, [1] 2019	2020	2021	2022	2023	2024
	OPERATING FUND	(U)						
1	Beginning Balance		$9,752,681	$9,079,098	$6,892,079	$6,090,714	$7,350,158	$7,551,391
2	Transfers In - Rate Revenues		11,524,903	12,195,728	12,545,932	12,905,282	13,274,017	13,652,237
3	Transfers In - Other		0	0	0	0	0	0
4	Transfers Out - Net Revenue Requirements		10,220,463	11,936,414	11,665,630	11,645,837	13,072,784	13,384,421
5	Transfers Out - Capital Improvements		409,000	2,446,333	1,681,667	0	0	0
6	Transfers In (Out) - To Balance		(1,569,023)	0	0	0	0	0
7	End of Year Transfers In (Out)		0	0	0	0	0	0
8	Interest Rate		0.50%	0.50%	0.50%	0.50%	0.50%	0.50%
9	Interest Income		47,000	40,000	32,000	34,000	37,000	38,000
10	Recognition of Interest Earnings in Revenue Requirements		47,000	40,000	32,000	34,000	37,000	38,000
11	Ending Balance		$9,079,098	$6,892,079	$6,090,714	$7,350,158	$7,551,391	$7,819,207
12	Percent Allocable to Water System		52.83%	53.42%	53.11%	52.81%	52.52%	52.23%
13	Amount Allocable to Water System		$24,828	$21,366	$16,995	$17,955	$19,431	$19,846
14	Amount Allocable to Wastewater System		$22,172	$18,634	$15,005	$16,045	$17,569	$18,154
	CUSTOMER DEPOSITS	(R)						
15	Beginning Balance		$675,191	$689,153	$689,153	$689,153	$689,153	$689,153
16	Transfers In		13,962	0	0	0	0	0
17	Transfers Out		0	0	0	0	0	0
18	Interest Rate		0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
19	Interest Income		0	0	0	0	0	0
20	Recognition of Interest Earnings in Revenue Requirements		0	0	0	0	0	0
21	Ending Balance		$689,153	$689,153	$689,153	$689,153	$689,153	$689,153
22	Percent Allocable to Water System		63.18%	63.18%	63.18%	63.18%	63.18%	63.18%
23	Amount Allocable to Water System		$0	$0	$0	$0	$0	$0
24	Amount Allocable to Wastewater System		$0	$0	$0	$0	$0	$0
	SINKING FUND	(U)						
	Sinking Fund Deposit:							
25	Existing Debt		$2,040,341	$2,176,489	$2,232,310	$2,228,017	$2,233,720	$2,231,791
26	Proposed Debt		0	0	155,236	155,236	1,012,242	1,012,242
27	Average Balance		$1,020,171	$1,088,244	$1,193,773	$1,191,627	$1,622,981	$1,622,017
28	Interest Rate		0.50%	0.50%	0.50%	0.50%	0.50%	0.50%
29	Interest Income		$5,000	$5,000	$6,000	$6,000	$8,000	$8,000
30	Recognition of Interest Earnings in Revenue Requirements		5,000	5,000	6,000	6,000	8,000	8,000
31	Percent Allocable to Water System		54.32%	57.17%	61.01%	61.03%	71.30%	71.32%
32	Amount Allocable to Water System		$3,000	$3,000	$4,000	$4,000	$6,000	$6,000
33	Amount Allocable to Wastewater System		$2,000	$2,000	$2,000	$2,000	$2,000	$2,000
	RENEWAL & REPLACEMENT INVESTMENT	(U)						
34	Beginning Balance		$900,000	$900,000	$989,495	$995,550	$1,000,766	$1,004,048
35	Transfers In		563,972	589,495	624,055	641,215	659,283	678,020
36	Transfers In (Out) - To Balance		(243,972)	0	0	0	0	0
37	Transfers Out		320,000	500,000	618,000	636,000	656,000	676,000
38	Interest Rate		0.75%	0.75%	0.75%	0.75%	0.75%	0.75%
39	Interest Income		7,000	7,000	7,000	7,000	8,000	8,000
40	Recognition of Interest Earnings in Revenue Requirements		7,000	7,000	7,000	7,000	8,000	8,000
41	Ending Balance		$900,000	$989,495	$995,550	$1,000,766	$1,004,048	$1,006,068
42	Percent Allocable to Water System		53.08%	52.29%	52.78%	52.50%	52.23%	51.96%
43	Amount Allocable to Water System		$3,716	$3,660	$3,695	$3,675	$4,178	$4,157
44	Amount Allocable to Wastewater System		$3,284	$3,340	$3,305	$3,325	$3,822	$3,843

Table 18
City of Stuart
Water & Wastewater Rate Study

Projected Available Fund Balances and Interest Earnings

Line No.	Description	For the Fiscal Years Ending September 30, [1] 2019	2020	2021	2022	2023	2024
	SEWER EXPANSION CONSTRUCTION FUND (R)						
45	Beginning Balance	$610,016	$406,198	$525,218	$567,713	$343,521	$196,558
46	Transfers In - Sewer Availability Fees	0	0	0	0	0	0
47	Transfers In (Out) - To Balance	(159,676)	0	0	0	0	0
48	Transfers In - Operations (Includes Existing & Future Install	452,858	949,020	801,495	558,808	661,037	763,266
49	Transfers Out	500,000	832,000	762,000	785,000	809,000	833,000
50	Arbitrage Interest Rate	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%
51	Interest Income (3)	3,000	2,000	3,000	2,000	1,000	1,000
52	Recognition of Interest Earnings in Revenue Requirements	0	0	0	0	0	0
53	Ending Balance	$406,198	$525,218	$567,713	$343,521	$196,558	$127,824
54	Percent Allocable to Water System	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
55	Amount Allocable to Water System	$0	$0	$0	$0	$0	$0
56	Amount Allocable to Wastewater System	$3,000	$2,000	$3,000	$2,000	$1,000	$1,000
	SRF RESERVE (R)						
57	Beginning Balance	$181,838	$181,838	$181,838	$181,838	$181,838	$181,838
58	Transfers In	0	0	0	0	0	0
59	Transfers Out	0	0	0	0	0	0
60	Interest Rate	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%
61	Interest Income	2,000	2,000	2,000	2,000	2,000	2,000
62	Recognition of Interest Earnings in Revenue Requirements	2,000	2,000	2,000	2,000	2,000	2,000
63	Ending Balance	$181,838	$181,838	$181,838	$181,838	$181,838	$181,838
64	Percent Allocable to Water System	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
65	Amount Allocable to Water System	$0	$0	$0	$0	$0	$0
66	Amount Allocable to Wastewater System	$2,000	$2,000	$2,000	$2,000	$2,000	$2,000
	WATER AVAILABILTY FEES (R)						
67	Beginning Balance	$2,074,087	$2,340,890	$1,430,387	$1,542,037	$1,654,687	$1,768,337
68	Transfers In	96,650	96,650	96,650	96,650	96,650	96,650
69	Transfers Out	150,000	728,000	0	0	0	0
70	Transfers In (Out) - Estimated Carryover	298,153	(298,153)	0	0	0	0
71	Interest Rate	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%
72	Interest Income	22,000	19,000	15,000	16,000	17,000	18,000
73	Recognition of Interest Earnings in Revenue Requirements	0	0	0	0	0	0
74	Ending Balance	$2,340,890	$1,430,387	$1,542,037	$1,654,687	$1,768,337	$1,882,987
75	Percent Allocable to Water System	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
76	Amount Allocable to Water System	$22,000	$19,000	$15,000	$16,000	$17,000	$18,000
77	Amount Allocable to Wastewater System	$0	$0	$0	$0	$0	$0
	SEWER AVAILABILTY FEES (R)						
78	Beginning Balance	$293,815	$462,313	$428,137	$522,746	$625,270	$759,753
79	Transfers In	104,600	104,600	104,600	104,600	104,600	104,600
80	Transfers In - Other	0	0	0	0	0	0
81	Transfers In - Sewer Expansion Fees (Existing & Future)	137,142	135,980	163,009	169,924	200,883	231,842
82	Transfers Out	178,000	178,000	178,000	178,000	178,000	178,000
83	Transfer Out - Sewer Expansion Project	0	0	0	0	0	0
84	Transfers Out - Sewer Incentive Credits	0	0	0	0	0	0
85	Transfers In (Out) - Estimated Carryover	100,756	(100,756)	0	0	0	0
86	Interest Rate	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%
87	Interest Income	4,000	4,000	5,000	6,000	7,000	8,000
88	Recognition of Interest Earnings in Revenue Requirements	0	0	0	0	0	0
89	Ending Balance	$462,313	$428,137	$522,746	$625,270	$759,753	$926,195
90	Percent Allocable to Water System	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
91	Amount Allocable to Water System	0	0	0	0	0	0
92	Amount Allocable to Wastewater System	4,000	4,000	5,000	6,000	7,000	8,000

Table 18
City of Stuart
Water & Wastewater Rate Study

Projected Available Fund Balances and Interest Earnings

Line No.	Description	For the Fiscal Years Ending September 30, [1] 2019	2020	2021	2022	2023	2024
	INTEREST INCOME						
	Unrestricted						
93	Water System	$31,544	$28,027	$24,690	$25,631	$29,609	$30,003
94	Wastewater System	29,456	25,973	22,310	23,369	25,391	25,997
95	Total	$61,000	$54,000	$47,000	$49,000	$55,000	$56,000
	Availability Fees						
96	Water System	$22,000	$19,000	$15,000	$16,000	$17,000	$18,000
97	Wastewater System	4,000	4,000	5,000	6,000	7,000	8,000
98	Total	$26,000	$23,000	$20,000	$22,000	$24,000	$26,000
	Sewer Expansion Construction Fund						
99	Water System	$0	$0	$0	$0	$0	$0
100	Wastewater System	3,000	2,000	3,000	2,000	1,000	1,000
101	Total	$3,000	$2,000	$3,000	$2,000	$1,000	$1,000
	TOTAL INTEREST INCOME						
102	Water System	$53,544	$47,027	$39,690	$41,631	$46,609	$48,003
103	Wastewater System	36,456	31,973	30,310	31,369	33,391	34,997
104	Total	$90,000	$79,000	$70,000	$73,000	$80,000	$83,000

Notes:
[1] (U) = Interest Earnings unrestricted, assumed available to meet system expenditure requirements
(R) = Interest Earnings restricted, assumed not available to meet system expenditure requirements

	$90,000	$79,000	$70,000	$73,000	$80,000	$83,000

	Audit	Preliminary	
Total Above	$14,487,628	$14,059,490	
Sinking Fund	$174,857	$176,183	
Total	$14,662,485	$14,235,673	
Balance Sheet	$14,662,485	$14,235,673	<= Reconciled 11/03/2019, MMH
Reconciled	$0	$0	

Table 19
City of Stuart
Updated Water and Wastewater Financial Forecast

Projected Debt Service Coverage

Line No.	Description	Fiscal Year Ending September 30, [1] 2019	2020	2021	2022	2023	2024
	PROJECTED NET REVENUES						
	Gross Revenues						
	Sales Revenues						
1	Water - Existing Rate Revenues	$6,088,191	$6,514,364	$6,532,514	$6,550,664	$6,568,814	$6,586,964
2	Wastewater - Existing Rate Revenues	5,436,712	5,681,364	5,767,419	5,853,473	5,939,528	6,025,582
3	Additional Rate Revenues - Water System	0	0	130,650	264,633	402,084	543,003
4	Additional Rate Revenues - Wastewater System	0	0	115,348	236,511	363,591	496,688
5	Total	$11,524,903	$12,195,728	$12,545,932	$12,905,282	$13,274,017	$13,652,237
6	Other Operating Revenue	204,000	231,375	231,375	231,375	231,375	231,375
7	Unrestricted Interest Income	61,000	54,000	47,000	49,000	55,000	56,000
8	Total Gross Revenues (Excluding Operating Sewer Expansion Fee	$11,789,903	$12,481,103	$12,824,307	$13,185,657	$13,560,392	$13,939,612
	Operating Expenses						
9	Water System	$4,025,239	$4,383,443	$4,510,448	$4,641,764	$5,052,566	$5,200,880
10	Wastewater System	3,090,017	3,373,496	3,483,498	3,597,840	3,716,725	3,839,487
11	Plus Allowance for Rebate	0	0	0	0	0	0
12	Less Contra Expense	(50,500)	(40,000)	0	0	0	0
13	Total Operating Expenses	$7,064,756	$7,716,939	$7,993,946	$8,239,605	$8,769,291	$9,040,367
14	**Net Revenues (Excluding Operating Sewer Expansion Fees)**	$4,725,147	$4,764,164	$4,830,361	$4,946,052	$4,791,101	$4,899,245
15	Operating Sewer Expansion Fees Revenues	$452,858	$449,020	$501,495	$558,808	$661,037	$763,266
16	**Net Revenues (Including Operating Sewer Expansion Fees)**	$5,178,005	$5,213,184	$5,331,855	$5,504,861	$5,452,138	$5,662,511
17	**Total System Debt Service (Senior & Junior Lien Debt)**	$2,040,341	$2,176,489	$2,387,546	$2,383,253	$3,245,961	$3,244,033

Table 19
City of Stuart
Updated Water and Wastewater Financial Forecast

Projected Debt Service Coverage

Line No.	Description	Fiscal Year Ending September 30, [1] 2019	2020	2021	2022	2023	2024
	Projected Debt Service Coverage (Senior & Junior Lien Debt)						
	Excluding Operating Sewer Expansion Fees Revenues						
18	Coverage - Calculated	232%	219%	202%	208%	148%	151%
	Including Operating Sewer Expansion Fees Revenues						
19	Coverage - Calculated	254%	240%	223%	231%	168%	175%
	Projected Debt Service Coverage (Senior Lien Debt Only) [2]						
	Senior Lien Debt Service						
20	Series 2003 Bonds (Unrefunded)	$0	$0	$0	$0	$0	$0
21	Series 2006 Refunding Notes	342,426	343,289	343,378	343,254	948,090	946,382
22	Series 2007A Refunding Notes	785,938	785,080	783,083	778,883	178,902	179,041
23	Series 2011 Refunding Notes	379,455	379,832	379,025	379,057	379,904	379,544
24	Total Senior Lien Debt Service	$1,507,819	$1,508,201	$1,505,486	$1,501,193	$1,506,896	$1,504,967
	Excluding Operating Sewer Expansion Fees Revenues						
25	Coverage - Calculated	313%	316%	321%	329%	318%	326%
26	Coverage - Minimum Required	110%	110%	110%	110%	110%	110%
	Including Operating Sewer Expansion Fees Revenues						
27	Coverage - Calculated	343%	346%	354%	367%	362%	376%
28	Coverage - Minimum Required	110%	110%	110%	110%	110%	110%

Table 19
City of Stuart
Updated Water and Wastewater Financial Forecast

Projected Debt Service Coverage

Line No.	Description	Fiscal Year Ending September 30, [1] 2019	2020	2021	2022	2023	2024
	Projected Debt Service Coverage (Junior Lien Debt Only) [3]						
29	Total Senior Lien Debt Service (Including Coverage)	$1,658,601	$1,659,021	$1,656,035	$1,651,313	$1,657,585	$1,655,464
30	Plus Availability Fee Revenues (Including Interest Income)	$364,392	$360,230	$384,259	$393,174	$426,133	$459,092
31	**Net Revenues (Excluding Operating Sewer Expansion Fees)**	$3,430,939	$3,465,373	$3,558,585	$3,687,914	$3,559,648	$3,702,873
32	**Net Revenues (Including Operating Sewer Expansion Fees)**	$3,883,797	$3,914,393	$4,060,079	$4,246,722	$4,220,686	$4,466,139
	Junior Lien Debt Service (SRF Loans)						
33	SRF WW 430400 (Reclaimed Water Transmission Main)	$178,054	$178,054	$178,054	$178,054	$178,054	$178,054
34	SRF DW 430410 (Water Line and Meter Replacements)	354,468	354,468	354,468	354,468	354,468	354,468
35	SRF DW 430420 (Water System Anion Exchange)	0	106,498	106,498	106,498	106,498	106,498
36	SRF DW 430430 (Eng. & Design Water RO Phase 1) - Estimated	0	29,268	87,804	87,804	87,804	87,804
37	Debt Proceeds (Anticipated) - Floridan Aquifer Test Well FA-1	0	0	155,236	155,236	155,236	155,236
38	Debt Proceeds (Anticipated) - RO Construction Phase 1	0	0	0	0	857,006	857,006
39	Debt Proceeds (Anticipated) - Future Debt Other Capital	0	0	0	0	0	0
40	Debt Proceeds (Anticipated) - Future Debt Other Capital	0	0	0	0	0	0
41	Debt Proceeds (Anticipated) - Future Debt Other Capital	0	0	0	0	0	0
42	Total Junior Lien Debt Service	$532,522	$668,288	$882,060	$882,060	$1,739,066	$1,739,066
	Excluding Operating Sewer Expansion Fees Revenues						
43	Coverage - Calculated	644%	519%	403%	418%	205%	213%
44	Coverage - Minimum Required	115%	115%	115%	115%	115%	115%
	Including Operating Sewer Expansion Fees Revenues						
45	Coverage - Calculated	729%	586%	460%	481%	243%	257%
46	Coverage - Minimum Required	115%	115%	115%	115%	115%	115%

Table 19
City of Stuart
Updated Water and Wastewater Financial Forecast

Projected Debt Service Coverage

Line No.	Description	Fiscal Year Ending September 30, [1] 2019	2020	2021	2022	2023	2024
	OTHER LAWFUL SOURCES AND USES OF FUNDS						
	Sources of Cash						
47	Other Revenues and Transfers	$16,000	$5,000	$5,000	$5,000	$5,000	$5,000
	Operating Sewer Expansion Fees Revenues	452,858	449,020	501,495	558,808	661,037	763,266
48	Availability Fees used to Pay Debt Service	178,000	178,000	178,000	178,000	178,000	178,000
49	Total Sources of Cash	$646,858	$632,020	$684,495	$741,808	$844,037	$946,266
	Uses of cash						
50	Transfer to Renewals and Replacements Fund	$563,972	$589,495	$624,055	$641,215	$659,283	$678,020
51	Capital Funded from Rates	303,000	673,000	52,000	54,000	54,000	56,000
52	Intragovernmental Transfers	452,858	949,020	801,495	558,808	661,037	763,266
53	Investment in Sewer Expansion Project	707,394	748,866	769,458	791,139	813,624	836,377
54	Total Uses of Cash	$2,027,224	$2,960,381	$2,247,008	$2,045,163	$2,187,944	$2,333,663
	NET CASH FLOW						
55	Net Revenues Available for Debt Service	$4,725,147	$4,764,164	$4,830,361	$4,946,052	$4,791,101	$4,899,245
56	Less Annual Debt Service Payments	(2,040,341)	(2,176,489)	(2,387,546)	(2,383,253)	(3,245,961)	(3,244,033)
57	Net Amount Available from Rates for Other Purposes	$2,684,806	$2,587,675	$2,442,815	$2,562,799	$1,545,139	$1,655,212
58	Plus Other Sources of Cash	646,858	632,020	684,495	741,808	844,037	946,266
59	Less Other Uses of Cash	(2,027,224)	(2,960,381)	(2,247,008)	(2,045,163)	(2,187,944)	(2,333,663)
60	Total Net Cash Flow - Increases to Cash (Decreases to Cash)	$1,304,440	$259,314	$880,301	$1,259,445	$201,233	$267,816

Footnotes:

[1] Amounts derived from Table 15.
[2] As required by the bond resolution.
[3] As required by the SRF Loan Agreement.